

The Kroger Co. (Kroger)

TICKER
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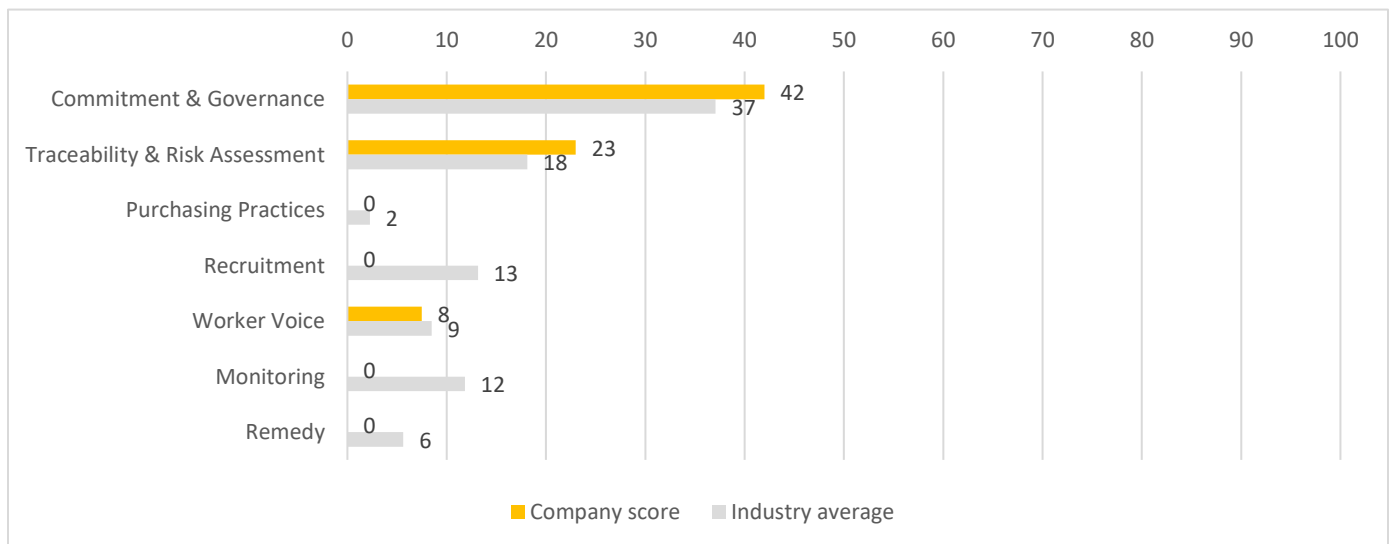
MARKET CAPITALIZATION
US\$32 billion

HEADQUARTERS
United States

DISCLOSURES
UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: [Yes](#)
Australia Modern Slavery Act: Not applicable

OVERALL RANKING
25 out of 60
[2020 Rank](#): 25 out of 43

OVERALL SCORE
14 out of 100
THEME-LEVEL SCORES

KEY DATA POINTS
FIRST-TIER SUPPLIER LIST
 No

RISK ASSESSMENT
 Yes

ENGAGED WITH KNOWTHECHAIN¹
 Yes

NO-FEE POLICY
 No

REMEDY FOR SUPPLY CHAIN WORKERS
 No

HIGH-RISK COMMODITIES²
 Coffee, fish, tomatoes and others

SUMMARY

The Kroger Co. (Kroger), the largest supermarket chain in the US,³ ranks 25 out of 60 companies. Compared to 2020, the company improved on the theme of Traceability & Risk Assessment, disclosing additional detail on its human rights risk assessments including new impact assessments on migrant farmworkers in the production of mixed greens in California, and forced labour risks in shrimp in India. It also disclosed some forced labour risks identified in its supply chains. However, the company did not improve across other themes. The company performed particularly poorly on the themes of Purchasing Practices, Recruitment, Monitoring and Remedy. As such, the company's score has dropped by 11 points.⁴ The company is encouraged to improve its performance and disclosure on the themes of Recruitment.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing.

Recruitment: Although the company's audit content references the Employer Pays Principle, the company's vendor code of conduct does not include this requirement. To avoid exploitation of migrant workers in its supply chains, the company is encouraged to establish a policy requiring that workers in its supply chains are not charged fees during any recruitment-related process. The company is encouraged to require that such fees are paid by the employer ("Employer Pays Principle") and disclose how it ensures the implementation of this through the prevention of fees in its supply chains: such as through mapping of migration corridors and labour agencies used by suppliers, specialised monitoring for fees, and evidence of supplier payment of fees to labour agencies directly.

Monitoring: While the company references a supplier social compliance audit process, it does not disclose detail on the methodology used, such as on or off-site worker interviews and reviews of relevant documentation. The company is encouraged to adopt and disclose a supplier monitoring process to verify that its suppliers are compliant with its supply chain policies. Implementing specific practices, such as interviewing workers and in particular using worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers' rights and priorities), may help the company detect forced labour risks in its supply chains. In particular, the company is encouraged to join the [Fair Food Program](#), a program designed, monitored and enforced by workers. Disclosing information on the results of its monitoring efforts, such as a breakdown of findings, assures stakeholders that the company has strong monitoring processes in place.

¹ Research conducted through January 2023 or through April 2023, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

² For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 [food & beverage benchmark findings report](#).

³ Financial Times (October 2022), "[Biggest US grocery chain Kroger in talks to buy rival Albertsons](#)." Accessed 23 June 2023.

⁴ KnowTheChain's 2022-23 benchmarks use a revised methodology which prioritises a focus on the implementation of policies and processes and the outcomes they result in, as well as integrating a stronger focus on stakeholder engagement. See [here](#) for more information.