

Taza AI Summary: Kroger

Taza's Scout AI has analyzed Kroger according to each of the Net Positive attributes. This consisted of:

- 608 Google searches
- 623 unique web pages analyzed
- 1543 total analyses performed
- 539 analyses yielding relevant information
- 254 total relevant web pages and PDFs found

Category: Soul

Indicator: Active Leadership Engagement in Sustainability Initiatives

Attribute: Empathy

Measurement Guidance

Does the Board and Executive Leadership (BEL) display empathy? (interpersonal reactivity - active listening, responds to questions based on their ability to understand others)

Advocate

Kroger's Board and Executive Leadership (BEL) have demonstrated empathy through various initiatives aimed at understanding and addressing the needs of their associates and communities. Following the civil unrest after George Floyd's death, Kroger's leadership engaged in active listening by hosting Listening Sessions with over 100 Black associates and nearly 40 executives to understand personal struggles and needs. They also participated in community dialogues, such as the #OnlineProtest with Dr. Bernice King, and used feedback from associate surveys to develop a "Framework for Action" to advance racial equity (prdaily.com).

Additionally, Kroger's commitment to diversity, equity, and inclusion (DE&I) is evident through the establishment of a DE&I Advisory Council, with leaders like Monica Garnes and Kevin Lindsay emphasizing the importance of diverse perspectives and empathy in leadership. Amy Wang highlights the significance of active listening and inclusivity in decision-making, further indicating that Kroger's BEL actively engages in initiatives that promote understanding and inclusivity within the organization (thekrogerco.com).

Adversary

Kroger's Board and Executive Leadership (BEL) have faced significant criticism for their lack of empathy, particularly in terms of active listening and understanding stakeholders' concerns. The resignation of CEO Rodney McMullen following an ethics investigation highlights potential deficiencies in leadership's ability to address ethical concerns empathetically, as it required external intervention (idahobusinessreview.com). Additionally, the rejection of a proposed contract by Indiana workers, due to minimal wage increases and unfavorable changes, underscores a disconnect between leadership and employees, suggesting a failure to listen and respond to workforce needs (labornotes.org).

Further issues are evident in Kroger's handling of a legal dispute with singer Jewel, where the company's unilateral actions and lack of response to direct outreach indicate a deficiency in understanding and maintaining collaborative relationships (fortune.com). The leadership's focus on strategic refocusing and shareholder satisfaction, amidst a failed merger and subsequent lawsuits, may overshadow the need for empathetic practices that prioritize stakeholder well-being (corporatecomplianceinsights.com). Moreover, the executive shuffle without addressing core issues like understaffing and safety concerns further demonstrates a lack of empathetic engagement with employees, affecting the company's ability to align with sustainability goals (ufcw7.org).

Attribute: Courage

Measurement Guidance

Does the BEL have track-records of decision-making at varied risk levels, stories of demonstrated courage?

Advocate

Kroger CEO Rodney McMullen has shown courage in leadership by committing to the ambitious \$900 million "Restock" program, which aims to transform Kroger from a traditional grocery company into a growth-oriented enterprise. McMullen's strategic decisions include forming partnerships with Microsoft and Walgreens to enhance customer experience and expand market reach, as well as disrupting the \$10 billion CPG ad industry through innovative technologies and initiatives (supermarketnews.com). However, while Kroger has set aggressive climate and packaging goals, there is no specific evidence in the documents of the Board and Executive Leadership's track record of decision-making at varied risk levels or stories of demonstrated courage related to these sustainability initiatives (environmentenergyleader.com).

Adversary

Kroger's leadership has faced criticism for lacking courage in decision-making, particularly in their environmental and social governance strategies. The decision to ban plastic bags has been viewed as a superficial move prioritizing public relations over genuine environmental impact, suggesting a reluctance to make riskier, more effective environmental choices (investors.com). Additionally, the resignation of CEO Rodney McMullen amid a misconduct investigation highlights a failure in maintaining ethical standards, raising concerns about the board's ability to make courageous decisions at varied risk levels (theherdigest.com). Furthermore, Kroger's removal of the DEI section from its report, citing sustainability risks, indicates a retreat from previous commitments and a prioritization of avoiding controversy over maintaining progressive initiatives, reflecting a reactive approach to leadership challenges (bloomberglaw.com).

Attribute: Integrity

Measurement Guidance

Adherence to ethical principles, honesty, reliability, consistency in making moral & ethical decisions, are there whistleblower hotlines, ethics certifications?

Advocate

Kroger demonstrates a commitment to integrity through its comprehensive social compliance program and Policy on Business Ethics, which emphasize adherence to ethical principles, transparency, and the prohibition of bribery (thekrogerco.com). The company employs third-party audits to ensure compliance and mandates the use of worker voice mechanisms to address grievances. Kroger's policies include a whistleblower hotline for reporting violations, allowing for anonymous submissions, and require annual certification of ethical conduct by associates (thekrogerco.com).

The recent resignation of Kroger's CEO, Rodney McMullen, following an ethics policy violation unrelated to business operations, underscores the company's commitment to maintaining ethical standards and addressing breaches promptly (supermarketperimeter.com). Kroger's board took swift action by appointing an interim CEO and forming a search committee for a new leader, reflecting the company's mechanisms for upholding integrity (dallaswhistleblawyer.com). Additionally, Kroger has established mechanisms for shareholders to report concerns, which are investigated by the Vice President of Auditing and reported to the Audit Committee (thekrogerco.com).

Adversary

Kroger's integrity has been called into question following the resignation of CEO Rodney McMullen due to personal conduct inconsistent with the company's ethics policy. This incident, although unrelated to business operations or financial performance, raises

concerns about the adherence to ethical principles and consistency in decision-making at the leadership level (abc27.com, npr.org, cnn.com, grocerydive.com). Additionally, Kroger has faced criticism for ethical challenges in its supply chain, including labor violations and links to human trafficking, suggesting a need for stronger ethical standards and oversight (stopmodernslavery.org).

Customer reviews on Trustpilot also highlight issues such as bait-and-switch billing practices, misleading pricing tactics, and potential discriminatory hiring practices, which further question Kroger's consistency in ethical decision-making and reliability (trustpilot.com). While Kroger has policies in place, such as a business ethics policy and a vendor code of conduct, the lack of transparency and measurable outcomes in addressing these issues may undermine stakeholder trust in the company's commitment to ethical integrity (thekrogerco.com, thekrogerco.com).

Attribute: Humility

Measurement Guidance

BEL's ability to acknowledge organizational limitations, cognitive flexibility, openness to feedback, contribution to fostering positive and collaborative work environment, accountability of environmental and social impacts.

Advocate

Kroger's 2024 ESG Report outlines the company's efforts to operationalize sustainability goals through accountable executive leadership and a dedicated team led by the chief sustainability officer. The report emphasizes transparency, accountability, and continuous improvement, with a focus on stakeholder engagement and feedback mechanisms to refine strategies (thekrogerco.com). However, criticisms from another document highlight Kroger's limited deforestation commitments and continued sourcing from environmentally damaging suppliers, suggesting a gap in acknowledging organizational limitations and the broader impacts of its supply chain. This indicates a need for Kroger to expand its policies and demonstrate greater accountability and openness to feedback (worldanimalprotection.us).

Adversary

Kroger's performance on the "HUMILITY" attribute is criticized for its lack of transparency and genuine engagement in acknowledging organizational limitations and fostering a collaborative work environment. The 2024 ESG Report fails to provide specific details on the Board and Executive Leadership's openness to feedback and accountability for environmental and social impacts, which is crucial for evaluating humility (thekrogerco.com). Employee dissatisfaction with the Associate Insight Survey suggests that leadership may not be effectively demonstrating cognitive flexibility or a

genuine commitment to addressing workforce concerns (krogerforum.activeboard.com). Additionally, Kroger's limited focus on deforestation and continued sourcing from companies involved in illegal deforestation indicate a lack of accountability and openness to feedback regarding environmental impacts (worldanimalprotection.us). The company's inadequate response to the issue of hydrofluorocarbons in its refrigeration systems further highlights a deficiency in acknowledging organizational limitations and a reluctance to be accountable for environmental impacts (greenamerica.org).

Attribute: Net Positive Budget

Measurement Guidance

Is there budget committed to all ESG/ sustainability and regenerative initiatives?

Advocate

no relevant information

Adversary

Kroger's 2023 ESG report highlights progress in specific initiatives like Zero Hunger | Zero Waste but lacks detailed budget allocation for all ESG/sustainability and regenerative initiatives, which is essential for assessing the "NET POSITIVE BUDGET" attribute (ir.kroger.com). Additionally, a report by Mighty Earth criticizes Kroger for not setting specific methane reduction targets or disclosing methane emissions separately, indicating insufficient budget allocation towards comprehensive ESG initiatives. This lack of transparency and targeted action, particularly in emissions reporting and climate accountability, suggests a potential shortfall in Kroger's financial commitment to fully addressing its environmental impact (mightyearth.org).

Attribute: Environmental Stewardship

Measurement Guidance

Do the projects and initiatives promote/ accelerate regenerative goals? (ecosystem health, community well being, circularity, regenerative design thinking, water stewardship, regenerative agriculture, etc.)

Advocate

Kroger has demonstrated a strong commitment to environmental stewardship through various initiatives aimed at promoting regenerative goals. The company has made significant progress in recycling and upcycling, notably recycling 1 million pieces of flexible plastic packaging and introducing upcycled-ingredient products (grocerydive.com). Kroger's "Zero Hunger | Zero Waste" initiative focuses on reducing

food waste, optimizing water use, and sustainable sourcing, with collaborations to track and reduce its food waste footprint (the Kroger Co. Foundation report). Additionally, Kroger has set goals for its fresh produce supply chain to adopt Integrated Pest Management practices to protect biodiversity and pollinators, reflecting its commitment to sustainable agriculture (ir.kroger.com).

Kroger's 2024 ESG Report highlights an 82% waste diversion rate and significant reductions in food waste, alongside sustainable sourcing efforts, including a 96% alignment of seafood volumes with sustainability goals (the Kroger Co. Foundation report). The 2019 ESG Report also underscores Kroger's dedication to waste management and sustainable sourcing, with a 76% diversion rate from landfills and commitments to sustainable seafood and cage-free eggs (the Kroger Co. Foundation report). These efforts collectively demonstrate Kroger's active engagement in enhancing ecosystem health, community well-being, and circularity.

Adversary

Kroger's performance on the "ENVIRONMENTAL STEWARDSHIP" Net Positive attribute appears to have several shortcomings. The 2023 Kroger Co. Foundation report indicates a limited financial commitment to sustainability initiatives, with only \$210,000 allocated, which may not be adequate for promoting regenerative goals like ecosystem health and regenerative agriculture (the Kroger Co. Foundation report). The 2024 ESG Report highlights challenges in waste management, with an 8% increase in food waste and a 9.1% rise in market-based Scope 2 emissions, suggesting setbacks in energy management (the Kroger Co. Foundation report). Furthermore, the 2019 ESG Report lacks specific details on leadership-driven projects that focus on regenerative design thinking or water stewardship, and it does not provide comprehensive evidence of efforts to accelerate regenerative goals (the Kroger Co. Foundation report). Overall, these reports suggest that Kroger's environmental stewardship efforts may not fully align with the Net Positive attribute of promoting and accelerating regenerative goals.

Indicator: Effective Partnerships for Sustainable Impact

Attribute: Ecological Restoration

Measurement Guidance

Organization has partnerships that directly drive ecological restoration?

Advocate

Kroger has demonstrated its commitment to ecological restoration through various partnerships and initiatives. The company has collaborated with the Arbor Day Foundation to replace tree canopies in communities affected by extreme weather, distributing trees to combat the impacts of natural disasters (thekrogercozerohungerzerowastefoundation.com). Additionally, Kroger's Zero Hunger | Zero Waste commitments have led to a 15.2% reduction in greenhouse gas emissions and a 9% reduction in food waste, alongside achieving 82% waste diversion from landfills and sourcing 95% of wild-caught seafood sustainably (prnewswire.com). Furthermore, Kroger's long-standing partnership with the World Wildlife Fund focuses on environmental sustainability, including seafood sustainability and food waste reduction, with initiatives like fundraising campaigns to support conservation programs (worldwildlife.org).

Adversary

Kroger's performance on the "ECOLOGICAL RESTORATION" attribute is criticized for its inadequate approach to managing deforestation risk and lack of partnerships that directly drive ecological restoration. The company has not committed to major deforestation initiatives like the New York Declaration on Forests, which indicates a deficiency in forming effective partnerships for ecological restoration (seventhgenerationinterfaith.org). Additionally, Kroger's limited deforestation commitment only covers a few commodities, neglecting the environmental impact of other animal products, and its continued sourcing from companies involved in illegal deforestation further undermines its sustainability claims (worldanimalprotection.us). These criticisms suggest that Kroger's efforts and partnerships may not effectively contribute to ecological restoration, as they fail to address the full scope of its supply chain's environmental impact.

Attribute: Social Restoration Measurement Guidance

Organization has partnerships that directly drive social restoration?

Advocate

Kroger has demonstrated a strong commitment to social restoration through various partnerships and initiatives. The company collaborates with organizations like LISC to support food entrepreneurs in underserved communities, providing financial aid and resources to enhance economic opportunities (lisc.org). Kroger's Zero Hunger | Zero Waste initiative has directed billions of meals to communities and collaborates with nonprofits to address food insecurity and waste, reflecting its dedication to sustainable change (thekrogerco.com).

Additionally, Kroger's Framework for Action: Diversity, Equity, and Inclusion plan includes partnerships to advance racial equity and support diverse communities, with significant investments in the Racial Equity Fund (ir.kroger.com). The Kroger Co. Foundation's 2023 report highlights grants to non-profits focused on building equitable communities and educational opportunities for students from HBCUs (thekrogerco.com). These efforts, along with partnerships supporting digital skills and food security for the Hispanic community, underscore Kroger's strategic focus on social restoration (thekrogerco.com).

Adversary

Kroger has faced criticism for its repeated links to modern slavery within its supply chain, notably through its connection to the "Blooming Onion" human trafficking ring and other forced labor incidents in produce sourcing. Despite these serious issues, Kroger has not joined the Fair Food Program, a well-regarded initiative aimed at preventing forced labor and safeguarding human rights in supply chains. This ongoing association with forced labor and the company's reluctance to adopt effective solutions like the Fair Food Program indicate a significant shortfall in Kroger's commitment to social restoration through effective partnerships (business-humanrights.org).

Attribute: System Change

Measurement Guidance

Organization has partnerships that directly drive systems change?

Advocate

Kroger's Zero Hunger | Zero Waste initiative exemplifies its commitment to partnerships that drive systems change by collaborating with organizations like Feeding America and the World Wildlife Fund (WWF). These partnerships focus on redistributing surplus food and reducing food waste, with the Zero Hunger | Zero Waste Foundation investing in entrepreneurs and innovators to tackle food security and waste challenges (thekrogerco.com). Kroger's collaboration with WWF spans fifteen years, focusing on seafood sustainability and food waste, and includes initiatives like a fundraising campaign to support conservation programs, indicating a commitment to transforming food systems into more sustainable solutions (worldwildlife.org).

Additionally, Kroger's partnership with WWF to develop a food waste prevention and recovery curriculum for K-12 students aims to educate about responsible food practices, driving systems change in food conservation education (ir.kroger.com). However, while Kroger's initiative to phase out single-use plastic bags involves collaboration with NGOs and community partners, the document does not provide specific information on

partnerships that directly drive systems change as defined by the attribute (thekrogerco.com).

Adversary

Kroger's performance on the "SYSTEM CHANGE" Net Positive attribute is criticized for its limited commitment to eliminating deforestation, as it excludes significant contributors like chicken and pig suppliers, which undermines its potential for driving systemic environmental change (worldanimalprotection.us). The company's continued sourcing from companies like JBS, known for illegal deforestation and high CO2 emissions, contradicts its sustainability claims and fails to support transformative partnerships for systemic change (worldanimalprotection.us). Additionally, Kroger lacks a clear goal to reduce meat sales, which is crucial for addressing the environmental impact of factory farming, indicating that its current partnerships and policies are insufficient for achieving meaningful systems change in sustainability (worldanimalprotection.us).

Attribute: Policy Influence

Measurement Guidance

Organization has partnerships that influence policy changes?

Advocate

Kroger has engaged in several partnerships that demonstrate its influence on policy changes related to sustainability and environmental conservation. Through its collaboration with the World Wildlife Fund (WWF), Kroger has advanced conservation and sustainability efforts, particularly in seafood sustainability, by setting credible goals and inspiring industry-wide adoption of similar models (thepacker.com, seafoodsustainability.org). Additionally, Kroger's Zero Hunger | Zero Waste initiative supports public policy and legislative solutions to improve food access and create infrastructure for a zero-waste future, reflecting its strategy to drive systemic change in the food system (thekrogerco.com).

Kroger's partnership with Divert Inc. to achieve food waste recycling goals further exemplifies its influence on policy and practice in sustainability (thepacker.com). Moreover, Kroger's participation in the Science Based Targets Network's Oceans Hub highlights its commitment to creating a roadmap for integrated action on nature and climate, contributing to systemic changes in the seafood sector and supporting the restoration of ocean ecosystems (seafoodsustainability.org).

Adversary

No relevant information was found for this attribute

Attribute: Partner Commitment

Measurement Guidance

Partnerships adhere to Net Positive principles

Advocate

Kroger has shown a strong commitment to sustainability through its long-term partnership with the World Wildlife Fund (WWF), focusing on seafood sustainability and food waste reduction. This collaboration involves setting credible goals, tracking progress, and identifying improvement opportunities, with achievements such as sourcing 95% of wild-caught seafood sustainably (seafoodsustainability.org).

Additionally, Kroger's Zero Hunger | Zero Waste initiative partners with organizations like Feeding America and WWF to address food waste and hunger, although explicit adherence to Net Positive principles is not mentioned (thekrogerco.com).

Kroger's new sustainability goal for its produce supply chain, developed with the Sustainable Food Group, requires suppliers to adopt Integrated Pest Management practices, reflecting a commitment to biodiversity and sustainable food systems (ir.kroger.com). Furthermore, Kroger's Earth Month fundraising campaign with WWF, where customer donations support conservation programs, exemplifies their dedication to environmental sustainability and conservation efforts (worldwildlife.org).

Adversary

No relevant information was found for this attribute

Indicator: Public Advocacy and Support for Net Positive

Attribute: Advocacy

Measurement Guidance

Do defined advocacy goals include industry, policy influence, resilience goals, etc.?

Advocate

Kroger has demonstrated a commitment to public advocacy through various initiatives aimed at promoting sustainability and influencing industry standards. As part of its Zero Hunger | Zero Waste initiative, Kroger supports public policy and legislative solutions to improve food access and create infrastructure for a zero-waste future, collaborating with organizations like the World Wildlife Fund to reduce its food waste footprint (thekrogerco.com). In the seafood sector, Kroger has partnered with the World Wildlife

Fund to advance seafood sustainability, setting and achieving targets for responsible sourcing and influencing industry standards (seafoodsustainability.org).

However, criticisms have been raised regarding Kroger's limited advocacy goals in addressing its environmental impact, particularly concerning deforestation and climate change. The company has been criticized for focusing only on a few commodities and not addressing significant contributors to deforestation, such as chicken and pig suppliers, and for lacking a clear goal to reduce meat sales (worldanimalprotection.us). Despite these criticisms, Kroger's efforts in promoting sustainable agriculture through initiatives like Integrated Pest Management for produce suppliers reflect its broader commitment to sustainability and resource conservation (supplychaindive.com).

Adversary

Kroger's performance on the "ADVOCACY" attribute has been criticized for its lack of comprehensive public commitment to environmentally friendly practices, such as the full adoption of natural refrigerants across all stores. The company has not set a timeline for phasing out harmful HFCs, lagging behind competitors like Aldi and Whole Foods, which have more aggressive plans. This suggests that Kroger's advocacy goals may not be sufficiently defined to influence broader industry change or policy (greenamerica.org).

Additionally, Kroger faces criticism for its inadequate labor protections and climate risk management in its supply chain. Despite pressure from farmworkers and investors, Kroger has not joined the Fair Food Program, and its supplier policies are seen as vague and lacking binding obligations. The company's reliance on social audits and voluntary self-assessments is viewed as ineffective, and a shareholder proposal for a "just transition" report was rejected, indicating a lack of commitment to these advocacy goals (civileats.com).

Attribute: Communication Measurement Guidance

Are messages tailored to resonate with different stakeholder values, concerns and perspectives?

Advocate

Kroger's 2020 Environmental, Social, and Governance (ESG) Report emphasizes the company's efforts to tailor its communication to resonate with different stakeholder values, concerns, and perspectives. The report is shaped by an updated materiality assessment, which identifies the ESG topics most meaningful to Kroger's key

stakeholders, ensuring that communication aligns with stakeholder priorities (ir.kroger.com).

Additionally, Kroger's "Framework for Action: Diversity, Equity & Inclusion" plan highlights a commitment to tailoring communication to resonate with diverse stakeholder values and concerns. This includes creating a DE&I Advisory Council, providing unconscious bias training, and engaging in virtual listening sessions to ensure communication strategies are inclusive and reflective of stakeholder perspectives. The "Fresh for Everyone" campaign further demonstrates Kroger's effort to resonate with diverse customers by redefining advertising and expanding partnerships with media and influencers that reflect its diverse customer base (prnewswire.com).

Adversary

Kroger has faced challenges in tailoring its communication to resonate with different stakeholder values, concerns, and perspectives. The integration of communication professionals into the investor relations team, which shifted focus to financial expertise, initially led to potential misalignment in messaging (prdaily.com). Additionally, Kroger's reliance on a "one source of truth" approach for press releases may oversimplify complex issues, failing to address the nuanced concerns of diverse stakeholders (prdaily.com).

Attribute: Coalition

Measurement Guidance

Are advocacy partnerships setup, are strategic alliances forged w/ influencers, experts, are there goals for grassroots mobilization, collaborations w/ like-minded organizations and community groups?

Advocate

Kroger has actively engaged in advocacy partnerships and collaborations with like-minded organizations and community groups, particularly through its Zero Hunger | Zero Waste initiative. The company works with organizations such as Feeding America, No Kid Hungry, and the American Red Cross to address hunger and waste issues, and its Zero Hunger | Zero Waste Foundation supports innovation in food systems by providing grants to aligned organizations (thekrogerco.com). The foundation also collaborates with national nonprofit organizations like the Recycling Partnership and participates in collective action through events such as the National STEM Festival and support for the World Wildlife Fund (thekrogercozerohungerzerowastefoundation.com).

Additionally, Kroger's involvement in the Fresh Savings program, in collaboration with the AARP Foundation and other partners, aimed to increase the purchase and

consumption of fresh fruits and vegetables by SNAP recipients. This initiative involved partnerships with state SNAP agencies, agriculture and aging agencies, extension services, and community-based organizations, highlighting the collaborative nature of the program (portal.nifa.usda.gov).

Adversary

Kroger has faced criticism for its lack of strategic alliances and advocacy partnerships, particularly in the context of its acquisition of Albertsons, which has been opposed by a coalition of food access and community groups due to concerns over food security and economic instability (northwestharvest.org). Additionally, Kroger's association with suppliers involved in human trafficking and its failure to join the Fair Food Program highlight deficiencies in its coalition-building efforts and commitment to human rights in supply chains (business-humanrights.org; truthout.org).

Furthermore, Kroger's actions perceived as union-busting, such as opening non-union stores in Virginia, have been met with strong opposition from union members, suggesting a prioritization of profit over fostering positive coalitions with community groups (kellyhost.com). These issues collectively indicate a shortfall in Kroger's efforts to engage in public advocacy and support Net Positive practices through effective coalition-building.

Attribute: Defined Metrics

Measurement Guidance

Are there established metrics/ indicators that assess the effectiveness of the reach and exposure, changes in public opinion, policy outcomes, community engagement levels, etc.?

Advocate

no relevant information

Adversary

Kroger's 2019 Environmental, Social & Governance (ESG) Report and the 2022 ESG report both lack specific metrics or indicators to assess the effectiveness of their public advocacy reach and exposure, changes in public opinion, policy outcomes, or community engagement levels. While these reports detail various sustainability initiatives and achievements, they do not provide a clear framework or established metrics to evaluate the impact of their advocacy efforts on public opinion or policy changes (thekrogerco.com, ir.kroger.com). This omission could be misleading, as it suggests that while Kroger is active in sustainability efforts, it does not systematically

measure or report on the broader impact of its advocacy initiatives, which is crucial for understanding the effectiveness and reach of their Net Positive practices.

Attribute: Transparency

Measurement Guidance

Are intentions, objectives, and any affiliations clearly communicated to (to build trust) stakeholders/ target audience?

Advocate

The summaries indicate that Kroger has made efforts to communicate its intentions and objectives transparently through publicly accessible statements and policies, including those on community engagement, corporate giving, and business ethics ([thekrogerco.com](https://www.kroger.com/2024-esg-report)). Kroger's 2024 ESG Report further outlines its commitment to sustainability and social impact, with oversight from its Board of Directors and alignment with reporting standards like SASB and TCFD, demonstrating clear communication of its sustainability goals ([thekrogerco.com](https://www.kroger.com/2024-esg-report)). Additionally, Kroger's corporate governance guidelines provide mechanisms for shareholder communication, ensuring transparency and stakeholder engagement ([g4cdn.com](https://www.kroger.com/corporate-governance)).

However, a Consumer Reports investigation raises concerns about Kroger's transparency in data practices, particularly regarding its loyalty program and the use of an "income predictor" algorithm, which may lead to discriminatory pricing without clear communication to customers ([captaincompliance.com](https://www.captaincompliance.com)). Despite Kroger's claims of transparency through its privacy policy, the findings suggest a lack of clear communication about data usage and sharing, prompting calls for stronger regulatory oversight.

Adversary

Kroger faces significant transparency issues across various aspects of its operations, which undermine its public advocacy for Net Positive practices. The company has been criticized for misleading pricing practices, such as overcharging customers due to expired sales labels and maintaining high prices post-supply chain disruptions, which erodes consumer trust ([consumerreports.org](https://www.consumerreports.org), [nbc4i.com](https://www.nbc4i.com), [eightception.com](https://www.eightception.com)). Additionally, Kroger's data practices have been scrutinized for potentially misleading consumers about how their personal information is used, raising concerns about discriminatory pricing and insufficient disclosure ([captaincompliance.com](https://www.captaincompliance.com)).

Furthermore, Kroger's sustainability claims, such as its zero-waste initiatives and commitment to phasing out plastic bags, have been criticized for lacking clarity and specificity, which could mislead stakeholders about the company's true environmental

impact (farmersadvance.com, thesimpleenvironmentalist.com). The 2024 ESG Report also fails to provide detailed communication strategies or stakeholder engagement mechanisms, further highlighting deficiencies in transparency (thekrogerco.com). These issues collectively suggest a gap between Kroger's stated objectives and actual practices, which could harm stakeholder trust and question the company's commitment to transparency.

Indicator: Investment in Mindfulness and Net Positive Awareness

Attribute: Purpose

Measurement Guidance

Are there defined purpose and objectives for mindfulness programs?

Advocate

No relevant information was found for this attribute

Adversary

No relevant information was found for this attribute

Attribute: Stakeholders

Measurement Guidance

Are all stakeholders identified? Is our planet considered a stakeholder group?

Advocate

Kroger's "Thriving Together" ESG strategy and Responsible Business strategy both emphasize creating positive change for people and the planet, suggesting that the company considers the planet a stakeholder (thekrogerco.com, thekrogerco.com). Their Zero Hunger | Zero Waste action plan and efforts to reduce greenhouse gas emissions further support this by addressing climate change and conservation challenges (thekrogerco.com). However, while Kroger's Community Engagement Policy highlights engagement with a broad range of stakeholders, it does not explicitly mention the planet as a stakeholder group (thekrogerco.com). Additionally, their sustainability initiatives focus on reducing environmental impact and promoting sustainable products, but do not directly reference stakeholder identification or the inclusion of the planet as a stakeholder (kroger.com).

Adversary

The Kroger ESG reports from 2019, 2023, and 2024 consistently lack explicit acknowledgment of the planet as a stakeholder, which is a critical aspect of the "STAKEHOLDERS" attribute under the Net Positive framework. While these reports detail various environmental initiatives and sustainability goals, they do not clearly articulate the planet as a stakeholder, potentially leading to an oversight in fully integrating environmental considerations into Kroger's stakeholder engagement strategies ([thekrogerco.com](https://www.kroger.com/esg), [thekrogerco.com](https://www.kroger.com/esg), [thekrogerco.com](https://www.kroger.com/esg)). This omission could be misleading, as it suggests that while environmental impacts are addressed, the planet is not formally recognized as a stakeholder, which may affect the depth of commitment to environmental stewardship and the transformative changes required by a Net Positive approach.

Attribute: Partnerships

Measurement Guidance

Are partnerships established for mindfulness programs?

Advocate

Kroger has established significant partnerships for mindfulness programs through its collaboration with Jewel and Inclusion Companies, as demonstrated by the launch of The Wellness Experience platform. This initiative, which began in 2018, focuses on creating wellness events that address physical, emotional, and mental health, and includes monthly digital events and resources aimed at promoting healthy living and mindfulness ([ir.kroger.com](https://www.kroger.com/wellness); [progressivegrocer.com](https://www.progressivegrocer.com)). The platform's launch event, a World Mental Health Day Summit & Concert, features various artists, business leaders, and mental health experts, emphasizing Kroger's commitment to mental wellness ([prnewswire.com](https://www.prnewswire.com)). Additionally, the Wellness Your Way Festival, co-founded by Jewel, promotes a holistic approach to health, including mindfulness, and provides attendees with tools for a healthier lifestyle through various activities and educational sessions ([prnewswire.com](https://www.prnewswire.com)).

Adversary

The legal dispute between Kroger and singer Jewel, along with her co-producer Trevor Drinkwater, over the "Wellness Your Way Festival" highlights potential shortcomings in Kroger's performance on the "PARTNERSHIPS" attribute for mindfulness programs. The lawsuit alleges that Kroger breached their agreement by taking over the festival before the agreed five-year partnership ended, excluding Jewel and Drinkwater from the project, which suggests a failure to maintain a collaborative and mutually beneficial partnership ([fortune.com](https://www.fortune.com)). Additionally, the involvement of a third-party vendor with alleged nepotism issues further complicates the integrity of Kroger's partnership

practices, indicating potential deficiencies in their commitment to fostering genuine and ethical partnerships for mindfulness and wellness initiatives (fortune.com).

Attribute: Mindfulness

Measurement Guidance

Is budget/ resources allocated to mindfulness programs?

Advocate

Kroger has shown a strong commitment to mental health and well-being, as evidenced by its repeated recognition with the Bell Seal for Workplace Mental Health from Mental Health America, achieving a perfect score in the holistic wellness at work category (ir.kroger.com, prnewswire.com). This recognition highlights Kroger's allocation of resources towards mental health initiatives, which may include mindfulness programs as part of their broader strategy (ir.kroger.com). Additionally, Kroger's Wellness Experience platform, launched in collaboration with singer Jewel, focuses on mental health and wellness, although specific budget allocations for mindfulness programs are not detailed (progressivegrocer.com).

Adversary

No relevant information was found for this attribute

Attribute: Stakeholder Engagement

Measurement Guidance

Is budget/ resources allocated to stakeholder engagement programs?

Advocate

Kroger allocates substantial resources to stakeholder engagement programs, directing over \$300 million annually through corporate giving and foundations like The Kroger Co. Foundation and The Kroger Co. Zero Hunger | Zero Waste Foundation (thekrogerco.com). The company supports partners and causes aligned with its mission to eliminate hunger and waste, including a \$10 million Innovation Fund for reducing food waste and improving access to healthy food. Kroger collaborates with organizations such as Feeding America and the American Red Cross to provide direct relief and ensure access to nutritious food, demonstrating its commitment to community well-being (thekrogerco.com).

Kroger's 2024 ESG Report outlines its proactive stakeholder engagement approach, engaging with a diverse group of stakeholders, including shareholders, NGOs,

associates, customers, communities, and suppliers ([thekrogerco.com](https://www.thekrogerco.com)). The company manages relationships with over 70 organizations on more than 30 topics related to responsibility and sustainability, prioritizing engagement based on strengths and materiality assessment results. Kroger's community initiatives and partnerships with non-profits address hunger, health, education, and environmental sustainability, emphasizing shared values and collective strengths ([ikrogerfeedback.com](https://www.ikrogerfeedback.com)). Employee volunteerism is encouraged, fostering a culture of active community involvement and enhancing the company's connection with local communities ([ikrogerfeedback.com](https://www.ikrogerfeedback.com)).

Adversary

The 2023 and 2024 Kroger ESG Reports both lack specific details on the allocation of budget or resources to stakeholder engagement programs, which is a critical aspect of assessing the "STAKEHOLDER ENGAGEMENT" attribute. Although the reports mention engagement with various stakeholders such as shareholders, NGOs, and communities, they fail to provide quantitative data or a clear breakdown of financial investments dedicated to these activities. This omission makes it challenging to evaluate Kroger's commitment to stakeholder engagement in terms of financial prioritization, potentially obscuring the extent of their investment in fostering meaningful stakeholder relationships ([thekrogerco.com](https://www.thekrogerco.com), [thekrogerco.com](https://www.thekrogerco.com)).

Indicator: Incorporation of Net Positive Principles in Corporate Vision & Mission

Attribute: Goals Alignment

Measurement Guidance

Are the organization's goals aligned to net positive principles?

Advocate

Kroger's sustainability efforts, as outlined in various reports, demonstrate a commitment to aligning their goals with Net Positive principles, particularly through initiatives like the "Thriving Together" strategy and the Zero Hunger | Zero Waste impact plan. These initiatives focus on reducing environmental impact, promoting social equity, and fostering sustainability by engaging in responsible sourcing, minimizing waste, and enhancing packaging sustainability ([seafoodsustainability.org](https://www.seafoodsustainability.org), [thekrogerco.com](https://www.thekrogerco.com), [ecoenclose.com](https://www.ecoenclose.com), [thekrogerco.com](https://www.thekrogerco.com)).

Kroger's collaboration with organizations like WWF and its commitment to biodiversity preservation and seafood traceability further reflect its alignment with Net Positive principles ([seafoodsustainability.org](https://www.seafoodsustainability.org)). However, while Kroger's initiatives indicate a focus

on sustainable practices, some documents do not explicitly mention how these efforts are integrated into Kroger's overarching corporate goals or mission statement, which is crucial for assessing comprehensive alignment with Net Positive principles (thekrogerco.com, kroger.com, thekrogerco.com).

Adversary

Kroger's performance on the "GOALS ALIGNMENT" Net Positive attribute has been criticized for several reasons. The company faces significant labor issues, including stagnant wages and poor working conditions, which indicate a misalignment with Net Positive principles that emphasize social responsibility and employee well-being (ainvest.com). Additionally, Kroger's 2024 ESG Report lacks explicit alignment with Net Positive principles, focusing on specific achievements without integrating these principles into the company's core mission and goals (thekrogerco.com). Similarly, the 2019 ESG Report does not clearly articulate how Kroger's organizational goals align with broader Net Positive principles, suggesting an insufficient foundational commitment at the highest strategic level (thekrogerco.com). Furthermore, Kroger's removal of a DEI section from its report, citing sustainability goals as controversial, indicates a potential retreat from social governance commitments, which are essential to Net Positive principles (bloomberglaw.com).

Attribute: Board Alignment

Measurement Guidance

Is the organization's board and executive leadership in alignment w/ the defined goals?

Advocate

The Kroger Co.'s 2023 and 2024 Environmental, Social & Governance (ESG) Reports highlight the active involvement of the Board of Directors and executive leadership in overseeing and implementing the company's ESG strategy, "Thriving Together." The Board's Public Responsibilities Committee, established in 1977, plays a key role in providing oversight of Kroger's ESG goals, while the executive leadership team is responsible for operationalizing these goals, indicating a high level of alignment between the board and executive leadership (thekrogerco.com, thekrogerco.com).

Kroger's Corporate Governance Guidelines further emphasize the board's commitment to maintaining a substantial majority of independent directors and conducting regular evaluations of board and executive performance. The guidelines also outline the roles and responsibilities of the board and its committees, including the Public Responsibilities Committee, which oversees the company's ESG strategy. These structures and processes suggest a framework for alignment between the board and executive leadership with the company's defined goals (s202.q4cdn.com).

Adversary

The 2024 Kroger ESG Report lacks specific details on the alignment of the board and executive leadership with Net Positive goals, focusing instead on various initiatives and metrics without providing evidence of a foundational commitment to these principles ([thekrogerco.com](https://www.kroger.com)). Additionally, Kroger has not explicitly linked sustainability goals with senior executive incentives, which may indicate a lack of alignment between the board and executive leadership with the company's ESG goals, potentially undermining the commitment to Net Positive principles ([collaborate.unpri.org](https://www.collaborate.unpri.org)). Furthermore, significant misalignment is evident in the board's recommendation to vote against a shareholder proposal for a "just transition" report, highlighting a lack of commitment to align with Net Positive principles, particularly in addressing human rights and environmental impacts in their supply chain ([civileats.com](https://www.civileats.com)).

Attribute: Vision/Mission

Measurement Guidance

Is the organization's vision and mission statement aligned to Net Positive principles?

Advocate

Kroger's vision and mission statements emphasize their commitment to creating a more resilient and equitable food system, aligning with Net Positive principles by focusing on positive changes for people and the planet. Their purpose, "Feed the Human Spirit," and brand promise, "Fresh for Everyone," drive initiatives to advance sustainability and community well-being, as seen in their Zero Hunger | Zero Waste action plan and ESG strategy, "Thriving Together" ([thekrogerco.com](https://www.kroger.com)). The 2024 ESG Report highlights Kroger's mission to end hunger and waste, reflecting a commitment to sustainability and social impact, though it does not explicitly mention alignment with Net Positive principles ([thekrogerco.com](https://www.kroger.com)).

Kroger's updated ESG action plan includes commitments to advance positive impacts for people and the planet, with initiatives like Zero Hunger | Zero Waste, but does not specifically address whether their vision and mission statement explicitly align with Net Positive principles ([nationalhogfarmer.com](https://www.nationalhogfarmer.com), ir.kroger.com). An overview of Kroger's mission and vision statements highlights leadership in distribution and merchandising, providing affordable and nutritious food, and promoting sustainability, but lacks explicit mention of alignment with Net Positive principles ([dcfmodeling.com](https://www.dcfmodeling.com)).

Adversary

No relevant information was found for this attribute

Attribute: Investments

Measurement Guidance

Are the organization's investment allocations aligned to accelerating Net Positive projects/ initiatives?

Advocate

Kroger has demonstrated a commitment to sustainability and social responsibility through its Zero Hunger | Zero Waste action plan and ESG strategy, "Thriving Together," with significant investments in charitable giving, green energy, and waste diversion programs (the Kroger Co.). The company has also focused on digital transformation and sustainability initiatives, including AI-driven supply chain systems and renewable energy use, indicating a strategic alignment of investment allocations towards environmental sustainability and technological advancement (internationalsupermarketnews.com).

Kroger's annual sustainability report highlights over \$1.3 billion allocated to hunger relief efforts and significant investments in associate wages and training, reflecting a strategic alignment with initiatives that drive positive social and environmental impacts (ir.kroger.com). However, a document from 2019 notes that Kroger had not made significant investments in renewable energy compared to its competitors, although an agreement was reached to assess the benefits of adopting quantitative targets for renewable energy sourcing (asyousow.org).

Adversary

Kroger's 2023 ESG Report lacks specific details on how investment allocations are directly aligned with accelerating Net Positive projects or initiatives, as it does not provide a clear breakdown of financial commitments specifically earmarked for such initiatives (the Kroger Co.). Similarly, the 2024 report from Kroger's Zero Hunger | Zero Waste Foundation highlights philanthropic efforts but fails to detail how Kroger's broader corporate investment strategies align with Net Positive principles beyond the foundation's scope (the Kroger Co. Zero Hunger Zero Waste Foundation).

Furthermore, Kroger has been criticized for not setting plastic reduction goals and not participating in the Ellen MacArthur Foundation's Global Commitment to reduce plastic pollution, indicating that its investment allocations may not be aligned with Net Positive projects in sustainable packaging (asyousow.org). While competitors have made significant commitments to reduce virgin plastic use, Kroger has yet to make similar pledges or investments, suggesting a potential misalignment between its investments and the acceleration of Net Positive initiatives.

Attribute: Communication

Measurement Guidance

Are the organization's marketing and communication goals aligned to Net Positive principles?

Advocate

Kroger's "Zero Hunger | Zero Waste" initiative is a central component of its communication strategy, reflecting a commitment to addressing food waste and hunger while promoting sustainability ([ragan.com](https://www.ragan.com), [thekrogerco.com](https://www.thekrogerco.com)). The initiative is integrated into Kroger's core business strategy and communicated through various channels, engaging both employees and customers ([ragan.com](https://www.ragan.com)). Kroger emphasizes transparency and regular reporting on sustainability progress, engaging stakeholders like investors and NGOs to foster dialogue and raise environmental awareness ([thekrogerco.com](https://www.thekrogerco.com)).

Additionally, Kroger's marketing and communication goals are aligned with its long-standing values of inclusion and diversity, which are seen as beneficial to the business and community ([cincinnati.com](https://www.cincinnati.com)). The company's Responsible Marketing Statement underscores its commitment to ethical marketing practices and community transformation, aligning with broader social impact goals ([thekrogerco.com](https://www.thekrogerco.com)). Kroger also promotes sustainability through partnerships and eco-friendly product offerings, engaging consumers in sustainable practices ([kroger.com](https://www.kroger.com)).

Adversary

Kroger's communication strategies have faced criticism for lacking transparency and alignment with Net Positive principles. The company's public perception is negatively impacted by insufficiently detailed communication about its social responsibility efforts, which could mislead stakeholders regarding its true commitment to these principles ([fernfortuniversity.com](https://www.fernfortuniversity.com)). Additionally, Kroger's advertising practices, such as the misleading promotion of egg products, have been called out for not being transparent or honest, potentially eroding consumer trust and failing to align with Net Positive goals ([stateimpactcenter.org](https://www.stateimpactcenter.org)).

Furthermore, Kroger's decision to reduce its focus on diversity, equity, and inclusion (DEI) in its corporate reports suggests a retreat from transparent communication, which is essential for demonstrating a commitment to Net Positive principles. This action could be perceived as prioritizing risk management over genuine sustainability efforts, potentially harming the company's reputation and trust with stakeholders who value transparency and accountability ([bloomberglaw.com](https://www.bloomberglaw.com)).

Category: Bloodstream

Indicator: Implementation and Integration of Net Positive Strategy

Attribute: Net Positive Adopted

Measurement Guidance

Are Net Positive principles embedded in the values, culture, processes and operations of the organization?

Advocate

Kroger's commitment to embedding Net Positive principles is evident through its comprehensive integration of sustainability and social impact into its operations and culture. The company's "Thriving Together" strategy and "Zero Hunger | Zero Waste" initiative reflect efforts to align its business model with positive impacts for people, the planet, and systems, supported by active involvement from the Board of Directors and executive leadership ([thekrogerco.com](https://www.kroger.com), [thekrogerco.com](https://www.kroger.com)). Kroger collaborates with organizations like Feeding America and World Wildlife Fund to address food waste and hunger, demonstrating a commitment to sustainability and community impact ([thekrogerco.com](https://www.kroger.com), [producebusiness.com](https://www.producebusiness.com)).

The company's governance structure, including a dedicated Public Responsibilities Committee, supports responsible business practices, focusing on diversity, equity, inclusion, and responsible sourcing ([thekrogerco.com](https://www.kroger.com), [thekrogerco.com](https://www.kroger.com)). Kroger's efforts to empower employees and engage with local communities further embed sustainability into its business practices, indicating a strategic alignment with Net Positive principles ([producebusiness.com](https://www.producebusiness.com)).

Adversary

Kroger's 2024 ESG Report appears to fall short in addressing the "NET POSITIVE ADOPTED" attribute, as it lacks explicit details on how Net Positive principles are embedded across the company's values, culture, processes, and operations. The report's focus on specific initiatives and quantitative metrics may overshadow the qualitative aspects of cultural integration, such as employee engagement and leadership commitment, leading to a perception that sustainability efforts are more about compliance than a genuine cultural shift ([thekrogerco.com](https://www.kroger.com)). Furthermore, Kroger's removal of a 'lasting equality' section from its report and acknowledgment of sustainability goals as controversial suggest a potential retreat from fully embedding Net Positive principles. This action may indicate a deprioritization of diversity, equity, and

inclusion efforts, reflecting a reactive rather than proactive approach to integrating these principles into the company's core values and processes ([bloomberglaw.com](https://www.bloomberglaw.com)).

Attribute: Policies

Measurement Guidance

Are the organizational policies aligned to Net Positive principles?

Advocate

Kroger's policies reflect a commitment to sustainability and social impact through initiatives like Zero Hunger | Zero Waste, which aims to end hunger and eliminate waste by 2025. This initiative includes strategies such as surplus food recovery, sustainable sourcing, and waste reduction, and involves collaboration with organizations like the World Wildlife Fund to track progress ([thekrogerco.com](https://www.thekrogerco.com)). Additionally, Kroger is working towards phasing out single-use plastic bags by 2025, demonstrating a focus on reducing environmental harm ([farmersadvance.com](https://www.farmersadvance.com)).

Kroger also emphasizes diversity and inclusion, maintaining its DEI programs despite political pressures, and highlighting the benefits of a workforce that reflects the communities it serves ([cincinnati.com](https://www.cincinnati.com)). The company's policies support community engagement and social impact, as seen in their perfect score on the Human Rights Campaign's Corporate Equality Index and partnerships with organizations like the USO ([kroger.com](https://www.kroger.com)). However, the documents do not explicitly address the alignment of Kroger's organizational policies with Net Positive principles ([thekrogerco.com](https://www.thekrogerco.com)).

Adversary

The 2024 Kroger ESG Report highlights various sustainability initiatives, but it falls short in demonstrating a comprehensive alignment of organizational policies with Net Positive principles. The report's focus on specific metrics and achievements may overshadow the need for a holistic integration of these principles, potentially leading to a misleading perception of the company's overall alignment ([thekrogerco.com](https://www.thekrogerco.com)). Additionally, Kroger's commitment to eliminating single-use plastic bags by 2025 is not progressing as planned, with many locations still using plastic bags and the goal not marked as "on track" in their 2024 report. The lack of a specific timeline and vague explanations of challenges may mislead stakeholders about the effectiveness and commitment of Kroger's policies towards achieving Net Positive outcomes ([nbc4i.com](https://www.nbc4i.com)).

Attribute: Operational Model

Measurement Guidance

Is the target operating model aligned to Net Positive principles?

Advocate

Kroger's operational model reflects alignment with Net Positive principles through its comprehensive ESG strategy, "Thriving Together," which serves as a roadmap for achieving long-term performance goals and commitments ([thekrogerco.com](https://www.thekrogerco.com)). The company has made significant strides in reducing greenhouse gas emissions, implementing waste diversion programs, and optimizing surplus food recovery, as part of its Zero Hunger | Zero Waste initiative ([thekrogerco.com](https://www.thekrogerco.com)). Kroger's commitment to sustainable packaging, responsible sourcing standards, and biodiversity in its supply chain further supports its alignment with Net Positive principles (ir.kroger.com).

Additionally, Kroger collaborates with organizations like the World Wildlife Fund to track and reduce its food waste footprint, showcasing an integrated approach to sustainability (seafoodsustainability.org). The company's efforts to integrate sustainability and social impact priorities into its operations are demonstrated through a centralized team led by the chief sustainability officer, collaborating with business leaders across various disciplines ([thekrogerco.com](https://www.thekrogerco.com)). Kroger's engagement with stakeholders, including suppliers and communities, reflects an ongoing effort to align its business practices with broader social and environmental goals ([thekrogerco.com](https://www.thekrogerco.com)).

Adversary

Kroger's operational model appears to face significant challenges in aligning with Net Positive principles. Investigations into Kroger's pricing practices reveal potential misalignment, with allegations of overcharging customers due to expired sales labels, indicating a lack of transparency and accountability ([nbc4i.com](https://www.nbc4i.com)). Additionally, Kroger's 2024 ESG Report, while highlighting various sustainability initiatives, may not sufficiently address the integration of these efforts into a holistic Net Positive operational model, potentially leading to a fragmented understanding of the company's overall impact ([thekrogerco.com](https://www.thekrogerco.com)).

Furthermore, Kroger's limited deforestation commitments and continued sourcing from companies with poor environmental records, such as JBS, suggest a misalignment with Net Positive principles. The lack of a clear goal to reduce meat sales further indicates a failure to address the substantial environmental footprint of its supply chain (worldanimalprotection.us). These issues collectively highlight gaps in Kroger's operational model concerning the comprehensive integration of Net Positive principles.

Attribute: Products & Services

Measurement Guidance

Are products and services aligned to Net Positive principles?

Advocate

Kroger has shown a commitment to aligning its products and services with Net Positive principles through various sustainability initiatives. The company has made significant progress in seafood sustainability, achieving high compliance with sustainability requirements for both wild-caught and farm-raised seafood (seafoodsustainability.org). Kroger's Zero Hunger | Zero Waste action plan focuses on reducing food waste and improving food security, with efforts to provide billions of meals to communities and optimize surplus food recovery (thekrogerco.com). The company's ESG strategy, "Thriving Together," emphasizes sustainable practices, including offering natural, organic, and Fair Trade Certified products, as well as setting goals for sustainable packaging and reducing greenhouse gas emissions (thekrogerco.com).

Kroger's 2024 ESG Report highlights achievements in food waste management and sustainable sourcing, such as sourcing seafood from certified sustainable sources and pursuing no-deforestation goals for key commodities (thekrogerco.com). The company also offers a range of products certified by recognized sustainable organizations and promotes items with recycled packaging and those made without animal testing (kroger.com). Through collaboration with organizations like the World Wildlife Fund, Kroger continues to advance its sustainability initiatives, reflecting a broader industry trend towards nature-positive approaches (seafoodsustainability.org).

Adversary

Kroger has faced criticism for its misalignment with Net Positive principles in its products and services, particularly regarding ethical sourcing and labor practices. Despite having a vendor code of conduct, the company has been linked to youth worker violations and supply chain controversies involving human trafficking and forced labor, indicating insufficient ethical standards and transparency (stopmodernslavery.org). Additionally, Kroger's commitment to phasing out single-use plastic bags by 2025 has been inconsistent, with only about 700 out of 2,750 stores eliminating these bags, and the company facing challenges due to varying regulations (yahoo.com; thecooldown.com). While efforts to incorporate recycled content and partner with recycling initiatives are noted, these actions are deemed insufficient by critics like Greenpeace, who argue that recycling alone does not adequately address plastic pollution (yahoo.com; thecooldown.com).

Attribute: Research

Measurement Guidance

Is research aligned to Net Positive principles?

Advocate

Kroger's research efforts align with Net Positive principles through initiatives that position retailers as healthcare destinations, focusing on food and nutrition education to enhance diet quality and reduce cardiovascular risk (ir.kroger.com). The company integrates ESG performance into its business operations and develops a shared-value framework, emphasizing food access, affordability, and choice, alongside their Zero Hunger | Zero Waste initiative (ir.kroger.com).

Furthermore, Kroger's research-driven approach is evident in its recycling and upcycling programs, which include recycling over one million pieces of flexible plastic packaging and introducing products with upcycled ingredients (ir.kroger.com). These efforts are part of Kroger's commitment to sustainability and its mission to create zero-waste communities (ir.kroger.com).

Adversary

No relevant information was found for this attribute

Indicator: Definition of Long-Term Societal Impact and Value Creation

Attribute: Societal Value Creation

Measurement Guidance

Is there a defined strategy for societal value creation?

Advocate

Kroger has articulated a defined strategy for societal value creation through its "Zero Hunger | Zero Waste" initiative, which is central to its Environmental, Social, and Governance (ESG) strategy. This plan addresses critical challenges such as food access, nutrition, climate change, and conservation by directing 3 billion meals to communities and investing in sustainable practices (thekrogerco.com). The initiative is highlighted as a competitive advantage in Kroger's Q1 2025 earnings report, emphasizing waste diversion and meal donations as key components that strengthen community ties and reduce operational costs (ainvest.com).

Kroger's broader ESG strategy, "Thriving Together," focuses on creating sustainable and equitable food systems, supported by a centralized team and executive leadership (thekrogerco.com). The strategy includes initiatives like the Zero Hunger | Zero Waste impact plan, which aims to end hunger and waste in communities, and is supported by Kroger's executive leadership team and Board of Directors (thekrogerco.com). Additionally, Kroger's commitment to sustainability extends to the seafood sector, where

it collaborates with WWF to advance seafood sustainability and biodiversity preservation (seafoodsustainability.org).

Adversary

Kroger's efforts in societal value creation have been criticized for lacking a clearly defined, comprehensive strategy that integrates societal impact into their core business model. While initiatives like "Zero Hunger | Zero Waste" are highlighted, reports suggest these efforts may appear fragmented or reactive rather than part of a unified, long-term plan (thekrogerco.com, thekrogerco.com). Additionally, the absence of specific metrics and long-term goals for measuring societal value creation efforts could hinder Kroger's ability to demonstrate a sustained commitment to societal impact (thekrogerco.com). The failure to meet their pledge to eliminate single-use plastic bags by 2025 further underscores a lack of a robust strategy, as only a fraction of stores have complied, raising questions about the effectiveness and sincerity of their societal value creation strategy (thecooldown.com).

Attribute: Stakeholders Returns Measurement Guidance

Are there defined strategy and indicators for generating stakeholder returns?

Advocate

Kroger's commitment to stakeholder returns is embedded in its ESG strategy, "Thriving Together," which serves as a roadmap for achieving long-term performance goals and commitments. This strategy focuses on creating a better future for people and the planet, with initiatives like the Zero Hunger | Zero Waste action plan and significant community support efforts, including providing 3 billion meals and \$1.3 billion in charitable giving (thekrogerco.com). Kroger's 2023 ESG Report highlights the integration of its ESG strategy with its business model to create long-term value for associates, customers, communities, and the company itself, with oversight from the Board of Directors and a dedicated Public Responsibilities Committee (thekrogerco.com).

Kroger's 2020 ESG Report emphasizes the integration of ESG metrics into its business strategy to drive shared value for stakeholders, with a focus on sustainability goals and investments in minority- and women-owned businesses (ir.kroger.com). The 2024 ESG Report further outlines Kroger's approach to generating stakeholder returns through ongoing engagement with stakeholders and alignment with reporting standards and frameworks (thekrogerco.com). However, while Kroger outlines strategies for shareholder returns, specific indicators for measuring stakeholder returns are not detailed in the documents (ir.kroger.com).

Adversary

No relevant information was found for this attribute

Attribute: Shareholders Returns

Measurement Guidance

Are there defined strategy and indicators for generating shareholder returns?

Advocate

Kroger has demonstrated a defined strategy for generating shareholder returns through significant share repurchases and dividend payments. In FY 2025, the company repurchased \$5.16 billion of common stock and paid \$883 million in dividends, reflecting a strategic focus on returning capital to shareholders (monexa.ai). Kroger has articulated a commitment to delivering total shareholder returns of 8% to 11% over time, emphasizing long-term growth and shareholder value (supermarketperimeter.com).

The company has initiated a \$7.5 billion share repurchase program, supported by a strong balance sheet and free cash flows, to maintain investment in business growth while returning capital to shareholders (ir.kroger.com). Despite challenges from a failed merger with Albertsons, Kroger has refocused on core competencies and initiated a \$5 billion stock buy-back plan to stabilize its share price (corporatecomplianceinsights.com). The company's financial performance, including an operating profit of \$3.8 billion in fiscal 2024, supports its strategy to enhance shareholder value (ir.kroger.com).

Adversary

Kroger's recent decision to raise its dividend by only 10%—the slowest pace since 2017—raises concerns about the company's strategy and indicators for generating shareholder returns, especially when compared to the more aggressive 24% increase in 2022 (grocerydive.com). This slower growth in dividends may indicate challenges in maintaining strong financial performance or prioritizing shareholder returns.

Furthermore, the overwhelming rejection of a living wage proposal by shareholders suggests potential social responsibility issues that could affect long-term value creation and shareholder satisfaction. While Kroger has consistently increased dividends since 2006, the slower rate of increase and the rejection of socially progressive policies may raise concerns about the company's commitment to balancing financial returns with societal impact (grocerydive.com).

Attribute: Triple Bottom Line

Measurement Guidance

Is cost benefit analysis conducted for the triple bottom line goals?

Advocate

no relevant information

Adversary

The 2023 Kroger ESG Report highlights various sustainability initiatives but lacks specific details on whether a cost-benefit analysis is conducted for the triple bottom line goals, which encompass social, environmental, and financial performance ([thekrogerco.com](https://www.kroger.com/esg)). This omission raises concerns about Kroger's ability to demonstrate how these initiatives contribute to long-term financial performance, making it difficult for stakeholders to assess the financial viability and strategic alignment of Kroger's sustainability efforts with its business objectives.

Additionally, Kroger has significant gaps in emissions disclosure and reduction strategies related to the Triple Bottom Line goals, particularly in failing to disclose scope 3 emissions and lacking a GHG emissions reduction target that includes these emissions ([ceres.org](https://www.ceres.org)). The absence of an SBTi-validated emissions reduction target and the lack of climate scenario planning further undermine Kroger's ability to conduct a comprehensive cost-benefit analysis for Triple Bottom Line goals, potentially misleading stakeholders about its sustainability commitments.

Attribute: Stakeholders/Shareholders Index

Measurement Guidance

The ratio of stakeholders to shareholders in an organization

Advocate

No relevant information was found for this attribute

Adversary

No relevant information was found for this attribute

Indicator: Institution of inclusiveness and Diversity in Organizational Culture and Messaging

Attribute: Dei

Measurement Guidance

Are there initiatives/ programs supporting cultural diversity , Equity and inclusiveness?

Advocate

Kroger has been recognized as a Best Workplace for Diverse Professionals by Mogul, highlighting its commitment to diversity, equity, and inclusion (DEI) initiatives through its "Framework for Action" plan. This plan focuses on creating an inclusive culture, developing diverse talent, advancing diverse partnerships, and promoting equitable communities (ir.kroger.com). Kroger emphasizes deeply listening to its associates and reporting progress on these initiatives, which include creating a DE&I Advisory Council, providing unconscious bias training, and establishing partnerships with diverse educational institutions (supermarketperimeter.com).

Kroger's commitment to DEI is further demonstrated through its community initiatives, such as the Zero Hunger | Zero Waste impact plan, and its dedication to mutual respect and connection in the communities it serves (thekrogerco.com). Despite facing scrutiny from the Trump administration, Kroger has publicly affirmed its commitment to DEI, arguing that a workforce reflective of the communities it serves leads to better customer experiences and longer employee retention (cincinnati.com). The company maintains several active public DEI programs, including the "Standing Together" initiative and a Supplier Diversity & Inclusion Program, indicating stability in its commitment (buildremote.co).

Adversary

Kroger faces criticism for its DEI initiatives, with allegations of ideological discrimination due to the exclusion of "viewpoint" and "ideology" in its equal employment opportunity policy, potentially undermining its inclusivity claims (aflegal.org). Additionally, Kroger's DEI policies have sparked backlash and potential boycotts, suggesting that its efforts may not fully align with stakeholder expectations or address the concerns of all consumer segments (edatv.news).

Despite public commitments to DEI, Kroger's lack of detailed evidence and metrics on the effectiveness of its initiatives raises questions about transparency and accountability (cincinnati.com). Furthermore, the removal of a section on DEI from its report, citing sustainability risks and potential reputational harm, suggests a possible deprioritization of these efforts, which could undermine its commitment to fostering an inclusive culture (news.bloomberglaw.com).

Attribute: Innovation Measurement Guidance

Team is encouraged to try to new things and is considered safe to fail

Advocate

Kroger has been recognized for its innovative workplace culture, as demonstrated by its inclusion in Foundry's Computerworld 2025 Best Places to Work in IT list for the seventh consecutive year. This accolade underscores Kroger's commitment to fostering an environment where teams are encouraged to innovate and feel safe to experiment and potentially fail. The company emphasizes collaboration and innovation, empowering associates to learn, grow, and contribute unique ideas, particularly in areas like AI, data analytics, and cloud technologies (ir.kroger.com).

Additionally, Kroger's subsidiary, 84.51°, focuses on retail data science, media, and insights, fostering a culture of autonomy and focus that enables innovation at scale. This subsidiary operates with a distinct culture and organizational structure, providing space for experimentation and speed, while balancing independence with integration to maintain business intimacy and context. This approach reflects Kroger's commitment to encouraging new ideas and creating a safe environment for innovation (highlinebeta.com).

Adversary

Kroger's performance on the "INNOVATION" Net Positive attribute is facing criticism due to several internal and external challenges. The company's digital strategy and innovation initiatives focus heavily on technology and partnerships, but they lack emphasis on fostering a culture of innovation within teams, such as encouraging experimentation and creating a safe environment for failure (finance.yahoo.com). Labor disputes, including a strike by 10,000 workers, highlight a focus on cost-cutting over employee engagement, which may stifle innovation and discourage risk-taking (labornotes.org). Additionally, the failed merger with Albertsons, CEO resignation, and ensuing legal issues have created instability, potentially leading to a talent drain and declining morale, further inhibiting a culture of innovation (corporatecomplianceinsights.com).

Recent layoffs at Kroger's retail analytics subsidiary, 84.51°, and at its headquarters, including key technology and digital teams, may also negatively impact innovation by creating an environment of uncertainty and fear, discouraging employees from taking risks (grocerydive.com; convenience.org). The lack of transparency and communication about maintaining innovation post-layoffs raises concerns about Kroger's commitment to fostering a safe-to-fail culture. Without clear strategies to support innovation amidst these changes, Kroger's ability to encourage new ideas and experimentation may be compromised.

Attribute: Marketing

Measurement Guidance

Defined strategy for accessibility, diverse representation, and language sensitivity

Advocate

Kroger has consistently demonstrated a commitment to inclusivity and diversity in its marketing and organizational practices, as evidenced by its recognition on the Disability Equality Index and its top score of 100, earning the title of "Best Place to Work for Disability Inclusion" for five consecutive years (theunpacker.com). The company has implemented a comprehensive "Framework for Action: Diversity, Equity, and Inclusion" plan, which includes ensuring its media partners align with Kroger's values and reach diverse customers through marketing spend, partners, and strategy (supermarketnews.com).

Kroger's marketing efforts, such as the "Fresh for Everyone" campaign, aim to provide access to fresh, affordable food for all, and the company is actively engaging with BIPOC social influencers and diverse content creators (ir.kroger.com). Despite political pressures, Kroger has maintained its commitment to diversity and inclusion, emphasizing the business benefits of a diverse workforce and product range, which enhances employee retention and customer experience (cincinnati.com).

Adversary

No relevant information was found for this attribute

Attribute: Gender Equity

Measurement Guidance

What are there initiatives/ programs supporting Gender equity?

Advocate

Kroger has demonstrated a commitment to gender equity through various initiatives and programs. The Kroger Co. Foundation, in collaboration with the Always brand, has established the Game Changers Scholarship to support women and their supporters in higher education, reflecting Kroger's dedication to empowering future leaders (ofic.org). Additionally, Kroger's "Framework for Action: Diversity, Equity & Inclusion" plan includes unconscious bias training, mentorship programs, and partnerships with educational institutions to develop diverse talent, further supporting gender equity (ir.kroger.com).

Despite political pressures, Kroger has maintained its DEI programs, emphasizing the importance of a diverse workforce in enhancing customer experience and supporting business objectives (cincinnati.com). The company continues to focus on gender equity as part of its DEI initiatives, with a stable commitment evidenced by its "Standing

Together" program and recognition as the "Best Workplace for Diverse Professionals" (azcentral.com, buildremote.co).

Adversary

Kroger's initiatives for promoting gender equity, as outlined in their "Framework for Action: Diversity, Equity & Inclusion" plan, have been criticized for lacking specific details and measurable outcomes. The plan emphasizes broad diversity and inclusion efforts but does not provide targeted strategies or metrics for gender equity, which may obscure the specific challenges related to gender within the organization (ir.kroger.com). Similarly, Kroger's public statements on diversity and inclusion are criticized for lacking concrete examples or metrics related to gender equity, which could make their commitment appear as rhetoric rather than evidence of effective practices. The absence of detailed reporting on gender-specific outcomes or goals may mislead stakeholders and hinder their ability to assess Kroger's true commitment and effectiveness in promoting gender equity (cincinnati.com).

Attribute: Bias

Measurement Guidance

Defined strategy to challenge assumptions and strive for authentic portrayals of individuals and communities.

Advocate

Kroger has been recognized for its commitment to diversity and inclusion through various accolades, such as being named a Best Workplace for Diverse Professionals by Mogul and one of America's Greatest Workplaces for Diversity by Newsweek (ir.kroger.com, ir.kroger.com). The company has implemented a "Framework for Action: Diversity, Equity & Inclusion" plan, which includes a defined strategy to challenge assumptions and strive for authentic portrayals of individuals and communities (ir.kroger.com). This plan involves creating a DE&I Advisory Council, providing unconscious bias training, and ensuring media partners align with its values to reach diverse customers (ir.kroger.com).

Kroger's approach is collaborative, involving associates and leaders to promote change, and emphasizes listening to associates and acting on their feedback to foster an inclusive culture (ir.kroger.com). The company's efforts are further supported by its "Standing Together" program and initiatives to support supplier diversity and Black-owned businesses (buildremote.co).

Adversary

Kroger has faced criticism for its handling of bias-related issues, as evidenced by a lawsuit settlement involving religious bias claims, where the company was accused of not accommodating employees' beliefs regarding a logo perceived to support LGBTQ individuals ([hrdive.com](https://www.hrdive.com)). This incident highlights a potential gap in Kroger's strategy to challenge assumptions and strive for authentic portrayals of individuals and communities. Additionally, while Kroger has outlined a "Framework for Action: Diversity, Equity & Inclusion" plan, it lacks measurable outcomes and specific timelines, which may hinder the evaluation of its effectiveness in addressing bias (ir.kroger.com).

Furthermore, Kroger's decision to remove a section on 'lasting equality' from its report suggests a retreat from a proactive stance on DEI, potentially indicating a lack of a defined strategy to challenge assumptions and promote authentic portrayals (news.bloomberglaw.com). This action, coupled with the absence of detailed strategies or examples of how Kroger actively addresses bias, raises questions about the depth of their commitment to the BIAS attribute (cincinnati.com).

Attribute: Feedback

Measurement Guidance

Define strategy to foster ongoing dialogue w/ stakeholders

Advocate

Kroger has developed a comprehensive strategy to foster ongoing dialogue with stakeholders, which includes engaging with a diverse group such as shareholders, NGOs, associates, customers, communities, and suppliers. The company employs various methods like direct engagement, surveys, focus groups, and community events to capture feedback on numerous ESG topics (thekrogerco.com). Kroger's materiality assessments and qualitative climate risk assessments further align their stakeholder engagement with investor interests, particularly in climate risk management (podcasts.apple.com).

Additionally, Kroger utilizes customer feedback mechanisms, such as surveys and sentiment analysis, to enhance customer satisfaction and adapt to evolving needs (krogerfeedback.org). The company also leverages Qualtrics to maintain a culture of continuous listening, particularly with employees, which has supported the development of DEI initiatives and policy changes during the COVID-19 pandemic (qualtrics.com). Furthermore, Kroger integrates its investor relations and public relations teams to ensure consistent messaging and transparency across all audiences (prdaily.com).

Adversary

Kroger faces significant criticism regarding its performance on the "FEEDBACK" Net Positive attribute, particularly in fostering ongoing dialogue with stakeholders. A major issue is highlighted by the authorization of a strike by approximately 45,000 grocery workers protesting unfair labor practices, which indicates a breakdown in communication and feedback mechanisms between Kroger and its employees. The union's accusations of Kroger dismissing proposals and engaging in unlawful surveillance further strain relations and undermine trust, reflecting poorly on Kroger's strategy to maintain effective stakeholder dialogue ([latimes.com](https://www.latimes.com)).

Additionally, Kroger's 2024 ESG Report, while comprehensive, lacks specific details on strategies for ongoing stakeholder dialogue, failing to outline clear mechanisms or feedback loops for continuous engagement. This absence of a strategic framework and measurement metrics may mislead stakeholders about the robustness of Kroger's engagement processes ([thekrogerco.com](https://www.thekrogerco.com)). Furthermore, Kroger's Community Engagement Policy, last updated in 2019, lacks concrete strategies for continuous feedback integration, raising concerns about its current relevance and effectiveness in addressing stakeholder needs ([thekrogerco.com](https://www.thekrogerco.com)).

Indicator: Reduction of Pay Gap in Compensation at All Levels

Attribute: Pay Gap Reduction

Measurement Guidance

Defined strategy to lower the paygap between the lowest and highest earning employee of the organization

Advocate

Kroger's compensation strategy has been criticized for contributing to significant income inequality, with the CEO earning 457 times more than the median employee, and no strategy in place to reduce this pay gap ([secdatabase.com](https://www.secdatabase.com)). Although Kroger has made progress in addressing pay equity by reporting on racial and gender pay gaps, a proposal to ensure a living wage was rejected, and concerns about transparency and the impact of collective bargaining remain ([bloomberglaw.com](https://www.bloomberglaw.com)). Salary data shows a wide pay range within the company, but there is no specific information on a defined strategy to lower the pay gap between the lowest and highest earners ([glassdoor.com](https://www.glassdoor.com)).

Adversary

Kroger faces significant criticism for its efforts in reducing the pay gap between its highest and lowest earners. Despite a slight improvement in the CEO-to-worker pay

ratio from 502:1 to 457:1, the disparity remains substantial, with former CEO Rodney McMullen earning \$15.4 million in 2024 compared to a median worker's \$34,213 ([usatoday.com](https://www.usatoday.com)). The lack of a comprehensive strategy or specific actions to address this gap suggests insufficient commitment to pay equity ([grocerydive.com](https://www.grocerydive.com)).

Additionally, Kroger's investors recently rejected a proposal to ensure a living wage for employees, indicating potential shortcomings in addressing pay disparities comprehensively ([bloomberglaw.com](https://www.bloomberglaw.com)). Reports of underinvestment in the workforce, leading to inadequate compensation and reliance on public assistance, further highlight the company's insufficient approach to pay equity ([forbes.com](https://www.forbes.com)).

Attribute: Compensation

Measurement Guidance

Defined strategy for aligning executive compensation to the ESG performance outcomes

Advocate

Kroger has made efforts to align executive compensation with ESG performance outcomes by incorporating an ESG metric focused on diversity and inclusion into their 2022 performance management program. This metric influences compensation decisions for associates supervising teams, including Named Executive Officers, and is considered in salary increases and equity award grants. The company has also engaged in shareholder discussions about ESG metrics in executive compensation, with investor support for such inclusions (s202.q4cdn.com).

However, Kroger has not explicitly linked broader sustainability goals with senior executive incentives, despite adopting more robust governance of ESG issues. A shareholder proposal requested that Kroger's Board Compensation Committee assess the feasibility of integrating ESG metrics into performance measures for senior executives, suggesting that such integration could mitigate ESG-related risks and enhance accountability. The document also notes that other companies have successfully incorporated sustainability metrics into their executive pay incentive plans (collaborate.unpri.org).

Adversary

Kroger's approach to aligning executive compensation with ESG performance outcomes appears to be lacking in several critical areas. While the company has incorporated ESG metrics, particularly those related to diversity and inclusion, into its compensation decisions, there is a notable absence of a comprehensive strategy that ties executive pay to broader ESG performance outcomes ([sec.gov](https://www.sec.gov), s202.q4cdn.com). This gap

suggests that ESG considerations may not be a priority for Kroger, potentially undermining investor confidence and missing opportunities to enhance accountability and performance (collaborate.unpri.org). Despite robust governance and board oversight of ESG issues, the lack of explicit linkage between sustainability goals and executive pay indicates a disconnect between stated intentions and actionable commitments to ESG integration in executive compensation (s202.q4cdn.com).

Attribute: Pay Equity

Measurement Guidance

Are there pay equity policies? Is there a defined strategy to address disparities in compensation.

Advocate

Kroger has implemented pay equity policies and conducts regular reviews of total compensation, including base pay, cash bonuses, and equity for both salaried and hourly associates, excluding executive officers. Their pay study results indicate that on an adjusted basis, pay is similar for male and female associates, as well as for White associates and people of color, although unadjusted disparities exist, with female associates earning approximately \$0.94 for every \$1.00 earned by male associates (thekrogerco.com). Kroger's shareholders approved a proposal to report on unadjusted median and adjusted pay gaps across race and gender, highlighting a push for transparency in pay equity, although existing disclosures were deemed insufficient by shareholders (boardmember.com).

Kroger has committed to disclosing an unadjusted pay gap ratio in 2025, indicating a move towards greater transparency, despite criticism regarding the adjustment for collective bargaining (bloomberglaw.com). The company has a "Statement on Pay Equity" as part of their ESG framework, suggesting established policies regarding pay equity, though specific strategies or actions are not detailed (thekrogerco.com). Despite rejecting a proposal to adopt a living wage policy, Kroger has increased pay for its associates, with an average hourly rate of almost \$19, rising to nearly \$25 when benefits are included (grocerydive.com).

Adversary

Kroger's performance on the "PAY EQUITY" attribute reveals significant concerns regarding its approach to addressing compensation disparities. Despite having policies in place, unadjusted pay figures show that female associates earn approximately \$0.94 for every \$1.00 earned by male associates, indicating an existing gap that may not be fully addressed by current strategies (thekrogerco.com). Additionally, Kroger's failure to provide a living wage, with some starting wages as low as \$7.32 per hour, highlights a

lack of a defined strategy to address compensation disparities, particularly as women and people of color are disproportionately represented in lower-wage positions (secdatabase.com).

The rejection of a shareholder proposal to adopt a living wage policy further underscores potential gaps in Kroger's strategy to ensure fair compensation and address systemic pay inequities (bloomberglaw.com, grocerydive.com). While Kroger claims to have increased pay for associates, the absence of a living wage policy and reliance on adjusted pay figures may obscure true pay discrepancies and undermine the company's commitment to achieving social sustainability and organizational fairness.

Attribute: Pay Equality

Measurement Guidance

Evaluate if individuals with similar qualifications and responsibilities receive equal compensation regardless of demographic factors. Is there a defined strategy to address any discrepancies that arise?

Advocate

Kroger has faced scrutiny regarding its pay equality practices, with shareholder proposals urging the company to disclose both median and adjusted pay gaps across race and gender (collaborate.unpri.org). Despite recent wage increases, Kroger has been criticized for not providing detailed wage demographics, which complicates the assessment of pay equality and its impact on racial equity and employee satisfaction (sec.gov).

In June, a majority of Kroger shareholders approved a proposal for transparency in pay equity, reflecting a broader trend of shareholder and union collaboration to pressure companies on this issue (boardmember.com). Kroger has disclosed adjusted pay gaps, indicating no significant differences in pay for associates based on gender or race, and plans to disclose an unadjusted pay gap ratio in 2025 (bloomberglaw.com). However, there remains criticism regarding the transparency of these adjustments and the rejection of a proposal to establish living wage policies.

Adversary

Kroger's performance on the "PAY EQUALITY" attribute has been criticized for its lack of transparency and commitment to addressing pay disparities. Despite conducting internal pay equity analyses since 2016, Kroger has not publicly disclosed these findings, leading to concerns about accountability (businesswire.com). The company has been identified as a top employer of Medicaid and SNAP enrollees, indicating

inadequate compensation for many employees, with a significant portion of the workforce reported to be food insecure ([sec.gov](https://www.sec.gov)). Additionally, Kroger's shareholders rejected a proposal to adopt a living wage policy, which aimed to address inequality and racial/gender disparity in compensation, suggesting a lack of commitment to ensuring pay equality ([grocerydive.com](https://www.grocerydive.com)).

Attribute: Living Wages

Measurement Guidance

Wages in an organization's value chain provides individuals and families the means to participate fully in society and plan for the future, in addition to meeting basic needs, wages are sufficient to cover a comprehensive range of essential and discretionary expenses.

Advocate

Kroger has faced ongoing challenges in providing living wages to its employees, with reports indicating that the average hourly wage of \$15.50 is below the necessary amount for a modest but secure standard of living ([seventhgenerationinterfaith.org](https://www.seventhgenerationinterfaith.org)). Despite efforts to raise wages and expand benefits, many employees still struggle to meet basic needs, with a significant number relying on federal assistance programs ([fastcompany.com](https://www.fastcompany.com)). Kroger's national average hourly wage, including benefits, is reported to be nearly \$25, yet this still falls short of the living wage estimated for a family of four ([news.bloomberglaw.com](https://www.news.bloomberglaw.com)).

Shareholders have expressed concerns about the adequacy of Kroger's wages, with proposals for living wage policies being rejected despite ongoing criticism ([grocerydive.com](https://www.grocerydive.com)). Reports highlight that only a small percentage of grocery workers earn enough to cover basic expenses, and there is criticism that Kroger's compensation strategy does not adequately address the economic costs of low wages (pdf.secdatabase.com). While Kroger has made investments in employee compensation, including healthcare and retirement benefits, there remains significant dissatisfaction among employees regarding fair pay and the ability to fully participate in society ([payscale.com](https://www.payscale.com)).

Adversary

Kroger is facing significant criticism for its performance on the "LIVING WAGES" attribute, with multiple reports highlighting dissatisfaction among workers due to inadequate wages that fail to meet living wage standards. Labor unrest, including strikes and demands for better wages, underscores the company's shortcomings in providing compensation that allows employees to meet basic needs and plan for the future ([thestreet.com](https://www.thestreet.com), [wsws.org](https://www.wsws.org)). Despite Kroger's claims of competitive average wages, many

employees struggle financially, with some relying on public assistance and facing housing insecurity ([forbes.com](https://www.forbes.com), [fastcompany.com](https://www.fastcompany.com)).

Shareholder rejections of proposals to scrutinize and improve living wage policies further highlight the gap in Kroger's commitment to equitable compensation ([bloomberglaw.com](https://www.bloomberglaw.com), [grocerydive.com](https://www.grocerydive.com)). Reports indicate that Kroger's wage practices contribute to broader economic issues, such as income inequality, and fail to provide sufficient earnings for employees to fully participate in society ([secdatabase.com](https://www.secdatabase.com), [payscale.com](https://www.payscale.com)).

Indicator: Strengthen stakeholder Wellbeing and Satisfaction

Attribute: Stakeholder Alignment

Measurement Guidance

Is there alignment between stakeholder values and Net Positive principles? Are there defined stakeholder engagement plans outlining key indicators like measure of stakeholder well being, extended measure of living wages, etc.. Does it foster communication, transparency, and resilience building?

Advocate

The documents reveal a mixed picture of Kroger's alignment with the "STAKEHOLDER ALIGNMENT" attribute of Net Positive principles. On one hand, Kroger has implemented initiatives such as the Thriving Together strategy and the Zero Hunger | Zero Waste impact plan, which reflect efforts to align with stakeholder values through sustainability and social impact ([thekrogerco.com](https://www.thekrogerco.com)). The company has also made strides in associate compensation, supplier diversity, and community support, indicating a commitment to fostering communication, transparency, and resilience building among stakeholders ([thekrogerco.com](https://www.thekrogerco.com)).

However, there are significant concerns regarding Kroger's wage practices, particularly the lack of a living wage policy, which has been criticized by shareholders and advocacy groups as misaligned with stakeholder well-being and satisfaction ([bizjournals.com](https://www.bizjournals.com), [secdatabase.com](https://www.secdatabase.com)). Resolutions filed against Kroger highlight issues such as illegal deforestation and worker rights, suggesting areas where the company may need to improve its stakeholder engagement and alignment with broader social and environmental values ([iccr.org](https://www.iccr.org)).

Adversary

Kroger's performance on the "STAKEHOLDER ALIGNMENT" Net Positive attribute reveals several areas of concern. The company's sustainability and ESG reports lack specific stakeholder engagement plans and metrics for measuring stakeholder well-being and living wages, which are crucial for alignment with Net Positive principles ([kroger.com](https://www.kroger.com), [thekrogerco.com](https://www.thekrogerco.com)). Additionally, Kroger's average hourly wage is below the living wage necessary for a modest standard of living, and the lack of transparency regarding wage demographics further suggests misalignment with stakeholder values ([seventhgenerationinterfaith.org](https://www.seventhgenerationinterfaith.org)). Labor unrest, such as the strike threat by CDL drivers, highlights dissatisfaction with wages and benefits, indicating insufficient stakeholder engagement and communication ([yahoo.com](https://www.yahoo.com)). Furthermore, Kroger's Human Rights Impact Assessment points to potential gaps in transparency and comprehensive engagement, particularly in the supply chain, which may hinder full alignment with Net Positive principles ([thekrogerco.com](https://www.thekrogerco.com)).

Attribute: Employee Activation

Measurement Guidance

Employees are key stakeholders, are there defined/ implement wellness programs, flexible work arrangements, and mental health support?

Advocate

Kroger has implemented a range of initiatives to support employee activation, focusing on wellness programs, flexible work arrangements, and mental health support. The company offers comprehensive compensation packages, including healthcare benefits, flexible scheduling options, and a tuition reimbursement program for continued education. Health and wellness are prioritized through employee assistance programs that provide free counseling sessions, financial wellness resources, and gym membership deals (ir.kroger.com; [thehumancapitalhub.com](https://www.thehumancapitalhub.com)).

Kroger has been recognized for its commitment to employee mental health by receiving the 2025 Gold Bell Seal for Workplace Mental Health from Mental Health America for the fourth consecutive year. This certification highlights Kroger's robust mental health initiatives, inclusive wellness programs, and generous paid time off, achieving a perfect score in the "holistic wellness at work" category. These efforts reflect Kroger's dedication to promoting psychological safety and resilience among its employees and fostering a positive workplace culture ([massmarketretailers.com](https://www.massmarketretailers.com); [progressivegrocer.com](https://www.progressivegrocer.com); [prnewswire.com](https://www.prnewswire.com)).

Adversary

Kroger's performance on the "EMPLOYEE ACTIVATION" attribute has faced criticism due to several factors. The company's recent layoffs at its retail analytics subsidiary,

84.51°, have raised concerns about job insecurity and morale, with a lack of transparency and absence of wellness programs or mental health support for remaining employees ([grocerydive.com](https://www.grocerydive.com)). Additionally, Kroger's return-to-office mandate challenges the work-from-home culture, potentially disrupting employees' lives without clear provisions for wellness or flexible work arrangements, which could lead to dissatisfaction and decreased morale ([arc relocation.com](https://www.arc relocation.com)). Furthermore, despite receiving recognition for mental health initiatives, there is insufficient information on the effectiveness and inclusivity of these programs, as well as a lack of emphasis on flexible work arrangements ([progressivegrocer.com](https://www.progressivegrocer.com), ir.kroger.com). Lastly, a reduction in labor hours has led to understaffing and wage stagnation, negatively impacting employee well-being and satisfaction as workers struggle to meet basic expenses ([fastcompany.com](https://www.fastcompany.com)).

Attribute: Value Chain

Measurement Guidance

Are partners, suppliers and customers aligned to Net Positive principles?

Advocate

Kroger's sustainability initiatives, as part of their Zero Hunger | Zero Waste plan, demonstrate a commitment to influencing their value chain towards more sustainable practices. They focus on responsible sourcing, engaging with their supply chain through a Social Compliance Program, and encouraging customers to make sustainable choices ([thekrogerco.com](https://www.thekrogerco.com)). Kroger collaborates with partners like Feeding America and World Wildlife Fund to reduce food waste and improve food security, and their Innovation Fund supports entrepreneurs with solutions for food access and waste reduction ([thekrogerco.com](https://www.thekrogerco.com)).

Kroger has set a new sustainability goal for its fresh produce supply chain, requiring suppliers to adopt Integrated Pest Management practices to protect biodiversity, developed in collaboration with the Sustainable Food Group (ir.kroger.com). Their 2024 ESG Report highlights responsible sourcing, supply chain accountability, and significant progress in seafood sustainability, along with a Supplier Diversity & Inclusion Program that facilitated \$3.6 billion in spending with diverse-owned businesses in 2023 ([thekrogerco.com](https://www.thekrogerco.com)). Additionally, Kroger's collaboration with WWF focuses on seafood sustainability and food waste, with initiatives like a fundraising campaign to support conservation programs ([worldwildlife.org](https://www.worldwildlife.org)).

Adversary

The summaries reveal several critical issues with Kroger's alignment to Net Positive principles, particularly in the VALUE CHAIN attribute. Kroger has been criticized for

overcharging customers due to pricing errors and expired sale tags, which suggests a lack of transparency and accountability in their operations ([consumerreports.org](https://www.consumerreports.org), [thefern.org](https://www.thefern.org)). Additionally, labor disputes involving unfair practices and dissatisfaction with wages and benefits indicate a failure to foster stakeholder well-being and satisfaction ([latimes.com](https://www.latimes.com), [yahoo.com](https://www.yahoo.com)).

Furthermore, Kroger's data collection practices raise ethical concerns about consumer privacy and trust, as they involve creating potentially inaccurate shopper profiles and selling customer data ([consumerreports.org](https://www.consumerreports.org)). The company's avocado supply chain has also been scrutinized for sourcing from illegally deforested lands, highlighting insufficient due diligence and potential greenwashing ([asyousow.org](https://www.asyousow.org)). These issues collectively suggest significant gaps in Kroger's alignment with Net Positive principles, impacting trust and satisfaction among stakeholders.

Attribute: Technology

Measurement Guidance

Defined strategy to leverage technology to enhance stakeholder experiences?

Advocate

Kroger has been actively leveraging technology to enhance stakeholder experiences, focusing on both customer and employee satisfaction. The company has integrated artificial intelligence (AI) and automation into its operations, partnering with Ocado to implement advanced automation technologies in its Customer Fulfillment Centers, which are crucial for online delivery services ([retail-today.com](https://www.retail-today.com)). Kroger's 2025 digital strategy emphasizes transforming into a tech-enabled retail powerhouse, utilizing AI, robotics, cloud computing, and autonomous delivery to improve smart fulfillment, customer personalization, and supply chain optimization ([globenewswire.com](https://www.globenewswire.com)).

The company has also focused on digital transformation efforts to streamline hiring processes, improve training applications, and enhance employee experiences through digital weekly circulars and mobile technology ([homepagenews.com](https://www.homepagenews.com)). Kroger's investment in workforce management technology, such as UKG Workforce Central, demonstrates a commitment to optimizing labor allocation and boosting employee engagement ([grocerydoppio.com](https://www.grocerydoppio.com)). Additionally, Kroger's creation of a new eCommerce business unit aims to accelerate online growth and improve the online customer experience, reflecting a commitment to digital transformation (ir.kroger.com).

Adversary

Kroger's technology strategy has faced criticism for its impact on stakeholder well-being and satisfaction. A multi-year technology transformation project aimed at modernizing

systems led to significant payroll disruptions, resulting in a class-action lawsuit involving over 200 employees due to timekeeping system outages. This situation highlights deficiencies in Kroger's approach to leveraging technology, as the complexity of integrating disparate legacy applications has caused data problems and inadequate testing, affecting employee satisfaction ([gpa.net](https://www.gpa.net)).

Additionally, Kroger's use of customer data through its loyalty program to create detailed shopper profiles has raised concerns about data privacy and consumer trust. The strategy, criticized for inaccuracies and potential unfair pricing practices, risks alienating customers and prioritizes profit over equitable treatment. Furthermore, Kroger's surveillance pricing strategy, involving electronic shelf labels and potential facial recognition, has been criticized for violating consumer privacy and increasing costs, undermining trust and satisfaction by prioritizing data monetization over transparent consumer interactions ([consumerreports.org](https://www.consumerreports.org), [epic.org](https://www.epic.org)).

Attribute: Stakeholder Wellbeing & Satisfaction

Measurement Guidance

Documented stakeholder well being and satisfaction strategy and approach

Advocate

Kroger's commitment to stakeholder well-being and satisfaction is evident through its comprehensive ESG strategy, "Thriving Together," which serves as a roadmap for achieving long-term performance goals and commitments ([thekrogerco.com](https://www.thekrogerco.com)). The company emphasizes serving a range of stakeholders, including employees, customers, and communities, through initiatives like the Zero Hunger | Zero Waste action plan and promoting diversity, equity, and inclusion ([thekrogerco.com](https://www.thekrogerco.com); ir.kroger.com). Kroger's documented approach to stakeholder satisfaction is supported by structured ESG governance and management, which sets clear expectations for performance across its operations and supply chain ([thekrogerco.com](https://www.thekrogerco.com)).

Kroger has implemented customer satisfaction surveys and uses platforms like Qualtrics to gather real-time insights from employees, indicating a structured strategy to document and address stakeholder well-being and satisfaction (process.st; krogercomfeedback.com). The company has also been recognized for its commitment to employee mental health, receiving the Gold Bell Seal for Workplace Mental Health for four consecutive years ([taurigo.com](https://www.taurigo.com)). Additionally, Kroger's workforce management strategy, including increased wages and efficient scheduling, reflects its dedication to improving employee conditions and satisfaction ([grocerydoppio.com](https://www.grocerydoppio.com)).

Adversary

Kroger faces significant challenges in its "STAKEHOLDER WELLBEING & SATISFACTION" attribute due to persistent pricing issues and labor disputes. Consumer Reports has identified ongoing problems with overcharging customers because of expired sales tags, which Kroger has been aware of but has not adequately addressed, leading to class-action lawsuits and consumer dissatisfaction ([consumerreports.org](https://www.consumerreports.org)). Additionally, over 10,000 Kroger workers are on strike in Denver, protesting unfair labor practices such as inadequate staffing, safety concerns, and wage inequities. The union's accusations of Kroger prioritizing stock buybacks over employee welfare and the use of gig workers and outsourcing further highlight a disconnect between Kroger's stated stakeholder strategies and the actual experiences of its employees ([forbes.com](https://www.forbes.com)).

Category: Impact

Indicator: Implemented Regenerative Business Practices

Attribute: Climate Positive

Measurement Guidance

- Does the organization have an emissions reduction roadmap aligned to 1.5 deg C?
- Does the organization tracks Scope 1, 2, 3 emissions for applicable categories? Total Impact Measurement, true cost accounting, life cycle assessment

Advocate

Kroger has set a target to reduce greenhouse gas emissions by 30% by 2030 from a 2018 baseline, achieving a 15.2% reduction by 2022, and is working to align future targets with the Science Based Targets initiative for a 1.5°C scenario ([thekrogerco.com](https://www.thekrogerco.com)). The company tracks Scope 1 and 2 emissions and is developing new Scope 3 and Forest, Land, and Agriculture (FLAG) goals to address supply chain emissions ([thekrogerco.com](https://www.thekrogerco.com)). Kroger has also announced a collaboration with Scope3 to track the carbon emissions associated with its offsite media campaigns, although this effort focuses on the carbon footprint of its retail media activities rather than a broader emissions reduction strategy ([supermarketnews.com](https://www.supermarketnews.com)).

Concerns have been raised about Kroger's lack of a comprehensive plan to phase out hydrofluorocarbons (HFCs), which are a significant source of its Scope 1 emissions, and the company has not disclosed a strategy aligned with the 1.5°C scenario

([sec.gov](https://www.sec.gov)). Despite this, Kroger is implementing various emissions-reduction projects, including transitioning to electric vehicles, piloting solar installations, and purchasing green power, with oversight from its executive leadership and the Public Responsibilities Committee of the board ([thekrogerco.com](https://www.thekrogerco.com)). The company plans to set a new Scope 3 goal for supply chain emissions reduction as part of its commitment to the Science Based Targets initiative ([drugstorenews.com](https://www.drugstorenews.com)).

Adversary

Kroger's performance on the "CLIMATE POSITIVE" attribute is critiqued for its insufficient progress and lack of comprehensive strategies. Despite setting a target to reduce Scope 1 and 2 emissions by 30% by 2030, Kroger has only achieved a 15.2% reduction as of 2022, with no detailed roadmap for achieving these reductions, particularly for Scope 3 emissions, which are crucial for a comprehensive climate strategy ([thekrogerco.com](https://www.thekrogerco.com)). The company continues to rely on hydrofluorocarbons (HFCs) without a clear plan to phase them out, raising concerns about meeting future emission reduction targets aligned with a 1.5°C scenario ([sec.gov](https://www.sec.gov)). Additionally, Kroger's emissions targets are not aligned with the critical 1.5-degree Celsius warming trajectory, and the lack of a Scope 3 target suggests that their climate strategy may not be robust enough for a net positive approach ([worldbenchmarkingalliance.org](https://www.worldbenchmarkingalliance.org)).

The 2024 ESG Report indicates only a 12% reduction in emissions since 2018, with partial disclosure of Scope 3 emissions, which could obscure the full extent of Kroger's carbon footprint ([thekrogerco.com](https://www.thekrogerco.com)). The increase in Scope 2 emissions and reliance on market-based emissions factors that have become 'dirtier' further question the effectiveness of their renewable energy strategies. The absence of a clear roadmap aligned with the 1.5°C target and the delay in providing a full Scope 3 inventory limit the understanding of Kroger's total carbon footprint and suggest a need for more comprehensive and transparent reporting ([thekrogerco.com](https://www.thekrogerco.com)).

Attribute: Biosphere Positive

Measurement Guidance

- Does the organization (if applicable) focus on regenerative agricultural practices - soil health, crop diversity, ecosystem resilience, etc.?
- Does the organization (if applicable) focus on wetland restoration, agroforestry, permaculture principles, etc.
- Does the organization (if applicable) capture metrics for overall impact to intact and managed land, such as biodiversity loss/ gain rates, invasive species assessment and deforestation - land footprint (land area required for production, use and disposal)

Advocate

Kroger has set a new goal to enhance sustainability in its fresh produce supply chain by requiring all fresh produce suppliers to adopt Integrated Pest Management practices by 2028 or 2030, depending on the grower's size. This initiative aims to protect pollinators and biodiversity, and Kroger is collaborating with the Sustainable Food Group to develop a compliance roadmap, encouraging suppliers to achieve certifications such as Bee Better, Biodynamic, and Regenerative Organic (ir.kroger.com).

While Kroger has committed to eliminating deforestation in its products and focuses on sustainable sourcing of key commodities, the document does not specifically address regenerative agricultural practices, wetland restoration, agroforestry, or permaculture principles. Additionally, it lacks detailed metrics on biodiversity loss/gain rates, invasive species assessment, or land footprint related to intact and managed land (thekrogerco.com).

Adversary

Kroger's efforts towards becoming biosphere positive have been critiqued for lacking a comprehensive approach to regenerative agricultural practices. While the company has committed to Integrated Pest Management (IPM) practices to reduce pesticide use, this focus alone may not suffice for a truly regenerative model, as it does not explicitly address soil health, crop diversity, or ecosystem resilience (sustainablebrands.com). Additionally, Kroger's recent commitments to reducing toxic pesticides are seen as positive, but the absence of specific metrics or targets for implementation and a lack of focus on wetland restoration or biodiversity metrics are noted as shortcomings (foe.org). The 2024 Kroger ESG Report further highlights these gaps, as it lacks detailed information on regenerative practices and biodiversity impact, which are essential for assessing the "BIOSPHERE POSITIVE" attribute (thekrogerco.com).

Attribute: Water Positive

Measurement Guidance

- Is drawn water $\leq$ recharge rate?
- waste water management/ recycling?
- water footprint
- water quality impact

Advocate

no relevant information

Adversary

The document highlights several violations by Kroger concerning water quality, specifically at Ralphs Grocery Co. Store #289, where limits for sulfide, turbidity, and biochemical oxygen demand (BOD) were exceeded. These violations suggest potential deficiencies in Kroger's water management practices, indicating that the company may not be effectively managing its water footprint or ensuring that drawn water is less than or equal to the recharge rate (ciwqs.waterboards.ca.gov). The repeated nature of these violations could point to systemic issues in waste water management and recycling processes, although the document does not provide a comprehensive view of Kroger's overall water management strategy or any improvements made, which could lead to a misleading assessment of the company's performance on the "WATER POSITIVE" attribute (ciwqs.waterboards.ca.gov).

Attribute: Fertilizer Load

Measurement Guidance

- Soil nutrient testing, nutrient budgeting to understand inputs and outputs of nitrogen and phosphorus on the farm,
- Nutrient loading, assessment of mineralization rates
- Water quality monitoring - surface and ground watersampling/ monitoring
- Plant tissue analysis
- Eutrophication and biodiversity assessment

Advocate

No relevant information was found for this attribute

Adversary

Kroger's performance on the "FERTILIZER LOAD" attribute is criticized due to the company's lack of transparency and measurable commitments regarding the tracking, reporting, or reduction of synthetic pesticides in its agricultural supply chain. This deficiency places Kroger behind competitors who have established timebound goals and adopted integrated pest management practices (iehn.org). Despite recognizing responsible pesticide, fertilizer, and soil-management practices as material issues, Kroger has not provided specific metrics or progress reports, raising concerns about the effectiveness and sincerity of their efforts. This oversight poses reputational, financial, and regulatory risks, particularly in a market that increasingly demands sustainable practices (iehn.org).

Indicator: Achieved Carbon Negative Value Chain

Attribute: Carbon Capture

Measurement Guidance

a) Investment/ use of technologies designed to capture carbon dioxide emissions from emission sources b) Legacy carbon removal

Advocate

No relevant information was found for this attribute

Adversary

No relevant information was found for this attribute

Attribute: Sustainable Sourcing

Measurement Guidance

Sourcing of carbon neutral/ carbon negative materials from suppliers that are committed to low carbon practices

Advocate

Kroger has taken significant steps towards sustainable sourcing by setting a new goal for its fresh produce supply chain to protect pollinators and biodiversity. This involves requiring all fresh produce suppliers to adopt Integrated Pest Management practices by 2028 or 2030, depending on the grower's size, as part of its "Thriving Together" strategy (ir.kroger.com). Additionally, Kroger has partnered with Kipster Farms to introduce the world's first carbon-neutral eggs to the U.S. market under its Simple Truth brand. This collaboration uses a closed-loop system powered by solar energy and aligns with Kroger's Zero Hunger | Zero Waste mission, reflecting its commitment to sustainable sourcing and environmental responsibility (kipster.farm; smartenergydecisions.com).

Adversary

Kroger faces significant challenges in addressing supply chain emissions, which make up 90% of their total carbon footprint, and efforts to reduce operational emissions have had minimal impact on their overall environmental footprint (sustainabilitymag.com). The lack of transparency and data disclosure, as highlighted by a report from the Carbon Trust, hampers the ability to track emissions and verify progress towards climate goals, making it difficult to assess Kroger's commitment to sustainable sourcing of carbon-neutral or carbon-negative materials (sustainabilitymag.com).

Attribute: Afforestation/Reforestation

Measurement Guidance

Natural sequestration of carbon, contributing to overall ecosystem health

Advocate

no relevant information

Adversary

Kroger has been criticized for its insufficient efforts in addressing habitat loss and deforestation within its supply chain, particularly due to its promotion of meat and dairy products from intensive factory farms. These practices contribute to land conversion, carbon emissions, and wildlife habitat destruction, which contradicts Kroger's public commitment to achieving no deforestation (worldanimalprotection.us). Additionally, while Kroger has committed to eliminating deforestation in its supply chain for key commodities, there is a notable absence of specific initiatives or targets related to afforestation or reforestation. This gap suggests that Kroger's strategy may be lacking in terms of enhancing natural carbon sequestration and ecosystem health, which are essential for achieving a carbon-negative value chain (thekrogerco.com).

Attribute: Carbon Offsets**Measurement Guidance**

Investment in verified carbon offset projects to compensate for emissions that cannot be eliminated within the value chain.

Advocate

No relevant information was found for this attribute

Adversary

No relevant information was found for this attribute

Attribute: Product Carbon Label**Measurement Guidance**

labelling products w/ footprint information for influencing consumer choices,

Advocate

No relevant information was found for this attribute

Adversary

No relevant information was found for this attribute

Attribute: Carbon Pricing**Measurement Guidance**

Assigned carbon price, thereby internalizing the social cost of carbon emissions, encouraging adoption of cleaner technologies and practices - carbon taxes or cap and trade systems

Advocate

Kroger is listed as a participant in the Washington Cap-and-Invest Program, which indicates its involvement in a state-level carbon pricing mechanism. This participation implies that Kroger is subject to emissions compliance obligations, potentially including cap-and-trade systems. However, the document does not specify Kroger's assigned carbon price or detail how it internalizes the social cost of carbon emissions (apps.ecology.wa.gov).

Adversary

Kroger's 2024 ESG report reveals significant shortcomings in their carbon pricing strategy, as their market-based Scope 1 and 2 emissions increased by 3.8% from 2022 to 2023, contradicting their goal of a 30% reduction from the 2018 baseline. While Kroger is making some progress by transitioning to carbon dioxide refrigerants in new stores and using propane for stand-alone units, their partial conversion of existing stores to lower global warming potential systems is insufficient. This approach fails to fully internalize the social cost of carbon emissions and does not aggressively adopt cleaner technologies across the board. Furthermore, Kroger's delay in implementing infrared leak detectors in all stores until 2026 undermines their commitment to reducing emissions, leaving them behind competitors like Aldi, Whole Foods, and Target in phasing out hydrofluorocarbon refrigerants (theunpacker.com).

Indicator: Reduced Unsustainable Consumption

Attribute: Value Vs. Impact

Measurement Guidance

Ratio of positive: negative impact by products/ product categories

Advocate

no relevant information

Adversary

Kroger's sustainability efforts have been criticized for lacking detailed analysis of the ratio of positive to negative impacts of their products, which is essential for assessing the "VALUE VS. IMPACT" attribute. Their sustainability report emphasizes future goals over current measurable outcomes, potentially obscuring the full environmental cost of

their operations, and focuses heavily on packaging, which may divert attention from other significant product impacts ([environmentenergyleader.com](https://www.environmentenergyleader.com)). Additionally, Kroger's failure to eliminate single-use plastic bags by 2025, as initially pledged, highlights a gap between their stated goals and actual progress, with a lack of transparency and accountability in their ESG report ([modernretail.co](https://www.modernretail.co)). Furthermore, Kroger's "Zero Waste" initiatives are questioned, as 54% of their food waste still ends up in landfills, contradicting their zero waste claim and suggesting a significant negative impact. The focus on recyclable packaging is critiqued for potentially misleading consumers, as infrastructure limitations may prevent actual recycling, and the target of 10% post-consumer recycled content is considered low ([thesimpleenvironmentalist.com](https://www.thesimpleenvironmentalist.com)).

Attribute: Lifecycle Assessment

Measurement Guidance

LCA influencing labels thereby reducing unsustainable choices

Advocate

no relevant information

Adversary

Kroger has faced criticism for its inadequate performance in addressing the "LIFECYCLE ASSESSMENT: LCA influencing labels thereby reducing unsustainable choices" attribute. The company has been slow to phase out non-recyclable packaging and lacks specific policies or programs to convert such packaging to recyclable alternatives, unlike competitors like Walmart and Unilever who have made clear commitments ([asyousow.squarespace.com](https://www.asyousow.squarespace.com)). Additionally, Kroger has not met its pledge to eliminate single-use plastic bags by 2025, with no definitive timeline for full implementation, which raises concerns about the robustness of their lifecycle assessment strategy ([modernretail.co](https://www.modernretail.co)). Furthermore, Kroger's claims of being zero waste are questioned, as a significant portion of their food waste still ends up in landfills, and their packaging goals may not reflect their overall sustainability impact, suggesting a need for more transparency and comprehensive action ([thesimpleenvironmentalist.com](https://www.thesimpleenvironmentalist.com)).

Attribute: Circularity

Measurement Guidance

Organization practices reuse, recycle and reduced consumption, rate of circularity is measured.

Advocate

Kroger has made strides in enhancing circularity through various initiatives, such as participating in Loop, TerraCycle's refill platform, which emphasizes reusable packaging (edie.net). The company's Zero Hunger, Zero Waste initiative aims to eliminate food waste by 2025, incorporating waste diversion programs and collaborating with partners like WWF to map and track food waste (thekrogerco.com). Kroger is also working towards phasing out single-use plastic bags by 2025, with progress being an area of focus in recent ESG reports (farmersadvance.com).

In 2023, Kroger achieved an 82% waste diversion rate from landfills, with 95% of stores participating in food waste recycling programs (thekrogerco.com). The company has implemented reusable plastic containers and anaerobic digestion programs to enhance food waste recycling, alongside internal training modules to engage associates in waste reduction efforts (fooddive.com). However, while Kroger offers products with recycled packaging, detailed metrics on the rate of circularity within its operations are not comprehensively provided (kroger.com).

Adversary

Kroger's performance on the "CIRCULARITY" attribute faces criticism for several shortcomings. Despite achieving an 82% waste diversion rate, Kroger has not met its 90% goal, and the inconsistency in recyclable packaging percentages from 2021 to 2023 raises concerns about their progress (thekrogerco.com). The company's initiative to phase out single-use plastic bags by 2025 is seen as insufficient due to its slow implementation and limited focus, overshadowing broader circularity efforts like packaging waste and product lifecycle management (savannahnow.com; grocerydive.com).

Furthermore, Kroger's strategies are criticized for not being robust enough to achieve true circularity, as evidenced by their failure to eliminate single-use plastic bags across all stores and reliance on recycling initiatives that may not adequately address plastic pollution (thecooldown.com). The company's packaging commitments lag behind competitors, with a 2030 target for 100% reusable, recyclable, or compostable packaging, and a reduced recycled content goal, highlighting a lack of accountability and ambition in their circularity approach (plasticstoday.com).

Attribute: Consumption Contribution

Measurement Guidance

Measurement of organization's contribution to products that do not have a net positive value to the environment and society

Advocate

Kroger has set ambitious sustainability goals to reduce its contribution to products that do not have a net positive value to the environment and society. The company aims to phase out single-use plastic shopping bags by 2025 and achieve 100% recyclable, compostable, or reusable packaging for its private-label products by 2030 (ecoenclose.com, environmentenergyleader.com). Despite these commitments, progress has been slower than anticipated, with only "more than 700" stores having switched to reusable bags, and the company has not provided a definitive timeline for the complete removal of single-use bags (modernretail.co).

Kroger's "Zero Hunger | Zero Waste" initiative further highlights their efforts to reduce food waste and promote sustainable consumption, although the effectiveness and scope of these goals have been questioned (thesimpleenvironmentalist.com). The company is also involved in initiatives like the Loop reusable packaging platform and collaborates with organizations to track and optimize their environmental footprint (thekrogerco.com, thekrogerco.com).

Adversary

Kroger's performance on the "CONSUMPTION CONTRIBUTION" attribute reveals several shortcomings in its efforts to reduce unsustainable consumption. Despite initiatives like the #ZeroHungerZeroWaste program and the commitment to phase out single-use plastic bags by 2025, there is a lack of specific data and measurable outcomes on the reduction of products that do not have a net positive value to the environment and society (ainvest.com, farmersadvance.com). The absence of a clear timeline and comprehensive assessment in their ESG reports further complicates the evaluation of Kroger's true impact on unsustainable consumption (thekrogerco.com, thekrogerco.com).

Moreover, Kroger's delayed progress in eliminating single-use plastic bags and transitioning to environmentally friendly refrigerants highlights a gap between its stated goals and actual achievements (modernretail.co, greenamerica.org). The reliance on future commitments rather than current actions may mislead stakeholders about the company's commitment to reducing its negative environmental impact, indicating a need for more transparency and accountability in addressing the broader issue of unsustainable consumption.

Attribute: Collective Scale

Measurement Guidance

Impact assessment of large scale usage of products and services

Advocate

Kroger's Zero Hunger | Zero Waste initiative demonstrates a commitment to reducing food waste and improving food security, aligning with the "COLLECTIVE SCALE" attribute by aiming to provide over 3 billion meals to communities by 2025. The company collaborates with organizations like the World Wildlife Fund to map and track its food waste footprint, using data-driven solutions to address these challenges, and invests in entrepreneurs through its Innovation Fund to enhance sustainable consumption practices ([thekrogerco.com](https://www.thekrogerco.com)). Additionally, Kroger's partnership with WWF, which includes initiatives like a fundraising campaign during Earth Month, reflects efforts to engage in large-scale impact assessment by supporting projects that benefit ecosystems and communities globally ([worldwildlife.org](https://www.worldwildlife.org)). However, specific data or metrics on the impact assessment of Kroger's large-scale usage of products and services are not provided in the documents.

Adversary

Kroger's performance on the "COLLECTIVE SCALE" attribute is criticized due to its failure to eliminate single-use plastic bags, despite a pledge to do so by 2025. As of the latest ESG report, only "more than 700" stores have transitioned to reusable bags, with no clear timeline for full elimination, indicating a gap in assessing and mitigating the environmental impact of their product usage ([modernretail.co](https://www.modernretail.co)). Additionally, Kroger's zero waste claims are seen as misleading, as they define zero waste as diverting more than 90% of waste from landfills, yet over 54% of their food waste still ends up in landfills, contributing to methane emissions. Their packaging goals are also critiqued for being insufficient, focusing only on Kroger brand packaging and lacking ambition, such as aiming for only 10% post-consumer recycled content ([thesimpleenvironmentalist.com](https://www.thesimpleenvironmentalist.com)).

Indicator: Advanced Corporate Truth & Transparency

Attribute: Trust & Transparency

Measurement Guidance

Evaluate how decisions are made and communicated within the organization. Are issues reported in the organization and supply chain addressed?

Advocate

Kroger's approach to trust and transparency is multifaceted, with both commendable practices and areas of concern. The company's Policy on Business Ethics underscores the importance of integrity and transparency, providing mechanisms for reporting violations and ensuring compliance with financial regulations ([thekrogerco.com](https://www.thekrogerco.com)). Kroger's 2019 ESG Report highlights efforts to enhance transparency through

stakeholder engagement and supply chain audits, demonstrating a commitment to ethical standards ([thekrogerco.com](https://www.kroger.com)). Additionally, Kroger enforces a zero-tolerance policy for forced and child labor, requiring vendor compliance with labor laws ([thekrogerco.com](https://www.kroger.com)).

However, Consumer Reports has criticized Kroger's data practices, citing issues with customer data collection and discriminatory pricing, which challenge the company's transparency claims (captaincompliance.com). Furthermore, reports of understaffing and financial neglect raise questions about Kroger's decision-making transparency and ethical considerations ([economicrt.org](https://www.economicrt.org)). Recent challenges, including a failed merger and leadership changes, have further pressured Kroger's board to maintain transparency and effective communication (corporatecomplianceinsights.com).

Adversary

Kroger faces significant challenges in the "TRUST & TRANSPARENCY" attribute, as highlighted by several critical issues. Consumer Reports has raised concerns about Kroger's loyalty program, which collects extensive customer data, leading to discriminatory pricing practices that harm lower-income consumers. This raises questions about the transparency of Kroger's data practices and the potential misuse of personal information, suggesting a lack of effective communication and accountability (captaincompliance.com). Additionally, a legal dispute with Albertsons following a failed merger points to potential issues in decision-making and communication within Kroger, with accusations of acting in self-interest and failing to cooperate ([spectrumnews1.com](https://www.spectrumnews1.com)).

Furthermore, Kroger's Policy on Business Ethics and the 2024 ESG Report lack specific details on decision-making processes and how issues are addressed, which could be seen as insufficient in demonstrating transparency and trust-building efforts ([thekrogerco.com](https://www.kroger.com), [thekrogerco.com](https://www.kroger.com)). The abrupt resignation of CEO Rodney McMullen following an ethics investigation further underscores potential gaps in transparency and communication, raising concerns about how effectively issues are addressed within the organization ([grocerydive.com](https://www.grocerydive.com)). These issues collectively highlight the need for Kroger to enhance its transparency practices to rebuild and sustain stakeholder trust.

Attribute: Earned Transparency Score

Measurement Guidance

Surveys include questions about perceived honesty in communication, access to information, and satisfaction with transparency practices.

Advocate

Kroger has been recognized as one of America's most visible and trusted companies, as evidenced by its inclusion in the 2025 Axios Harris Poll 100, which evaluates companies based on ethics, trust, and transparency ([prnewswire.com](https://www.prnewswire.com)). This recognition is supported by Kroger's Zero Hunger | Zero Waste impact plan, which demonstrates the company's commitment to transparency and community engagement.

However, concerns have been raised about Kroger's transparency practices, particularly regarding its data collection and usage. An investigation by Consumer Reports revealed that Kroger's loyalty program collects extensive customer data, leading to potentially inaccurate shopper profiles and discriminatory pricing through an "income predictor" algorithm (captaincompliance.com). These findings suggest a discrepancy between Kroger's stated transparency policies and customer perceptions, highlighting the critical role of transparency in maintaining stakeholder trust and satisfaction.

Adversary

Kroger's performance on the "EARNED TRANSPARENCY SCORE" attribute has been criticized due to several issues related to transparency and honesty in communication. Consumer Reports and other investigations have highlighted significant problems with Kroger's pricing practices, where customers were overcharged for items advertised as discounted, leading to consumer dissatisfaction and class-action lawsuits (consumerreports.org, nbc4i.com). Additionally, Kroger's dealings with C&S Wholesale Grocers revealed a lack of transparency and honest communication, as the company failed to comply with contractual obligations and delayed engagement with regulators (gibsondunn.com).

Furthermore, Kroger's data practices have come under scrutiny, with reports of privacy violations and discriminatory pricing through its loyalty program. These practices raise concerns about the perceived honesty in Kroger's communication and access to information, as customers are often unaware of the extent of data collection and its implications (captaincompliance.com, consumerreports.org). The creation of secret shopper profiles with inaccuracies further exacerbates these concerns, potentially leading to unfair pricing and undermining customer trust (consumerreports.org).

Attribute: Disclosure Quality

Measurement Guidance

Clarity and completeness of information disclosed in financial reports, sustainability reports, and other public documents.

Advocate

Kroger demonstrates a commitment to transparency and ethical business practices through its social compliance assessment guide, which emphasizes accurate and comprehensive disclosure by vendors and suppliers. The company employs third-party assessment firms to conduct audits and uses a risk-based assessment process to ensure clarity and completeness in disclosed information ([thekrogerco.com](https://www.thekrogerco.com)). However, concerns have been raised about Kroger's data practices, particularly regarding the clarity and completeness of information disclosed in public documents. Consumer Reports identified issues with Kroger's loyalty program, which collects extensive customer data and may lead to privacy violations and discriminatory pricing, suggesting potential shortcomings in the transparency of their disclosures ([captaincompliance.com](https://www.captaincompliance.com)). Additionally, Kroger's business ethics policy highlights the company's commitment to integrity, with effective disclosure controls and procedures in place to ensure compliance with SEC requirements and promote transparency ([thekrogerco.com](https://www.thekrogerco.com)).

Adversary

Kroger's performance on the "DISCLOSURE QUALITY" attribute has been criticized for lacking transparency and completeness in several areas. Consumer Reports found significant issues with pricing transparency, as Kroger stores have been overcharging customers due to expired sales labels, and the company's response has been seen as insufficient in addressing these discrepancies ([consumerreports.org](https://www.consumerreports.org)). Additionally, Kroger's data practices have raised concerns, with allegations of inaccurate data collection and potential discriminatory pricing, which are not adequately disclosed in their financial and sustainability reports ([captaincompliance.com](https://www.captaincompliance.com)).

Kroger's ESG reports from 2018, 2019, and 2024 have been critiqued for lacking specific details on the clarity and completeness of disclosures, potentially misleading stakeholders about the company's true impact and progress. These reports, while aligning with various sustainability frameworks, often lack external assurance and fail to provide a balanced view of achievements and challenges, which could undermine stakeholder trust ([thekrogerco.com](https://www.thekrogerco.com), [thekrogerco.com](https://www.thekrogerco.com), [thekrogerco.com](https://www.thekrogerco.com)).

Attribute: Training & Education

Measurement Guidance

Measurement / analysis of consumer trends

Advocate

Kroger has shown a strong commitment to analyzing consumer trends through its data science subsidiary, 84.51°, which utilizes first-party retail data from over 62 million U.S. households to create personalized shopping experiences ([forbes.com](https://www.forbes.com)). This data-driven

approach allows Kroger to predict emerging food trends, such as bold flavors and plant-based proteins, and adapt its product offerings accordingly ([prnewswire.com](https://www.prnewswire.com)). Additionally, Kroger's Fresh Start training initiative, developed in collaboration with Axonify, focuses on personalized, gamified training for associates, although it does not specifically address the measurement or analysis of consumer trends ([supermarketnews.com](https://www.supermarketnews.com)).

Adversary

Kroger has faced criticism for its handling of consumer data through its loyalty program, which collects extensive customer information and creates potentially inaccurate shopper profiles. These inaccuracies can lead to discriminatory pricing practices, such as "surveillance pricing," where lower-income shoppers may receive fewer or less valuable discounts, exacerbating wealth inequalities ([captaincompliance.com](https://www.captaincompliance.com), [foodandwine.com](https://www.foodandwine.com)). The practice of selling customer data to third parties, including data brokers and tobacco brands, raises significant concerns about consumer privacy and trust, suggesting a gap in Kroger's training and education on consumer trends ([foodandwine.com](https://www.foodandwine.com), [therecord.media](https://www.therecord.media)). This approach may undermine Kroger's efforts in promoting transparency and ethical business practices, as the reliance on potentially flawed data could lead to misguided business strategies and erode stakeholder trust ([therecord.media](https://www.therecord.media)).

Attribute: Standards Adherence

Measurement Guidance

Review external ratings and rankings related to trust and transparency.

Advocate

Kroger has been recognized for its strong adherence to standards of trust and transparency, as evidenced by its inclusion in the 2025 Axios Harris Poll 100 and Newsweek's "Most Trustworthy Companies in America 2025" list. These rankings reflect Kroger's positive reputation in areas such as ethics, trust, and vision, supported by initiatives like the Zero Hunger | Zero Waste impact plan ([newsweek.com](https://www.newsweek.com), [prnewswire.com](https://www.prnewswire.com), ir.kroger.com, [morningstar.com](https://www.morningstar.com)).

Furthermore, Kroger's commitment to transparency is demonstrated through its alignment with established reporting standards and frameworks, such as the Sustainability Accounting Standards Board (SASB) Index and the Task Force on Climate-related Financial Disclosures (TCFD). The company also engages with stakeholders and conducts double materiality assessments, indicating a proactive approach to maintaining transparency and trust in its corporate practices ([thekrogerco.com](https://www.thekrogerco.com)).

Adversary

Kroger has faced significant criticism regarding its adherence to standards of trust and transparency, particularly in its pricing practices and supply chain management. Investigations by Consumer Reports and other organizations have revealed that Kroger has been overcharging customers due to expired sales labels, an issue that has persisted despite the company's awareness and previous complaints ([consumerreports.org](https://www.consumerreports.org)). Additionally, concerns have been raised about Kroger's avocado supply chains, with allegations of sourcing from illegally deforested lands in Mexico, which questions the effectiveness of its due diligence protocols and poses reputational risks ([asyousow.org](https://www.asyousow.org)).

The resignation of CEO Rodney McMullen following an ethics review further highlights potential weaknesses in Kroger's governance and transparency practices, as it raises questions about the company's internal adherence to ethical standards ([foodtradenews.com](https://www.foodtradenews.com)). While Kroger ranks fifth in the "Most Trustworthy Companies in America 2025" list, it still lags behind competitors, indicating room for improvement in transparency initiatives ([rankings.newsweek.com](https://www.rankings.newsweek.com)). These issues collectively suggest that Kroger needs to enhance its transparency and trust-building measures to improve its standing and adherence to standards.

Indicator: Complied with Extended Measure of Living Wages

Attribute: Supplier Compliance

Measurement Guidance

Compliance rate - are suppliers/ vendors in compliance of NP requirements? Wages in an organization's value chain provides individuals and families the means to participate fully in society and plan for the future, in addition to meeting basic needs, wages are sufficient to cover a comprehensive range of essential and discretionary expenses.

Advocate

Kroger's commitment to social responsibility within its supply chain is demonstrated through its Vendor Code of Conduct, which mandates adherence to fair labor practices and compliance with labor standards, including fair employee wages ([thekrogerco.com](https://www.thekrogerco.com)). The company employs third-party assessment firms to conduct social compliance audits and requires suppliers to engage in corrective action plans if non-compliances are identified, with potential business suspension for failure to comply ([thekrogerco.com](https://www.thekrogerco.com)).

However, a strike at King Soopers, a Kroger-owned grocery chain, highlights challenges in meeting the Net Positive requirements for living wages. The union representing 10,000 workers claims that wages are insufficient for workers to afford shopping at their own stores, and there are issues with low staffing and the use of retirement health benefit funds to cover wage increases (supplychainbrain.com).

Adversary

Kroger's performance on the "SUPPLIER COMPLIANCE" Net Positive attribute has been criticized for several reasons. The company's social compliance documentation lacks specific data on supplier compliance with living wage requirements, which raises concerns about the sufficiency of wages in their value chain to cover essential and discretionary expenses (thekrogerco.com). Additionally, Kroger's supplier, Star Farms, is under investigation for labor rights violations, including wage theft and poor working conditions, and Kroger's lack of response to these allegations suggests insufficient oversight and accountability (business-humanrights.org).

Furthermore, a federal lawsuit filed by workers in Virginia and West Virginia alleges payroll issues due to Kroger's MyTime software, indicating systemic problems with wage compliance across regions (supermarketnews.com). Shareholders have also protested against Kroger's wage practices, arguing that the average employee wage is insufficient to meet living wage benchmarks, highlighting a potential gap in Kroger's alignment with Net Positive requirements (supermarketnews.com). These issues collectively suggest that Kroger may not be adequately ensuring fair wages and economic equality within its supply chain.

Attribute: Pay Equity Policies

Measurement Guidance

What is the effectiveness of existing pay equity policies, are there identified areas where the policy needs to be strengthened? Results of collecting and analyzing demographic data, including gender, ethnicity, age, and other relevant factors

Advocate

Kroger's pay equity policies reflect a commitment to fair compensation across gender and racial lines, as evidenced by their adjusted pay study results showing parity for male and female associates, as well as for White associates and people of color (thekrogerco.com). However, unadjusted pay studies reveal a slight disparity, with female associates earning approximately \$0.94 for every \$1.00 earned by male associates, indicating areas for potential policy strengthening (thekrogerco.com). Despite Kroger's assertion that its average hourly wage is above \$19, this is criticized

for falling short of the living wage necessary to meet basic needs in various locations, with some employees reportedly earning as low as \$7.32 per hour (secdatabase.com).

Kroger's workforce is predominantly female and people of color, yet these groups are underrepresented in leadership positions, contributing to broader economic and racial disparities (secdatabase.com). In 2023, a shareholder proposal for Kroger to report on racial and gender pay gaps succeeded, leading to the company disclosing adjusted pay gaps and committing to further transparency by 2025 (bloomberglaw.com). However, a 2024 proposal to establish living wage policies was rejected by 83% of shareholders, despite concerns that many Kroger workers struggle to meet basic needs (bloomberglaw.com).

Adversary

Kroger's improvement from an "F" to a "B" on the racial and gender pay scorecard highlights progress in their pay equity policies, yet the previous low score indicates significant deficiencies that may still need addressing (esgdive.com). Despite a successful 2023 shareholder proposal for transparency in pay equity data, a recent proposal to establish living wage policies was rejected by 83% of shareholders, showing reluctance to comprehensively address wage disparities (bloomberglaw.com). Kroger's disclosure of adjusted pay gaps claims no significant differences in pay for gender and racial groups, but critics argue that adjustments for collective bargaining obscure true pay discrepancies. The company's commitment to disclose unadjusted pay gaps in 2025 is a positive step, but the current lack of transparency and rejection of living wage initiatives suggest that Kroger's pay equity policies may require further strengthening to ensure fair compensation across all demographics (bloomberglaw.com).

Attribute: Ethical Labor

Measurement Guidance

Certifications

Advocate

Kroger's performance on the "ETHICAL LABOR: Certifications" attribute is supported by a robust social compliance program that includes third-party audits by firms like LRQA and UL Solutions to evaluate labor conditions, health and safety, and business ethics (thekrogerco.com). The company's Vendor Code of Conduct, influenced by international human rights frameworks, mandates high ethical labor standards for vendors and suppliers, who must undergo regular assessments and implement corrective actions if necessary (thekrogerco.com). Kroger's Import Vendor Compliance Program, which includes audits by ELEVATE and Underwriters Laboratory, further ensures fair treatment

of workers in manufacturing facilities, requiring vendors to address any severe violations (supplierwiki.supplypike.com).

Kroger also adheres to the California Transparency in Supply Chains Act, enforcing a zero-tolerance policy against forced and child labor, and requiring compliance with its Code of Conduct, which aligns with U.S. labor regulations (thekrogerco.com). The company recognizes Fair Trade USA's Agricultural Production Standard as part of its ethical sourcing efforts, although specific certifications related to ethical labor practices are not detailed (fairtradecertified.org). Additionally, Kroger's affiliates, Fred Meyer and Littman Jewelers, are certified by the Responsible Jewelry Council, underscoring their commitment to ethical practices (thekrogerco.com).

Adversary

Kroger faces significant criticism regarding its performance on the "ETHICAL LABOR: Certifications" attribute, particularly in relation to labor practices and union relations. Over 10,000 workers are striking due to unfair labor practices, including the use of gig workers and subcontracting, which may violate ethical labor standards. Accusations of anti-union tactics and a lack of investment in worker safety and fair wages further highlight potential gaps in Kroger's adherence to ethical labor certifications (forbes.com).

Additionally, Kroger's response to allegations of forced labor in their seafood supply chains raises concerns about their commitment to ethical labor standards. While they emphasize adherence to their Vendor Code of Conduct, the response lacks concrete evidence of certifications or third-party audits, and does not provide specific corrective actions or timelines, suggesting a gap in transparency and accountability (business-humanrights.org).

Attribute: Supplier Code Of Conduct

Measurement Guidance

Implemented supplier code of conduct

Advocate

Kroger has established a Supplier Code of Conduct that sets high standards for ethical and responsible practices within its supply chain, informed by international frameworks like the OECD Guidelines and UN Guiding Principles on Business and Human Rights (thekrogerco.com). The code requires suppliers to comply with laws related to health, safety, work conditions, and environmental standards, and prohibits child, involuntary, or prison labor (supplierwiki.supplypike.com). Kroger conducts routine compliance audits through third-party firms, with severe consequences for non-compliance, such as

vendor suspension or termination (thekrogerco.com). Additionally, Kroger supports vendors in setting up worker voice mechanisms to address grievances and improve compliance performance (thekrogerco.com).

Adversary

Kroger's Supplier Code of Conduct has faced criticism for its lack of binding obligations and enforcement mechanisms, as highlighted in their social compliance assessment guide, which may lead to insufficient implementation by suppliers (thekrogerco.com). Additionally, the absence of updated information and specific data on compliance rates and corrective actions in their 2018 social compliance program raises concerns about the ongoing effectiveness and transparency of their supplier compliance efforts (thekrogerco.com).

Kroger has also been criticized for not adequately addressing human rights concerns, with allegations of labor rights violations and insufficient protections for workers in its supply chains, and has been urged to join initiatives like the Fair Food Program to improve due diligence (business-humanrights.org). Furthermore, Kroger's response to child labor allegations in its supply chains lacks specific details on compliance measures and future prevention strategies, which could undermine the effectiveness of their code of conduct (business-humanrights.org). The delay in conducting a planned social audit due to the COVID-19 pandemic further highlights potential gaps in ensuring compliance, particularly in high-risk regions (business-humanrights.org).