



KeHE[®]

COMPANY OVERVIEW

GOODNESS FOLLOWS[®]

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Our Story

KeHE Distributors LLC (KeHE) distributes natural & organic, specialty and fresh products to retailers across the U.S. and Canada. Headquartered in Naperville, Illinois, KeHE was founded in 1953 by Art Kehe, an entrepreneur who started the business delivering food to retailers in the Midwest. Today's KeHE is an employee-owned company. KeHE has experienced rapid growth in recent years derived from its own organic business growth and several strategic acquisitions, including Tree of Life in 2010, Nature's Best in 2014 and Monterrey Provision Company in 2016.

Leadership Team

Brandon Barnholt, President & Chief Executive Officer

Gene Carter, Chief Operating Officer

Timothy Wiggins, Chief Financial Officer

Brian Wilkinson, Chief Information Officer

Larry Hartley, EVP, Warehouse Operations

Brad Helmer, SVP, Marketing and Business Development

Jennifer Ricks, SVP, People Operations

Peter Kisluk, SVP, Solutions

Rusty Bland, SVP, People Engagement & Serving

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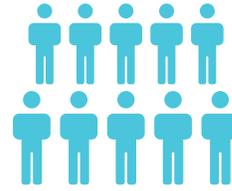
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KeHE BY THE NUMBERS



Nearly **\$5 billion**
in annual revenue



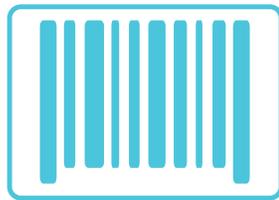
5,500 Employees



500 Trucks with daily routes
from coast to coast



15 Distribution centers across
the U.S. and Canada



70,000+ SKUs



12,000 Customers



Customer base includes **23**
of the largest **50** national retailers



30,000 Store locations
in America

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Exclusive Brands:

CADIA[®]

MADE•WITH[™]



Sage  *Valley*[®]

KeHE supports and distributes brands with the best ingredients, making it the go-to natural and organic choice for great, healthy living. KeHE delivers brands with high-quality ingredients, along with outstanding management and employees, and a commitment to ensuring customer loyalty. KeHE has broad expertise in brand selection and category management. KeHE understands the logistics of delivery, packaging and promotion through all retail channels, maximizing the overall success of the brand as well as sales for the supplier and retailer.

KeHE doesn't only support great brands but makes nourishing brands. KeHE exclusive brands are only available to KeHE retail customers, differentiating them within the marketplace. Our brands, such as Cadia[®] and Made•With[™], deliver natural, organic, and Non-GMO Project Verified foods with transparent ingredients. These exclusive brands epitomize the kind of products that KeHE supports – only those with honest, quality ingredients produced in facilities with the highest levels of integrity and ethical responsibility.

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DISTRIBUTION

Serving more than 30,000 stores in America, KeHE has planted roots in every corner of the natural & organic, specialty and fresh foods industry. KeHE supports this widespread presence with superior distribution processes and the most experienced people in the industry. KeHE takes care of retailers and suppliers through advanced capabilities including:

- State-of-the-art procurement systems
- Radio frequency scanning technology
- Industry leading fleet safety performance
- Inbound shipment consolidation capabilities
- End-to-end delivery visibility using state-of-the-art on-board computers and trailer telematics systems.
- Multi-temperature warehousing
- Pick-to-light capabilities
- Labor management systems
- Electronic proof of delivery and digital signature capture
- KeHECONNECT® retailer and supplier portal platform



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KeHE is one of the world's foremost natural & organic, specialty and fresh product distributors with deep expertise across a wide range of categories. The company offers many solutions including:

- New product trend tracking and rapid speed-to-shelf
- Fact-based assortment management at the store level
- Demographic-based store segmentation
- Efficient buying shows and other buying events
- Exclusive brands
- High fill rates and in-store service levels

KeHE's category management team searches the globe for the newest products and cuisines to satisfy the appetite of ingredient-savvy and socially conscious consumers. It carries the latest, "hottest" and best offerings in the specialty and natural product arena – whether it's non-GMO, gluten-free, biodynamic, BPA-free, Fair Trade, vegan, raw, probiotic, low glycemic or any other of a host of niche products that retailers need.

KeHE also connects suppliers and retailer partners through award-winning, seasonal and channel-specific shows throughout the year.



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“Fresh” is more than shelf life, temperatures or merchandising. Fresh is an ever-evolving concept driven by consumers’ changing tastes. It’s also the driving force of growth across all channels of our industry – a customer’s intention to purchase Fresh is often what introduces them to other products throughout the store. Winning at Fresh means being ahead of the curve, proactively meeting customer demand as it changes.

KeHE Fresh, has the adaptability, scale and infrastructure to grow with you. We have competitive pricing and deep partnerships with suppliers large and small, from overseas importers to local farmers.

We provide a true best-in-class fresh itemization with a focus on organic, non-GMO, local, and special diets that can meet the needs of today’s customer. Our team has extensive experience both in distribution and in retail merchandising, and we are integrated into KeHE’s best-in-class supply chain and national route network.

The next five years will bring unprecedented changes to retail grocery, and Fresh is on the front lines of this transformation.



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KeHE is the name that represents logistics with care. KeHE approaches everything it does with integrity and clarity of purpose. It seeks high quality and goodness in all products, is devoted to the success of retailers and suppliers, and believes that responsible business is good for business. KeHE is not only focused on making a profit but on making a difference.



KeHE's Employee Stock Ownership Plan supports the company's more than 5,500 employee owners and their long and short-term goals. The plan provides company stock ownership to employees, thus protecting KeHE from stock market changes, instilling vested employee interest, and allowing the company to focus on causes outside of the office.



KeHE is one of more than 2,400 Certified B Corporations. The company received this distinction for achieving high company standards such as transparency, accountability and performance.

As a Certified B Corp, KeHE joins a worldwide community of companies committed to using business and economic success as a force for good, further validating KeHE's core purpose: We SERVE to make lives better.®



KeHE contributes 10 percent of its profits to KeHE Cares™. This program is administered by employees from departments across the company, who serve three-year terms on the KeHE Cares™ Employee Outreach Committee.

KeHE Cares™ supports organizations where employees are directly involved and committed to serving others by donating their time and talents for the betterment of those in need.

KeHE employees volunteer in the U.S. and abroad, serving in soup kitchens, creating healthy meal kits for the hungry, building and repairing homes, collecting relief supplies and much more.



The CareTrade® mission is to identify and promote a set of brands that advance a higher purpose than commercial success and are aligned with our dedication to serving. CareTrade's® purpose is to increase awareness and support retail success.

With the introduction of better farming and organic processes, the food industry is constantly changing. KeHE's Category Management and Growth Solutions teams research the latest trends, keeping a close watch on the industry to help suppliers and retailers stay ahead of the competition.

KeHE's customers have the opportunity to learn from KeHE's wealth of expertise and use it to their advantage. Whether it be a new functional beverage ingredient, organic food business tactics or what consumers are looking for on the shelves, KeHE stays on top of the industry changes and quickly informs its retailers and suppliers. Check out the latest trends on kehe.com/ontrend.



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FAST FACTS

A bird's-eye view of the rapidly growing natural, organic and specialty foods industry.

Climate Change

Not an environmental issue but a public health and humanitarian issue.

(Climate Collaborative)

78%

The percentage of U.S. families who buy some organic food.

(Organic Trade Association)

65%

Of consumers look on the product label to see if the food or beverage is

"minimally processed."

(The Hartman Group)

2,429

B Corporations,
50+ Countries,
130 Industries,
1 Unifying Goal

(B Lab)

15

The number of KeHE distribution warehouses located in the U.S. and Canada.

30,000

The number of stores KeHE distributes to throughout North America.

\$43B

The number of sales the organic food industry reached in 2015 - up 11% from the previous year.

(Organic Trade Association)

10%

Growth year over year for Biodynamic items, rising from an annual market of \$14.4 million to \$15.8 million

(SPINS)

iGeneration / Millennials

The consumers most likely to be drawn to organic snacks and products with added nutrition, including proteins and vitamins.

(Mintel)

71%

Of Millennials have used a smart phone in-store while shopping for food or beverages.

(The Hartman Group)

34%

The percentage of consumers who believe it is very important that snacks include organic ingredients.

(Nielsen)

170,000

The number of acres of U.S. farmland transitioning to organic.

(Organic Trade Association)

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INDUSTRY-LEADING EVENTS

Look for the field's latest trends at KeHE's events, where product innovations launch and industry movements emerge.



The two-day, invitation-only event features more than 4,500 retailers and suppliers focused on natural, specialty and fresh products appropriate for the holiday season including new, emerging, and familiar "gotta have" items.



One of the fastest-growing trade shows in the nation, KeHE's Summer Selling Show is held annually in early February with roughly 4,000 attendees in various Sun Belt cities throughout the country focusing on summer.



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