



Canned Tuna Brands - Questions on Human Rights in Pacific Tuna Fishing Operations and Supply Chains (2020/21)

* The term 'modern slavery' used in this survey is taken to include forced labour, slavery, human trafficking, servitude, bonded and child labour.

Company: The Kroger Co.

Canned Tuna Brands: Kroger brand, Simple Truth brand

Human Rights Policy

1.

- a. Since January 2019, has your company introduced any **new** human rights policies to address the risk of **modern slavery*** in its operations or supply chains? Yes / No
If yes, please provide full details and a link.

In 2020, Kroger adopted a new Recruitment Fee Policy that is reflected in our Social Compliance Audit Requirements, available here: <https://www.thekrogerco.com/wp-content/uploads/2017/09/krgr-social-responsibility-content-for-suppliers.pdf>.

We expect all of our suppliers to adhere to our Vendor Code of Conduct, available here: <https://www.thekrogerco.com/wp-content/uploads/2017/09/code-of-conduct.pdf>. Our Social Compliance Program Requirements document, available here: https://www.thekrogerco.com/wp-content/uploads/2018/07/The-Kroger-Co._Social-Compliance-Program_2018-July-1.pdf, describes which suppliers we audit (at a minimum).

- b. Since January 2019, has your company **revised or updated** any of its existing human rights policies to address the risk of modern slavery in its operations or supply chains?

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2. Since January 2019, if your company has made a **new** commitment address **modern slavery** does it apply throughout your supply chains?

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3. Since January 2019, has your company adopted or revised a responsible sourcing or **supplier code of conduct** that prohibits modern slavery?

Kroger's Vendor Code of Conduct continues to prohibit vendors from using child, forced or prison labor.

Human Rights Due Diligence Process

4. Has your company **mapped** its tuna supply chains, in whole or part? Yes / No

Kroger's vendors provide information about the facilities at which Kroger's products are processed. Kroger also has visibility into which FAO stocks its canned tuna is sourced from.

5. Does the company source tuna from the **Pacific** region? Yes / No
If yes, provide location (by country).

Yes. Canned tuna is sourced from Thailand and Indonesia.

6. Since January 2019, has your company adopted, or revised, a human rights due diligence policy, process or procedure to identify, assess and manage human rights risks (actual or potential), including modern slavery, in its operations (and those of its subsidiaries) and supply chains? Yes / No

If yes, please provide details and describe the human rights due diligence process. **Key steps include:** (i) identifying and assessing human rights impacts; (ii) integrating and acting on assessment findings; (iii) tracking the effectiveness of the company's response; and (iv) communicating externally about how the company is addressing its human rights impacts.

7. Since January 2019, has your company taken **practical action** to ensure that modern slavery does not occur in your company's (or its subsidiaries') operations and supply chains for tuna procurement from the Pacific? If yes, please describe.

Examples might include:

- i) *training* staff and management, workers, suppliers or business partners about rights, risks, responsibilities and remediation;
- ii) *engaging* with NGOs, fishers/ their representatives (including unions) and policy-makers;
- iii) cascading *contractual* clauses in supply agreements;
- iv) digital *traceability* of fish (across entire supply chain, or part only);
- v) prohibition on *recruitment fees*;
- vi) protective measures to protect against exploitation of *migrant* fishers;

- vii) prohibition on sourcing from suppliers that *transship* at sea, or use *flags of convenience*;
- viii) ensuring *freedom of association* and collective bargaining by fishers/ their representatives (including unions);
- ix) oversight of *recruitment* or labour hire entities; and
- x) independent supply chain *auditing*.

Please provide details.

In 2020, Kroger implemented the following practical actions to reduce the risk of modern slavery in our supply chains:

- Kroger's Social Compliance team trained the company's Seafood Merchandising and General Merchandising teams on Kroger's social compliance program, including the topics of recruitment fees and forced labor.
- Kroger implemented a new Worker Voice survey, in partnership with auditing company ELEVATE, in relevant regions where Kroger social compliance audits are being conducted.
- Kroger adopted a new Recruitment Fee Policy that is reflected in our Social Compliance Audit Requirements, available here:
<https://www.thekrogerco.com/wp-content/uploads/2017/09/krgr-social-responsibility-content-for-suppliers.pdf>.
- Kroger provided expert consultation for the Consumer Goods Forum's (CGF) Sustainable Supply Chain Initiative (SSCI) benchmark for At Sea Operations, including topics around Recruitment Fees and Forced Labor.
- Kroger's social compliance audit requirements include a section on freedom of association, responsible recruitment, and forced labor.
- Our social compliance team conducts multiple site visits with our suppliers around the globe to witness working conditions first-hand, and to ensure our audit protocols are being effectively implemented. In 2019, Kroger visited several general merchandise and seafood suppliers across Asia as well as produce suppliers in Mexico and Brazil.

8. If the company has taken steps to identify and address human rights risks, how does it (a) **prioritise** which risks to address first; and (b) assess and track the **effectiveness** of its actions and response?

Grievance Mechanism

9. Since January 2019, per the [UN Guiding Principles on Business and Human Rights](#), has your company adopted, or made changes to improve, a **grievance/ complaints mechanism** through which workers, including fishers in your supply chains, can raise concerns about human rights? Yes / No

If so, can they access this in their own language and in a way that allows grievances, or concerns, to be reported safely, in confidence and without intimidation? Have any human rights concerns connected with the Pacific tuna sector been reported via your company's complaints mechanism? Please provide details.

As outlined in our Kroger Code of Conduct (<https://www.thekrogerco.com/wp-content/uploads/2017/09/code-of-conduct.pdf>), violations of the Code of Conduct may be reported using the Kroger Helpline – a toll-free number (800- 689-4609) and website (www.Ethicspoint.com). Users of the Helpline may choose to remain anonymous.

Kroger's Social Compliance Audit Program outlines requirements for grievance mechanisms (<https://www.thekrogerco.com/wp-content/uploads/2017/09/krgr-social-responsibility-content-for-suppliers.pdf>)

10. Since January 2019, have you introduced a corrective or **remediation plan** if instances of modern slavery are identified in your operations, or supply chains? Can you describe it?

Kroger's Social Compliance Program Requirements document outlines our approach to classifying audit findings into different categories, and when we allow for corrective action plans https://www.thekrogerco.com/wp-content/uploads/2018/07/The-Kroger-Co._Social-Compliance-Program_2018-July-1.pdf

11. How many **instances** of modern slavery has your company **identified** over the last 3 years (from and including 2018) in its own operations (including subsidiaries) or in its supply chains that relate to tuna procurement from the Pacific?

Please describe by reference to:

- (a) **Number of instances (broken down for each calendar year)**

For fresh/frozen seafood case and canned tuna:

2019: 3

2020: 5

- (b) **Do you know where they occurred? Please describe event(s).**

Seven instances of forced labor related findings were identified in Thailand and one instance in Indonesia. These were identified during our third-party audit process involving documentation review and worker interviews.

- (c) **How did the company respond to address the issue(s)?**

The Kroger Co. takes Forced Labor very seriously as outlined in our Vendor Code of Conduct and Statement of Human Rights. Responsible Recruitment is a very important part of ensuring an ethical supply chain and addressing modern slavery. We have recently enhanced our stance on Responsible Recruitment which involves a formal Recruitment Fee Policy detailed in our Audit Content document. The Company believes engaging with suppliers to remediate findings, where able and if applicable based on finding severity, is better for workers than walking away from the business relationship. In instances of non-conformities, facilities are placed on a corrective action plan to remediate the findings.

Reporting

12. Does your company communicate, or **report**, externally on steps taken to address modern slavery? Yes / No

If yes, please provide relevant details, in period since January 2019. This could include statements issued under the [UK](#) or [Australian](#) Modern Slavery Acts.

Kroger's 2020 Environmental, Social & Governance (ESG) Report outlines our commitment to protecting human rights in the supply chain through our Responsible Sourcing and Supply Chain Accountability programs.

Website: <http://sustainability.kroger.com/>

Full 2020 PDF report: <http://sustainability.kroger.com/Kroger-2020-ESG-Report.pdf>

Full 2019 PDF report: <http://sustainability.kroger.com/Kroger-2019-ESG-Report.pdf>

Other information

13. Since January 2019, has your company encountered **obstacles or challenges** in implementing its human rights commitments, taking practical action against modern slavery in tuna supply chains and/or in relation to any of the areas mentioned above? Yes / No

Kroger maintains its commitment to protecting human rights in our operations and in our supply chain. During the COVID-19 pandemic, social compliance audits—like audits for certification schemes—have slowed due to travel restrictions. However, audits in certain parts of the world are starting to resume in the past few months, and we will continue to resume audits when and where feasible.

If yes, please explain and provide details of any strategies to overcome them.

14. Since January 2019, has your company joined or been active in any regional, or sectoral, **multi-stakeholder initiatives** that address modern slavery in fishing?

Kroger is not currently involved in the below initiatives, however we are evaluating groups to join in the future.

Examples might include:

- i) Seafood Task Force;
- ii) Bali Process Government and Business Forum;
- iii) Tuna 2020 Traceability Declaration; and
- iv) other?

15. Please provide any **other information** about your company's policies and practices on human rights that may be relevant.

Our Statement on Human Rights (https://www.thekrogerco.com/wp-content/uploads/2018/07/TheKrogerCo_Statement-on-Human-Rights_2018-July.pdf) articulates what we stand for regarding human rights.

Our Vendor Code of Conduct (<https://www.thekrogerco.com/wp-content/uploads/2017/09/code-of-conduct.pdf>) defines our expectations of our suppliers regarding protecting human rights in our supply chain. All suppliers are required to agree to this code of conduct in order to do business with Kroger.

Our work in this area is overseen by Kroger's Chief Ethics & Compliance Officer, Group Vice President of Corporate Affairs, Group Vice President of Human Resources, Vice President of Sourcing, and Head of Sustainability. This ensures that every part of our business is clear about the responsibility to respect human rights. Board-level oversight is provided by the Audit Committee and Public Responsibilities Committee of The Kroger Co. Board of Directors.

COVID-19 impacts

16. Has the **COVID-19** pandemic affected your ability to identify, assess or respond to modern slavery risks in your tuna supply chains?

Please explain and provide details, including any actions (a) taken or (b) delayed/suspended, by you.

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