



The Kroger Family of Companies

Social Compliance Audit Content

At The Kroger Co., we are committed to working with suppliers and facilities to make our global supply chain more socially responsible. All suppliers are expected to operate in compliance with our Vendor Code of Conduct, which reflects standards and requirements that were developed in consultation with various stakeholders and are consistent with the International Labour Organization (ILO) conventions, local and national laws, and industry best practices.

Kroger works with global third-party audit firms to monitor our suppliers' performance against our Vendor Code of Conduct. The framework below reflects the areas our Social Compliance Audit monitors:

- **Transparency & Business Integrity**
Suppliers must conduct their business with a high level of integrity and maintain transparent and accurate records. The facility allows auditors full access to its facility premises, workers, and records. The facility does not attempt to bribe assessor(s), including offering money or gifts.
- **Management Systems**
Suppliers should have a social compliance policy and code, have dedicated personnel to ensure the policy and code are adhered to, and regularly review their own performance.
- **Hiring, Discipline & Termination**
All hiring, discipline, and termination practices must comply with the law. Workers should understand their job expectations.
- **Young Workers and Child Labor**
Suppliers must not use underage labor and take responsible steps to protect young workers.
- **Forced Labor**
Suppliers must not engage in forced, bonded, or indentured labor. All workers should have the right to enter and to terminate their employment freely without being penalized and have freedom of movement. All workers retain possession or control of all original identity documents, such as passports, identity papers, travel documents, and other personal legal documents.
- **Recruitment Practices**
Kroger will uphold the Employer Pays Principle, where the expectation is that costs of recruitment will be paid by the employer, not the worker. Labor agency or broker fees incurred during worker recruitment should not be charged to the worker. Employer- paid costs of recruitment include, but are not limited to, work visas, medical testing, trainings, and costs associated with migrant workers obtaining a specific job. The facility ensures all migrant employees sign a written employment contract in their own language and receive a copy of the employment contract prior to departing from the sending country or region.

- **Grievance Mechanisms**
The facility has multiple grievance mechanisms, including a confidential means to voice grievances, as well as access to someone other than their direct supervisor.
- **Harassment or Abuse**
Suppliers may not engage in or support the use of corporal punishment, mental or physical coercion, or verbal abuse, including but not limited to threats of violence and sexual harassment.
- **Non-Discrimination**
Suppliers must make decisions based on the worker's education, training, and demonstrated skills or abilities, rather than on characteristics such as gender, race, religion, age, disability, sexual orientation, nationality, marital status, pregnancy status, political opinion, social group, or ethnic origin.
- **Freedom of Association**
Suppliers will respect the right of workers to freedom of association and collective bargaining. Workers are free to join (or not join) unions or legal employee organizations without interference.
- **Foreign Migrant Labor**
Suppliers that have foreign migrant workers must ensure that their workers are legally eligible to work in the country with valid work permits. The facility pays all host country fees and all costs involved in recruitment and use of a foreign migrant worker.
- **Wages and Benefits**
Suppliers need to ensure that wages and benefits meet at least legal minimum wage and workers are paid within legally defined time limits.
- **Hours of Work**
Suppliers must keep regular working hours and overtime hours within what is allowable under applicable laws. All workers need to be provided with at least one day off in every 7-day period or as required by law. All overtime shall be voluntary. The facility ensures that all employees have the right to refuse to work overtime hours.
- **Health & Safety**
Suppliers must provide a safe and healthy workplace and take steps to prevent occupational hazards. If dormitories are provided, suppliers must also ensure they are safe and sanitary. The facility has designated a management representative responsible for health and safety as per legal requirements, including a responsible person for chemical management and trained first aiders.
- **Environment**
The facility has all legally required environmental permits, licenses, approvals, and/or other registrations and has an environmental management program to minimize environmental impacts.
- **Sub-Contracting and Homeworkers**
Suppliers that are authorized to use subcontractors or homeworkers should have a system in place to ensure oversight and compliance with the Kroger Vendor Code of Conduct and these related standards.

The Kroger Social Responsibility Audit is based on the ELEVATE Responsible Sourcing Assessment (ERSA). For additional details on the audit content, click [here](#).