

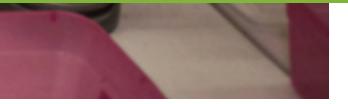
Kraft Heins

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2017 Corporate Social Responsibility Report









## **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.

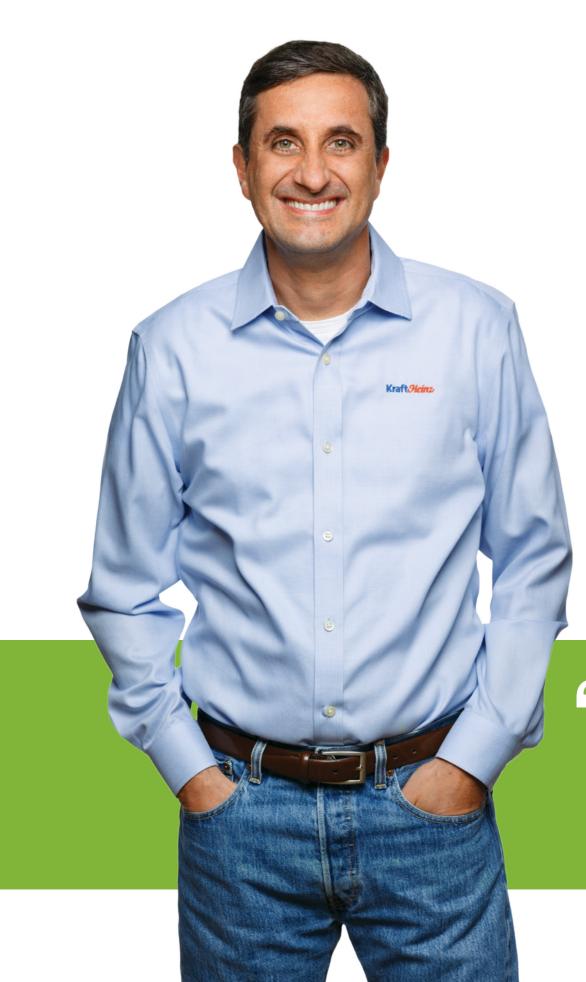
We welcome feedback on our strategy and commitments. If you have questions or comments on any information contained in this report, please contact Caroline Krajewski.

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## **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

**G** 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 longterm 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

### Kraft.Heinz



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 nongovernmental 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 furure 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.

### Kraft*Heinz*

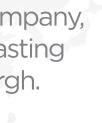
I hope you'll take the time to get to know us a little bit better by continuing to read our inaugural CSR Report. Thanks again for your interest in our business and community practices as we *Grow a Better World*.

Bernardo Hees Chief Executive Officer The Kraft Heinz Company

## Kraft*Heinz* 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.

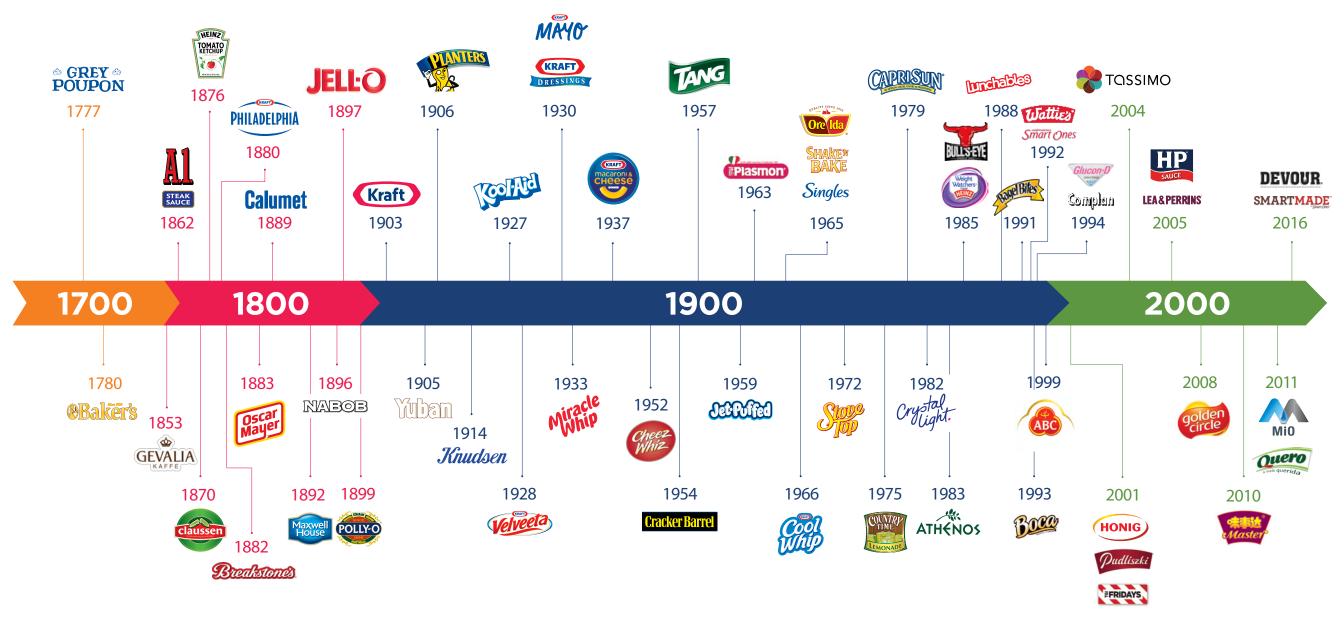




## Kraft*Heinz*

## MORE THAN 230 YEARS OF ICONIC GLOBAL BRANDS

200+ Beloved Brands Sold in Nearly 200 Countries



CLASSICO

Kraft*Heinz* OUR VISION

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

Guided by Our Values:





#### **Ownership**

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



## Kraft*Heinz* 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**

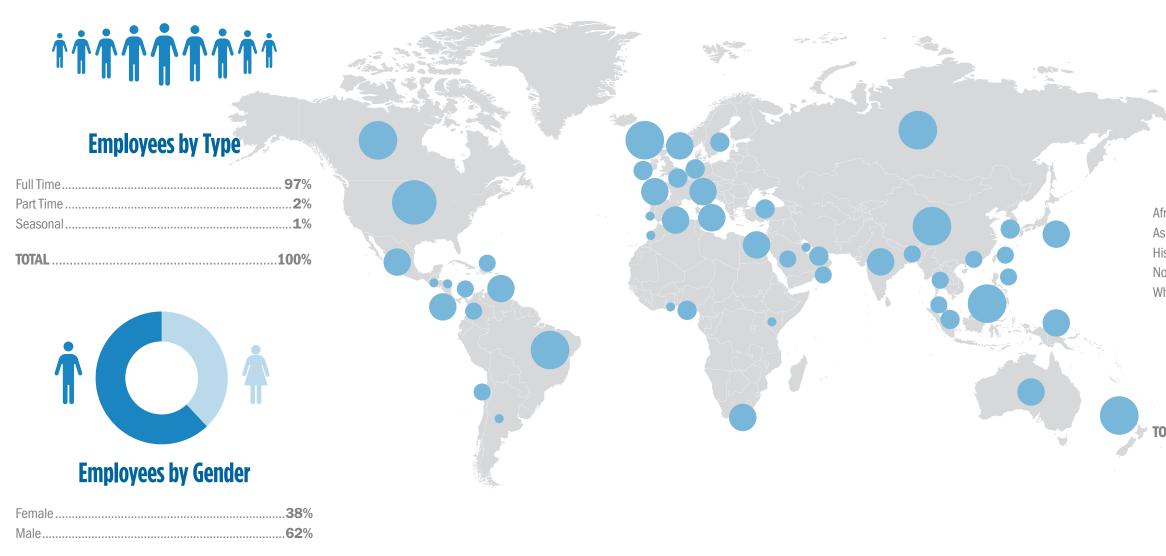
Kraft Heinz is committed to *Growing a Better World* by enhancing the quality of people's lives through sustainability, health and wellness and social responsibility. Kraft Heinz places a high value on an ethical and transparent supply chain, and supports initiatives aimed to eradicate slavery and human 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.

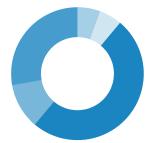
#### **Reporting a Concern**

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.

## Kraft*Heinz* OUR GLOBAL WORKFORCE

### 42,000+ Employees Worldwide





#### **Executive Leadership Team**

rican American	<b>5</b> %
ian	<b>5</b> %
spanic or Latino	50%
on-U.S	12%
hite	28%

### Women in Management Roles

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## Kraft*Heinz* 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 Meritocracv

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.





As part of our investment in the continuous development and professional growth of our workforce, we established "Ownerversity"—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.



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.



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**

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.

#### **Employee Health and Wellness**

## Kraft*Heinz*

## 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	Suppl
TYPE OF ENGAGEMENT							
<ul> <li>Annual shareholder meetings</li> <li>Quarterly earnings presentations</li> <li>Regular meeting both in-person and via phone</li> </ul>	<ul> <li>Customer surveys</li> <li>Regular meetings with customer teams</li> </ul>	<ul> <li>Global employee engagement survey</li> <li>Global employee CSR survey</li> <li>Senior leadership CSR survey</li> <li>Intranet/Yammer (internal social communication platform)</li> <li>Business Resource Groups</li> </ul>	<ul> <li>Ongoing proactive and reactive engagement</li> <li>In-person meetings on select issues</li> </ul>	<ul> <li>Industry engagement via meetings and conference calls on key issues</li> <li>Board participation</li> </ul>	<ul> <li>Direct engagement with government officials on public policy issues</li> <li>Indirect advocacy through coalitions and trade groups</li> <li>Support of candidates for public office through Kraft Heinz Political Action Committee</li> </ul>	Consumer Call Center     Corporate and brand social media     Consumer insights	<ul> <li>Supplier</li> <li>Supplier</li> <li>Supplier</li> </ul>
SUBJECT AREAS DISCUS	SED						
<ul> <li>Governance</li> <li>Climate</li> <li>Sustainable sourcing</li> <li>Transparency/external reporting</li> </ul>	<ul> <li>Animal welfare</li> <li>Sustainable sourcing</li> <li>Community impact/food security</li> <li>Nutrition and well-being</li> </ul>	<ul> <li>Climate</li> <li>Sustainable sourcing</li> <li>Community impact/food security</li> <li>Nutrition and well-being</li> <li>Workplace health and safety</li> <li>Transparency</li> </ul>	<ul> <li>Climate</li> <li>Sustainable sourcing</li> <li>Animal welfare</li> <li>Packaging sustainability</li> <li>Human rights</li> <li>Nutrition and well-being</li> <li>Transparency</li> </ul>	<ul> <li>Nutrition and well-being</li> <li>Animal welfare</li> <li>Food safety</li> </ul>	• Tax • Trade • Nutrition and well-being • Labeling • Regulatory	<ul> <li>Animal welfare</li> <li>Packaging sustainability</li> <li>Sustainable sourcing</li> <li>Nutrition and well-being</li> <li>Community impact/food security</li> <li>Transparency</li> </ul>	<ul> <li>Climate</li> <li>Sustaina</li> <li>Animal v</li> <li>Packagir</li> <li>Human r</li> <li>Food saf</li> <li>Food wa</li> </ul>

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#### **Philanthropic Partners**

- lier Guiding Principles
- lier surveys
- lier audits
- · Donations
- · Partner collaboration

- inable sourcing
- al welfare
- aging sustainability
- an rights
- safety
- waste

- · Community impact/food security
- · Sustainable agriculture
- · Food waste

## Kraft*Heinz* MATERIALITY ASSESSMENT

**STAKEHOLDERS** 

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**MPORTANCE** 

#### 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.

 Transparency & Communication Artificial Ingredients Packaging Animal Welfare Human Rights



## Kraft*Heinz*

## CSR STRATEGY, GOALS & PEFORMANCE

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 Products**

We're making the foods people love even better.





#### **Better Environment**

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



#### **Better Communities**

We're helping end global hunger and malnutrition.



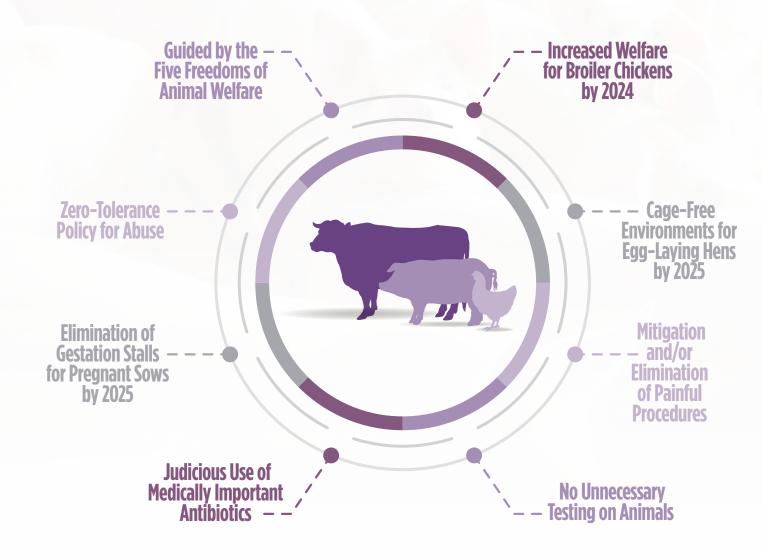
# **Better Supply Chain**

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:





## **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.







**BETTER SUPPLY CHAIN** | The Kraft Heinz Company 2017 CSR Report

## Kraft*Heinz*

# 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.

## Kraft.Heinz





# **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.

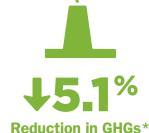


# 15% Reduction by 2020



#### **Reduction in Water\***

2016 Progress **5.8 Meters Cubed Water** 2015 Baseline **6 Meters Cubed Water** 



2016 Progress

0.19 Metric Tons CO<sub>2</sub> 2015 Baseline 0.20 Metric Tons CO<sub>2</sub>



2016 Progress **593 kWh** 2015 Baseline **615 kWh** 



**49.5**% 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.



## Kraft*Heinz*



## **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

current operational practices and manufacturing assets. We have implemented technology at 52 manufacturing sites globally that

opportunities for water reduction and conservation in our manufacturing operations through comprehensive assessments of





### 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.





## Kraft*Heinz*-



## **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.





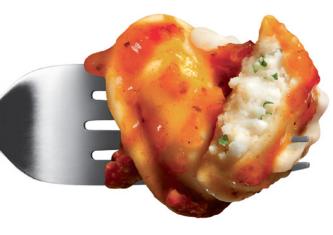
### **Food Safety**

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\*** 



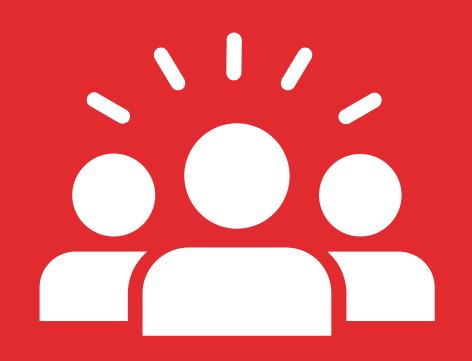
\*Recalls are defined as Class 1 U.S. FDA recalls or local equivalent.



## Kraft*Heinz*-



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# **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.



## Kraft*Heinz*

## **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.





### Kraft.Heinz





#### **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 contains 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.

## Kraft*Heinz*



## **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.



## Kraft*Heinz*

## PERFORMANCE SCORECARD

Company	COMMITMENT/FOCUS	2016 STATUS
Progress	Communicate Transparently and Authentically	We communicate authentically and transparently, and will publish a bienni our progress.
on Material Issues	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 res among our food and beverage industry peers.
	Operate Ethically	We conduct business in an ethical and transparent manner, guided by our 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
	Purchase 100 Percent Sustainable and Traceable Palm Oil	As of August 2017, 100 percent of our directly purchased volumes are cer 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 Better Supply Chain section of this report. We acknowledge there's addition in this area.
	Promote Animal Welfare	We're proud of our new global animal welfare policy, which stands to bette 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 re We're committed to improvement in this area and are working with extern of need.

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nt reports.

certified sustainable via RSPO

ply chain, as detailed in the itional progress we can make

ter the lives of millions

respect to our supply chains. rnal partners to address areas

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 g
	Reduce Water Use by 15 Percent by 2020	We reduced water usage by 1.4 percent. We're working to improve our rat and are diligently managing against a new action plan to achieve the state
	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 consid functionality, cost and environmental impact of packaging designs, focusir through production, distribution and shelf life. We look forward to reporting in the future.

### Products

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

### 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 an dedicated to fighting global hunger.

s goal.

rate of progress ated reduction by 2020.

sider the appearance, ising on product integrity ting progress in this area

compliance by 2023.

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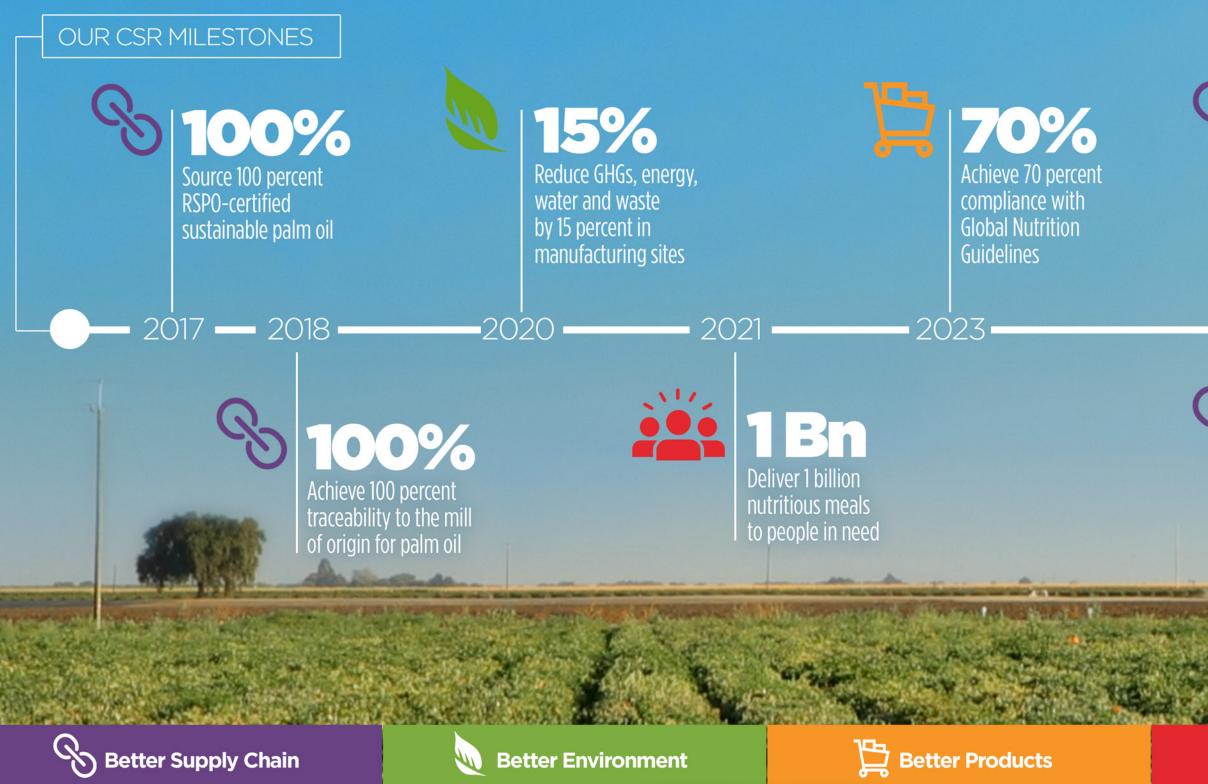


## **CSR Milestones**



## Kraft*Heinz*

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





of eggs from cage-free hens

2025



Reach 100 percent gestation stall-free housing for pregnant sows



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.