Access to abortion is being challenged at the state and federal level in the U.S. A patchwork of laws regulates access to abortion and broader reproductive rights. Since 2011, state legislatures have passed more than 600 restrictive laws. Other states have enacted legislation that protects these rights. Eleven states ban abortion coverage in all state-regulated private insurance plans, while six states require private insurance plans to cover abortion.

Kroger Company (“Kroger”) has operations in 35 states, subject to this patchwork of laws. Should Roe v. Wade be weakened or overturned, as is widely anticipated, Kroger employees will face challenges accessing abortion care. The proponent estimates that 60% or more of Kraft’s stores in the U.S. are in states that may quickly ban all access to abortion care under this scenario.

Employers as well as employees bear the cost of restricted access to health reproductive health care. For example, women who cannot access abortion are three times more likely to leave the workforce than women who were able to access abortion when needed. The Institute for Women’s Policy Research estimates that state-level abortion restrictions annually keep more than 500,000 women aged 15 to 44 out of the workforce. (https://bit.ly/3Dt5bQg)

If Roe vs. Wade is weakened or overturned, 25 or more states may ban or severely restrict abortion access. Should that occur, Kroger may find it more difficult to recruit employees to locations where abortion is outlawed. (https://bit.ly/3Ctj3ZI) This may harm its ability to meet diversity and inclusion goals, with negative consequences to performance, brand and reputation.

In a nationwide survey of U.S. consumers in 2021, 64% said employers should ensure that employees have access to the reproductive health care they need, and 42% would be more likely to buy from a brand that publicly supported reproductive health care. (https://bit.ly/3nmzd2U) Surveys consistently show that most Americans want to keep the Roe v. Wade framework intact. (https://wapo.st/3cmRLK2)

RESOLVED: Shareholders request that Kroger issue a public report prior to December 31, 2022, omitting confidential and privileged information and at a reasonable expense, detailing any known and any potential risks and costs to the company caused by enacted or proposed state policies severely restricting reproductive rights, and detailing any strategies beyond litigation and legal compliance that the company may deploy to minimize or mitigate these risks.

SUPPORTING STATEMENT: Shareholders recommend that the report evaluate any risks and costs to the company associated with new laws and legislation severely restricting reproductive health care, and similar restrictive laws proposed or enacted in other states. In its discretion, the board’s analysis may include any effects on employee hiring, retention, and productivity, and decisions regarding closure or expansion of operations in states proposing or enacting restrictive laws and strategies such as any public policy advocacy by the company, related political contributions policies, and human resources or educational strategies.