



December 2, 2018

To our Suppliers:

The Kroger Co. is committed to social responsibility throughout our supply chain and we expect all suppliers to abide by our [Vendor Code of Conduct](#). Our customers, associates, and shareholders trust that we are providing products that are sourced from suppliers that are in compliance with this Code of Conduct.

To confirm our suppliers' compliance with our Code of Conduct, we have engaged the services of internationally respected auditing companies, ELEVATE and UL. The audit firm is predetermined by country. If you are receiving this notification, you have been identified as a Kroger supplier who is in scope to be audited.

Each supplier facility that manufactures or performs the last assembly, packing, or processing step to a Kroger branded product before the product ships from the country of origin to the United States must schedule an onsite social responsibility audit.

Foreign suppliers of unlabeled or unbranded products including ingredients or components sold to Kroger manufacturing facilities are subject to the same onsite facility audit requirements. These audits are to be performed annually at each supplier facility that is located outside of the United States. To schedule an audit, please contact socialcompliance@kroger.com.

Your necessary actions are:

- Pay the invoice to applicable audit firm within **5 days** of receipt.
- The audit must be performed within **30 Days** (or within the negotiated timeframe in reference to seasonal operations) of the initial communication received from audit firm.

Kroger has a specific audit that aligns with our Code of Conduct and we have negotiated reduced pricing for our suppliers. We require the "Kroger Social Responsibility" audit; alternative audit protocols will not be accepted.

The audit results will be provided to Kroger's Social Compliance team. Suppliers and factories that do not cooperate or who are audited and are found to have severe social compliance violations will have their existing orders postponed or cancelled. If a Corrective Action Plan (CAP) is provided by the auditing firm, the violations must be corrected within the designated timeframe. If you have any questions, please refer to our [Frequently Asked Questions](#).

Your cooperation in this effort is appreciated and will help to create a more resilient and sustainable supply chain.

Sincerely,

A handwritten signature in black ink that reads "Martha Cutright Sarra". The signature is written in a cursive, flowing style.

Martha Cutright Sarra
Vice President & Chief Ethics and Compliance Officer