Sustainability Reporting / GHG Reduction Targets
2015 – Kraft Foods Group, Inc.

RESOLVED: Shareholders request Kraft Foods Group, Inc. (Kraft) issue a comprehensive sustainability report describing its environmental, social and governance (ESG) performance and goals, including greenhouse gas (GHG) reduction goals. Shareholders request the report be available on the company website by October, 2015, prepared at reasonable cost, omitting proprietary information.

Supporting Statement: Kraft lacks a comprehensive sustainability report of ESG-related corporate policies, practices and metrics that follows guidelines such as those provided by the Global Reporting Initiative (GRI). We believe tracking and reporting ESG business practices makes a company more responsive to a global business environment characterized by finite natural resources, changing legislation, and heightened public expectations for corporate accountability. Reporting also helps companies better integrate and gain strategic value from existing sustainability efforts, identify gaps and opportunities in its products and processes, enhance company-wide communications, and publicize its efforts and receive feedback.
Support for comprehensive sustainability reporting continues to gain momentum:

- In 2013, KPMG found that of 4,100 global companies surveyed seventy-one percent published ESG reports.
- The United Nations Principles for Responsible Investment has more than 1,260 signatories with over $45 trillion of combined assets under management. These members seek ESG-related performance information from companies in order to analyze fully the risks and opportunities associated with existing and potential investments.
- CDP (formerly Carbon Disclosure Project), representing 767 institutional investors globally with approximately $92 trillion in assets, calls for company disclosure on GHG emissions and climate change management programs. Over two thirds of the S&P 500 now report to CDP.

Public disclosure of ESG information enables investors to learn how management is addressing near and long-term risks and opportunities (e.g. operational, reputational, and regulatory).

In addition, as noted in Kraft's recent 10-K, risks to Kraft from the physical impact of a changing climate could affect many parts of Kraft's operations - including threats to raw materials, water supplies, and altering geographical patterns of habitation. In addition, data on occupational safety and health, vendor and labor standards, waste and water reduction targets and product-related environmental impacts are important business considerations. Not managing these issues properly could pose significant regulatory, legal, reputational and financial risks.

Reporting on climate change's impact on relevant portions of Kraft's supply chain is crucial as it is one of the most financially significant environmental issues currently facing investors. We believe no firm is immune to the prospect of future carbon regulations or the physical impacts of climate change.

While sustainability reporting is not yet required in the US, it is increasingly expected by company shareholders and stakeholders. Increasingly, investors are continually monitoring and evaluating the ESG performance of companies alongside financial information. Kraft peers such as Mars, Nestlé and Unilever issue comprehensive sustainability reporting. By implementing this resolution, Kraft can demonstrate that its values, and drive its practices and performance.

We urge you to support this resolution.