News Release

Kroger Unveils A Clean Energy Production System Powered By Food Waste

Innovative Solution to Convert Food Waste to Clean Energy at Kroger's Compton, CA Facility

CINCINNATI and LOS ANGELES, May 15, 2013 /PRNewswire/ -- The Kroger Co. (NYSE: KR) today unveiled a clean energy production system that will convert food that cannot be sold or donated into clean energy to help power its Ralphs/Food 4 Less distribution center in Compton, CA.

The anaerobic conversion system will process more than 55,000 tons of organic food waste into renewable energy annually, providing power for the more than 650,000 square foot distribution center. By diverting that food waste – the equivalent of 150 tons per day – the system will also reduce area truck trips by more than 500,000 miles each year. The Kroger Recovery System uses a sophisticated process to convert the carbon in organic material into a renewable source of methane.

"We are committed to finding solutions for food waste and clean energy, and we believe this is a meaningful step forward," said Rodney McMullen, Kroger's president and chief operating officer. "Investing in this project is a good business decision for Kroger and, most importantly, an extraordinary opportunity to benefit the environment. We want to thank Governor Brown and his team at CalRecycle and CalEPA, the City of Compton, the SCAQMD, and our partners at FEED for making this renewable energy project a reality."

How it works

The Kroger Recovery System utilizes anaerobic digestion, a naturally occurring process, to transform organic food that cannot be sold or donated, and onsite food-processing effluent, into renewable biogas. This biogas is then turned into power for onsite operations. The process is carried out in an enclosed, oxygen-free environment, which means the process takes up less space and generates no odors. The system will provide enough renewable biogas to offset more than 20% of the energy demand of the Ralphs/Food 4 Less distribution center. Combining the use of renewable energy power with more than 150 zero emission fuel cell fork lifts, the Ralphs/Food4Less distribution center is now one of the greenest and most efficient, advancing the City of Compton as a leading sustainable community.

About FEED Resource Recovery, Inc.

The Kroger Recovery System is designed and operated by FEED Resource Recovery Inc., a clean technology company founded in Boston, Mass in 2007. FEED Resource Recovery (FEED) has designed and implemented a groundbreaking Zero Waste solution (called R2S) for the food industry. FEED's innovative and proprietary approach leverages customers' existing transportation and

distribution systems to generate clean, sustainable power for onsite operations, reduce emissions and save millions of dollars on waste removal costs. More information is available at www.feedresourcerecovery.com.

About Kroger

Kroger, one of the world's largest retailers, employs 343,000 associates who serve customers in 2,424 supermarkets and multi-department stores in 31 states under two dozen local banner names including Kroger, City Market, Dillons, Jay C, Food 4 Less, Fred Meyer, Fry's, King Soopers, QFC, Ralphs and Smith's. The company also operates 786 convenience stores, 328 fine jewelry stores, 1,169 supermarket fuel centers and 37 food processing plants in the U.S. Recognized by Forbes as the most generous company in America, Kroger supports hunger relief, breast cancer awareness, the military and their families, and more than 30,000 schools and grassroots organizations. Kroger contributes food and funds equal to 160 million meals a year through more than 80 Feeding America food bank partners. A leader in supplier diversity, Kroger is a proud member of the *Billion Dollar Roundtable* and the U.S. Hispanic Chamber's *Million Dollar Club*.
SOURCE The Kroger Co.

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