



KraftHeinz

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GROWING A BETTER WORLD AT KRAFT HEINZ

2017 Corporate Social Responsibility Report



TABLE OF CONTENTS

Report Introduction.....	4
About Kraft Heinz.....	6
Stakeholder Engagement and Materiality	16
CSR Strategy and Goals.....	18
Better Supply Chain.....	19
Better Environment	31
Better Products.....	38
Better Communities.....	53
Performance Scorecard.....	65
CSR Milestones	68



About This Report

This is the first Corporate Social Responsibility (CSR) Report issued by Kraft Heinz, formed in July 2015 upon the combination of Kraft Foods Group and H.J. Heinz Company. Expected to be delivered biennially, our CSR reporting reflects our commitment to transparency and provides detail for our stakeholders on our CSR strategy, goals, challenges and progress during the reporting period.

This report is a subset of an extensive collection of annual and biennial disclosures meant to offer a comprehensive perspective on our CSR actions and performance. It does not include details on our financial performance, which can be found on our [corporate website](#) and in our public filings available through the U.S. Securities and Exchange Commission.

The data contained within this report covers our global facilities from January 1 through December 31, 2016, unless otherwise noted.

We considered the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines in the development of this report and have included applicable G4 Standard Disclosures.

We welcome feedback on our strategy and commitments. If you have questions or comments on any information contained in this report, please contact [Caroline Krajewski](#).



A Message From Bernardo Hees

When I was growing up in Brazil, my father taught me hard work with ethics always pays off. Throughout my life, I've found that to be true, whether I'm a kid trying out for the school volleyball team or an executive running the world's fifth largest food and beverage company, holding the trust of billions of consumers.

We are experiencing unprecedented challenges in our industry today—from resource scarcity and climate

“We're more active than ever before in advocating for the sustainable health of our people, the planet and the communities where we live and work.”

change to food insecurity and an ever-evolving consumer. That's why we're more active than ever before in advocating for the sustainable health of our people, the planet and the communities where we live and work. It's the right thing to do for the long-term growth of our Company, and it's the right thing to do for the well-being of society at large.

This belief is inherent to who we are, as it's embedded in our Company Vision: *To Be the Best Food Company, Growing a Better World*. Consumer First, Innovation, Quality, Ownership and Integrity are the Values that underpin that Vision.

Guided by our Vision and Values, we have prioritized social responsibility and operationalized our approach—benchmarking our performance, engaging stakeholders, setting goals and, most importantly, establishing the systems and processes to track our performance. This led us to identify four strategic pillars and set ambitious targets to support our

work to protect the environment, strengthen our supply chain, improve our products and help end global hunger.

We're pleased to be issuing this report—our first ever as The Kraft Heinz Company—in reflection of our commitment to engage in an open dialogue with those who share our Vision. We plan to report every other year to keep you informed of our progress against the priorities we've laid out, and to hold ourselves accountable to these commitments.

Perhaps our boldest commitment is our pledge to deliver 1 billion meals to people in need by 2021. Hunger impacts a staggering 800 million people worldwide, and as leaders in the food industry, we believe we are well-positioned to be a significant player in the fight against hunger. One of the finest examples of our longstanding commitment to this movement is The Kraft Heinz Micronutrient Campaign, which has been our Company's signature

A Message From Bernardo Hees (cont.)



“Perhaps our boldest commitment is our pledge to deliver 1 billion meals to people in need by 2021.”

philanthropic program for over 15 years. In partnership with Rise Against Hunger, The Kraft Heinz Micronutrient Campaign supports children’s health and development through the production and donation of micronutrient powders—developed by our Kraft Heinz food science and nutrition experts—which provide 18 essential vitamins and minerals to combat global malnutrition.

Environmental issues related to our climate and natural resources are also impacting the world in ways we’ve never seen before. In response, we’ve dedicated considerable resources to amplifying our sustainability focus in our manufacturing and supply chain operations. We’ve set aggressive environmental goals and prioritized responsible stewardship of resources. We’ve strengthened our current sustainable sourcing practices while introducing others. We believe our ability to consistently provide quality products to consumers begins at the source, so we’ve also partnered with non-governmental organizations (NGOs) and initiated programs at the farm level to reinforce the sustainability of our supply chain.

Switching gears to the consumer—who is at the forefront of everything

we do—we’re keenly aware of the incredible transformation our industry is experiencing with respect to the way consumers interact with companies and brands. They increasingly expect the products they buy to reflect their own unique values, and they want to know more about what’s in their food. We’ve been listening and learning, and are answering this call in various ways. We’re removing artificial ingredients and striving for simpler ingredient lines, like with our iconic *Kraft Mac & Cheese* and *Oscar Mayer Hot Dog* brands. We’re investing in innovation. We’re increasing access to positive nutrients in our products like protein and calcium, and limiting ingredients like sodium and sugar, as in our *Heinz Tomato Ketchup* and *Beanz* in Europe.

In the end, it’s our passionate, dedicated employees who play the most critical roles in achieving our business and societal objectives. We’ve made significant progress in the last two years, but we have a lot of work ahead. We know the future road will be challenging at times, but we remain committed to delivering this strategy and finding new ways to drive meaningful change in society. We’re a global business, but we’re global citizens, too.

I hope you’ll take the time to get to know us a little bit better by continuing to read our inaugural CSR Report. Thanks again for your interest in our business and community practices as we *Grow a Better World*.

Bernardo Hees
Chief Executive Officer
The Kraft Heinz Company

A GLOBAL FOOD POWERHOUSE

Formed in 2015 through the merger of Kraft Foods Group, Inc. and H.J. Heinz Company, The Kraft Heinz Company is a globally trusted producer of high quality, great-tasting and nutritious foods. Kraft Heinz is co-headquartered in Chicago and Pittsburgh.

At the end of 2016, Kraft Heinz had 83 Company-owned factories, 6,126 packaging and ingredient suppliers and 319 co-packers, and employed 42,000 employees around the world.



\$26.5bn

in net sales
(2016)



#5

food & beverage
company in
the world



40+

countries with
dedicated
Kraft Heinz Company
employees

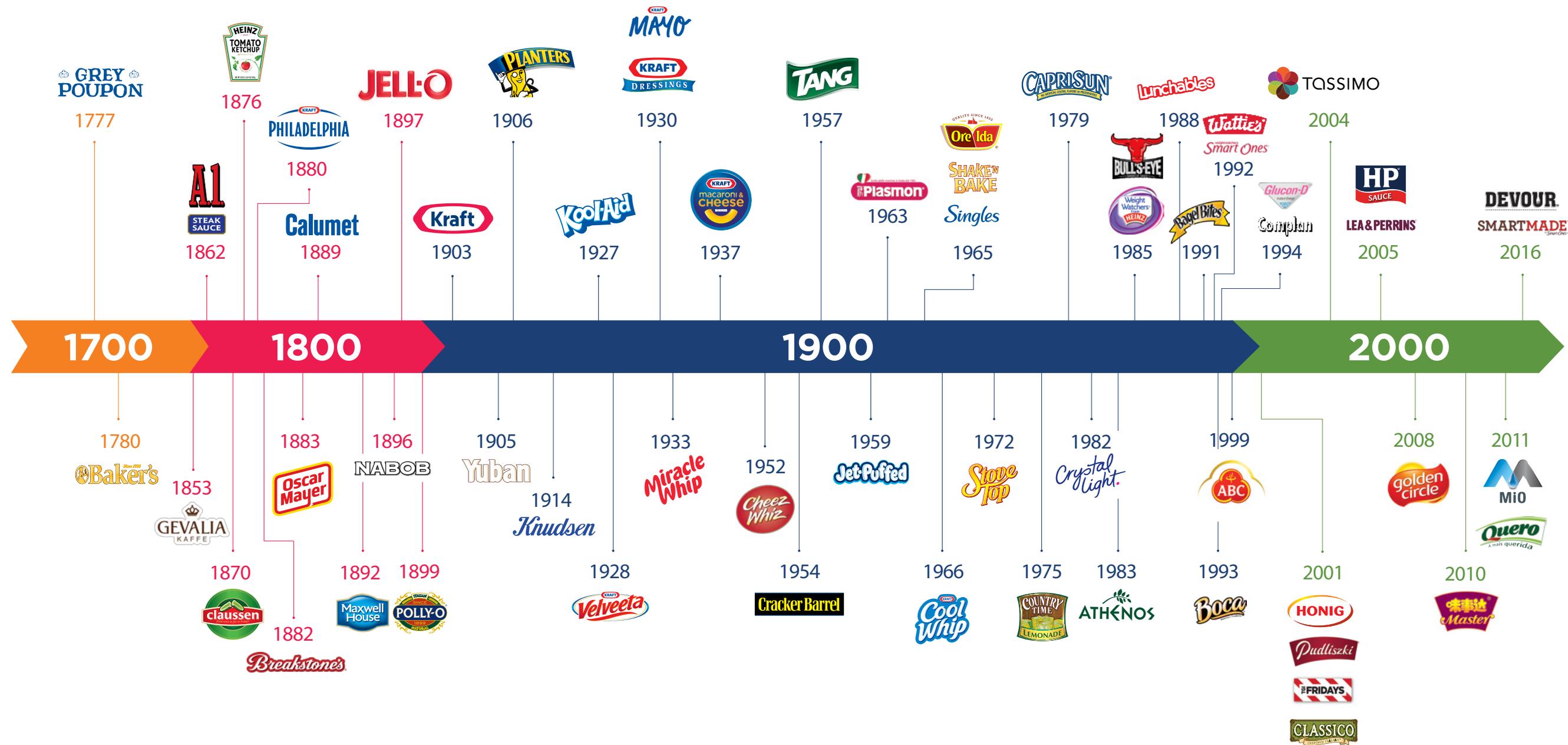


8

\$1 billion+ brands
based on retail
& foodservice
sales

MORE THAN 230 YEARS OF ICONIC GLOBAL BRANDS

200+ Beloved Brands Sold in Nearly 200 Countries



KraftHeinz

OUR VISION

TO BE THE BEST FOOD COMPANY,
GROWING A BETTER WORLD.

Guided by Our Values:

Consumer First

We are passionate about our consumers and always aim to exceed their expectations.

Quality

We have an unwavering commitment to quality.

Innovation

We take informed risks, conquer challenges and make the world's favorite foods.

Integrity

We do the right thing at all times. We inspire trust. We are honest and ethical.

Ownership

We think and act like owners of our business, make tough choices and treat every dollar as if it is our own.



CSR Governance

Kraft Heinz is committed to responsible corporate governance. We've designed our governance structure to enable us to live our Vision and Values.

Board of Directors

Our Board of Directors plays a crucial role in helping us live our Vision: *To Be the Best Food Company, Growing a Better World*. Comprised of diverse, experienced and qualified Directors with strong leadership credentials, our Board takes a thoughtful and tailored approach to our business. The Board establishes corporate policies, sets strategic direction and oversees management, which is responsible for our day-to-day operations. Guided by its Corporate Governance Guidelines, the Board aims to foster the Company's long-term success and provides strategic direction to help us achieve meaningful results worldwide.

All non-employee Directors are expected to adhere to our Code of Business Conduct and Ethics for Non-Employee Directors, which is designed to deter wrongdoing and promote honest and ethical conduct. Annually, each non-employee Director acknowledges in writing that he or she has received, reviewed and understands the Director Ethics Code.

The Board of Directors helps establish and oversee our global CSR objectives and framework, including matters related to our supply chain, the environment, nutrition and well-being, and social issues. Members review all significant policies, processes and commitments, and receive frequent updates from the CSR team on progress against key performance indicators and other relevant developments.

Executive Leadership Team

Our Executive Leadership Team provides oversight and executional leadership for our global CSR strategy. The Executive Leadership Team is led by Chief Executive Officer Bernardo Hees, and includes 18 executives representing a variety of disciplines, including Finance, Sales, Operations, Procurement, Marketing, Research and Development, Human Resources, Legal and Corporate Affairs. The team receives biannual progress reports from the CSR team.

CSR Team

In partnership with the Board of Directors and Executive Leadership Team, the CSR Team directs the design, development, execution and continuous improvement of our CSR strategy, goals and initiatives. Comprised of leaders in various functions across the globe, the CSR Team engages with key stakeholders regularly, including consumers, customers, shareholders, employees, NGOs and community leaders. Team leaders are also responsible for mobilizing the organization and collaborating across departments to lead the development, implementation and measurement of relevant CSR policies, procedures and programs, ensuring alignment with business strategies and operational objectives.

Please visit <http://ir.kraftheinzcompany.com> and/or our 2016 [Definitive Proxy Statement](#) to learn more about our Company's corporate governance structure and leadership.

ETHICS, COMPLIANCE AND HUMAN RIGHTS



Employee Code of Conduct

Kraft Heinz and its employees conduct business in an ethical and transparent manner, guided by our Vision, Values and a commitment to integrity. All employees, officers and Directors are required to abide by the Company's [Global Code of Conduct](#) in an effort to prevent harassment, discrimination, forced labor (including human trafficking and slavery), conflicts of interest, insider trading, antitrust violations and other unacceptable behaviors, and to guide our businesses to perform and behave in a consistently legal and ethical manner. The Global Code of Conduct forms the foundation of our corporate policies and procedures and fosters ethical behavior. We provide regular training and require employees to certify their understanding and agreement to abide by the Code's principles and requirements.



Supplier Guiding Principles

Kraft Heinz [Supplier Guiding Principles](#) are an important part of our larger strategy to provide safe and delicious products. We ask all domestic and international suppliers, co-packers and joint venture partners to comply with our Supplier Guiding Principles. The principles allow for consistency across operations to uphold high standards of quality and service. They also require compliance with local labor and environmental laws.



Modern Slavery Statement

Kraft Heinz is committed to *Growing a Better World* by enhancing the quality of people's lives through sustainability, health and wellness and social responsibility. Kraft Heinz places a high value on an ethical and transparent supply chain, and supports initiatives aimed to eradicate slavery and human trafficking. Kraft Heinz demands all business partners demonstrate a clear commitment to protecting the rights of workers worldwide and does not tolerate the use of forced labor—including human trafficking and slavery. Please visit KraftHeinzCompany.com or heinz.co.uk to review the statement in its entirety.

Reporting a Concern

To help employees report potential misconduct, the Company provides several ways to report, including through managers, Human Resources professionals, the Legal Department and the Ethics & Compliance team. In addition, we have a confidential Ethics & Compliance Hotline for reporting an ethics or compliance concern. The Hotline has multilingual staff available 24 hours a day. Reports can be made via country-specific toll-free phone numbers or online. We will not tolerate retaliation against an employee who reports in good faith potential misconduct.



Responsible Marketing

Kraft Heinz is committed to marketing and advertising its products in a responsible and sensitive manner, particularly products marketed and advertised to children under age 12. Employees responsible for creating, approving or placing marketing for Kraft Heinz have primary responsibility for compliance with Company guidelines.

In the United States, consistent with our Pledge and Core Principles, Kraft Heinz abides by a comprehensive set of marketing to children standards: the [Children’s Food & Beverage Advertising Initiative \(CFBAI\)](#), the [Children’s Online Privacy Protection Act \(COPPA\)](#) and the [Children’s Advertising Review Unit \(CARU\)](#). The core principles our United States teams follow include:

- No advertising to children under 6 years of age;
- Only qualified products which meet CFBAI’s uniform nutrition criteria may be marketed to children ages 6 to 11;
- Guidelines apply to media (TV, internet, radio, etc.) that is primarily directed to children;
- No in-school marketing.

Additional guidelines apply with respect to other marketing channels or mechanisms, such as adver-games and the use of licensed characters. Please [click here](#) to view our pledge in its entirety.

Similarly, in Canada, Kraft Heinz participates in the [Canadian Children’s Food and Beverage Advertising Initiative \(CAI\)](#), which requires participants to commit that 100 percent of advertising directed primarily to children under age 12 promotes only better-for-you products, or to commit to not advertising directly to children under age 12. Kraft Heinz Canada does not advertise to children under 12 as set out in the CAI report.

In Europe, Kraft Heinz adheres to clear guidelines and requirements, including the [U.K.’s OFCOM and Advertising Standards Association](#), as well as the [Netherlands Code of Conduct on Kids Marketing](#).

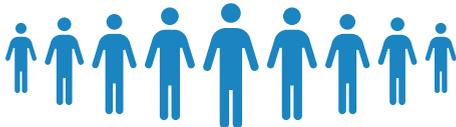


Political Contributions and Lobbying Activity

As part of Kraft Heinz’s ongoing engagement in the communities where our employees live and work, we believe in participating in the political process to shape public policy that affects our business around the world. Our goal is to ensure issues which impact our employees, customers, consumers and shareholders are fairly represented at all levels of government. For more information on political contributions and lobbying activity, please visit our [corporate website](#).

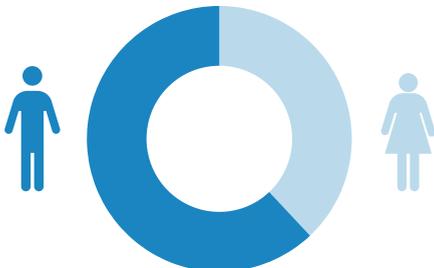
OUR GLOBAL WORKFORCE

42,000+ Employees Worldwide



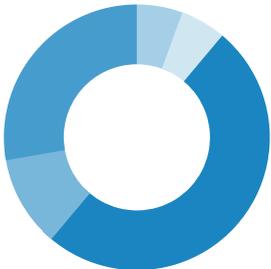
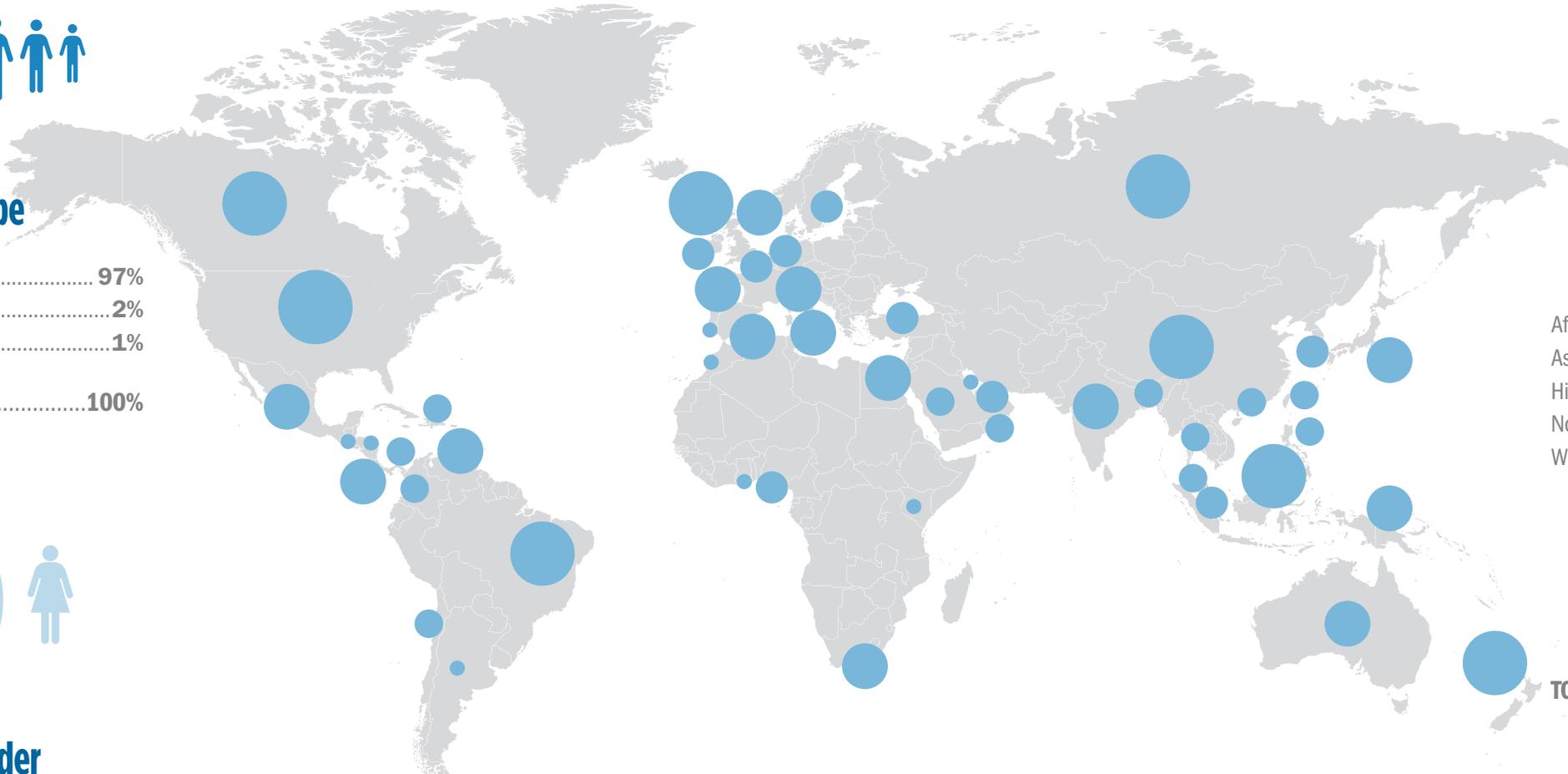
Employees by Type

Full Time.....	97%
Part Time.....	2%
Seasonal.....	1%
TOTAL.....	100%



Employees by Gender

Female.....	38%
Male.....	62%



Executive Leadership Team

African American.....	5%
Asian.....	5%
Hispanic or Latino.....	50%
Non-U.S.....	12%
White.....	28%

Women in Management Roles

TOTAL.....	30%
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OUR CULTURE, OUR PEOPLE, OUR WORKPLACE

Our people are our greatest resource, and we're committed to promoting their dignity, health and safety on the job.



A Culture of Meritocracy

Our culture is best summarized in one word: Ownership. Each of our employees think and act like owners of the business—regardless of function, level, title or background—and treat every dollar as if it were their own. Kraft Heinz recognizes and rewards outstanding performance at every level, in the true spirit of meritocracy. In 2016, more than 1,700 employees were promoted as a result of their high performance and value creation.



Diversity and Inclusion

Because we believe diversity is a driver of creativity, innovation and growth for our business, Kraft Heinz is committed to building a diverse workforce and inclusive culture. We foster a work environment that embraces differences and values the unique perspectives brought by our talented global workforce. All our employees have the opportunity to realize their career goals, regardless of race, gender, beliefs or background.

Learning and Development

As part of our investment in the continuous development and professional growth of our workforce, we established “Owniversity”—an online corporate training and development platform. It provides employees with training in several areas, including finance, marketing, methodology and sales, equipping them with the skills necessary to excel in their current roles and preparing them to take on greater challenges in the future.



Employee Engagement

We believe living our Values means being open to new ideas and opportunities to improve. In 2016, we sought the input of employees in our first-ever global Employee Engagement Survey. Eighty-six percent of total participants responded to the survey. These results informed action plans to help enhance our workplace culture now and for the future.



Workplace Safety

Kraft Heinz is committed to providing a healthy, safe and secure workplace for employees and all people who visit our facilities. The best-practice Kraft Heinz Safety Process (KHSP) management model drives continuous improvement toward world-class performance. Due to robust site-level implementation, Kraft Heinz improved its safety KPIs over last year, representing some of the best results among our food and beverage industry peers. Kraft Heinz has delivered year-on-year incident reductions for the past six years. Our Total Recordable Incident Rate—a medical incident rate based on the U.S. Occupational Safety and Health Administration record-keeping criteria—in 2016 was 1.10, a 40 percent improvement over 2015.



Employee Health and Wellness

We recognize our employees' personal health and well-being have a direct impact on their ability to thrive at work and in life. Eligible employees have access to comprehensive healthcare benefits, retirement programs, insurances and life coaching assistance programs relevant for the local markets.



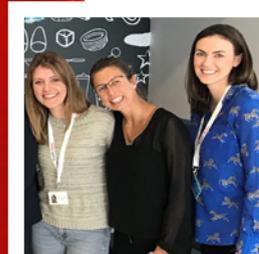
Diversity and Inclusion

At Kraft Heinz, our diverse and inclusive culture gives our employees the opportunity to realize their big career dreams.



Diversity and Inclusion in Canada

In Canada, Kraft Heinz established its first Diversity and Inclusion (D&I) Committee, a cross-functional group with employees from unique personal and professional backgrounds. The Committee's mandate is to identify barriers to a diverse and inclusive workplace and develop action plans that eliminate those barriers.



Gender Balance Platform in Europe

In Europe, Kraft Heinz launched a Gender Balance platform to strengthen a culture where all employees, regardless of gender, are engaged owners directly contributing to the business. This platform includes initiatives like a Women's Leadership Panel and a Parents Network, a support system comprised of parents who help each other balance parenthood and work.



Business Resource Groups

We have also established several Business Resource Groups (BRGs) in the United States to engage and develop the skills of employees from diverse backgrounds. In 2016, we welcomed more than 530 employees into six BRGs.

These groups lead initiatives to enhance talent recruitment, learning and development and workplace inclusion efforts. Such activities include meet-and-greets, speaker series and unique networking events like the LGBT BRG Speaker Series with Out & Equal Chicago; the Veterans BRG All-Veteran career fair; and the African American BRG support of and participation in the Atlanta University Career Fair, where Kraft Heinz networked with top talent from Atlanta-based historically black colleges and universities.

For continued success of the BRGs, Kraft Heinz actively surveys the groups and employees to guide future programming, and we expect to expand our efforts in this area in 2018.

CORPORATE EQUALITY INDEX

The Human Rights Campaign Foundation's Corporate Equality Index is the national benchmarking tool on corporate policies and practices pertinent to lesbian, gay, bisexual and transgender employees. In 2016, Kraft Heinz received a score of 80.

Safety in the Workplace

Kraft Heinz is committed to providing a healthy, safe and secure workplace for employees and all people who visit our facilities.

Kraft Heinz Safety Process (KHSP) is our framework for health and safety management, and forms part of our Manufacturing Playbook requirements. The best-practice KHSP management model starts with a baseline of legal and regulatory compliance, then drives continuous improvement toward world-class performance. The KHSP requirements are followed in every country in which Kraft Heinz operates. In locations where a more stringent local requirement exists, we follow those regulations.

We track and measure implementation through internal audits, with results reflected in Management-by-Objectives KPIs and Factory Championship rankings. Due to robust site-level implementation, Kraft Heinz improved its safety KPIs over last year, representing some of the best results among our food and beverage industry peers.

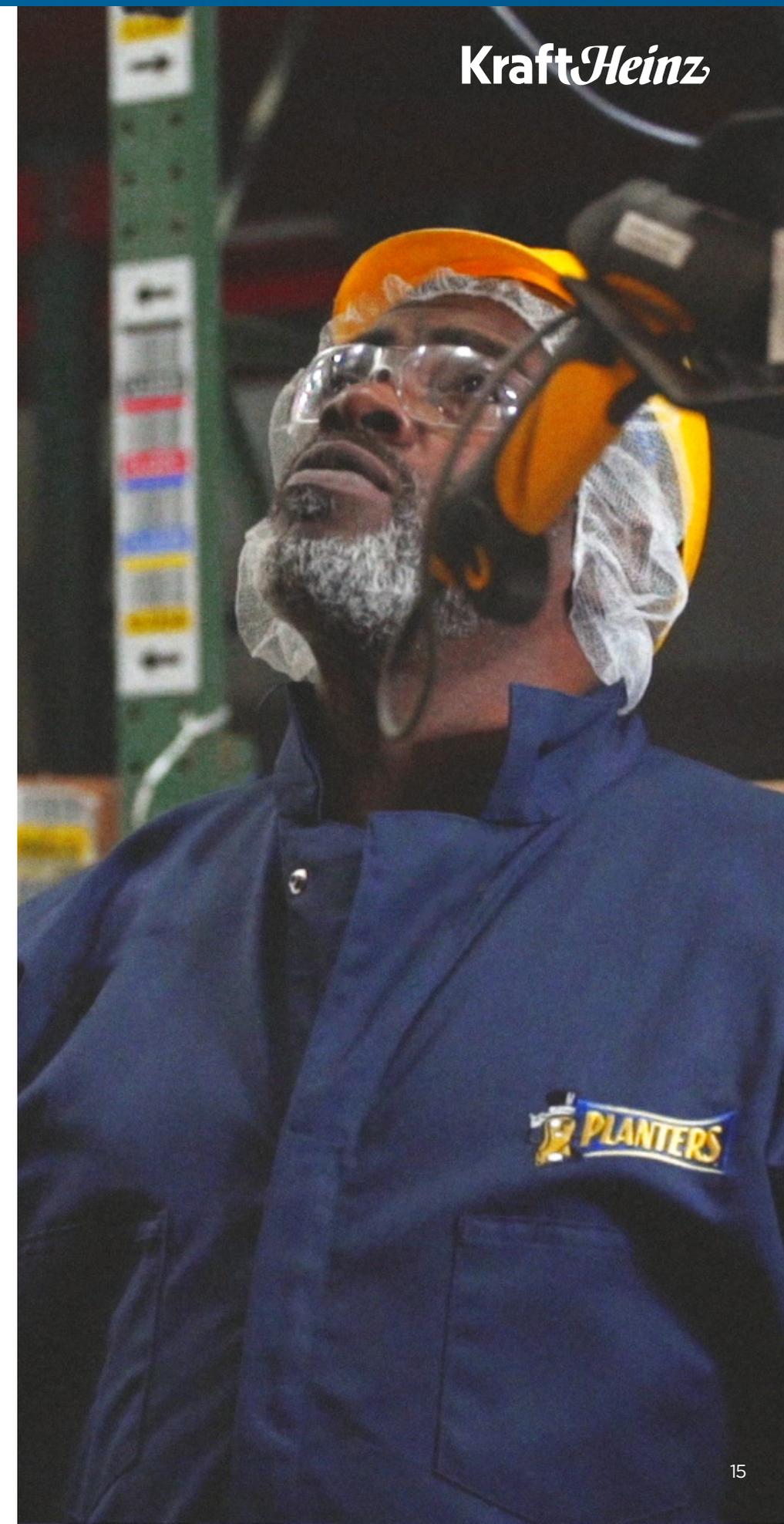
Total Recordable Incident Rate

Our compiled worldwide Total Recordable Incident Rate (TRIR) is a medical incident rate based on the U.S. Occupational Safety and Health Administration (OSHA) record-keeping criteria (injuries per 200,000 hours). 2016 was a very successful year in Worldwide Safety Performance, delivering year-on-year incident reductions for the past six years. With the combined business (Kraft and Heinz), the 2016 TRIR was 1.10, a 40 percent improvement over 2015.

Safety Rules

At the end of 2016, we introduced “Safety Rules”—focused, standardized controls intended to address workplace conditional risks associated with severe and high-cost incidents. The Safety Rules provide guidance on the essential resources, equipment, conditions, processes and behaviors that our employees need to work safely. We added the Safety Rules to our Safety Playbook and will begin to implement them in 2017.

Led by Operational Risk Management in each Zone, the 15 Safety Rules aim to provide the greatest amount of conditional risk reduction and safe behavior modification, and to address the most serious accidents that have occurred in the past.



WHAT MATTERS MOST TO OUR STAKEHOLDERS

Materiality Assessment

In 2016, Kraft Heinz conducted a materiality assessment to drive our CSR strategy and goal-setting. The assessment allowed us to identify and carefully consider the environmental and social issues that are of greatest concern to our stakeholders and could have an impact on the long-term success of our business. The results highlight areas of opportunity and risk to help focus our overall strategy and improve our performance.

To identify our material issues, we engaged a variety of stakeholders and collected input across several topic areas.

STAKEHOLDERS								
Investors	Customers	Employees	NGOs	Industry Associations	Government/Regulatory	Consumers	Suppliers	Philanthropic Partners
TYPE OF ENGAGEMENT								
<ul style="list-style-type: none"> Annual shareholder meetings Quarterly earnings presentations Regular meeting both in-person and via phone 	<ul style="list-style-type: none"> Customer surveys Regular meetings with customer teams 	<ul style="list-style-type: none"> Global employee engagement survey Global employee CSR survey Senior leadership CSR survey Intranet/Yammer (internal social communication platform) Business Resource Groups 	<ul style="list-style-type: none"> Ongoing proactive and reactive engagement In-person meetings on select issues 	<ul style="list-style-type: none"> Industry engagement via meetings and conference calls on key issues Board participation 	<ul style="list-style-type: none"> Direct engagement with government officials on public policy issues Indirect advocacy through coalitions and trade groups Support of candidates for public office through Kraft Heinz Political Action Committee 	<ul style="list-style-type: none"> Consumer Call Center Corporate and brand social media Consumer insights 	<ul style="list-style-type: none"> Supplier Guiding Principles Supplier surveys Supplier audits 	<ul style="list-style-type: none"> Donations Partner collaboration
SUBJECT AREAS DISCUSSED								
<ul style="list-style-type: none"> Governance Climate Sustainable sourcing Transparency/external reporting 	<ul style="list-style-type: none"> Animal welfare Sustainable sourcing Community impact/food security Nutrition and well-being 	<ul style="list-style-type: none"> Climate Sustainable sourcing Community impact/food security Nutrition and well-being Workplace health and safety Transparency 	<ul style="list-style-type: none"> Climate Sustainable sourcing Animal welfare Packaging sustainability Human rights Nutrition and well-being Transparency 	<ul style="list-style-type: none"> Nutrition and well-being Animal welfare Food safety 	<ul style="list-style-type: none"> Tax Trade Nutrition and well-being Labeling Regulatory 	<ul style="list-style-type: none"> Animal welfare Packaging sustainability Sustainable sourcing Nutrition and well-being Community impact/food security Transparency 	<ul style="list-style-type: none"> Climate Sustainable sourcing Animal welfare Packaging sustainability Human rights Food safety Food waste 	<ul style="list-style-type: none"> Community impact/food security Sustainable agriculture Food waste

MATERIALITY ASSESSMENT

When reviewing materiality, we filtered potential issues by considering the following questions:

- How does the issue align with our Vision, Values and overarching business strategy?
- Is the issue important to a large segment of our stakeholders?
- Does the issue have the potential to affect our operations, brands and/or reputation?
- Does the issue have the potential to influence our ability to deliver world-class products?
- Does the issue have the potential to affect our employees, suppliers, customers or communities?

Through the assessment, we identified these material issues and considered them when forming our CSR strategy.

Strategic Enterprise Risk Management

Kraft Heinz has an established, comprehensive approach to Strategic Enterprise Risk Management (SERM). We annually interview the Extended Leadership Team and survey approximately 250 senior management personnel across Kraft Heinz to assess the business on both internal and external risk factors. The SERM survey covers a broad spectrum of risks across several dimensions: strategic, financial, operational, legal and regulatory, human capital, and hazard/catastrophic. From the executive interviews and management survey data, the SERM program prioritizes the risks and develops the Kraft Heinz risk profile, which is shared with the Audit Committee of the Board of Directors annually.



CSR STRATEGY, GOALS & PERFORMANCE

When Kraft Heinz was formed in 2015, we prioritized corporate citizenship and sustainability efforts. We began with stakeholder engagement and a materiality analysis, and then leveraged our findings to focus on high-priority issues in areas where we can make the greatest impact. Those findings also guided our development of four key pillars: Better Supply Chain, Better Environment, Better Products and Better Communities.

Our goal is to build trust among our Company's broad set of stakeholders by promoting socially responsible practices across our supply chain, setting aggressive environmental goals, improving the products we sell and making impactful advancements in communities—all with a commitment to transparency and two-way dialogue.

Sustainable Development Goals

On September 25, 2015, the United Nations published the Sustainable Development Goals (SDGs), representing a universal call to action to end poverty, protect the planet and ensure prosperity for all. Kraft Heinz considered these goals while prioritizing our CSR actions, and our commitments and global initiatives support eight of the 17 SDGs.



Better Supply Chain

We're building a sustainable supply network focused on responsible sourcing.



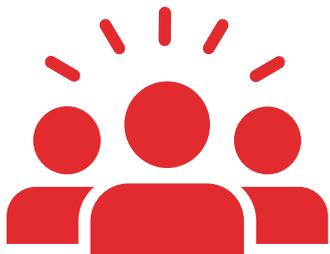
Better Environment

We're helping protect the environment and caring for our earth's natural resources.



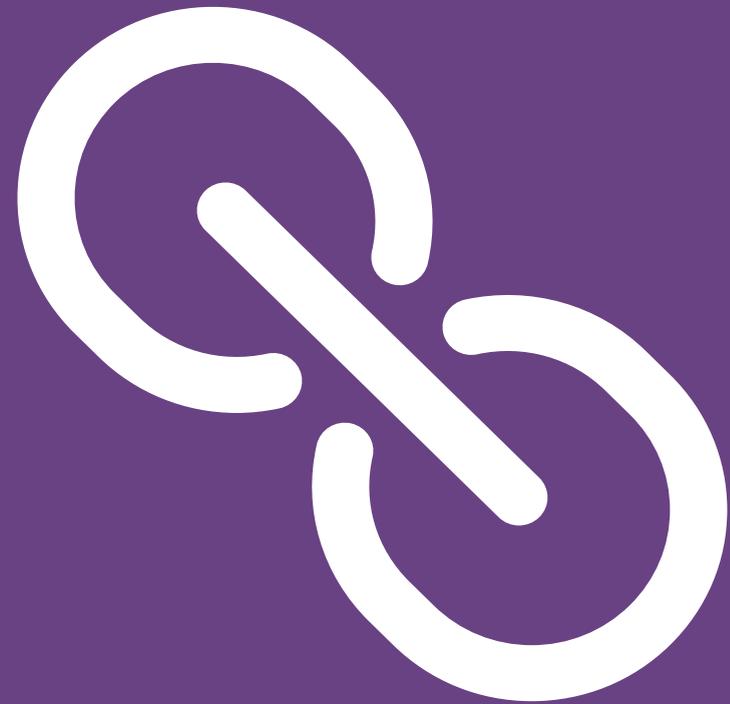
Better Products

We're making the foods people love even better.



Better Communities

We're helping end global hunger and malnutrition.

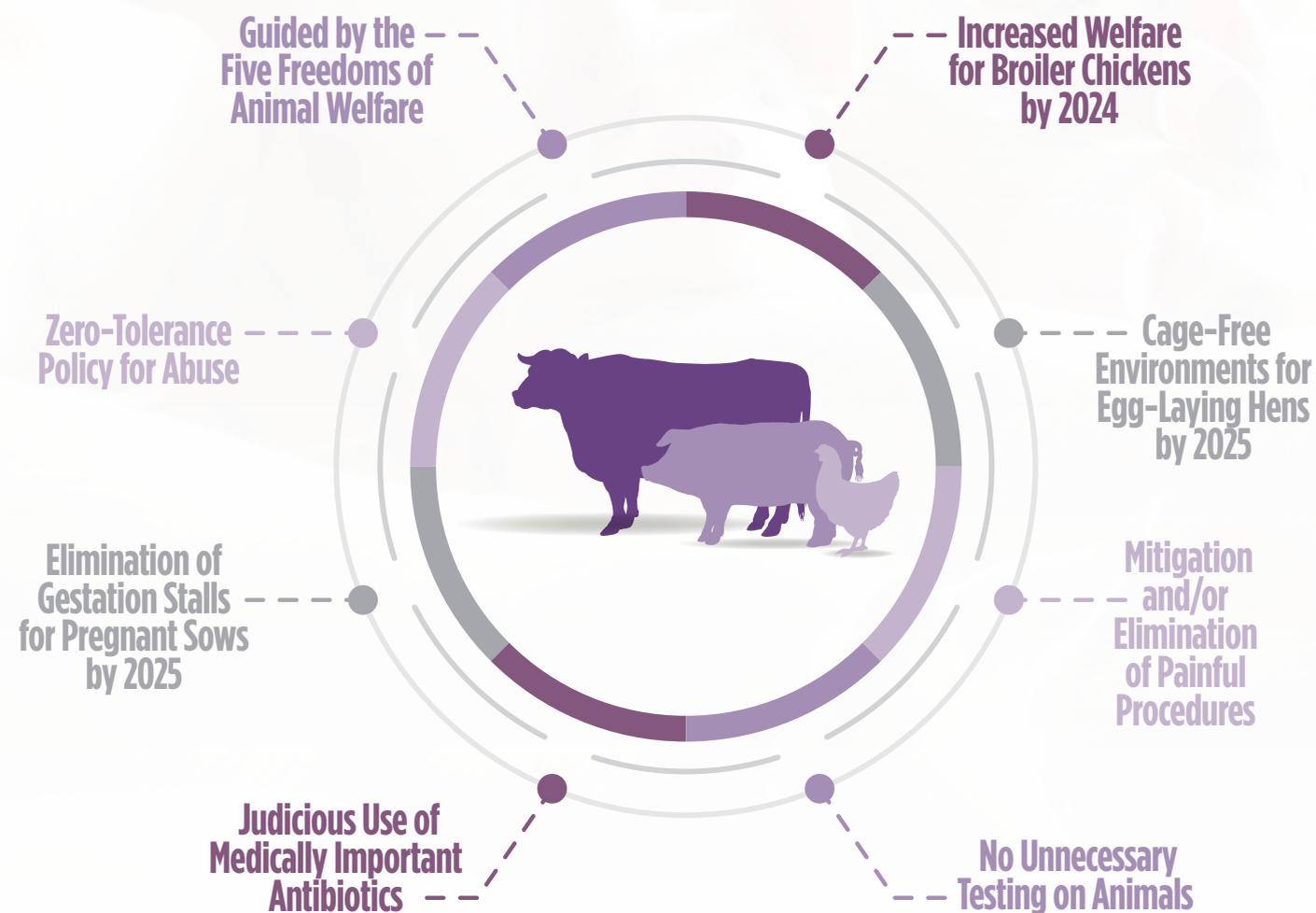


Better Supply Chain

We believe in a sustainable, global supply chain. Establishing responsible farm-to-market ingredient and material sourcing policies and practices helps us deliver world-class products today and tomorrow. We've taken significant steps to strengthen and expand our policies and and will emphasize continuous improvement in coming years.

Treating Animals with Care, Understanding and Respect

Kraft Heinz is committed to the humane treatment of animals, and we prioritize continuous improvement in animal welfare. Although we do not own and operate farms, we expect our suppliers to adhere to strict standards and ensure animals are raised in accordance with animal welfare laws and ordinances in the locale where they are raised. These standards are detailed in both our [Global Animal Welfare Policy](#) and our supplier product specifications. Global highlights include:



Our Animal Welfare Strategy

In 2016, we expanded our animal welfare commitments, leveraging the strengths of our predecessor companies and driving improved focus in the areas where we can make the greatest impact. Animal science plays a central role in guiding these commitments, but we acknowledge it does not always provide clear direction. Thus, we make animal welfare decisions through a combination of science and societal ethics.

There is growing public interest in livestock farming, with stakeholders inquiring whether current production practices match their values and expectations. We are transparent in our supply chain practices and report on progress made toward our commitments, both via our [website](#) and biennial CSR reporting.

Our Animal Welfare Policy applies to the entire global Company and all business units that utilize animals in any manner. A Global Steering Group monitors compliance with this policy and will review its requirements bi-annually to ensure continued best practices are applied.

We believe animals should have a good quality of life; thus, our animal welfare policy is guided by the Five Freedoms of Animal Welfare. We expect all suppliers to implement practices and pursue continuous improvement consistent with these Five Freedoms. We require our suppliers to have a zero-tolerance policy for willful acts of animal abuse and neglect.

FIVE FREEDOMS OF ANIMAL WELFARE

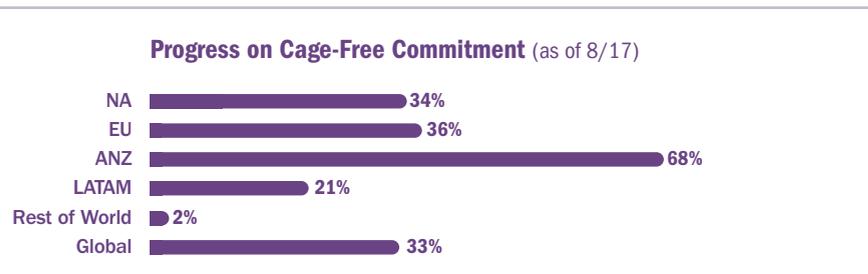
- Freedom from Hunger and Thirst
- Freedom from Discomfort Due to the Environment
- Freedom from Pain, Injury or Disease
- Freedom to Express Normal Behavior for the Species
- Freedom from Fear and Distress

Our Commitments

At Kraft Heinz, we are working in many ways to ensure the welfare of the animals in our supply. We have identified key areas that are important to our stakeholders and where we believe we can be most impactful. We are focused on the following expectations.

Hen Housing

We believe an important aspect of animal welfare is space to allow walking, nesting and other natural behaviors, and believe this can be done while still ensuring the aspects of animal well-being that “traditional” housing offers.



Globally, we are transitioning to using only eggs from hens that live in cage-free environments. We define cage-free eggs as those laid by hens allowed to walk, nest and engage in other behaviors in an open area. In all North American operations, we are on track to achieve this goal by 2025. In Europe, our supply is already 100 percent enriched housing or free-range, with a commitment to switch to 100 percent free-range eggs and egg-based ingredients by 2020.

Sow Housing

We believe it’s important that pregnant sows be allowed enough space to perform natural behaviors like walking, while still working to ensure other aspects of animal well-being. Kraft Heinz is working with our pork suppliers to transition from traditional gestation stall housing to pregnant sow housing alternatives. We are committed to being 100 percent free of traditional gestation stall housing by 2025. In Europe, our supply has already met this goal.

Mitigating Painful Procedures

We are working with industry and farm families to develop and adopt practical alternatives that mitigate or eliminate painful procedures, and we encourage the use of pain mitigation, such as administering anesthetic or analgesic. We expect our suppliers to adhere to industry guidelines, which were developed to provide quality products while keeping both animals and humans safe.

Likewise, we support industry initiatives that will eliminate routine cow tail docking in our milk supply chain. The majority of our milk and milk products come from the United States and Canada. In the United States, we require our suppliers and their farmers to follow the National Dairy FARM Animal Care guidelines, which is phasing out routine tail docking. Similarly, we require our suppliers in Canada to follow the Code of Practice for the Care and Handling of Dairy Cattle, which also phases out routine tail docking in 2017. Third-party audits are conducted to ensure these guidelines are followed and to monitor progress. For the smaller volume of milk products coming from other parts of the world, we are working with supplier partners to end this practice.

Antibiotics

The judicious use of medically important antibiotics is needed to maintain animal health. For the farm animal that gets sick, antibiotics can be a critical aspect of humane care. Along with the thorough application of good farming practices, the responsible use of antibiotics can help enhance food safety and quality.

Likewise, our supplies meet or exceed all local government regulations related to the use and administration of antibiotics, including the ban on antibiotics for growth promotion.

In the United States, where the vast majority of our meat supply is purchased, we require our suppliers to meet or exceed judicious use guidelines developed by scientific experts such as the [American Veterinary Medical Association in conjunction with the U.S. Center for Disease Control and Prevention \(CDC\)](#) and the [World Organization for Animal Health \(OIE\)](#).

Hormones

In some countries, such as the United States and Canada, certain growth hormones are approved for use in beef cattle, and we do not restrict their use in those instances. While studies conclude hormone supplements in cattle are safe for animals and for humans, we support ongoing efforts to further demonstrate the safety and usefulness of supplemental hormones.

No growth hormones are approved for use in dairy cattle, veal calves, pigs or poultry.

The use of the production hormone rbST (recombinant bovine somatotropin) varies widely based on government regulations in different parts of the world. In some countries, rbST is approved for use in dairy cows to increase milk production, and we do not restrict its use in those instances.

Animal Testing

Kraft Heinz does not support unnecessary testing and is an advocate for replacing animal testing with other validated methods to determine the safety of new food ingredients. We do not support or condone the use of animals for research that is not essential to food safety and quality. We do not maintain any testing facilities. Where governmental agencies require animal testing to demonstrate ingredient safety, studies are completed by accredited third-party facilities that follow proper animal welfare guidelines.

THE HUMANE SOCIETY OF THE UNITED STATES

“Kraft Heinz has been a tremendous partner in taking steps to improve the lives of pigs and egg-laying hens in its supply chain by committing to go 100 percent group housing on pork and cage-free on eggs in the United States. I’m looking forward to our continued work together to meet these goals and expand the Company’s animal welfare policy to include other animals. With Kraft Heinz’s history on social responsibility I’m confident the Company will continue to take positive strides in a more humane direction.”

— Josh Balk, Vice President,
The Humane Society of the United States

Our Meat Supply

At Kraft Heinz, we are actively working to verify our supply is adhering to our high standards. The majority of our meat purchases occur in the United States for our *Oscar Mayer* business.

Meat Supplier Risk Assessment

In 2016, we administered an animal welfare risk assessment with all United States meat suppliers to evaluate adherence to animal welfare best practices. These suppliers make up more than 90 percent of the meat Kraft Heinz purchases annually. Developed by a cross-functional team including both internal and external leaders in animal welfare, procurement and quality, the assessment reviewed suppliers' strengths and weaknesses on topics including general animal welfare policies, training of personnel, stunning methods, transportation and self- or third-party audits, with a score of 100 equating to the lowest risk possible.

Based on the risk assessment results, Kraft Heinz leaders reduce overall risk by working with low-performing suppliers and setting action plans to improve their policies and procedures over time. Suppliers unwilling or unable to improve may jeopardize their supplier status.

Oscar Mayer: Authenticity in Action

In an environment of growing curiosity about the origins of the food and ingredients in our supply, our *Oscar Mayer* brand has taken a leadership position in the industry to voice its opinion and open its doors to inquisitive consumers.

Built on a foundation of trust and authenticity, *Oscar Mayer* recently updated its website to better represent its core value—quality meats for everyday families at honest prices. To reinforce attributes of honesty and trust, *Oscar Mayer* prioritized current animal welfare topics on its new website—sharing its perspective and discussing future goals.



They also produced a series of “How It’s Made” videos, taking consumers inside our factories to see exactly how some of their favorite products are made, from farm to fork. This work is a tremendous example of applying the principles of the Kraft Heinz Global Animal Welfare Policy and connecting directly with consumers who are particularly interested in this topic.

Broiler Chicken Welfare

We are committed to improving the welfare of broiler chickens, and are working to transition our supply to meet even higher welfare standards. By 2024, we commit to work with our suppliers and the industry at-large to achieve the following:

- Source 100 percent of our chicken via breeds approved by the Royal Society for the Prevention of Cruelty to Animals (RSPCA) or Global Animal Partnership (GAP) for measurably improved welfare and quality of life
- Provide birds with more space to perform natural behaviors, including a stocking density no greater than 6 pounds per square foot
- Provide birds with better, enriched environments including litter, lighting and other enrichments that align with GAP’s environmental standards
- Implement a multi-step, controlled-atmosphere processing system that avoids live shackling
- Demonstrate compliance via supplier verification or third-party auditing, and communicate progress as part of regular sustainability reporting

Extensive changes such as these require significant investment of time and resources, industry-wide. We recognize the complexity of this undertaking and look forward to collaborating with our suppliers, the food industry and other stakeholders to advance these ambitious goals in a way that is sustainable for our collective businesses.

Our Dairy Supply

Dairy is an important aspect of our business, so we support industry initiatives that enhance dairy animal welfare, including the following:

Farmers Assuring Responsible Management



We require our United States dairy suppliers to be members of **Farmers Assuring Responsible Management (FARM)**. Created by the National Milk Producers Federation (NMPF), with support from Dairy Management Inc. (DMI), the FARM program establishes on-farm best management practices, second-party evaluations and third-party verification to manage animal care practice and foster a culture of continuous improvement.

Dairy Processors Association of Canada

All major dairy processors in Canada are part of Dairy Processors Association of Canada (DPAC), which helps ensure the maintenance of best practices amongst dairy processors in Canada. As part of its new 'ProAction' approach, DPAC, in conjunction with the Dairy Farmers of Canada (DFC), is rolling out a series of mandatory training materials for farmers across Canada so dairy farmers are proactive in providing high-quality, safe and sustainable food to their customers.



Dairy Processors Association of Canada
Association des transformateurs laitiers du Canada

Dairy Welfare in India

Since 2015, a Kraft Heinz team of dedicated technicians and veterinarians are leading efforts to support the health and welfare of local dairy cattle in India. Lead by Sanjay Mittal, who leads milk procurement out of our Aligarh factory, Kraft Heinz held more than 30 workshops in 2016, educating local producers on animal welfare and health. In these workshops, local producers:

- Learned the importance of cleanliness and how this can help reduce mastitis in dairy cows;
- Were educated on providing proper nutrition with minerals and calcium supplements; and
- Received vaccinations and deworming for more than 7,500 cattle.

Kraft Heinz considers these efforts an important element of maintaining a sustainable and high-quality supply chain, and will continue to provide medicine, education and support on a regular basis in India.

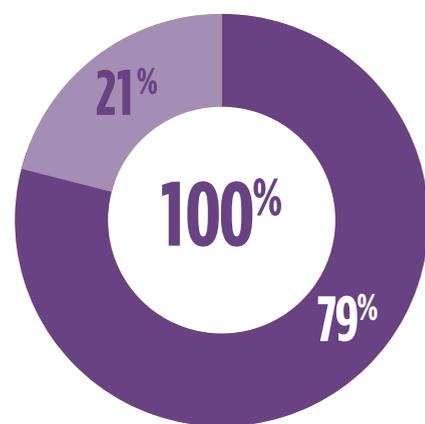


Purchasing Sustainable and Traceable Palm Oil

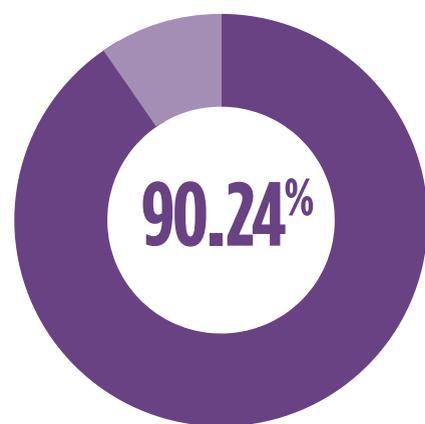
Given its versatility, global demand for palm oil has more than doubled in the last 10 years, and this exceptional growth has brought economic and employment benefits for millions of palm oil producers. However, it has also elevated unprecedented threats to the forests, wildlife and people in areas where the crop is grown. We share the industry's collective concern around these social and environmental risks.

To ensure our purchases do not contribute to deforestation, loss of biodiversity or social issues such as forced and child labor and human trafficking, Kraft Heinz seeks to procure palm oil products in an ethical, transparent, responsible and sustainable manner. Although we only use a small amount of palm oil globally, we are committed to sourcing 100 percent of our palm oil according to responsible and sustainable practices. Thus, we have established a [comprehensive policy](#) to address and manage the environmental and social issues that can be present in palm oil supply chains.

Kraft Heinz is an active member of the Roundtable on Sustainable Palm Oil (RSPO) and has recently partnered with the Rainforest Alliance, an international nonprofit organization dedicated to conserving biodiversity and ensuring sustainable livelihoods, to support us in the implementation of our sustainable palm oil sourcing policy.



Palm Oil Sustainability*
100 percent certified sustainable
79% RSPO Segregated + RSPO Mass Balance and 21% RSPO Credits



Palm Oil Traceability*
90.24 percent traceable to the mill



*Progress on directly purchased volumes

Our Palm Oil Strategy

Kraft Heinz is committed to implementing our palm oil policy in a responsible and time-appropriate manner. We are applying a phased approach where our initial focus (Phase I) is on our directly purchased volumes only. We are working to gain visibility into non-directly purchased volumes as part of our Phase II strategy.

Our Commitment

Kraft Heinz will source 100 percent certified sustainable palm oil and derivatives. We will actively work with our suppliers and other stakeholders to ensure the palm oil used in our products adheres to the following requirements:

- 100 percent traceable to crude palm oil mill level;
- Zero deforestation, including no destruction of primary, high-carbon stock or high-conservation-value forests;
- No fire use in plantation operations;
- No new development on peat lands regardless of the depth; best management practices for existing operations on peat;
- In compliance with both national and local laws and regulations and international labor and human rights laws, including proscribing the use of forced and child labor and human trafficking;
- Land is legally held and respects land tenure rights, including the rights of indigenous and local communities to give or withhold their free, prior and informed consent to all development or operations on lands to which they hold legal, communal or customary rights;
- In compliance with the Kraft Heinz supplier code of conduct.

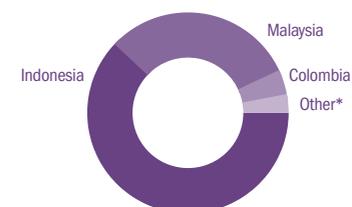
Baseline Supplier Risk Assessment

In partnership with the Rainforest Alliance, Kraft Heinz performed a baseline risk assessment of our direct palm oil suppliers to gain a greater understanding of the role Kraft Heinz plays in this complex supply chain. All Kraft Heinz direct suppliers participated.

Our findings showed the majority of Kraft Heinz palm oil suppliers have policies in line with our expectations and are working toward full policy implementation. More than half of these suppliers are also working with external service providers to improve validation of policy work and engage more directly with the supply chain on issues such as traceability and assessing and addressing risk at the mill level. Kraft Heinz will continue advancing our policy, ensuring all Tier 1 suppliers have policies in line with ours.

Country of Origin by Volume

Kraft Heinz has visibility to the mill level for 90.24 percent of its directly purchased palm oil volumes. Implementation is progressing at different levels by supplier, and we're monitoring whether we'll need to adjust our timeline.



* Includes Brazil, Costa Rica, Ecuador, Guatemala, Honduras, Mexico, Papua New Guinea, Peru, Thailand, and Venezuela



“Palm oil, if grown irresponsibly, can have devastating effects on both people and planet, including loss of tropical forest landscapes, climate impacts and human rights abuses. In 2016, recognizing these risks, Kraft Heinz engaged the [Rainforest Alliance](#) to support them in the journey towards achieving their Company-wide commitment to source 100 percent deforestation-free, traceable and sustainable palm oil. We look forward to continuing our work with Kraft Heinz to advance their goals and the associated positive social and environmental impacts they represent.”

— Nigel Sizer, President, Rainforest Alliance

Sourcing Sustainably to Protect the Environment and Our Society



Growing Better Food Around the World

The Kraft Heinz Global Agriculture Program ensures key crops used in Kraft Heinz products are safe for consumers and helps suppliers and their farmers increase productivity.



We ask our suppliers to implement Good Agricultural Practices (GAP) to help minimize the adverse effects of farming on the Earth's natural resources and biodiversity. Over the last three years, GAP has helped achieve the following:

- Greater yields
- Increased organic matter percentage in soils
- Improved water retention
- Improved irrigation/decreased water use
- Reduced chemical use
- Minimized soil erosion
- Decreased energy, waste and pollution
- Increased worker safety



Supporting Coffee Farmers at Origin

We believe quality coffee starts at the source, which involves responsible sourcing and supporting the hard-working and dedicated farmers at origin. Our goal is to improve both the value of production output and the producer's quality of life.

In 2015, Kraft Heinz partnered with TechnoServe, a global nonprofit organization that focuses on breaking cycles of poverty in the developing world by strengthening business and technical skills. Together, we're assisting 2,000 smallholder coffee farmers in Honduras by delivering training and resources to help them increase their yields and income so they can better nourish their families for years to come. To date, farmers in this program achieved incremental income, coffee yield increases and greater yield quality.



Sourcing Socially Responsible Seafood

Kraft Heinz prioritizes sustainable seafood and knows today's consumers desire more transparency than ever. Kraft Heinz Foodservice is working with The Tuna Store to offer two new brands of high-quality tuna products to our foodservice customers. As part of the Tri Marine Group of Companies, The Tuna Store is able to control every link in the supply chain, providing quality, sustainability and traceability from fish to finished product, including catch vessel, captain, catch method, catch area and species of fish.



In Australia, we have committed to stop using fish aggregating devices (FAD) in all tuna sourcing activities. All Greenseas products manufactured by Kraft Heinz are transitioning to FAD-free tuna. We expect to be fully transitioned by the end of 2017.



Growing Better Ingredients From the Ground Up

As a pioneer in food safety and sanitation, H.J. Heinz wanted to ensure the products consumers and their families bought and consumed were well-made—and of consistent quality. Between the late 19th and early 20th centuries, he built an empire on the purity of his food—so much so that by the dawn of the 21st century, most of the developed world had acquired a taste and fondness for *Heinz* products.

Throughout his career, H.J. Heinz had built a legacy on the integrity of his products. He was the first to put ketchup in clear bottles so people could see the product's quality with their own eyes. And he was the first to build an agricultural research division to improve ingredients from the ground up.

Building on this decades-long legacy, the Kraft Heinz Global Agriculture Program ensures that key crops used in Kraft Heinz products are safe for consumers. And to make sure best practices were always within reach, the Company developed its first global Good Agricultural Practices (GAPs) manual in 2000, first captured in a 12-page instructional booklet.

As the program and the GAP manual evolved over the years, we went from focusing solely on standardizing food safety measures to helping suppliers and their farmers increase productivity. Today, we know that when these practices are properly implemented, farming operations are more economically, environmentally and socially sustainable.

For example, members of the Kraft Heinz GAP invited a Brazilian farmer to Stockton, Calif.—site of a Kraft Heinz research farm where the Company's proprietary

tomato seed varieties are developed—to see firsthand how new equipment and irrigation practices could be used to improve the yields on his own farm. Before long, the farmer had gone from averaging 70 tons of tomatoes per hectare to a 110-ton average, with some fields exceeding 140 tons.

In Extremadura, Spain—a region that has been settled and farmed for thousands of years—the Kraft Heinz GAP process helped a group of farmers double their tomato production over the past four growing seasons while also improving quality. As a result of this success, farmers in neighboring areas who grow a range of crops—not just tomatoes—have begun using these best practices, too.

The strategy for monitoring Kraft Heinz GAP success is to give suppliers a simple self-assessment tool so they can measure progress against the four key principles and key practices. This tool then allows leaders within the Kraft Heinz Global Agriculture Program to start a positive conversation about opportunities for improvement.

Part of our mission is keeping our suppliers happy and our farmers healthy. All around the world, we're asking farmers to trust us with their livelihoods. They have to trust that the fields they're farming will be better two to three years from now based on the Good Agricultural Practices we're helping them implement today. It's an incredible responsibility and one that we're very passionate about.

GOOD AGRICULTURAL PRACTICES RESULTS

We ask our suppliers to implement GAP to help minimize the adverse effects of farming on the Earth's natural resources and biodiversity. Over the last three years, GAP has helped achieve the following:

- Greater yields
- Increased organic matter percentage in soils
- Improved water retention
- Improved irrigation/decreased water use
- Reduced chemical use
- Minimized soil erosion
- Decreased energy, waste and pollution
- Increased worker safety



Planting the Seeds for a Better Future

The subtropical climate and high altitudes in Honduras make for ideal coffee-growing conditions, but in 1998, a devastating hurricane wiped out a sizable portion of the country's arable farmland, including thousands of hectares of coffee. Since then, unpredictable weather has posed serious challenges for coffee farmers in the highlands of Central America.

Honduran farmer Juan Fonseca realized his traditional coffee farming practices were no match for the increasingly volatile climate, and his income was falling each year. In early 2015, he and his family learned of a new program aimed at improving the food security and coffee production of farmers in Honduras. Funded by Kraft Heinz and formed in partnership with TechnoServe, the program equipped the Fonseca family and more than 2,000 smallholder coffee farmers in Honduras with training in fertilization, pest and disease management, quality control and coffee commercialization.

Fonseca's family became one of 98 farming families to volunteer a plot of their land for TechnoServe farmers to use during group trainings to demonstrate new low-cost or no-cost practices. These demonstration plots allow farmers to witness the yield-boosting impact of new techniques and encourage them to apply the practices on their own coffee farms. After the first year of training, on-farm adoption rates exceeded expectations, resulting in higher yields and improved coffee quality.

During the first year of the project, Fonseca sold his coffee to an exporter for the first time, and with the additional income, planted 3,500 new coffee trees.

By 2017, 85 percent of farmer groups participating in the project signed commercialization agreements with export partners, opening the door to new, higher-paying markets for farmers who had traditionally sold their crop to local middlemen who cut heavily into farmers' profit margins.

Luis Reinaldo Benitez Gomez also achieved success through this program. Gomez and his family had rarely produced high-quality coffee beans until the 26-year-old and his father enrolled in the coffee farmer training program and began to change the way they tended to their trees. Now, more than a year into the project, their production and coffee quality scores have improved significantly.

One year after joining the Kraft Heinz program, Gomez won a local specialty coffee competition and credited the TechnoServe training program where he learned how proper fertilization, harvesting and drying techniques can dramatically improve coffee quality. "These practices made the difference," said Gomez.

In 2017, Kraft Heinz and TechnoServe are continuing the coffee training program, reinforcing key production techniques and introducing farmers to climate-smart practices, such as how to make and use organic fertilizer. The program also began training farmers on improved practices for bean production to reduce the impact of "lean months"—the months preceding the harvest when income from the previous year's crop has mostly been spent—on coffee-farming families.





UTZ Certified Cocoa

UTZ certification is an effective and efficient sustainability program that uses certification and traceability tools to improve cocoa production with respect to environmental and social responsibility. All cocoa purchased by Kraft Heinz in Europe is 100 percent UTZ Certified. Our highest volumes of cocoa are purchased for the De Ruijter and Venz brands in the Netherlands.



Kraft Heinz Canada's Sustainable Approach for Coffee Pods

As a way to reduce its carbon footprint and offer consumers an environmentally friendly alternative to traditional coffee pods, Kraft Heinz in Canada is rolling out packaging that incorporates 100 percent compostable technology for some of its coffee varieties. This technology, which creates compostable coffee pods made from plant-based materials, coffee bean skin and other materials, is certified by the [Biodegradable Products Institute](#), which verifies products meet strict independent testing and verification procedures in line with global scientific standards for compostability.



● Kraft Heinz uses GM ingredients
● Kraft Heinz does not use GM ingredients

GENETICALLY MODIFIED INGREDIENTS

Providing our consumers and their families with great-tasting, safe products is and will always be our highest priority. While the safety of genetically modified (GM) ingredients has been affirmed by virtually every major scientific authority worldwide, we know some consumers may have questions about this technology. We respect their desire to know more about the foods they eat.

We believe GM technology can help increase the food supply, keep costs affordable, and decrease the use of pesticides, water and overall production costs. We adhere to these global principles with respect to GM ingredients:

- We abide by all laws governing the use and/or labeling of GM ingredients.
- In many cases, we offer options without GM ingredients.
- We will partner with external organizations to certify our “non-GMO” claims.

In 2017, we will began providing additional information on GM ingredients in our United States products, as well as other information useful for consumers, via our website.



Better Environment

We believe taking care of our planet is a key priority. Managing our footprint and reducing our resource needs minimizes impact today while preserving natural resources for future generations. The onset of this journey centers on our global manufacturing network, with our longer-term vision including opportunities to expand into our broader supply chain.

15% Reduction by 2020



↓1.4%

Reduction in Water*

2016 Progress
5.8 Meters Cubed Water

2015 Baseline
6 Meters Cubed Water



↓5.1%

Reduction in GHGs*

2016 Progress
0.19 Metric Tons CO₂

2015 Baseline
0.20 Metric Tons CO₂



↓3.6%

Reduction in Energy*

2016 Progress
593 kWh

2015 Baseline
615 kWh



↓9.5%

Reduction in Waste-to-Landfill*

2016 Progress
0.0092 Metric Tons of Waste

2015 Baseline
0.010 Metric Tons of Waste

* Per metric ton of product made.

Reducing our environmental footprint, currently defined as reducing greenhouse gas emissions, energy, water and waste-to-landfill by 15 percent by 2020 (vs. a 2015 baseline; per ton of product) across our global manufacturing network, is a priority for Kraft Heinz. We recognize the significant environmental concern climate change presents. We know there are opportunities for improvement at every stage of our operations, so our teams prioritize ongoing sustainable concepts and strategies—a continuous cycle of identifying ways to get better and implementing more efficient processes.

Kraft Heinz annually discloses its strategy, approach, risks, opportunities and footprint via the CDP's (formerly the Carbon Disclosure Project) Climate, Water and Forests questionnaires. Our responses in full can be found [here](#).





Our Approach to Environmental Management

We integrate our environmental and sustainability risk management processes into our Enterprise Reputation and Risk Management functions.

Operational Risk Managers at each Kraft Heinz factory are responsible for the safety and environmental impacts of their location. They monitor regulatory compliance and develop and coordinate programs for energy management, greenhouse gas emission reductions, recycling, packaging waste and waste disposal. In the current reporting cycle, Kraft Heinz did not receive any significant fines or sanctions for non-compliance with environmental laws and regulations.

Each year, we perform a bottom-up/top-down risk assessment by functional area, including environmental and sustainability, and develop action plans. We then monitor progress against our action plans to identify issues and solutions. The risk assessment process uses best practices from Kraft Heinz affiliates around the world and primarily focuses on environmental matters that could impact our ability to achieve business objectives. This process covers all material aspects of our business.



Conserving the Earth's Natural Resources



Managing Our Carbon Footprint to Mitigate Risks of Climate Change

To drive progress in reducing our energy use and greenhouse gas emissions, we have developed and implemented a number of platforms, including a process to improve our energy consumption via energy conservation management (ECM); an energy metering and monitoring (EMM) system; and a program to assess and implement renewable energy projects globally. We have also advanced renewable energy projects to the implementation phase at three manufacturing sites—Fresno, Calif., Albany, Minn., and Aligarh, India—and will continue exploring feasibility for additional projects globally.



Assessing Our Operations to Find Opportunities for Water Conservation

As a food and beverage company, having access to good, quality, fresh water is vital for our operations. We rely on this resource both as an ingredient in our products and a key utility in our manufacturing, cleaning and sanitation processes. We have developed global partnerships with two external organizations that have significant expertise in water efficiency—Ecolab's Food & Beverage and Nalco Water divisions and SUEZ. These partnerships help us identify opportunities for water reduction and conservation in our manufacturing operations through comprehensive assessments of current operational practices and manufacturing assets. We have implemented technology at 52 manufacturing sites globally that allows us to better manage water chemistry and inputs so our manufacturing assets operate more efficiently and for longer.



Sending Less Waste to Landfill

Reducing the amount of solid waste generated from our manufacturing operations has a broad, positive impact on the environment. Our goal is simple: generate less waste and find new uses for the waste we do produce. We are achieving results by changing behavior, business practices and culture. As of 2016, six Kraft Heinz facilities have achieved zero-waste-to-landfill status. We are further driving progress by partnering with service providers to identify alternative outlets for waste, such as recycling, energy recovery or, for organic material, re-use as an ingredient in animal feed.



Optimizing Energy Usage Around the Globe

Company leaders have probed the inner workings of Kraft Heinz factories around the world in search of ways to be more efficient with our energy usage. Here are some snapshots of success stories found within the walls of Kraft Heinz plants from California to Italy to New Zealand.

The Kraft Heinz factory in Latina, Italy reduced costs by simply asking: “Why don’t we self-produce some of our electricity?” After the installation of a 2.7-megawatt, gas-fired engine, about 70 percent of the plant’s electricity is being produced on-site. The waste heat from the engine is now used to provide some of the hot water and steam needed throughout the factory. The high level of heat recovery increases overall efficiency while offsetting 630 tons of CO₂ emissions each year.

The Granite City, Ill., plant recently underwent an exercise to reduce the amount of compressed air used in the facility. It takes electricity to keep air compressed. With help from the local team, the plant identified more than 300 leaks in the piping, equating to a 16 percent loss of compressed air. These leaks have now been fixed, improving electricity use.

The Christchurch, New Zealand plant completed a six-month optimization project to improve the performance of three blast-freezer tunnels. The facility installed 64

new variable speed drives to control fan speed. This project has been a key contributor toward the site realizing a 7.1 percent overall reduction in energy costs.

The Escalon, Calif. plant has steam traps, which allow liquid to pass while blocking and capturing steam. Sometimes these can fail, resulting in wasted energy. With support from the local utility company, the facility did a thermal imaging study to identify and replace failed steam traps.

The Northgate factory in Brisbane, Australia has replaced almost 300 fittings for 400-watt metal halide lamps with equivalent 150-watt LEDs. It also has installed smart controls to dim the lights when daylight levels allow, providing further energy savings. This project has reduced energy consumption by nearly 1 percent. LEDs are becoming the norm for about 60 percent of new lighting applications throughout the world as they reduce energy use and maintenance costs while improving light levels. Many Kraft Heinz factories have been implementing LED projects across their sites, as the Company is finalizing a strategy to upgrade light fixtures and standardize LED usage across the globe.



Looking for Better Solutions... in a Trash Can

In January 2013, workers at the Kraft Heinz factory in Mason, Ohio, discovered a way to help the planet—inside a trash hopper filled with jelly.

The jelly produced at the Mason factory is meant to go into single-serve packets, but any jelly that falls on the factory floor or fails to meet the Company's quality standards ends up in the trash.

One day, factory production manager Jeff White peered inside the hopper and wondered to himself how much all the jelly weighed. With help from a few coworkers, he weighed the giant trash can. Total weight: 575 pounds. White and his colleagues were stunned at the total, but soon realized they had an opportunity to make a big, positive impact on the environment and the Company by finding ways to prevent waste.

To estimate the factory's total waste, the team weighed other trash hoppers filled with products like ketchup, hot sauce, salad dressing and honey. After crunching the numbers, White took the information to the factory leadership team to make the case for implementing a new approach to waste reduction. He got the green light and immediately worked to establish new processes and best practices, including requiring employees to regularly track waste and empowering them to make real-time adjustments to minimize waste.

"Within a month, we had a new process in place not only to measure the waste, but to reduce it," said White. "We put a whiteboard on each production line and asked operators to track the amount of waste created each hour."

By the end of 2013, the Mason factory had kept more than 106 tons of food waste out of local landfills and saved the Company more than \$2 million in yield loss.

Kraft Heinz leadership quickly took notice and invited White to share his factory's success story with hundreds of leaders at the Company's Global Convention. White's presentation led to a Company-wide waste reduction strategy.

To operationalize the strategy, Kraft Heinz developed a global manufacturing playbook and installed whiteboards on every production line of every factory across the world. Local operators use the boards to record hourly waste metrics and document the actions necessary to solve any problems that might prevent their factory from meeting its waste reduction targets.

"This strategy allows every one of our factory employees to take ownership in resolving issues," said Yannick Orzan, head of continuous improvement for international manufacturing. "By working together and being accountable to each other, we have fostered a culture of zero waste and problem solvers."

Since 2014, Kraft Heinz has recorded significant waste reduction savings and, in 2016 alone, diverted more than 214,000 metric tons of waste from landfills.

Back in Mason, factory manager Jeff White and his coworkers share a sense of pride for helping launch such a successful program.

"The entire Mason team did a phenomenal job getting this project started," said White. "Today, Kraft Heinz factories all over the world are committed to achieving the gold standard of waste reduction and having a positive impact on the planet."



"Sonoco and Kraft Foods launched their United States sustainability partnership in 2008, when Sonoco began conducting recycling audits to assess how Kraft could recover more materials and reduce their waste to landfill. The companies quickly established a program in several locations where we've reduced the amount of waste sent to landfill by 70 percent, and achieved zero waste-to-landfill in both Suffolk, Va., and Fort Smith, Ark.

We've also worked together to increase recycling collection, reduce waste disposal fees and update recycling equipment at Kraft Heinz locations nationwide. Today, Kraft Heinz and Sonoco collaborate on 13 recycling and waste programs and look forward to continuing this collaboration in the future."

— Mike Pope, President Sonoco Recycling, LLC



Designing Better Packaging

At Kraft Heinz, we take a comprehensive approach to packaging our products which results in packaging that cuts waste, conserves natural resources, promotes food safety and quality, meets extensive packaging regulations and is satisfying to our consumers.

We consider the appearance, functionality, cost and environmental impact of packaging designs, focusing on product integrity through production, distribution and shelf life. This means optimizing material use and structure to meet shelf life needs; minimizing end-of-life impact; using packaging materials made with recycled content and/or that are recyclable, where possible; and maximizing the potential for transportation efficiency through improved packaging design. We will continue working with our suppliers to find better ways to deliver efficient, effective packaging.



How2Recycle

In 2016, Kraft Heinz became a member of the How2Recycle label program. How2Recycle members use the program's standardized recycling labels to tell consumers how to recycle different types of packaging.

How2Recycle's simple and concise on-pack recycling instructions make it easier for our consumers to recycle. Initially, the How2Recycle label will appear on *Back to Nature*, *Philadelphia* Cream Cheese and *Cracker Barrel* Macaroni and Cheese brands.

The On-Pack Recycling Label

The The On-Pack Recycling Label (OPRL) scheme delivers a simple, consistent and UK-wide recycling message on both retailer and brand packaging to help consumers recycle more material correctly, more often.

The OPRL label appears on several Kraft Heinz products sold in the region, including *Heinz Beanz* and *Heinz Spaghetti*.





Better Products

We believe in making the foods people love even better. Finding ways to improve our products is something we do every day, because consumers should feel good about eating our products and serving them to their families. We remain committed to improving the nutrition and wellness profiles of our products to support consumers' wants and needs through product renovation, innovation and nutrition resources.

Making Better Products

Kraft Heinz is committed to providing choices that meet the nutrition and wellness needs and demands of today's consumers, which continue to evolve. Our internal guidelines for Nutrition & Wellness provide a framework for meeting these needs wherever feasible through product development and renovation. We continually monitor current science and trends to inform our decisions and evolve our product portfolio accordingly.

Nutrition guidelines are the foundation of our nutrition and wellness approach. Products that meet these nutrition guidelines more closely align with current authoritative dietary recommendations and are specific to the product category and geography. While regionally variable, these guidelines, developed by Kraft Heinz dietitians and nutritionists, typically focus on the categories below.



Nutrients to Limit

Limiting calories, saturated fat, sodium and sugar.



Nutrients, Food Groups, and Ingredients to Encourage

Includes positive nutrients like calcium, fiber and iron; and food groups and/or ingredients such as vegetables, fruits, dairy and whole grains.



Wellness Attributes

Offering choices that are natural, organic and/or with no artificial flavors, preservatives or dyes.

**WE WILL EXPAND
OUR NUTRITION
GUIDELINES GLOBALLY
AND ACHIEVE 70%
COMPLIANCE BY 2023.**

Meeting Consumer Demand



Innovation

Innovation is a core Value at Kraft Heinz and is central to our success. We are constantly researching, developing and launching products that reflect modern tastes, leading trends and consumer preferences. We are committed to improving the nutrition profile of our products and providing choices that help consumers feel better about the foods they eat.



Renovation

Kraft Heinz boasts years of successful efforts to improve the nutrition and wellness attributes across many of our brands and products, and we continue to incorporate meaningful nutrition and wellness attributes into products across our portfolio. Our current priorities include removing artificial dyes, flavors and preservatives; reducing sodium and added sugar where possible; and offering more choices with simpler ingredients.



Food Safety

As a globally trusted producer of delicious foods, Kraft Heinz implements a consistent, comprehensive food safety management process across our global supply chain. Our Quality Risk Management Process is the backbone of the Kraft Heinz Food Safety and Quality program and serves as the best-in-class management system to ensure food is manufactured safely, complies with local regulations and meets or exceeds the quality standards we've set for our products.

Product Recalls*



*Recalls are defined as Class 1 U.S. FDA recalls or local equivalent.



Infant Nutrition

Plasmon Nutrimune

Kraft Heinz has worked to provide innovative products that can support the health and wellness of our consumers across all age groups. One example of this is within the *Plasmon* line of infant nutrition products in Italy. *Plasmon Nutrimune* offers a unique ingredient derived from a specific *Lactobacillus paracasei* strain that has been clinically shown to help support a healthy immune system in young children.



Charter for Marketing Breast Milk Substitutes

Kraft Heinz recognizes the importance and the superiority of breast milk in feeding infants and young children. As outlined in our Company policy, Kraft Heinz has developed a worldwide charter of practice for consistent marketing of breast-milk substitutes where we have a baby food business. The aim is to support breast-feeding and, when breast-feeding cannot be provided, to outline principles and requirements to provide safe and adequate nutrition for infants and young children.

Plunket Partnership

Wattie's Baby Food, a product Kraft Heinz produces and sells in New Zealand, has an ongoing partnership with Plunket, New Zealand's largest provider of support services for the development, health and well-being of children under five. As part of this partnership, Plunket provides a *Wattie's Baby Feeding Guide* to all new parents they support. Additionally, the Independent Nutrition Advisory Group (INAG) was formed as part of this partnership. The INAG is an independent group of experts in infant nutrition who advise *Wattie's* on all issues relating to infant food and nutrition.





Positive Nutrition

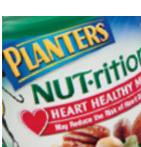
We recognize the nutritional quality of a product is defined not by what is lacking, but by the positive nutrients it delivers. That's why we aim to deliver key nutrients in our products that promote health and allow consumers to better meet their nutrient needs.

Calcium							
Protein							
Whole Grains & Fiber							
Fruit & Vegetable							
Plant-Based Proteins							



Ingredients to Limit

To offer our consumers choices that help them meet their health and wellness goals, we continue to work on reducing nutrients of concern where feasible while maintaining the taste and quality they expect.

<p>Reduced Sodium</p>							
<p>No/Lower Sugar</p>							
<p>Portion/Calorie-Controlled</p>							
<p>Smart Snacking</p>							
<p>Heart Healthy (U.S.)</p>							



Grown, Not Made

It's not easy to create a food product that stands the test of time. Food trends and consumers' preferences change; what's "in" one day is often "out" the next. So what is it about *Heinz* Tomato Ketchup that has made it a family favorite for over 100 years? The answer is simple: the brand's unwavering commitment to sourcing the best ingredients and using only the highest-quality tomatoes.

Most recently, this dedication to quality has helped *Heinz* Tomato Ketchup remain the top-selling product at Kraft Heinz despite a major shift under way in the marketplace: the rise of the conscious consumer, and in particular, parents who are more selective than ever about the food they serve at home. *Heinz* knew it needed to reassure parents they can feel good about putting *Heinz* Tomato Ketchup on their kitchen table.

So in 2013, *Heinz* launched the Grow Your Own campaign in the UK. The brand gave away packets of its prized HeinzSeed—the same tomato seed farmers use to grow the naturally thick, delicious tomatoes that give *Heinz* Tomato Ketchup its signature taste and quality—and encouraged families to grow their own. In addition to helping bring families together, *Heinz* hoped the campaign would remind moms that

Heinz Tomato Ketchup is bursting full of fresh, high-quality tomatoes, giving it that unique flavor people love and expect.

Heinz bolstered the campaign's reach in 2014 by launching an interactive, educational app on the *Heinz* Tomato Ketchup UK Facebook page, offering free tomato seed ordering, tomato trivia and games. In 2015, *Heinz* expanded the program throughout Europe, urging families across the continent to grow their own *Heinz* tomatoes. In 2016, *Heinz* gave away more than 500,000 tomato seed packets to families across Europe. And in 2017, the brand launched its Grow Your Own educational campaign in primary schools across the UK and Republic of Ireland. The first 2,000 schools that registered received 120 plant pots, 124 packets of tomato seeds and educational materials. In all, the educational program is expected to reach more than 240,000 students and their families.

Today, Kraft Heinz sells more than 650 million bottles of *Heinz* Tomato Ketchup annually, reaching 29 percent of the global market. While consumers' tastes will inevitably evolve, high-quality, delicious food will never go out of style.



Doing Good by Stealth

Sugar and Sodium Reduction in the UK

In the UK, Kraft Heinz is best known for our *Heinz* brand, where our much-loved *Heinz* Tomato Ketchup, Soups, Pasta and Beans have been nourishing the nation for over 100 years.

Beginning in the 1980s and continuing today, sugar and sodium intake came under the microscope, and Heinz made a commitment to reduce its use of these ingredients. We know reductions like these are a delicate balancing act—go too far, too fast, and consumers will reject the products for suddenly no longer tasting as they’d expect. Go too slow, and key stakeholders will lose trust in the Company’s commitment to meeting society’s tastes and expectations.

From our research, we knew that consumers desired healthier foods, such as options lower in sugar and sodium, but were not willing to compromise taste to achieve this. Thus, the gradual decline in the sodium and sugar content of baked beans, soup and pasta recipes from 1985 to today has largely gone unnoticed. It is what some have called a strategy of Doing Good By Stealth.

We also implemented a more overt reformulation for those looking for significant reduction of these nutrients—*Heinz* Tomato Ketchup with 50 percent Less Sugars & Salt and *Heinz* Beans with No Added Sugar and 25% Less Salt.

Our commitment to sodium reduction in the UK began more than 30 years ago and continues with the Company’s support for the UK Public Health Responsibility Deal 2017 salt pledge. We have further reduced sodium in core *Heinz* products, including our Cream of Tomato Soup, standard Beans recipe and Salad Cream, as well as several soups, pastas and BBQ sauces.

Addressing the changing dietary demands, Kraft Heinz expanded its UK soups portfolio in June this year, with the introduction of a No Added Sugar range across its most loved core varieties. Despite the reduction in sugar and salt compared to standard *Heinz* soup, the new *Heinz* No Added Sugar

range maintains the well-loved taste of *Heinz* soup with no artificial sweeteners and is available across popular core flavors including Cream of Tomato, Cream of Chicken and Vegetable.

In the UK in 2015, we introduced a “no sugar added” reformulation of *Heinz* Infant Breakfast Cereals and launched “no added salt and sugar” Ring Puffs, made with just five ingredients and no artificial flavors, colors or preservatives.



Heinz Licensed Pasta Shapes
Cut sugar by 17% and sodium by 60%



Heinz Beanz
Cut sugar by 27% and sodium by 52%

Heinz Spaghetti Hoops
Cut sugar by 24% and sodium by 61%



Heinz Salad Cream
Cut sugar by 19% and salt by 35%



Heinz Spaghetti
Cut sugar by 38% and sodium by 60%



Heinz Beanz and Pork Sausages
Cut sugar by 18% and sodium by 54%



Heinz Cream of Tomato Soup
Cut sugar by 34 % and sodium by 62%



Heinz Tomato Ketchup
Cut sugar by 8% and sodium by 40%



Sugar and Sodium Reduction in Europe, Australia and New Zealand

In addition to our efforts to improve the nutritional profile of Heinz products in the UK, a program is in place to reduce sugar and sodium in several Kraft Heinz brands across Europe. In recent years, we have reformulated existing recipes and developed new products to offer more options with less sugar and salt. Examples include:

- Heinz Tomato Ketchup 50% Less Sugar & Salt [EU, UK]
- Heinz Seriously Good Mayonnaise and Light Mayonnaise (EU)
- Karvan Cevitam fruit cordials and Karvan Cevitam Ice Tea Zero with no added sugar [NL]
- Roosvicee Fruit Water with lower sugar levels [NL]
- Heinz infant dessert pouches with only sugar from fruit [Italy]
- Plasmon infant desserts with reduced sugar [Italy]

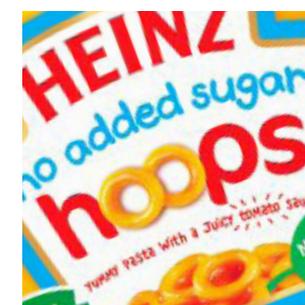
Our sugar and sodium reduction efforts also extend to Australia and New Zealand, and several of our most beloved brands there. In recent years we have developed new products to offer more options with less sugar and salt such as Wattie's Tomato Sauce 50% Less Sugar and 35% Less Salt (NZ); Wattie's Spaghetti 50% Less Added Sugar and 30% Less Salt (NZ); Wattie's Baked Beans 50% Less Added Sugar and 30% Less Salt (NZ); and Heinz Tomato Ketchup 50% Less Added Sugar and Salt (ANZ).

Additionally more than 80 percent of the following product lines meet our sodium reduction targets:

- Weight Watchers frozen meals (AU)
- Heinz dressings and mayonnaise (ANZ)
- ETA dressings (NZ)
- Wattie's pasta sauces (NZ)
- Wattie's soups (NZ)

And more than 90 percent of the following products meet our sugar reduction targets:

- Weight Watchers frozen meals (ANZ)
- Wattie's frozen meals (NZ)
- Heinz spaghetti (AU)
- Heinz soups (AU)
- Heinz dressings and mayonnaise (ANZ)
- Wattie's soups (NZ)
- ETA dressings (NZ)



***Kraft* Mac & Cheese: A new recipe so good, fans didn't know what they were missing**

Now more than ever, consumers want to understand the story behind the food they eat. They seek information about everything from ingredients to where food comes from to how it was prepared. To earn a place on these discerning consumers' plates, Kraft Heinz decided to improve one of its most iconic products, *Kraft* Mac & Cheese, by reformulating the recipe to incorporate better ingredients.

"Over the years, our team heard a lot of people say they wanted to feel better about the ingredients in the foods they were eating and serving to their families," said Nina Barton, Senior Vice President of Marketing, Innovation and Research & Development for the United States business at Kraft Heinz. "At the same time, our loyal fans didn't want us to mess with the iconic look or taste of *Kraft* Mac & Cheese, which has been a staple on American tables since 1937. To win in this changing marketplace, we knew that we needed to improve the ingredient line while also making sure the ingredients worked together to deliver that same distinctive taste, appearance and texture families had come to expect."

Ingredient changes don't happen overnight, particularly when it comes to a brand like *Kraft* Mac & Cheese. For more than three years, Kraft Heinz worked on improvements to its recipe, connecting and testing with fans every step of the way. The team listened to feedback at stores, during focus groups and even in their homes. Some 20 R&D professionals joined food scientists, quality experts, process specialists and

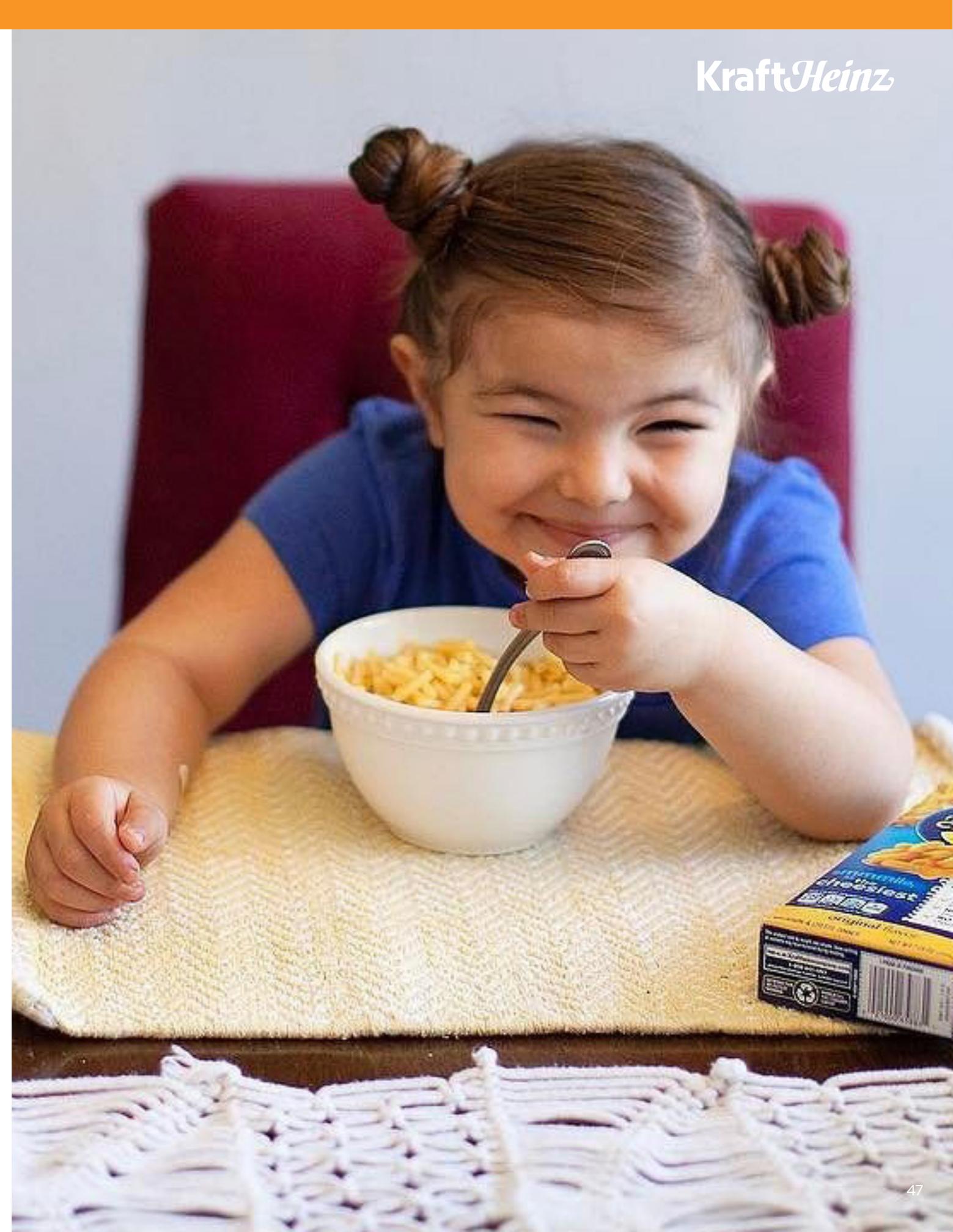
members of the culinary, marketing, sensory and packaging teams to get the new *Kraft* Mac & Cheese just right, taking excellent care not to compromise on the product's signature look or taste.

The result was a new *Kraft* Mac & Cheese recipe free of artificial flavors or preservatives. Thanks to a unique mix of spices, including paprika, annatto and turmeric, *Kraft* was able to replace artificial dyes (yellow 5 and 6) and keep that signature color fans know and love, all without changing the taste.

In December 2015, the new recipe made its silent debut in stores nationwide. Although the ingredients listed on the box had changed, Kraft Heinz sold more than 50 million boxes over three months with hardly anyone noticing, effectively pulling off "the world's largest blind taste test."

The new *Kraft* Mac & Cheese recipe has had ongoing success, with families feeling good about the new ingredients and satisfied with the taste. Thanks to its strong sales growth since the revamp, several other product renovations are under way.

"While we were confident that the new recipe tasted and looked like the original *Kraft* Mac & Cheese, our fans' approval was most important," Barton said.



WE'RE CHANGING
EVERYONE WE MAKE.



FOR THE LOVE OF HOT DOGS.

Remaking an American Classic: The Oscar Mayer Hot Dog Renovation

Oscar Mayer hot dogs have been staples of American family tables since 1929. Consumer trends and eating habits have evolved over the decades, with today's consumers telling us they want to know more about the ingredients in the foods they serve their families. Given overall ingredient concerns, hot dogs moved from a family staple to a special occasion meal—negatively impacting both household penetration and buy rate. This led to both a challenge and an opportunity for the Oscar Mayer brand.

Seeing the opportunity to change the trajectory of their business, the Oscar Mayer team dreamed big and pushed speed. With a clear vision to remove the “mystery” from meat, Kraft Heinz invested \$10 million to remove added nitrates and nitrites, artificial preservatives in the meat, and by-products from every single one of its hot dogs—being the first national player to do this. And the Kraft Heinz Research and Development (R&D) team did it all in less than a year from concept to in-market launch.

“Oscar Mayer is America’s most iconic hot dog brand, and as the equity leader, we felt it was time to take a stand for the love of a better hot dog,” said Greg Guidotti, head of marketing at Oscar Mayer. “A key theme across all our renovations is never compromising on taste. This renovation was no different.”

Just as they did when renovating Kraft Macaroni & Cheese to remove artificial flavors, preservatives and dyes, the Kraft Heinz R&D team began its radical hot dog innovation with the consumer in mind. That included keeping the products affordable for everyday families, and not raising the price. Said Guidotti: “We wanted to make sure Oscar Mayer fans would never taste what was now missing.”

“We made radical changes to our hot dogs—greatly improving the quality and simplifying the ingredients. While it wasn’t an easy task, we’re excited to say that we did it. And all while delivering the same great taste.”

Packaging got a style update, re-emphasizing the wide yellow bands that make Oscar Mayer products so distinctive and easily visible in grocery store cases—and reinforcing the “Yellow Band of Quality” that Oscar F. Mayer originally used to wrap meat. The #ForTheLoveOfHotDogs national integrated marketing campaign reinforced the major quality improvements behind the brand.

Oscar Mayer permeated the cultural conversation over the summer. And the brand positively turned the business around by boosting sales and market share for the first time in over 16 months—all by building a better dog consumers could feel glad about serving their families and friends every day.

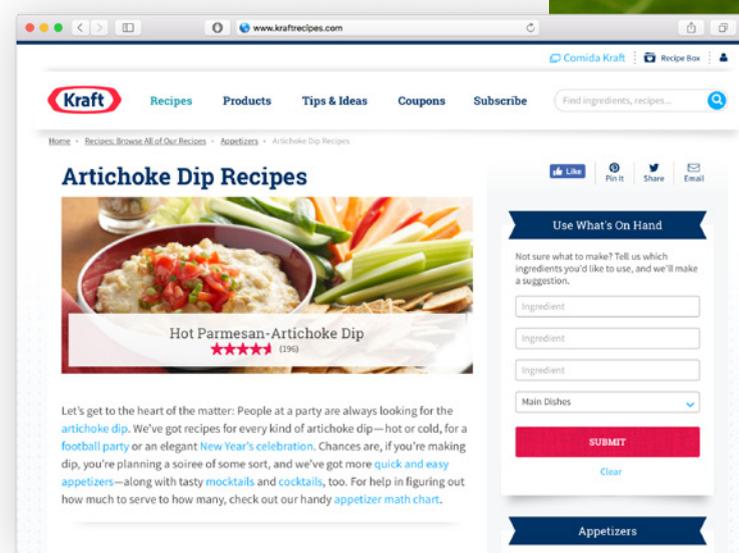
Offering Healthy Recipes to Delight Our Consumers

As part of our continuous efforts to support the needs of today’s consumer to prepare, serve and enjoy delicious snacks and meals, our culinary teams are constantly developing new and innovative recipes. Our internal dietitians and nutritionists have developed criteria to help consumers identify recipes that fit within relevant guidelines for healthy eating.

In the United States, both KraftRecipes.com and Kraft’s Food and Family Magazine feature delicious recipes developed by chefs from the Kraft Heinz Culinary Center of Excellence. Our internal team of trained chefs has developed thousands of recipes featuring Kraft Heinz products to suit any number of uses and occasions. At least 20 percent of these recipes meet “Healthy Living” criteria established by our registered dietitians. The criteria are based on the latest dietary guidance and take into consideration the role the meal will play in the overall diet. These recipes range from snacks to sides and entrees to desserts. The recipes help consumers enjoy Kraft Heinz products as part of a healthy diet.

In Canada, *Kraft’s What’s Cooking* website features nutritious recipes for every occasion. These recipes incorporate our most popular products and latest innovations, and provide healthy living options for our consumers, ranging from nutrition and diet-specific articles to recipes tailored to consumers with diabetes. Those who want to learn more about healthy lifestyles can also find guidelines on nutrition and information on making healthy food choices.

In Europe, the Kraft Heinz Nutrition Recipe Guidelines provide guidance in developing more nutritious and balanced meals using Kraft Heinz products while minimizing nutrients of concern and promoting responsible portion sizes.





Pursuing Continuous Improvement Through Nutrition Research and Education

We recognize the field of nutrition science continues to evolve, and that a better understanding of nutrition will allow our food to evolve appropriately along with it. We value the role we play in nourishing families across the globe and believe that supporting nutrition research and education will help us *Grow a Better World*.

Human Nutrition Endowment

The Kraft Heinz Human Nutrition Endowment was established in 2001 with a \$1 million gift to support students and faculty of the College of Agricultural, Consumer and Environmental Sciences (ACES), Division of Nutritional Sciences and the Department of Food Science and Human Nutrition at the University of Illinois at Urbana-Champaign. The endowment supports two student fellowships: The Kraft Heinz Company Human Nutrition Professorship and undergraduate scholarships within the Department of Food Science and Human Nutrition. The endowment also provides unrestricted support for enhanced research and professional development experiences for students in the Division of Nutritional Sciences. These opportunities—including travel to scientific conferences, research grants and professional training—enrich student experiences and prepare graduates for career success. By establishing this endowment, Kraft Heinz has enabled the Division of Nutritional Sciences and the Department of Food Science and Human Nutrition to recruit and retain the highest quality students and faculty. The investment in future talent and ground-breaking science advances the discipline for generations to come.



“The University of Illinois is honored to benefit from the Kraft Heinz Nutrition Endowment. This fund, other investments and a long-term relationship impacts students, faculty and research advancements. Scholarships and fellowships allow the College of Agricultural, Consumer and Environmental Sciences to recruit and retain the highest quality students, entering the pipeline to become future leaders in food, nutrition and health. The support of a professorship in the Division of Nutritional Sciences furthers ground-breaking research contributing to improved health around the world. We look forward to continuing our beneficial relationship with Kraft Heinz.”

— Rodney W. Johnson,
Director of Nutritional Sciences,
University of Illinois

Helping Consumers Make Better Choices Through Transparency and Labeling

Front-of-Pack Nutrition Labeling

At Kraft Heinz, we're committed to helping consumers make informed food and beverage choices, whether they're at home or at the grocery store. Consumers consistently say they want more information on how their food is made and what it contains. To address this need, we are voluntarily making our nutrition information easier for consumers to find.

Facts Up Front: United States

Because nutrition is a key consideration for people buying our products, we will fully implement the Facts Up Front program for all Kraft Heinz products in the United States. This voluntary program was developed in 2011 to increase nutrition transparency and access to information by displaying calories, saturated fat, sugar and sodium on the front of each package.

Traffic Light: UK

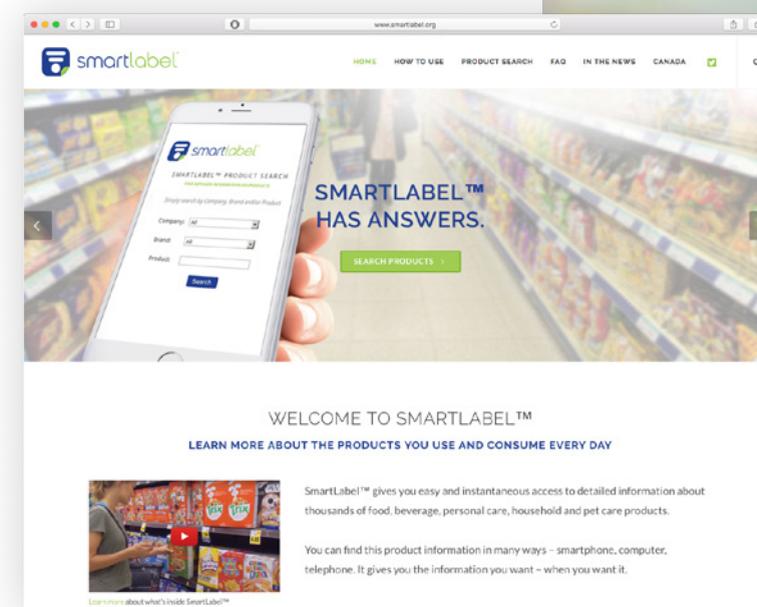
In the UK, we have introduced front-of-pack color-coded "traffic light" labeling across a wide variety of products in addition to the full nutrition information we first introduced in 1986.

Health Star Rating: Australia and New Zealand

Kraft Heinz has participated in Australia and New Zealand's voluntary Front of Pack Health Star Rating system since 2014. The Health Star Rating system is a government-backed system developed with public health experts, the food industry and consumer groups.

SmartLabel™

Kraft Heinz will participate in SmartLabel in the United States beginning in 2017, which will allow consumers to obtain information about our products through the SmartLabel website. Responding to the information needs of today's consumer, the SmartLabel initiative enables Kraft Heinz to provide consumers with the detailed information they seek about our products.





Golden Circle SunHour Asks Families to Turn Technology Off... and Life On

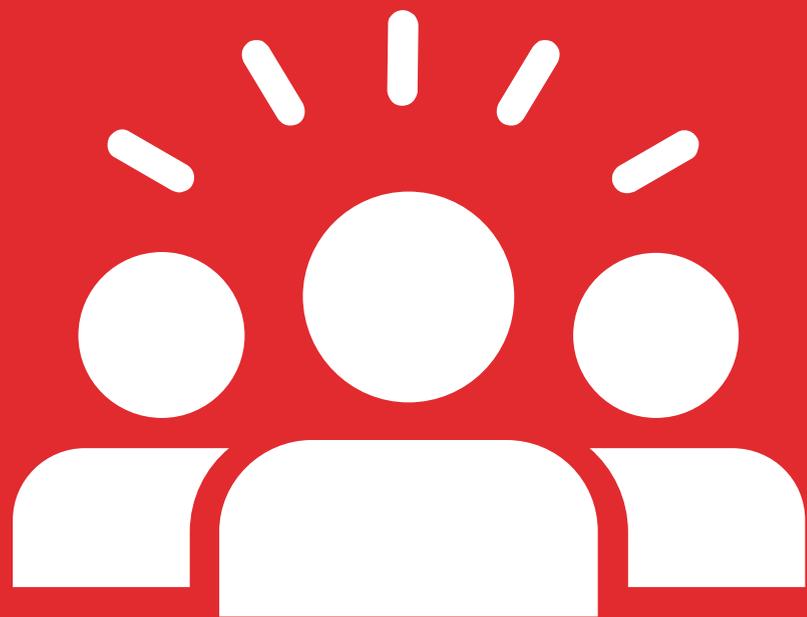
To help put the sunshine back into the lives of Australia's future, *Golden Circle*, Australia's beverage powerhouse, set out on a mission to get families to turn technology off and life on with The SunHour project in October 2016.

The project asked families to pledge one hour of outdoor time on the [SunHour website](#). Playing outside and participating in sports is proven to positively improve academic performance, with 52 percent of children doing better at school, socializing better and achieving higher grades as a direct result of regular outdoor play and exercise.*

Whether families cycled around the bay or played out in the back garden, they logged the time spent together. In the end, 338,215 SunHours were pledged and 291 bikes were given to children in need.



*Centers for Disease Control and Prevention, The association between school based physical activity, including physical education and academic performance, 2010



Better Communities

We believe we can end hunger in our lifetime. Everyone deserves access to the nutritious food they need to reach their full potential, yet hunger impacts nearly 800 million people worldwide. As one of the world's leading food and beverage companies, we are uniquely positioned to make a sustainable difference in the fight to end global hunger—through our people, our products and our partnerships.

1 Billion Meals by 2021

The Kraft Heinz Company and its Foundation are *Growing a Better World* through a singular mission of aligning our people, our products and our partnerships to eliminating global hunger. To make a sustainable difference in the fight to eliminate global hunger and malnutrition, Kraft Heinz has committed to delivering 1 billion nutritious meals to people in need by 2021. We've partnered with impactful nonprofit organizations—including Rise Against Hunger, Feeding America, Boys and Girls Clubs of America and the American Red Cross—to help us reach this goal.

Ending World Hunger

We're focused on providing improved food access and security, sustainable solutions to help break cycles of hunger, hunger prevention and disaster relief.



A Culture of Volunteerism

Kraft Heinz is fostering a culture of volunteerism and community engagement among employees. Through Company-sponsored meal packaging events at Kraft Heinz offices and factories around the world, our employees packaged nearly 3 million meals for people in need in 2016.



Building Communities

Kraft Heinz continuously strives to strengthen the communities where we live and work, acting as a driving force for positive change through community investments and cause marketing partnerships.



Our Approach to Fighting Global Hunger

The approach outlined below helps us align with optimal strategic partners, enabling us to reach our goals and deliver on the following imperatives:

Significantly impact the fight to end hunger at the local, national and international levels

Strengthen the position of Kraft Heinz as a force for positive change in the communities where we live and work

Foster a culture of volunteerism and community engagement among employees



Food Access and Security

Kraft Heinz provides funding for programs aimed at increasing regular access to sufficient, safe and nutritious food for people to maintain healthy and active lives.

Sustainable Solutions

Kraft Heinz financially supports initiatives and partnerships that move beyond traditional feeding programs to identify long-term solutions for breaking cycles of hunger.

Hunger Prevention

Kraft Heinz donates to programs that take a proactive approach to fighting hunger by promoting an improvement in and better understanding of how good nutrition contributes to the health and well-being of people and communities.

Disaster Relief

Kraft Heinz feeds families in times of disaster through both cash and in-kind donations.

Local Community Support

Kraft Heinz continues to financially support longstanding partnerships in our co-headquarter locations of Chicago and Pittsburgh.



A Culture of Volunteerism



Kraft Heinz employees have packaged millions of meals for people in need by volunteering at Rise Against Hunger meal packaging events in offices and factories around the world. Each meal packaged contains a Kraft Heinz Micronutrient Sachet, which has 18 essential vitamins and minerals to combat malnutrition and iron-deficiency anemia and enable kids to grow and learn, helping break cycles of poverty. Kraft Heinz and its employees supported the donation of more than 124 million meals in 2016.



Our Signature Philanthropic Program

The Kraft Heinz Micronutrient Campaign

Established in 2001, the Kraft Heinz Micronutrient Campaign enhances access to nutritional supplements that promote healthy growth and development, especially in developing countries and regions. This humanitarian, nonprofit campaign is making a healthy difference in the world—one child at a time—with a focus on innovation and extending its global reach.

For more than a decade, the Micronutrient Campaign has sponsored the development and distribution of micronutrient powders that deliver essential vitamins, minerals and iron when stirred or mixed into children’s foods. These nutritious, easy-to-use powders—which are odorless and tasteless—are manufactured by Kraft Heinz and have been proven effective in preventing and treating iron-deficiency anemia and other vitamin and mineral deficiencies.

In 2013, the Micronutrient Campaign launched an exciting new partnership with Rise Against Hunger (formerly Stop Hunger Now), a nonprofit whose mission is to alleviate hunger in developing nations around the world. Through our employees’ volunteer efforts at meal packaging events and the donation of micronutrient powders, Kraft Heinz and its employees are positively impacting the lives of millions of children around the world.





“The relationship between Kraft Heinz and Rise Against Hunger has evolved into a strong partnership in the best sense of the word. In support of their Vision *To Be the Best Food Company, Growing a Better World*, Kraft Heinz established their micronutrient program nearly a decade ago. However, the challenge was how to distribute these nourishing micronutrients to people around the world to help them overcome the debilitating effects of malnutrition. As a partner in meeting this challenge, Rise Against Hunger brought expertise in food aid distribution, an established network of partners in more than 40 countries, and the ability to effectively monitor and evaluate the food distribution and report on its impact.

The impact of this partnership has been significant and continues to expand. Clearly, the commitment to end hunger is a heartfelt passion at Kraft Heinz, from CEO Bernardo Hees to Company leaders and employees throughout the organization. It was amazing to see 1,100 Kraft Heinz leaders from around the world package more than 330,000 meals to kick off their global leadership conference in February 2017. We’re delighted to have Kraft Heinz representation on the Board of Directors of Rise Against Hunger. And, much more is envisioned for our strategic partnership going forward. We are thrilled to be designated a ‘signature partner’ with Kraft Heinz in providing one billion nutritious meals over the next five years!

From Rise Against Hunger’s perspective, our relationship with The Kraft Heinz Company illustrates what we hold to be true: Working together, we can end hunger!”

— Rod Brooks, CEO, Rise Against Hunger



Food Access and Security

Feeding America

Hunger is not confined to the developing world. It is also prevalent in the United States, where 41 million Americans—including nearly 13 million children—struggle with hunger. Kraft Heinz and its predecessor companies have enjoyed a longstanding partnership with Feeding America and its network of food banks across the country with donations of both food and funds. Since July 2012, Kraft Heinz has contributed more than 112 million pounds of food to people in need through Feeding America.

In 2016, we donated 22.8 million pounds of food (more than 19 million meals). We partnered with major food banks in our co-headquarter

locations—the Greater Chicago Food Depository and Greater Pittsburgh Community Food Bank—through cash and product donations, Board membership and employee volunteerism. We also supported 37 food bank grants in local communities where Kraft Heinz has operations as part of our strategy to support the local communities Kraft Heinz calls home across the United States.



Food Banks Canada

For 14 years, Kraft Heinz has partnered with Food Banks Canada, a national charitable organization dedicated to helping Canadians living with food insecurity. It is a coalition of 10 provincial members and more than 500 local food banks that serve approximately 860,000 Canadians per month. Our annual donations to Food Banks Canada help support increased food distribution through capacity building and food acquisition expansion, as well as increasing access to fresh foods in the Canadian emergency food bank system.



In 2016, Kraft Heinz provided Food Banks Canada with cash and in-kind food donations for nearly 2.6 million meals for people in need, in support of our shared mission of fighting hunger.

China Social Welfare Foundation

With the help of the China Social Welfare Foundation (CSWF), we created “Baby Loves,” a philanthropic program of Kraft Heinz in China that aims to deliver nutritious food to children living in poverty. Kraft Heinz has donated more than 10,000 boxes of infant foods to more than 4,000 dystrophic infants through 42 charity organizations in five Chinese provinces.



The “Baby Loves” team visited children who received the donation to better understand their diet plans. Armed with this knowledge, more recent donations have expanded beyond infant foods to include rice cereals, fruit crushes and pouches.

Zhang Yimin, president of Taiyuan Social Children’s Welfare Institute, said that since the “Baby Loves” program launched three years ago, children at the institute have improved nutrition. Its workers have also gained a deeper understanding of the nutritional needs of infants, putting more focus on scientific feeding and nutrition supplements to augment the food the institute provides.

FareShare

In the United Kingdom, Kraft Heinz partners with FareShare, an organization that saves good food destined for waste and sends it to charities and community groups that transform it into nutritious meals for vulnerable people. In 2016, Kraft Heinz donated 103.6 tonnes of product, the equivalent of 246,672 meals.



Boosting School Attendance Through Better Meals in India

India is home to nearly 200 million undernourished people, the most in the world. Those without enough to eat currently account for 15 percent of the country's population. Children without access to nutritious meals at school are less likely to complete their secondary education, learn to read or earn a living wage in adulthood. To address this vicious cycle, the government of India launched "The Midday Meal Program," a strategic initiative aimed at curbing classroom hunger, malnutrition and declining attendance in schools. Started in 1995, the midday meal program now feeds 120 million children daily with help from grass-roots organizations and private-sector partners.

In 2015, Kraft Heinz partnered with ISKCON Food Relief Foundation (IFRF), a public charitable trust, citing a shared interest in improving the health, nutrition and education of underprivileged people. The goal is to increase school enrollment and reduce the dropout rate due to poverty and hunger. Importantly, the IFRF hoped that a product donation from Kraft Heinz would add two things that were noticeably absent in the midday meals offered by municipal schools in Mumbai: flavor and good nutrition. All too often, children complained of a food's poor taste, while educators worried the nutritional value of the meals rarely gave kids the energy they needed to get through the day.

To help fulfill the goals, Kraft Heinz donated *Sampriti* Ghee, a clarified butter that is rich in vitamin K2 and Conjugated Linoleic Acid, an antioxidant. And even better, it tastes great—and that has more kids lining up for meals at midday.



At the outset of the collaboration, Kraft Heinz set a target of supporting 25,000 midday meals each day for schoolchildren in Mumbai. Within a year, Kraft Heinz exceeded its goal, donating more than 60 tons of *Sampriti* Ghee annually to IFRF, which uses the ghee as a main ingredient to feed more than 60,000 children every school day.

Our partner IFRF reports that schools using *Sampriti* Ghee have increased consumption of midday meals, improved attendance, and greater student attentiveness during classroom sessions.

In addition to the midday meals donation program, Kraft Heinz in India is focused on finding even more ways to help:

- We donate Complan nutritional supplement beverages to the Self Employed Women's Association (SEWA) to support The Bal Shakti ("Health for Children") Program, which bolsters the social security of India's most vulnerable children. Each day, SEWA delivers a glass of Complan to 5,000 children in the country's urban and rural "knowledge" centers in Gujarat, Anand and Ahmedabad.
- We team up with reputable NGOs in the eastern state of Orissa to serve Complan daily to 500 beneficiaries in orphanages, shelter homes and facilities serving people with disabilities.
- In partnership with NGOs, we serve cold glasses of Glucon-D to about 400,000 beneficiaries. In the extreme heat, consumption of Glucon-D helps in preventing dehydration.
- We implement the "Nutrition Program" in cancer treatment hospitals, where more than 3,000 patients are served Complan each day.





Sustainable Solutions: Growing Home and Grow Pittsburgh



Reflecting our focus on our planet and sustainability, Kraft Heinz supports community agriculture programs in its headquarter locations with Growing Home (Chicago) and Grow Pittsburgh. Our support of these organizations helps create a sustainable local supply of healthy foods in underserved urban neighborhoods, allowing these communities in need to become self-sufficient in providing food to those who need it most while simultaneously driving economic and health benefits through food entrepreneurship and agriculture.

Hunger Prevention: Boys & Girls Clubs of America



BOYS & GIRLS CLUBS
OF AMERICA

From financial and in-kind support to employee volunteerism, Kraft Heinz has supported Boys & Girls Clubs of America (BGCA) in local communities for more than 30 years, providing significant support for nutrition education and increased access to healthy food for underserved populations. As the leading nonprofit out-of-school-time service provider, BGCA leverages its national scale to fight childhood hunger. Kraft Heinz support allows BGCA to increase access to food at the local and national levels, bridging the gap between school and home.

We recently collaborated with BGCA on an innovative new program called Kraft Heinz Great Futures Kitchen, which helps provide children and their families with access to food, nutrition and life skills. Kraft Heinz is also a key supporter of the BGCA's national Food Security Initiative to strengthen and expand the impact of food service programming at thousands of Club locations across the country.

Disaster Relief: American Red Cross



As a leading food and beverage company, Kraft Heinz recognizes that people turn to us for help when nourishment becomes scarce during times of disaster, especially when disasters strike in the communities where we operate. Our support of the Red Cross' Ready 365 program allows disaster responders to quickly deploy mobile kitchens and emergency response vehicles to provide thousands of meals and snacks to victims of catastrophic disaster. Through both cash contributions and product donations, Kraft Heinz helped the American Red Cross provide nearly 4 million meals and snacks to those in need in 2016.

Building Communities

Selfie for Good

In late 2016, the United States Foodservice team launched “Selfie for Good,” a program allowing consumers to help families facing hunger by snapping selfies with one of 30 million specially marked Heinz Tomato Ketchup bottles at restaurants nationwide. Heinz made a donation for each photo snapped and shared with the hashtag #heinzselfieforgood. Thanks to restaurant-goers across the country, Kraft Heinz met its goal, donating \$200,000 in support of hunger relief to Rise Against Hunger.



Kraft Heinz Project Play Canada

At Kraft Heinz, we believe that stronger communities start with investing in the places we play. For nine years, Kraft Heinz Project Play has brought Canadian communities together to rebuild playground infrastructure, thanks to the contribution of more than \$2.6 million to 77 communities across the country. Through our commitment to this program, Kraft Heinz contributes to helping vibrant and active communities have better places to play.



Fight Hunger, Spark Change

In 2016, Kraft Heinz was one of five suppliers working in partnership with Walmart to take action against hunger in its annual “Fight Hunger. Spark Change” campaign. The nationwide initiative encourages customers to partner with Walmart to help fight hunger through the purchase of participating products, donations and social media engagement to bring awareness to the food insecurity issue in America. All donations were provided to Feeding America to help secure meals on behalf of Feeding America food banks. In addition to the \$3 million donation by the Walmart Foundation, Kraft Heinz generated \$952,605 in charitable donations to Feeding America through consumer purchase of participating products—the equivalent of nearly 10.5 million meals.



Wattie’s Cans for Good New Zealand

In partnership with The Salvation Army of New Zealand, Heinz Wattie’s launched a new national can collection education campaign aiming to help restock local foodbank shelves before the December holidays. The cans schools collect are matched by Heinz Wattie’s. Thanks to the incredible efforts of 200 participating schools in 2016, more than 92,000 cans were donated to Salvation Army food banks.





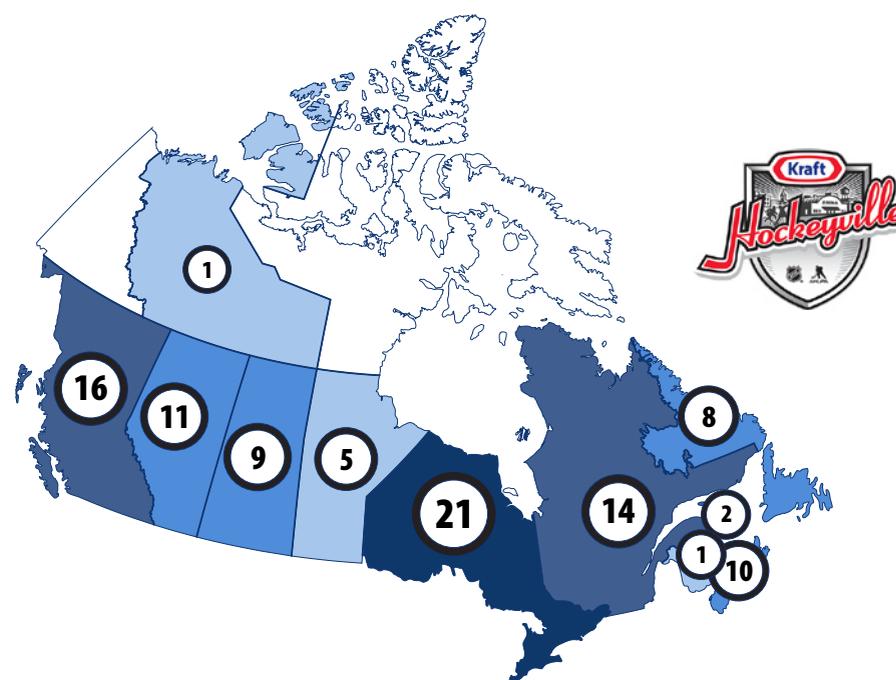
Kraft Hockeyville

For the 10th year in Canada and the second year in the United States, Kraft Heinz led a search for each nation's most passionate hockey communities through our award-winning *Kraft Hockeyville* program. Thousands of hockey towns compete for the chance to be named *Kraft Hockeyville* and win much-needed funding for arena upgrades and the chance to host a nationally live-televised NHL Pre-Season Game in their local community. Over the past decade, *Kraft Hockeyville* has donated more than \$4 million to more than 120 communities across the United States and Canada. The program unites the spirit and passion of Canadian and American hockey communities to protect the future of hockey and keep children active. More importantly, through this program, Kraft Heinz is able to *Grow a Better World* by increasing accessibility to local arenas across North America, one community at a time.

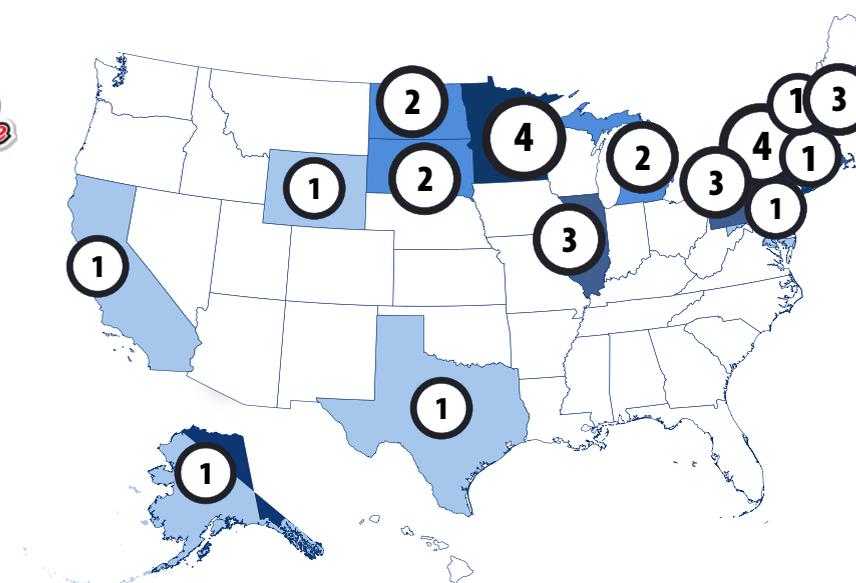
In the United States, in partnership with the NHL, NHLPA, NBC and USA Hockey, the 2016 *Kraft Hockeyville* competition drew more entries and votes than ever before, with 73 percent of United States rinks vying for the title.

A Top Ten class included rinks from Geneva, Ill.; Harrisburg, Pa; and Rapid City, S.D., but the ultimate winner was the Lakeview Arena in Marquette, Mich. Lakeview demonstrated unrivaled enthusiasm and pride. It received \$150,000 for arena upgrades and hosted an NHL Pre-Season Game between the Buffalo Sabres and Carolina Hurricanes on Oct. 4, 2016.

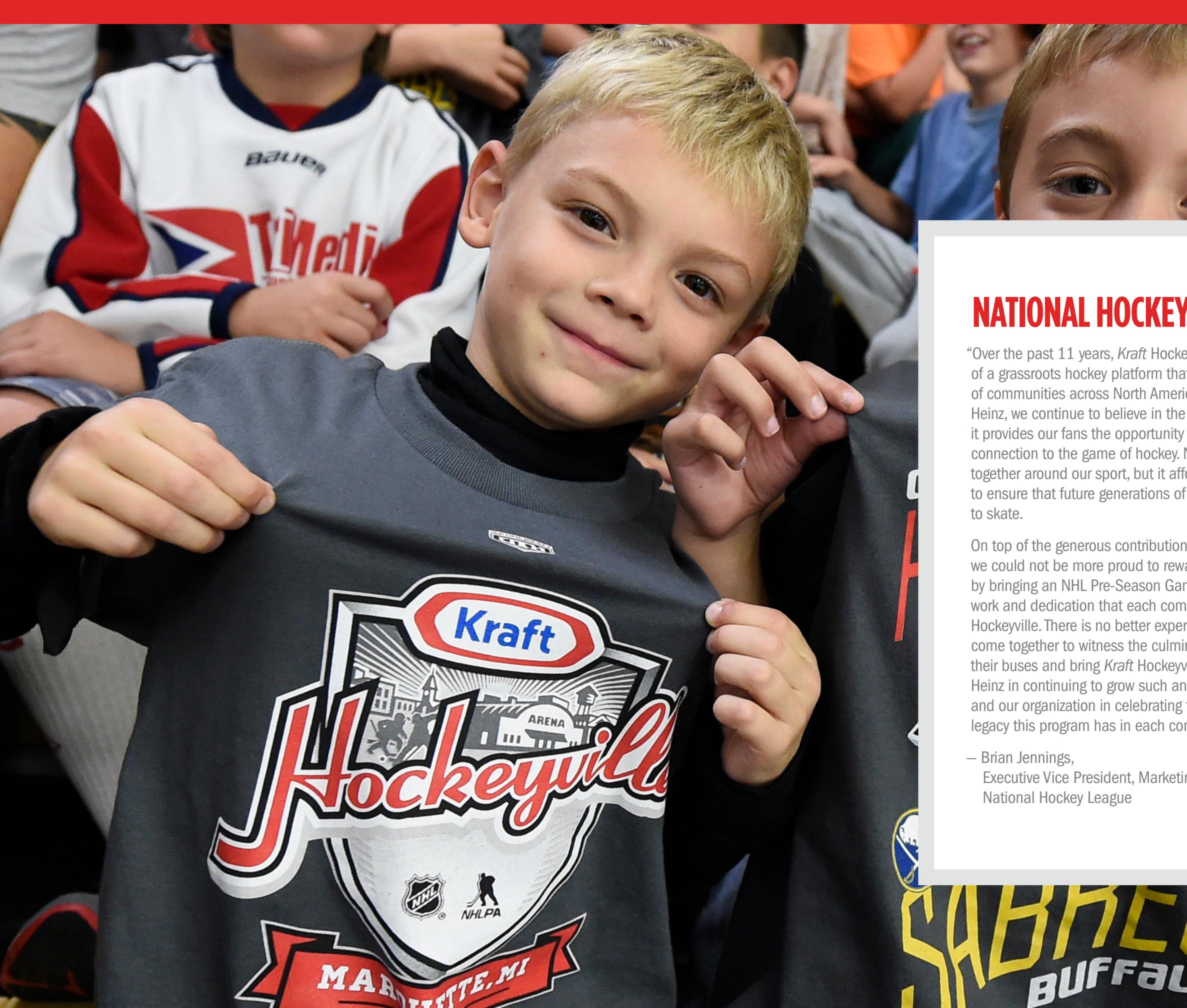
In Canada, the 10th anniversary edition of *Kraft Hockeyville* saw 3,192 nominations across 82 communities, with Lumby, British Columbia, winning the title of *Kraft Hockeyville 2016* in Canada. In partnership with the NHL and the NHLPA, Kraft Heinz witnessed the energy, pride and warmth of the Lumby community during their campaign and celebration, whose self-proclaimed motto is "eat, sleep, hockey, repeat." Lumby received the grand prize of \$100,000 for arena upgrades at Pat Duke Memorial Arena and hosted an NHL Pre-Season game between the Los Angeles Kings and Edmonton Oilers at Kal Tire Place on Oct. 2, 2016. Kraft Heinz awarded each of the other nine finalists monetary grants for upgrades.



Since 2006, we have awarded \$3.78MM to 98 communities in Canada.



Since 2015, we have awarded \$1.095MM to communities in the United States.



NATIONAL HOCKEY LEAGUE

“Over the past 11 years, *Kraft Hockeyville* has become the industry-leading example of a grassroots hockey platform that helps keep our game strong in hundreds of communities across North America. In conjunction with our teammates at Kraft Heinz, we continue to believe in the tremendous value of this program and how it provides our fans the opportunity to demonstrate their extraordinary spirit and connection to the game of hockey. Not only does *Kraft Hockeyville* rally communities together around our sport, but it affords deserving arenas the financial support to ensure that future generations of players have well-maintained rinks at which to skate.

On top of the generous contributions that are made to all finalists of this program, we could not be more proud to reward these passionate hockey towns each year by bringing an NHL Pre-Season Game to their local arena. We applaud the hard work and dedication that each community invests into being nominated for *Kraft Hockeyville*. There is no better experience than seeing the members of a community come together to witness the culmination of their efforts when our players step off their buses and bring *Kraft Hockeyville* to life. It’s an honor to partner with Kraft Heinz in continuing to grow such an important initiative with our players, our Clubs and our organization in celebrating the roots of the game and being a part of the legacy this program has in each community it touches.”

— Brian Jennings,
Executive Vice President, Marketing and Chief Branding Officer,
National Hockey League



Performance Scorecard

When Kraft Heinz was formed in 2015, we prioritized corporate citizenship and sustainability efforts. We began with stakeholder engagement and a materiality analysis, and then leveraged our findings to focus on high-priority issues in areas where we can make the greatest impact.

The following offers an at-a-glance overview of Kraft Heinz progress on Company commitments and material issues.

PERFORMANCE SCORECARD

Company

	COMMITMENT/FOCUS	2016 STATUS
Progress on Material Issues	Communicate Transparently and Authentically	We communicate authentically and transparently, and will publish a biennial CSR report to chart our progress.
	Market Our Products Responsibly	We market and advertise our products in a responsible manner. We abide by a comprehensive marketing to children policy.
	Promote Workplace Health and Safety	We improved safety KPIs over last year, representing some of the best results among our food and beverage industry peers.
	Operate Ethically	We conduct business in an ethical and transparent manner, guided by our Vision, Values and a commitment to integrity.

Supply Chain

Progress on Goals	Source 100 Percent of Eggs Globally from Cage-Free Hens by 2025	We source 33 percent of our eggs globally from cage-free hens.
	Eliminate Traditional Gestation Stall Housing by 2025	We made this commitment in 2016 and will share progress in subsequent reports.
	Purchase 100 Percent Sustainable and Traceable Palm Oil	As of August 2017, 100 percent of our directly purchased volumes are certified sustainable via RSPO and 90.24 percent traceable to the mill of origin.
Progress on Material Issues	Improve Sustainable Sourcing Initiatives	We've taken significant steps to strengthen the sustainability of our supply chain, as detailed in the Better Supply Chain section of this report. We acknowledge there's additional progress we can make in this area.
	Promote Animal Welfare	We're proud of our new global animal welfare policy, which stands to better the lives of millions of animals. We will pursue continuous improvement in this area.
	Protect Human Rights	We've taken initial steps to better understand human rights issues with respect to our supply chains. We're committed to improvement in this area and are working with external partners to address areas of need.

 **Environment***

	COMMITMENT/FOCUS	2016 STATUS
Progress on Goals	Reduce Greenhouse Gas Emissions by 15 Percent by 2020	We reduced greenhouse gas emissions by 5.1 percent and are on track to deliver this goal.
	Reduce Energy Use by 15 Percent by 2020	We reduced energy usage by 3.6 percent and are on track to deliver this goal.
	Reduce Water Use by 15 Percent by 2020	We reduced water usage by 1.4 percent. We're working to improve our rate of progress and are diligently managing against a new action plan to achieve the stated reduction by 2020.
	Reduce Waste to Landfill by 15 Percent by 2020	We reduced waste to landfill by 9.5 percent.
Progress on Material Issue	Improve Packaging Sustainability	We take a comprehensive approach to packaging our products and consider the appearance, functionality, cost and environmental impact of packaging designs, focusing on product integrity through production, distribution and shelf life. We look forward to reporting progress in this area in the future.

 **Products**

Progress on Goal	Improve Product Health and Nutrition	We will expand our nutrition guidelines globally and achieve 70 percent compliance by 2023.
Progress on Material Issues	Offer "No Artificial" Choices	We know some consumers prefer not to consume artificial ingredients, so we've recently innovated and/or reformulated many of our products to meet this demand, as detailed in the Better Products section.
	Deliver Consistent Food Safety	We employ a comprehensive, best-in-class food safety management process across our global supply chain. During the reporting period, we achieved year-over-year recall reduction.

 **Community**

Progress on Goal	Deliver 1 Billion Nutritious Meals to People in Need by 2021	We delivered 124 million meals to people in need in 2016.
Progress on Material Issue	Promote Food Security at Domestic and Global Levels	Our Company and Foundation generously support international, national and local organizations dedicated to fighting global hunger.

* Environmental data and goals are normalized to production with a 2015 baseline



CSR Milestones

OUR CSR MILESTONES



100%

Source 100 percent RSP0-certified sustainable palm oil



15%

Reduce GHGs, energy, water and waste by 15 percent in manufacturing sites



70%

Achieve 70 percent compliance with Global Nutrition Guidelines



100%

Source 100 percent of eggs from cage-free hens



100%

Achieve 100 percent traceability to the mill of origin for palm oil



1 Bn

Deliver 1 billion nutritious meals to people in need



100%

Reach 100 percent gestation stall-free housing for pregnant sows



Better Supply Chain



Better Environment



Better Products



Better Communities



KRAFT HEINZ CO-HEADQUARTERS

CHICAGO

Aon Center
200 East Randolph Street Chicago, IL 60601

PITTSBURGH

1 PPG Place
Pittsburgh, PA 15222

Connect with Kraft Heinz

KraftHeinzCompany.com

This report contains certain "forward-looking statements" relating to our business, our investment in various programs, projected results of these investments, environmental efforts and sourcing of raw materials. These statements are based on our management's reasonable expectations and assumptions as of the date the statements are made. Such statements may involve certain risks and uncertainties including, but not limited to, the following: crop yields; consumer demand; global economic conditions; changes in laws and regulations; development of new technology; costs of resources and raw materials; force majeure events; the ability to attract, hire and retain qualified personnel; and future financial and operating performance within and related to the industry. These factors, among others, may cause actual future results to differ materially from the projections contained in this report.

Additional risks and uncertainties are identified and discussed in Kraft Heinz's reports filed with the SEC and available at the SEC's website at www.sec.gov. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made; Kraft Heinz expressly disclaims an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.