



Fourth Quarter 2025 Earnings Pre-Recorded Management Discussion

February 11, 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.

Q4 2025 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 fourth quarter and full year 2025 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: Welcome

Today, our Chief Executive Officer, Steve Cahillane, will provide an update on our overall strategy and business performance. Andre Maciel, our Chief Global Financial Officer, will then provide a financial review of the fourth 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.

I am excited to be hosting my first earnings call today with Kraft Heinz. This company has great potential with well-known brands, a team of passionate, talented people, and as I've built my

understanding of the company from the inside over the last six weeks, I am even more confident that together we can unlock the company's full potential.

We have a clear opportunity – and we are building a pathway – to meet the consumer where they are by contemporizing our brands, differentiating our products, strengthening our value proposition, and improving our commercial execution – all necessary steps to return to growth.

Slide 4: Agenda

Today, I will walk you through a couple of key points. First, I will discuss our 2025 full year financial performance, and Andre will later provide specific details for the fourth quarter. We will also dive deeper into our 2026 operating plan and the steps we're taking to return the company to organic, profitable growth – followed by an update on the separation. Lastly, Andre will detail our 2026 guidance.

Slide 5: 2025 Results

So, beginning with 2025. To say the least, it was quite a challenging year for the sector and Kraft Heinz. We saw a meaningful year-over-year decline in both top-line and bottom-line results. Organic Net Sales were pressured by market share losses, primarily in U.S. retail. Efficiencies and limited pricing partially offset inflation and tariffs, resulting in an Adjusted Gross Profit Margin decline of 120 basis points. The pressure on gross margin, coupled with incremental investments in marketing, led to a Constant Currency Adjusted Operating Income decline of 11.4%. These dynamics, along with an anticipated higher year-over-year effective tax rate, resulted in an Adjusted EPS of \$2.60, a 15% decline compared to 2024.

Despite these challenges in our P&L, we generated strong Free Cash Flow, with improvement of nearly 16% versus prior year. Our ability to generate significant cash flow continues to provide us with healthy capital allocation optionality.

Slide 6: Strategic Pillars

Now, looking at our full year 2025 results through the lens of our three strategic growth pillars.

Organic Net Sales in our North America Retail ACCELERATE platforms declined 5.2%. This was driven by a combination of share loss and industry-related headwinds. The majority of the decline came from three areas - *Lunchables*, *Spoonables*, and *Frozen Meals and Snacks*.

Moving onto our next strategic pillar, Global Away From Home. Organic Net Sales were down 1.5% in 2025 driven primarily by lower traffic trends in the U.S. and market share pressure as propensity to trade down remains high, particularly in the Back-of-House business. This was partially offset by growth in our International Away From Home markets. Despite the slowdown in the U.S., we made progress in diversifying our channel mix, increasing the percent of our North America Away From Home sales in non-commercial channels over 150 basis points in

2025. We also continued to expand distribution in our Emerging Markets Away From Home business, with Organic Net Sales growing approximately 9% this year.

And our final pillar, Emerging Markets. Organic Net Sales were up 4.6% driven by double-digit growth in our LATAM and East regions, partially offset by a decline in Indonesia. Growth in Emerging Markets is coming primarily from our *Heinz* brand – with Organic Net Sales up nearly 13% in 2025 versus the prior year – and continued expansion of distribution through our Go To Market Model. The decline in Indonesia is primarily a result of the need to reset inventory levels with distributors, in part due to the financial distress of one of the largest distributors in the country. Recovery will take some time as we work to right-size inventory levels, transition to new distributors, and reduce pricing instability. As a result, we don't expect meaningful improvement until the second half of 2026.

Slide 7: 2026 Operating Plan

Now, let's talk about our plan and expectations for 2026.

Our ultimate goal is to drive volume-led sustainable and profitable top line growth, while continuing to generate attractive Free Cash Flow. This is the single most important thing we can do to position ourselves for the future.

I said on Day 1 that my number one priority was assessing the 2026 plan and making any necessary adjustments to return to profitable growth.

When I decided to join Kraft Heinz, I knew that this was an exciting opportunity – to contemporize iconic brands, better serve consumers and customers, and build meaningful shareholder value – and that is all true. As I have examined the business, I clearly see how much is fixable and how much is within our own control.

I have spent considerable time with our team understanding what will be required to realize this opportunity. Successful execution of our operating plan will require a meaningful investment of approximately \$600 million dollars. We do not take this level of investment in 2026 lightly and will deploy these incremental dollars in a highly disciplined manner. Thanks to the financial stewardship by the team and the Board, our balance sheet is strong and our Free Cash Flow capabilities, robust – positioning us to fully fund the incremental investments the team and I have identified.

I am convinced that with these investments, an improving US operating model, and stronger resources and capabilities, we can do a lot better and generate solid market share momentum in the second half of the year. But it demands the full attention and engagement of every person in this company. Our resource allocation decisions – time, people, money – need to be singularly focused on the execution of our operating plan.

At the same time, market conditions have gotten noticeably more challenging since the decision was first made to separate the company last summer. Consumer sentiment has worsened, industry trends have softened, and there is increasing volatility in the geopolitical landscape. These shifts make the path to recovery steeper and heighten the importance of restoring momentum in the business, most notably those brands in the North American Grocery Co. portfolio, while accelerating trends in our Taste Elevation platform.

Accordingly, we are prioritizing our resources to execute the operating plan and are pausing the work related to the separation. As the investments and our operating plan drive recovery and momentum in the business, we will then be in a better position to make a decision regarding next steps for the separation.

We recognize that the portfolio does need to evolve and by investing in and turning around the business, we improve optionality for future portfolio optimization.

I know what it takes to deliver on a successful separation of a business, and I also know that this success is greatly helped by the glidepath created by the underlying performance of the separated business. As such, I am confident that this is the right decision at this time.

Slide 8: 2026 Investments

So, let's talk more about what we will be doing this year. It is clear that we have historically underinvested in our brands and in the business, resulting in persistent share loss over the last decade. To drive market share momentum and ultimately sustainable profitable growth, we need to meet consumers where they are. To do this, it is imperative that we:

- align our brands and products with consumer preferences,
- show up with better commercial execution, and
- provide a more balanced value equation for our consumers, with a focus on opening price points.

This requires focused investment across marketing, sales, and R&D, as well as product superiority and price.

Let's dive into some specifics.

Slide 9: Innovation Platforms

It all begins with the consumer – our goal is to build superior consumer experiences with our brands.

Historically, we have had a gap in innovation due to underinvestment. We haven't been successful in launching scalable, profitable products on a consistent basis. To turn this around, we are increasing investments in R&D by approximately 20% in 2026 compared to 2025.

Our innovation and renovation strategy will have an emphasis on value across three key consumer-driven platforms – nutrition, convenience, and new occasions. Let me give you some examples of what the team are working on.

Within nutrition, we will be focused on providing value through healthier offerings without sacrificing taste. One example I'm excited about in this space is the launch of *Kraft* Mac and Cheese PowerMac. PowerMac provides benefits consumers are looking for – with 17 grams of protein and 6 grams of fiber – we are offering more nutritional value than competition, at a lower price point. This is a great example of us doubling down in areas we are most excited about. PowerMac is a big idea, and it will be well funded. You will start to see PowerMac on shelves in the second quarter.

Within convenience, we are going to build on the initial traction we established in 2025 with *Capri Sun* single serve bottles. Here, we are unlocking value by expanding in formats, channels, and occasions. Being nearly 60% incremental to the category, this presents a tremendous opportunity for us to capture within convenience stores, front-end displays, and other on-the-go new occasions beyond the pouch.

Slide 10: Heinz Innovation

Across our innovation platforms, we will be focused on expanding our globally iconic *Heinz* brand. *Heinz* is a 5-billion-dollar-plus brand with amazing brand equity and the opportunity to drive further household penetration.

Around the world, we are expanding *Heinz* across new occasions and geographies, while catering to local preferences and trends.

Whether that be across nutrition through our *Heinz* Simply platform that spans categories and expands access to natural ingredients without compromising on taste.

Or across new occasions, through our expansion of *Heinz* into the kitchen with pasta sauce – like we did in the UK, Brazil, and Chile, with plans to scale further. We are also broadening *Heinz* beyond ketchup through a host-food-led strategy, launching modern condiments aimed at protein categories like chicken and fish across Europe, the UK, and Canada.

As you can see, there is a lot of excitement around the *Heinz* brand across the globe., and we have a huge opportunity to bring even more energy around the brand into the U.S.

Slide 11: Commercial and Price Investments

We will also strengthen commercial execution through improved infrastructure, with stepped-up investments in resources and capabilities across our marketing and sales organization, and incremental marketing behind our brands.

We acknowledge that our current teams are too lean and this is limiting our ability to execute consistently. The investment in our sales organization will enable us to build stronger joint business plans with better execution. Across marketing, we will be better equipped to drive demand through sharper consumer insights, stronger brand positioning, and better supported product launches.

We will increase our marketing investment to approximately 5.5% of net sales, targeting investments towards our biggest growth opportunities. In 2025, the marketing teams have done a lot of work to transform our approach which now prioritizes investing behind product-focused creative, leaning into relevant moments in culture where our brands make sense, and unlocking value at must-win consumer moments – we will continue to build upon this strategy.

And finally, to ensure we are providing a balanced value equation, we will be investing in price. As I have said before, great CPG companies need to earn price. In this cycle we've been through over the last couple of years, prices were not earned. We took pricing to address double-digit inflation, recognizing that these actions were not accompanied by incremental benefits for our consumers. We need to earn our price by providing consumers with more value and product differentiation. To do this, we will be executing against the plans I just mentioned, as well as refining our pricing strategy.

In 2026, we will pursue a three-pronged, disciplined approach, beginning with improving the ROI of our promotional spend. We will do this by redirecting funds from programs that have underperformed in 2025 to those that have demonstrated a higher return. Second, we will have a relentless focus on opening price points – ensuring that we are providing consumers with affordable choices and protecting distribution. And lastly, where necessary, we will revisit base price to ensure we are passing on any savings to the consumer. This will be in select categories on a case-by-case basis.

While we certainly have a lot of work in front of us, we are investing to build capabilities to win with our consumers and our customers. And I am encouraged by the groundwork the team has laid across several key categories this past year.

Slide 12: Progress in Taste Elevation

In Taste Elevation categories, including cream cheese, salad dressing, ketchup, and mustard, we went from losing share in the first half of 2025, to improvements in Q3, to gaining share in the fourth quarter. In fact, we ended 2025 with over 70% of our Taste Elevation platform gaining share, fueled by this initial traction.

Across these categories, our execution was grounded in consumer insights, resulting in measurable improvement.

Let me give you a couple examples. In salad dressings we attribute improvement to several initiatives, including a product-focused campaign and money back guarantee following a new improved ranch formula. And recognizing the growing number of consumers who value affordability, we launched an 8-ounce bottle at a lower entry price point.

And take mustard, where we are meeting the rising demand for health benefits. With its clean nutritional profile and the shift toward more meals at home, this created an opportunity for us to highlight its versatility through social engagement, showcasing uses such as marinades and dressings.

Slide 13: Progress in Focus Categories

And we've seen positive momentum in other areas as well. The team identified four critical categories that were driving the majority of our U.S. Retail decline as we entered 2025. We have applied additional focus in these areas and saw significant progress throughout the year. We mined our insights and executed against those insights – whether it be improvements in our core *Lunchables* product and packaging, or our new targeted regional approach in Mayo. Relative to the first half of 2025 to where we exited in the fourth quarter, we saw consumption improvement across each category – *Lunchables* improving by 11 percentage points, *Capri Sun* by 7 percentage points, Mayo by 13 percentage points, and Mac & Cheese by 2 percentage points.

Slide 14: Confidence in Plan

These impressive results and the great work the team has done in these specific instances give me even more conviction that the investment plan we are announcing today is the right path forward for Kraft Heinz. We have a clear view of how we will invest these funds, and we will do so smartly with a close eye on long-term returns.

Our goal is to drive positive volume growth over time through better in-market execution, better products, and innovations that consumers love. This is the first step that will restore a virtuous cycle in our operating model, leading to margin expansion and healthy long-term top and bottom-line growth.

Now, let me hand it over to Andre who will walk you through our fourth quarter financial performance and 2026 outlook in more detail.

ANDRE MACIEL, EVP AND GLOBAL CHIEF FINANCIAL OFFICER

Thank you, Steve.

Slide 16: Organic Net Sales

In the fourth quarter, Organic Net Sales declined 4.2% for total Kraft Heinz, with price up 0.5 percentage points and volume/mix down 4.7 percentage points.

Breaking this performance down by zone, North America Organic Net Sales declined 5.4% led by declines in the U.S., primarily in Cold Cuts and Away From Home, which more than offset growth in Canada. As expected, and previewed in our last earnings call, we also experienced an inventory de-load impact of approximately 150 basis points.

In our International Developed Markets, Organic Net Sales declined 2.4%. This decline was primarily driven by industry softness in the UK, particularly in the Meals categories including Soups and Beans. Despite this industry softness, we gained 20 basis points of share in the fourth quarter.

In Emerging Markets, Organic Net Sales were up 2.2%. This was driven by continued double-digit growth in LATAM and East regions, partially offset by a 740-basis point impact from the decline in Indonesia. As Steve mentioned earlier, we expect to start seeing recovery in Indonesia in the second half of 2026. Outside of Indonesia, we are generating volume growth in Emerging Markets, entering the year with momentum.

Slide 17: Adjusted Operating Income

Turning to the next slide, Kraft Heinz Adjusted Operating Income declined 15.9% and our Adjusted Operating Income Margin decreased 280 basis points.

In North America, Adjusted Operating Income declined 16.8% versus the prior year. This was primarily driven by volume declines, inflation more than offsetting our pricing, and increased marketing investment. These impacts were partially offset by our productivity initiatives.

In International Developed Markets, Adjusted Operating Income increased 6.6%. Gains from strong productivity in operations and SG&A savings across Europe were partially offset by volume declines and inflation.

And in Emerging Markets, Adjusted Operating Income declined 28.8%. Indonesia, which contributed a 35-percentage point impact to the decline, more than offset growth in the rest of the business. Outside of Indonesia, we saw growth driven by sales performance – particularly in our *Heinz* brand – and productivity savings.

Slide 18: Adjusted Gross Profit Margin & Adjusted EPS

Moving to Adjusted Gross Profit Margin, in the quarter we saw a decline of 130 basis points versus the prior year. This was driven by inflation, including tariffs, which more than offset pricing. These impacts were partially offset by best-in-class levels of productivity.

In terms of Adjusted EPS, we declined approximately 20%, or 17 cents, versus the fourth quarter of 2024. This was driven by lower results of operations, a higher effective tax rate, and higher interest expense, partially offset by favorable impacts from other financial income and share repurchases.

Slide 19: Efficiencies and Free Cash Flow

Despite this pressure in the P&L, our ability to drive efficiencies and generate cash remains strong. We delivered gross efficiencies of approximately \$690 million in 2025, representing our third year in a row delivering over 4% of COGS. Productivity savings continue to be a bright spot, reflecting disciplined end-to-end improvements across manufacturing, logistics, and procurement.

And looking at cash, we generated \$3.7 billion dollars of Free Cash Flow in 2025, nearly a 16% increase versus the prior year, with Free Cash Flow Conversion of 119%, a 34-percentage point increase compared to 2024. This was driven primarily by improvement in working capital, including better inventory management and demand planning initiatives, lower cash taxes, lower capex spend, and reduced cash outflows from variable compensation.

Slide 20: Capital Allocation Strategy

Looking at our capital allocation priorities for 2026, they remain unchanged.

- First is to continue to step up investments in the business as Steve shared.
- Second is to maintain Net Leverage around 3.0 times. This will include deploying excess cash to reduce debt in 2026.
- Third is to actively manage our portfolio.
- And fourth is to return excess capital to shareholders.

Slide 21: Shareholder Return

We ended the year with a strong balance sheet, with Net Leverage at our target ratio of approximately 3.0 times. And in 2025, we returned about 2.3 billion dollars in capital to stockholders. Of the 2.3 billion dollars, 1.9 billion was through our competitive dividend and approximately 400 million dollars was through our share repurchase program.

Slide 22: Incremental Investments

Looking at 2026, the incremental investments contemplated in our operating plan that Steve laid out will help us to be better equipped to align our brands and products with consumer preferences, show up with better commercial execution, and provide a more balanced value equation for consumers.

Approximately half of the investment is expected to be in price, product quality and packaging, and the other half in SG&A across sales, R&D and marketing, as well as in-store activation. We will be investing more heavily to stabilize those brands in the previously defined North American Grocery Company portfolio, while investing sufficiently to accelerate recovery and growth trends we are already seeing in our Taste Elevation platform brands.

As we move throughout the year, we will monitor the efficiency of our investments and adapt the allocation of funds as needed to ensure we are getting the highest return.

To monitor our progress, we will also be tracking the percentage of revenue gaining share – and while we don't expect to see improvements overnight – we do expect to see recovery as we get into the second half of the year.

And since we are pausing the work on the separation, we will not incur any of the \$300 million in dis-synergies, or meaningful additional one-time costs in 2026.

Slide 23: 2026 Guidance

Now, turning to our full year 2026 outlook. We 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 that I just mentioned. This is expected to more than offset targeted efficiencies.

Constant Currency Adjusted Operating Income is expected to be in the range of down 18 to down 14 percent. This includes an approximately 3 percentage point impact from lapping lower variable compensation in 2025 and approximately 13 percentage points from the incremental investments I detailed earlier.

We expect Adjusted EPS to be in the range of \$1.98 to \$2.10. Our Adjusted EPS expectation contemplates an effective tax rate of approximately 25.5 percent.

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

Looking specifically at the first quarter, we expect an approximate 100 basis point benefit to Organic Net Sales from the Easter shift. Excluding this benefit, we expect our top-line results to be relatively flat to the fourth quarter. This is primarily driven by a headwind from lower SNAP benefits. As we progress throughout the year, we do expect sequential improvement in our topline – particularly in the second half of the year – as we lap the headwind in Indonesia and begin to see the returns of our investments.

For Adjusted Operating Income, we anticipate a high-teens decline in the first quarter. This is driven by increased investments, specifically those in marketing and price. While we will begin to accrue these investments in the first quarter, we expect more meaningful topline improvement to come in the second half of the year.

Slide 24: Closing Comments

To wrap up, 2025 was a challenging year for us and the overall industry. It was marked by increasingly difficult market conditions, and for us, ongoing market share pressure.

Looking to 2026, our plan is focused on building momentum in the business and to ultimately drive profitable growth through share recovery and volume improvement while continuing to generate attractive Free Cash Flow.

To successfully execute this plan, all resources will be singularly focused on it.

That concludes our comments for today. We look forward to seeing many of you at CAGNY next week. Thank you for your time and interest in Kraft Heinz.