# Kroger Announces Framework for Action: Diversity, Equity & Inclusion Plan to Uplift Associates, Customers and Communities

Retailer commits to 10 immediate actions to advance equity in the workplace and across America



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CINCINNATI, Oct. 26, 2020 /PRNewswire/ -- The Kroger Co. (NYSE: KR), America's largest grocery retailer, today announced its *Framework for Action: Diversity, Equity & Inclusion* plan, featuring both immediate and longer-term steps developed in collaboration with associates and leaders to accelerate and promote greater change in the workplace and in the communities the organization serves.



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Kroger announces new diversity, equity and inclusion plan, focusing on 10 immediate actions to advance and promote greater change in the workplace and in the communities the company serves.

"As America's grocer, Kroger is driven to bring Americans together as an employer, grocery provider and community partner, representing Our Purpose to Feed the Human Spirit," said Rodney McMullen, Kroger's chairman and CEO. "Over the last several months, we've listened closely to our half a million associates and countless communities across the nation. It's never been clearer that our collective energy is necessary to achieve true and lasting equality.

"We have taken a very thoughtful and purposeful approach to develop what we believe are the right actions to substantially and positively impact our culture and our country, creating real change now and into the future. We are approaching this effort with humility, knowing we can't do it alone and don't and won't have all the answers. Our new *Framework for Action:*Diversity, Equity & Inclusion plan reflects our desire to redefine, deepen, and advance our commitment, mobilizing our people, passion, scale and resources."

Kroger's plan features five focus areas: Create More Inclusive Culture, Develop Diverse Talent, Advance Diverse Partnerships, Advance Equitable Communities, and Deeply Listen and Report Progress.

"Kroger welcomes associates from every race, culture, and ability, and we remain deeply focused on creating a more equitable workplace where every associate is empowered and supported and feels valued and a sense of belonging," said Tim Massa, Kroger's senior vice president and chief people officer. "And while diversity and inclusion have been longstanding Kroger values, this year has certainly served as an awakening. As an organization driven by purpose, we know we not only must continue to listen to our associates, but we must act. When we see our associates, customers and neighbors affected by systemic racism, discrimination and injustice, we are called to speak out and act in accordance with Our Values: Honesty & Integrity, Diversity & Inclusion, and Safety & Respect."

Kroger's 10 Immediate Actions through its Framework for Action: Diversity, Equity & Inclusion Plan

#### **Create More Inclusive Culture**

1. Create a DE&I Advisory Council to advance our long-term DE&I commitments, reporting to senior leadership.

Kroger is establishing a DE&I Advisory Council, featuring associates from across its family of companies and headed by Monica Garnes, retail division president. The Council aligns with the organization's transformation and innovation focus, and it will partner with senior leaders and longstanding associate resource and advocacy groups, representing Black, Latinx, Asian, LGBTQ, and physically and intellectually disabled associates as well as veterans, women, parents, and millennials to drive organizational change.

"I'm greatly inspired by Kroger's renewed focus on diversity and inclusion," said Monica Garnes, retail division president. "Our *Framework for Action: Diversity, Equity & Inclusion* plan will guide us to be better tomorrow than we are today, and I am committed to using my position and platform to accelerate change across our business and culture."

2. Provide Unconscious Bias training to every leader in 2020 and DE&I training for every associate by May 2021.

Kroger is committed to continuing to provide foundational and advanced DE&I training to every leader, using custom curriculum developed by DE&I experts. Kroger is currently preparing a more comprehensive DE&I training program for the nearly 500,000 associates across its organization. Kroger will complete the introduction of this program in spring 2021.

Earlier this year, the Kroger African American Associate Resource Group developed the educational *From Awareness to Advocacy* allyship guide to spur reflective thoughts, hard conversations and bold actions. The guide features recommended books, podcasts, movies, documentaries and advocacy groups and has been shared widely and read by Kroger leaders and associates as well as published for customers and other external partners and stakeholders to view.

## **Develop Diverse Talent**

3. Improve diverse talent recruiting by partnering with Historically Black Colleges & Universities, Hispanic Association Colleges & Universities, and community colleges.

Recruitment, development and advancement of diverse talent, at every level of the business, including leadership, remains a focus for Kroger. The company strives to help all associates achieve success at work and in life through its suite of *Feed Your Future* programs, including a tuition reimbursement benefit of up to \$3,500 annually - \$21,000 over the course of employment - toward continuing education. These funds can be applied to education programs like certifications, associate degrees or graduate degrees.

Through the *Framework for Action: Diversity, Equity & Inclusion* plan, Kroger is enhancing and expanding its recruitment partnerships with more diverse higher education institutions such as Historically Black Colleges & Universities (HBCUs), including Clark Atlanta University, Florida A&M University, Howard University, Kentucky State University, Morehouse College, North Carolina A&T State University, Spelman College and Tennessee State University, as well as Hispanic Association of Colleges & Universities (HACU), including Dalton State College and the University of Texas A&M System. Through the program, Kroger is focusing on campus immersion activities and providing resources to help students transition from collegiate life to the workplace. Kroger is also uplifting HBCU students by supporting on-campus food pantries at several schools across the country.

To join Kroger's family of companies, candidates can apply at jobs.kroger.com. Kroger is currently recruiting for corporate, retail, pharmacy, technology, e-commerce, manufacturing and supply chain roles.

## 4. Establish two-way mentorship and advocacy program between high-potential diverse talent and senior leaders.

As part of Kroger's commitment to developing talent, it is redesigning its mentorship program to create additional opportunities and channels for more associates to have access to leaders across the organization, supporting the professional development of diverse talent and increasing collaboration, visibility and advancement. Equally, the redesigned two-way mentorship program will provide leaders with more opportunities to listen, learn and act, further accelerating organizational change.

#### **Advance Diverse Partnerships**

#### 5. Increase spend with diverse suppliers from \$3.4 billion to \$10 billion by 2030.

Kroger has a longstanding supplier inclusion program, reflecting partnerships with Black Indigenous People of Color (BIPOC) entrepreneurs, women- and veteran-owned brands and services, and businesses operated by the LGBTQ community as well as business operators with disabilities. The award-winning program supports, promotes and grows diverse-owned enterprises within Kroger's sizeable operation.

"Kroger is committed to growing partnerships with diverse businesses, suppliers, owners and founders," said Angel Colón, Kroger's senior director of corporate and supplier diversity. "We currently work with more than 1,000 minority suppliers, ranging from food and beverages to health and beauty and product distributors to service providers. In 2019, we invested \$3.4 billion in minority suppliers, reflecting an increase of 12% compared to the previous year. We're eager to continue building our portfolio of diverse suppliers to reach a \$10 billion spend by 2030, and we welcome minority business enterprises to engage us at supplierdiversity@kroger.com."

As a member of the Billon Dollar Roundtable, Kroger will continue to partner with diverse businesses in innovative ways, including by investing in incubators and accelerators, expanding relationships with existing partners, hosting and participating in supplier summits, and through partnerships with leading organizations such as the National Minority Supplier Diversity Council and Women's Business Enterprise National Council.

To become a Kroger supplier, visit here.

## 6. Ensure our media partners align with Our Values and that we reach diverse customers through our marketing spend, partners and strategy.

In November 2019, Kroger launched its *Fresh for Everyone* brand transformation campaign to underscore its commitment and belief that everyone should have access to fresh, affordable and delicious food. As part of this marketing and engagement strategy, Kroger is redefining how it approaches advertising creative and campaigns as well as partners, including media and influencers, to better reflect its associates and customers.

Kroger is committed to reviewing its current portfolio of partners, expanding existing relationships and developing new partnerships with groups such as Blavity, Inc. and Hispanicize.

Kroger will also continue to expand its network of BIPOC social influencers, focusing on content creators who write about food, recipes, and health and wellness. Kroger encourages social influencers to share their contact information for partnership consideration here.

### **Advance Equitable Communities**

## 7. Deploy funds to support impactful approaches to advance racial equity with community partners.

In the aftermath of George Floyd's murder and continued racial unrest across the country, Kroger established The Kroger Co. Foundation's Racial Equity Fund with a mission to lift up communities of color by building sustainable partnerships that create more equitable, inclusive and stronger communities through an investment of \$5 million.

Earlier this month, The Kroger Co. Foundation's Racial Equity Fund launched its *Build It Together* grant challenge. Through the challenge, The Kroger Co. Foundation has invited 14 organizations to apply for a \$1 million grant. Organizations must submit a proposal for consideration that focuses on strategic actions and initiatives helping advance racial equality. The Kroger Co. Foundation will then review the proposals with input from additional partners and select up to three organizations that will each receive a \$1 million grant, with plans to name the recipients and award funding later this year.

## 8. Encourage associates to vote and provide voter registration and ballot applications in stores.

Kroger is creating a culture of civic engagement by inspiring the nearly 500,000 associates across its organization to vote in the upcoming elections and providing non-partisan resources and agreed-to flexible work schedules so that every associate can prioritize voting. Kroger also

engaged Secretary of State offices and election officials where it operates stores to offer its partnership in serving as a destination for vote-by-mail ballot applications. Currently, Kroger is providing vote-by-mail ballot applications in store locations in Ohio and Michigan.

#### **<u>Deeply Listen and Report Progress</u>**

## 9. Engage external stakeholders to seek perspective and co-create more just and equitable communities.

Over the last several months, Kroger leaders have engaged in one-to-one conversations with both local and national community influencers and game-changers as well as organizers, policymakers, trade associations, small business owners and chambers of commerce.

Kroger will continue to work together with individuals and organizations - and seek insights and guidance - to transform its culture and communities across America.

## 10. Provide associates with platforms to continue sharing their stories and feedback with our leaders.

Since June, Kroger has hosted 30 virtual listening sessions, presenting a new interactive platform for associates and leaders to express both their personal and professional perspectives on current – and past – events and how the Kroger family of companies as an employer can create a more inclusive and equitable workplace. These insights were instrumental in shaping the *Framework for Action: Diversity, Equity & Inclusion* plan.

"It's very important for associates to have the license to openly share and be their authentic self in the workplace as it creates community and safety," said Kim Yates, Kroger's retail labor forecaster and co-chair of the Kroger African American Resource Group. "The listening sessions with executives have been instrumental in providing associates, including myself, with an opportunity to be real, honest and vulnerable, addressing challenges – and bright spots – inside and outside of the workplace that affect each of our lives in unique yet unifying ways."

Kroger will continue to create and provide opportunities for associates to share their ideas and feedback with the organization through various channels, including town halls, listening sessions and surveys as well as focus groups hosted by the organization's research and development and merchandising teams that will respectively continue to help develop new products and perfect flavor profiles and identify potential gaps in brand and product representation on shelves for purchase.

To learn more about Kroger's *Framework for Action: Diversity, Equity & Inclusion* plan visit, TheKrogerCo.com/StandingTogether.

#### **Media Assets**

To download video and photography assets, please visit here.

#### **About The Kroger Co.**

At The Kroger Co. (NYSE: KR), we are Fresh for Everyone<sup>™</sup> and dedicated to our Purpose: To Feed the Human Spirit<sup>®</sup>. We are, across our family of companies, nearly half a million associates who serve over 11 million customers daily through a seamless shopping experience under a variety of banner names. We are committed to creating #ZeroHungerZeroWaste communities by 2025. To learn more about us, visit our newsroom and investor relations site.

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