

I wanted to make you aware of the following announcement that has just been delivered to our impacted employees. The statement below should be attributed to me:

“Following an extensive review of the Kraft Heinz North American supply chain footprint, capabilities and capacity utilization, we are announcing the closure of seven manufacturing facilities in North America: Fullerton, California; San Leandro, California; Federalsburg, Maryland; St. Marys, Ontario, Canada; Campbell, New York; Lehigh Valley, Pennsylvania; and Madison, Wisconsin. In a staged process over the next 12-24 months, production in these locations will shift to other existing factories in North America.

We are also planning to move production from our existing Davenport, Iowa, facility to a new, state-of-the-art location within the Davenport area; and move part of our cheese production from our Champaign, Illinois, facility to other factories within our network, which will create will make Champaign a center-of-excellence in dry and sauce production. Both moves will take up to two years to complete.

Our decision to consolidate manufacturing across the Kraft Heinz North American network is a critical step in our plan to eliminate excess capacity and reduce operational redundancies for the new combined Company. This will make Kraft Heinz more globally competitive and accelerate the Company’s future growth.

We have reached this difficult but necessary decision after thoroughly exploring extensive alternatives and options. This action will reduce the size of our North American factory-based employee population by a net number of approximately 2,600 positions.

At the same time, we will invest hundreds of millions of dollars in improving capacity utilization and modernizing many of our facilities with the installation of state-of-the-art production lines.

We will treat our people with the utmost respect and dignity. At the appropriate time, affected employees will receive severance benefits, outplacement services and other support to help them pursue new job opportunities. Kraft Heinz fully appreciates and regrets the impact our decision will have on employees, their families and the communities in which these facilities are located,” Michael Mullen, SVP of Corporate & Government Affairs.

“Additionally, Kraft Heinz is announcing that in 2016 we will move Oscar Mayer and our US Meats Business Unit from Madison, Wisconsin to our co-headquarters in Chicago. The move will bring 250 jobs to the Chicago area.

Members of the Oscar Mayer and US Meats Business Unit will have the opportunity to move with the business to Chicago. The move centralizes all our U.S. Business Units to our co-headquarters of Chicago and Pittsburgh, which will drive increased collaboration and efficiency.”

**Michael Mullen**

SVP, Corporate & Government Affairs

The Kraft Heinz Company