

Growing Sustainably

The Kraft Heinz Company 2020 Environmental Social Governance Report

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ABOUT THIS REPORT

This 2020 Environmental Social Governance Report (“Report”) is the second Environmental Social Governance (ESG) report issued by The Kraft Heinz Company (“Kraft Heinz”). This Report reflects our commitment to transparency and provides detail for our stakeholders on progress to date against our ESG goals and objectives, which are based on our most material issues. These material issues were reviewed and updated based on our materiality assessment.

This Report does not include details on our financial performance. Details on our financial performance can be found on our [corporate website](#) and in our public filings available through the U.S. Securities and Exchange Commission. Materiality and its representative definition as used in this report, sometimes referenced as “ESG materiality,” and our materiality review process, is different than the definition used in the context of filings with the U.S. Securities and Exchange Commission (SEC). Issues deemed material for purposes of this report and for purposes of determining our ESG strategies may not be considered material for SEC reporting purposes.

Unless otherwise noted, this Report covers initiatives and performance metrics associated with our global operations from January 1 through December 31, 2019. Kraft Heinz anticipates issuing an annual ESG Report going forward.

We have utilized the United Nations Sustainable Development Goals (SDGs) as a guiding framework in the development of our ESG initiatives.

This Report was prepared utilizing the Global Reporting Initiative (GRI) Sustainability Standard, with limited assurance of Scope 1 and 2 energy, water and waste data, as verified by the global certification firm Bureau Veritas.

Kraft Heinz supports the [Sustainable Development Goals](#) (SDGs), representing a universal call to action to end poverty, protect the planet and ensure prosperity for all. As such, we considered the SDGs when developing Kraft Heinz’s new global ESG strategy and goals. The global ESG strategy of Kraft Heinz supports all 17 SDGs in varying degrees. We have identified the main places in this report to demonstrate the key ways our initiatives work towards the targets aligned with the SDGs. This is represented by the appropriate icons preceding those correlating sections throughout the report.

We welcome feedback on our ESG strategy and commitments. To share questions or comments, please contact ESG@kraftheinz.com.





A MESSAGE FROM CEO MIGUEL PATRICIO

Doing the Right Thing at Kraft Heinz

I have always believed that global companies and brands have the power to help shape the world for good – especially during times of incredible change. As the CEO at Kraft Heinz, I am especially passionate about the role we must play in positively impacting the world. We are a global business, yes – but we are global citizens first who believe in helping create a healthier and more sustainable environment for all of us. And *how* we bring this to life as a company is as important as *what* we do.

That is where our new approach to **Environmental Social Governance** comes in. Through integrated initiatives, we are taking a cross-functional approach that centers continuous improvement in every part of our business as we work to deliver on our commitments by the year 2025. At Kraft Heinz, these efforts line up under three broad pillars: **Environmental Stewardship, Responsible Sourcing, and Healthy Living & Community Support**.

Our ESG strategy reflects one of our new company Values: **We do the right thing**. That means **we will always strive to do the right thing in all aspects of our business**, including with our customers, partners, suppliers, stakeholders, consumers, and communities. We actively care about our environment, creating high-quality products that are manufactured responsibly. This Value is a tangible reminder to every one of our employees each day about our dedication to the sustainable health of people, the planet and the communities where we all live, work and do business.

As a company, we have a duty and a responsibility to be part of the solution. At the same time, we must be honest and transparent about where we

have fallen short. We must hold ourselves accountable for working toward the change we want to see in our industry, and in the world. That is why as an organization, we have delved deep, taking time to be thoughtful about where we can make the most difference toward making positive change real. Going forward, we must do more. We *will* do more.

When the iconic companies of Kraft Foods Group and H.J. Heinz Co. joined forces in 2015, we made corporate citizenship and sustainability efforts important focus areas from the start. Our strategy has always been guided by issues that matter most to our business and stakeholders – and focuses on areas where we can have the greatest impact. And more than ever, our ESG initiatives and commitments are an essential part of the way we do business – and essential to our long-term business strategy.

When it comes to **Environmental Stewardship**, one area we are focused on is operational efficiency, reducing waste, energy, GHGs, and water, and incorporating sustainable packaging into our products. For example, in 2019 we launched a large water reuse project with a service provider at our Newberry, South Carolina plant that will save roughly 86 million gallons of water every year, with an annual net cost reduction of around \$500,000. And we are keenly aware of the impact of climate change and how we can do our part. That is why we have expanded our solar footprint globally and also announced our commitment to procuring a majority of our electricity for our operations from renewable sources by 2025.

When we talk about **Responsible Sourcing**, we are committed to holding our suppliers – and ourselves – accountable for continuous improvement. We are making progress on our commitments to switch to exclusively



A MESSAGE FROM CEO MIGUEL PATRICIO (CONT.)

“Kraft Heinz is a corporate culture of Ownership, which is the foundation of all we do.”

purchasing free-range eggs in Europe and cage-free eggs globally, and have established an Animal Welfare Advisory Committee of external stakeholders focused on continuous improvement.

As one of the world’s largest food and beverage companies, we take seriously our role in making sure people have the food and nourishment they need. This is a key element of **Healthy Living & Community Support**. That’s why even before the 2015 merger of Kraft Foods Group and H.J. Heinz Co., The Heinz Company established a relationship with the international relief organization Rise Against Hunger and launched what remains our signature philanthropic program – the Kraft Heinz Micronutrient Campaign. We take what we know best and do well – producing high-quality, great-tasting food – and are using that to help change lives. The Kraft Heinz Micronutrient Campaign supports children’s health and development by manufacturing and donating micronutrient powders – developed by Kraft Heinz food science and nutrition experts – with essential vitamins and minerals. The fight against global hunger is close to our employees’ hearts, and they have helped feed the world by gathering at events to pack and ship these meals to developing countries. We’re continuing to work in partnership with several non-profit organizations to help provide or donate the equivalent of 1.5 billion nutritious meals to people in need by 2025.

We established global nutrition guidelines focused on improving health and wellness attributes. We work to achieve these through our own product development and renovation, while continually monitoring current science and consumer trends to evolve our vast product portfolio. We committed to expanding these product nutrition guidelines globally, with a target to achieve 70% compliance by 2023 – and in fact, we surpassed this target 4 years early as we have now accomplished 76% worldwide. As a result of our success, we have created a cross-functional task force with clear focus to expand our commitments in this important space of health and wellness with our products. We will continue to focus on healthy product innovation and renovation. I am also proud to convey we have set a new target of 85% across our global portfolio of products based on nutrition guidelines from the World Health Organization, the U.S. National Academy of Medicine, the European Food Safety Authority, and leading third-party non-governmental organizations. We will achieve this target by reducing sugar across our portfolio and salt in key categories, increasing

our plant-based offerings and simplifying our ingredients.

What helps make all this possible for us at Kraft Heinz is a corporate culture of Ownership, which is the foundation of all we do. Ownership to us means making sure the actions we take not only benefit us and our teams but drive long-term profitable growth for Kraft Heinz. It means driving efficiencies that allow us to reinvest in the company and sustainably grow our business while doing the right thing for consumers and the planet. The same is true when it comes to the ESG commitments we are announcing in this Report. As a company, we succeed and win when communities where we live, work and do business win.

Going forward, we will be more transparent, sharing and communicating clear metrics with stakeholders about the progress we are making against our ESG commitments – and the work we still need to do. We as senior leaders and individual employees will aggressively monitor this progress, from creating internal scorecards to linking ESG target achievement to performance evaluations and earning rewards. We will improve internal visibility, leveraging our scale to share best practices and knowledge across our company supply chain and with our global suppliers. Underlying all our efforts will be a strong focus on continuous improvement, always working to do better and to *be* better than yesterday.

We are on a long-term journey – and the initiatives within this Report are just the start of a new chapter. We know that achieving our ambitious ESG targets and goals won’t be easy. But we are committed to doing the hard work needed to make them a reality – and expect our Board of Directors and external stakeholders to hold us accountable for achieving real results. Please take time to read the stories inside this ESG Report about how all of us here at Kraft Heinz are working day in and out to protect our planet, positively impact lives across the globe, and make our world a healthier and more sustainable place.



Miguel Patricio
Chief Executive Officer
The Kraft Heinz Company

A GLOBAL FOODS POWERHOUSE



One of the largest food and beverage companies in the world



40+
countries with dedicated Kraft Heinz employees



\$25bn
in net sales (2019)



Unparalleled portfolio of iconic and new brands in retail and foodservice channels



3.2M
meals packaged by Kraft Heinz employees with our partner Rise Against Hunger (2019)

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 2019, Kraft Heinz had 83 company-owned factories, 5,200 packaging and ingredient suppliers, 383 external manufacturers, and 38,757 employees around the world.

OUR PURPOSE, VISION, & VALUES

LET'S MAKE
LIFE
Delicious
KraftHeinz

OUR PURPOSE

Our Purpose is our call to action, our reason to exist – reminding each of us why the work we do each day matters.

**To sustainably
grow by delighting more
consumers globally.**

OUR VISION

Our Vision is an internal declaration of what we aspire to do. It points the way to where we want to go as a Company, and what we plan to achieve in the years ahead. It makes our ambition clear.

**We are
consumer
obsessed.**

**We dare
to do better
every day.**

**We
champion
great
people.**

**We
demand
diversity.**

**We do
the right
thing.**

**We
own it.**

OUR VALUES

Our Values represent our beliefs and define our shared culture. They reflect what we stand for and who we want to be. We walk in our Purpose by living our Values.

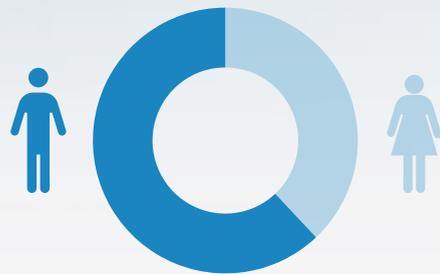
38,757 EMPLOYEES WORLDWIDE

Our vision and values invite every employee to play an active role in our company's journey. We embrace diversity and we strive to be the best in everything we do, including corporate citizenship, making a positive impact in our communities and the environment, and improving our collective world.



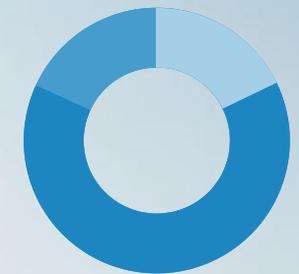
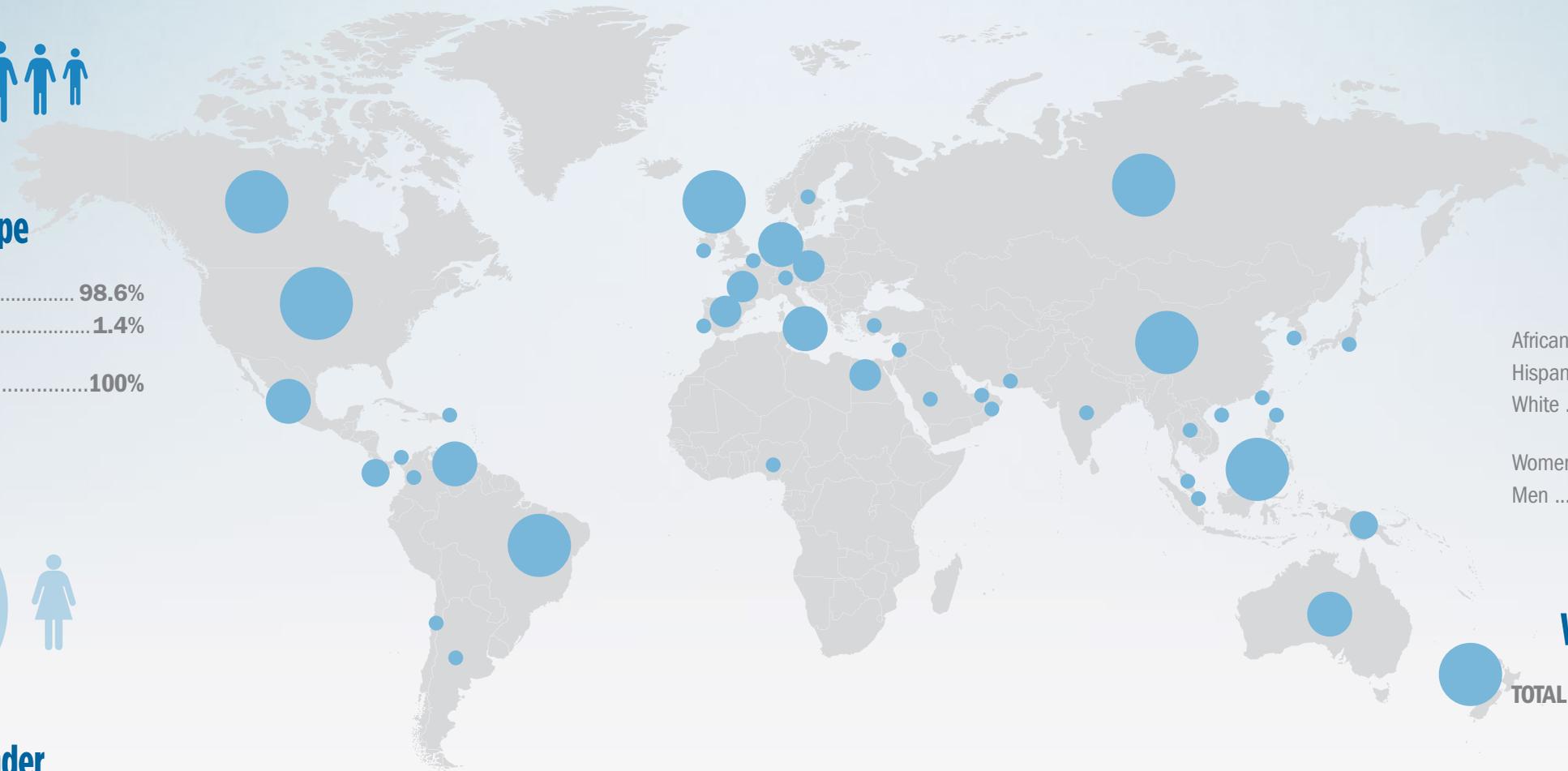
Employees by Type

Full Time	98.6%
Part Time	1.4%
TOTAL	100%



Employees by Gender

Female	37%
Male	63%



Executive Leadership Team

African American or Black	18%
Hispanic or Latino	64%
White	18%
Women	27%
Men	73%

Women in Management Roles

TOTAL	34%
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People, Workplace & Culture

The Kraft Heinz Company culture can be best summarized in one word: Ownership. Every employee thinks and acts like an owner of our business. We recognize and reward outstanding performance at every level, in the true spirit of meritocracy. We are committed to investing in world-class brands and long-term value creation. From the way we grow our brands to how we run our business, our team is working to transform the food and beverage industry, always putting the consumer first. While striving to be Owners, Kraft Heinz employees recognize the power of “We”, and finds success when working collaboratively together toward our common purpose – To Make Life More Delicious!



Ethics & Compliance

Employee Code of Conduct

The Kraft Heinz Company and its employees conduct business in an ethical manner, guided by our Vision, Values and an unwavering commitment to integrity and transparency. All employees, officers and directors are required to abide by the company's Global Code of Conduct, which addresses every aspect of our business including anti-corruption, anti-competitive behavior, data protection and human rights. The Global Code of Conduct sets high standards for conducting business in a legal and ethical manner and serves as the foundation of our corporate policies and procedures. To ensure compliance with the global Code's tenets, Kraft Heinz regularly provides training, communications, and guidance to our employees around the world. Further, employees are required to annually certify that they have read and will follow the Code of Conduct. The document is available in over 15 languages and can be accessed here: [Kraft Heinz Global Employee Code of Conduct](#).

Reporting a Concern

To help employees report potential misconduct, the company provides several ways to report, including through managers, Human Resources, Legal 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. It is accessible globally by a toll-free phone call or online at [KraftHeinzEthics.com](#). We do not tolerate retaliation against an employee who reports potential misconduct in good faith.

Supplier Guiding Principles

Kraft Heinz has developed a set of Global Principles applicable to its supply chain referred to as the [Supplier Guiding Principles](#). The Supplier Guiding Principles apply to all suppliers, external manufacturers and joint venture partners. They ensure consistency across operations for upholding fundamental values and all applicable laws. They also require compliance with local labor, human rights and environmental standards. If requested, suppliers must certify their compliance and undergo audits to ensure they meet our principles.

Political Contributions and Lobbying Activity

As part of the Company's ongoing engagement in the communities where our employees live and work, we engage in the political process to shape public policies that impact our business around the world. Our goal is to ensure issues which impact our value chain, including employees, suppliers, customers, consumers and shareholders are fairly represented at all levels of government. For more information on political contributions and lobbying activity, please visit www.kraftheinzcompany.com/contributions.html.

Kraft Heinz engages responsibly in the political process in the communities where our employees live and work. Our goal is to ensure public officials representing our people, products and manufacturing facilities understand the issues that impact our business. We adhere to the local laws and regulations governing interactions with government officials, and participate in the political process through issue advocacy and political contributions. Kraft Heinz has put in place effective

compliance procedures for, and oversight of, lobbying activities, corporate contributions and Kraft Heinz Political Action Committee (PAC) expenditures. The Kraft Heinz Code of Conduct requires all employees to maintain honest, forthright and transparent relationships with government officials.

Public Disclosure

Kraft Heinz believes that an important aspect of engaging in the political process is transparency and disclosure. Kraft Heinz files all information as required by federal and state campaign finance and disclosure laws. The Kraft Heinz PAC reports its contributions to the Federal Election Commission (FEC), the details of which are publicly available on the FEC internet site.

All Kraft Heinz PAC and Company political contributions since 2012 are listed on our [website](#). This includes contributions to ballot initiatives and 501c4 organizations where funds may be utilized for political purposes. This information is updated semi-annually. In addition, Kraft Heinz partners with outside counsel to conduct an annual internal audit of all lobbying practices and reporting.

Center for Political Accountability

Kraft Heinz has proudly increased its score every year since 2015 on the "CPA-Zicklin Index," a rating developed by the Center for Political Accountability in conjunction with the Carol and Lawrence Zicklin Center for Business Ethics Research at The Wharton School, University of Pennsylvania. Each year we have implemented additional best practices for transparency related to our political and lobbying activities and are pleased that our score has more than doubled in the last four years. The full report can be found [here](#).



Responsible Marketing

Kraft Heinz is committed to marketing and advertising its products in a responsible and suitable manner, particularly products marketed and advertised to children under the age of 12. Employees responsible for creating, approving or placing marketing materials for Kraft Heinz have primary responsibility for compliance with company guidelines, and such marketing team members are formally trained regarding requirements and expectations pursuant to various Marketing policies, including a Marketing to Kids Pledge.

In the United States, Kraft Heinz abides by a comprehensive set of marketing to children standards: [Children's Food & Beverage Advertising Initiative \(CFBAI\)](#), [Children's Online Privacy Protection Act \(COPPA\)](#) and [Children's Advertising Review Unit \(CARU\)](#). As noted in our [Pledge](#) and [CFBAI's Core Principles](#), Kraft Heinz's commitments relating to marketing to children include:

- No advertising directed 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; and
- No in-school marketing below the university level.

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 the age of 12 promotes only products that represent healthy dietary choices, or to commit to not advertising directly to children under age 12. Our company does not advertise to children under the age of 12 in Canada as set out in the CAI report.

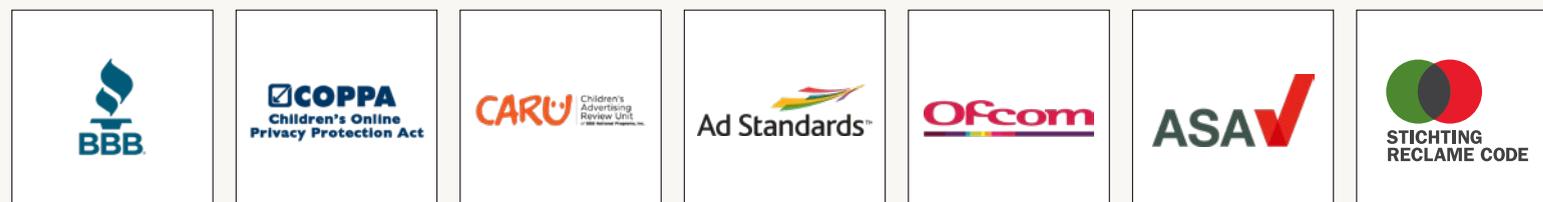
In Europe, we adhere to clear guidelines and requirements, including the U.K.'s [OFCOM](#) and [Advertising Standards Authority](#), as well as the Netherlands [Code of Conduct on Kids Marketing](#). In Australia and New Zealand we adhere to self-regulatory codes including the [New Zealand Children and Young People's Advertising Code](#) and the [Australian Responsible Children's Marketing Initiative](#).

Guidelines for Marketing Breast Milk Substitutes

The Kraft Heinz Company recognizes the importance and the superiority of breast-milk in feeding infants. Kraft Heinz also recognizes the breadth of diversity and variety of circumstances globally that can predicate the need to provide formulation nourishment to certain individuals that would otherwise not receive it.

The company complies with the World Health Organization (WHO) International Code for Marketing of Breast-Milk Substitutes and subsequent relevant World Health Assembly (decision-making body of WHO) resolutions as implemented by international legislation or codes of practice.

To further demonstrate our positions and approach on the manufacture and marketing of breast-milk substitutes, Kraft Heinz has established and published its [Policy on Breast-Milk Substitutes](#). We will continue to review our internal policy in line with the latest recommendations of the WHO.



A Track Record of Safety

Safety in the Workplace

The Kraft Heinz Company is committed to providing a healthy, safe and secure workplace for employees, subcontractors and all people who visit our facilities. Kraft Heinz Safety Process (KHSP) is our framework for health and safety management. 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 stricter 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 the 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). 2019 was a very successful year in Worldwide Safety Performance, resulting in a 0.84 TRIR. Kraft Heinz is proud of its safety track record, having delivered year-over-year incident reductions for the past nine years.

Food Safety and Quality

Kraft Heinz is a globally trusted producer of delicious foods. We take our responsibility with respect to food safety and quality to be of the highest regard, and we will not compromise on it. We all want to have confidence in the products that end up on our plates.

Kraft Heinz strives to not just meet, but to exceed the industry's standard regulatory checks. We implement 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. As a result, we maintain low recalls compared to the industry standard, while maintaining high quality and achieving Gold and Platinum accreditations in our factories.



Learning & Development

Ownerversity is the company's trusted source for learning for all employees, whether they are attending a live or virtual learning experience or accessing digital resources. Through Ownerversity, employees have access to custom Kraft Heinz training and development materials as well as external learning resources, like LinkedIn Learning and Harvard Business Review.

Our learning and development offerings enable employees to Dare to Do Better Every Day and 'to learn like an owner.' This empowers employees to execute with excellence in their current role, accelerate their learning curve and grow a great career. Ownerversity has learning opportunities for everyone, as represented by our ten academies.

In addition, the Leadership and Culture Academy focuses on leadership development, manager excellence, diversity, inclusion and belonging. It provides opportunities for employees to learn how to live our purpose and values every day.

We furthermore provide nine Functional Academies in order to help facilitate the development of functional capabilities for employees and their teams to thrive in their roles, which also bolsters value to Kraft Heinz. Our Academies

include, Finance, IT, Legal, Marketing, Operations, People, Procurement, R&D, and Sales. Since Ownerversity's inception in 2016, the global and zone learning teams have expanded the Kraft Heinz library to include custom Kraft Heinz learning experiences and curated playlists to help employees find trainings more easily.

In September 2019, we launched the #LearnLikeAnOwner to the entire company and invited employees to join leadership in this movement to encourage a culture of continuous learning, bold creativity and intellectual curiosity. The movement is truly global as anyone can learn anywhere and at any time. Employees not only take time to learn, they also share what they learn with other employees through a Kraft Heinz internal communications platform called KetchApp.

Since the introduction of Ownerversity in 2016, the average learning hours per employee (both salaried and hourly) continues to increase. In 2018 the average learning hours per employee was 17 hours. In 2019 the average learning hours per employee rose to 36 hours.

- Since 2016, 78,084 employees have had access to Ownerversity.
- There were 46,551 active employees in Ownerversity in 2019.

The Learning & Development Value Proposition

Our Learning and Development offerings enable each employee to learn like and owner so they can execute with excellence in their current roles, accelerate their learning curves, and grow great careers.



Ownership

Learn Like and Owner

Seek out high-impact learning experiences.

Commit to a regular learning practice, even if it just a few minutes a day.

Encourage others to do the same. Contribute to a culture of learning.



Performance

Execute with Excellence

Apply what you have learned to achieve your goals and targets.



Meritocracy

Grow Great Careers

Accelerate your learning curve.

Prepare yourself to take advantage of the opportunities that exist at Kraft Heinz to grow a great career.



Diversity, Inclusion, and Belonging

At The Kraft Heinz Company we choose to welcome everyone at our table. We choose to be inclusive because diverse backgrounds and perspectives make us stronger, more thoughtful and more innovative. We demand diversity and commit to not only listening but to truly working to hear different points of view.

We live our commitment by focusing on three strategic areas: hiring and growing talent from diverse backgrounds and perspectives, developing inclusive leaders, and tracking and reporting on our progress.

Awards

- In 2019, Kraft Heinz celebrated a major milestone achieving our first perfect score on the Corporate Equality Index (CEI). CEI rates corporate policies and practices for LGBTQ inclusion.
- #197 on Forbes World's Best Employers 2019
- #17 on Forbes Top Regarded

Transition Policy

In 2018, Kraft Heinz published its Transition Policy, giving guidance to approaching and supporting gender transition in the workplace. These guidelines are consistent with Kraft Heinz's EEO (Equal Employment Opportunity) and Anti-Harassment policies which prohibit discrimination and harassment based on gender identity and gender expression, and reflect our workplace philosophy that all employees must be treated fairly with dignity and respect, reiterating our commitment to an inclusive culture. At every step of the transition plan, we remind the employee of Kraft Heinz's complete support.





Corporate Highlights in Diversity, Inclusion and Belonging

Hiring & Growing Talent from Diverse Backgrounds and Perspectives

- In 2018, Kraft Heinz made a commitment to expand our school recruiting list to include partnerships with Historically Black Colleges and Universities.
- Our talent acquisition team has partnered with various companies to work to reduce bias in our hiring process by leveraging artificial intelligence. Pilots are underway in the U.S. and Europe.
- Since 2016, Kraft Heinz has enabled groups and individuals to form and lead Business Resource Groups (BRGs), to help foster diversity, inclusion and belonging for all employees. BRGs also offer learning and development opportunities, assist in talent recruitment and create a network of support for employees. As of 2019, BRGs could be found in the US, Canada, and Europe regions. Kraft Heinz believes that diversity and inclusion are key factors to creating a culture of ownership and meritocracy. We understand that only with a diverse talent base can we ensure an engaged and winning team. Current BRGs include: Women's, Veteran's, LGBTQ+, Black/African American, Latinx/Hispanic and Asian Pacific.

Developing Inclusive Leaders

- In 2019, we launched "Interrupting Bias in the Organizational People Review Process," an interactive learning experience designed to help managers identify and interrupt unconscious bias in our talent review process. In 2019, over 600 managers participated worldwide with continued expansion planned for 2020.

Tracking & Reporting Our Progress

- Since 2018, Kraft Heinz has been a proud participant in the Lean In Women in the Workplace survey.
- Three of the ten members of our Executive Leadership Team are women.
- In 2019, Kraft Heinz celebrated a major milestone achieving our first perfect score on the Corporate Equality Index (CEI). CEI rate corporate policies and practices for LGBTQ inclusion.
- We continue to track and report inclusion metrics on our Engagement Survey, providing employees an opportunity to assess key indicators. Our progress has increased year over year.

2019 Highlights



International Women's Day

In March, we hosted best-selling author Tiffany Dufu for over 350 employees. During her Speaker Series event, Tiffany talked about the importance of figuring out how to 'drop the ball' so that you can focus on what really matters in your personal and professional life.



Pride Parade & the Bud Billiken Parade

Kraft Heinz believes it's important to support our local communities. That's why we enlisted the help of our iconic Wienermobile to support our efforts in the 90th anniversary of the Bud Billiken Parade, as well as the Chicago Pride Parade. Check out our [recap videos](#) to [hear directly from employees](#) about the importance of our participation.

"To write the next chapter at Kraft Heinz, we must change how we think, act, and work together."

— Miguel Patricio, CEO





Employee Health & Wellness

In May 2018, The Kraft Heinz Company launched its new LiveWell health and wellness platform in the U.S. following a successful Canadian campaign. LiveWell at Kraft Heinz underscores our commitment to helping employees achieve optimal health, which includes physical, emotional, financial and social well-being. Kraft Heinz realizes that life does not stop for work. Throughout the year, we utilize LiveWell to address various topics concerning health and well-being through speaker series, educational activities, and more. This program continues to expand globally through a portfolio of available benefits, such as biometric screenings, physical and step challenges, yoga classes, nutrition / healthy eating options, and many more. In 2019 there was an entire month dedicated to the LiveWell program. Moreover since the launch, the LiveWell team has offered monthly employee events introducing people to what the LiveWell program is all about. These events ranged from vendor expositions to work-out and nutrition classes, further establishing the holistic approach to health.

With the success of the LiveWell program in North America, we look forward to working with our offices around the world to expand the program globally in 2020 and beyond.



Corporate Responsibility and Sustainability Governance



Board of Directors

Provides oversight

Nominating and Corporate Governance Committee reviews all significant policies, processes and commitments, through at minimum an annual ESG update to the Nominating and Corporate Governance Committee



Chief Executive Officer

Provides executive support

Collaborates with select members of the Executive Leadership Team on oversight and executional leadership on strategies



Senior Vice President, Global General Counsel and Head of ESG and Government Affairs; Corporate Secretary

Oversees global ESG strategy, Reports to the CEO

Collaborates with ESG Team to lead plan implementation



ESG Steering Group

Cross-functional, upper level management input on ESG practices and policies



ESG Subcommittees

High-touch engagement, tracking emergent issues, driving collaboration, transparency and continuous improvement toward initiatives

Monthly meetings in: Product Health; Sustainable Agriculture; Sustainable Sourcing; Sustainable Manufacturing; Sustainable Packaging; Animal Welfare; Communications



ESG Enterprise Team

Enterprise-wide cross-functional team from all levels of management

Provides input on forward-looking strategy

ESG Governance

The Kraft Heinz Company is committed to responsible corporate governance. We've designed our governance structure in 2019 to enable us to live our Vision and Values.

Board of Directors

Comprised of diverse, experienced and qualified leaders with strong credentials, our Board of Directors 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.

The Board of Directors helps establish and oversee our global ESG objectives and framework, including matters related to operations, our supply chain, animal welfare, the environment, nutrition and well-being, and social issues. In 2019, the Board has delegated primary responsibility for overseeing ESG objectives to the Nominating and Corporate Governance Committee. Members of the Nominating and Corporate Governance Committee reviewed all significant ESG policies, processes and commitments, and received regular updates from the ESG 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 ESG strategy. The Executive Leadership Team is led by Chief Executive Officer Miguel Patricio, and includes 10 executives representing a variety of disciplines, including Finance, Sales, Operations, Procurement, Marketing, Research and Development, Human Resources, Legal/Ethics & Compliance and Corporate Affairs. The team receives monthly progress reports from the ESG Team.

ESG Team

Accountable to the Board of Directors and in partnership with the Executive Leadership Team, the ESG Team directs the design, development, execution and continuous improvement of our ESG strategy, goals and initiatives. The ESG Team engages with key stakeholders regularly, including consumers, customers, shareholders, employees, NGOs and community leaders, and leads the ESG Steering Group.

The ESG Steering Group is comprised of leaders in various functions around the globe. Team leaders are responsible for mobilizing the organization and collaborating across departments to lead the development, implementation, continuous improvement and measurement of relevant ESG policies, procedures and programs. The ESG Steering Group has subcommittees that meet regularly in the following areas: Product Health; Sustainable Agriculture; Sustainable Sourcing; Sustainable Manufacturing; Sustainable Packaging; Animal Welfare; and Communications.

These practices ensure alignment with business strategies and operational objectives. The CEO and key leadership, along with various other team members, hold ESG key performance metrics linked to remuneration associated with all ESG initiatives. Please visit <http://ir.kraftheinzcompany.com> and/or our [Definitive Proxy Statement](#) filed with the U.S. Securities and Exchange Commission on March 27, 2020 to learn more about our company's corporate governance structure and leadership. Kraft Heinz is proud to integrate our ESG governance practices into our Proxy Statements. Kraft Heinz has also increasingly integrated and disclosed environmental related financial exposure that feeds into various reporting frameworks, such as Sustainalytics, the Dow Jones Sustainability Index and CDP (Climate, Water and Forest questionnaires).



Focusing on Material Issues

ESG Materiality and Stakeholder Engagement

To inform and continuously improve upon our ESG strategy, we engage a wide variety of stakeholders for input. Participating in an ongoing, two-way dialogue with our stakeholders strengthens our understanding of important environmental, social and governance issues, which helps us set associated priorities to make respective impacts.

Our global stakeholder network includes both the internal and external people and parties whose support is critical to the long-term success of our business, or who are materially impacted by our business operations. The table below lists these groups and summarizes our engagement activities with them.

STAKEHOLDERS								
Investors	Customers	Employees	NGOs	Industry Associations	Government/Regulatory	Consumers	Suppliers	Philanthropic Partners
TYPE OF ENGAGEMENT								
<ul style="list-style-type: none"> Annual shareholder meeting Quarterly earnings presentations Regular meetings, 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 ESG survey Senior leadership ESG 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 Meeting with select suppliers 	<ul style="list-style-type: none"> Donations Partner collaboration
SUBJECT AREAS DISCUSSED								
<ul style="list-style-type: none"> Governance Climate Change Sustainable sourcing Health and wellness Human Rights Operational impact on environment Transparency/external reporting 	<ul style="list-style-type: none"> Animal welfare Sustainable sourcing Operational impact on environment Community impact/food security Nutrition and health 	<ul style="list-style-type: none"> Climate change Sustainable sourcing Operational impact on environment Community impact/food security Nutrition and well-being Workplace health and safety Transparency 	<ul style="list-style-type: none"> Climate change Sustainable sourcing Water stewardship Operational impact on environment 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 issues related to ESG 	<ul style="list-style-type: none"> Animal welfare Packaging sustainability Sustainable sourcing Operational impact on environment 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"> Global hunger alleviation Community impact/food security Bottom pyramid empowerment Sustainable agriculture Food waste



Materiality Assessment

To inform our ESG strategy and goal-setting, Kraft Heinz conducts a comprehensive materiality assessment every three to five years. This assessment allows us to identify and prioritize the environmental, social and governance issues that are of greatest concern to our stakeholders and which impact the success of our business. We reevaluate these results on an ongoing basis to reflect any changes in standing on these priority issues and allow for the inclusion of new or emerging issues.

Our materiality matrix depicts the outcomes of the following assessments:

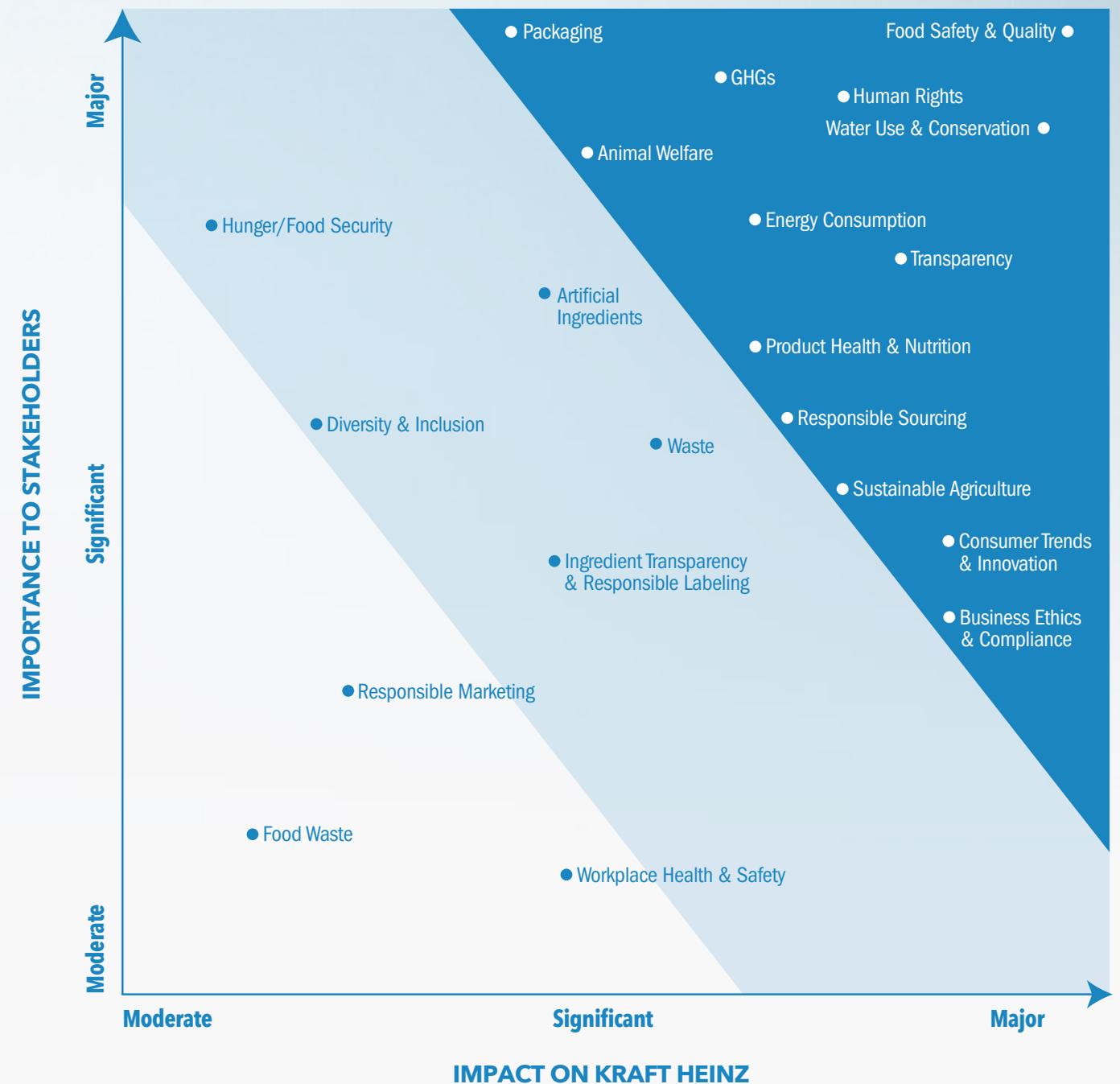
- 2016: We developed our first materiality assessment as a new company.
- 2019: We added several issues to reflect their rising importance to our stakeholders and potential business impacts, including Consumer Trends and Innovation, Food Waste, Diversity and Inclusion, and Ingredient Transparency and Responsible Labeling.
- Early 2020: As a result of additional engagement with key business partners and employees, we have adjusted the weight of “Human Rights” materiality, as well as separated out “Sustainable Sourcing/Agriculture,” adjusted the nomenclature to more accurately reflect the area of impact for Kraft Heinz, and weighted accordingly, into the two distinct areas of “Responsible Sourcing” and “Sustainable Agriculture.”

We treat our materiality matrix as a living assessment based on participant input. We continue to evaluate material issues to our key stakeholders and the respective impact on our business operations across dynamic global markets.

Moreover, we have adopted the nomenclature of Environmental Social Governance (ESG) as the overarching framework for the Kraft Heinz sustainability platform. We remain committed to corporate responsibility and providing value to our stakeholders. We believe our ESG guiding framework will further demonstrate our commitment to corporate responsibility, while highlighting the importance of continuous improvement and transparency in these efforts. We furthermore believe our ESG framework will better reflect our ambition and workstreams toward further integration of risk and financial-related disclosure within ESG materiality.

Enterprise Risk Management

Kraft Heinz has an established, comprehensive approach to Enterprise Risk Management (ERM). Annually, senior management evaluates changes and required updates to the top enterprise risks. The ERM process covers a broad spectrum of risks across several dimensions: strategic, financial, operational, legal & regulatory, human capital, and hazard/catastrophic. Senior management prioritizes the risks and develops the Kraft Heinz risk profile, which is shared with the Audit Committee of the Board of Directors annually. Each risk owner provides regular updates to the Audit Committee of the Board of Directors.



ESG Strategy and Goals

In support of our Vision **To Sustainably Grow by Delighting More Consumers Globally**, we are committed to responsible, sustainable practices extending to every facet of our business. The Kraft Heinz ESG strategy prioritizes the issues that matter most to the company's business and stakeholders, focusing on areas that have the greatest impact. It includes three key pillars: Environmental Stewardship, Responsible Sourcing, Healthy Living and Community Support.

Our goal is to build value among our company's broad set of stakeholders by incorporating socially responsible business practices within our own operations and across every stage of our supply chain. We're setting ambitious environmental goals, sourcing sustainably, improving the products we sell and making impactful advancements in communities – all with a commitment to transparency and two-way dialogue. **This is our way forward.**



Environmental Stewardship

Kraft Heinz is proud to announce that by 2025, the majority of our procured electricity (for all facilities globally) will be from renewable sources.

We commit to decrease water use by 20% at Kraft Heinz manufacturing facilities in high-risk water areas and by 15% across all manufacturing facilities by 2025.

We commit to decrease energy use by 15% across all Kraft Heinz manufacturing facilities by 2025.

We commit to decrease waste by 20% across all Kraft Heinz manufacturing facilities by 2025.

We commit to create a fully circular Heinz Tomato Ketchup bottle in Europe by 2022.

We aim to make 100% recyclable, reusable or compostable packaging by 2025.



Responsible Sourcing

We commit to sustainably source 100% of Heinz Ketchup tomatoes by 2025 in accordance with our Sustainable Agriculture Practices.

We commit to procure 100% sustainable and traceable palm oil, to the mill, by 2022.

We aim to procure 100% Free-range eggs in Europe by 2020

We aim to procure 100% Cage-free eggs globally by 2025.

We commit to update Supplier Guiding Principles and implement 3rd party diligence audits by 2021.



Healthy Living & Community Support

We commit to achieving 85% compliance with Kraft Heinz Global Nutrition Targets by 2025.

We commit to reducing total sugar in our products by more than 60 million pounds across our global portfolio by 2025.

We commit to reducing sodium by an additional 5% in our BBQ Sauce and Kraft Salad Dressings in North America by 2025.

We commit to improve use and transparency of simpler ingredients by 2025.

We commit to provide 1.5 billion meals to people in need by 2025.



Environmental Stewardship

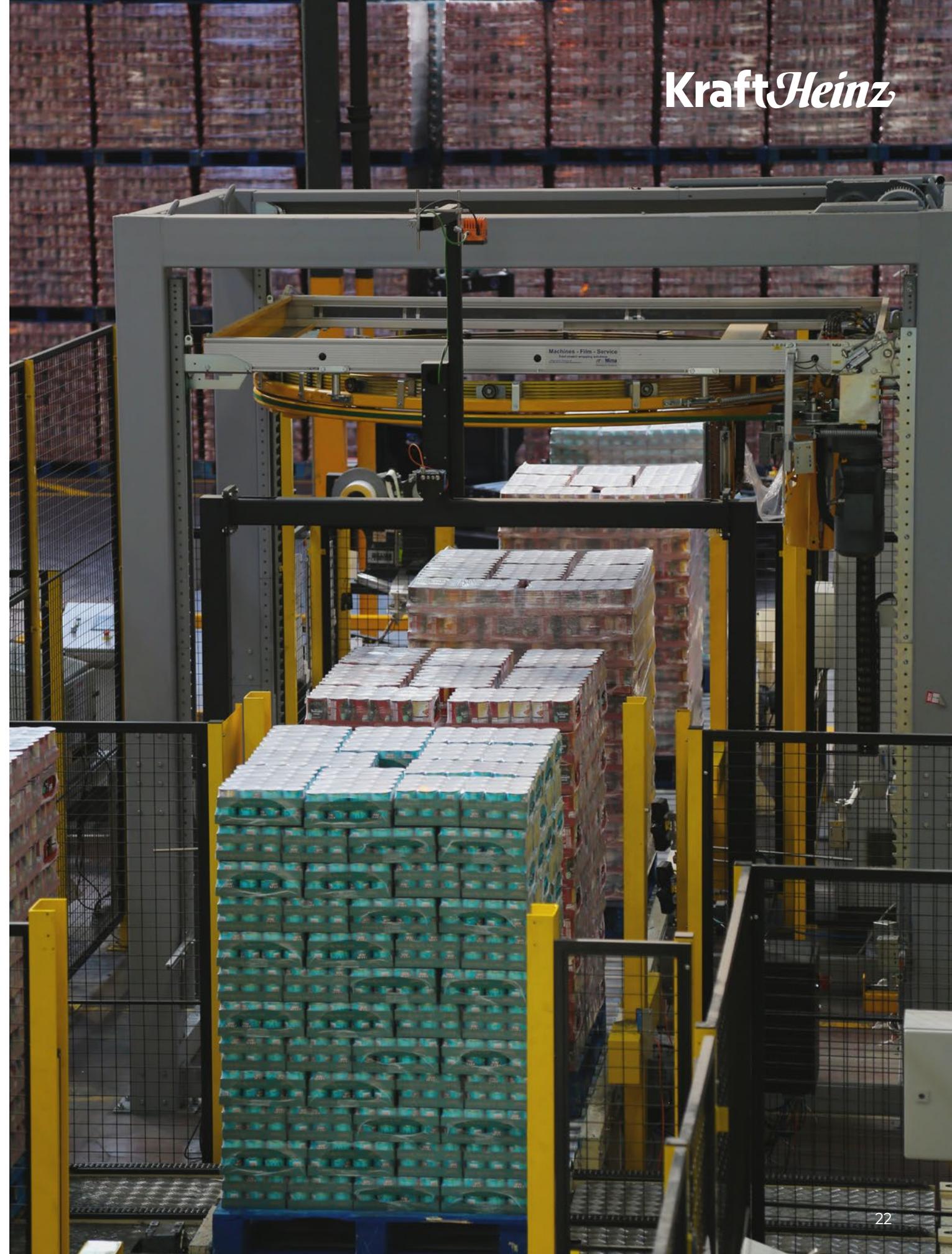
At Kraft Heinz, environmental stewardship begins with our operational footprint, where we actively strive to conserve water and energy, reduce emissions, minimize waste and make our packaging sustainable. From there it extends to initiatives in our supply chain and takes shape as collaborative projects with customers at the other end of the spectrum. Notwithstanding, our manufacturing sites can consume substantial amounts of resources, and are controlled by us, so we focus significant efforts around environmental stewardship inside of our walls.

Sustainability Goals in Manufacturing

The Kraft Heinz Company is committed to reducing its operational environmental footprint. We have prioritized projects across our global manufacturing network in the areas of water conservation, energy use and greenhouse gas emissions (GHGs), waste reduction and packaging.

However, through 2019 we are trailing our 2020 targets in water conservation, energy use, greenhouse gas emissions and waste reduction. The unfavorable results in these areas are consistent with previous reporting the company has disclosed regarding supply chain challenges that we have contended with. Water use increased 1 percent. We reduced our energy use by 1 percent while GHG emissions increased 8 percent. Our waste increased significantly by 16 percent. We recognize the substantial amount of work we need to do in these areas. We continue to learn, identify gaps and address them with a more comprehensive approach. And it is paying off. For example, we have prioritized high-risk water sites and general site-specific focus is helping us more recently turn the tide toward our targets related to water. In energy use, after an inconsistent 2016, we have been trending toward our goal over the past 3 years. We achieved a 1 percent improvement in energy use year over year (YOY) in 2017, followed by a 2 percent YOY improvement in 2018, and finally a 1 percent improvement YOY in 2019, for an overall reduction of 4 percent since 2016. We anticipate 2020 will see even greater improvement as we continue to identify and prioritize areas of greatest opportunity. We recycle or repurpose on average approximately 90 percent of our manufacturing waste globally. Nevertheless, we were disappointed by our waste performance against our 2020 target. We have developed a strong byproducts plan, along with improved forecasting and revamped related product donation strategies that will all help us achieve our waste targets going forward. Indeed, as you will find in the pages that follow, there are true proof points and successes on the renewed path we are on toward achievement of our sustainable manufacturing targets.

We recognize the significant environmental impacts an ever-growing world can have, and we remain steadfast to try to balance production processes that can meet global food demand with efficient operation. Through thorough assessment, we know there are opportunities for improvement at various stages of our operations, and we will learn from external perspectives, as well as ourselves by continuously fostering an environment of collaboration, ownership and innovation. We continue to strive to meet our 2020 targets and achieve the greatest improvement possible. And as we look to our new 2025 targets, we are able to build off of a solid foundation in that we have achieved recent significant improvements through changes in how we manage our supply chain, through greater prioritization of impact areas, and through regular reporting and greater accountability.



Water Use & Conservation

 *We commit to decrease water use by 20% across Kraft Heinz manufacturing facilities in high-risk water areas and by 15% across all manufacturing facilities by 2025.*

Water is key to life and business. Making high-quality products requires that we begin with high-quality ingredients of which fresh quality water is a key input. Kraft Heinz is committed to water stewardship in every facet of our business, from our quality controls to the relationships we have with our growers and suppliers. As a food and beverage company, having access to sufficient amounts of quality fresh water, both now and in the future, is critical to our business. Water is used in many areas of our value chain. It is a vital input for growing various agricultural ingredients we use in our products. We also use water as a direct ingredient in many of our products and as a key utility in our manufacturing, cleaning and sanitation processes. Access to high-quality water is pivotal for us to achieve our high standards of food safety and quality. High-quality water will continue to be a vital component throughout our value chain.

a standard soccer field, still 10-feet deep throughout. Now increase the number of soccer filled-sized swimming pools connected to each other to 60. All of the water, 10-feet deep, into that volume represents roughly the amount of water savings, every year, we were able to achieve with this project with our partners.

Through our partnership with Ecolab since 2017, we have been able to identify and implement approximately 30 water conservation opportunities globally. These water reuse, cleaning efficiency and optimization projects are saving more than 115 million gallons of water every year, with an estimated almost \$1 million in annual cost reduction.

Water Risk Assessment

In early 2018, we completed a water risk assessment of our global manufacturing operations. This work was completed in partnership with a leading provider of water resource expertise to the food and beverage sector who is also certified by CDP. The assessment leveraged both WRI's (World Resources Institute) Aqueduct data and methodology along with the subject matter expertise of our consulting partner. We then evaluated our watershed conditions from a business perspective in order to validate 'economic scarcity' factors not fully addressed by the database indicators. The completed assessment resulted in identification of physical, reputational/social and quality water risks, as well as composite scores for each area associated in our direct manufacturing operations. We were able to identify manufacturing sites experiencing water stress conditions. Roughly **22 percent of our present facilities (we currently own 17 of the 76 sites evaluated) have some degree of water stress related to the risk areas.** We have developed a plan that focuses on the high-risk water areas to drive improvements and mitigate risks, and to provide updates into our risk evaluation on an ongoing basis.

NALCO Water
An Ecolab Company

Working with partners like Nalco Water (an Ecolab Company), we are able to identify areas of opportunity in our manufacturing processes to optimize water use. For

instance, at our Newberry, South Carolina, plant, which produces a portion of our iconic Oscar Mayer products, we launched a large effluent water recycling project in 2019. The project made it possible to leverage our dissolved air flotation system to cool our vacuum pump seals, eliminating the need to use our intakes for more local, fresh water. As a result, we save approximately 86 million gallons of water every year at the Newberry plant, with an annual net cost reduction of around \$500,000. To help conceptualize the scale of the water savings, imagine a standard backyard swimming pool uniformly about 10-feet deep throughout. Now increase the size of that pool to about the same size of





Energy Use & Conservation

 *We commit to decrease energy use by 15% across all Kraft Heinz manufacturing facilities by 2025.*

Manufacturing our products to finished packaged goods and maintaining our highest standards around safety, quality and sanitation, all while providing a comfortable and secure environment for our employees to work, can consume significant amounts of energy. In this type of interdependent environment, we know many opportunities exist to reduce energy consumption through operational optimization. We are on a journey of continuous improvement to identify our greatest opportunities in this area and capitalize on them.

As a leading global food and beverage company, our scale provides a unique ability to test concepts at various sites, learn from ourselves, prove outcomes and then implement successful energy savings initiatives across our business.

One great example of this is in our new Nova Goiás, Brazil facility, where we produce several types of our iconic sauces and condiments. We began production from this facility in 2017. Building a new factory offers many opportunities to build in energy efficiencies from the outset, which in itself is inherently typically more efficient through utilization of new technologies and readily optimized infrastructure, versus retrofitting existing pathways. However, we also embrace the continual opportunity to improve at Kraft Heinz, and our ownership and meritocracy mentality helps drive us toward that improvement at all facilities.

Another area of this work is in our global initiatives around cogeneration and biogas. Shortly after opening the Nova Goiás facility, we learned from our experience at other manufacturing sites that we could also capitalize on the nexus of water and energy sustainability in how we treat and improve our wastewater more broadly. The Nerópolis wastewater treatment system produces a residual biogas, which was initially burned. In 2018 we upgraded the facility to include what is akin to a miniature power plant, composed of generators, a gas treatment system and a gas storage tank, and then made some electrical distribution network adjustments to capture and meet the new requirements of utilizing gas in the system as a source of energy. As a result, we consumed 53% less energy in the first six months alone in 2019 compared to the same time in 2018. As an added benefit, the biogas being generated is a source of renewable energy and is also contributing to less GHG emissions than would otherwise be emitted through energy sources of fossil fuel use.



Renewable Electricity Sourcing

 **Kraft Heinz is proud to announce that by 2025, the majority of our procured electricity (for all facilities globally) will be from renewable sources.**

Kraft Heinz is committed to operating responsibly and doing its part in the critical global efforts to reduce the harmful impacts of climate change. A big component of that commitment is both reducing how much energy we source, as well as rethinking how we source it. That is why we have embarked upon energy optimization initiatives while prioritizing solar, cogeneration and biomass energy projects globally between 2017 and 2019.

In 2018, we began the two-year process of expanding our solar footprint at our manufacturing sites in the cities of Qingdao, Foshan and Shanghai in China. The combined energy production of these three sites accounts for approximately 2.6 million kilowatt hours of clean electricity annually across the three sites. These projects have offered a source of energy independence (Qingdao ~1/4th, Foshan and Shanghai ~ 1/10th each respectively) and collectively will remove approximately 2,028 tons of carbon dioxide from the atmosphere each year for the next two decades. Over the span of the solar arrays' typical useful life, along with accounting for variation in efficiency factors over time, these projects will have removed the equivalent carbon that would be sequestered by roughly 8,800 acres (the same size of about 30 New Yorks) of forest for an entire year, while simultaneously providing an electricity cost savings to Kraft Heinz of approximately \$1.3 million.

Science-Based Goals

In July 2018, Kraft Heinz announced its commitment to establish Science Based Targets in line with the Science Based Target initiative (SBTi) and in regards to a 2°C trajectory. Since that announcement the Intergovernmental Panel on Climate Change (the United Nations body for assessing the science related to climate change), has updated its mitigation recommendation to match the current trajectory of climate change thresholds at 1.5°C.

In 2019, we engaged Quantis (a sustainability consulting firm) to help measure our carbon footprint across our entire global value chain, in accordance with the current 1.5°C mitigation efforts. We will align our targets with the SBTi and are working with partners to identify the best solutions to ensure we reduce our emissions accordingly throughout the value chain.

We estimate that roughly 80% of our total carbon footprint is produced from our suppliers, particularly in agriculture, and provides the greatest opportunity for increased collaboration. We will remain focused on optimizing our immediate operational footprint to lessen our impact on climate, while we increasingly investigate joint initiatives with our suppliers that ensure the highest quality products are produced, while being good stewards of the environment.

Kraft Heinz therefore renews its commitment to set a climate science target in accordance with the most current, credible and widely accepted climate science standards available, as we undergo a robust assessment process to achieve the same in 2020. In the meantime, we are not resting. We note where we can improve, are learning from our failures as well as our successes, and we are taking initiative to expand what we can achieve in energy reduction and renewable capacity today. For example, we are directly targeting significant reductions in our Scope 2 emissions under SBTi, by procuring the majority of our electricity from renewable sources for all facilities globally by 2025.



Expanding our solar footprint



Qingdao

- DPV installation capacity: 748 kW
- 1st Year clean energy generation: 870,000 kWh
- Qingdao Heinz renewable energy substitution rate: 23%
- Yearly CO₂ emissions reduction: 619 ton
- Yearly electricity cost savings: 140,000 RMB
- Total electricity cost savings in 20 years: 2,680,000 RMB
- Project on-site construction completed Aug. 2018



Foshan

- DPV installation capacity: 787 kW
- 1st Year clean energy generation: 765,000 kWh
- Foshan Heinz renewable energy substitution rate: 11%
- Yearly CO₂ emissions reduction: 652 ton
- Yearly electricity cost savings: 155,000 RMB
- Total electricity cost savings in 20 years: 2,950,000 RMB
- Project on-site construction completed Aug. 2018



Shanghai

- DPV installation capacity: 915 kW
- 1st Year clean energy generation: 951,000 kWh
- Shanghai Heinz renewable energy substitution rate: 9%
- Yearly CO₂ emissions reduction: 757 ton
- Yearly electricity cost savings: 196,000 RMB
- Total electricity cost savings in 20 years: 3,740,000 RMB
- Project on-site construction completed Jan. 2019



FEATURE STORY

Electric Truck Fleet

Heavy duty, Class 8 terminal trucks are the workhorses of The Kraft Heinz Company distribution network. They are almost always on, moving food products and supplies from warehouses onto trucks. Traditionally, they were powered by tough diesel engines, but a pilot project in Ohio is leading the way to an electric, renewable energy future.

Erin Mitchell is head of North American Warehouse and Logistics for Kraft Heinz. She saw this project as an opportunity to reinforce the company’s commitment to grow sustainably and to improve operational sustainability. On behalf of Kraft Heinz, she partnered with Orange EV and Firefly Transportation Services to replace the Class 8 diesel terminal trucks in a main distribution center in Groveport, Ohio with pure electric versions. “Orange EV’s battery-electric terminal trucks deliver 100 percent emission-free transportation services – a key driver of our progress toward a more sustainable and resilient supply chain,” she said.

Firefly Transportation Services operates three Orange EV pure electric terminal trucks to do the work formerly accomplished by five diesel trucks. For fuel diversity alone, one diesel remains onsite and is expected to go unused in routine operations. With this deployment, Kraft Heinz plans to virtually eliminate diesel terminal truck emissions at the distribution center, leading to significant productivity gains and cost savings from this replacement, which means that not only is the conversion good for the environment, it’s also good for our business.

“Firefly Transportation Services is committed to delivering zero-emission yard management services to our customers while also dramatically increasing site productivity and cost savings”, said Mike Bohnstengel, one of the Firefly principal partners. “Utilizing data from our EV telematics systems, we provide advanced analytics and implement operational improvements that would not be achieved via traditional diesel units.”

The electric truck solution was partially funded by the American Lung Association through a grant provided by the U.S. Environmental Protection Agency’s Diesel Emissions Reductions Act (DERA) Program, secured and administered by the Clean Air Team at the American Lung Association (ALA)’s Springfield, Illinois office.

Kraft Heinz will continue to investigate the possibilities of expanding this pilot to other locations in its distribution network, as well as continue to explore increased use of electric vehicles in its value chain.





Waste Reduction

 *We commit to decrease waste by 20% across all Kraft Heinz manufacturing facilities by 2025.*

At Kraft Heinz we think about waste holistically. To source, produce and package food and beverage products requires several inputs and outputs related to ingredients and byproducts, material flows and end-of-life package considerations. When we think about materials and food-related flows, detailed waste evaluations help us identify where we can ‘reduce, repurpose and recycle.’ In fact, globally at our manufacturing sites we divert more than 90 percent of our solid waste to recycling or byproducts usage (e.g. ingredients, human products, animal feed, remediation). We look forward to increasing diversion from landfills for the remaining less than ten percent.

As of December 31, 2019, about 10 percent of Kraft Heinz global manufacturing facilities had achieved zero-waste-to-landfill status. We’re working to achieve zero-waste at additional sites by standardizing, replicating and rolling out these best practices as broadly as possible across our network in partnership with third-party service providers. Our zero-waste-to-landfill efforts lessen our impact on the environment and bring additional value to Kraft Heinz, and we plan on also obtaining third-party certification to further validate our achievements and demonstrate transparency.

From sourcing, to production to end of life, waste reduction is really a collaborative effort each of our stakeholders in our total value chain can help us achieve.

REPURPOSING WASTE

At our Mount-Royal facility in Canada, we recycled more than 80 percent of all material from 2018-2019. This included byproducts such as lactoserum permeate from cheese production, which we sold as a nutritional component in animal feed versus going to landfill. The total amount of lactoserum permeate we diverted from going to landfill from Mount-Royal between 2018-2019 was more than 27 million pounds.



Reducing Food Waste

Food waste is a global problem. Globally, 1.3 billion tons of food are wasted annually accounting for roughly 1/3 of all food produced globally. That is approximately 2.2 trillion meals that could be feeding the almost 800 million hungry people around the world. Beyond this, food waste is detrimental to our environment, leading to wasted resources like energy, water and land. And as our population grows, the pressure on our water, land and energy to feed all those people will only increase.

When we therefore think of food waste at Kraft Heinz, we think of it in terms of our highest priorities. As a leading global food and beverage company, we focus on the entire value chain in terms of where food waste can be reduced. This includes sourcing, production, transportation, shelf life and end-of-life. We analyze and test how processes, products and packaging can be optimized. We investigate where unneeded byproducts or unwanted finished products can find other uses versus going to landfill, such as beneficial land application and product donations to those in need.

In fact, we have been working to optimize our donation strategy by:

- Updating product code date information to increase donatable life
- Analyzing warehouse data to optimize product diverted to donation
- Working with our partners to ensure product is in the best form to be received for donation and relabeled or repackaged when necessary
- Working with our retail and food service customers to increase donations, learn best practices, and share in the mission to decrease food waste

Kraft Heinz has joined together with industry peers to eliminate food waste globally. Kraft Heinz Canada and Kraft Heinz United Kingdom (UK) both joined national commitments to reduce food waste. With these commitments, we join industry peers in the hopes of eliminating food waste globally.



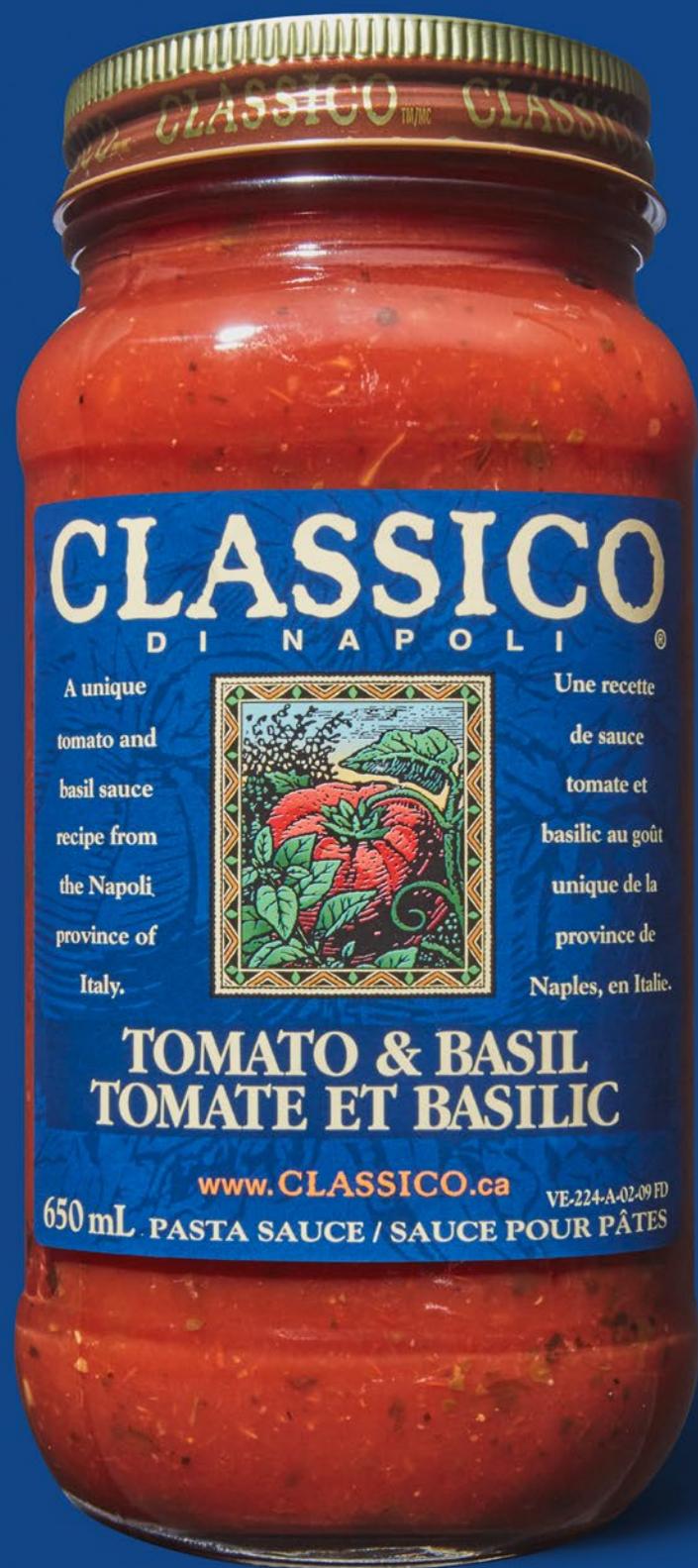
UK - In the UK, Kraft Heinz joined the Food Waste Reduction Roadmap (FWRR) initiative. More than one hundred food-related organizations have committed to supporting this initiative, which aims to reduce food waste in the UK by 50% by 2030. The initiative is run by IGD (a food research and training organization) and WRAP (a nonprofit focused on sustainability) to verify data and encourage best practices. Kraft Heinz committed to setting a target for food waste reduction across our own operations towards the broader goal, and to also work in partnership with suppliers and consumers to that end. WRAP committed to report results in 2019, 2022, 2026 and issue a final report in 2031 against the 50 percent reduction goal.



Canada – In Canada, Kraft Heinz joined seven other companies in a pledge to reduce food waste in operations by 50 percent by 2025. Our collective progress towards this aggressive goal will be reported annually to Canada's National Zero Waste Council and the Provision Coalition. Kraft Heinz will use the globally recognized Food Loss and Waste Accounting and Reporting Standard to report our annual progress.



Packaging Sustainability



 **We commit to create a fully circular Heinz Tomato Ketchup bottle in Europe by 2022.**

 **We aim to make 100% recyclable, reusable or compostable packaging by 2025.**

Packaging waste can have a significant detrimental impact on the environment and is an industry-wide challenge that we must all do our part to address. That's why Kraft Heinz is committed to taking steps to reduce our operational packaging impacts, as well as to support the move toward a more circular economy and the use of more sustainable materials.

Our Approach to Sustainable Packaging

Our comprehensive approach to packaging meets extensive packaging regulations, aims to cut waste, conserve natural resources, ensure food safety and quality, and satisfy our consumers. We're focused on designing better packaging that incorporates more recycled and recyclable materials by collaborating with external packaging experts, organizations and coalitions to explore technical, end-of-life and infrastructure solutions.

In 2018, Kraft Heinz announced a commitment to aim to make 100 percent of our packaging globally recyclable, reusable or compostable by 2025. We've partnered with environmental consultancy group, Lorax EPI, to better understand how much of our packaging is recyclable, reusable and compostable, which we have estimated at over 70 percent as of 2019. The majority of our packaging is paper-based, glass or metal materials that are recyclable. The other portion of our packaging is mostly made up of flexible plastic films or rigid plastic containers. In the meantime, we are aggressively pursuing technical alternatives while also collaborating externally to advance this commitment.

During the period from 2017 – 2019, we eliminated approximately 13 million pounds of packaging across almost a dozen initiatives with key brands such as Lunchables, Kool-Aid and Miracle Whip. We reduced shipping packaging and tray heights and dividers for example, accounting for an annual packaging reduction of about 6.5 million pounds. To put that number into perspective, that's about the equivalent of eliminating everyone's packaging waste in Washington, D.C. for two days out of the year, every year, going forward indefinitely at current population and average waste rates.

Designing Better Packaging

We consider the appearance, functionality, cost and environmental impact of packaging designs, focusing on product integrity through production, distribution, shelf life and end-of-life. The optimization of our high-volume packaging helped us exceed our commitment to reduce the weight of our global packaging by 50,000 metric tons. Innovation also allows us to reduce our environmental impact through better packaging design. In Europe, we've been

working to make the recyclable Heinz Tomato Ketchup plastic bottle fully circular by 2022, that can be made back into food-grade packaging. And we're proud to report we're ahead of schedule. Kraft Heinz Europe is on track to deliver its first circular Tomato Ketchup PET bottle to the market in 2021 instead of 2022. Initial estimates for 2021 on this initiative which will span Europe, is that it will impact approximately 300 million bottles at an average weight of 28 grams per bottle. That equates to 8,400 tonnes of plastic that can be properly collected and sorted and then mechanically recycled into food grade rPET, which can be used to produced new food grade packaging.

Additional projects in Europe focused on rigid plastics. Over recent years we evaluated this category of our packaging for lightweighting. Our assessments enabled us to reduce plastic material in future packaging projects. As a result, in 2019 we launched:

- A new lightweight sauce cap closure that saves 25 tonnes of plastic per year
- A regrind material from recycled industrial plastic that is incorporated into the production of new sauce bottles (up to 5 percent), saving approximately 100 tonnes of plastic per year packaging.

REDUCING PACKAGING

During the period from 2017 – 2019, we eliminated approximately 13 million pounds of packaging across almost a dozen initiatives with key brands such as Lunchables, Kool-Aid and Miracle Whip. We reduced shipping packaging and tray heights and dividers for example, accounting for an annual packaging reduction of about 6.5 million pounds. To put that number into perspective, that's about the equivalent of eliminating everyone's packaging waste in Washington, D.C. for two days out of the year, every year, going forward at current population and average waste rates.



Designing for Recyclability

Kraft Heinz is a member of Materials Recovery for the Future (MRFF). MRFF is a project of the Foundation for Chemistry Research and Initiatives, a 501(c)(3) tax-exempt organization established by the American Chemistry Council (ACC). Members of the collaborative share a common vision and work together towards that end: *Flexible packaging is recycled curbside and the recovery community captures value from it.*

Kraft Heinz is a member of the [Association of Plastic Recyclers \(APR\)](#), the international trade association representing the plastics recycling industry, leveraging the APR Design® Guide for Plastics Recyclability to help design recyclable plastic packaging. Additionally, Kraft Heinz is a member of the [Sustainable Packaging Coalition \(SPC\)](#), a membership-based collaborative that believes in the power of industry to make packaging more sustainable. The SPC works to make packaging that is good for people and the environment, in support of its mission to “bring packaging sustainability stakeholders together to catalyze actionable improvements to packaging systems and lend an authoritative voice on issues related to packaging sustainability.”

In the UK, Kraft Heinz is a member of the UK Plastics Pact, aiming to create a circular economy for plastics.

“Kraft Heinz has been an invaluable partner in the Materials Recovery for the Future (MRFF) project. Their technical expertise, leadership, and commitment to finding end-of-life solutions for flexible plastic packaging has helped guide the project to a successful completion. As manager of MRFF, I am proud to have had the opportunity to collaborate with Kraft Heinz.”

– Sarah Lindsay | American Chemistry Council



Promoting Recycling Resources

Kraft Heinz has been a member of the How2Recycle label program since 2016, using its standardized on-pack recycling guide to inform consumers on packaging recycling. During the reporting period, we expanded our How2Recycle labels to many of our iconic global brands, as well as smaller product launches, such that they now appear on the *Back to Nature* Macaroni and Cheese products, *Capri-Sun* beverages and *Cracker Barrel* Macaroni and Cheese products for example.



<i>Back to Nature</i>	<i>Back to Nature</i> Mac & Cheese Box
<i>Philadelphia Cream Cheese</i>	8oz, 12oz, 16oz Tub
<i>Jell-O</i>	Gelatin & Pudding
<i>Kraft Macaroni & Cheese</i>	KMC Cheese Sauce 3pk
<i>Capri Sun/Country Time/Kool-Aid Jammers</i>	Ready-to-Drink Variety/Bundle Pack-Printed
<i>Stove Top</i>	Stuffing
<i>Country Time</i>	64 oz RTD Lemonade
<i>Kool Aid</i>	16 oz Single Serve
<i>Gevalia</i>	Espresso Capsules
<i>Oscar Mayer</i>	OM Natural Meat & Cheese Plates
<i>Philadelphia Cream Cheese</i>	Philly Soft Tubs 2x16oz



In the UK, Kraft Heinz participates in the On-Pack Recycling Label (OPRL) program, which delivers simple recycling messaging on retailer and brand packaging to help consumers recycle more accurately and more often. The OPRL label appears on several Kraft Heinz products in the region, including *Heinz* Beans, *Heinz* Spaghetti and *Heinz* Soup products.

EVERY CAN COUNTS

Almost one billion *Heinz* cans are produced in the UK every year. In 2018, Heinz UK released a video on social media channels and selected television programs, to demonstrate to consumers that steel cans are 100 percent recyclable, and like all metals, can be recycled infinitely without degrading in quality. The video exhibits key aspects of how steel is recycled into new products, ending with the message: "Every can counts. Please play your part and recycle."





FEATURE STORY

From Seed to Bottle: A Journey to Become More Sustainable

Heinz is committed to making its ketchup more sustainable, from the fields where its tomatoes are grown to the bottles that transport its products into people's homes. As *America's Favorite Ketchup*, where every tomato in every bottle is grown exclusively from seeds unique to Heinz Seed development, we recognized the opportunity to help consumers live more sustainably too. That is why Heinz has been breeding HeinzSeeds the same way since 1936, for high quality, high-yield, disease and drought resistant varieties. Our tomato seeds use minimal pesticides and fertilizers, need less land and less water. And since we're the global market leader in commercially sold processing tomato seeds, that also means significant benefits for both the farmers and the environment when using our varieties, all the way to the consumer.

Moreover, we wanted to also make a difference with the packaging of *Heinz Ketchup* bottles by making it easier to recycle. In 2017, Heinz began converting its plastic ketchup bottles to a single layer of PET plastic – prior versions of the bottle included multiple layers of plastic, which complicate and can contaminate the recycling stream with non-recyclable materials. The transition meant *Heinz Ketchup* bottles would be easier to recycle in many municipalities around the country. By the end of 2018, all *Heinz Ketchup* bottles (excluding those larger than 64 ounces) were reformatted to a single-layer design.

In addition to improving recyclability, it was critical that the change did not impact the look and feel of the packaging, or the product's taste, performance and shelf life. Nearly three years of research and testing ensured the new

packaging approach wouldn't impact what consumers know and love about *Heinz Ketchup*. In fact, Kraft Heinz was so pleased with the results that *Heinz BBQ Sauce* also transitioned packaging using the same technology.

As Kraft Heinz continues its journey to reduce its environmental impact through more sustainable packaging, the new *Heinz Ketchup* bottles are paving the way towards what's possible to making recycling more universal. In fact, between 2017 and 2019, we converted 290 million bottles from being essentially non-recyclable to more readily recyclable. That's enough bottles roughly equivalent to circling the Earth 1.5 times that we collectively can keep out of landfills.



In Brazil, farmers using a hybrid variety of HeinzSeeds have increased their tomato yields by 33 percent over the course of three years from 2017 to 2019, using less land and water.



Responsible Sourcing

At Kraft Heinz, we not only believe in striving to be better every day within our own operations, but we aspire to work with our entire value chain to continually improve on social and environmental factors. We are dedicated to responsible sourcing and related impacts in critical areas to Kraft Heinz and our stakeholders. These include areas of focus such as human rights, deforestation, animal welfare and sustainable agriculture. We are also committed to strengthening our due diligence and management programs, while keeping the needs of our suppliers and our customers a top priority.

Human Rights

✦ *We commit to update Supplier Guiding Principles and implement 3rd party diligence audits by 2021.*

Kraft Heinz values all life. We have a zero-tolerance approach to human rights violations across our entire value chain. As we look at our business, we know human rights is an essential part of being a good corporate citizen and doing the right thing.

In 2019, Kraft Heinz released a new [Global Human Rights Policy](#), which is guided by internationally recognized standards, including the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights and the principles set forth in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

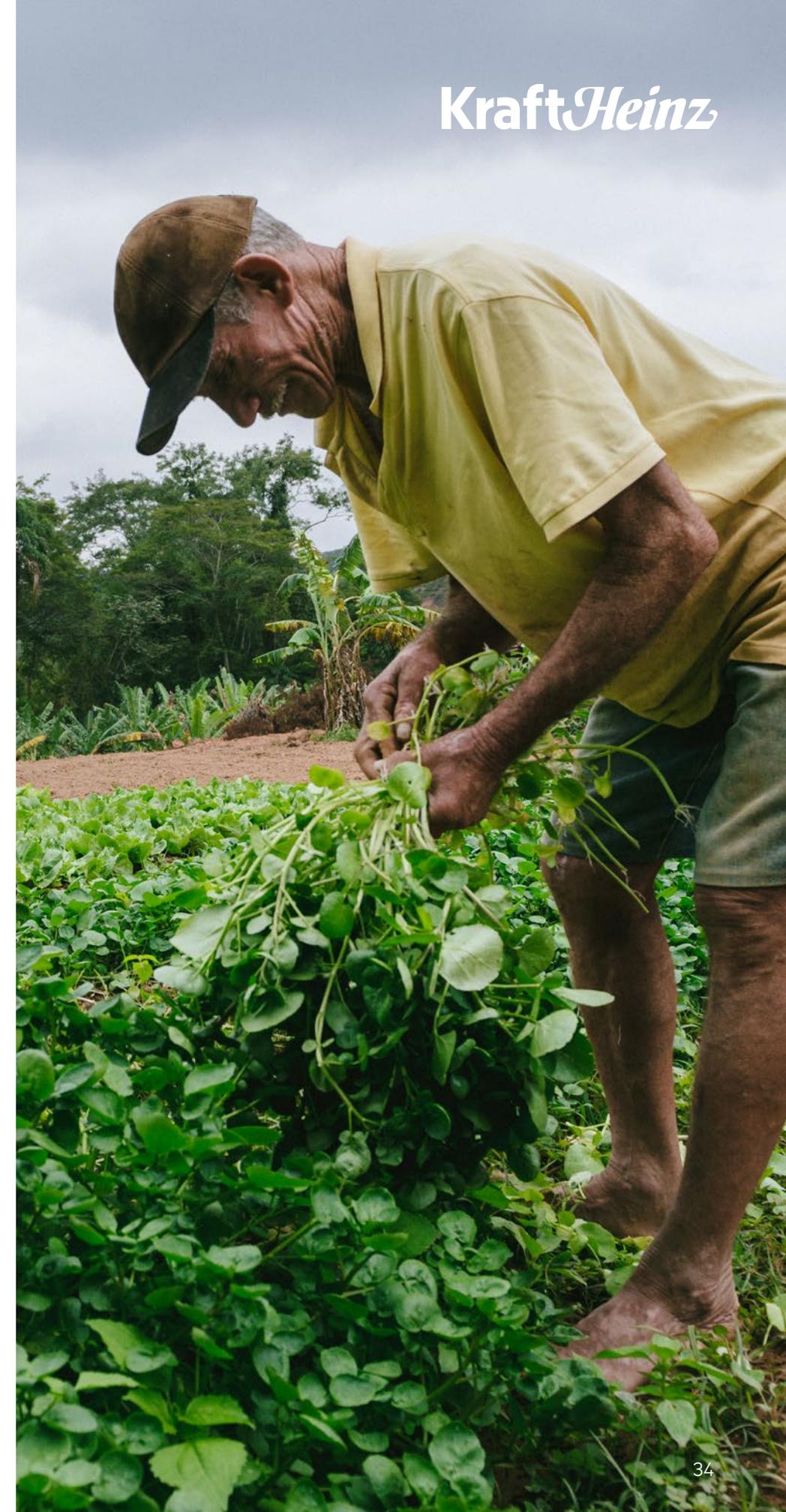
As part of the Policy, Kraft Heinz requires all employees and related entities, suppliers and business partners to strictly adhere to our human rights standards, which, in summary:

- Prohibit child and underage employment
- Prohibit trafficking, forced or involuntary prison labor
- Prohibit all and any forms of abuse, bribery, harassment and discrimination
- Recognize and respect the rights of freedom of association and collective bargaining
- Recognize and respect fair, legal and equitable work timeframes, working conditions (including health and safety) and wages

- Recognize land rights, natural resources and ensure all workers' rights to clean water and adequate sanitation facilities
- Require all labor recruitment and employment procedures to be carried out in a legal and ethical manner

Following the release of the Policy, Kraft Heinz undertook a global human rights risk assessment with third-party assistance. This exercise highlighted relative risk factors by commodity type overlaid with associated geographical risk. The evaluation also included economic and social criteria to determine points in our value chain where risk is highest, and where we could make the greatest impact. The scope of the assessment was all encompassing – rather than only evaluating specific commodities, we assessed nearly all of our ingredient food purchases. This assessment is influencing our plans to continuously develop and improve our due diligence and management programs. We aim to take a collaborative approach, working with our value chain to identify areas where we can collectively make improvements.

Kraft Heinz is committed to addressing any adverse human rights impacts within its supply chain. We require our suppliers, business partners and other relevant stakeholders to likewise adhere to any improvements as necessary. We also look forward to strengthening our 3rd party audit programs to ensure compliance with our Global Human Rights Policy, as well as with other Kraft Heinz ESG policies. We will report the results of these audits to our Executive Leadership Team on a regular cadence.



Sustainably Sourced Palm Oil

 **We commit to procure 100% sustainable and traceable palm oil to the mill by 2022.**

The Kraft Heinz Company recognizes that unsustainable palm oil production is one of the largest drivers of deforestation globally, and as an organization we have taken active steps to address these issues in our supply chain. We (including through legacy Heinz prior to 2015) have been a proud member of the Roundtable on Sustainable Palm Oil (b) since 2007, a multi-stakeholder nonprofit aimed at uniting all aspects of the palm industry to minimize the negative impact of palm oil cultivation. In 2017, Kraft Heinz became a founding member of The North American Sustainable Palm Oil Network (NASPON). NASPON is an independent group of associations, civil society organizations, consumer goods manufacturers, retailers, and palm oil traders and producers, who are committed to increasing the use of certified sustainable palm oil (CSPO) in North America to 100%. NASPON works collaboratively to find industry wide solutions to secure certified sustainable palm oil in our products while adhering to human rights and labor laws, and while respecting local communities and biodiversity throughout the palm oil supply chain.



In 2017, Kraft Heinz initiated a partnership with The Rainforest Alliance to carry out an initial deforestation baseline risk assessment of our global (tier 1) direct supply chain and guide the development of our [Global Sustainable Palm Oil Policy](#). The implemented Policy incorporates environmental and social principles and highlights Kraft Heinz's commitment to sourcing palm oil that is 100 percent certified sustainable and traceable to the mill.



The baseline risk assessment of our direct global palm oil supply chain allowed us to identify potential deforestation risks, as well as peatland/biodiversity hotspot encroachment concerns. Direct suppliers were asked to provide information on the country of origin of their palm raw materials, as well as their sustainable/responsible sourcing policies. Details on their sustainable palm oil objectives were also shared, as well as their progress on those targets. Suppliers were also asked to provide traceability data for all palm oil mills in their supply chain. The mills' geographical location in conjunction with a global satellite mapping tool incorporated potential deforestation and other environmentally related risks in the mill sourcing regions. The information obtained from this exercise allowed us to engage our suppliers to discuss any identified risks and develop action plans to manage them.

- 2007:** H.J. Heinz Company becomes a member of the Roundtable on Sustainable Palm Oil.
- 2014:** Kraft Foods Group becomes a member of the Roundtable on Sustainable Palm Oil.
- 2015:** Kraft Heinz Company becomes a member of the Roundtable on Sustainable Palm Oil.
- 2018:** Kraft Heinz worked with The Rainforest Alliance to expand the scope of our deforestation risk assessment to include global external manufacturing partners.
- 2019:** Kraft Heinz initiates corrective action phase, engaging direct suppliers to address identified risks in their supply chains.

In 2019, we initiated our corrective action phase, engaging our direct suppliers to discuss identified risks in their supply chains and map out next steps. Moving forward, Kraft Heinz will continue to engage with direct suppliers, external manufacturers and indirect suppliers to advance our sustainable and traceable palm oil supply. We look forward to educating all of our stakeholders on our policy and expectations, maintaining accountability, and increasing transparency.



Kraft Heinz is proud to announce that we achieved 100% sustainable palm oil and 99.3% palm oil traceable to the mill, in 2019.

Direct Supplier Compliance

- 100% of tier 1 suppliers Rspo certified (a 39% increase from Baseline).
- 99.3% of direct supply chain traceable to the mill (an 11% increase from Baseline)
- 82% of our direct suppliers had sustainable palm oil sourcing policies in place

External Manufacturing Supplier Compliance (2018 Baseline):

- 84% of palm oil Rspo certified
- 77% of palm oil traceable to the mill
- 40% of our 300 plus external manufacturers had sustainable sourcing policies in place





Sustainable Soy Sourcing

In partnership with The Rainforest Alliance, in 2019 Kraft Heinz expanded its forest risk commodities supply chain assessment to include soy. The first phase of this work focused on our global direct soy-based ingredient suppliers, with the purpose of carrying out a baseline evaluation to understand their sustainable soy sourcing policies and commitments. As part of that process, we evaluated any existing sustainable product certifications and sourcing risks based on countries of origin. We also established greater visibility to their overall chain of custody.

Based on results obtained from our direct global suppliers that completed the survey, we learned the following about our global soy volume, approximately:

- 47% is sourced from low-risk countries of origin in regard to environmental and social risk
- 5% comes from potential medium-risk countries of origin
- 38% comes from potential high-risk countries of origin

Additionally, 49 percent of the suppliers that participated in the exercise reported a sustainable sourcing policy in place, while 33 percent of the suppliers that indicated they do not have a policy in place, communicated they could develop and implement a policy in the future. This initial assessment helped us gain visibility into and increased transparency of a considerable segment of our global soy supply chain. Further engagement is needed in our soy value chain to investigate potential risks. The assessment produced a number of key recommendations that we are in the process of evaluating to help determine next steps.



A Culture of Animal Welfare

Kraft Heinz believes that animals deserve a good quality of life and to be treated humanely. We have an unwavering commitment to the care of animals in our supply chain. Although we neither own nor manage farms, we align with our suppliers in requiring their animals be treated with care, understanding and respect.

Kraft Heinz believes that good animal welfare includes three elements which guide our animal welfare policies and initiatives:

- **Health and Productivity:** healthy animals that are provided with quality shelter, feed, and water
- **Emotional Well-Being:** negative experiences minimized and positive experiences enhanced
- **Naturalness:** animals perform important species-specific behaviors

This concept of animal welfare builds upon the internationally recognized “Five Freedoms” of animal welfare which include the fundamental principles of 1) freedom from hunger and thirst; 2) freedom from physical and thermal discomfort; 3) freedom from pain, injury or disease; 4) freedom to express normal behaviors; and 5) freedom from fear and distress.

We support housing designs that support an animal’s ability to perform species-specific behaviors. Examples include, but are not limited to, cage-free housing with perches and nest boxes for laying hens and group housing for gestating sows. When painful procedures need to be performed, we encourage pain mitigation, such as the use of anesthetics or analgesics. Kraft Heinz expects its suppliers to implement practices and pursue continuous improvement consistent with the Five Freedoms and good animal welfare.

Kraft Heinz believes animals deserve to be treated humanely. At the same time, public interest in farming and animal care is continually increasing and consumers desire farming practices that match their values and expectations. Good animal welfare, environmental sustainability, and healthy people form an

interconnected system, and well-managed farms reduce waste and provide a safe, nutritious food supply. Knowing this, we integrate science and societal ethics in our animal welfare decisions. Kraft Heinz is transparent about our supply practices and progress. These are disclosed via our [Global Animal Welfare Policy](#), website and through our ESG reports.

Our animal welfare policy applies to the entire global company and all its business units that use animals or animal products. A Global Steering Group monitors compliance to this policy and reviews it biennially to ensure it remains consistent with current science, best production practices, and societal values.

Our Advisory Committee of Experts

In 2019, we established an advisory committee composed of livestock, poultry, aquaculture, and fisheries welfare experts. This committee provides guidance on science and best practices, animal welfare assessment, and emerging topics in animal welfare. Our animal welfare specialist provides training on farm animal production and welfare to cross-functional team members within the company. Externally, our specialist serves on the animal welfare committees of the North American Meat Institute and the National Turkey Federation.



Our Supply Partners

Our suppliers are our partners in humane animal care and its continuous improvement. We expect suppliers to maintain strict standards of animal care and raise animals in accordance with the laws and ordinances in their locale. We require our suppliers to have a zero-tolerance policy for animal abuse and neglect, and to train all individuals working with or around live animals on the policy. In addition to the animal welfare policy, animal welfare expectations are delineated in the Kraft Heinz Ingredient Supplier Quality Expectations Manual and product specifications. When evidence of non-compliance exists, Kraft Heinz may suspend the supplier until corrective actions have been implemented. Suppliers who do not align with the requirements or do not make continuous and positive improvements to meet them risk losing Kraft Heinz as a customer.



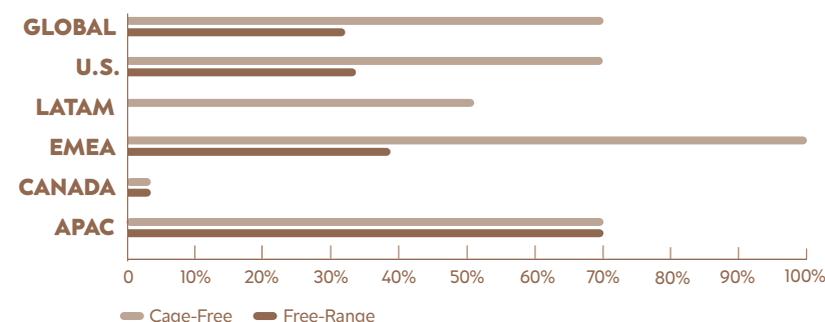
Animal Health & Management

 We aim to procure 100% Free-range eggs in Europe by 2020 and 100% Cage-free eggs globally by 2025.

Laying Hens

The ability to engage in normal behaviors such as walking, nesting, and dust-bathing is important to laying hen welfare, which is why we support housing such as cage-free housing with perches and nest boxes. In Europe, we have committed to switch to exclusively purchasing free-range eggs by the end of 2020 and we remain on track to complete that transition on-time. In 2019, 39 percent of our European egg supply came from free-range farms. The remainder of our European supply came from hens housed in enriched colonies. Throughout the rest of the world, we are transitioning to purchasing only cage-free eggs by 2025. Globally, our supply of eggs and products is 70 percent cage-free or free-range.

PROGRESS ON EGG COMMITMENT



Pigs

In accordance with the three elements of animal welfare, we believe that pregnant sows should be safely housed in social groups with enough space to perform normal behaviors. The industry faces challenges to meet the demand, especially for pork that complies with strict regional legislation. Kraft Heinz is working with our pork suppliers to transition pregnant sows from conventional gestation stall housing to alternative gestation housing. In 2019, 16 percent of our global and 100 percent of our European pork supply came from sows housed in alternative gestation systems.

Broiler Chickens

We have committed to improving broiler welfare by 2024. We continue to incorporate leading science into our assessment of broiler welfare, while we engage with the industry at-large as it redefines its guidelines for enhanced broiler welfare. We will incorporate a combination of outcome-based and practice-based metrics that are shown to demonstrably increase animal welfare. Targets include stocking density, litter quality, enrichment provision, and controlled atmosphere stunning and will incorporate supplier verification, such as auditing. We continue to engage with our United States supply partners in meeting enhanced broiler chicken welfare standards.

European Chicken Commitment

In late 2019, The Kraft Heinz Company expanded its animal welfare commitments to improving chicken welfare by 2026 as part of the [European Chicken Commitment](#). Kraft Heinz continues to assess and work to transition its European supply chain accordingly, and looks forward to future updates on progress.

Animal Health & Management (cont.)

Dairy Cattle

North America: We require our U.S. suppliers to follow the National Milk Producers Federation's Farmers Assuring Responsible Management (FARM) Animal Care guidelines. This program establishes best on-farm animal management practices and includes second-party evaluations and third-party verification. Most of our dairy supply comes from U.S. farms. Our Canadian suppliers follow the National Farm Animal Care Council's Code of Practice for the Care and Handling of Dairy Cattle. Third-party audits are required to ensure that the U.S. and Canadian programs' guidelines are followed.

India: Dairy farming is an important occupation in Uttar Pradesh, North India. In many villages, farmers do not have access to qualified veterinarians or government programs to support their work or animals. Between 2015 – 2018, Kraft Heinz provided an animal health and education program to the 3,000 milk farmers in 30 villages surrounding our Aligarh factory (ending when we divested the factory). The program consisted of three elements:

1. Farmer education on disease prevention, animal health and care, and milk safety
2. Quarterly deworming of animals
3. Annual vaccination of animals

Through this program Kraft Heinz has improved the lives of farmers, their families, and the animals in their care.

Eliminate Painful Procedures

We are working with farmers and the industry to develop and adopt practical alternatives that eliminate painful procedures. When painful procedures need to be performed, we encourage pain mitigation, such as the use of anesthetics or analgesics. We expect our suppliers to adhere to industry guidelines, which were developed to provide safe, quality products while keeping both animals and humans safe.

Humane Endings

We believe animals should be provided a respectful and humane death. Compromised animals must be euthanized in a timely manner that aligns with the American Veterinary Medical Association (AVMA) or World Organisation for Animal Health's (OIE) guidelines. Similarly, slaughter should also align with these guidelines. Efficient stunning prior to slaughter is important for animal welfare. One hundred percent of our U.S. Oscar Mayer product suppliers report that they comply with our product specifications which require an annual 3rd party humane slaughter audit and weekly internal animal welfare audit

Antimicrobials

Disease prevention strategies such as husbandry, hygiene, and vaccinations must be the primary defenses against animal disease. However, even with excellent care farm animals sometimes become ill. When this occurs, antimicrobial treatment (including antibiotics) can be an important component of humane animal care. Therapeutic antimicrobials should only be used after careful review by a veterinarian and treatment limited to ill and at-risk animals, treating the fewest animals possible. Alongside good farm management, responsible antimicrobial use can help enhance food quality and safety.

In the United States, where the majority of Kraft Heinz meat ingredients are purchased, we require our suppliers to meet or exceed the AVMA or OIE guidelines for the judicious use of antimicrobial agents. Our meat and dairy products meet or exceed government regulations related to the use and administration of antimicrobials, including compliance with bans on antibiotics for growth promotion.

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 hormones are approved for growth promotion in dairy cattle, veal calves, pigs, or poultry and no growth hormones are used in our animal supply chain.

Governmental regulation of recombinant bovine somatotropin (rBST) for dairy production varies between countries. Where rbST is approved, we do not restrict its use. However, we support industry initiatives to eliminate rBST from the supply. Since early 2019, most of our Kraft Natural Cheese products have been made with milk from cows that were not treated with rBST.

Testing of Food Ingredients

Kraft Heinz does not support or condone the use of animals for research that is not essential to food safety, and we do not maintain any testing facilities. When required by governmental agencies, ingredient safety testing is completed by accredited third-party facilities following appropriate animal welfare guidelines. We do not support unnecessary testing and are advocates for replacing animal testing with other validated research methods.



Animal Welfare Risk Assessments

Annually, all U.S.-based Kraft Heinz suppliers of animal and animal-derived products are required to complete an animal welfare risk assessment. The assessment was developed by a cross-functional internal panel that included animal welfare, procurement and quality team members and was reviewed by an external team of animal welfare scientists. The assessments review suppliers' strengths and weaknesses on animal welfare policies, personnel training, transportation, stunning methods and auditing. Kraft Heinz's animal welfare team works with lower-performing suppliers, which make up a small percentage of our total supply chain. Together they create action plans to develop policies and procedures that improve animal welfare. Low performing suppliers unwilling or unable to improve animal welfare may jeopardize their status as Kraft Heinz suppliers. We look forward to expanding assessment requirements to all suppliers globally for the first time in 2020.

POULTRY			PORK	CATTLE	
Turkeys	Broiler Chickens	Laying Hens	Pigs	Dairy	Beef
KEY WELFARE ISSUE					
<ul style="list-style-type: none"> · 95% of our U.S. supply does not have snoods removed · 98% of our U.S. supply does not have toes clipped · 100% of our U.S. supply has annual animal welfare audits at the plant 	<ul style="list-style-type: none"> · 100% of our U.S. supply is cage-free · 100% of our U.S. supply has not been beak trimmed · 100% of our U.S. supply has not had wings trimmed 	<ul style="list-style-type: none"> · 70% of our global supply is cage-free or free-range <ul style="list-style-type: none"> · 77% for liquid eggs · 44% for processed eggs · We do not purchase shell eggs · 100% of our U.S. supply is certified by American Humane Certified, Certified Humane, or United Egg Producers 	<ul style="list-style-type: none"> · 100% of our European supply raises sows in alternative gestation housing · 16% of our Global supply raises sows in alternative gestation housing · 100% of our U.S. supply has annual animal welfare audits at the plant 	<ul style="list-style-type: none"> · Farmers Assuring Responsible Management and Code of Practice for the Care and Handling of Dairy Cattle program and guidelines are required for U.S. and Canadian suppliers, respectively · Tail docking was prohibited in U.S. and Canadian supply in 2017 · 95% of our U.S. supply no longer tail docks · < 1% of our U.S. dairy supply brands cattle · 98% of the cattle in our U.S. dairy supply do not have hock injuries · 98% of the cattle in our U.S. dairy supply are free from moderate or severe lameness 	<ul style="list-style-type: none"> · 100% of our U.S. supply has annual animal welfare audits at the plant
GOALS & INSIGHTS					
<ul style="list-style-type: none"> · We have an ongoing project that includes encouraging adoption of decision trees for euthanasia and fitness to transport for poultry 	<ul style="list-style-type: none"> · We are committed to working with suppliers for science-based improvements in broiler welfare that align with environmentally sustainable practices 	<ul style="list-style-type: none"> · Goal: 100% free-range egg purchases in Europe by end of 2020 · Goal: 100% cage-free egg purchases globally by 2025 · We are on target to meet these goals 	<ul style="list-style-type: none"> · We will continue to work with animal welfare experts and suppliers on best practices to eliminate painful procedures, such as teeth clipping, castration, and tail docking, where possible and mitigate the pain when necessary 	<ul style="list-style-type: none"> · We applaud our suppliers and the industry for enhanced pain mitigation protocols at disbudding · We will continue discussions with suppliers and industry partners about incorporating polled genetics · We support Farmers Assuring Responsible Management implementing corrective action/probation plans for farms that don't comply with tail docking regulations 	<ul style="list-style-type: none"> · We are working with suppliers to better understand transport distances in all stages of production for beef cattle in our supply chain

Sustainable Agriculture

 **We commit to sustainably source 100% of Heinz Ketchup tomatoes by 2025 in accordance with our Sustainable Agriculture Practices.**

As a food company, Growing Sustainably takes on a very literal meaning, as we recognize the importance of sustainable agriculture in all of our products. Through the work of our experienced agronomists and procurement teams, we are proud to work with our suppliers to advance sustainable agriculture practices knowing that these commodities are integral to our business and to the well-being of our consumers and communities in which we operate.

At Kraft Heinz, sustainable agriculture has been a history of working with growers to drive turnover crops to promote multigenerational fields, increase yield at the field and in processing, drive next generation breeding through our seed business and find ways to increase water efficiency.

Through thorough research in our laboratories and with experienced agronomist teams on the ground, we ensure we stay at the forefront of sustainable agriculture, applying what we learn to additional parts of our business.



The Kraft Heinz Sustainable Agriculture Practices will guide our engagement strategy as Kraft Heinz works toward sustainably sourcing 100 percent of *Heinz* ketchup tomatoes by 2025. We aim to dig deep *In Our Roots* to use 150 years of forward-looking, responsible agricultural and human rights practices to build on our agricultural legacy with our farmers. We are committed to bringing forward our sustainability heritage, as Henry J. Heinz (founder of the H.J. Heinz Company) famously noted, “Protect the consumer by owning the product all the way from the soil to the table.”

We are excited to begin reworking this program and commit to sharing our progress.

Cultivating High-quality Ingredients Globally through Best Practices

Sustainable farming practices do more than save important natural resources. They also have the potential to considerably increase crop yields and provide growers and their families with greater economic opportunity. Since 2000, Kraft Heinz has taken significant steps to strengthen its supply chain by evolving its Sustainable Agriculture Practices Manual and working in partnership with growers to implement those practices.

As a result, Kraft Heinz growers have achieved larger crop yields and higher crop quality in regions around the globe. In Spain, tomato growers enacted the Practices by implementing new soil health procedures, including adding soil enhancers, cover crops and tillage to increase organic matter and water retention. Yields improved from 70 tons of tomatoes per acre a year in 2011 to more than 110 tons per acre in 2019.

Wattie’s, a New Zealand-based brand produced and sold by Kraft Heinz, has forged long-standing relationships with its growers – many of which span multiple generations. Working together over time to implement Sustainable Agriculture Practices, *Wattie’s* is now able to source 100 percent of its ingredients in a more sustainable way. Simple information-sharing between Kraft Heinz agronomists and growers has proven to be one of the most impactful aspects of the Practices. Thanks to the trust that open and consistent communication builds, *Wattie’s* growers have optimized water use by implementing innovative tools and irrigation initiatives that use less water.

Of great importance to our *Wattie’s* brand and customers is that we incorporate a large percentage of New Zealand Grown products. In fact, over eighty percent of *Wattie’s* produce is grown and picked in New Zealand. Through local sourcing we are also able to ensure the freshness of our produce due to the shorter distances traveled. And as important, the proximity also allows us to work closely with our growers, understanding the environmental impacts they are facing in real time.





FEATURE STORY

Pudliszki Ag Team

If you're a farmer anywhere in the world – or a global food and beverage company like Kraft Heinz – water is the lifeblood of your operation. And for those individual small growers in Poland who turn the world-class tomatoes they grow into market-leading *Pudliszki* tomato paste and ketchup, increasing their agricultural yields during years of irregular rainfall was no small feat.

In 2018, Europe experienced extremely high temperatures and low rainfall. The western part of Poland was particularly affected, leading to drought conditions for most of the tomato-growing season. Fortunately, the Pudliszki and Kraft Heinz Global Agriculture team had implemented practices from the Kraft Heinz Sustainable Agriculture Practices Manual in years prior. This enabled local farmers to salvage the year, growing the required quantity of quality tomatoes for *Pudliszki* tomato paste and much-beloved ketchup.

More than 80 percent of the brand's tomatoes are grown without irrigation, due to Poland's lack of a systematic national crop irrigation plan and the large dispersion of crops. For the past 15 or so years, the Pudliszki team has been working "to alter some of these (irrigation) techniques we know work around the world that hadn't been properly introduced to the Polish market," King said. "That has evolved into the practices we do every year. We know if we make the best preparatory steps, we have the greatest chance for success."

Pudliszki Senior Agronomy Manager Slawomir "Slawek" Paszkier noted, "Twenty years ago, we had 800 farmers. Now we have 120. But we have more than doubled production since then." And that's despite the fact these small growers still harvest all their all-Polish-seeded tomatoes manually. "We can achieve the same yield without irrigation."

Poland is "the only place (within Kraft Heinz) we transplant and grow tomatoes without irrigation," says King. "Slawek and his farmers get the credit for making these changes over time."

PUDLISZKI AG TEAM (CONT.)

The Pudliszki team has diversified its raw material base by locating fields in various regions with different types of soil – allowing them to obtain stable yields in a range of weather conditions. In dry years, they reap higher yields in heavy soils; in years with lots of rainfall, they obtain high yields in sandy, permeable soil. Because the brand sources tomatoes from areas with heavy animal production, the resulting natural fertilizer improves the humus content and water ratios in the soil. Other techniques employed by the Polish team include:

- Using a scraper on fields to eliminate pits and hills, leveling the land and leading to uniform water distribution throughout the field
- Increasing the permeable layer for water and roots through use of deep chisels – tools introduced to the Poland team by Kraft Heinz agronomists – allowing tomato plants to access deeper layers of water
- Planting deeper, allowing the plants' root systems to better develop from the beginning, increasing the volume of soil from which the plants draw water
- Properly selecting plant varieties that can adapt to local weather conditions (over the past 12 years, they've tested more than 1,000 different types)
- Properly scheduling transplanting, extending the season by several weeks
- Using improved and specific foliar fertilizers to improve the plants' water ratios

A Kraft Heinz affiliate for more than 20 years, Pudliszki – in partnership with Kraft Heinz Global Agriculture – has completely modified the plant varieties local farmers grow and the technology they use. In addition to tomatoes, Pudliszki also processes sweet corn, green peas, cabbage, onions, carrots and other crops for the sauces, beans, and canned vegetables they sell (less than half of these non-ketchup products are exported beyond Poland).

With nearly all of the *Pudliszki* brand ketchup sold in its home market, these farmers know the products made from their tomatoes help feed their own families and friends. And since 2019 was the 100th anniversary of the *Pudliszki* brand, this milestone gives the team something else to celebrate. Moreover, in Poland, some farmers have been growing tomatoes for *Pudliszki* products for half a century. “The Polish farmer has an incredible emotional tie to the land,” Paszkier says. He himself grew up near the current Kraft Heinz factory, and has worked for the company for two decades.

“In Poland, it’s really an iconic brand, That’s a real source of pride.”

— Gary King, Global Agriculture Group Lead.

Maintaining and strengthening these ties is a joint effort between the Pudliszki and Kraft Heinz Global Agriculture teams. Over the years they’ve hosted a lecture series for Pudliszki-growing farmers – what Gary King calls “show, not tell.” These “Open Days” – as well as large-scale presentations for hundreds of farmers during the slower winter months – give these professionals (and often their families) a chance to learn about new plant varieties, get updates on pesticide policies, and hear about and try out new techniques.

“Agriculture’s always evolving,” King says. “There are always new technologies we can show them. Our approach has always been to do good agricultural practices because they’re the right thing to do. In most cases, we’re at or better than what the certification will be.” Ultimately, “if it’s not economically sustainable, it doesn’t work.”

KraftHeinz





FEATURE STORY

Assisting Coffee Farmers in Honduras

We support the hard-working and dedicated farmers in our value chain. In January 2015, Kraft Heinz – via its *Gevalia* coffee brand - launched a partnership with TechnoServe, a nonprofit focused on strengthening business and technical skills in the developing world. This initiative assisted Honduran smallholder coffee farmers and helped them achieve incremental income, 25 percent coffee yield increases and greater yield quality. Participating farmers received training on land preparation, planting, pest and disease control, and harvest and post-harvest management. This not only strengthens the yields of the farmers' primary crop, but can also significantly improve the livelihood and food security of the farmers. Many coffee farmers in Honduras, a key coffee-growing area, have not had access to good agricultural support and are especially struggling to adapt their farming practices to the effects of a changing climate.

Results have been encouraging, and demonstrate the importance of programs like this as a means to improve farmer livelihoods in a sustainable manner. Approximately 3,000 coffee farmers have been trained to boost production and enhance the quality of their coffee beans. The project has also trained farmers on bean production practices and the various benefits of farm diversification (specifically, avocado production). The partnership has resulted in a 31 percent increase in farmer income. In addition, trained farmers have successfully implemented best management practices at an average rate 52 percent higher than in three control communities in Honduras. The surrounding communities where successful implementation occurs, directly benefits the farmers and those

communities in many ways. For instance, successful farming operations acts as the catalyst to additional financial support to strengthen and expand businesses. This was key to the launch of 79 additional producer organizations that now sell directly to the local exporters.

One such beneficiary was Hector Emilio Cardona, who has been a coffee farmer for 25 years. His farm was severely affected by leaf rust in 2013, so he decided to replant with more disease-resistant varieties. Through the partnership with TechnoServe, Hector was able to build a solar dryer and improve the quality of his coffee. He sold 15,000 pounds to one of TechnoServe's export partners, earning Hector a \$2,700 premium over what the exporter paid for conventional coffee. This gave him the ability to repay loans, fix his car, put a concrete floor in his house, and start construction on a new bathroom. Amazingly, Hector also donated some of his earnings to a neighborhood preschool.

Farmers like Hector were also encouraged to set up producer organizations that could sell directly to local exporters, giving them more potential markets for their products. These organizations not only facilitate the spread of best practices but also give farmers access to loans. Kraft Heinz and Gevalia are thrilled with this project, which led to clear positive outcomes and sustainable futures for thousands of coffee farmers in Honduras.



Ethical Bean: From Crop to Cup

Ethical Bean makes delicious coffee, filled with purpose. Ethical Bean Coffee is a leading roaster of 100 percent Fairtrade certified organic and traceable coffee, headquartered in Vancouver, BC, Canada. The motto at Ethical Bean is 'if it's not just, better., we just don't do it.'

The driving component of Fairtrade coffee is that farmers receive a fair price for their crop, cascading into community benefits. At the same time, Fairtrade farmers often have increased access to enhanced, more environmentally-friendly farming techniques, which reap environmental, community, crop and ultimately consumer benefits as well.

Roasting this way since 2003, Ethical Bean recognizes the importance of accountability, transparency and traceability, all the way from the crop to the cup, so also shares this information with its consumers. Consumers can simply scan the unique QR code on the back of every bag with their camera app, and learn a host of interesting facts:

- Where the Fairtrade co-op(s) that grew the beans inside are located (e.g. Peru, Mexico, Nicaragua, Colombia, Guatemala, El Salvador, Honduras or Ethiopia)
- When the coffee was roasted
- Who roasted the coffee
- How the coffee scores on body, sweetness or other qualities

Philanthropy

Since 2004, Ethical Bean has also provided more than \$150,000 to Child Aid, a non-profit dedicated to improving literacy in Guatemala. Child Aid's FUNDIT program provides children in Guatemala with the finances they need for school registration, school supplies, uniforms, and more. Ethical Bean's financial support provided these types of provisions to more than 560 primary, middle, and high school students. In 2010, the FUNDIT Scholarship Program was renamed the Ethical Bean Scholarship Fund. Today, the partnership

expands to the larger Child Aid literacy coaching program dedicated to "creating classrooms that work," in more than 100 elementary schools in three districts (provinces) in rural Guatemala. Learn more about [Child Aid](#).

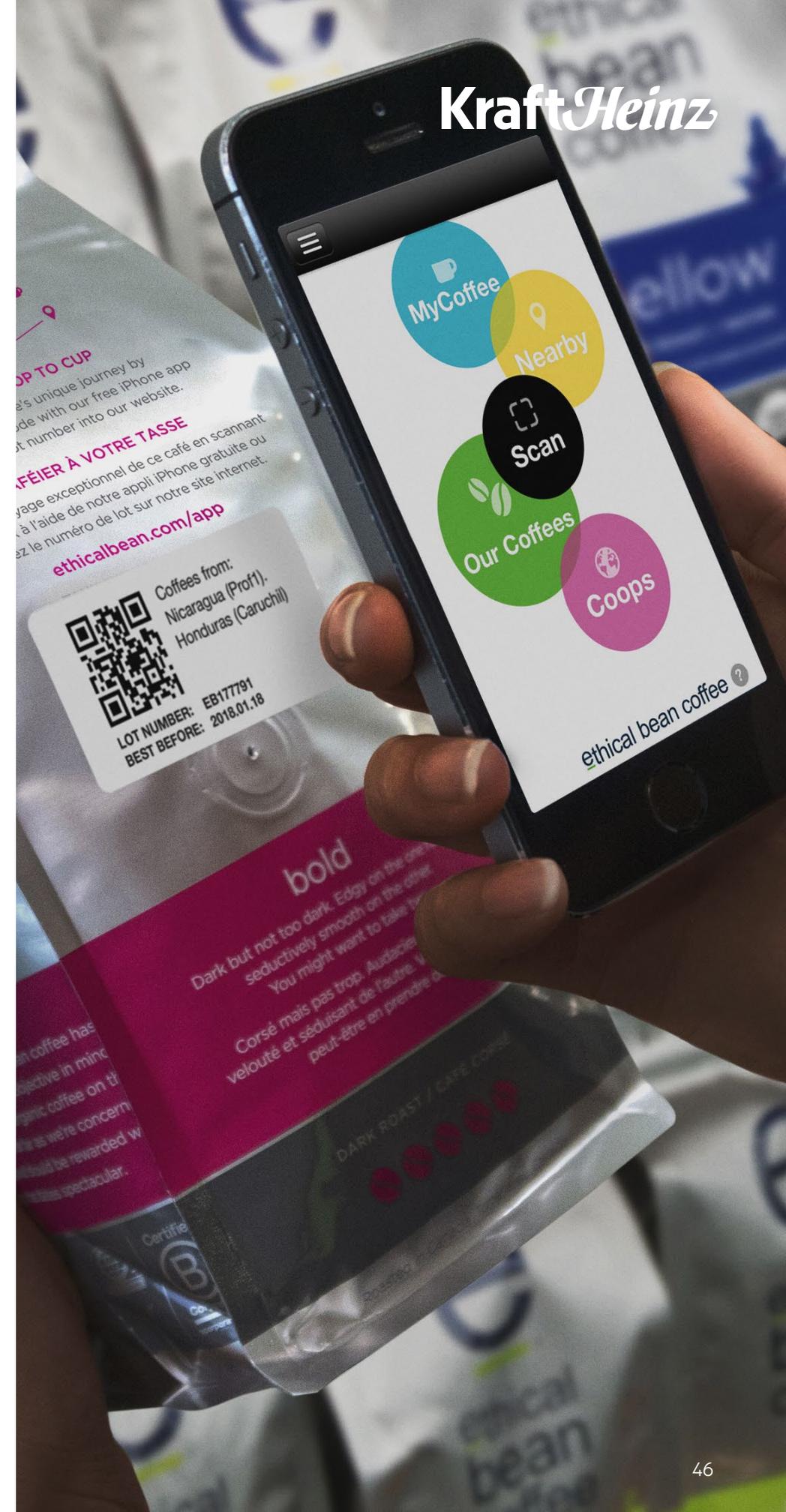
Since 2011 Ethical Bean has also donated \$10,000 annually to the Guatemala-based Project Somos Village, an organization dedicated to helping at-risk children and their mothers escape the poverty cycle through education, skills building and a healthy food supply. Learn more about [Project Somos](#).

Bag Return Program

Ethical Bean also facilitates a bag return program where consumers can return 12 bags in exchange for a free fresh bag of Ethical Bean coffee. Bags are collected at the head roastery, and then sent to Terracycle, which specializes in zero-waste solutions for difficult-to-recycle waste streams. Terracycle cleans, shreds, and pelletizes the plastic, and then integrates it into plastic items already in production, such as park benches.

Renewable Energy Commitment

Ethical Bean addresses the environmental footprint of its production through a partnership with Bullfrog Power by purchasing 100 percent renewable natural gas and biofuel for the head roastery and vehicle fleet, respectively. This has displaced over 950 tonnes of carbon to date. The company also measures its carbon footprint annually using Climate Smart.





Socially-Responsible Seafood

Kraft Heinz is committed to responsibly sourcing seafood. We recognize that seafood is already the largest traded food commodity in the world, and that demand continues to grow. Today approximately 3 billion people sustain themselves on wild-caught and farmed seafood as their primary source of protein. Along with that scale, comes significant downside potential in terms of detrimental environmental impact on fish stocks, marine life and coastal habitats, as well as human rights issues in the supply chain.

That is why Kraft Heinz is committed to sourcing seafood sustainably and providing transparent updates on our progress. Kraft Heinz continues to work with The Tuna Store in offering new brands of high-quality tuna products to our foodservice customers. As part of the Tri Marine Group of Companies, The Tuna Store is a vertically integrated company controlling every link in its supply chain. As a result, the Tuna Store supplies Kraft Heinz with quality product that is both traceable to the fish and sustainably sourced, 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 transitioned to FAD-free tuna. We completed that transition in 2017, and now purchase approximately 6.7 million pounds of FAD-free skipjack tuna in Australia and New Zealand annually.



A white icon depicting three stylized human figures of varying heights, representing a community or group of people. It is located to the left of the main title.

Healthy Living & Community Support

The Kraft Heinz Company is a leading food company with a diverse portfolio of products to suit a vast array of eating occasions and life-style choices. A key part of our corporate strategy is naturally a commitment to people, to nutrition and health, and making life delicious all at once. Some of the actions we are taking to support this commitment include ongoing improvements to the nutrition of our product portfolio, transparent and responsible marketing and communications, and alignment with credible science and public health goals. Through these actions, we aim to contribute to the key priorities and target achievement outlined by the World Health Organization's Global Action Plan for the [Prevention and Control of Noncommunicable Diseases](#), as well as several of the United Nation's [Sustainable Development Goals](#). We are specifically targeting achievement of Zero Hunger through our support of Feeding America and Rise Against Hunger, Responsible Consumption and Production and Good Health and Well-being.

Global Nutrition Guidelines

 We exceeded our target by 6%, reaching 76% compliance with Kraft Heinz Global Nutrition Targets four years early and commit to achieving 85% compliance by 2025.

 We commit to reducing total sugar in our products by more than 60 million pounds across our global portfolio by 2025.

In 2018, we achieved our commitment to expand our nutrition guidelines globally. The Kraft Heinz regional nutrition guidelines of the U.S., Europe, Australia and New Zealand were used as a starting point to set our Global Nutrition Guidelines. The new [Global Nutrition Guidelines](#) identify nutrient targets for our products, with a focus on limiting sugar, sodium, saturated fat and calories. In addition, we continue to focus on increasing positive nutrients and offering alternative ingredient choices.

As part of this process, the Kraft Heinz Global Nutrition Group identified upper limits for calories, sodium, sugar and saturated fat across the 49 categories that represent our total global portfolio. Products that meet these nutrition guidelines align with globally recognized dietary recommendations from the World Health Organization, the National Academies of Sciences, Engineering and Medicine, and the European Food Safety Authority.

For some of the key products in our portfolio that we have developed these guiderails for, we have found that our guidelines go further than those of standard industry. This has been evident across specific categories where we have been assessed by credible third-party professionals or engaged with objective industry consultants.

In 2017, we announced a commitment to achieve 70 percent compliance with our Global Nutrition Guidelines by 2023. Since that time, we have been able to apply our guidelines to 82 percent of our markets globally. Among these, we are extremely gratified to report that at the end of 2019, we have achieved 76 percent compliance with our Global Nutrition Guidelines, achieving our goal four years ahead of schedule. Moreover, these guidelines provide the framework for product renovation and innovation that helps consumers meet nutrition recommendations through the products they enjoy.

 We commit to improve use and transparency of simpler ingredients by 2025.

 We commit to reducing sodium by an additional 5% in our BBQ Sauce and Kraft Salad Dressings in North America by 2025.

In response to our progress and carrying through our commitment to continuous improvement, Kraft Heinz is proud to announce that we are committed to:

- Continuing to apply our Global Nutrition Targets to *all of our products**, which include upper limits on calories, sodium, sugar and saturated fat.
- Publishing our Global Nutrition Targets and targeting the following changes in our product portfolio
 - Aiming for 85 percent of our products by sales weighted volume to be compliant with our Global Nutrition Targets by 2025**
 - We aim to achieve this target through reducing total sugar in our products by more than 60 million pounds across our global portfolio based off of 2019 volumes
 - Reducing sodium by an additional 5 percent in our BBQ Sauce and Kraft Salad Dressings in North America
 - Simplifying ingredients and
 - Increasing our offerings of plant-based proteins

We have set up a cross-functional team to also evaluate how our products can be simplified by using more ingredients that consumers recognize and are likely to use at home in their kitchens. The team's initial focus will be on artificial flavors, preservatives and colors. We have also established nutrition guidelines and guardrails for future innovation and renovation.

* These targets are based on daily intake recommendations published by the World Health Organization, the European Food Safety Authority and the National Academies of Sciences, Engineering and Medicine. Foodservice items and roast & ground coffee do not have specific targets; infant/toddler product targets are based on local guidelines.

** In countries with measurable data.





Heinz Tomato Ketchup

Since 1985, Kraft Heinz has been taking steps to reduce the amount of sugar in several products, without impacting the unmistakable taste of Heinz. After the successful implementation of *Heinz* Tomato Ketchup with 50% Less Sugar & Salt in Europe, we launched our very first *Heinz* Tomato Ketchup No Added Sugar & Salt in April 2018 in the UK & Ireland and extended to the rest of Europe. With more than six years of recipe development, every dollop of our delicious *Heinz* Tomato Ketchup No Added Sugar & Salt contains the irresistible *Heinz* taste that consumers know and love. We also launched *Heinz* Tomato Ketchup Simply with No Artificial Sweeteners and 100 percent *Heinz* taste, to great success. And in 2019, we added *Heinz* Tomato Ketchup with a Blend of Veggies, full of real carrots and butternut squash for a refreshing take on everyone's favorite ketchup, containing 25 percent added veggies and 25 percent less sugar than regular ketchup, which has also been very successful.

Plant-based Proteins

As one of the first widely commercially available plant-based products, we reformulated the 40-year old Boca brand in 2018 for taste and redesigned its packaging. We also worked with suppliers to improve the texture of the soy, as we look to accelerate our food and beverage brands with a focus on natural, specialty and organic brands.

We have an assortment of *Heinz* Beans products that are naturally high in fiber and protein, with no artificial colors, flavors or preservatives. Originally introduced more than a century ago, this iconic range includes many products that are also gluten free, low in fat and suitable for vegetarians and vegans.

Heinz Creationz products, in the United Kingdom, are also high in fiber and protein, and ready in just 90 seconds. *Heinz*' newly launched *Creationz* line is inspired by flavors from around the world and is made up of a carefully prepared mixture of beans or lentils with vegetables.

As part of our commitment to continually innovate and listen to consumer demand, Kraft Heinz launched a venture capital firm, Evolv Ventures, to invest in food technology companies. One of its focus areas is alternative proteins. We are committed to providing choices that help consumers feel better about the foods they eat.

In 2018, Heinz launched a line of Eat Well Soups in the U.K. The soups are low in saturated fat, with no added sugar, artificial preservatives or colors, making them a truly wholesome option for lunch. The hearty recipes have been developed by *Heinz*' culinary chefs, sourcing and carefully blending nutritionally rich ingredients like quinoa, lentils, spinach, butternut squash and cannellini beans for a balanced, flavor-packed soup sensation.

Organic

To offer our consumers choices that help them meet their health and wellness goals, we have a platform of brands with organic offerings that we are constantly looking to expand.

United States: In the United States, our certified organic products adhere to the U.S. Department of Agriculture's National Organic Program standards and regulations. Our organic certified products include Capri-Sun Organic juices and *Heinz* Organic ketchup. All agricultural products meet organic criteria and less than 5 percent of the total product contains allowable non-organic ingredients. Our *Kraft* Macaroni and Cheese Made with Organic contains over 70 percent certified organic ingredients.

Canada: In Canada, our organic products comply with the Canadian Organic Standards as required by the Canadian Organic Regime (COR). Examples include our *Kraft* Dinner Organic Original Macaroni & Cheese, *Heinz* Organic Tomato Ketchup, *Classico* organic pasta sauces, and *Heinz* organic baby foods and cereals.

Europe: In Europe, we offer *Heinz* Tomato Ketchup with 100% Organic Tomatoes to meet the needs of our customers. *Heinz* also expanded its Grow Your Own campaign, urging families across the UK to grow their own *Heinz* tomatoes, to help educate consumers on the growing process and how ketchup is bursting full of tomatoes. In its fifth year (2017) of the program *Heinz* reached 240,000 students and families across Europe.

Innovating New Health Conscious Products

At Kraft Heinz, we see challenges as opportunities for innovation and a way to provide better products for our consumers. We aim to create innovations that satisfy consumer demand for new and health conscious brands that they can feel good about. We do that by constantly researching, developing and launching products that reflect modern tastes and health, leading trends and consumer preferences. Our focus is on incremental volumes and mix improvement coming from new products, like *Boca Skilllets* which is high in protein, plant-based and wholegrain, or *Smart Ones Frozen Bowls*, which has limited calories, sodium and saturated fat. Likewise, our *Heinz Creationz* are high in fiber, low in fat and ready in 90 seconds. *Heinz Creationz* line is inspired by flavors from around the world and is made up of a carefully prepared mixture of beans or lentils with vegetables.

We launched entire portfolios of new products with reduced sugar and/or salt:

- *Karvan Cevitam* Syrup with 15% less sugar - the Netherlands (8 products)
- *Roosvicee* Multivitamin launched with 0% added sugar - the Netherlands
- *Karvan Cevitam* Adult Syrups (Signature Blends) launched low in sugar range (4 products) - the Netherlands
- *Heinz Baked Beans* No Added Sugar (reduced sugar) – UK
- *Heinz Tomato Ketchup* No Added Sugar – Canada
- *Heinz Tomato Ketchup* Low Sodium – Canada
- *Heinz Baked Beans* No Added Sugar – Australia
- *Heinz Spaghetti* No Added Sugar – Australia
- *Heinz Tomato Ketchup* No Added Sugar (reduced sugar and salt) – Europe, U.S., Canada
- *Heinz Tomato Ketchup* No Added Salt (reduced sugar and salt) – Europe, U.S.
- *Wattie's Baked Beans* 50% less added sugar (30% less salt) – New Zealand
- *Wattie's Spaghetti* 50% less added sugar (30% less salt) – New Zealand
- *Honig* Oriental Dry Pasta portfolios extended to two new dry pasta types in Oat and Spelt, and New XXL Wholegrain Pasta - the Netherlands
- *Honig* Wet Paste concentrated wet seasoning mix full of natural ingredients, 250 grams of vegetables recommended per dish and low in salt - the Netherlands

Likewise, we also launched various new product lines to offer consumers more choices to increase vegetables and legumes in their diet:

- *Good Taste Company* Chilled Meals – New Zealand
- *Wattie's SteamFresh* Seasoned Veggie range & *Wattie's Frozen Vegetables* (broccoli, cauliflower, edamame beans) – New Zealand
- *Wattie's Legumes* in spring water (pinto beans and cannellini beans) – New Zealand

A key role in product development is thoughtful partnerships that support a strong innovation platform. We joined forces with Food Network to launch Food Network Kitchen Inspirations, a new line of globally inspired salad dressings, cooking sauces and meal kits.



FEATURE STORY

Primal Kitchen®

Delighting Our Consumers with Real Food Ingredients

The *Primal Kitchen* brand believes consumers should not need to choose between great taste and real food ingredients. The brand offers pantry staples that do not require compromise. Using real ingredients—like avocado oil, collagen and apple cider vinegar—*Primal Kitchen* has created a suite of products without dairy, gluten, grain, refined sugar and soy, without sacrificing flavor.

Kraft Heinz acquired the *Primal Kitchen* business in January 2019. The new brand complements Kraft Heinz's core Condiments & Sauces categories and contributes to the company's commitment to using simple ingredients and providing choices that help consumers feel better about the foods they eat. *Primal Kitchen* has also introduced millions of Kraft Heinz fans to premium ingredients, as well as some new plant-based options.

Primal Kitchen signature Mayo made with Avocado Oil is the best-selling condiment in Natural Grocery retailers, proving brands can prioritize both simple ingredients and taste. The brand continues to find new ways to help consumers enjoy plant-based options. In 2019, *Primal Kitchen* added a pasta sauce collection to its portfolio including a no dairy Certified Keto alfredo sauce, which is plant-based and made with avocado oil.

The nutrition and wellness demands of today's consumers are ever evolving. Together, the *Primal Kitchen* brand and Kraft Heinz are helping to change the way consumers prepare foods for their families, achieving new heights of eating well without compromise.



NO artificial
preservatives

NO added nitrates
or nitrites*



Oscar Mayer Delifresh **BOLD**

*Except those naturally occurring.

Improving the Products People Love

Kraft Heinz has a long-standing commitment to improve the nutrition of its beloved brands and products, and we aim to consistently deliver the quality ingredients and products that our consumers are asking for. Whether it's relaunching *Oscar Mayer* Hot Dogs or investing to return *Miracle Whip* to its gold-standard recipe, we're continuously bringing new life into our iconic brands.

Our current priorities across our product categories include: removing artificial colors, flavors and preservatives; reducing sodium and added sugar where possible; and offering more gluten-free and organic choices. Some of our product offerings along these lines include the following:

- *Kraft* Dinner Original Macaroni & Cheese with no artificial flavours, colours or preservatives
- *Heinz* Ketchup with Blend of Veggies (25 percent added vegetables / 25 percent less sugar)
- *Wattie's* Soup of the Day range (reduced sodium)
- *Planters* Pistachio Lovers Mix (good source of fiber and seven vitamins/minerals)
- *Miracle Whip* 50 percent less sodium and cholesterol

In addition, *Oscar Mayer Deli Fresh* uncured sub-brand of cold cuts was renovated to expand our *Oscar Mayer* offerings that are made with no added nitrates or nitrites (except those naturally occurring), with the launch of uncured poultry and ham slices. They join our *Oscar Mayer* hot dogs and *Oscar Mayer* Naturals line which also have no added nitrates or nitrites (except those naturally occurring).



FEATURE STORY

Country Time LegalAde

Country Time lemonade has been a long-time supporter of kids' lemonade stands through its partnership with Alex's Lemonade Stand Foundation. Lemonade stands build solid life skills for kids and are an integral part of American summers. So when Kraft Heinz *Country Time* brand employees began to see stories about lemonade stands being shut down for legal reasons, they thought it had to be an urban myth. After looking into it and seeing even more instances, they realized these weren't myths – these were real stories. A very real response seemed the best way to shine a light on the issue. To see kids discouraged from this rite of passage compelled the brand to speak up and take a stand.

In 2018, *Country Time* decided to set up a "Legal-Ade" team to straighten out lemonade stand-related permits and fines. Any child fined for running a lemonade stand without a permit could have his or her parent apply for reimbursement. To apply, a parent simply needed to upload the image of their child's permit or fine along with a description of what the lemonade stand meant to their child, in his or her own words. The submission would be reviewed by the Legal Ade team and if it complied with the terms, the family would receive the exact amount to cover the permit or fine, up to \$300.00.

But the program wasn't just about reimbursing parents for fines. It also encouraged changing these archaic laws that prohibited children from operating lemonade stands. In March 2019, the Texas House of Representatives passed a bill that made it illegal for children under the age of 18 to be required to possess any kind of license to sell lemonade or other nonalcoholic beverages. In the same month, the Colorado House of Representatives passed a bill which eliminated permits for kid-owned businesses that operate less than 84 days a year. Shortly after its passing, the bill was signed into law by Governor Jared Polis.

Inspired by this movement to change our laws, *Country Time* ran with this and provided kids with tools, such as legislative status and contact information, to help them get their state law changed. A website was set up to handle all aspects of the *Country Time* brand Legal-Ade program - www.countrytimelegalade.com – was a hit, as was the movement that led to actual changes in the laws. Nearly 100,000 people visited the website to learn more about the program.



Infant Nutrition

Infant and Young Children Product Improvement

We are committed to providing better products through reformulation and new developments. We aim to provide more natural products, more fruits and vegetables and smaller serving sizes, and are focused on including positive nutrients. All Kraft Heinz products conform to local laws and codes in the country manufactured and marketed. If national legislation is not available, Kraft Heinz products adhere to the Codex Alimentarius (Codex), a collection of internationally recognized food standards, codes of practice and guidelines.

Plasmon Nutrimune

Kraft Heinz continues to leverage innovation through science-support-evidence and clinical trials. *Nutrimune*, utilized in milk formula in Italy, offers a unique ingredient derived from a proprietary *Lactobacillus paracasei* strain that has been clinically shown to help support a healthy immune system in infants and young children.

Plunket Partnership

Plunket is New Zealand's largest provider of support services for the health and well-being of children under five. Kraft Heinz's *Wattie's for Baby*® and Plunket have an ongoing partnership which has supported New Zealand babies and new parents for almost 30 years.

Wattie's have a range of baby feeding guides covering topics from starting solids to fussy eating to support parents on their feeding journey. The *Wattie's for Baby* careline nutritionists are also available to help with feeding and nutrition information for babies.

Infant Nutrition, Salt and Sugar Reduction

- 30 percent sugar reduction in *Heinz* Infant Biscotti – UK
- Launched *Heinz* Vegetable-Based Straws as a savoury alternative snack – UK
- Launched *Heinz* and *Wattie's* baby food range including Little Dippers (baby dips made with legumes and vegetables), Little Sprouts (Vegetarian plant-based meals) – Australia, New Zealand
- Launch of Legumes Range (100 percent vegetable variants) – UK
- 100 percent Veggies *Plasmon* babyfood Range (100 percent vegetable ingredients only) – Italy
- Savory snacking options: Cereal-based extruded products *Heinz* “So Yummy” Carrot & Pumpkin Big Puffs (UK), *Heinz* “So Yummy” Veggie Straw (UK)
- Reformulation of *Plasmon* Meat, Dessert and Fruit meals (Italy)
- Reformulation of *Heinz* “By Nature” Baby Food portfolio (UK)
- New launch of *Heinz* Fruit Crush with global sourcing natural raw material, and no flavor/sugar added (China)
- Russia switched to fruit organic puree in glass last year and continuing this direction in wet category
- Wholegrain lines within cereals portfolio which deliver natural minerals and vitamins, 100 percent whole grain (Russia)

Transparency & Labeling

We have a responsibility to communicate information about our products to ensure that consumers can feel good about what they are feeding their families. At Kraft Heinz, we're committed to being transparent and helping consumers make informed food and beverage choices, whether at home or at the grocery store.

Front of Pack Nutrition Labeling

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 by providing nutrition information on the front of our product packaging.

Facts Up Front – U.S.

We have widely implemented the *Facts Up Front* program for all Kraft Heinz products to help consumers plan nutritious meals for their family. This voluntary program was developed in the U.S. in 2011 to increase nutrition transparency and access by displaying calories, saturated fat, sugar and sodium on the front of each package. The visual informs our consumers about the nutrients in each product and how they fit into a balanced and healthy diet as part of the federal daily dietary advice.

Health Star Rating – Australia & New Zealand

Kraft Heinz has participated in Australia and New Zealand's voluntary [Health Star Rating](#) front-of-pack labeling program since 2014. The Health Star Rating system is a government-backed system developed in collaboration with public health experts, the food industry and consumer groups.

SmartLabel™

In the U.S. and Canada, we provide product information 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. More than 3,400 Kraft Heinz products have been listed on smartlabel.org, with plans to add more for both the U.S. and Canada. See www.smartlabel.org/products to find Kraft Heinz products.



Traffic Light – European Union

Our journey toward more transparency involves listening to our stakeholders. By participating in the Traffic Light program in the UK, we hope to provide consistency in labeling to UK consumers. Under the traffic-light system, food and drink labels show whether levels of sugar, salt and fat are high, medium or low using red, amber and green traffic light colors – and is based on the amount per 100g.



Healthy Living Recipes

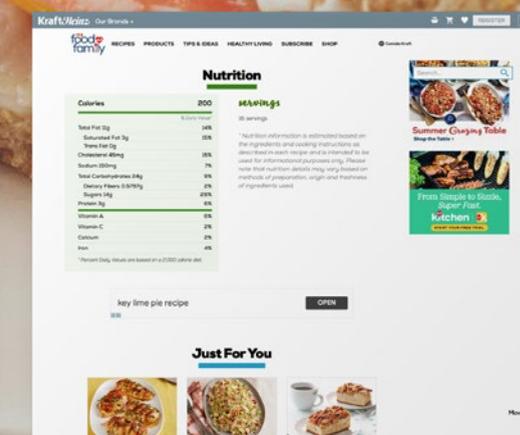
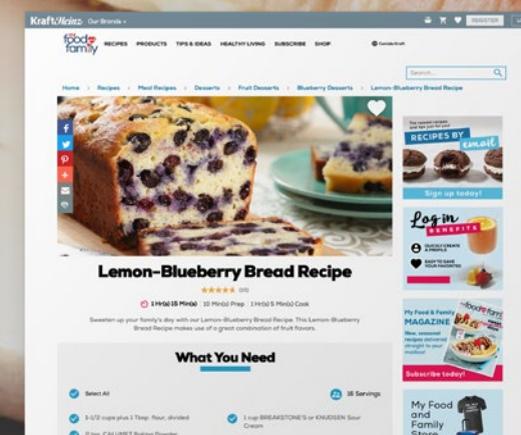
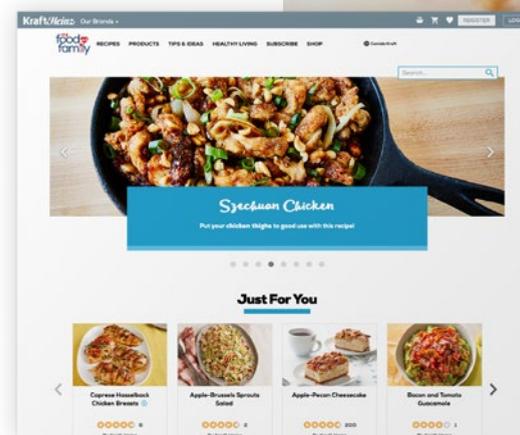
As part of our continuous efforts to support the needs of today's consumer to prepare, serve and enjoy delicious snacks and meals, our culinary teams are constantly developing new and innovative recipes. Our internal dietitians and nutritionists have established criteria to help consumers identify recipes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

In the United States, we relaunched our recipe website in March 2019, [My Food and Family](#), formerly known as Kraft Recipes. The new site offers busy consumers shoppable recipes and lifestyle content to take advantage of Kraft Heinz's broad portfolio of brands and products. We plan to continue expanding its library of on-trend recipes, time-saving kitchen tips and tricks, and partnerships with unique voices across the culinary world. Our Healthy Living recipe collection features recipes that meet nutritional guidelines established by our registered dietitians. We have committed to no less than 20 percent of our recipes being Healthy Living, with 24 percent currently meeting these guidelines.

In Europe, the Kraft Heinz Nutrition Recipe Guidelines provide guidance in developing nutritious and balanced meals using Kraft Heinz products, while minimizing less desirable ingredients and promoting responsible portion sizes.

In Canada, [Kraft's What's Cooking](#) website offers a personalized experience, allowing consumers to find recipes tailored to their specific lifestyle, nutrition and dietary needs. With a vast array of over 13,000 recipes, detailed lifestyle articles, how-to videos and healthy living content, [Kraft's What's Cooking](#) is committed to keeping Canadians up to date on credible, useful food content aligned with current trends.

In New Zealand, our [Wattie's Food in a Minute](#) recipe collection provides consumers with an extensive and growing range of quick meal recipe options and tips across a variety of diet preferences. These recipes and tips span plant-based, vegetarian, vegan or many other lifestyle choices, such as Healthy Pick. Our Healthy Pick recipes meet our guidelines for saturated fat, sugar, sodium and vegetable portions.



Nutrition & Quality

Nutrition Research and Education

- Through ongoing research partnerships with Italian researchers, additional research was published in 2020 in the journal *Nature* regarding the emerging field of postbiotics. This study, entitled “[Analysis of immune, microbiota and metabolome maturation in infants in a clinical trial of Lactobacillus paracasei CBA L74-fermented formula](#),” demonstrated that a fermented infant formula favors the maturation of the immune system, microbiome and metabolome.
- We continue to support the University of Illinois Urbana-Champaign Division of Nutritional Sciences through our Human Nutrition endowment, supporting a Human Nutrition Professorship Fund, Fellowship Fund, Endowment Fund, and Scholarship Fund.
- We continue to be members of ILSI North America, participating in the sodium, carbohydrates and gut microbiome committees to help further the science.
- In 2017, we supported the publication of a clinical trial, entitled “[Cashew consumption reduces total and LDL cholesterol: a randomized crossover, controlled-feeding trial](#)” in the *American Journal of Clinical Nutrition*.
- In 2019, we engaged with the [Portion Balance Coalition](#), a multi-sector group of collaborators organized by Georgetown University’s *Business for Impact*, who have joined forces to address the prevalence of obesity and overweight by focusing on volume (size), proportionality (variety), and quality (nutrient density) of our food, drinks and meals.

Bioengineering (BE) Position

Providing our consumers and their families with quality, great-tasting, safe products in a transparent and socially responsible way is and will always be our highest priority. The safety of genetically modified (GM) ingredients or bioengineering (BE) 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 BE technology can help increase the food supply, keep costs affordable, and decrease the use of pesticides, water and overall production costs. In fact, several types of bioengineered food such as soy, corn and beet sugar are currently being cultivated and exported worldwide. Their crops are used to make a wide variety of food and beverage ingredients and are not typically segregated from food made without bioengineering. We adhere to the following global principles with respect to bioengineered ingredients:

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

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





Supporting Communities in Need

 **We commit to provide 1.5 billion meals to people in need by 2025.**

The Kraft Heinz Company Foundation is dedicated to alleviating world hunger. The Foundation pursues that mission through strategic partnerships with organizations that have programs aligned with hunger relief, nutrition support and self-sustaining food sources. Kraft Heinz employees from all corners of the world have passionately joined the Foundation through volunteer efforts towards our goals, highlighting the critical nature and immediacy of our work in alleviating world hunger.

We are proud of the progress we've made upon our original goal to deliver 1 billion nutritious meals to those in need by 2021. At the end of 2019, through a combination of financial support and product donations, we have delivered roughly 538 million meals to those in need since 2016. We are taking aggressive steps to achieve this goal in the two years that remain.

With a refined focus we can have an even greater impact, enabling us to proudly announce that we are expanding our ambition to provide 1.5 billion nutritious meals to people in need by 2025 – cementing our dedication to hunger relief for an additional 4 years.

We have aligned our current key partners with those pillars:

- Rise Against Hunger
- Feeding America
- American Red Cross
- Food Banks Canada
- Greater Chicago Food Depository
- Pittsburgh Community Food Bank
- The Soup Kitchen (UK)
- Magic Breakfast (UK)
- Grow Pittsburgh
- Growing Home



THE KRAFT HEINZ FOUNDATION'S GOALS REST ON THREE PILLARS:



Ending World Hunger

Ending world hunger through food security and food self-sufficiency



Culture of Volunteerism

A culture of volunteerism instilled in employees globally through meal packaging events and vision trips



Building Communities

Building communities acting in positive and responsible ways where we live and work

Working to End World Hunger

Rise Against Hunger

The Kraft Heinz Foundation has been a partner of Rise Against Hunger (RAH) since 2013. Originating from the desire to provide nutritious and efficient meals to those facing hunger across the world, Kraft Heinz employees designed and facilitated the partnership to produce the micronutrient sachets that are now included in every Rise Against Hunger meal pack. With the development of this program, we have become RAH's largest partner. They have helped us deliver our micronutrient sachets to hungry children and families all around the world and continue to provide for more people every year.

In 2019, RAH produced 78.2 million meals (an increase from 74.2 million meals in 2018), all of which contained the micronutrient sachets.

Since 2013:

- 15.2 million meals were packaged by KHC employees or KHC sponsored events
- 214 events globally
- 394 million meals were fortified by KHC and The Kraft Heinz Company Foundation
- 30-40 (32 on average annually) countries covered
- Kraft Heinz fortified meals (micronutrient sachets) have fed 5,526,555 people
- In 2019, RAH produced 78.2 million meals (74.2 million meals in 2018, 72.1 million meals in 2017), all of which contained the micronutrient sachets
- In 2019 alone, KH employees packaged 3.6 million meals, in 53 meal-packaging events

Kraft Heinz provides technical and nutrition advice on micronutrients composition, label compliance, and packaging, along with financial support for all Rise Against Hunger micronutrient sachets that fortify the meals delivered globally.

Micronutrient Campaign

The Kraft Heinz Micronutrient Campaign, established in 2001, aims to use the skills and compassion of our employees to develop a nutritional supplement to promote healthy growth and development of those in hunger in developing regions around the world.

Understanding that nutrition and food are pivotal in the growth and success of a child, and especially significant for malnourished children across the globe, Kraft Heinz created this micronutrient sachet with essential vitamins and minerals, to be mixed in with more readily available food without all these benefits.

Making an Impact Together

"The Kraft Heinz Company Foundation's partnership has been truly transformational in Rise Against Hunger's efforts to end world hunger! Since 2013, not only have 43,500 Kraft Heinz employees packaged 15.2 million nutritious meals for children and families facing hunger around the world, but Kraft Heinz also has provided micronutrient sachets that have fortified over 394 million Rise Against Hunger meals. These sachets, containing 18 essential vitamins and minerals, have nourished millions of lives, supported healthy growth and development for the people we serve across the globe and helped them reach their full potential."

— Barry Mattson, CEO, Rise Against Hunger



Kraft Heinz Meal Ambassadors launched a company-wide global meal pack-a-thon for World Food Day 2019.

Meal Ambassadors

For those of us at Kraft Heinz, it's a point of pride to know the company's food and beverages are prepared, served and enjoyed in millions of consumers' homes across the globe. We're equally as proud about helping to feed the world through the micronutrient-enhanced meals our employees gather to pack at Conventions and Town Hall meetings – meals that are shipped to developing countries in partnership with Rise Against Hunger.

After many years of successful meal packaging events, we wanted to give employees the opportunity to see where the meals went and share that moment with the recipients. With that in mind, we launched the Kraft Heinz Meal Ambassador program where annually employees from around the world are selected from hundreds of nominations to travel to see the meals in action. We called these "Impact Trips," as they gave this group a firsthand look at how the rice, soy, vegetables and Kraft Heinz micronutrients our employees scoop into bags at meal-packaging events, have a transformational impact on the people whose health and well-being depend on them.

These **Meal Ambassadors** -- who came from the United States, Canada, Mexico, Venezuela, the Netherlands, China and Australia -- along with some of our Kraft Heinz Company Foundation Board members and Rise Against Hunger partners, met the children, adults, and elderly citizens whose health and well-being are positively impacted by the meals we pack.

The Ambassadors helped prepare these meals in India at a school for blind and deaf children and danced with seniors at a residence for the elderly in New Delhi. In Haiti, they jumped rope with and served the meals to dozens of schoolkids.

In October of 2019, our second class of Meal Ambassadors went to the Philippines, where they went to rural communities and learned that the meals were used as tools to help budding entrepreneurs lessen the financial burden of food, to build their way out of the hunger cycle.

And now, back in their home countries, the Ambassadors are sharing their unforgettable experiences with their fellow employees as they come up with creative, engaging new ways to help us expand our global meal-packaging events. Inspired by their trip, the Meal Ambassadors knew they wanted to do more. They planned a **global meal-packing relay race for World Food Day 2019**. We are excited to continue these trips and to grow the Kraft Heinz Meal Ambassador Program with Rise Against Hunger!





World Food Day

On October 16, 2019, World Food Day, Kraft Heinz held a 24-hour global meal-packing relay race in partnership with Rise Against Hunger, an international hunger relief non-profit organization. The relay race began in Sydney and ended in Chicago. In total, 15 Kraft Heinz offices and factories around the world joined together to pack over one million meals for children and families in need around the globe. Employees from Australia, Brazil, Canada, France, Indonesia, Italy, Mexico, Netherlands, the United Kingdom and the United States all participated.

Each meal included micronutrient powders containing 18 essential vitamins and minerals – developed by Kraft Heinz food science and nutrition experts – as well as rice, soy and vegetables.



Partnering with Feeding America

Feeding America’s Mission: Ending hunger – provide food for hungry people and engage our nation to help.

Our relationship with Feeding America dates back to legacy Kraft, one of the original groups to provide the organization with financial support in the 1980s. Feeding America is the central hub for more than 200 foodbanks, each responsible for a geographic location accounting for every county in America.

Our primary means of partnership is through the grants program, through which we support of 33 food banks aligned with the locations of our U.S. manufacturing sites. The Foundation’s funds go to fighting child hunger, elderly hunger and as well as capacity building, enabling us to deliver more meals through the Feeding America model.

In 2019, Kraft Heinz provided financial support and donated 17.5 million pounds of product to Feeding America. Over the last seven years of our partnership we have donated more than 300 million pounds! 87 Kraft Heinz locations donate inventory. The Kraft Heinz Foundation helps Feeding America achieve its mission in a three-pronged approach. First, by helping them meet the immediate need through food donations. Second, through philanthropic giving. Third is through cause marketing efforts. In Feeding America’s words “to end hunger, we have to make hunger unacceptable.” Little actions make a big difference and the efforts of creating relationships and a coalition of people and resources helps enact change at a greater scale.



The Father’s Day Auction for Charity

The [Father’s Day Auction](#) to carve your dad’s head into a block of cheese raised \$15,000 for Feeding America in 2018.

Partnering with Feeding America: Recipient Testimonials

Oregon Food Bank - Portland, OR

Testimonials related to the staff at Oregon Child Development Coalition and Four Rivers Charter School Pantries include:

- New to our school, a single mom with 3 children was in tears expressing her gratitude for the food offered at our school pantry because it would help her feed her family.
- Fall Rivers pantry has worked to give every child a free book each time they come to the pantry with their family.

North Texas Food Bank - Plano, TX

One of our School Pantry volunteers had the opportunity to talk with a mom as they loaded food into the family car. The volunteer shared that as he loaded eight boxes into the car, he asked how the food pantry impacted the family. The young mother turned to the volunteer with a smile and said “It’s nutritious food I can serve my family...It’s always fresh. When I bring home the boxes for my kids, they sit in front of them, it’s like Christmas to them, and they each open a box.”

Ozarks Food Harvest - Springfield, MO

One parent told us, “The backpack program has been a great blessing for our family. I work fulltime and go to school fulltime and my wife works as well. Even with this we are a large family with low income. With the backpack program, we can rest assured that the kids will have their bellies full. Thank you very much for making this program possible.”

William, who participates in our Weekend Backpack Program recently shared, “The food helps me and my family when we are hungry, and it gives me a lot more energy to play with my friends.”

Food Bank of Central New York - Syracuse, NY

We are thankful to the Kraft Heinz Company Foundation for providing us with grant funds that helped to replace a rethermalization unit in 2019, as well as in 2020. Our ability to access these units is essential to our programming and directly impacts our ability to provide hot, nutritious meals to children attending our Kids Cafe program. We are sincerely grateful for the continued support that has helped to ensure that we are able to continue providing staff and program support to our Kids Cafe partners.

Greater Chicago Food Depository - Chicago, IL

“The Greater Chicago Food Depository is immensely grateful for our longtime partnership with The Kraft Heinz Company, which dates back to 1986. In the last four years alone, Kraft Heinz has supported the distribution of nearly three million meals in our community, ensuring that more families throughout Chicago and Cook County have consistent access to the food they need to be healthy and thrive. At the same time, Kraft Heinz is generously investing in our work to address the root causes of hunger, including racial inequity.”



Community Investment

Red Cross

Vision Statement: The American Red Cross, through its strong network of volunteers, donors and partners, is always there in times of need.

Through a network of about 250 chapters in the U.S., the American Red Cross provides relief to victims of disaster and helps people prevent, prepare for and respond to emergencies. As a member of the organization's Disaster Responder Program, The Kraft Heinz Company Foundation is part of a select group of forward-thinking organizations that provide the highest level of year-round support to Red Cross disaster relief and preparedness efforts. The advance commitment—before disaster strikes—powers the Red Cross to be ready to help disaster survivors at a moment's notice, while also preparing people and communities for crises yet to come. Moreover, in 2019 Kraft Heinz employees volunteered to work with the Red Cross in response to hurricanes.

“Ongoing pre-investment from members of the Disaster Responder Program like The Kraft Heinz Company Foundation helps create a reliable funding base for disaster relief services, providing food, shelter, emotional support and other essential assistance,” said Don Herring, Red Cross Chief Development Officer. “Money donated by the public and members of our Disaster Responder Program is essential to our ability to assist disaster survivors and support the first responders and volunteers who work tirelessly at the scene of a disaster.”

— Red Cross

UK CSR Day

Building upon our Community Support Pillar, the UK designated a day in 2018 to CSR, based around “Using the power of food to Build Better Communities”. The CSR Day kicked off relationships with their partners, The Soup Kitchen and Magic Breakfast. On the CSR Day, over 200 people volunteered at The Soup Kitchen in London and coordinated an “Office Olympics”, which raised enough to fund 33,000 meals, which was then matched by the company.



The day was designed to be an annual fundraising and volunteering day, and for the second CSR Day in November 2019, employees managed to raise a total of 45,000 meals, which was again matched by the company. Highlights of the day included several employees sleeping on the streets of London as a ‘sleepout’ fundraising challenge, as well as the introduction of a second Soup Kitchen charity partner.

Since the first CSR Day in November 2018, volunteers from Kraft Heinz have gone to the Soup Kitchen every other Wednesday to volunteer their time. With the addition of the second Soup Kitchen Partner in November 2019, volunteering slots are now weekly. From November 2018 until December 2019, over 447 hours have been donated by employees. 45,000 meals have also been donated to the UK's 3 charity partners over this period, on top of the meals raised on the CSR Days.

Food Banks Canada

Over the past three years alone, Kraft Heinz Canada has provided more than \$28 million in food donations to food banks across the country. As Canada's largest food company, we are committed to reducing food insecurity and, in the long term, eliminating hunger. We contribute to the community primarily through Food Banks Canada, which represents about 650 food banks across the country. Kraft Heinz Canada also partners with not-for-profit Rise Against Hunger and, in October 2019, our employees packed more than 52,000 meals in just two hours as part of a global Kraft Heinz effort involving 3,000 employees participating from 10 countries around the world to pack 1 million meals in 24 hours for World Food Day.



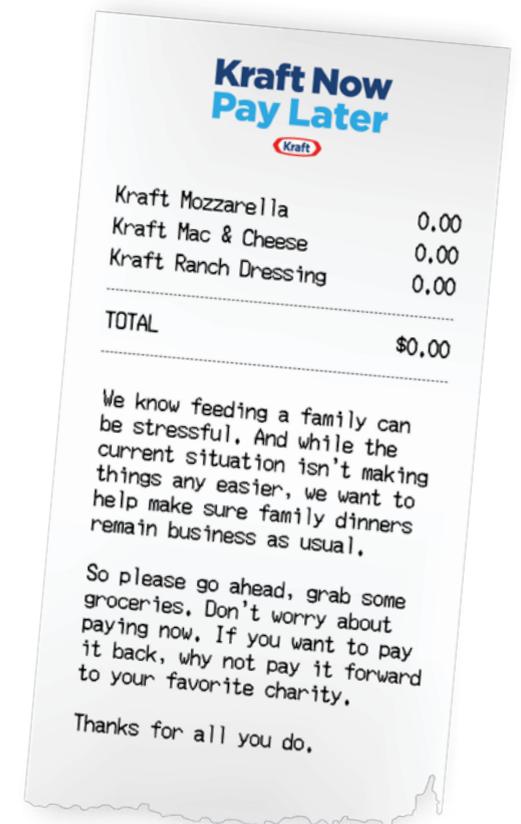
FEATURE STORY

Kraft Now, Pay Later

It was a cold January 2019. To make matters worse, a federal government shutdown was severely impacting people throughout the Washington, D.C. metropolitan area - an estimated 800,000 federal government workers were not getting paychecks. *Kraft* decided to step in with a program called “*Kraft Now, Pay Later.*” It was targeted to all federal employees, but especially parents who had the added stress of feeding their families on their savings. The idea was simple: at a pop-up store a few blocks from Union Market in Washington, D.C., federal government workers would be able to shop and take home – for free – a bag full of *Kraft* products. They needed only to show a government ID. In return, *Kraft* asked workers to pay it forward (if they could) by donating to their charity of choice or to someone in need once they were able to do so.

The store offered staples such as *Kraft* Mac & Cheese, *Kraft* Natural Cheese, *Kraft* Singles, *Kraft* Salad Dressings, *Kraft* Mayo and *Kraft* BBQ for dinner tables. In the press release announcing this program, Sergio Eleuterio, Head of Marketing for *Kraft*, said, “During the government shutdown, parents should not have to worry about putting dinner on the table because they aren’t receiving a paycheck. *Kraft* stands for families and we want to support the families who have built our brands. This store is one way we can help those affected get the grocery staples they need. And we celebrate all who are doing their part to help.”

The reaction was immediate. Initially scheduled to be open for just a few days, demand was so overwhelming that the pop-store extended its time to a full two weeks, from January 16 to 27. Total store traffic was 13,167 people, which led to an average of almost 1,200 families served per day. Around 150,000 meal equivalents were handed out. Press and social media loved the concept, and the movement of the private sector stepping in to help government employees caught on quickly. Other companies thankfully joined in, making a huge difference during a very difficult time. *Kraft Heinz*’ quick action and leadership led to a slew of awards, from places like One Show, the International Food and Beverage Association and D&AD, a British educational charity that awards excellence in design and advertising. It was a program that not only made an impact, but it also cut to the very heart of what the *Kraft* brand is all about – helping out families and helping each other.



Partnerships for Good



Kraft Hockeyville

Kraft Heinz Canada, along with partners the National Hockey League (NHL) and the National Hockey League Players' Association (NHLPA), are proud to support communities across Canada through Kraft Hockeyville. Now in its 15th year, Kraft Hockeyville enables communities across the country to rally together to upgrade local hockey arenas in need of repair and refurbishment. The winning community receives \$250,000 in arena upgrades and the opportunity to host a NHL® Pre-season Game. To date, Kraft Hockeyville has awarded \$3.8 million to 85 deserving communities across Canada and has celebrated 13 NHL® Pre-Season games in eight different provinces.

2017 O'Leary, PEI – O'Leary is a true reflection of how communities build hockey and hockey builds communities. With the funds, the O'Leary Community Sports Centre upgraded their entryway, lobby, viewing area and washrooms to meet accessibility and efficiency standards that help make the facility inclusive for all O'Leary residents and visitors.

2018 Lucan, ON – The Lucan Community Memorial Centre is the heart of Lucan's passionate hockey community and is the home of the Lucan Irish Jr. C hockey club. The \$250,000 Grand Prize was used to update the boards, glass and sound system for the arena.

2019 Renous, NB – Built over 30 years ago, the Tom Donovan Arena is where the community of Renous gathers to train, play and support their neighbors, friends and family. With the \$250,000 awarded through Kraft Hockeyville, the community was able to make major and much needed upgrades to the arena. The upgrades included adding a women's locker room, installing a radiant shield to help insulate the arena and repairing the community ice plant.



Fight Hunger. Spark Change.

The Kraft Heinz Company joins with Walmart and Sam's Club suppliers and customers to help Fight Hunger. Spark Change. in communities around the U.S., with the help of Feeding America. We made a donation for each Kraft Heinz item purchased at any Walmart or Sam's Club during the campaign. Funds raised go directly to foodbanks local to the area of purchase, ensuring customers are supporting their own communities. Over the past 5 years, 749 million meals have been donated to Feeding America through its partners associated with this initiative.

Kraft Heinz has been one of the proud supporters since 2016:

2016	\$952,605
2017.....	\$1,000,530
2018	\$671,436
2019	\$949,158



Wattie's Cans for Good

Wattie's Cans for Good is an exciting can 'collection, education, creations and donation' event by The Salvation Army in partnership with Wattie's for New Zealand schools. Wattie's Cans for good goes beyond other fundraisers, because it combines charitable collections with a creative learning activity. Children can win prizes for their fun and creative can decorations too!

In 2019, local schools and kindergartens from around New Zealand collected more than 30,000 cans in the annual Wattie's Cans for Good campaign. Wattie's donated a further 25,000 cans taking the total number of cans collected for the Salvation Army to over 55,000. Since this program's inception in 1994, over 1.5 million cans have been donated!



SPECIAL 2020 GLANCE: OUR GLOBAL COVID-19 RESPONSE

During Global Pandemic, Kraft Heinz Steps Up to Feed Millions

The Coronavirus (COVID-19) pandemic has affected the health and financial wellbeing of millions of people around the world. At the time of this Report's publication, global cases and deaths are continuing to rise. In an effort to contain the virus's spread, the world's largest economies came to a halt, resulting in a simultaneous economic crisis, with countless citizens around the world experiencing job loss and financial hardship, in addition to illness.

As the fifth largest food and beverage company in the world, Kraft Heinz is committed to providing nutritious meals to those in need and eliminating global hunger --- and there has never been a greater need than during the COVID-19 global pandemic. When this unprecedented public health crisis escalated in early 2020, The Kraft Heinz Company jumped into action, immediately donating \$12 million to help ensure people across the globe had access to the food they need during this challenging time. This international commitment included both financial and product donations in the United States, Italy, Spain, Australia and the Netherlands.

In addition, with the closure of schools in the UK, The Kraft Heinz Company worked with partner Magic Breakfast to provide 12 million breakfasts to hungry and malnourished children in disadvantaged areas. These children would have normally benefited from school breakfast club programmes.

Kraft Heinz Canada announced *Kraft Heinz Project Pantry*, a new initiative supporting Food Banks Canada by donating 1 million meals and Personal Protective Equipment (PPE) for those working on the frontlines of Canadian food banks. *Kraft Heinz Project Pantry* marks another chapter in Kraft Heinz's long history of supporting food banks in Canada.

The Kraft Heinz Company partnered with Babytree, one of the largest parenting websites in China, to donate more than 4,000 boxes of Heinz infant food to

families in need through the Shanghai Fosun Foundation. The company's products were delivered to 25 hospitals in five Chinese provinces most severely affected by the outbreak.

Kraft Heinz brands, including *Heinz Ketchup* and *Oscar Mayer*, have responded to the crisis in their own ways, expanding the company's impact. Employees and company leaders around the globe continue to reach out to The Kraft Heinz Company Foundation to find out how they can participate in recovery efforts and ask for additional support in their local communities.

As the COVID-19 situation evolves, The Kraft Heinz Company continues to evaluate its response and adapt to ensure the health and safety of its employees, and support for all consumers.

Future Reporting

While this Report covers The Kraft Heinz Company's progress and challenges during its 2017, 2018 and 2019 fiscal/calendar years, the unprecedented events of 2020 and their associated societal consequences require recognition as well. We have provided some details as to how Kraft Heinz has thus far responded to these events. We will report further on our response to these events in our next ESG Report.

Company Performance Scorecard

By leveraging our stakeholder engagement and materiality analysis, we focus on high-priority issues in areas where we can make the greatest impact. The following offers an overview of Kraft Heinz progress on company commitments and material issues.

	COMMITMENT/FOCUS	PERFORMANCE
	Accountability	We will continue to maintain ESG oversight with the Board of Directors. Our CEO, key leadership and respective team members lead and support our ESG goals and have linked key performance metrics embedded.
Governance	Communicate Transparently and Authentically	We will continue to publish annual, 3rd-party verified ESG reports, aligned to industry best reporting frameworks. We will report climate, forests and water information on an annual basis to CDP and engage with stakeholders on material issues.
	Market Our Products Responsibly	We will continue to market and advertise our products in a responsible and suitable manner to all audiences.
	Promote Workplace Health and Safety	We will continue to be committed to providing a healthy, safe and secure workplace. We improved safety KPIs over last year, representing some of the best results among our food and beverage industry peers.
	Operate Ethically	We will continue to conduct business in an ethical manner and unwavering commitment to integrity and transparency.
	Promote Diversity, Inclusion and Belonging	We will continue to demand and promote diversity, equity, inclusion and belonging in all aspects of our company.



Environmental Stewardship Performance Scorecard

	COMMITMENT/FOCUS	BASELINE	DEADLINE	PERFORMANCE THROUGH 2019
Progress on Goals	Reduce Greenhouse Gas Emissions by 15% (per metric ton of product made)	2015	2020	While we increased greenhouse gas emissions by 8% over our 2015 baseline, in 2019 we achieved over a 5% reduction from 2018. In 2020, we are undergoing an assessment of our entire value chain to set science aligned GHG targets and moving forward with majority procured electricity renewable.
	Reduce Energy Use by 15% across our Manufacturing Facilities (per metric ton of product made)	2015	2020	Through 2019 we reduced energy use by 1% per ton of product produced since our 2015 baseline. This was partially attributable to factory overhauls and supply chain. After a difficult 2016, we improved year over year by 1% in 2017, 2% in 2018 and another 1% in 2019.
	Reduce Water Use by 15% across our Manufacturing Facilities (per metric ton of product made)	2015	2020	We increased water use by 1% per metric ton of product produced. We are making strides in our water management, determined to approach water differently than previously. We are prioritizing our high-risk water sites.
	Reduce Waste to Landfill by 15% across our Manufacturing Facilities (per metric ton of product made)	2015	2020	We increased waste to landfill by 16% through 2019. Determined to change this moving forward, we are developing a strong byproducts plan, product donation strategy, and improved forecasting.
	Aim to Make 100% Recyclable, Reusable or Compostable Packaging by 2025.	N/A	2025	We have achieved 70% through 2019, and continue to partner with packaging experts, organizations, and coalitions to explore technical, end-of-life and infrastructure solutions.
	Commit to create a fully circular Heinz Tomato Ketchup Bottle in Europe by 2022.		2022	We are ahead of schedule and anticipate our first circular bottle to be delivered to the market in 2021



Responsible Sourcing Performance Scorecard

	COMMITMENT/FOCUS	BASELINE	DEADLINE	PERFORMANCE THROUGH 2019
Progress on Goal	Source 100% of Eggs Globally from Cage-Free Hens		2025	In 2019 we sourced 70% of our eggs globally from cage-free hens.
	Source 100% of Eggs in Europe from Free-Range Hens		2020	In 2019 we sourced 39% of our eggs in Europe from free-range hens.
	Improve 100% of Broiler Chicken Welfare Supply in the U.S.		2024	We continue to be committed to improving broiler welfare and are incorporating leading science in our assessment. 100% of our U.S. supply is cage-free. We're proud of our new global animal welfare policy overall as well as the establishment of the Advisory Committee of Experts, which stands to better the lives of millions of animals. We will pursue continuous improvement in this, and in all animal welfare areas and keep up-to-date with the most relevant science.
	Improve 100% of Chicken (Fresh, Frozen, Processed) Welfare in our European Supply		2026	We continue to assess and work towards improved chicken welfare in our European supply and look forward to future updates in this area we added in 2019.
	Source 100% of Global Pork Supply Free of Traditional Gestation Stall Housing		2025	In 2019, we sourced 16 percent of our global and 100 percent of our European pork supply from sows housed in alternative gestation systems.
	Purchase 100% Sustainable and Traceable Palm Oil to the Mill by 2022	2018	2022	100% of our directly purchased volumes are certified sustainable via RSPO (a 39% increase from Baseline) and 99.3% traceable to the mill of origin. In 2019, we published our Global Human Rights Policy. We also conducted a risk assessment of all commodities within our supply chain to better understand any potential risk. We have a zero tolerance policy for human rights violations. We have committed to implementing 3rd party diligence audits in 2021.



Healthy Living & Community Support Performance Scorecard

COMMITMENT/FOCUS		BASELINE	DEADLINE	PERFORMANCE THROUGH 2019
Progress on Goal	Improve Product Health and Nutrition by Achieving 70% Compliance with the Kraft Heinz Global Nutrition Targets by 2023		2023	In 2018 we expanded our nutrition guidelines globally. We have surpassed our commitment four years early at 76% compliance globally as of 2019. Further, 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 Healthy Living section. Moreover, 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.
	Deliver 1 Billion Nutritious Meals to People in Need by 2021.	2016	2021	We delivered 540 million meals to people in need through the end of 2019, including 140 million meals in 2019. Our Company and Foundation generously support international, national and local organizations dedicated to fighting hunger.

GRI Index

This report has been prepared in reference to the Global Reporting Initiative's (GRI) Sustainability Reporting Standards. For a detailed explanation of the indicators, visit the GRI website: www.globalreporting.org/standards.

GENERAL DISCLOSURES

INDICATOR	DESCRIPTION	LOCATION AND NOTES
ORGANIZATIONAL PROFILE		
102-1	Name of the organization	ESG Report (pg. 6)
102-2	Activities, brands, products, and services	ESG Report (pg. 6); 2020 Annual Report on Form 10k; 2020 Annual Report on Form 10k
102-3	Location of headquarters	ESG Report (pg. 6); 2020 Annual Report on Form 10k; 2020 Annual Report on Form 10k
102-4	Location of operations	ESG Report (pg. 8); 2020 Annual Report on Form 10k; 2020 Annual Report on Form 10k
102-5	Ownership and legal form	ESG Report (pg. 6); 2020 Annual Report on Form 10k; 2020 Annual Report on Form 10k
102-6	Markets served	ESG Report (pg. 6, 8); 2020 Annual Report on Form 10k; 2020 Annual Report on Form 10k
102-7	Scale of the organization	ESG Report (pg. 6, 8); 2020 Annual Report on Form 10k; 2020 Annual Report on Form 10k
102-8	Information on employees and other workers	ESG Report (pg. 8)
102-10	Significant changes to the organization and its supply chain	2020 Annual Report on Form 10k
STRATEGY		
102-14	Statement from senior decision-maker	ESG Report (pgs. 4-5)
ETHICS AND INTEGRITY		
102-16	Values, principles, standards, and norms of behavior	ESG Report (pgs. 7-11)
102-17	Mechanisms for advice and concerns about ethics	ESG Report (pgs. 10)

GRI Index (Cont.)

GENERAL DISCLOSURES CONT.

INDICATOR	DESCRIPTION	LOCATION AND NOTES
GOVERNANCE		
102-18	Governance structure	ESG Report (pg. 17) + Proxy Statement
102-20	Executive-level responsibility for economic, environmental, and social topics	ESG Report (pg. 17)
102-21	Consulting stakeholders on economic, environmental, and social topics	ESG Report (pg. 18)
102-22	Composition of the highest governance body and its committees	ESG Report (pg. 17)
102-23	Chair of the highest governance body	ESG Report (pg. 17)
102-26	Role of highest governance body in setting purpose, values, and strategy	ESG Report (pg. 17)
102-30	Effectiveness of risk management processes	ESG Report (pg. 19)
102-31	Review of economic, environmental, and social topics	ESG Report (pg. 17)
102-32	Highest governance body's role in sustainability reporting	ESG Report (pg. 17)
102-33	Communicating critical concerns	ESG Report (pg. 19)
102-35	Remuneration policies	ESG Report (pg. 17)
SHAREHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	ESG Report (pgs. 18)
102-42	Identifying and selecting stakeholders	ESG Report (pgs. 18)
102-43	Approach to stakeholder engagement	ESG Report (pgs. 18)
102-44	Key topics and concerns raised	ESG Report (pgs. 18-19)

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GENERAL DISCLOSURES CONT.

INDICATOR	DESCRIPTION	LOCATION AND NOTES
REPORTING PRACTICE		
102-47	List of material topics	ESG Report (pg. 19)
102-50	Reporting period	ESG Report (pg. 3)
102-53	Contact point for questions regarding the report	ESG Report (pg. 6)
102-54	Claims of reporting in accordance with the GRI Standards	ESG Report (pg. 3)
102-55	GRI content index	ESG Report (pg. 73-77)
102-55	GRI content index	ESG Report (pg. 3)
MANAGEMENT APPROACH		
103-1	Explanation of the material topic and its Boundary	ESG Report (pg. 17-19)
103-2	The management approach and its components	ESG Report (pg. 17-19)
103-3	Evaluation of the management approach	ESG Report (pg. 17-19)

MATERIAL TOPICS

INDICATOR	DESCRIPTION	LOCATION AND NOTES
ECONOMIC		
201-1	Direct economic value generated and distributed	2020 Annual Report on Form 10k + Proxy Statement
201-3	Defined benefit plan obligations and other retirement plans;	2020 Annual Report on Form 10k + Proxy Statement
ANTI-CORRUPTION		
205-2	Communication and training about anti-corruption policies and procedures	ESG Report (pg. 10)
205-3	Confirmed incidents of corruption and actions taken	ESG Report (pg. 3); 2020 Annual Report on Form 10k

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ENVIRONMENTAL

INDICATOR	DESCRIPTION	LOCATION AND NOTES
MATERIALS		
301-2	Recycled input materials used	ESG Report (pg. 29)
301-3	Reclaimed products and their packaging materials	ESG Report (pg. 29)
ENERGY		
302-1	Energy consumption within the organization	CDP Report
302-3	Energy intensity	CDP Report
302-4	Reduction of energy consumption	ESG Report (pg. 22, 70)
WATER		
303-1	Interactions with water as a shared resource	ESG Report (pg. 23)
303-5	Water consumption	ESG Report (pg. 6); CDP Report
EMISSIONS		
305-1	Direct (Scope 1) GHG emissions	ESG Report (pg. 6); CDP Report
305-2	Energy indirect (Scope 2) GHG emissions	ESG Report (pg. 6); CDP Report
305-4	GHG emissions intensity	ESG Report (pg. 6); CDP Report
305-5	Reduction of GHG emissions	ESG Report (pg. 22, 70)
WASTE		
306-2	Waste by type and disposal method	ESG Report (pg. 27)
308-1	New suppliers that were screened using environmental criteria	ESG Report (pg. 35)

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ENVIRONMENTAL CONT.

INDICATOR	DESCRIPTION	LOCATION AND NOTES
SUPPLY CHAIN		
308-2	Negative environmental impacts in the supply chain and actions taken	ESG Report (pgs. 36, 38, 45, 47)

SOCIAL

INDICATOR	DESCRIPTION	LOCATION AND NOTES
EMPLOYMENT		
403-1	Occupational health and safety management system	ESG Report (pg. 12)
403-2	Hazard identification, risk assessment, and incident investigation	ESG Report (pg. 12)
403-3	Occupational health services	ESG Report (pg. 12)
403-6	Promotion of worker health	ESG Report (pg. 12)
TRAINING AND EDUCATION		
404-1	Average hours of training per year per employee	ESG Report (pg. 13)
404-2	Programs for upgrading employee skills and transition assistance programs	ESG Report (pg. 13)
404-3	Percentage of employees receiving regular performance and career development reviews	ESG Report (pg. 13)

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SOCIAL CONT.

INDICATOR	DESCRIPTION	LOCATION AND NOTES
HUMAN RIGHTS		
405-1	Diversity of governance bodies and employees	ESG Report (pg. 8)
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	ESG Report (pg. 34)
412-1	Operations that have been subject to human rights reviews or impact assessments	ESG Report (pg. 34)
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	ESG Report (pg. 34)
POLITICAL CONTRIBUTIONS		
415-1	Political contributions	ESG Report (pg. 10)
PRODUCT AND SERVICE LABELING		
417-1	Requirements for product and service information and labeling	ESG Report (pg. 11)



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