

OUTSTANDING DAIRY PROCESSING & MANUFACTURING SUSTAINABILITY

The Kroger Company Cincinnati, Ohio



Kroger's "Zero Waste" initiative is good for environment, good for employees

The Kroger Co.'s manufacturing group began its sustainability journey nearly a decade ago. Along the way, these efforts created an important rallying point for dairy manufacturing plant employees.

"It is definitely our culture," said Erin Sharp, Group Vice President of Manufacturing for Kroger. "You see it when you go into any of our facilities. Our associates see being sustainable as a legacy we can leave to our children and our children's children."

Kroger unveiled its Zero Hunger | Zero Waste initiative in 2017, which is the company's vision to end hunger in its communities by 2025 and eliminate waste across its company by 2025. This bold social impact plan builds on Kroger's impressive work to date, reducing, reusing, and recovering waste streams like cardboard, paper, pallets, packaging and food waste, particularly in its manufacturing operations.

Kroger's 19 dairy plants around the country have diverted more than 1.47 billion pounds of material from landfills over the last several years, reaching a 97 percent diversion rate from landfills last year.

The company's commitment also has created a financial benefit. Kroger's dairy processing facilities have generated \$4.7 million in recycling revenues since 2010. The company greatly reduced its cost of sending trash to landfills and created revenue streams when materials are purchased by end users.

To highlight extraordinary accomplishments among its employees, Kroger has identified sustainability champions who lead efforts at each plant, but Sharp emphasizes that the management team welcomes input from all employees. In fact, some ideas the company adopted came from plant workers who identified opportunities for improvement.

Sharp said associates' ownership of Kroger's sustainability journey makes the common goal rewarding.

"It's become such a part of what we do in the plants nowadays. It's fun to hear our associates talk about how they take these practices from work and apply them at home."

The Kroger Co. is one of the world's largest retailers, operating 2,800 stores across America, with nearly 9 million customers visiting its stores every day and half a million associates uplifting every customer's experience.

Kroger operates 36 manufacturing facilities, including 19 dairy plants that produce milk, ice cream, novelties, yogurt, and cheese.

In 2017, Kroger's dairy plants processed more than 518 million gallons of milk and more than 228 million pounds of cheese.

Kroger's dairy processing plants have been diverting more than 95 percent of waste from landfills since 2011. In 2017, that number reached 97 percent.

