



Press Release

For Immediate Release

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Amalgamated Bank Wants By-Laws Change at Kroger Shareholders Call For Governance Reforms by Majority Vote

New York, NY— Investors will cast their votes tomorrow on a proposal by Amalgamated Bank's LongView Funds at the annual meeting of The Kroger Companies (NYSE: KR). The proposal, which appears as Item #4 in the proxy statement, asks the Board of Directors to amend the company's "regulations," or by-laws, to allow future changes to be made by a majority vote of shareholders.

Currently, a 75% "supermajority" vote of all outstanding shares is required in order to effect a by-law change. The LongView proposal, if adopted, would permit shareholders to amend Kroger's bylaws by a simple majority of the voting power.

"We believe that the supermajority requirement sets an unreasonably high threshold for implementing corporate governance changes," said Julie Gozan, Corporate Governance Specialist at Amalgamated Bank. "Investor oversight and active proxy voting has proven to be a key factor in pushing companies to improve their governance profiles. Yet Kroger is using this clause in its by-laws to obstruct an important reform chosen by the majority of its shareholders."

In 2004, The LongView Funds put forward a proposal to declassify Kroger's board of directors, allowing each director to stand for election annually. The measure won 72% of the votes cast, or 57% of the "outstanding shares," including votes not cast. Despite that strong support, the measure failed because it fell short of the 75% of the outstanding shares needed to effect a bylaw change.

"We believe that giving shareholders the opportunity to evaluate each director's performance every year would create value by enhancing the board's stewardship of our company," said Gozan. "In our view, a 72% majority of the votes cast should not be thwarted by a by-law stipulation that undermines the stakeholders' voice within corporate governance."

There has been a significant decline within the S&P 500 index in classified boards. In the last year alone, 44 companies acted to amend their by-laws to allow annual elections.

Amalgamated Bank's LongView funds hold 283,984 shares of The Kroger Companies.

Founded in 1923, Amalgamated Bank invests workers' retirement savings through its LongView Funds. With \$10 billion in assets under management, LongView works to enhance shareholder value through corporate governance reforms at portfolio companies. Amalgamated Bank is available online at www.AmalgamatedBank.com.

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