

RESOLVED: Shareholders of Kroger request that the board of directors issue a report, at reasonable cost and omitting proprietary information, explaining if and how the company is measuring and curtailing the use of pesticides in its agricultural supply chains that cause harm to human health, pollinators, and the environment.

SUPPORTING STATEMENT: While specific metrics are left to management's discretion, shareholders recommend that the company disclose the following information:

- Type and amount of pesticides avoided annually through targeted strategies;
- Priority pesticides for reduction or elimination aligned with standards, such as the Pesticide Action Network International List of Highly Hazardous Pesticides that draws upon authoritative studies;¹
- Company targets and timelines, if any, for pesticide reduction.

WHEREAS: A third of the food we eat is dependent on pollinators; but pollinator species are declining at alarming rates in significant part due to the use of toxic pesticides on farms.² Protecting biodiversity is a nature-based solution that helps build healthy soils, reduce carbon emissions, and increase crop resilience.

Pesticide exposure is associated with several serious health effects in humans from increased risk of cancers to developmental defects in infants and children.³⁴ Health advocates have sounded the alarm to consumers about residues of glyphosate in food products,⁵ and consumer lawsuits have targeted manufacturers of foods containing such residues.⁶

Kroger has achieved its goal "to eliminate the sourcing of outdoor live plants for our stores and garden centers that have been treated with pesticides containing neonicotinoids" by 2020.⁷ Moreover, Kroger identified "promoting responsible pesticide, fertilizer and soil-management practices" as a material issue,⁸ yet the company has not disclosed if or how it tracks, reports, or reduces the use of synthetic pesticides in its agricultural supply chain.

Kroger has fallen behind competitors that are increasingly setting timebound measurable commitments:⁹

¹ http://pan-international.org/wp-content/uploads/PAN_HHP_List.pdf

² <https://xerces.org/pesticides/risks-pesticides-pollinators>

³ https://www.annualreviews.org/doi/full/10.1146/annurev.publhealth.25.101802.123020#_i34

⁴ <https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1552-6909.2009.01092.x>

⁵ <https://www.ewg.org/release/roundup-breakfast-part-2-new-tests-weed-killer-found-all-kids-cereals-sampled>

⁶ <https://www.fooddive.com/news/general-mills-sued-over-glyphosate-in-cheerios-days-after-monsanto-verdict/530626/>

⁷ https://www.thekrogerco.com/wp-content/uploads/2019/06/The-Kroger-Co_Pollinator-Protection-Statement_2019-June.pdf

⁸ <https://www.thekrogerco.com/wp-content/uploads/2021/07/Kroger-2021-ESG-Report.pdf>

⁹ <https://foe.org/retailer-report-card/>

- Walmart will source 100 percent of fresh produce and floral from suppliers that adopt integrated pest management (IPM) practices, as verified by a third-party, by 2025, and encourages produce suppliers to report on pesticide application annually.
- Giant Eagle requires produce suppliers to eliminate use of nitroguanidine neonicotinoids and adopt IPM practices by 2025 and is requiring third-party certification to track progress.
- Costco reports annually on the percent of its live good suppliers that have eliminated use of neonicotinoids, chlorpyrifos, organophosphates, and glyphosate. Sixteen Costco suppliers are certified through the Equitable Food Initiative on implementing IPM practices and ensuring farmworker health and safety.
- Albertsons, Aldi, Costco, Dollar Tree, Meijer, Rite Aid, and Target have pollinator policies that explicitly call for reduction of pesticides of concern and use of IPM practices in agricultural supply chains.

As one of the leading grocery retailers by market share, Kroger faces reputational, financial, and regulatory risk by failing to address the impacts of synthetic pesticide use in its agricultural supply chains. In a competitive marketplace increasingly demanding clean food and reduced stakeholder and environmental harm, understanding and tracking supplier use of pesticides reduces risk for shareholders and our company.