First Quarter 2026 Earnings Pre-Recorded Management Discussion
May 6, 2026

Please view the following prepared management remarks together with our Annual Report on Form 10-K, presentation slides, earnings release, and non-GAAP information that accompany these remarks, which includes a discussion of non-GAAP financial measures and reconciliations of non-GAAP financial measures to the comparable GAAP financial measures. The accompanying presentation slides, earnings release, and non-GAAP information are available on our website at ir.kraftheinzcompany.com under News & Events > Events, or directly at ir.kraftheinzcompany.com/news-events/events.

We also invite you to listen to our live question-and-answer webcast with Kraft Heinz management, which will begin today at 9:00 a.m. Eastern Time and will be available on our website at ir.kraftheinzcompany.com under News & Events > Events, or directly at ir.kraftheinzcompany.com/news-events/events.

Forward-Looking Statements

The following remarks include a number of forward-looking statements as defined under U.S. federal securities laws, including, but not limited to, statements, estimates, and projections relating to our business and long-term strategy; our ambitions, goals, targets, and commitments; our activities, efforts, initiatives, plans, and programs, and our investments in such activities, efforts, initiatives, plans, and programs; and projected or expected timing, results, achievement, and impacts, as well as statements regarding the previously announced separation of Kraft Heinz into two independently traded companies, including the timing and structure of such separation, the pause of work related to the separation, the ability to effect the separation and to meet the conditions thereto, the characteristics of the separated businesses and the expected benefits of the separation if completed. Words such as "aim," "anticipate," "aspire," "believe," "commit," "could," "estimate," "expect," "guidance," "intend," "may," "might," "outlook," "plan," "predict," "project," "seek," "will," "would," and variations of such words and similar future or conditional expressions are intended to identify forward-looking statements. These statements are based on management's beliefs, expectations, estimates, and projections at the time they are made and are not guarantees of future performance. Such statements are subject to a number of risks and uncertainties, many of which are difficult to predict and beyond our control, which could cause actual results to differ materially from those indicated in the forward-looking statements. For additional, important information regarding such risks and uncertainties, please see our related earnings release, which accompanies this presentation, and the risk factors set forth in Kraft Heinz's filings with the U.S. Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. We disclaim and do not undertake any obligation to update, revise, or withdraw any forward-looking statement in this presentation, except as required by applicable law or regulation.

Non-GAAP Financial Measures

These remarks contain non-GAAP financial measures, including Organic Net Sales, Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted Operating Income, Constant Currency Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted EPS, Free Cash Flow, Free Cash Flow Conversion, and Net Leverage. These non-GAAP financial measures may differ from similarly titled non-GAAP financial measures presented by other companies. These measures are not substitutes for their comparable financial measures prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and should be viewed in addition to, and not as an alternative for, the GAAP results in these remarks.

These non-GAAP financial measures assist management in comparing the Company's performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect the Company's underlying operations.

Q1 2026 Earnings Pre-Recorded Management Discussion

ANNE-MARIE MEGELA, HEAD OF GLOBAL INVESTOR RELATIONS

Slide 1:

Hello. This is Anne-Marie Megela, Head of Global Investor Relations at The Kraft Heinz Company. I'd like to welcome you to our first quarter 2026 business update.

Slide 2:

During the following remarks, we will make forward-looking statements regarding our expectations for the future, including related to our business plans and expectations, strategy, efforts and investments, and related timing and expected impacts. These statements are based on how we see things today, and actual results may differ materially due to risks and uncertainties. Please see the cautionary statements and risk factors contained in today's earnings release, which accompany these remarks, as well as our most recent 10-K, 10-Q, and 8-K filings for more information regarding these risks and uncertainties.

Additionally, we will refer to non-GAAP financial measures, which exclude certain items from our financial results reported in accordance with GAAP. Please refer to today's earnings release and the non-GAAP information that accompany these remarks, which are available on our website at ir.kraftheinzcompany.com, under News & Events, for a discussion of our non-GAAP financial measures and reconciliations to the comparable GAAP financial measures.

Slide 3:

Today, our Chief Executive Officer, Steve Cahillane, will provide an update on our business performance and overall strategy. Andre Maciel, our Chief Global Financial Officer, will then provide a financial review of the first quarter results, and we will conclude by discussing our 2026 outlook.

We have also scheduled a separate, live question-and-answer session with analysts.

You can access our question-and-answer session at ir.kraftheinzcompany.com. A replay will also be available following the event through the same website.

With that, I will now turn it over to Steve.

STEVE CAHILLANE, CHIEF EXECUTIVE OFFICER

Thank you, Anne-Marie, and thank you all for joining us.

We've made steady progress in the first quarter, and I'm encouraged by the early signs of momentum we're building. At the same time, we remain grounded in the necessary work ahead, particularly against a backdrop where consumer sentiment remains low due to current macro-economic and geopolitical conditions. What gives me confidence is the alignment and commitment I see across the organization as we execute against our 2026 plans – which will position us to ultimately return to sustainable and profitable growth.

Slide 4: Q1 2026 Results

Beginning with the first quarter… I'm pleased to share that we delivered results ahead of our expectations. Organic Net Sales declined 0.4%, outperforming our initial outlook for a low-single digit decline. This better-than-expected top line was driven by an estimated 150-basis point consumption benefit from winter storms in January and February and, to a lesser extent, outperformance in market share recovery. While the storm impact reflects a one-time benefit in the quarter that we don't expect to repeat, we're encouraged by the underlying share momentum.

Adjusted Gross Profit Margin of 34.1% was down 30 basis points versus the prior year primarily driven by inflation partially offset by productivity gains.

Our topline and Adjusted Gross Profit Margin performance, in addition to our planned increased SG&A, primarily in marketing, contributed to a Constant Currency Adjusted Operating Income decline of 12.5%.

Adjusted EPS was $0.58 for the quarter, a decline of 6.5% compared to the prior year. This was driven by our Adjusted Operating Income performance, partially offset by a lower effective tax rate.

We continue to generate strong Free Cash Flow, up 59% versus the prior year, driven largely by improvements in working capital. This, along with the strength of our balance sheet, positions us to confidently sustain our dividend and manage debt levels.

Slide 5: Market Share Results

As you may recall, we started increasing investments in the second half of 2025. I am pleased to share that we are seeing those investments start to pay off and drive early market share traction this year.

In 2025, 21% of our total Kraft Heinz business was gaining or holding share. In Q1 that number improved to 35%, with an even more pronounced improvement in March at approximately 58%.

As we look at this through the lens of our market share goals, across WIN BIG 28% of our business was gaining or holding share in 2025, with an improvement to 51% in the first quarter, and 59% in March.

Slide 6: Market Share Results

Driving majority of the improvement across WIN BIG is our performance in U.S. Taste Elevation, where we have a portfolio spanning categories in which we hold strong market share positions and have a clear right to win. Here, the percentage of sales gaining or holding share in the first quarter was over 80% and reached 87% in March.

We have made product and packaging improvements to drive superiority across Taste Elevation categories including ketchup and cream cheese. We increased marketing and optimized allocation across media types, while at the same time launching new product-focused creative. And we invested last year to bolster our U.S. Taste Elevation team – with approximately 50% more headcount supporting core brands like *Heinz* and *Philadelphia*.

This is proof that when we make focused, consumer driven investments, we can improve performance – and as we have recently announced, our plans for this year call for meaningfully more investment.

Slide 7: Market Share Results

In our U.S. Retail business, we are moving in the right direction, from 29% of our portfolio gaining or holding share in the first quarter to 54% in March. In addition to Taste Elevation, we are driving market share improvements across both Hydration and Desserts. That said, we still have much work to do… particularly in categories like Meats and Meals, where we are taking targeted actions – including price investments across *Oscar Mayer* and stepping up innovation and marketing across Mac & Cheese. We believe the investments we're making this year will translate into stronger performance in U.S. Retail.

Slide 8: 2026 Operating Plan

Now, let me take you through our specific plans for the rest of 2026 and how we will continue to build on this early momentum. As I said, our goal is to drive volume-led sustainable and profitable top line growth, while continuing to generate attractive Free Cash Flow.

We plan to do this by turning around our U.S. business and by accelerating the momentum in our international markets – across both retail and away from home channels.

Starting with the U.S., we are building upon investments we started to make last year. We announced a $600M investment across product superiority, select pricing, marketing, sales, and R&D – of which the majority will be focused on turning around our U.S. business. We know that our brands respond well when we invest behind them. Building on 2025 learnings, we are improving how we allocate spend and are sharpening our execution.

We are deploying these incremental dollars in a highly disciplined manner. Our strong balance sheet and robust Free Cash Flow capabilities position us well to fund the investments. In addition to the investments, we are improving and simplifying our U.S. operating model including new leadership, refined incentives, and a renewed focus on rewiring core processes. I will share more details on this shortly.

Internationally, growth will be led by our *Heinz* brand, along with distribution expansion in Emerging Markets. In the second half of 2026, we expect Emerging Markets to accelerate to a double-digit growth pace.

Slide 9: Investment – Price

Let's dive a bit deeper into the $600M investment. Our focus is on delivering value to consumers not only through superior products and meaningful differentiation, but also by providing affordable options, while at the same time protecting distribution.

We are making disciplined investments to improve the ROI of our promotional spend, expand access to opening price points, and, in select cases, implement base price adjustments. For example, we added frequencies to our *Capri Sun* 10-pack in the first quarter – which is performing very well – and we just introduced new promotions on our 5-pack *Kraft* Mac & Cheese. We are also introducing smaller pack sizes at more accessible entry price points – such as in pasta sauce. And we'll bring value through optimal price curves across select condiments – including *Heinz* ketchup.

Slide 10: Investment – People, Marketing, R&D

To drive consistent execution, we are making investments in people – increasing headcount throughout the organization, with a particular focus on our marketing and sales teams. This includes investments in eCommerce, where we grew approximately 13% year-to-date through the first two months of the year, with investments expected to accelerate in the second quarter. We know that well-resourced teams will enable us to have better retail partnerships, better in-store and online execution, sharper consumer insights, and better product launches. In the first quarter, we have made progress in pinpointing our hiring priorities and are actively working on bringing the right talent on board to complement our existing teams.

On the marketing front, we have been actively working to increase our return on marketing spend. We've reallocated dollars towards higher-return brand media, improving efficiency through fewer, more effective media partners, and launching stronger consumer-driven creative. Importantly, we're measuring direct sales impact, and we are seeing clear improvements. Based on our latest data, return on ad spend grew 8 percentage points globally.

As we are improving returns, we're also stepping up our investment, increasing marketing spend to at least 5.5% of net sales. In the first quarter, marketing was up approximately 37% versus the prior year. Importantly, we are doubling down on marketing in areas with good momentum. For example, across big bet innovations including PowerMac, new partnerships – including our recently announced 5-year partnership with the NFL – and supporting *Heinz* globally.

And we also know that we need to invest more in R&D to drive both product superiority and value for consumers. Our plan contemplates increasing investment in R&D by approximately 20% vs the prior year, bringing it closer to 0.9% as a percentage of net sales. In the first quarter, our R&D spend was up 16% versus the prior year. These investments are increasing both capacity and capabilities to support our growth agenda across consumer experience, packaging innovation, and process development – all further enabled by digital advancements.

Slide 11: Investment – Innovation

As we invest more in R&D, we are strengthening the foundation of our innovation pipeline. Our innovation and renovation strategy is centered around three key consumer driven platforms – convenience, new occasions, and nutrition.

We have already done a lot of work on renovating the core, including product and packaging improvements. Whether that be improved cookies and crackers in *Lunchables* with a new on-pack protein claim. Or *Crystal Light,* where we refreshed the packaging to clearly highlight its zero sugar, low-calorie positioning.

To complement that work, we are launching bigger innovation. This is highlighted by the recent launch of *Kraft* Mac & Cheese PowerMac, which is now on shelves at major retailers nationwide. PowerMac expands our blue box lineup with added nutrition while staying true to the taste, convenience and affordability that has made *Kraft* Mac & Cheese a trusted household favorite. Offering more nutritional value at a lower price than competition while maintaining attractive margins – we are really hitting on the value equation for consumers. While it is too early to gauge sell out performance, distribution has come in very strong – selling into 35,000 stores – and we are ramping up in-store support and media to drive trial and velocities.

We also have an exciting pipeline ahead of us, including *Capri Sun* Hydrate, a functional beverage option that addresses the whitespace between kid beverage and adult sport drink. And we are expanding our *Philadelphia* line up with a lactose-free cream cheese offering. Lactose intolerance affects up to 50 million Americans, and our *Philadelphia* brand is well positioned to provide the same signature creaminess and taste, without compromise. You can expect to see *Capri Sun* Hydrate roll out on shelves throughout the second quarter, with lactose-free *Philadelphia* coming in early Q3.

Slide 12: Investment Allocation

As we prioritize our investments across the portfolio, we are taking into consideration our market share goals. For those brands where we want to HOLD share, like *Oscar Mayer* and *Maxwell House*, we will spend to defend share. In those brands where we are looking to WIN market share, like *Lunchables* and *Jell-O*, we will invest selectively. And for those brands where we have the right to WIN BIG, like in our Taste Elevation brands such as *Heinz* and *Philadelphia*, we will distort our investments accordingly.

Slide 13: U.S. Operating Model

In addition to investing more across the business, the second major element of our U.S. turnaround is the simplification of our U.S. operating model.

First, we brought in Nico Amaya to lead our North America business. Having worked closely with Nico, I've seen firsthand his ability to build strong teams, stay relentlessly focused on consumers and customers, and translate strategy into results. I am confident in his ability to help drive our North America business forward.

Second, we have rolled out an incentive structure that better focuses the teams on generating market share gains while empowering teams to be more flexible and adaptive to market conditions.

Lastly, we are making refinements to our business unit model. We believe that we have the right base to build upon, with an operating model that is BU-led and functionally enabled – but we are not fully living into this model today. We've launched an initiative to rewire core processes and managements routines – such as Integrated Business Planning, Innovation, and Marketing and Sales ways of working. This will help us streamline decision making and build more consistent commercial capabilities with clearer processes and accountability.

We expect that through our investments and simplified operating model in the U.S., we can sharpen our focus on our brands and capabilities, while reducing complexity and accelerating decision-making across the organization. As we progress throughout the year, we anticipate this will translate into more consistent and stronger execution in-market.

Slide 14: International Markets

Now turning to our international markets. Our focus remains on growing the core through our *Heinz* brand and distribution expansion in our Emerging Markets.

Heinz grew approximately 11% in Emerging Markets in the first quarter. Around the world, we are expanding *Heinz* across new occasions and geographies, while catering to local preferences and trends.

Even in markets where we're already strong, there's substantial whitespace – Brazil is a prime example. Here, we are the leader in ketchup, with nearly 50% share, but despite our share position, *Heinz* is only in about 20% of Brazilian homes. This presents a meaningful opportunity for expansion, so this past month we launched *Heinz* Zero Ketchup – which has no added sugar, 50% fewer calories, 25% less sodium, uses a higher proportion of tomatoes, and sells for the same price as the original version. This is a great example of how we're leveraging the strength of our *Heinz* brand to meet consumers where they are.

We also expect to continue to grow in Emerging Markets through increased distribution leveraging our Go To Market model – with distribution points up more than 25% in the first quarter. This includes continued expansion into the Away From Home Channel, which grew over 8% in the quarter.

Slide 15: Away From Home

Taking a closer look at Global Away From Home, Organic Net Sales have continued to improve relative to our performance in 2025. In the first quarter, our Away From Home business declined 0.6%. This was primarily driven by our performance in the U.S., which was partially offset by growth in Emerging Markets that I just mentioned. As we progress throughout the year, we anticipate an improvement in our share performance despite our expectation for the U.S. foodservice industry to remain muted. We believe this will be driven by a combination of a continued ramp up of new business wins and further investment behind our *Heinz* verified program.

Away From Home remains a strategic channel for us where we see significant opportunity for growth both across our North American and International businesses. This includes growth beyond ketchup, expansion into non-commercial channels, and increased penetration in QSRs.

Before I hand it off to Andre, as you can see, we are starting to see some initial momentum. Based on the strategic direction we have set and our first quarter performance, we are confident that we can achieve our expectations for 2026.

Andre will now walk you through our first quarter financial performance and 2026 outlook in more detail.

Slide 16:

ANDRE MACIEL, EVP AND GLOBAL CHIEF FINANCIAL OFFICER

Thank you, Steve.

Slide 17: Organic Net Sales

In the first quarter, Organic Net Sales for Kraft Heinz declined 0.4%. Price contributed 0.8 percentage points, while volume/mix declined 1.2 percentage points. Higher pricing was primarily driven by coffee, with declining volume/mix largely reflecting elasticities in coffee and softness in cold cuts.

Breaking this performance down by segment, North America Organic Net Sales declined 1.1%, coming in better than we anticipated due to a 150-basis point one-time impact from increased consumption driven by winter storms, as well as market share momentum. Growth in Canada was more than offset by declines in the U.S., which was driven primarily by cold cuts.

As expected, we also experienced a benefit from the Easter shift of approximately 100 basis points, which we anticipate will be a headwind in the second quarter. At the same time, we are cautiously optimistic that the underlying improvement in share performance will hold and ultimately improve.

In our International Developed Markets, Organic Net Sales declined 0.1%. This decline was primarily driven by pressure in Western Europe due to price negotiations. Heading into the second quarter, most of these discussions are behind us, with market share now recovering across the region. This headwind was mostly offset by growth in the U.K., where we gained 60 basis points of share in the quarter – growing share across our meals, sauces and pasta sauce categories – led by our *Heinz* brand. This is a true testament to the stretchability of the *Heinz* brand beyond Ketchup.

In Emerging Markets, Organic Net Sales were up 3.8%. This was driven by high-single digit growth across our LATAM and East regions, partially offset by the previously anticipated 400-basis point impact from the decline in Indonesia. Outside of Indonesia, we are generating volume growth in Emerging Markets, and we expect to start seeing recovery in Indonesia in the second half of the year.

Slide 18: Adjusted Operating Income

Turning to the next slide, Kraft Heinz Adjusted Operating Income declined 11.8% and our Adjusted Operating Income Margin decreased 250 basis points.

In North America, Adjusted Operating Income declined 11.6% versus the prior year. This was primarily driven by investments we are making in marketing in addition to inflation, which was partially offset by our productivity initiatives.

In International Developed Markets, Adjusted Operating Income increased 4.9%. This was primarily driven by a favorable impact from currency, strong productivity, and lower commodity costs that were partially offset by incremental investments in marketing.

And in Emerging Markets, Adjusted Operating Income declined 4.0%. Indonesia, which contributed a 11-percentage point impact to the decline, more than offset growth in the rest of the business. Outside of Indonesia, we delivered growth driven by sales performance – particularly in our *Heinz* brand – and productivity savings helping to offset inflation.

Slide 19: Adjusted Gross Profit Margin & Efficiencies

Moving to Adjusted Gross Profit Margin, which declined 30 basis points versus the prior year in the first quarter. This was driven by inflation, particularly across manufacturing and logistics, which more than offset productivity initiatives and pricing.

Looking ahead, the macro environment remains volatile driven by ongoing geopolitical conflicts. We expect our commodity hedging program to provide some near-term protection, particularly as it pertains to costs related to energy and edible oils. We also have hedges in place for certain resins and metals through mid-Q3, but as these roll off, we would expect increased exposure to spot prices in the fourth quarter.

Helping to mitigate these inflationary headwinds and support gross margin performance, we continue to generate strong gross efficiencies. We delivered approximately $160 million in the first quarter, representing roughly 4% of COGS – a pace that we expect to continue through the rest of the year.

Slide 20: Adjusted EPS and Free Cash Flow

In terms of Adjusted EPS, we declined approximately 6.5%, or 4 cents, versus the first quarter of 2025. The decline was driven, as expected, by lower results of operations, and was partially offset by a lower effective tax rate.

Looking at Free Cash Flow, we generated approximately $800 million dollars in Q1, a 59% increase versus the prior year. And Free Cash Flow Conversion of 111% represented a 46-percentage point increase compared to Q1 of last year. The increase in Free Cash Flow was driven primarily by improvements in working capital across both inventory and payables. These improvements reflect our continued focus on excess inventory reduction, digital integration in demand planning, and improved payment terms through collaborative supplier negotiations. Our Free Cash Flow Conversion also benefited from marketing accruals booked in the first quarter, with the impact to cash expected in subsequent quarters.

Slide 21: Capital Allocation

Looking at capital allocation, our priorities remain very clear – sustaining the dividend and protecting our investment-grade credit profile. With a strong balance sheet and solid free cash flow generation, we have the flexibility to navigate potential volatility while reinvesting in the business and continuing to fund the dividend, reduce debt, and manage leverage in a disciplined way.

In the second quarter, we are deploying excess cash to reduce debt and continuing to optimize our debt towers by finding opportunities to reduce our cost of debt. We would expect our 2026 Net Leverage to be no higher than 3.3 times, with a clear path to bring this back down to our target in about 2 years.

Slide 22: 2026 Guidance

Now, turning to our full year 2026 outlook. We are reiterating our expectations for the year.

We continue to expect Organic Net Sales to be down 3.5 to down 1.5 percent. This includes an approximate 100-basis point impact from incremental SNAP headwinds.

Our outlook contemplates Adjusted Gross Profit Margin in the range of down 75 to down 25 basis points year-over-year, reflecting inflation as well as investments in price, product, and packaging. This is expected to more than offset targeted efficiencies.

We expect inflation within our full year outlook to be slightly above 4 percent. As I mentioned, the macro backdrop continues to be uncertain amid geopolitical tensions. We're maintaining a heightened focus on supply continuity, and while we expect our commodity hedges to help mitigate near-term cost volatility, we would expect to see some incremental costs in the second half. Importantly, we have the capacity to absorb these costs within our guidance.

We continue to expect Constant Currency Adjusted Operating Income to be in the range of down 18 to down 14 percent. This includes approximately 13 percentage points from incremental investments and an approximate 3-percentage-point impact from lapping lower variable compensation in 2025.

We continue to expect Adjusted EPS to be in the range of $1.98 to $2.10. Our Adjusted EPS expectation now contemplates an effective tax rate of approximately 25 percent.

From a cash perspective, we continue to expect to generate Free Cash Flow Conversion of approximately 100 percent.

Looking specifically at the second quarter, we expect Organic Net Sales to be down between 3 to 5 percent. This includes an approximate 100-basis point headwind from the Easter shift and a 100-basis point headwind from lower SNAP funding. In the U.S., we do expect to hold our underlying share improvement seen in the first quarter into the second quarter, and slight sequential improvement in both Global Away From Home and Emerging Markets.

Moving into the second half of the year, we expect further improvement in our topline as we lap the headwind in Indonesia, and our investments ramp up.

For Adjusted Operating Income, we anticipate a decline in the range of 18 to 20 percent in the second quarter. This is driven by our topline expectations, a slightly worse Adjusted Gross Profit Margin year-over-year relative to the first quarter, and increased levels of investment.

With that, let me pass it back to Steve for some closing comments.

STEVE CAHILLANE, CHIEF EXECUTIVE OFFICER

Closing Comments

Thank you, Andre.

Our 2026 plan is focused on building momentum in the business, to drive profitable growth through share recovery and volume improvement while continuing to generate attractive Free Cash Flow. We believe this is the single most important thing we can do to position ourselves for the future.

Investments we made in 2025 are now driving early traction, with improving market share trends, particularly in must-win parts of our portfolio like Taste Elevation. We've seen that our brands respond well when we invest behind them. This year, we will build on those initial investments – applying learnings from 2025 to improve how we allocate spend, sharpen our execution, and drive stronger returns. We believe that with the right level of investments, a simplified operating model, and continued opportunity in our international markets, we will be well positioned to drive sustainable growth.

While I am encouraged by our start to the year, we are reaffirming our 2026 outlook amid market volatility, with increasing inflationary pressures and low consumer sentiment. At the same time, we are retaining flexibility to increase investments in areas that are delivering attractive returns.

That concludes our comments for today. Thank you for your time and thank you for your interest in Kraft Heinz.