

CAGNY 2024



Chief Executive Officer

**CARLOS ABRAMS-RIVERA**

**KraftHeinz**

# FORWARD-LOOKING STATEMENTS

FEBRUARY 21, 2024

This presentation contains 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. 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 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

This presentation contains certain non-GAAP financial measures, including Organic Net Sales, Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted Operating Income, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, Net Leverage, Free Cash Flow, and Free Cash Flow Conversion. 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.

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.

Please view this presentation together with our Annual Report on Form 10-K and the accompanying non-GAAP information, which includes a discussion of non-GAAP financial measures and reconciliations of non-GAAP financial measures to the comparable GAAP financial measures, available on our website at [ir.kraftheinzcompany.com](https://ir.kraftheinzcompany.com) under News & Events > Events & Webcasts, or directly at [ir.kraftheinzcompany.com/events-and-webcasts](https://ir.kraftheinzcompany.com/events-and-webcasts).

# Welcome

1

**We've turned the corner in our transformation journey.**

2

**And are positioning Kraft Heinz to drive consistent top-tier returns...**

3

**...by being the Leader in Elevating and Creating Food That Makes You Feel Good.**

*Reset*  
**Foundation**

✓ 2020

**Fully**  
*Deploy*  
**New Operating Model**

✓ 2021

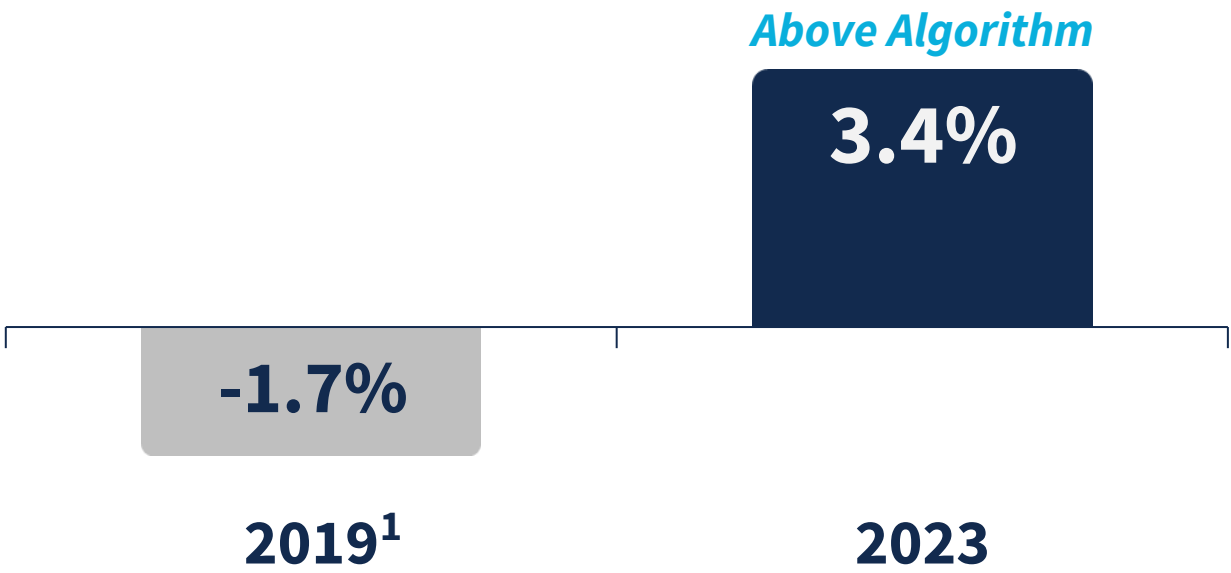
*Accelerate*  
**Profitable Growth**

✓ 2023

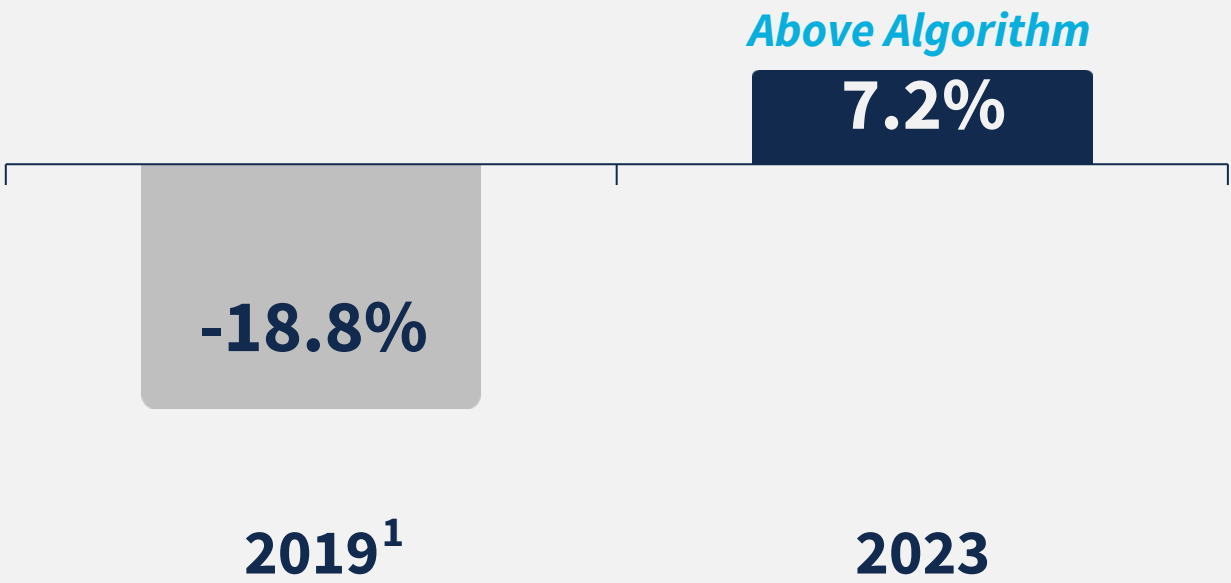


Key Performance Metrics

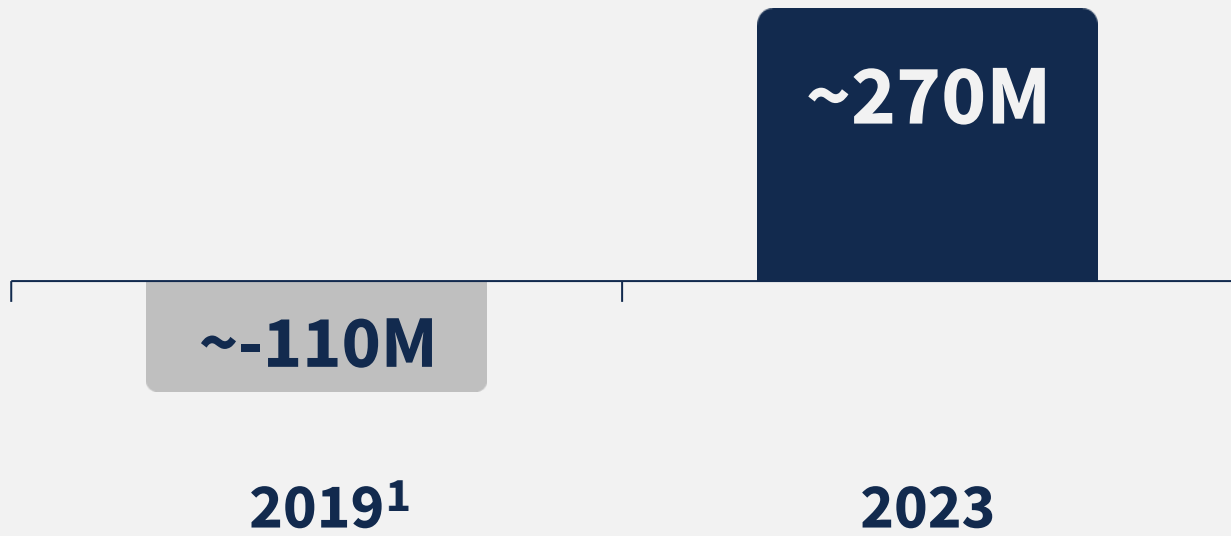
YoY Organic Net Sales<sup>2</sup> Growth



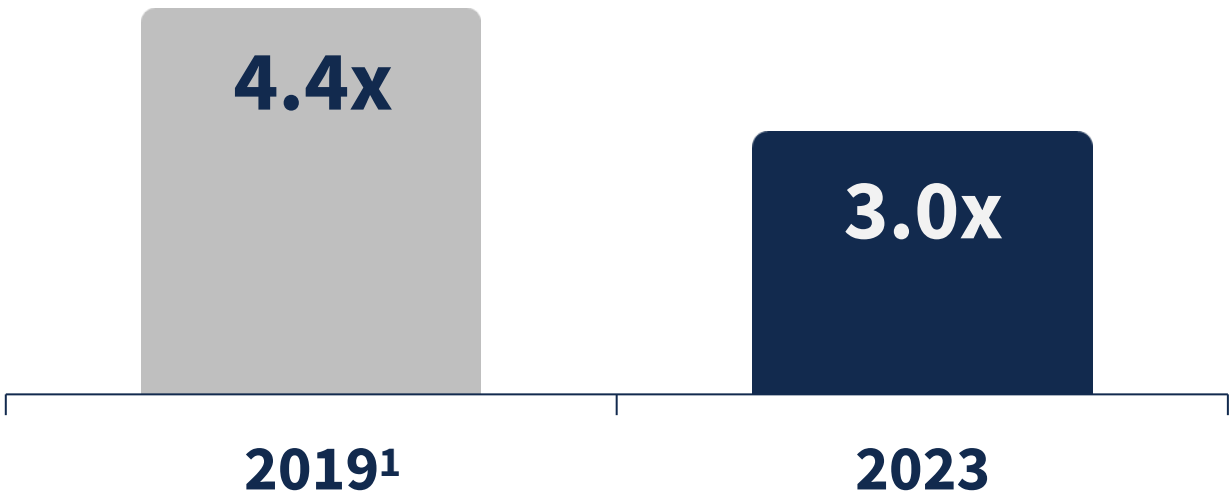
YoY Adjusted EPS<sup>2</sup> Growth



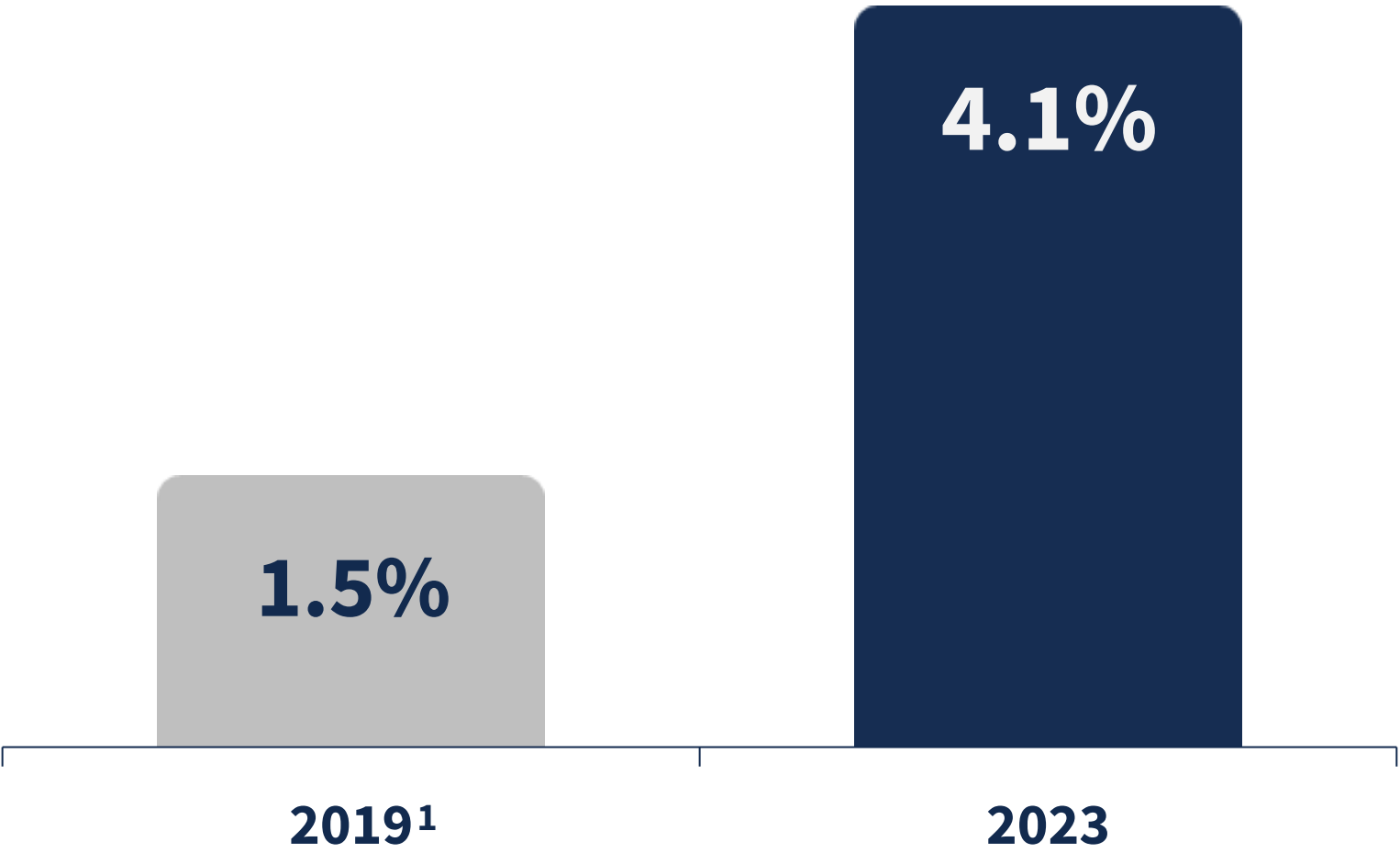
YoY Marketing + R&D + CapEx Spend



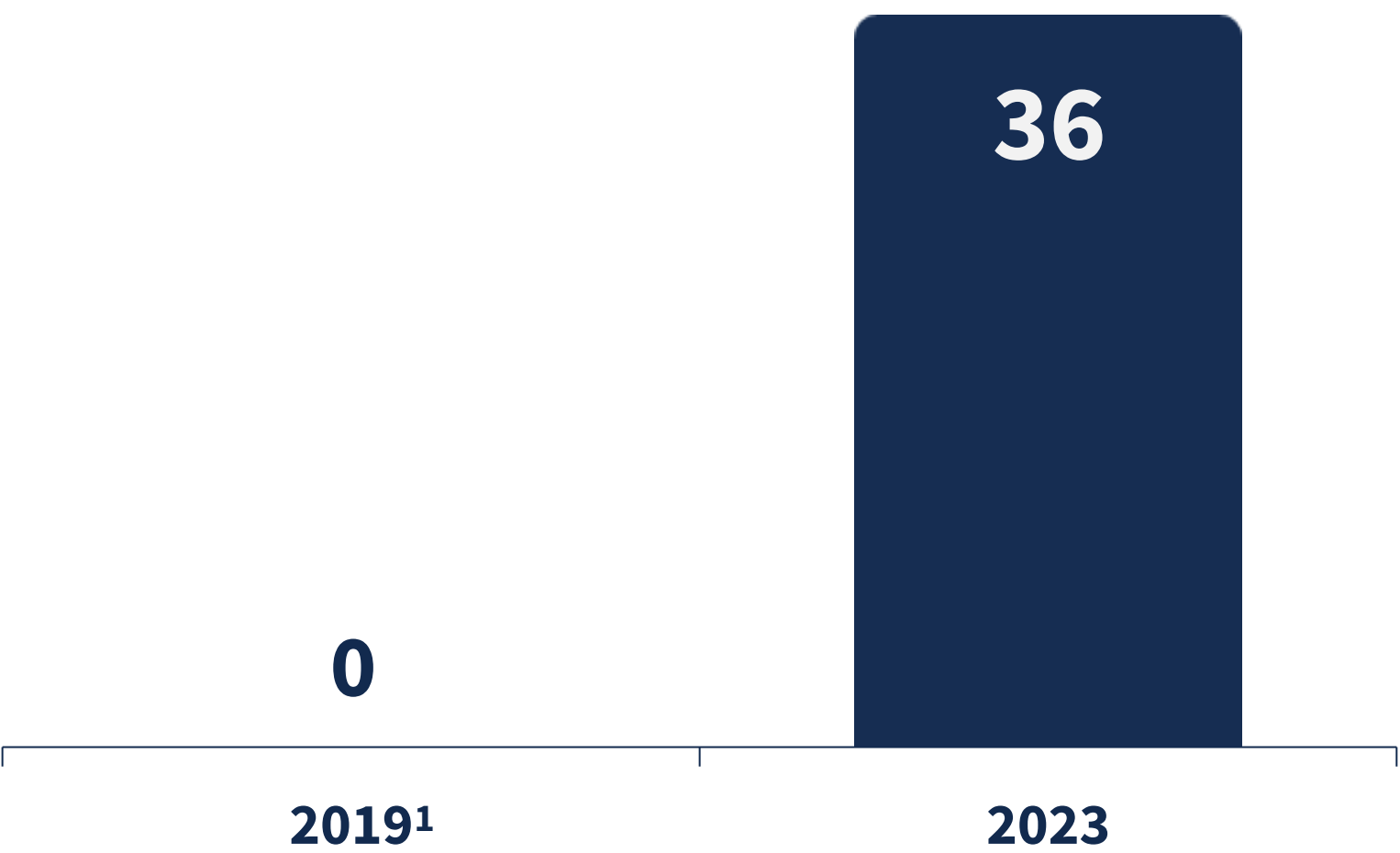
Net Leverage<sup>2</sup>



Gross Efficiencies as a % of COGS

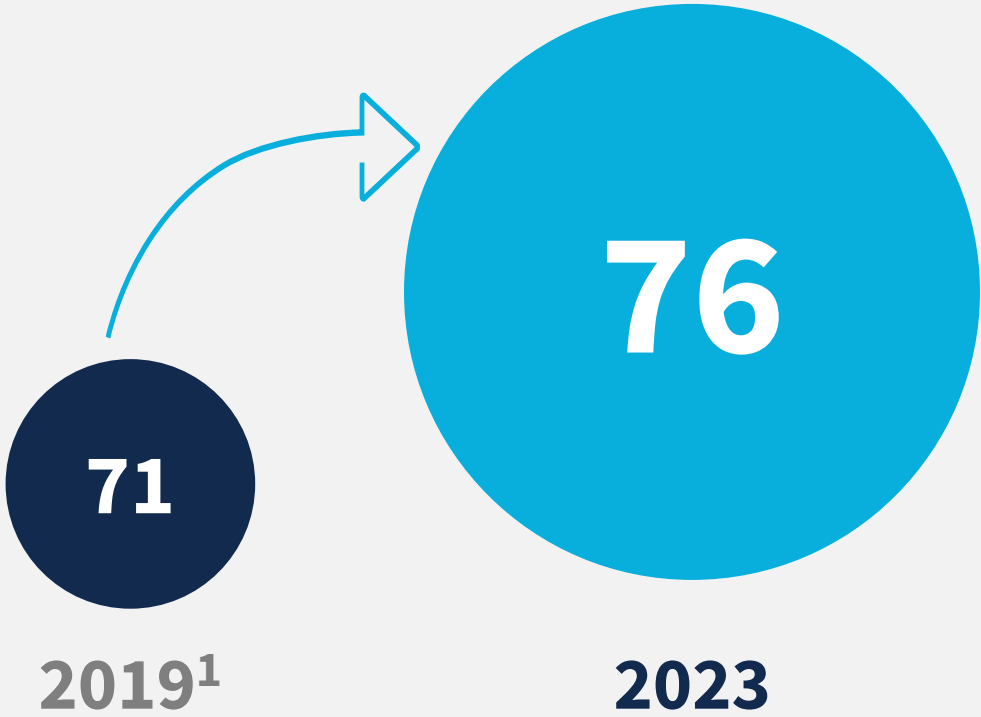


# of Agile Pods



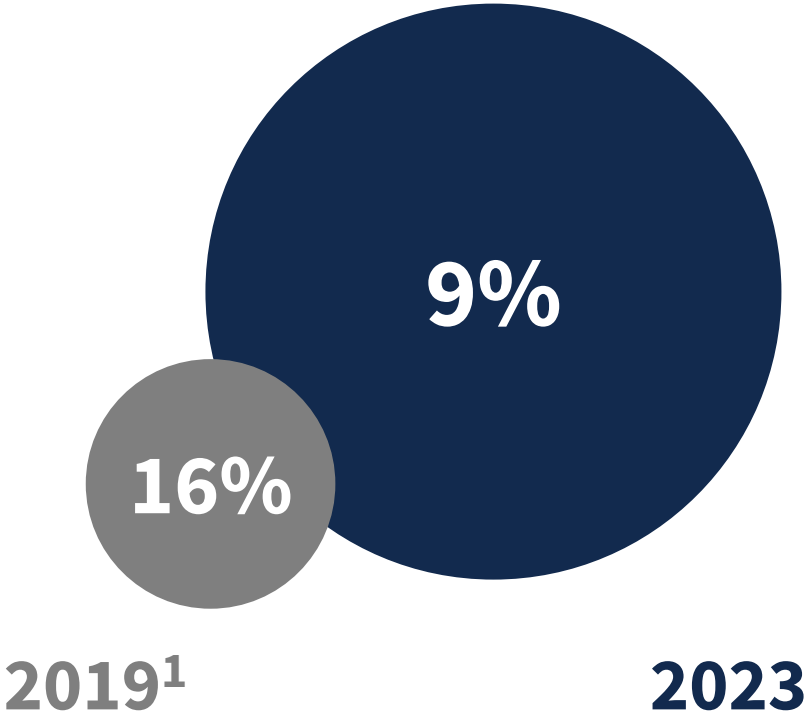
<sup>1</sup>| The Company views comparison to 2019 to be meaningful, as it was the base year for the Company's strategic plan announced at the Company's September 2020 Investor Day.

Employee Engagement  
Score<sup>2</sup>

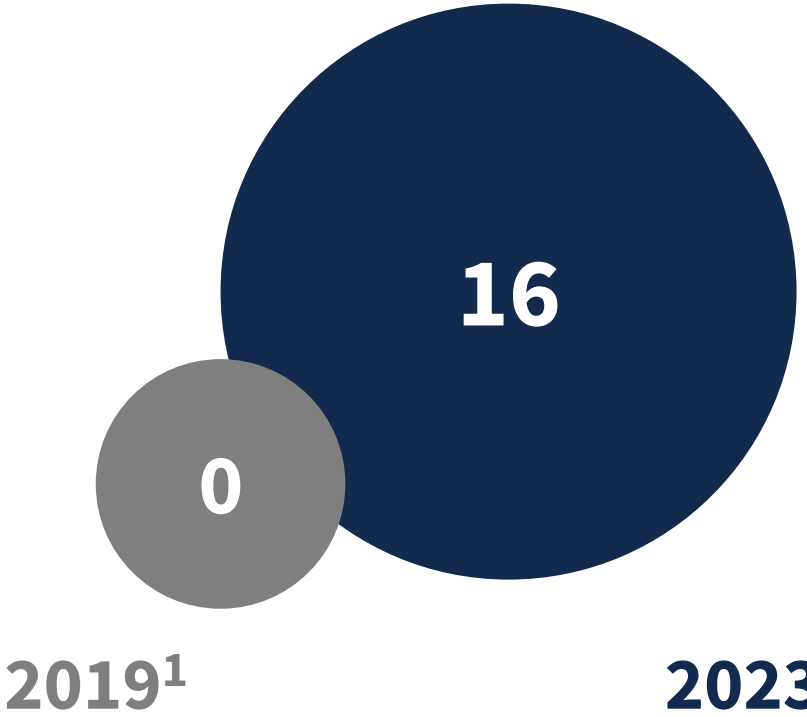


From Bottom Quartile to  
**Above the Median**

Voluntary Turnover  
Salaried

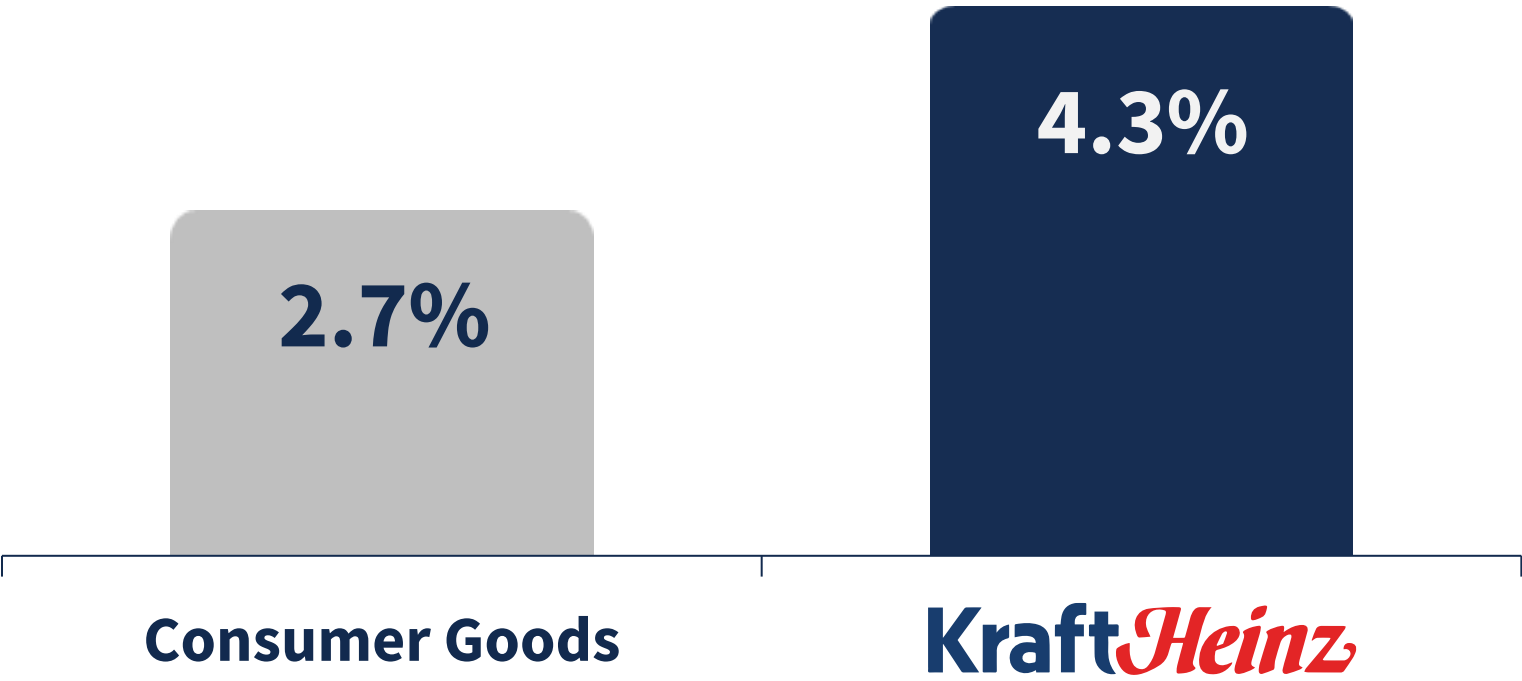


“Great Place to Work”  
# of Countries

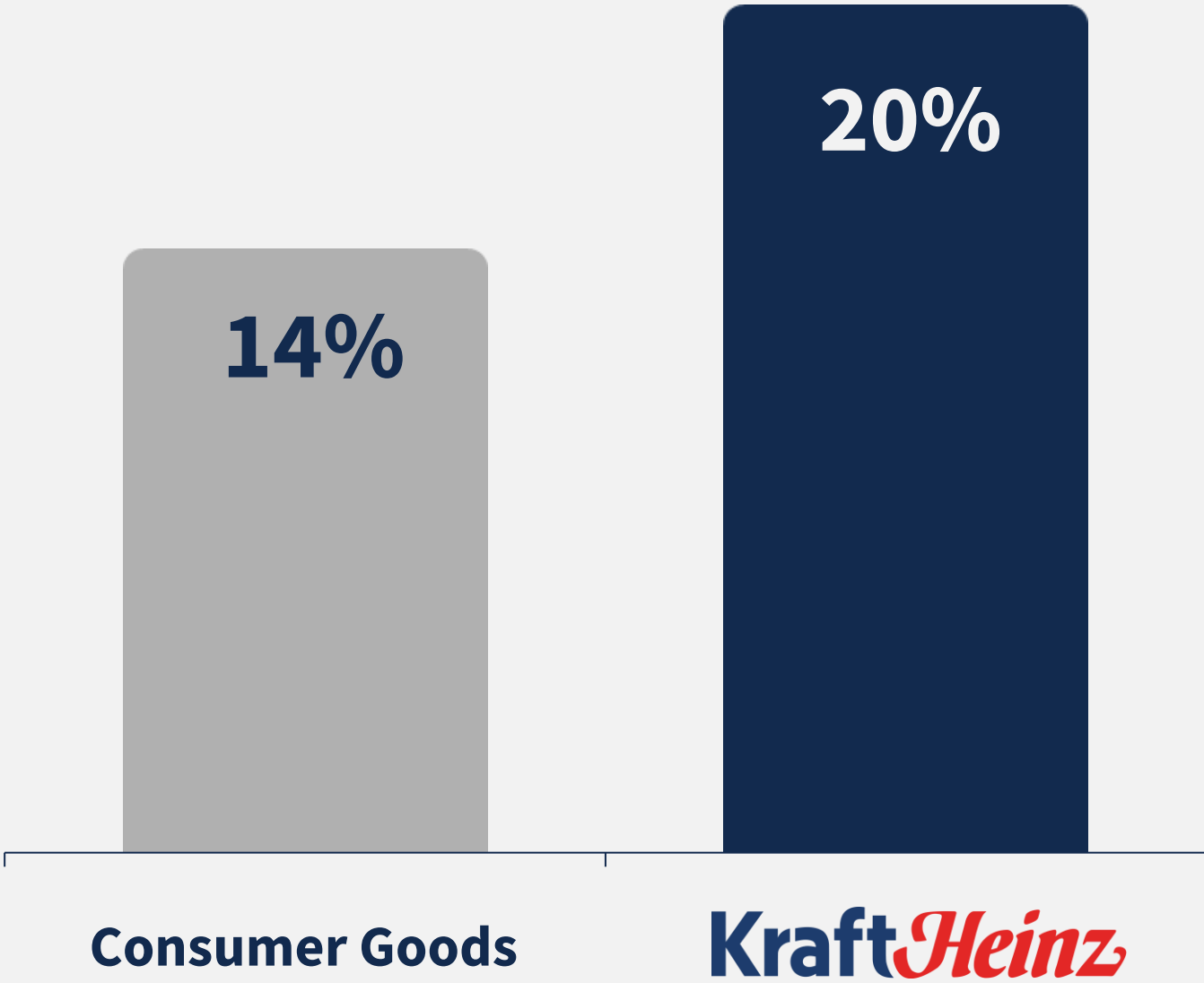


...and *Significantly*  
**More Runway Ahead!**

Dividend Yield<sup>1</sup>



3-Year  
Total Shareholder Return<sup>1</sup>



Share Repurchase Program

**\$3 Billion**  
*Authorized*

**Our Goal is to be the**  
*Leader*  
**in Elevating and Creating**  
*Food*  
**that Makes You Feel**  
*Good*



# *Leader* in **Generating Consistent Top-Tier Stockholder Returns**

## Targeting **Double-Digit TSR**

through business **fundamentals** and **capital allocation**.

### **Fundamentals**

Organic Net Sales<sup>1</sup>  
Growth

Gross Efficiencies

Adjusted Gross Profit  
Margin<sup>1</sup> Expansion

### **Capital Allocation**

Portfolio Management

Share Repurchase

Debt Repayment

Dividends

# Elevating and Creating *Food* in the Most Attractive Consumer Spaces

**Elevating  
Taste**



**Kraft***Heinz*



**Creating Meal  
& Snack Solutions**





# That Makes You Feel

*Good...*

*Good*  
for your Soul



Satisfy those 55% of F&B occasions that include desire for comfort<sup>1</sup>

*Good*  
for your Health



Grow plant-based offerings, reduce sodium & sugar, add functionality

*Good*  
for your Planet



Advance sustainable packaging, net zero initiatives, and responsible sourcing

*Good*  
Quality

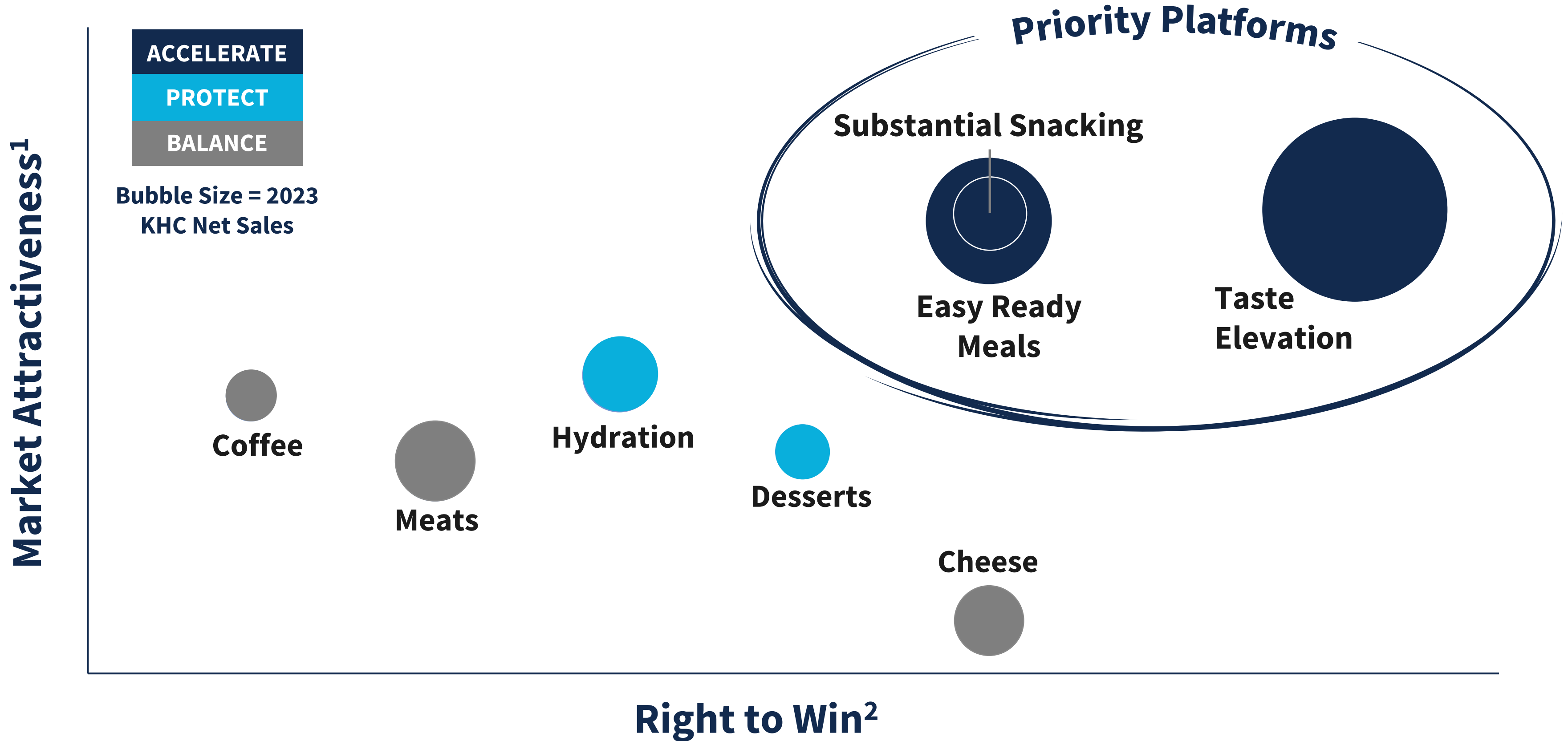


Provide superior quality, loved & trusted by consumers

*Good*  
Value



Offer products worth paying for & solutions for every budget





ROLES	ACCELERATE	PROTECT	BALANCE
PLATFORMS	Taste Elevation Easy Ready Meals Substantial Snacking	Desserts Hydration	Meats Cheese Coffee
STRATEGY	ACCELERATE growth and prioritize investments	PROTECT profit margins and invest at healthy levels	BALANCE performance and invest to maintain brand footprint
ATTRIBUTES			
Industry Growth <sup>1</sup> :	~4%	~2%	Flat
Adjusted Gross Profit Margin <sup>2</sup> :	High	High	Low
Market Share:	High	High	High
Private Label Penetration:	Medium	Low	High, with exposure to commodity-driven volatility



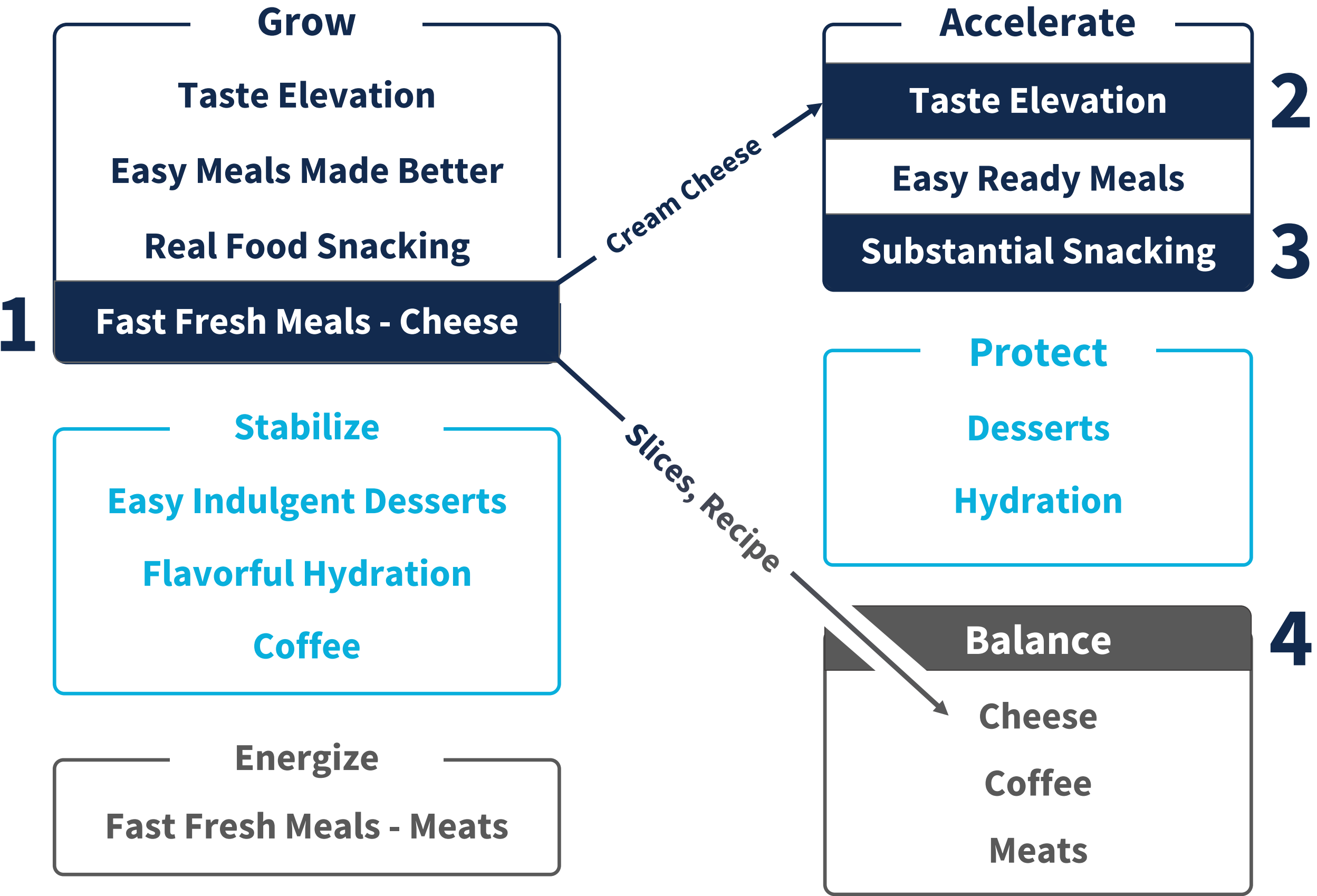
- 1

Fast Fresh Meals – Cheese split in two
- 2

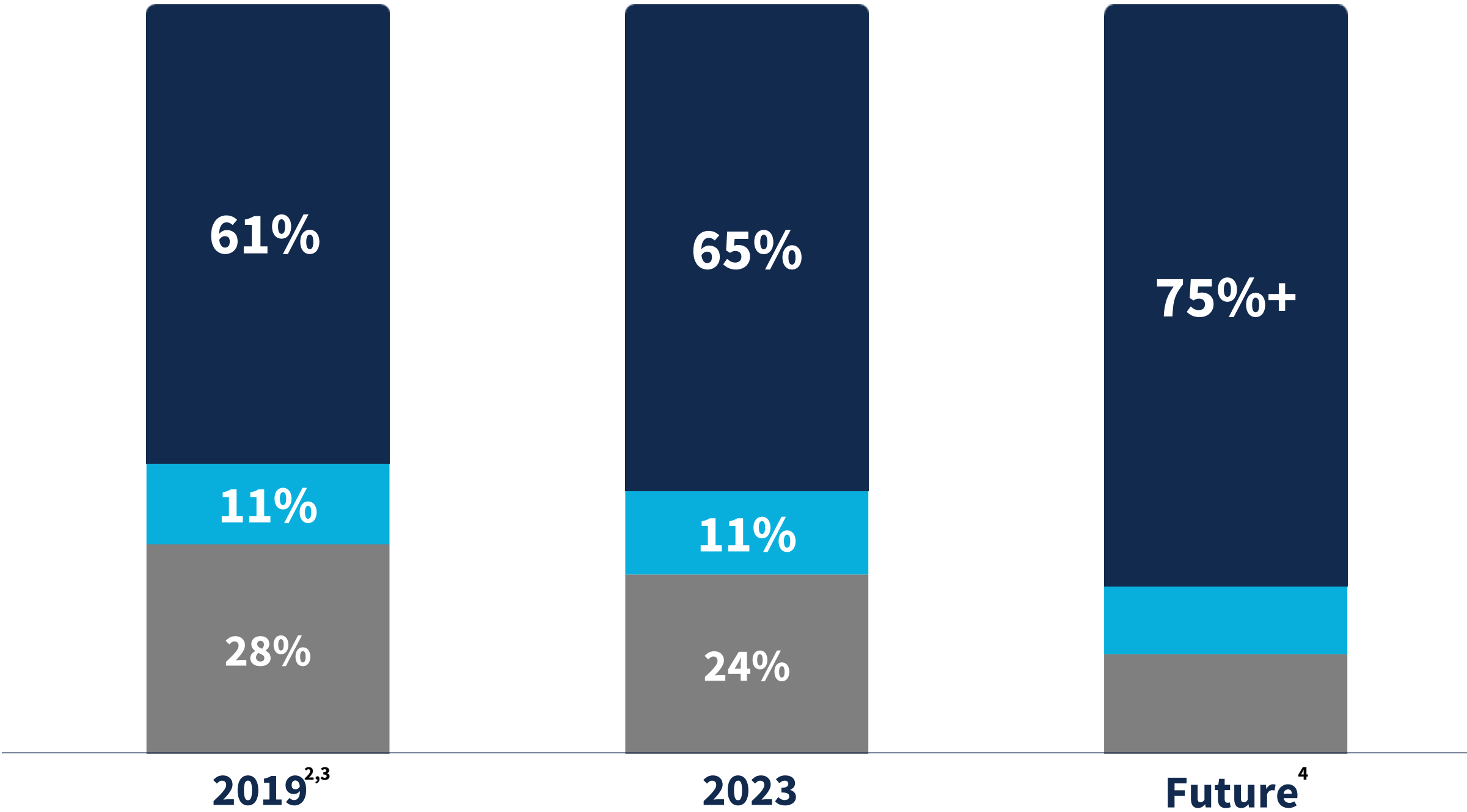
Expanded Taste Elevation to include spreads, more sauces and spices
- 3

Grouped snacking brands together
- 4

Grouped commodity-like categories together



**KraftHeinz**  
% Net Sales



1| Balance calculations also include Net Sales that are not otherwise categorized into another platform role presented.  
2| The Company views comparison to 2019 to be meaningful, as it was the base year for the Company's strategic plan announced at the Company's September 2020 Investor Day.  
3| Excludes net sales related to divested businesses.  
4| Net sales growth estimates from the existing business. Does not contemplate any changes to portfolio.



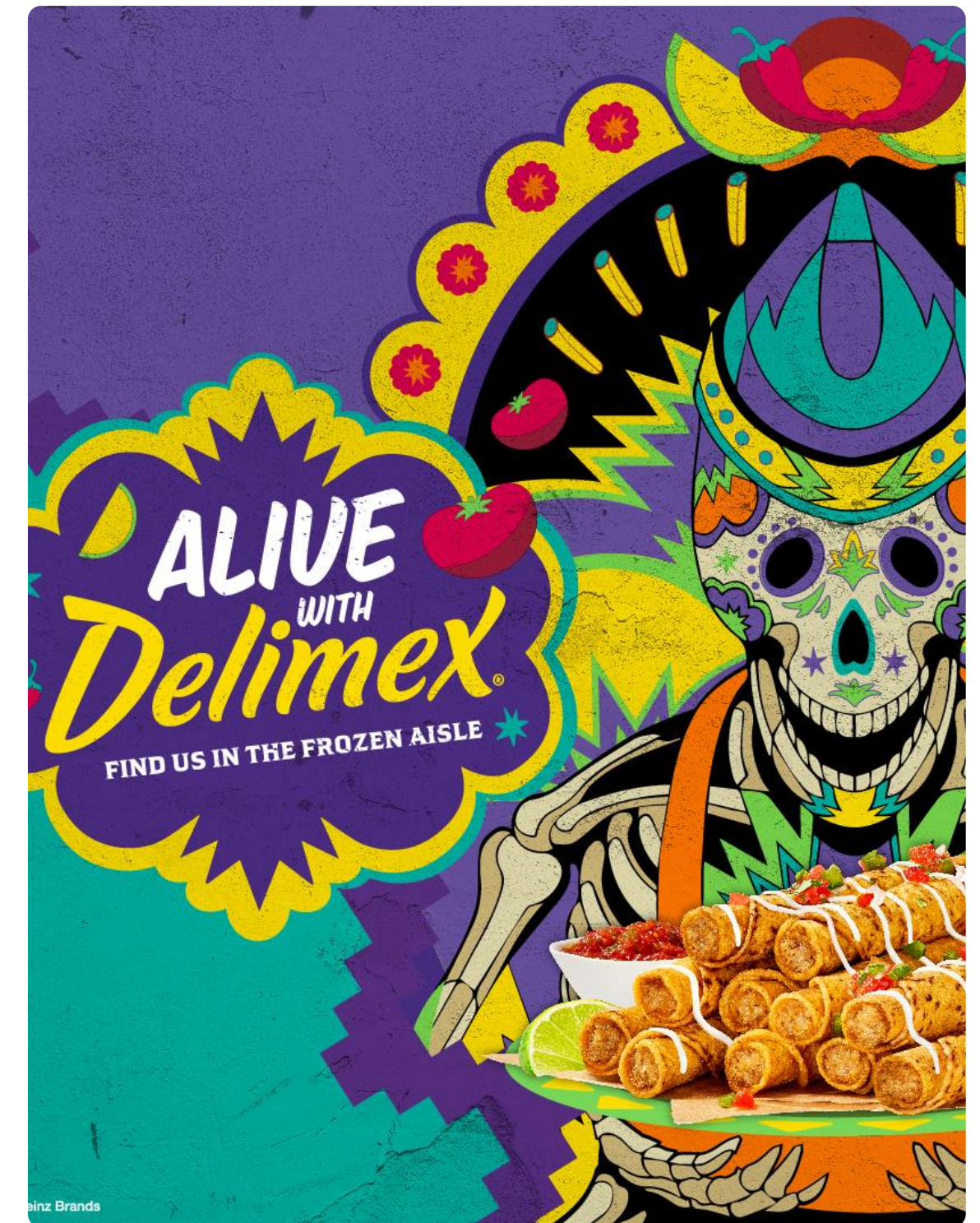
## Taste Elevation



## Easy Ready Meals



## Substantial Snacking





## Taste Elevation

**Mid-Single-Digit** (~4%)  
Industry Growth Estimated<sup>1</sup>

**~41%** of Global KHC Portfolio

Heinz is our Global Anchor:  
Sold in **70+ countries**

**#1 Player**  
in Sauces Worldwide<sup>2</sup>





Evolving the Core

Heat / Flavor



Clean Ingredients



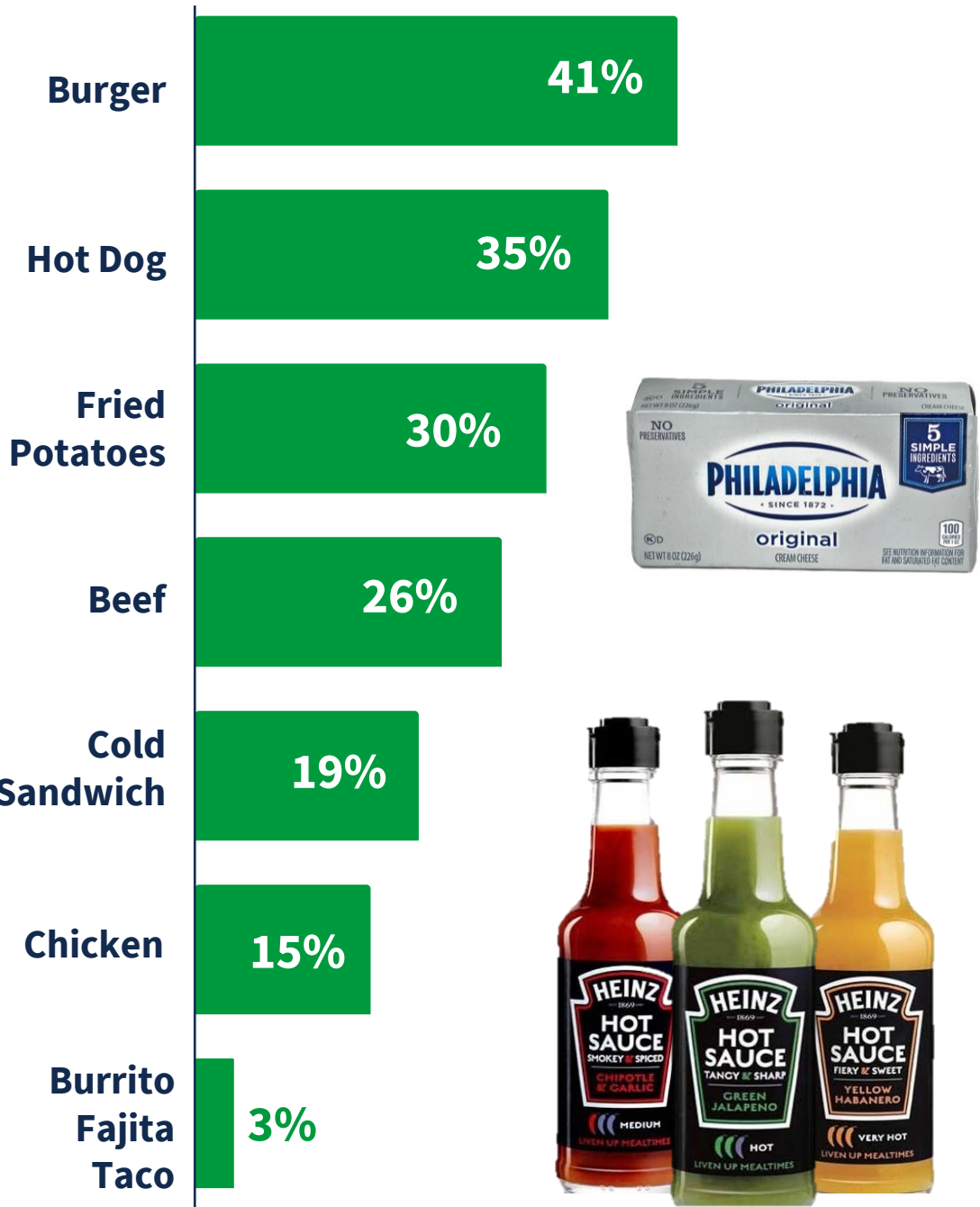
Sustainability



100% recyclable cap

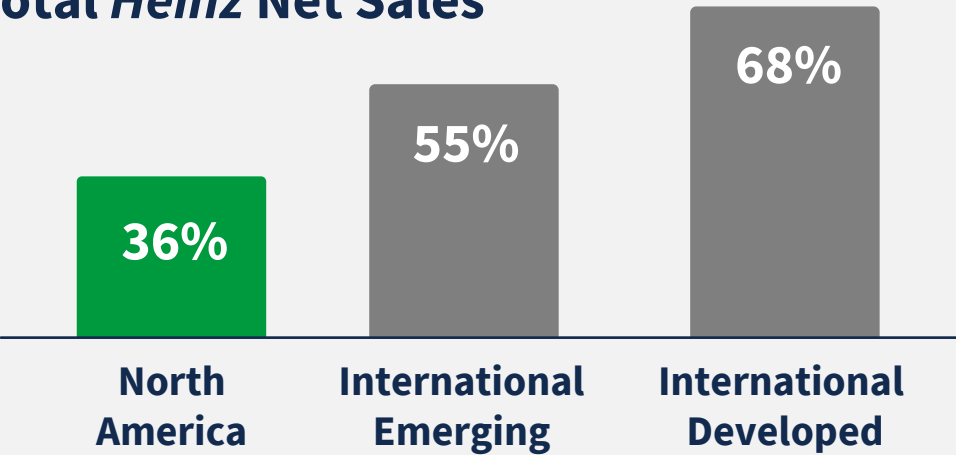
Expanding in  
Non-Core Host Foods

Market Share of Taste Elevation<sup>1</sup>



Growing *Heinz*  
Beyond Ketchup

Non-Ketchup *Heinz* Net Sales as  
% Total *Heinz* Net Sales



Cooking Sauces



Mayonnaise



Gravy





## Easy Ready Meals

**Mid-Single-Digit** (~4%)  
Industry Growth Estimated<sup>1</sup>

~**17%** of Global KHC Portfolio

Fragmented competition with  
**limited global players**





## Evolving the Core

### New Flavors



## Expanding Partnerships

**Overdelivered**  
FY Velocity in First Month



## Accelerate Against Global Trends



**New Launch!**

### Sustainability

### Convenience



## Top Performing Plant-based M&C



**Chef Daniela Soto-Innes**  
*Youngest named World's Best Female Chef by the World's 50 Best Restaurants*





## Substantial Snacking

Refrigerated or Frozen Snacks to be enjoyed between or instead of meals.

~4% Industry Growth Estimated<sup>1</sup>

~7% of Global KHC Portfolio

No clear market leader in frozen snacks





Evolving the Core

Nutrition

Convenience



Expanding Wholesome Snacking



Providing Convenience  
Through Proprietary Platforms






































New 360CRISP™ Launch

Authenticity





# Our ACCELERATE Platforms Span Across All Our Growth Pillars...

		ACCELERATE Platforms			PROTECT Platforms		BALANCE Platforms		
		Taste Elevation	Easy Ready Meals	Substantial Snacking	Hydration	Desserts	Meats	Cheese	Coffee
Growth Pillars	North America Retail <i>driven by Accelerate Platforms</i>	  	 	  	  	  		 	 
	Global Away From Home	 	 		 				
	Emerging Markets	  	 						



### Growth Pillars



North America Retail  
*driven by*  
Accelerate Platforms



Global Away  
From Home



Emerging Markets

### Enablers for Growth



Brand  
Growth  
System



Disruptive  
Marketing




Innovation




Sales  
Excellence


### Sources of Funding




Revenue  
Management



Supply  
Chain



Working  
Capital



Centralized  
Services

### Competitive Advantages

Agile@Scale

Strategic Partnerships

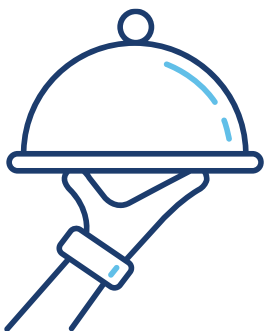
Ownership-Centric Culture

Growth Pillars



N.A. Retail *driven by*  
Accelerate Platforms

**1pp**  
Organic Net Sales<sup>1</sup> Growth



Global Away From  
Home

**1pp**  
Organic Net Sales<sup>1</sup> Growth



Emerging Markets

**1pp**  
Organic Net Sales<sup>1</sup> Growth

Long-Term  
Algorithm  
**2%-3%**  
Organic Net  
Sales<sup>1</sup>

... driven by  
innovation and brand  
*Superiority*



~94%<sup>1</sup>  
U.S. Household  
Penetration



~77%<sup>1</sup>  
#1 or #2  
Brand Position

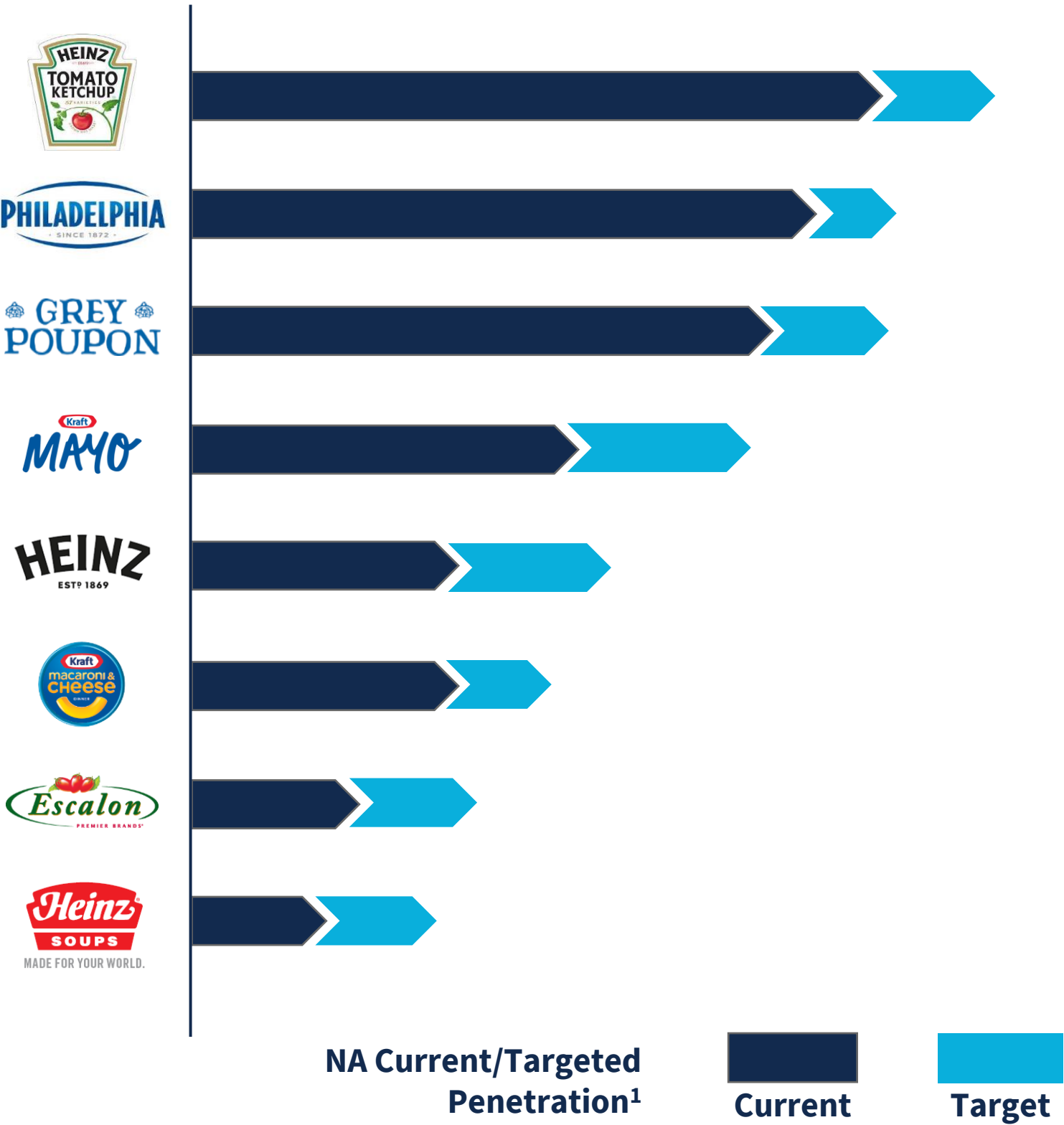


~59%<sup>2</sup>  
Gaining Share

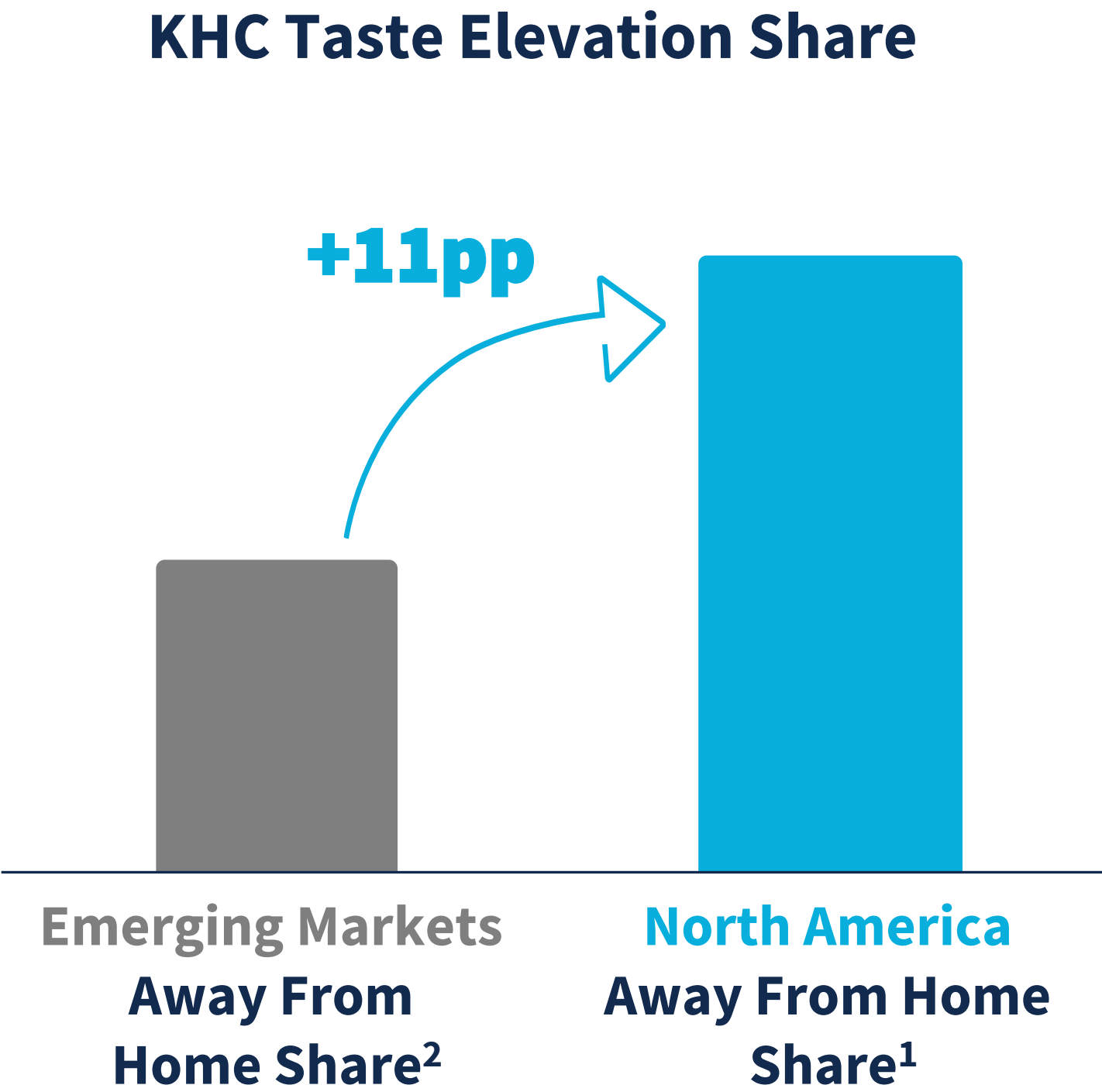
# We Have A Significant Opportunity To Capture Share In Away From Home...



## ... In both North America



## ... and our International Zones



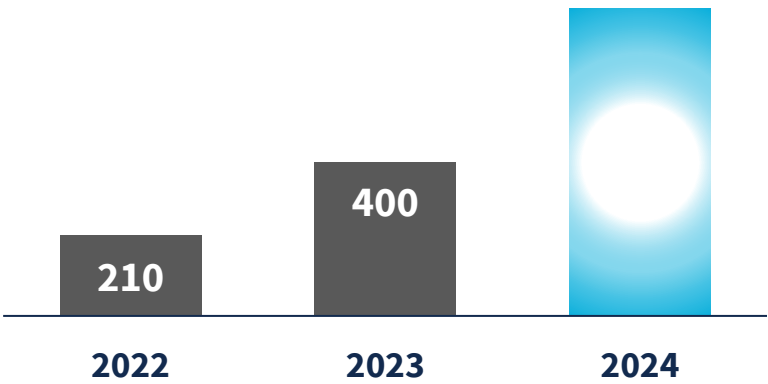
1| Source: NPD Supply Track.  
2| Source: Euromonitor, Circana.

14%

Away From Home Organic Net Sales<sup>1</sup> Growth in 2023

Global Brand Activation

Expanding Presence in Restaurants



Creating memorable brand experiences for guests



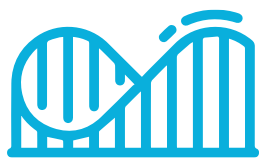
Attractive Channels



Restaurants



Healthcare



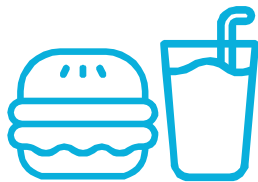
Entertainment



Education



Travel & Leisure



Workplace Food Services

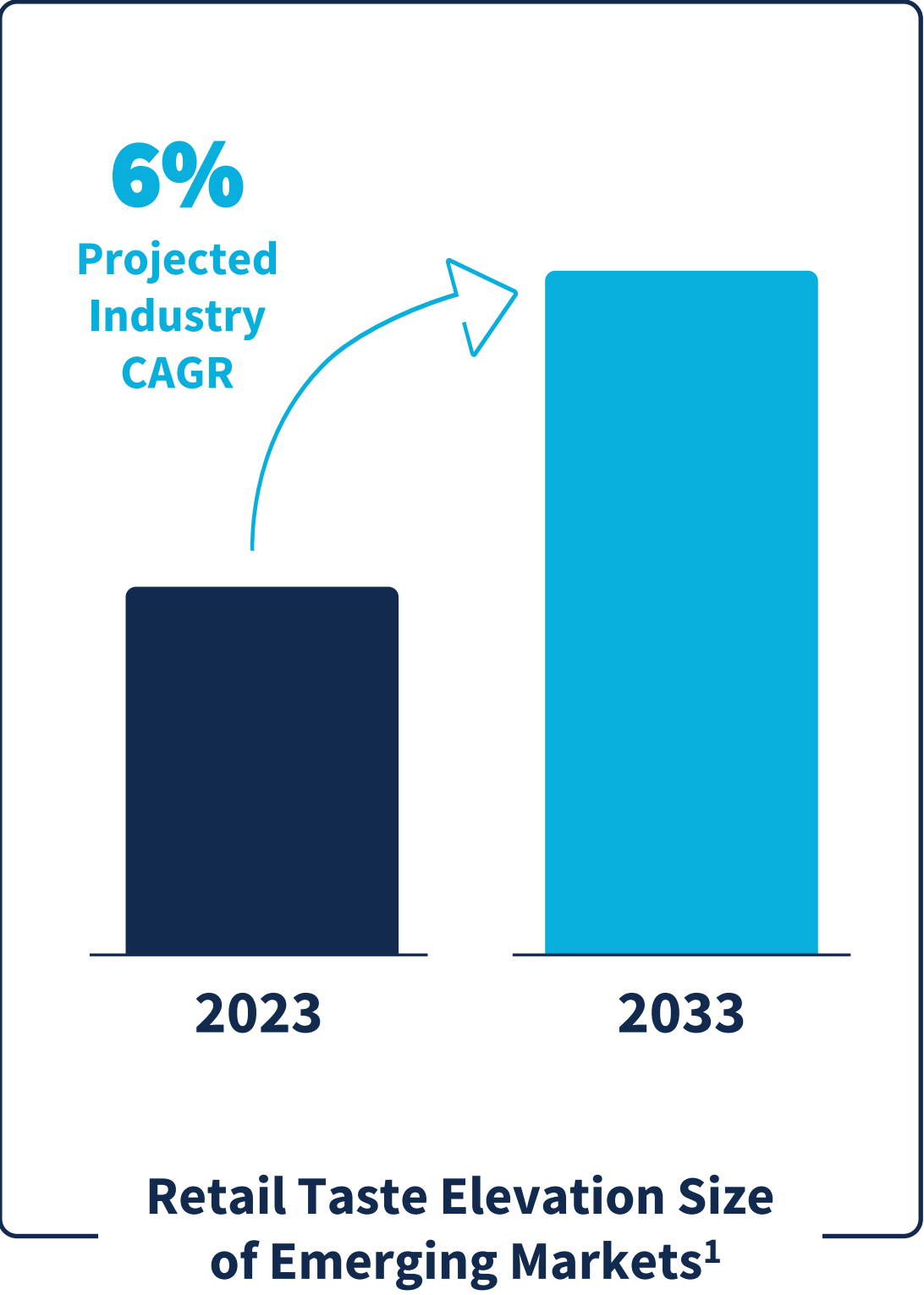
Innovation





# There Is Opportunity To Grow In Emerging Markets...

Attractive category growth expected...



With Room To Expand Penetration...



Emerging Markets expected to contribute more to overall KHC net sales



# We Have Three Levers Capturing Growth Across Emerging Markets



## Go To Market



## Brand Equity



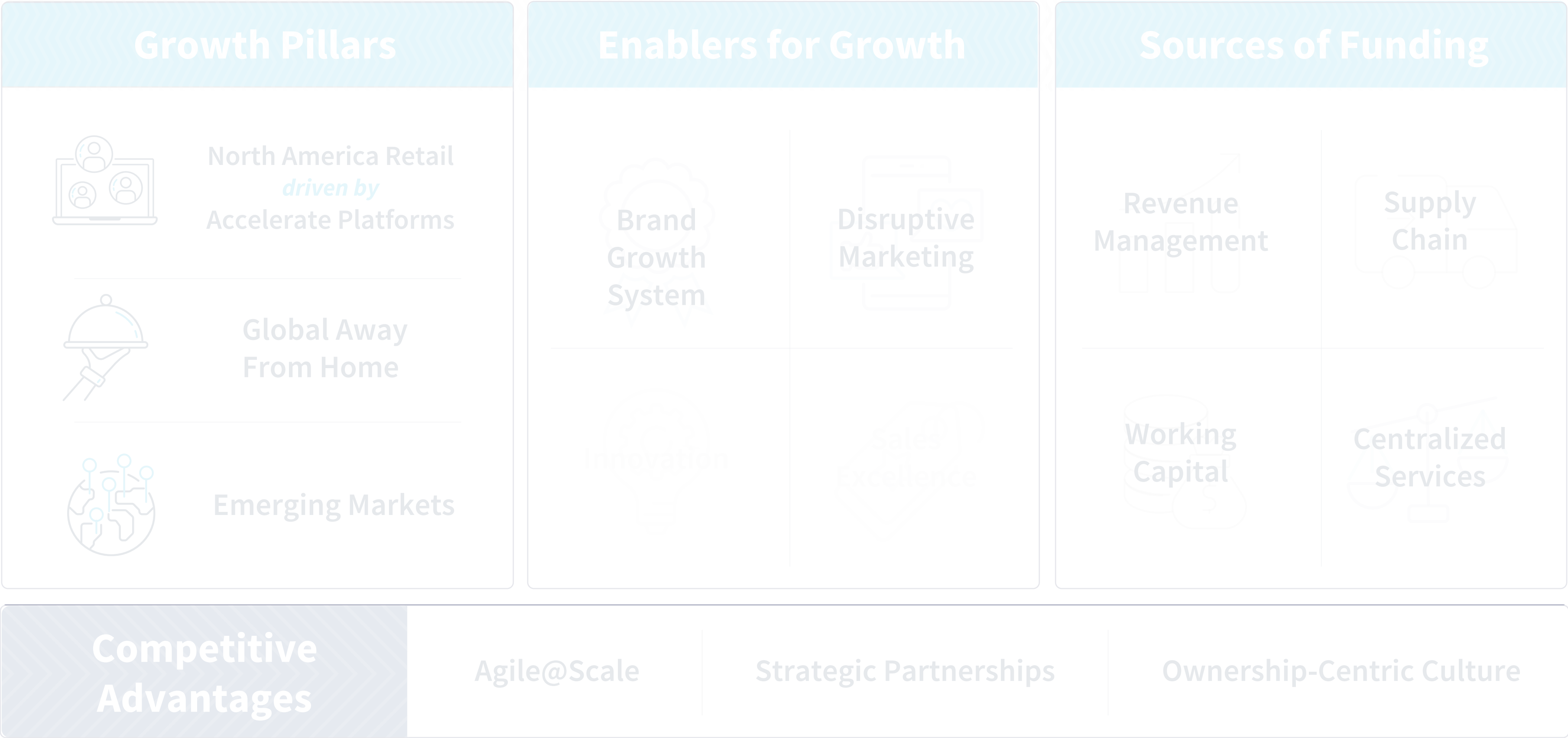
## Away From Home



**14%** Emerging Market Organic  
Net Sales<sup>2</sup> Growth in 2023

**150**<sub>bps</sub> Emerging Markets Adjusted  
EBITDA Margin<sup>2</sup> Expansion





- Systemically raising the bar to deliver for our customers and consumers
- Industry standard methodology with leading KPIs that provide incremental value to Kraft Heinz, globally.
- Prioritizing largest opportunities and driving ROI through new insights and investments in capabilities.

## Brand Resonance

Build an everlasting connection with our consumers



Brand Strength

Communication Effectiveness

## Product & Package Delivery

Set the standard for performance, taste, sustainability and nutrition



Perfect Product

Perfect Packaging

## Value Equation

Offer value that uniquely meets consumer and customer needs



Consumer pricing & promo

Customer value

## Omni Execution

Drive consistent availability alongside meaningful execution



Distribution & Reach

Perfect Store & Screen



Brand Resonance

Build an everlasting connection  
with our consumers

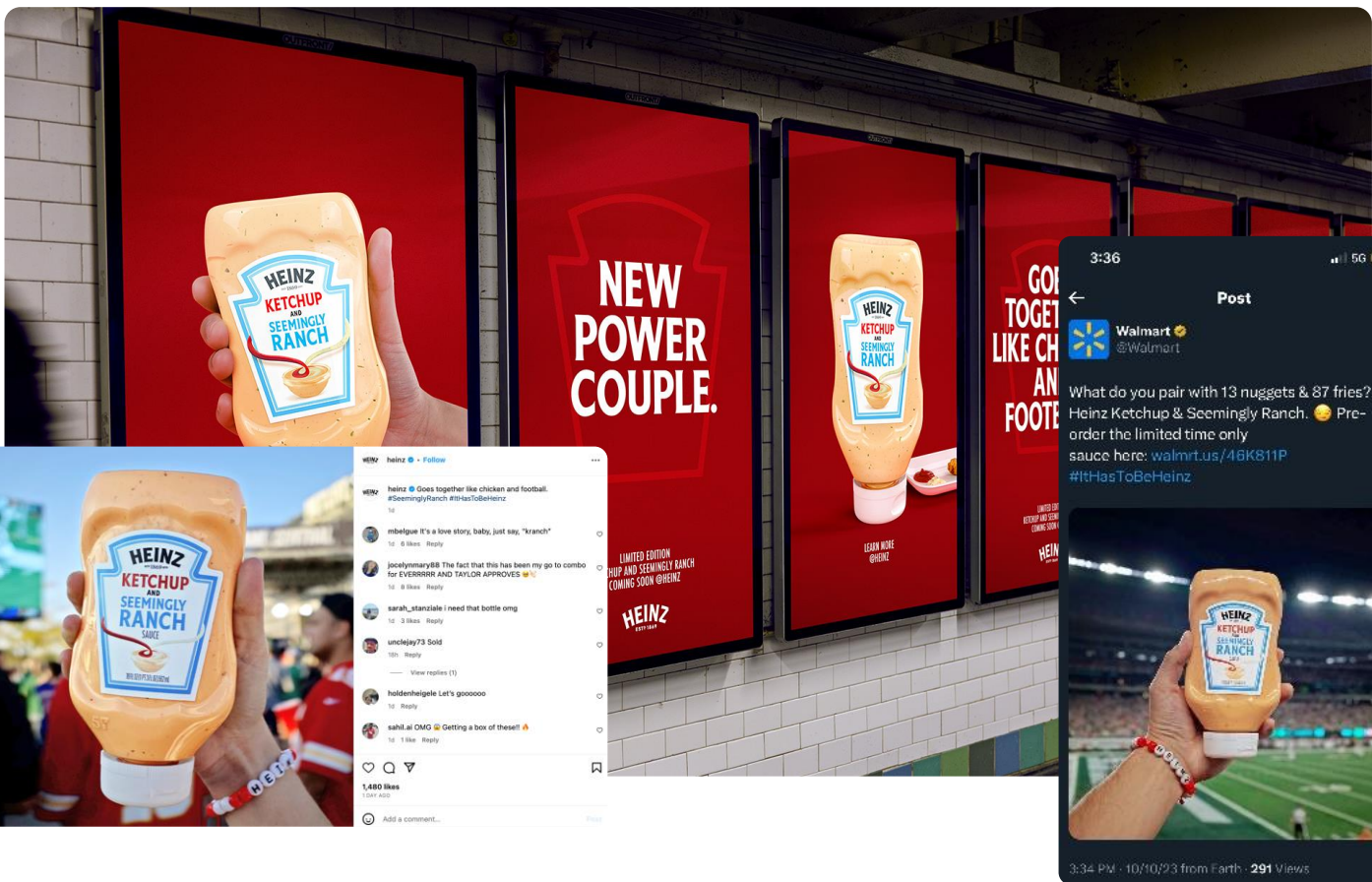


Brand Strength

Communication Effectiveness

Multi-Touch Campaign  
to Build Brand Love

Brand transcends a food category,  
and drives deeper emotional  
connection with consumers



Building Brand Equity  
at the Speed of Culture

Culturally relevant activation –  
from “Monday Night Football”  
to Walmart.com in 15 days



“ICONIC”  
BRAND STATUS

**HEINZ**  
ESTD 1869

Kantar Appointment for  
**TOP 4%**  
of brands (also includes  
Apple, Google)



INCREASED  
BRAND LOVE



Meaningful growth in brand  
affinity, favorability,  
obsession metrics

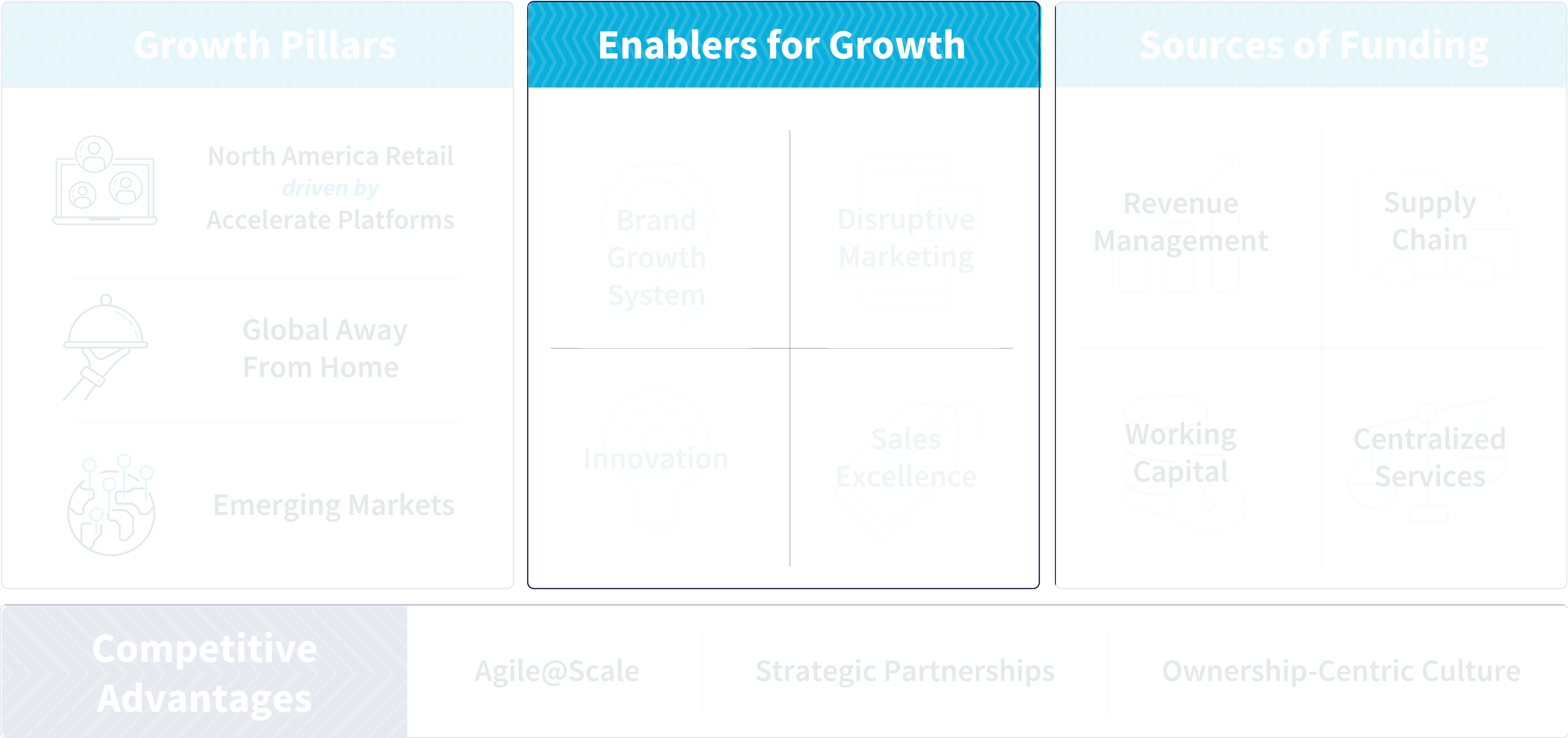


SALES<sup>1</sup> GROWTH  
HALO



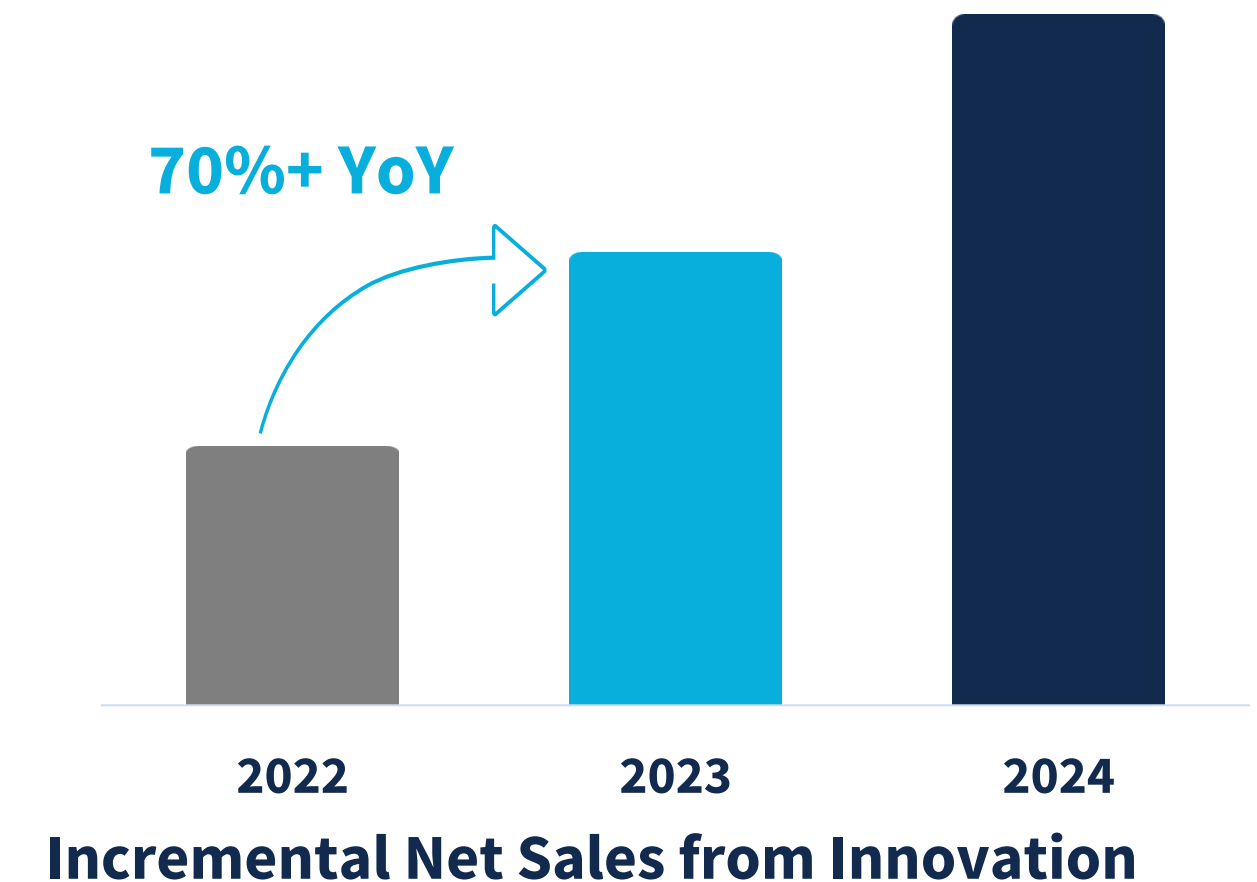
Global Heinz  
**~12% YoY**





**Innovation grew 70%+ YoY in 2023...**

**We are on target to deliver**  
**\$2B<sup>1</sup>**  
**of incremental Net Sales from**  
*Innovation*



**...and we're just getting started**

## Taste Elevation



- Increased our R&D investments **15% YoY<sup>1</sup>**
- Developed proprietary technology platforms such as **360CRISP™**

## Easy Ready Meals

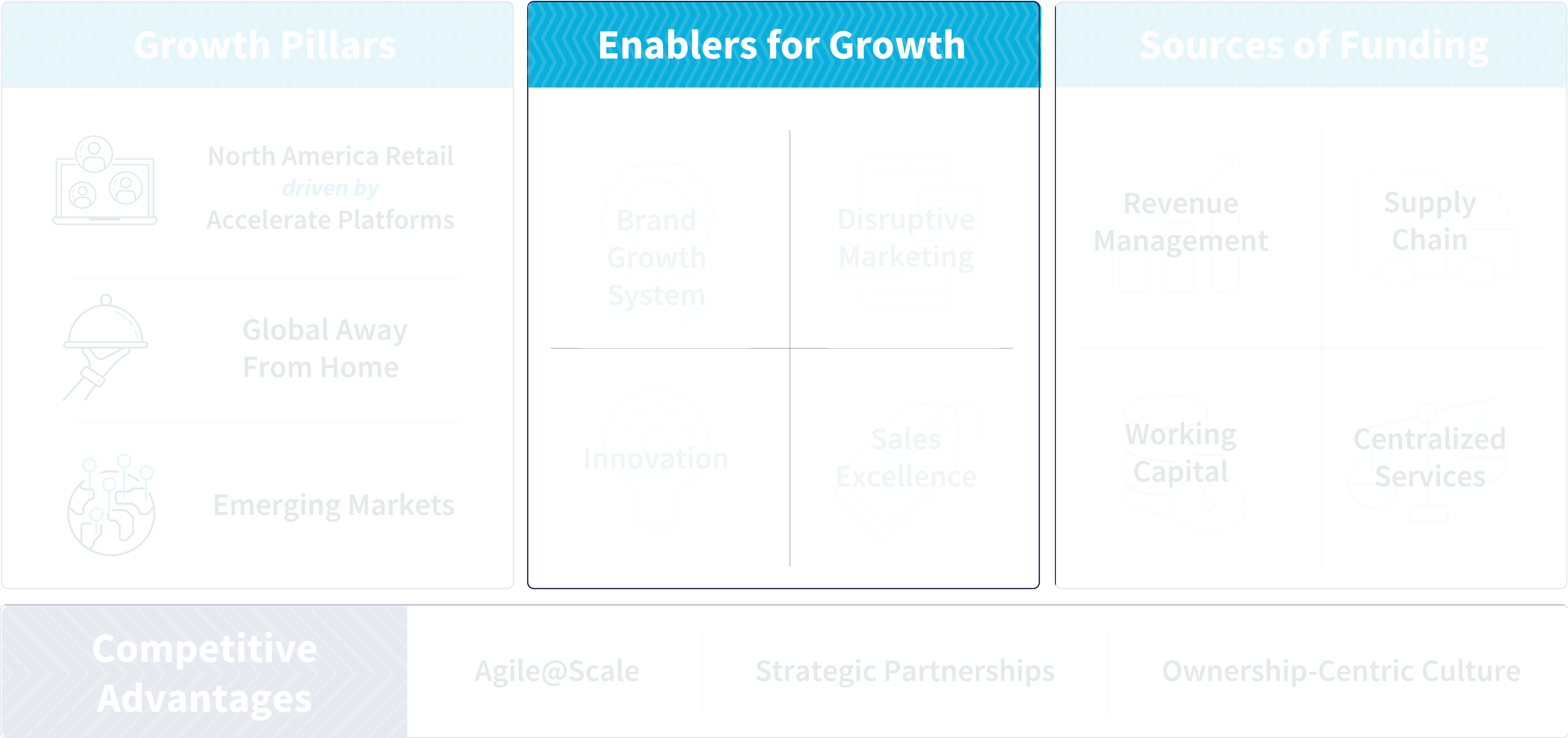


- Leverage tech-enabled **Agile@Scale**
- Testing and **learning in market** before scaling broadly
- Focusing on the highest **incremental** opportunities

## Substantial Snacking







## Invested in Our Talent

**TWO** Consecutive Years of Record  
Employee Engagement

## Leveraged Insights and Capabilities

**5%**  
CAGR Improvement in  
Promotional ROI<sup>1</sup>

**1.5pp**  
YoY Share of Shelf  
Expansion<sup>2</sup>

## Implemented Go To Market Model

**~90%** Emerging Markets Covered<sup>3</sup>

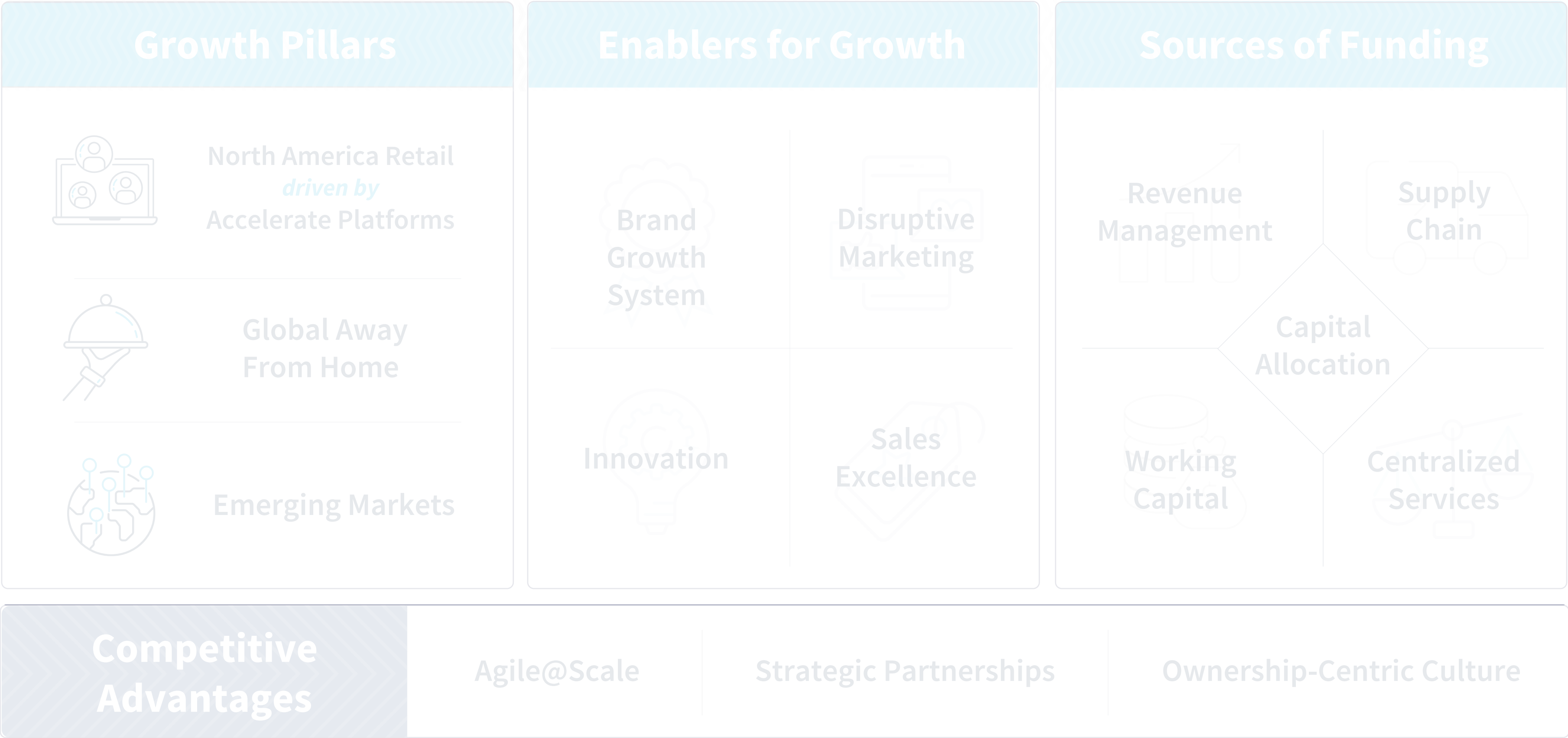
## Strengthened Customer Relationships

**+8** Improvement in 2023  
Advantage Survey Rankings



# By Creating Our *global* Omnichannel Office

We are better positioned to **scale best practices, focusing on bringing speed and visibility** on a **GLOBAL** level.





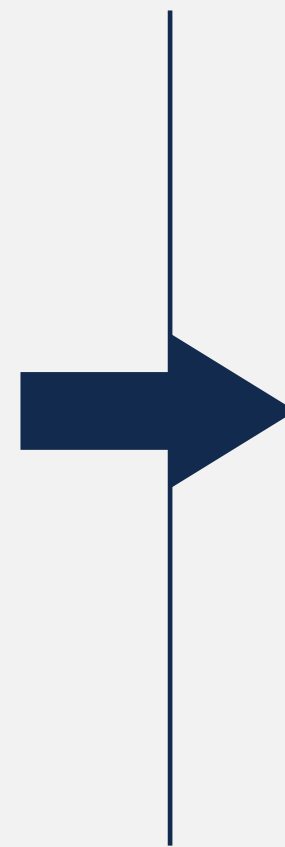
CAGNY 2024



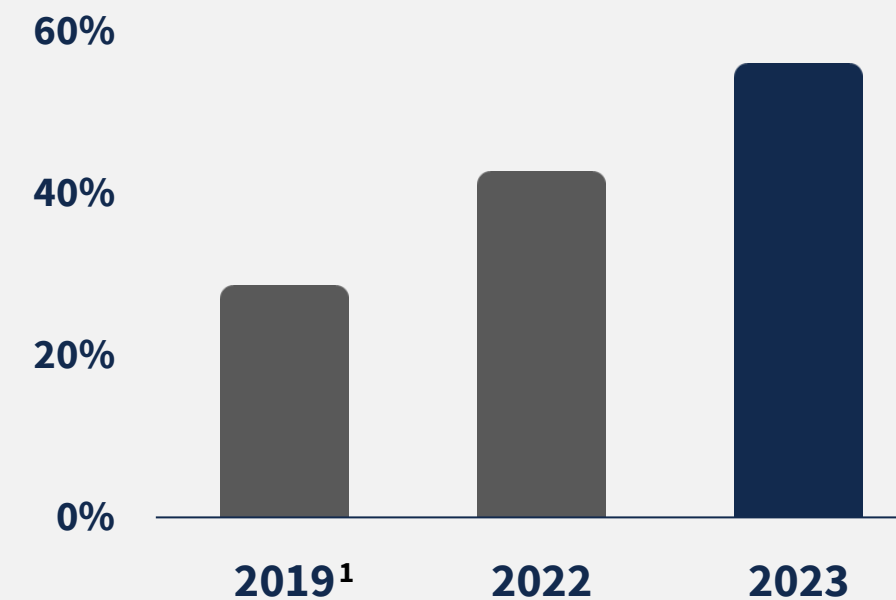
Global Chief Financial Officer  
**Andre Maciel**

## Leveraging Digital Tools

- Developed In-House Trade Management System
- Resulting in more trade spend shifting to positive ROI events and an increase in the average ROI



## % of Promotional Spend with Net Positive ROI<sup>2</sup>



## Average Net ROI on Promotions<sup>2</sup>

**+5%**  
2022 CAGR vs 2019<sup>1</sup>

**+5%**  
2023 vs 2022

## With Opportunities Ahead to Improve Lift and Profitability:

**Further Reduction of Negative ROI Promotions**

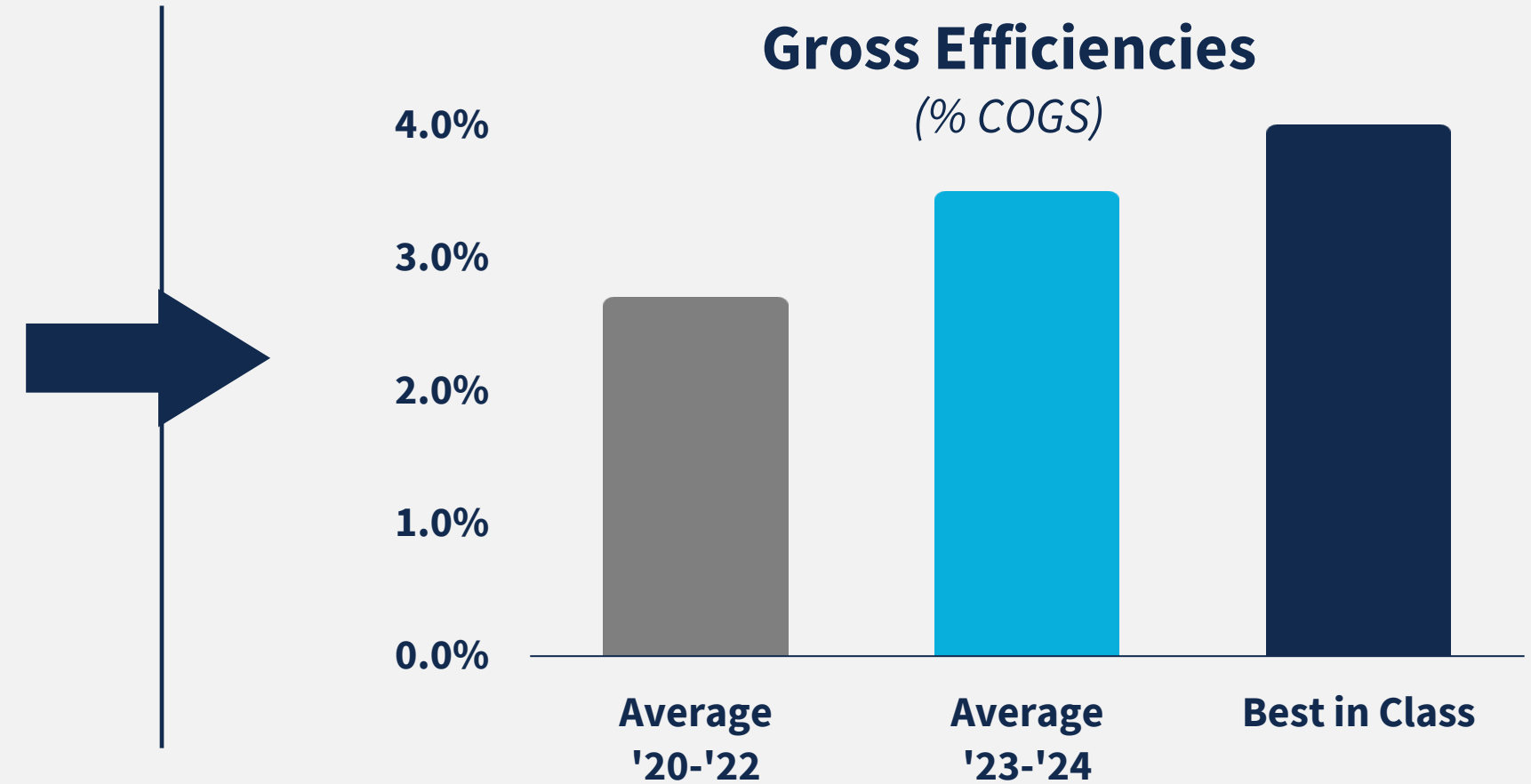
**Scaling AI-Based Models for Promotional Calendars**

**Capturing Mix Opportunities**



## On Track to Hit Our \$2.5B Gross Efficiencies Target<sup>1</sup>

- Implemented cognitive decision intelligence tools to forecast and avoid supply disruptions
- Started a multi-year optimization of our network
- Accelerated factory investments



## With further efficiencies to unlock by:

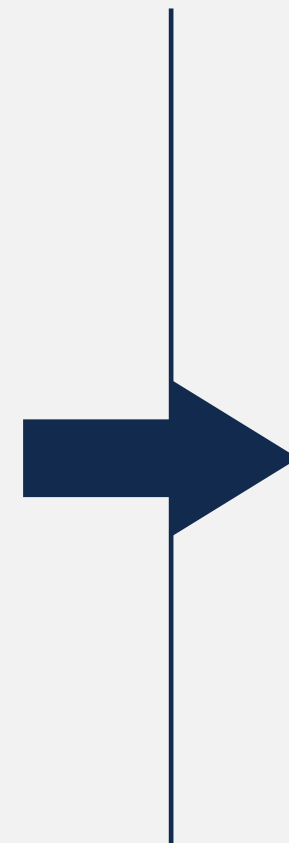
**Extending digital tools to build a self-driving supply chain**

**Continuing to increase capabilities through automation and further network optimization**

**Maintaining disciplined execution and continuous improvement mindset**

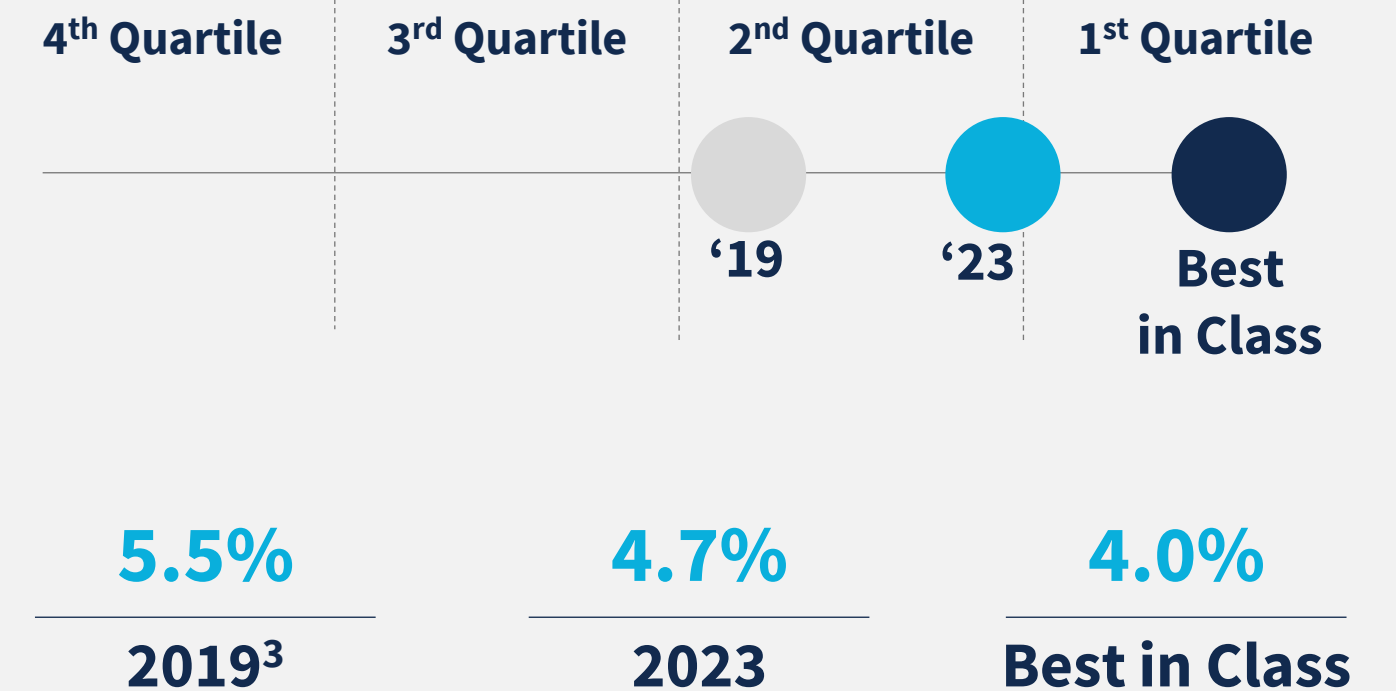
## Improving forecast accuracy and reducing excess inventory

- New digital tools (Machine Learning demand forecasting, Advanced Analytics Inventory)
- New agile equipment (automated lines for faster changeovers)



## Demand Forecast Accuracy % vs. Benchmark<sup>1</sup>

## Excess Inventory<sup>2</sup>



## With opportunities for further improvement by:

## Consolidating and Automating Warehouses

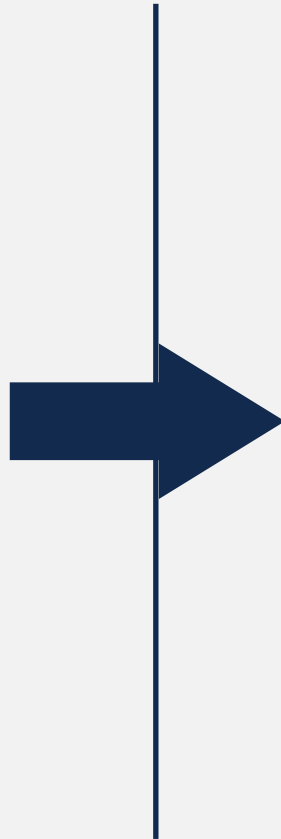
## Increasing Use of Touchless Demand Forecasting

## Scaling Automated Production Scheduling



Established New Center in India

- ~350 employees onboarded in new facility
- Expanding teams, capabilities, and scope



\$30M

Realized Annual Efficiencies<sup>1</sup>

\$50M+

Identified potential incremental value per year

With opportunities for further improvement by:

Implementing global SAP S4 Finance Module

Increasing Automation and Generative AI

Expanding Captive Center

2024 FYE Outlook

2024 Considerations

Organic Net Sales<sup>1</sup>

+0-2%

- Positive contribution from price throughout the year
- Volume inflection to positive growth expected in H2
- Expect performance in Q1 2024 to be a similar profile to Q4 2023, and gradually move towards our long-term algorithm as we progress throughout 2024

Adjusted Operating Income<sup>1</sup>

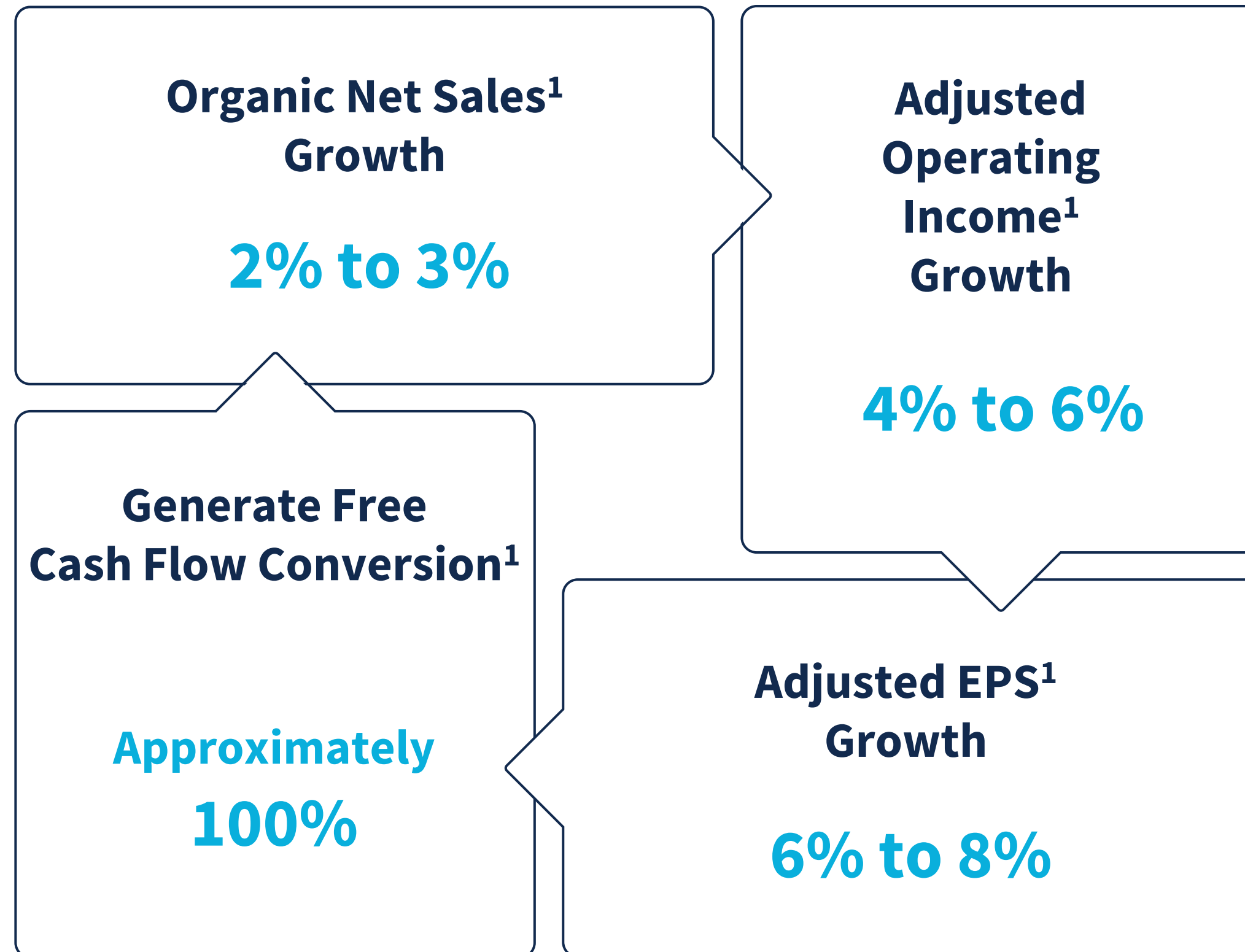
+2-4%

- Expect Adjusted Gross Profit Margin<sup>1</sup> to expand modestly, +25 to 75 bps YoY
- SG&A re-established to healthy levels in 2023, as a result we expect only a slight increase YoY

Adjusted EPS<sup>1</sup>

+1-3%

- Effective tax rate on Adjusted EPS<sup>1</sup>: 20-22% (~200bps or ~\$0.07 YoY headwind)
- Interest and Other Expense/(Income): ~\$45M unfavorable impact YoY, driven by FX headwinds and debt refinancing (~100bps or ~\$0.03 YoY headwind)
- Does not include the possibility of additional share buyback in the year



**Targeting**  
*Double Digit*  
**TSR**



## UNLOCK EFFICIENCIES

### Gross Cost Efficiencies

*\$2.5B by 2027*

### Free Cash Flow<sup>1</sup> \$ and % Conversion

*~100% conversion*

## INVEST IN SUPERIOR BRANDS

### Marketing Spend

*~5% net sales*

### R&D Spend

*>1% net sales*

### Capital Expenditures

*>3.5% net sales*

## POWER BRAND HEALTH

### Brand Superiority Metrics

*Improving Marketing ROI and Brand Health*

### Innovation

*\$2B net sales by 2027*

## DRIVE TOP LINE

### North American Zone driven by Accelerate Platforms

*~1% to 2% Organic Net Sales<sup>1</sup> growth*

### Global Away From Home

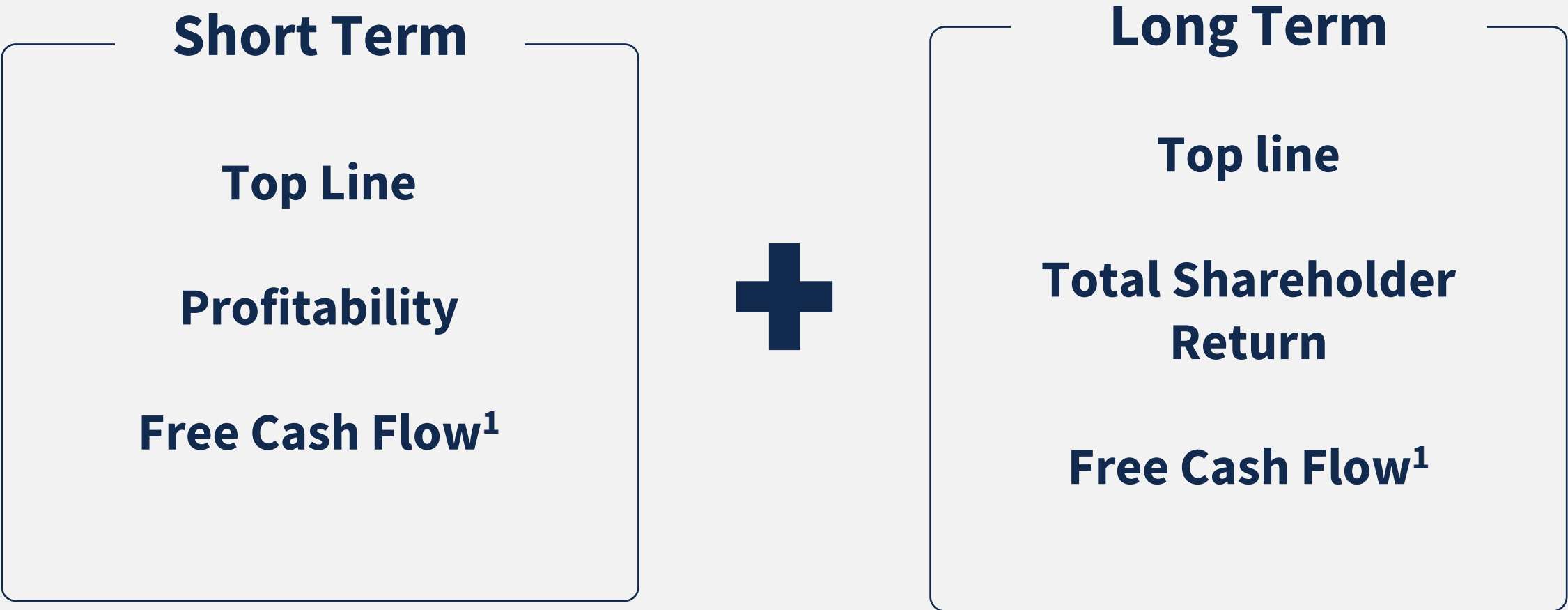
*~7% Organic Net Sales<sup>1</sup> growth*

### Emerging Markets

*~13% Organic Net Sales<sup>1</sup> growth*

# Incentives

Built with common incentives across the organization to break down silos



Aligned with goal of delivering top-tier TSR

## Capital Allocation Strategy

Competitive  
**Annual Dividend**

Target Leverage Ratio of  
**Approximately 3.0x**

Maintain  
**Investment Grade**



**1**

**Invest in  
Organic  
Growth**

**2**

**Actively  
Manage  
Portfolio**

**3**

**Return  
Incremental  
Capital to  
Stockholders**



## PORTFOLIO STRATEGY

**Focus on *Accelerate* Platforms**

**Increase our exposure to Emerging Markets**

**Enhance critical capabilities**

## ACQUISITION CRITERIA

**Aligned to portfolio strategy**

**Sufficient scale and accretive to KHC top-line growth**

**Bias towards bolt-on**

**TSR-accretive**

## DIVESTITURE CRITERIA

**Outside of portfolio strategy**

**Lower “*Ability to Win*”**

**Fair valuation**

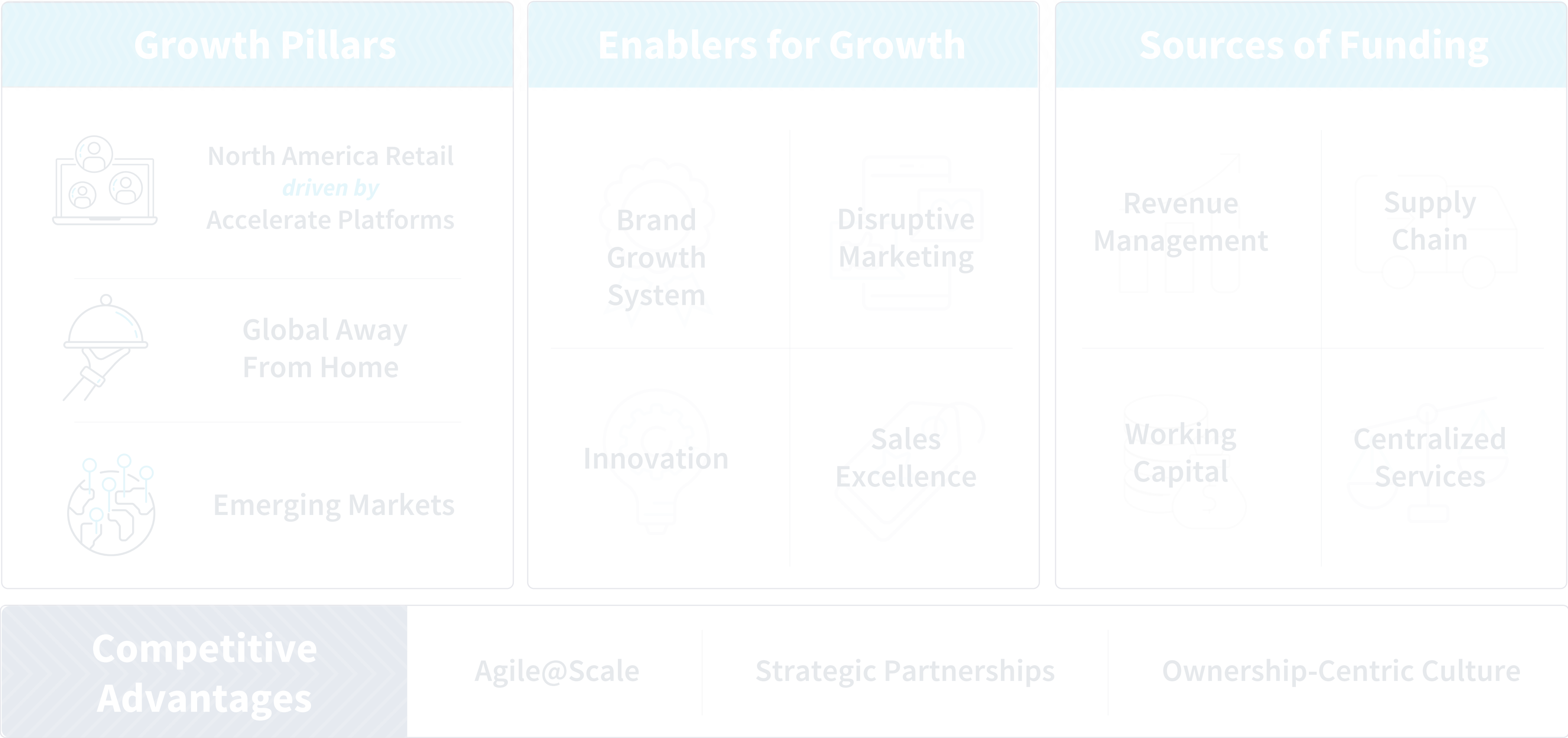
CAGNY 2024



Chief Executive Officer

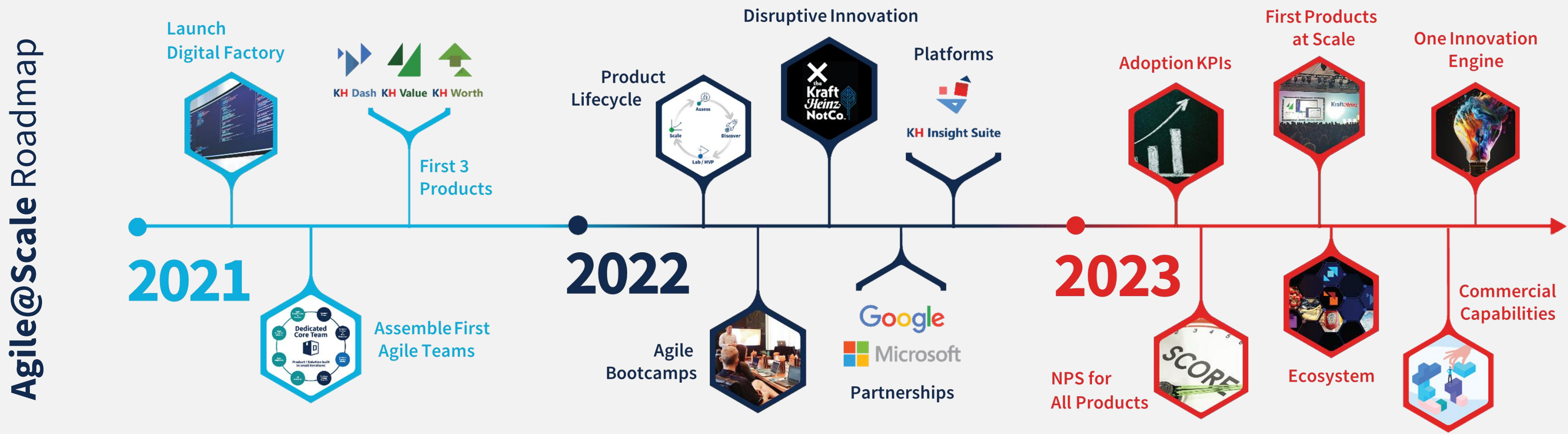
**CARLOS ABRAMS-RIVERA**

*KraftHeinz*





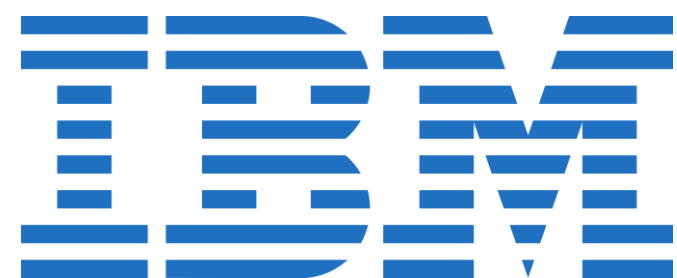
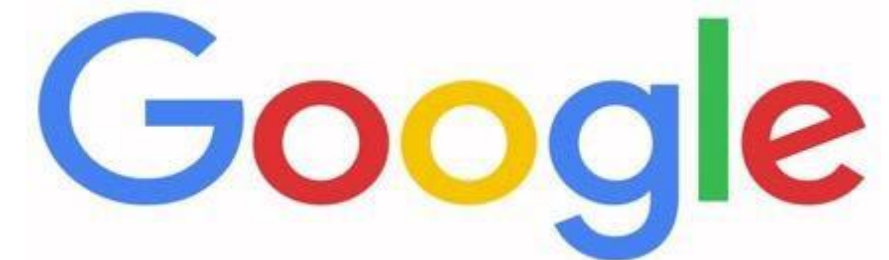
We're as nimble as a start-up, but at the scale of a company in nearly every household, enabled by a tech-first approach.



Annual Gross Efficiencies<sup>1</sup>

~\$400M → ~\$400M → ~\$700M<sup>1</sup>

...to **co-create** the future of food.



1

**We Embrace the Red**

2

**We are Ambitious and Accountable**

3

**We are Close to the Business**

4

**We Think and Act like Owners**

**We**  
*Own*  
**it.**



# Structure

Updated structure supports  
our strategy

Global Growth and  
Omnichannel teams provide  
centralized expertise and  
resources

Three international zones  
provide necessary focus and  
expertise

## Global Growth Office



## Global Omnichannel

### North America



### Europe and Pacific Developed Markets (EPDM)



### Emerging Markets

#### West and East Emerging Markets (WEEM)



#### Asia Emerging Markets (AEM)



# Leaders

Diversified team of proven  
leaders with over 200+  
years combined  
experience in CPG

Newly appointed leaders  
all hired from within KHC



**DIANA FROST**  
Global Chief Growth Officer



**CARLOS ABRAMS-RIVERA**  
CEO



**ANDRE MACIEL**  
EVP & Global CFO



**CORY ONELL**  
EVP & Chief Omnichannel Sales  
& Asian Emerging Markets Officer



**PEDRO NAVIO**  
EVP & President,  
North America



**WILLEM BRANDT**  
President, Europe & Pacific  
Developed Markets



**BRUNO KELLER**  
President,  
Latin America and East



**RASHIDA LA LANDE**  
EVP & Chief Legal &  
Corporate Affairs Officer



**MELISSA WERNECK**  
EVP & Global Chief  
People Officer



**MARCOS ELOI LIMA**  
EVP & Global Chief Procurement  
& Sustainability Officer



**FLAVIO TORRES**  
EVP & Global Chief  
Supply Chain Officer



Diversity

Women in Management

2019<sup>1</sup> 2023  
37% → 43%

People of Color (US)

2019<sup>1</sup> 2023  
24% → 29%

Engagement

Score

2019<sup>1</sup> 2023  
71 → 76

From Bottom  
Quartile to  
Above the Median

Career Growth

Annual Engagement survey  
responses in the top quartile  
for career growth, inclusion,  
and empowerment





**Our Goal is to be the**  
*Leader*  
**in Elevating and Creating**  
*Food*  
**that Makes You Feel**  
*Good*

meet members of the **KHC** leadership team



**Carlos Abrams-Rivera**  
CEO



**Andre Maciel**  
EVP & Global CFO



**Diana Frost**  
Global Chief  
Growth Officer



**Cory Onell**  
EVP & Chief Omnichannel  
Sales & Asian Emerging  
Markets Officer



**Pedro Navio**  
EVP & President,  
North America



**Anne-Marie Megela**  
VP Global Head of  
Investor Relations



**Bruno Keller**  
President, Latin  
America and East



**Willem Brandt**  
President, Europe  
and Pacific  
Developed Markets



**Alan Kleinerman**  
VP of Disruptive  
Innovation



**Rashida La Lande**  
EVP & Chief Legal  
& Corporate  
Affairs Officer

... and Create the **CAGNY 2024**  
Sauce of the Year!



Explore 200 sauce combinations and  
experience our REMIX machine in action.

Kraft *Heinz*