

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2022

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-37482

KraftHeinz

The Kraft Heinz Company

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

One PPG Place, Pittsburgh, Pennsylvania

(Address of Principal Executive Offices)

46-2078182

(I.R.S. Employer Identification No.)

15222

(Zip Code)

Registrant's telephone number, including area code: **(412) 456-5700**

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of exchange on which registered</u>
Common stock, \$0.01 par value	KHC	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:

None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐
Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the shares of common stock held by non-affiliates of the registrant, computed by reference to the closing price of such stock as of the last business day of the registrant's most recently completed second quarter, was approximately \$34.6 billion. As of February 11, 2023, there were 1,225,003,377 shares of the registrant's common stock outstanding.

Documents Incorporated by Reference

Portions of the registrant's definitive proxy statement to be filed with the Securities and Exchange Commission in connection with its annual meeting of stockholders expected to be held on May 4, 2023 are incorporated by reference into Part III hereof.

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Unless the context otherwise requires, the terms “we,” “us,” “our,” “Kraft Heinz,” and the “Company” each refer to The Kraft Heinz Company and all of its consolidated subsidiaries.

Forward-Looking Statements

This Annual Report on Form 10-K contains a number of forward-looking statements. Words such as “anticipate,” “reflect,” “invest,” “see,” “make,” “expect,” “give,” “deliver,” “drive,” “believe,” “improve,” “assess,” “reassess,” “remain,” “evaluate,” “grow,” “will,” “plan,” “intend,” and variations of such words and similar future or conditional expressions are intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding our plans, impacts of accounting standards and guidance, growth, legal matters, taxes, costs and cost savings, impairments, and dividends. These forward-looking statements reflect management’s current expectations and are not guarantees of future performance and are subject to a number of risks and uncertainties, many of which are difficult to predict and beyond our control.

Important factors that may affect our business and operations and that may cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, operating in a highly competitive industry; our ability to correctly predict, identify, and interpret changes in consumer preferences and demand, to offer new products to meet those changes, and to respond to competitive innovation; changes in the retail landscape or the loss of key retail customers; changes in our relationships with significant customers or suppliers, or in other business relationships; our ability to maintain, extend, and expand our reputation and brand image; our ability to leverage our brand value to compete against private label products; our ability to drive revenue growth in our key product categories or platforms, increase our market share, or add products that are in faster-growing and more profitable categories; product recalls or other product liability claims; climate change and legal or regulatory responses; our ability to identify, complete, or realize the benefits from strategic acquisitions, divestitures, alliances, joint ventures, or investments; our ability to successfully execute our strategic initiatives; the impacts of our international operations; our ability to protect intellectual property rights; our ability to realize the anticipated benefits from prior or future streamlining actions to reduce fixed costs, simplify or improve processes, and improve our competitiveness; the influence of our largest stockholder; our level of indebtedness, as well as our ability to comply with covenants under our debt instruments; additional impairments of the carrying amounts of goodwill or other indefinite-lived intangible assets; foreign exchange rate fluctuations; volatility in commodity, energy, and other input costs; volatility in the market value of all or a portion of the commodity derivatives we use; compliance with laws and regulations and related legal claims or regulatory enforcement actions; failure to maintain an effective system of internal controls; a downgrade in our credit rating; the impact of sales of our common stock in the public market; our ability to continue to pay a regular dividend and the amounts of any such dividends; disruptions in the global economy caused by geopolitical conflicts, including the ongoing conflict between Russia and Ukraine; unanticipated business disruptions and natural events in the locations in which we or our customers, suppliers, distributors, or regulators operate; economic and political conditions in the United States and various other nations where we do business (including inflationary pressures, general economic slowdown, or recession); changes in our management team or other key personnel and our ability to hire or retain key personnel or a highly skilled and diverse global workforce; our dependence on information technology and systems, including service interruptions, misappropriation of data, or breaches of security; increased pension, labor, and people-related expenses; changes in tax laws and interpretations; volatility of capital markets and other macroeconomic factors; and other factors. For additional information on these and other factors that could affect our forward-looking statements, see Item 1A, *Risk Factors*. We disclaim and do not undertake any obligation to update, revise, or withdraw any forward-looking statement in this report, except as required by applicable law or regulation.

PART I

Item 1. Business.

General

We are driving transformation at The Kraft Heinz Company (Nasdaq: KHC), inspired by our Purpose, *Let's Make Life Delicious*. Consumers are at the center of everything we do. With 2022 net sales of approximately \$26 billion, we are committed to growing our iconic and emerging food and beverage brands on a global scale. We leverage our scale and agility to unleash the full power of Kraft Heinz across a portfolio of six consumer-driven product platforms. As global citizens, we're dedicated to making a sustainable, ethical impact while helping to feed the world in healthy, responsible ways.

On July 2, 2015, through a series of transactions, we consummated the merger of Kraft Foods Group, Inc. ("Kraft") with and into a wholly-owned subsidiary of H.J. Heinz Holding Corporation ("Heinz") (the "2015 Merger"). At the closing of the 2015 Merger, Heinz was renamed The Kraft Heinz Company, and H. J. Heinz Company changed its name to Kraft Heinz Foods Company.

Before the consummation of the 2015 Merger, Heinz was controlled by Berkshire Hathaway Inc. ("Berkshire Hathaway") and 3G Global Food Holdings, LP ("3G Global Food Holdings" and, together with its affiliates, "3G Capital"), following their acquisition of H. J. Heinz Company on June 7, 2013 (the "2013 Heinz Acquisition").

We operate on a 52- or 53-week fiscal year ending on the last Saturday in December in each calendar year. Unless the context requires otherwise, references to years and quarters contained herein pertain to our fiscal years and fiscal quarters. Our 2022 fiscal year was a 53-week period that ended on December 31, 2022, our 2021 fiscal year was a 52-week period that ended on December 25, 2021, and our 2020 fiscal year was a 52-week period that ended on December 26, 2020.

Reportable Segments:

In the second quarter of 2022, our internal reporting and reportable segments changed. We combined our United States and Canada zones to form the North America zone as a result of previously announced organizational changes, which are intended to advance and support our long-term growth plans by streamlining and synergizing our United States and Canada businesses. Subsequently, we manage and report our operating results through two reportable segments defined by geographic region: North America and International. We have reflected this change in all historical periods presented.

See Note 20, *Segment Reporting*, in Item 8, *Financial Statements and Supplementary Data*, for our geographic financial information by segment.

Resources

Trademarks and Intellectual Property:

Our trademarks are material to our business and are among our most valuable assets. Depending on the country, trademarks generally remain valid for as long as they are in use or their registration status is maintained. Trademark registrations generally are for renewable, fixed terms. Significant trademarks by segment based on net sales in 2022 were:

Majority Owned and Licensed Trademarks	
North America	<i>Kraft, Oscar Mayer, Heinz, Philadelphia, Lunchables, Velveeta, Capri Sun*, Maxwell House, Ore-Ida, Kool-Aid, Jell-O</i>
International	<i>Heinz, ABC, Master, Kraft, Quero, Golden Circle, Wattie's, Plasmon, Pudliszki</i>

*Used under license.

We sell certain products under brands we license from third parties. In 2022, brands used under licenses from third parties included *Capri Sun* packaged drink pouches for sale in the United States. We also grant certain licenses to third parties to use our intellectual property rights in select jurisdictions. In 2021, in our agreements with an affiliate of Groupe Lactalis ("Lactalis"), related to the sale of certain assets in our global cheese business, we each granted the other party various licenses to use certain of our and their respective intellectual property rights in perpetuity, including perpetual licenses for the *Kraft* and *Velveeta* brands for certain cheese products.

We also own numerous patents worldwide. We consider our portfolio of patents, patent applications, patent licenses under patents owned by third parties, proprietary trade secrets, technology, know-how processes, and related intellectual property rights to be material to our operations. Patents, issued or applied for, cover inventions ranging from packaging techniques to processes relating to specific products and to the products themselves. While our patent portfolio is material to our business, the loss of one patent or a group of related patents would not have a material adverse effect on our business.

Our issued patents extend for varying periods according to the date of the patent application filing or grant and the legal term of patents in the various countries where patent protection is obtained. The actual protection afforded by a patent, which can vary from country to country, depends upon the type of patent, the scope of its coverage as determined by the patent office or courts in the country, and the availability of legal remedies in the country.

Raw Materials and Packaging:

We manufacture (and contract for the manufacture of) our products from a wide variety of raw materials. We purchase and use large quantities of commodities, including dairy products, meat products, soybean and vegetable oils, tomatoes, coffee beans, sugar and other sweeteners, other fruits and vegetables, corn products, wheat products, and potatoes, to manufacture our products. In addition, we purchase and use significant quantities of resins, fiberboard, metals, and cardboard to package our products, and we use electricity, diesel fuel, and natural gas in the manufacturing and distribution of our products. For commodities that we use across many of our product categories, such as corrugated paper and energy, we coordinate sourcing requirements and centralize procurement to leverage our scale. In addition, some of our product lines and brands separately source raw materials that are specific to their operations. We source these commodities from a variety of providers, including large, international producers and smaller, local, independent sellers. Where appropriate, we seek to establish preferred purchaser status and have developed strategic partnerships with many of our suppliers with the objective of achieving favorable pricing and dependable supply for many of our commodities. The prices of raw materials that we use in our products are affected by external factors, such as global competition for resources, currency fluctuations, severe weather or global climate change, pandemics, geopolitical conflicts, consumer, industrial, or investment demand, and changes in governmental regulation and trade, tariffs, alternative energy, and agricultural programs. In 2022, we continued to experience higher commodity costs and supply chain costs, including procurement, logistics, and manufacturing costs, largely due to inflationary pressures. We expect these costs to continue to increase and inflation to remain elevated through 2023.

Our procurement teams monitor worldwide supply and cost trends so we can obtain ingredients and packaging needed for production at competitive prices. Although the prices of our principal raw materials can be expected to fluctuate, we believe there will be an adequate supply of the raw materials we use and that they are generally available from numerous sources. We use a range of hedging techniques in an effort to limit the impact of price fluctuations on many of our principal raw materials. However, we do not fully hedge against changes in commodity prices, and our hedging strategies may not protect us from increases in specific raw material costs. We actively monitor changes to commodity costs so that we can seek to mitigate the effect through pricing and other operational measures.

Research and Development

Our research and development efforts focus on achieving the following four objectives:

- product innovations, renovations, and new technologies to meet changing consumer needs, support our environmental and sustainability goals, and drive growth;
- world-class and uncompromising food safety, quality, and consistency;
- superior, customer-preferred product and package performance; and
- continuous process, product, and supply chain optimization.

Competition

Our products are sold in highly competitive marketplaces, which continue to experience increased concentration and the growing presence of e-commerce retailers, large-format retailers, and discounters. Our competitors include large national and international food and beverage companies and numerous local and regional companies. We compete with both branded and private label products sold by retailers, wholesalers, and cooperatives. We compete on the basis of product innovation, price, product quality, nutritional value, service, taste, convenience, brand recognition and loyalty, effectiveness of marketing and distribution, promotional activity, and the ability to identify and satisfy changing consumer preferences. Improving our market position or introducing new products requires substantial advertising and promotional expenditures.

Sales

Sales and Customers:

Our products are sold through our own sales organizations and through independent brokers, agents, and distributors to chain, wholesale, cooperative, and independent grocery accounts; convenience, value, and club stores; pharmacies and drug stores; mass merchants; foodservice distributors; and institutions, including hotels, restaurants, bakeries, hospitals, health care facilities, and government agencies. Our products are also sold online through various e-commerce platforms and retailers.

We have key customers in different regions around the world. In 2022, the five largest customers in our North America segment accounted for approximately 46% of North America segment net sales and the five largest customers in our International segment accounted for approximately 14% of International segment net sales. Our largest customer, Walmart Inc., represented approximately 21% of our net sales in 2022 and approximately 22% of our net sales in each of 2021 and 2020. Both of our segments have sales to Walmart Inc.

We manage our sales portfolio through six consumer-driven product platforms. A platform is a lens created for the portfolio based on a grouping of real consumer needs and includes the following for Kraft Heinz: Taste Elevation, Fast Fresh Meals, Easy Meals Made Better, Real Food Snacking, Flavorful Hydration, and Easy Indulgent Desserts. The platforms are modular and configurable by reportable segment and market. Further, each platform is assigned a role within our business to help inform our resource allocation and investment decisions, which are made at the reportable segment level. These roles include: Grow, Energize, and Stabilize. The role of a platform may also vary by reportable segment and market. The platform approach helps us to manage our business efficiently, including the oversight of our various product categories and brands, and transforms the way we plan for our growth.

Net Sales by Platform:

Net sales by platform as a percentage of consolidated net sales for the periods presented were:

	December 31, 2022	December 25, 2021	December 26, 2020
Taste Elevation	31 %	28 %	26 %
Fast Fresh Meals	23 %	25 %	26 %
Easy Meals Made Better	20 %	19 %	19 %
Real Food Snacking	5 %	7 %	9 %
Flavorful Hydration	8 %	7 %	6 %
Easy Indulgent Desserts	4 %	4 %	4 %
Other	9 %	10 %	10 %

Net Sales by Product Category:

The product categories that contributed 10% or more to consolidated net sales in any of the periods presented were:

	December 31, 2022	December 25, 2021	December 26, 2020
Condiments and sauces	31 %	28 %	26 %
Cheese and dairy	15 %	19 %	20 %
Ambient foods	12 %	11 %	11 %
Frozen and chilled foods	11 %	10 %	10 %
Meats and seafood	10 %	10 %	10 %

Seasonality

Although crops constituting certain of our raw food ingredients are harvested on a seasonal basis, the majority of our products are produced throughout the year.

Seasonal factors inherent in our business change the demand for products, including holidays, changes in seasons, or other annual events. While these factors influence our quarterly net sales, operating income/(loss), and cash flows at the product level, unless the timing of such events shift period-over-period (e.g., a shift in Easter timing), this seasonality does not typically have a significant effect on our consolidated results of operations or segment results.

Government Regulation

The manufacture and sale of consumer food and beverage products is highly regulated. Our business operations, including the production, transportation, storage, distribution, sale, display, advertising, marketing, labeling, quality, and safety of our products and their ingredients, and our occupational safety, health, and privacy practices, are subject to various laws and regulations. In the United States, our activities are subject to regulation by various federal government agencies, including the Food and Drug Administration, Department of Agriculture, Federal Trade Commission, Department of Labor, Department of Commerce, and Environmental Protection Agency, as well as various state and local agencies. We are also subject to numerous laws and regulations outside of the United States in markets where our products are manufactured, distributed, or sold, including laws and regulations governing food safety, health and safety, anti-corruption, and data privacy. In our business dealings, we are also required to comply with the U.S. Foreign Corrupt Practices Act (“FCPA”), the U.K. Bribery Act, the U.S. Trade Sanctions Reform and Export Enhancement Act, and various other anti-corruption regulations in the regions in which we operate. We rely on legal and operational compliance programs, as well as in-house and outside counsel, to guide our businesses in complying with applicable laws and regulations. In addition, regulatory regime changes may add cost and complexity to our compliance efforts.

Environmental Regulation:

Our activities throughout the world are highly regulated and subject to government oversight regarding environmental matters. Various laws concerning the handling, storage, and disposal of hazardous materials and the operation of facilities in environmentally sensitive locations may impact aspects of our operations.

In the United States, where a significant portion of our business operates, these laws and regulations include the Clean Air Act, the Clean Water Act, the Resource Conservation and Recovery Act, and the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”). CERCLA imposes joint and several liability on each potentially responsible party. We are involved in a number of active proceedings in the United States under CERCLA (and other state actions under similar legislation) related to certain closed, inactive, or divested operations for which we retain liability.

As of December 31, 2022, we had accrued an amount we deemed appropriate for environmental remediation. Based on information currently available, we believe that the ultimate resolution of existing environmental remediation actions and our general compliance with environmental laws and regulations will not have a material effect on our earnings or financial condition. However, it is difficult to predict with certainty the potential impact of future compliance efforts and environmental remedial actions and, thus, future costs associated with such matters may exceed current reserves.

Human Capital Management

We are driven by our Purpose, our Vision—*To sustainably grow by delighting more consumers globally*, and our Values—*We are consumer obsessed, We dare to do better every day, We champion great people, We demand diversity, We do the right thing, and We own it*. We recognize that a strong company culture is vital to our overall success. Our Purpose, Vision, and Values are the foundation upon which our culture is built. They represent the expectations we have for ourselves and the environment we aspire to create for our Company.

Our people are at the heart of who we are at Kraft Heinz. We drive growth through development opportunities, career ownership, and autonomy and recognize and reward outstanding performance at every level, creating a true spirit of meritocracy. We strive to channel our employees’ passion, curiosity, and attitude to make an impact on our future and our legacy by leading as learners, acting as owners, and being change agents. Our Board of Directors (“Board”), through the Human Capital and Compensation Committee, oversees our human resources strategy, key policies, and our 2025 diversity, inclusion, and belonging aspirations.

Engagement and Retention:

We are committed to attracting, developing, and retaining diverse, world-class talent and creating an engaging and inclusive culture that embodies our Purpose, Vision, and Values. As of December 31, 2022, Kraft Heinz had approximately 37,000 employees globally. Driven by our Value *We champion great people*, we support our employees’ health, safety, and professional development and reward outstanding performance at every level. Our compensation, benefits, recognition, and LiveWell programs are designed to attract and engage highly skilled talent, meet individual and family needs, and inspire, celebrate, and engage our people and teams through active listening channels.

Guided by our Values, we conduct a global engagement survey annually to provide employees with an opportunity to share anonymous feedback with management across a variety of topic areas. The results, and comments are reviewed by the Board, senior leadership, managers, and human resources to help determine where changes are needed to support our people and teams.

Wellbeing and Safety:

Our employees' health, safety, and wellbeing are a top priority. We establish and administer company-wide policies and processes to protect the health, safety, and security of our employees, subcontractors, and all those who visit our facilities, and to comply with applicable regulations. We review and monitor our performance closely to drive continuous improvement. To help us evaluate how effective our safety efforts are in lowering incidents rates, we use a Total Recordable Incident Rate ("TRIR"). TRIR is a medical incident rate based on the U.S. Occupational Safety and Health Administration (OSHA) record-keeping criteria (injuries per 200,000 hours). Our TRIR globally was 0.53 in 2022 and 0.62 in 2021.

Our global LiveWell program addresses physical, emotional, financial, and social health and wellbeing. We champion the LiveWell program's holistic approach to wellbeing with enhanced programs, including healthcare benefits, disability, and employee assistance initiatives.

Diversity, Equity, Inclusion, and Belonging:

We live our Value of *We demand diversity* by focusing on three strategic areas: hiring and growing talent from diverse backgrounds and perspectives, developing inclusive leaders, and tracking and reporting our progress. Our Global Inclusion Council has been established to create strategic accountability for results. It also provides governance and oversight of reporting on diversity efforts and initiatives. The Council is comprised of executive leaders and members of the Board. In 2021, we shared our 2025 diversity, inclusion, and belonging aspirations, which include that 50% of our global management positions be filled by women and 30% of our salaried U.S. employee population identify as people of color. As of December 31, 2022:

- 41% of employees in management positions globally identified as women;
- 28% of salaried employees in the U.S. identified as people of color;
- 40% of our Executive Leadership Team identified as women; and
- 80% of our Executive Leadership Team identified as people of color.

As we work to meet our 2025 aspirations, we are focused on:

- *Hiring and Growing Talent from Diverse Backgrounds and Perspectives* through expanded recruiting partnerships with Historically Black Colleges and Universities and training and leveraging artificial intelligence in our hiring process to reduce bias. In addition, our Business Resource Groups (BRGs) offer learning and development opportunities and create a network of support for employees.
- *Developing Inclusive Leaders* through an interactive learning experience for managers on interrupting bias in our Organizational People Review process and their role in creating an inclusive environment.
- *Tracking and Reporting Our Progress* year over year through oversight by the Kraft Heinz Global Inclusion Council.

Learning and Development:

Through Kraft Heinz Ownerversity, we provide learning and development offerings to employees via live and virtual learning experiences. These offerings enable employees to execute with excellence in their roles, accelerate their learning curves, and grow great careers through continuous learning. With Ownerversity's targeted platforms, employees can focus on timely and topical development areas including leadership, management excellence, functional capabilities, and diversity, equity, inclusion, and belonging. In 2022, our global women's accelerator program, The WE Network, won a Brandon Hall Gold Award for Best Advance in Leadership Development for Women.

Rewards and Compensation:

Our Total Rewards strategy is designed to provide an array of meaningful and flexible programs for our diverse workforce. Total Rewards includes compensation elements of salary and wages and incentives, healthcare, savings and insurance plans, wellbeing plans, employee recognition programs, and other voluntary elected benefits. We aim for global consistency while respecting local market practices. The plans are designed to be market competitive and data-driven to promote our high-performance and results-oriented culture and realize our Purpose to *Make Life Delicious* for employees and their families.

Ethics and Transparency:

The Kraft Heinz Ethics Helpline is available to our partners, suppliers, customers, and consumers to ask questions or report potential violations of various policies and ethical guidelines, including our Code of Conduct, Supplier Guiding Principles, and Global Human Rights Policy.

We report more detailed information regarding our programs and initiatives related to our people and human capital management in our Environmental Social Governance Report ("ESG Report"). Our 2022 ESG Report, which provides our progress through 2021, is available on our website at www.kraftheinzcompany.com/esg. The information on our website, including our ESG Report, is not, and shall not be deemed to be, a part of this Annual Report on Form 10-K or incorporated into any other filings we make with the Securities and Exchange Commission ("SEC").

Information about our Executive Officers

The following are our executive officers as of February 11, 2023:

Name and Title	Age	Business Experience in the Past Five Years
Miguel Patricio, <i>Chief Executive Officer and Chair of the Board</i>	56	Chief Executive Officer (since June 2019); Chair of the Board (since May 2022); Director (May 2021 to May 2022); and U.S. Zone President (July 2019 to February 2020). Chief of Special Global Projects–Marketing (January 2019 to June 2019) and Chief Marketing Officer (2012 to December 2018) at Anheuser-Busch InBev SA/NV (“AB InBev”), a multinational drink and brewing holdings company.
Andre Maciel, <i>Executive Vice President and Global Chief Financial Officer</i>	48	Executive Vice President and Global Chief Financial Officer (since March 2022); Senior Vice President, U.S. Chief Financial Officer, and Head of Digital Transformation (September 2019 to March 2022); Managing Director, Continental Europe (January 2019 to August 2019); Chief Financial Officer, U.S. (2017 to January 2019); and Head of U.S. Commercial Finance (2015 to 2017).
Carlos Abrams-Rivera, <i>Executive Vice President and President, North America</i>	55	Executive Vice President and President, North America (since December 2021); and U.S. Zone President (February 2020 to December 2021). Executive Vice President and President, Campbell Snacks (May 2019 to February 2020), President, Campbell Snacks (March 2018 to May 2019), and President, Pepperidge Farm (2015 to March 2018) at Campbell Soup Company, a food and beverage company.
Kathy Krenger, <i>Senior Vice President and Global Chief Communications Officer</i>	55	Senior Vice President (since December 2021) and Global Chief Communications Officer (since July 2021). Senior Vice President, Global Communications (2017 to July 2021) at Hyatt Hotels Corporation, a global hospitality company.
Rashida La Lande, <i>Executive Vice President, Global General Counsel, and Chief Sustainability and Corporate Affairs Officer</i>	49	Executive Vice President, Global General Counsel, and Chief Sustainability and Corporate Affairs Officer (since December 2021); Corporate Secretary (since January 2018 to May 2022); Head of ESG (formerly CSR) and Government Affairs (October 2018 to December 2021); and Senior Vice President and Global General Counsel (January 2018 to December 2021). Partner (2007 to January 2018) at Gibson, Dunn & Crutcher LLP, a global law firm.
Marcos Eloi Lima, <i>Executive Vice President and Global Chief Procurement Officer</i>	45	Executive Vice President (since December 2021) and Chief Procurement Officer (since October 2019); and Advisor in the area of procurement (July 2019 to October 2019). Vice President Procurement & Sustainability Middle Americas Zone (2016 to July 2019) at AB InBev.
Rafael Oliveira, <i>Executive Vice President and President, International Markets</i>	48	Executive Vice President and President, International Markets (since December 2021); International Zone President (July 2019 to December 2021); Zone President of EMEA (2016 to June 2019); Managing Director of Kraft Heinz UK & Ireland (2016 to 2016); and President of Kraft Heinz Australia, New Zealand, and Papua New Guinea (2014 to 2016).
Flávio Barros Torres, <i>Executive Vice President and Global Chief Supply Chain Officer</i>	54	Executive Vice President and Global Chief Supply Chain Officer (since December 2021); and Head of Global Operations (January 2020 to December 2021). Vice President Supply Global (2017 to 2019) at AB InBev.
Melissa Werneck, <i>Executive Vice President and Global Chief People Officer</i>	50	Executive Vice President (since December 2021) and Global Chief People Officer (since 2016); and Head of Global Human Resources, Performance and Information Technology (2015 to 2016).
Yang Xu <i>Senior Vice President, Global Head of Corporate Development; Global Treasurer</i>	43	Senior Vice President, Global Head of Corporate Development, and Global Treasurer (since March 2022); Global Head of Treasury and M&A (April 2021 to March 2022); and Senior Vice President, Global Treasurer, and Head of Global Business Excellence (July 2020 to April 2021). Senior Director, Corporate Treasury and Risk Management at Whirlpool Corporation, a major home appliance company (2016 to April 2018).

Available Information

Our website address is www.kraftheinzcompany.com. The information on our website is not, and shall not be deemed to be, a part of this Annual Report on Form 10-K or incorporated into any other filings we make with the SEC. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, (the “Exchange Act”), are available free of charge on our website as soon as reasonably practicable after we electronically file them with, or furnish them to, the SEC. In addition, the SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers, including Kraft Heinz, that are electronically filed with the SEC.

Item 1A. Risk Factors.

Our business is subject to various risks and uncertainties. In addition to the risks described elsewhere in this Annual Report on Form 10-K, any of the risks and uncertainties described below could materially adversely affect our business, financial condition, and results of operations and should be considered when evaluating Kraft Heinz. Although the risks are organized and described separately, many of the risks are interrelated. While we believe we have identified and discussed the material risks affecting our business below, there may be additional risks and uncertainties that are not presently known or that are not currently believed to be material that may adversely affect our business, performance, or financial condition in the future.

Industry Risks

We operate in a highly competitive industry.

The food and beverage industry is highly competitive across all of our product offerings. Our principal competitors in these categories are manufacturers and retailers with their own branded and private label products. We compete based on product innovation, price, product quality, nutritional value, service, taste, convenience, brand recognition and loyalty, effectiveness of marketing and distribution, promotional activity, and the ability to identify and satisfy changing consumer preferences.

We may need to reduce our prices, or be restricted or delayed in our ability to increase prices, in response to competitive, customer, consumer, regulatory, or macroeconomic pressures, including pressures related to private label products that are generally sold at lower prices. These pressures have restricted, and may in the future continue to restrict, our ability to increase prices in response to commodity and other cost increases, including those related to inflationary pressures. Additionally, we expect that there could be a difference between the timing of when we take pricing actions and the impact of those beneficial actions on our results of operations. Failure to effectively assess, timely change, and properly set pricing, promotions, or trade incentives may negatively impact our ability to achieve our objectives.

The rapid emergence of new distribution channels, particularly e-commerce, may create consumer price deflation, affecting our retail customer relationships and presenting additional challenges to increasing prices in response to commodity or other cost increases, including those related to inflationary pressures. We may also need to increase or reallocate spending on marketing, retail trade incentives, materials, advertising, and new product, platform, or channel innovation to maintain or increase market share. These expenditures are subject to risks, including uncertainties about trade and consumer acceptance of our efforts. If we are unable to compete effectively, our profitability, financial condition, and operating results may decline.

Our success depends on our ability to correctly predict, identify, and interpret changes in consumer preferences and demand, to offer new products to meet those changes, and to respond to competitive innovation.

Consumer preferences for food and beverage products change continually and rapidly. Our success depends on our ability to predict, identify, and interpret the tastes and dietary habits of consumers and to offer products that appeal to consumer preferences, including with respect to health and wellness. If we do not offer products that appeal to consumers, our sales and market share will decrease, which could materially and adversely affect our product sales, financial condition, and operating results.

Moreover, weak economic conditions, recessions, inflation, severe or unusual weather events, global or local pandemics, including COVID-19, as well as other factors, could affect consumer preferences and demand, at times, causing a strain on our supply chain due, in part, to retailers, distributors, or carriers modifying their restocking, fulfillment, or shipping practices. Failure to adequately respond to these changes could adversely affect our product sales, financial condition, and operating results.

We must distinguish between short-term trends and long-term changes in consumer preferences. If we do not accurately predict which shifts in consumer preferences will be long-term, or if we fail to introduce new and improved products to satisfy those preferences, our sales could decline. In addition, because of our varied consumer base, we must offer an array of products that satisfies a broad spectrum of consumer preferences. If we fail to expand our product offerings successfully across product categories or platforms, or if we do not rapidly develop products in faster-growing or more profitable categories, demand for our products could decrease, which could materially and adversely affect our product sales, financial condition, and operating results.

Prolonged negative perceptions concerning the health, environmental, or social implications of certain food and beverage products, ingredients, or packaging materials could influence consumer preferences and acceptance of our products and marketing programs. Our ability to refine the ingredient and nutrition profiles of and packaging for our products as well as to maintain focus on ethical sourcing and supply chain management opportunities to address evolving consumer preferences are important to our growth. We strive to respond to consumer preferences and social expectations, but we may not be successful in our efforts. Continued negative perceptions and failure to satisfy consumer preferences could materially and adversely affect our product sales, financial condition, and operating results.

In addition, our growth depends on our successful development, introduction, and marketing of innovative new products and line extensions. There are inherent risks associated with new product or packaging introductions, including uncertainties about trade and consumer acceptance or potential impacts on our existing product offerings. We may be required to increase expenditures for new product development. Successful innovation depends on our ability to correctly anticipate customer and consumer acceptance, to obtain, protect, and maintain necessary intellectual property rights, and to avoid infringing upon the intellectual property rights of others. We must also be able to respond successfully to technological advances by and intellectual property rights of our competitors, and failure to do so could compromise our competitive position and impact our product sales, financial condition, and operating results.

Changes in the retail landscape or the loss of key retail customers could adversely affect our financial performance.

Retail customers, such as supermarkets, warehouse clubs, and food distributors in our major markets, may continue to consolidate, resulting in fewer but larger customers for our business across various channels. These larger customers may seek to leverage their positions to improve their profitability by demanding improved efficiency, lower pricing, more favorable terms, increased promotional programs, or specifically tailored product offerings. In addition, larger retailers have scale to develop supply chains that permit them to operate with reduced inventories or to develop and market their own private label products. Retail consolidation and increasing retailer power could materially and adversely affect our product sales, financial condition, and operating results.

Retail consolidation also increases the risk that adverse changes in our customers' business operations or financial performance may have a corresponding adverse effect on us, which could be material. For example, if our customers cannot access sufficient funds or financing, then they may delay, decrease, or cancel purchases of our products, or delay or fail to pay us for previous purchases, which could materially and adversely affect our product sales, financial condition, and operating results.

In addition, technology-based systems, which give consumers the ability to shop through e-commerce websites and mobile commerce applications, are also significantly altering the retail landscape in many of our markets. If we are unable to adjust to developments in these changing landscapes, we may be disadvantaged in key channels and with certain consumers, which could materially and adversely affect our product sales, financial condition, and operating results.

Changes in our relationships with significant customers or suppliers, or in other business relationships, could adversely impact us.

We derive significant portions of our sales from certain significant customers (see *Sales and Customers* within Item 1, *Business*). Some or all of our significant customers may not continue to purchase our products in the same mix or quantities or on the same terms as in the past, particularly as increasingly powerful retailers may demand lower pricing and focus on developing their own brands. The loss of a significant customer or a material reduction in sales or a change in the mix of products we sell to a significant customer could materially and adversely affect our product sales, financial condition, and operating results.

Disputes with significant suppliers, including disputes related to pricing or performance, could adversely affect our ability to supply products to our customers and could materially and adversely affect our product sales, financial condition, and operating results. In addition, terminations of relationships with other significant contractual counterparties, including licensors, could adversely affect our portfolio, product sales, financial condition, and operating results.

In addition, the financial condition of such customers, suppliers, and other significant contractual counterparties are affected in large part by conditions and events that are beyond our control. Significant deteriorations in the financial conditions of significant customers or suppliers, or in other business relationships, could materially and adversely affect our product sales, financial condition, and operating results.

Maintaining, extending, and expanding our reputation and brand image are essential to our business success.

We have many iconic brands with long-standing consumer recognition across the globe. Our success depends on our ability to maintain brand image for our existing products, extend our brands to new platforms, and expand our brand image with new product offerings.

We seek to maintain, extend, and expand our brand image through marketing investments, including advertising and consumer promotions, and product innovation. Negative perceptions of food and beverage marketing could adversely affect our brand image or lead to stricter regulations and scrutiny of our marketing practices. Moreover, adverse publicity about legal or regulatory action against us, our quality and safety, our environmental or social impacts, our other environmental, social, human capital, or governance practices, our products becoming unavailable to consumers, or our suppliers and, in some cases, our competitors, could damage our reputation and brand image, undermine our customers' or consumers' confidence, and reduce demand for our products, even if the regulatory or legal action is unfounded or not material to our operations. Furthermore,

existing or increased legal or regulatory restrictions on our advertising, consumer promotions, and marketing, or our response to those restrictions, could limit our efforts to maintain, extend, and expand our brands.

In addition, our success in maintaining, extending, and expanding our brand image depends on our ability to adapt to a rapidly changing media environment. We increasingly rely on social media and online dissemination of advertising campaigns. The growing use of social and digital media increases the speed and extent that information, including misinformation, and opinions can be shared. Negative posts or comments about us, our brands or our products, or our suppliers and, in some cases, our competitors, on social or digital media, whether or not valid, could seriously damage our brands and reputation. In addition, we might fail to appropriately target our marketing efforts, anticipate consumer preferences, or invest sufficiently in maintaining, extending, and expanding our brand image. If we do not maintain, extend, and expand our reputation or brand image, then our product sales, financial condition, and operating results could be materially and adversely affected.

We must leverage our brand value to compete against private label products.

In nearly all of our product categories, we compete with branded products as well as private label products, which are typically sold at lower prices. Our products must provide higher value or quality to consumers than alternatives, particularly during periods of economic uncertainty or weakness or inflation. Consumers may not buy our products if relative differences in value or quality between our products and private label products change in favor of competitors' products or if consumers perceive such a change. If consumers prefer private label products, then we could lose market share or sales volume, or our product mix could shift to lower margin offerings. A change in consumer preferences could also cause us to increase capital, marketing, and other expenditures, which could materially and adversely affect our product sales, financial condition, and operating results.

We may be unable to drive revenue growth in our key product categories or platforms, increase our market share, or add products that are in faster-growing and more profitable categories.

Our future results will depend on our ability to drive revenue growth in our key product categories or platforms as well as growth in the food and beverage industry in the geographies in which we operate. Our future results will also depend on our ability to enhance our portfolio by adding innovative new products in faster-growing and more profitable categories or platforms and our ability to increase market share in our existing product categories or platforms. Our failure to drive revenue growth, limit market share decreases in our key product categories or platforms, or develop innovative products for new and existing categories or platforms could materially and adversely affect our product sales, financial condition, and operating results.

Product recalls or other product liability claims could materially and adversely affect us.

Selling products for human consumption involves inherent legal and other risks, including product contamination, spoilage, product tampering, allergens, or other adulteration. We have decided and could in the future decide to, and have been or could in the future be required to, recall products due to suspected or confirmed product contamination, adulteration, product mislabeling or misbranding, tampering, undeclared allergens, or other deficiencies. Product recalls or market withdrawals could result in significant losses due to their costs, the destruction of product inventory, and lost sales due to the unavailability of the product for a period of time.

We could also be adversely affected if consumers lose confidence in the safety and quality of our food products or ingredients, or the food safety system generally. Adverse attention about these types of concerns, whether or not valid, may damage our reputation, discourage consumers from buying our products, or cause production and delivery disruptions that could negatively impact our net sales and financial condition.

We may also suffer losses if our products or operations violate applicable laws or regulations or if our products cause injury, illness, or death. In addition, our marketing could face claims of false or deceptive advertising or other criticism. A significant product liability or other legal judgment or a related regulatory enforcement action against us, or a significant product recall, may materially and adversely affect our reputation and profitability. Moreover, even if a product liability or fraud claim is unsuccessful, has no merit, or is not pursued to conclusion, the negative publicity surrounding assertions against our products or processes could materially and adversely affect our product sales, financial condition, and operating results.

Climate change and legal or regulatory responses may have a long-term adverse impact on our business and results of operations.

Global average temperatures are gradually increasing due to increased concentration of carbon dioxide and other greenhouse gases in the atmosphere, which is projected to contribute to significant changes in weather patterns around the globe, an increase in the frequency and severity of natural disasters, and changes in agricultural productivity. Increasing concern over climate change may adversely impact demand for our products, or increase our operating costs, due to changes in consumer preferences that cause consumers to switch away from products or ingredients considered to have a high climate change impact.

Increased natural disasters and decreased agricultural productivity in certain regions of the world as a result of changing weather patterns may limit the availability or increase the cost of natural resources and commodities, including dairy products, meat products, soybean and vegetable oils, tomatoes, coffee beans, sugar and other sweeteners, other fruits and vegetables, corn products, wheat products, and potatoes, to manufacture our products, and could further decrease food security for communities around the world. Climate change, and its environmental impacts, could also affect our ability, and our suppliers' ability, to procure necessary commodities at costs and in quantities we currently experience and may require us to increase costs or make additional unplanned capital expenditures. Further, an increase in the frequency and severity of natural disasters could result in disruptions for us, our customers, suppliers, vendors, co-manufacturers, and distributors and impact our employees' abilities to commute or work from home effectively. These disruptions could make it more difficult and costly for us to deliver our products, obtain raw materials or other supplies through our supply chain, maintain or resume operations, or perform other critical corporate functions, could reduce customer demand for our products, and could increase the cost of insurance.

Additionally, there is an increased focus by foreign, federal, state, and local regulatory and legislative bodies regarding environmental policies relating to climate change, regulating greenhouse gas emissions (including carbon pricing or a carbon tax), energy policies, disclosure obligations, and sustainability. Increased energy or compliance costs and expenses due to the impacts of climate change, as well as additional legal or regulatory requirements regarding climate change designed to reduce or mitigate the effects of carbon dioxide and other greenhouse gas emissions on the environment could be costly and may cause disruptions in, or an increase in the costs associated with, the running of our manufacturing and processing facilities and our business, as well as increase distribution and supply chain costs. Moreover, compliance with any such legal or regulatory requirements may require us to make significant changes to our business operations and long-term operating plans, which will likely incur substantial time, attention, and costs. Even if we make changes to align ourselves with such legal or regulatory requirements, we may still be subject to significant penalties if such laws and regulations are interpreted and applied in a manner inconsistent with our practices. The effects of climate change and legal or regulatory initiatives to address climate change could have a long-term adverse impact on our business and results of operations.

Finally, we might fail to effectively address increased attention from the media, stockholders, activists, and other stakeholders on climate change and related environmental sustainability matters. Such failure, or the perception that we have failed to act responsibly with respect to such matters or to effectively respond to new or additional regulatory requirements regarding climate change, whether or not valid, could result in adverse publicity and negatively affect our business and reputation. Additionally, from time to time we establish and publicly announce environmental, social, and governance goals, commitments, and aspirations, including to reduce our impact on the environment. Our ability to achieve any stated goal, target, or objective is subject to numerous factors and conditions, many of which are outside of our control. Examples of such factors include evolving regulatory requirements affecting sustainability standards or disclosures or imposing different requirements, the pace of changes in technology, the availability of requisite financing, and the availability of suppliers that can meet our sustainability and other standards. Furthermore, standards for tracking and reporting such matters continue to evolve. Our selection of voluntary disclosure frameworks and standards, and the interpretation or application of those frameworks and standards, may change from time to time or differ from those of others. Methodologies for reporting this data may be updated and previously reported data may be adjusted to reflect improvement in availability and quality of third-party data, changing assumptions, changes in the nature and scope of our operations, and other changes in circumstances. Our processes and controls for reporting sustainability and other matters across our operations and supply chain are evolving along with multiple disparate standards for identifying, measuring, and reporting sustainability metrics, including sustainability-related disclosures that may be required by the SEC and European and other regulators, and such standards may change over time, which could result in significant revisions to our current goals, reported progress in achieving such goals, or ability to achieve such goals in the future. If we fail to achieve, or are perceived to have failed or been delayed in achieving, or improperly report on our progress toward achieving these goals and commitments, it could negatively affect consumer preference for our products or investor confidence in our stock, as well as expose us to government enforcement actions and private litigation.

Business Risks

We may not successfully identify, complete, or realize the benefits from strategic acquisitions, divestitures, alliances, joint ventures, or investments.

From time to time, we have evaluated and may continue to evaluate acquisition candidates, alliances, joint ventures, or investments that may strategically fit our business objectives, and, as a result of some of these evaluations, we have acquired businesses or assets that we deem to be a strategic fit. We have also divested and may consider divesting businesses that do not meet our strategic objectives or growth or profitability targets. These activities may present financial, managerial, and operational risks including, but not limited to, diversion of management's attention from existing core businesses; difficulties in integrating, or inability to successfully integrate, acquired businesses, including integrating or separating personnel and financial and other systems; inability to effectively and immediately implement control environment processes across a diverse employee population; adverse effects on existing or acquired customer and supplier business relationships; and potential disputes with buyers, sellers, or partners. Activities in such areas are regulated by numerous antitrust and competition laws in the United States, Canada, the European Union, the United Kingdom, and elsewhere. We have in the past and may in the future be required to obtain approval of these transactions by competition authorities or to satisfy other legal requirements, and we may be unable to obtain such approvals or satisfy such requirements, each of which may result in additional costs, time delays, or our inability to complete such transactions, which could materially and adversely affect our financial condition and operating results.

To the extent we undertake acquisitions, alliances, joint ventures, investments, or other developments in new geographies or categories, we may face additional risks related to such developments. For example, risks related to foreign operations are discussed below under the risk factor titled "*Our international operations subject us to additional risks and costs and may cause our profitability to decline.*"

To the extent we undertake divestitures, we may face additional risks related to such activities. For example, risks related to our ability to find appropriate buyers, execute transactions on favorable terms, separate divested business operations with minimal impact to our remaining operations, and effectively manage any transitional service arrangements. Further, our divestiture activities have in the past required, and may in the future require, us to recognize impairment charges. Any of these factors could materially and adversely affect our financial condition and operating results.

We may not be able to successfully execute our strategic initiatives.

We plan to continue to conduct strategic initiatives in various markets. Consumer demands, behaviors, tastes, and purchasing trends may differ in these markets and, as a result, our sales strategies may not be successful and our product sales may not meet expectations, or the margins on those sales may be less than currently anticipated. We may also face difficulties integrating new business operations with our current sourcing, distribution, information technology systems, and other operations. Additionally, we may not successfully complete any planned strategic initiatives, including achieving any previously announced productivity efficiencies and financial targets, any new business may not be profitable or meet our expectations, or any divestiture may not be completed without disruption. Any of these challenges could hinder our success in new markets or new distribution channels, which could adversely affect our results of operations and financial condition.

Our international operations subject us to additional risks and costs and may cause our profitability to decline.

We are a global company with sales and operations in numerous countries within developed and emerging markets. Approximately 30% of our 2022 net sales were generated outside of the United States. As a result, we are subject to risks inherent in global operations. These risks, which can vary substantially by market, are described in many of the risk factors discussed in this section, and also include:

- compliance with U.S. laws affecting operations outside of the United States, including anti-bribery and corruption laws such as the FCPA;
- changes in the mix of earnings in countries with differing statutory tax rates, the valuation of deferred tax assets and liabilities, tax laws or their interpretations, or tax audit implications;
- the imposition of increased or new tariffs, quotas, trade barriers, or similar restrictions on our sales or imports, trade agreements, regulations, taxes, or policies that might negatively affect our sales or costs;
- foreign currency devaluations or fluctuations in foreign currency values, including risks arising from the significant and rapid fluctuations in foreign currency exchange markets and the decisions made and positions taken to hedge such volatility;
- compliance with antitrust and competition laws, data privacy laws, human rights laws, and a variety of other local, national, and multi-national regulations and laws in multiple jurisdictions;
- discriminatory or conflicting fiscal policies in or across foreign jurisdictions;

- changes in capital controls, including foreign currency exchange controls, governmental foreign currency policies, or other limits on our ability to import raw materials or finished product into various countries or repatriate cash from outside the United States;
- challenges associated with cross-border product distribution, including economic sanctions, export controls, and labor restrictions;
- changes in local regulations and laws, the uncertainty of enforcement of remedies in foreign jurisdictions, and foreign ownership restrictions and the potential for nationalization or expropriation of property or other resources;
- risks and costs associated with political and economic instability, military conflict, corruption, anti-American sentiment, and social and ethnic unrest in the countries in which we operate;
- the risks of operating in developing or emerging markets in which there are significant uncertainties regarding the interpretation, application, and enforceability of laws and regulations and the enforceability of contract rights and intellectual property rights;
- changing labor conditions and difficulties in staffing our operations;
- greater risk of uncollectible accounts or trade receivables and longer collection cycles; and
- design, implementation, and use of effective control environment processes across our various operations and employee base.

Slow economic growth or high unemployment in the markets in which we operate could constrain consumer spending, and declining consumer purchasing power could adversely impact our profitability. Any of these factors could result in increased costs or decreased sales, and could materially and adversely affect our product sales, financial condition, and results of operations.

Our intellectual property rights are valuable, and any inability to protect them could reduce the value of our products and brands.

We consider our intellectual property rights, particularly and most notably our trademarks, but also our patents, trade secrets, trade dress, copyrights, and licensing agreements, to be a significant and valuable aspect of our business. We attempt to protect our intellectual property rights through a combination of patent, trademark, copyright, trade secret, and trade dress laws, as well as licensing agreements, third-party nondisclosure and assignment agreements, policing of third-party misuses of our intellectual property, and securing our information technology systems. Our failure to develop or adequately protect our trademarks, products, new features of our products, or our technology, or any change in law or other changes that serve to lessen or remove the current legal protections of our intellectual property, may diminish our competitiveness and could materially and adversely affect our product sales, business, and financial condition. We also license certain intellectual property, most notably trademarks, from third parties. To the extent that we are not able to contract with these third parties on favorable terms or maintain our relationships with these third parties, our rights to use certain intellectual property could be impacted, which may adversely impact our results from operations.

We may be unaware of intellectual property rights of others that may cover some of our technology, brands, or products. Any litigation regarding patents or other intellectual property could be costly and time-consuming and could divert the attention of our management and key personnel from our business operations. Third-party claims of intellectual property infringement might also require us to enter into costly license agreements. We also may be subject to significant damages or injunctions against development and sale of certain products.

We may be unable to realize the anticipated benefits from prior or future streamlining actions to reduce fixed costs, simplify or improve processes, or improve our competitiveness.

We have implemented a number of initiatives, including development of an operations center and strategic long-term collaboration with suppliers, that we believe are important to position our business for future success and growth. We have evaluated and continue to evaluate changes to our organizational structure and operations to enable us to reduce costs, simplify or improve processes, and improve our competitiveness. Our future success may depend upon our ability to realize the benefits of these or other cost-saving initiatives. In addition, certain of our initiatives may lead to increased costs in other aspects of our business such as increased conversion, outsourcing, or distribution costs. We must accurately predict costs and be efficient in executing any plans to achieve cost savings and operate efficiently in the highly competitive food and beverage industry, particularly in an environment of increased competition. To capitalize on our efforts, we must carefully evaluate investments in our business and execute in those areas with the most potential return on investment. If we are unable to realize the anticipated benefits from any cost-saving efforts, we could be cost disadvantaged in the marketplace, and our competitiveness, production, profitability, financial condition, and operating results could be adversely affected.

Berkshire Hathaway has the ability to exert influence over us and significant influence over matters requiring stockholder approval.

As of December 31, 2022, Berkshire Hathaway owns approximately 26.6% of our common stock. Three members of our Board are officers and/or directors of Berkshire Hathaway or its affiliates. As a result, Berkshire Hathaway has the potential to exercise influence over management and Board decisions, including those affecting our capital structure, such as the issuance of additional capital stock, the incurrence of additional indebtedness, the implementation of stock repurchase programs, and the declaration and amount of dividends. Berkshire Hathaway also has influence over any action requiring the approval of the holders of our common stock, including adopting any amendments to our charter, electing directors, and approving mergers or sales of substantially all of our capital stock or assets. In addition, Berkshire Hathaway is in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. Berkshire Hathaway may also pursue acquisition opportunities that may be complementary to our business, and, as a result, those opportunities may not be available to us.

Financial Risks

Our level of indebtedness, as well as our ability to comply with covenants under our debt instruments, could adversely affect our business and financial condition.

We have a substantial amount of indebtedness and are permitted to incur a substantial amount of additional indebtedness, including secured debt. Our existing debt, together with any incurrence of additional indebtedness, could have important consequences, including, but not limited to:

- increasing our vulnerability to general adverse economic and industry conditions;
- limiting our ability to obtain additional financing for working capital, capital expenditures, research and development, debt service requirements, acquisitions, and general corporate or other purposes;
- resulting in a downgrade to our credit rating, which could adversely affect our cost of funds, including our commercial paper programs, liquidity, and access to capital markets;
- restricting us from making strategic acquisitions or causing us to make non-strategic divestitures;
- limiting our ability to adjust to changing market conditions and place us at a competitive disadvantage compared to our competitors who are not as highly leveraged;
- making it more difficult for us to make payments on our existing indebtedness;
- requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, thereby reducing our ability to use our cash flow to fund our operations, payments of dividends, capital expenditures, and future business opportunities;
- exposing us to risks related to fluctuations in foreign currency, as we earn profits in a variety of foreign currencies and the majority of our debt is denominated in U.S. dollars; and
- in the case of any additional indebtedness, exacerbating the risks associated with our substantial financial leverage.

In addition, we may not generate sufficient cash flow from operations or future debt or equity financings may not be available to us to enable us to pay our indebtedness or to fund other needs. As a result, we may need to refinance all or a portion of our indebtedness on or before maturity. We may not be able to refinance any of our indebtedness on favorable terms, or at all. Any inability to generate sufficient cash flow or to refinance our indebtedness on favorable terms could have a material adverse effect on our financial condition.

Our debt instruments contain customary representations, warranties, and covenants, including a financial covenant in our senior unsecured revolving credit facility (the “Senior Credit Facility”) to maintain a minimum shareholders’ equity (excluding accumulated other comprehensive income/(losses)). The creditors who hold our debt could accelerate amounts due in the event that we default, which could potentially trigger a default or acceleration of the maturity of our other debt. If our operating performance declines, or if we are unable to comply with any covenant, such as our ability to timely prepare and file our periodic reports with the SEC, we have in the past needed and may in the future need to obtain waivers from the required creditors under our debt instruments to avoid being in default.

If we breach any covenants under our debt instruments and seek a waiver, we may not be able to obtain a waiver from the required creditors, or we may not be able to remedy compliance within the terms of any waivers approved by the required creditors. If this occurs, we would be in default under our debt instruments and unable to access our Senior Credit Facility. In addition, certain creditors could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

Additional impairments of the carrying amounts of goodwill or other indefinite-lived intangible assets could negatively affect our financial condition and results of operations.

As of December 31, 2022, we maintain 11 reporting units, seven of which comprise our goodwill balance. Our indefinite-lived intangible asset balance primarily consists of a number of individual brands. We test our reporting units and brands for impairment annually as of the first day of our third quarter, or more frequently if events or circumstances indicate it is more likely than not that the fair value of a reporting unit or brand is less than its carrying amount. Such events and circumstances could include a sustained decrease in our market capitalization, increased competition or unexpected loss of market share, increased input costs beyond projections, disposals of significant brands or components of our business, unexpected business disruptions (for example due to a natural disaster, pandemic, or loss of a customer, supplier, or other significant business relationship), unexpected significant declines in operating results, significant adverse changes in the markets in which we operate, changes in income tax rates, changes in interest rates, or changes in management strategy. We test reporting units for impairment by comparing the estimated fair value of each reporting unit with its carrying amount. We test brands for impairment by comparing the estimated fair value of each brand with its carrying amount. If the carrying amount of a reporting unit or brand exceeds its estimated fair value, we record an impairment loss based on the difference between fair value and carrying amount, in the case of reporting units, not to exceed the associated carrying amount of goodwill.

Fair value determinations require considerable judgment and are sensitive to changes in underlying assumptions, estimates, and market factors. Estimating the fair value of individual reporting units and brands requires us to make assumptions and estimates regarding our future plans, as well as industry, economic, and regulatory conditions. These assumptions and estimates include estimated future annual net cash flows, income tax considerations, discount rates, growth rates, royalty rates, contributory asset charges, and other market factors. Our current expectations also include certain assumptions that could be negatively impacted if we are unable to meet our pricing expectations in relation to inflation. If current expectations of future growth rates and margins are not met, if market factors outside of our control, such as discount rates, income tax rates, foreign currency exchange rates, or inflation, change, or if management's expectations or plans otherwise change, including updates to our long-term operating plans, then one or more of our reporting units or brands might become impaired in the future, which could negatively affect our operating results or net worth. Furthermore, changes in reporting units, including as a result of integrating a new acquisition into an existing reporting unit that has a fair value below carrying amount of goodwill, have led, and could in the future lead, to an impairment of goodwill. Additionally, any decisions to divest certain non-strategic assets has led, and could in the future lead, to goodwill or intangible asset impairments.

Reporting units and brands that have 20% or less excess fair value over carrying amount as of the annual impairment test we performed as of June 26, 2022 (the "Q3 2022 Annual Impairment Test") have a heightened risk of future impairments if any assumptions, estimates, or market factors change in the future. Reporting units with 20% or less fair value over carrying amount had an aggregate goodwill carrying amount after impairment of \$16.4 billion as of the Q3 2022 Annual Impairment Test and included Taste, Meals, and Away from Home (TMA), Canada and North America Coffee (CNAC), and Continental Europe. Reporting units with between 20-50% fair value over carrying amount had an aggregate goodwill carrying amount of \$14.5 billion as of the Q3 2022 Annual Impairment Test and included Fresh, Beverages, and Desserts (FBD), Northern Europe, Asia, and Latin America (LATAM). Brands with 20% or less fair value over carrying amount had an aggregate carrying amount after impairment of \$16.6 billion as of the Q3 2022 Annual Impairment Test and included *Kraft*, *Oscar Mayer*, *Miracle Whip*, *Ore-Ida*, *Maxwell House*, *Cool Whip*, *Jet Puffed*, and *Plasmon*. The aggregate carrying amount of brands with fair value over carrying amount between 20-50% was \$2.5 billion as of the Q3 2022 Annual Impairment Test. Although the remaining brands, with a carrying value of \$19.4 billion, have more than 50% excess fair value over carrying amount as of the Q3 2022 Annual Impairment Test, these amounts are also associated with the 2013 Heinz Acquisition and the 2015 Merger and were initially recorded at the time of acquisition on our consolidated balance sheet at their estimated acquisition date fair values. Therefore, if any assumptions, estimates, or market factors change in the future, these amounts are also susceptible to impairments.

Our net sales and net income may be exposed to foreign exchange rate fluctuations.

We derive a substantial portion of our net sales from international markets. We hold assets, incur liabilities, earn revenue, and pay expenses in a variety of currencies other than the U.S. dollar, primarily the Canadian dollar, euro, British pound sterling, Australian dollar, Brazilian real, Chinese renminbi, Indonesian rupiah, Russian ruble, and New Zealand dollar. Since our consolidated financial statements are reported in U.S. dollars, fluctuations in foreign currency exchange rates from period to period, which have been more volatile recently, will have an impact on our reported results. We have implemented foreign currency hedges intended to reduce our exposure to changes in foreign currency exchange rates. However, these hedging strategies may not be successful, and any of our unhedged foreign exchange exposures will continue to be subject to market fluctuations. In addition, in certain circumstances, we may incur costs in one currency related to services or products for which we are paid in a different currency. As a result, factors associated with our international operations, including changes in foreign currency exchange rates, could significantly affect our results of operations and financial condition.

Commodity, energy, and other input prices are volatile and could negatively affect our consolidated operating results.

We purchase and use large quantities of commodities, including dairy products, meat products, soybean and vegetable oils, tomatoes, coffee beans, sugar and other sweeteners, other fruits and vegetables, corn products, wheat products, and potatoes, to manufacture our products. In addition, we purchase and use significant quantities of resins, fiberboard, metals, and cardboard to package our products, and we use other inputs, such as electricity, natural gas, and water, to operate our facilities. We are also exposed to changes in oil prices, including diesel fuel, which influence both our packaging and transportation costs. Prices for commodities, energy, and other supplies are volatile and can fluctuate due to conditions that are difficult to predict, including global competition for resources, inflationary pressure, foreign currency fluctuations, severe weather, natural disasters, global climate change, water risk, pandemics, crop failures, crop shortages due to plant disease or insect and other pest infestation, consumer, industrial, or investment demand, and changes in governmental regulation and trade, tariffs, alternative energy, including increased demand for biofuels, and agricultural programs. Additionally, we may be unable to maintain favorable arrangements with respect to the costs of procuring raw materials, packaging, services, and transporting products, which could result in increased expenses and negatively affect our operations. Furthermore, the cost of raw materials and finished products may fluctuate due to changes in cross-currency transaction rates. In addition, disruptions in the global economy caused by the ongoing conflict between Russia and Ukraine have caused, and could continue to cause, increased volatility of commodity and energy costs. Rising commodity, energy, and other input costs could materially and adversely affect our cost of operations, including the manufacture, transportation, and distribution of our products, which could materially and adversely affect our financial condition and operating results.

Although we monitor our exposure to commodity and other input prices as an integral part of our overall risk management program, and seek to hedge against input price increases to the extent we deem appropriate, we do not fully hedge against changes in commodity prices, and our hedging strategies may not protect us from increases in specific raw materials costs. For example, hedging our costs for one of our key commodities, dairy products, is difficult because dairy futures markets are not as liquid as many other commodities futures markets. Continued volatility or sustained increases in the prices of commodities and other supplies we purchase could increase the costs of our products, and our profitability could suffer. Moreover, increases in the prices of our products to cover these increased costs may result in lower sales volumes, or we may be constrained from increasing the prices of our products by competitive and consumer pressures. If we are not successful in our hedging activities, or if we are unable to price our products to cover increased costs, then commodity and other input price volatility or increases could materially and adversely affect our financial condition and operating results.

In 2022, we continued to experience higher commodity costs and supply chain costs, including procurement, logistics, and manufacturing costs, largely due to inflationary pressures. We expect these costs to continue to increase and inflation to remain elevated through 2023. Although we take measures to mitigate the impact of this inflation through pricing actions and efficiency gains, if these measures are not effective our financial condition, operating results, and cash flows could be materially adversely affected. Even if such measures are effective, we expect that there could be a difference between the timing of when these beneficial actions impact our results of operations and when the cost inflation is incurred. Additionally, the pricing actions we take have, in some instances, negatively impacted and could continue to negatively impact our market share.

Volatility in the market value of all or a portion of the derivatives we use to manage exposures to fluctuations in commodity prices may cause volatility in our gross profit and net income.

We use commodity futures, options, and swaps to economically hedge the price of certain input costs, including dairy products, vegetable oils, coffee beans, wheat products, corn products, sugar, meat products, and cocoa products. We recognize gains and losses based on changes in the values of these commodity derivatives. We recognize these gains and losses in cost of products sold in our consolidated statements of income to the extent we utilize the underlying input in our manufacturing process. We recognize the unrealized gains and losses on these commodity derivatives in general corporate expenses until realized; once realized, the gains and losses are recorded in the applicable segment's operating results. Accordingly, changes in the values of our commodity derivatives may cause volatility in our gross profit and net income.

Regulatory Risks

Our compliance with laws and regulations, and related legal claims or regulatory enforcement actions, could expose us to significant liabilities and damage our reputation.

As a large, global food and beverage company, we operate in a highly regulated environment with constantly evolving legal and regulatory frameworks. Various laws and regulations govern our practices including, but not limited to, those related to advertising and marketing, product claims and labeling, food production, environmental matters (including climate change), intellectual property, consumer protection and product liability, commercial disputes, trade and export controls, anti-trust, data privacy, labor and employment, workplace health and safety, and tax. As a consequence, we face a heightened risk of legal claims and regulatory enforcement actions in the ordinary course of business. In addition, the imposition of new laws, changes in laws or regulatory requirements or changing interpretations thereof, and differing or competing regulations and standards across the markets where our products are made, manufactured, distributed, and sold have in the past and could continue to result in higher compliance costs, capital expenditures, and higher production costs, adversely impacting our product sales, financial condition, and results of operations. Furthermore, actions we have taken or may take, or decisions we have made or may make, in response to pandemics (including the COVID-19 pandemic), may result in investigations, legal claims, or litigation against us. In addition, claims about the health impacts of consumption of our products, or ingredients, components, or substances present or allegedly present in those products or packaging, have resulted in, and could in the future result in, us being subject to regulations, fines, lawsuits, or taxes that could adversely impact our business.

As a result of any such legal claims or regulatory enforcement actions, we could be subject to monetary judgments, settlements, and civil and criminal actions, including fines, injunctions, product recalls, penalties, disgorgement of profits, or activity restrictions, which could materially and adversely affect our reputation, product sales, financial condition, results of operations, and cash flows. We evaluate these legal claims and regulatory enforcement actions to assess the likelihood of unfavorable outcomes and to estimate, if possible, the amount of potential losses. Based on these assessments and estimates, we establish reserves and disclose relevant material litigation claims, legal proceedings, or regulatory enforcement actions as appropriate and in accordance with SEC rules and accounting principles generally accepted in the United States of America (“U.S. GAAP”). Our assessments and estimates are based on the information available to management at the time and involve a significant amount of judgment. Actual outcomes or losses may differ materially from our current assessments and estimates. In addition, even if a claim is unsuccessful, without merit, or not pursued to completion, the cost of defending against or responding to such a claim, including expenses and management time, could adversely affect our financial condition and operating results.

If we fail to maintain an effective system of internal controls, we may not be able to accurately and timely report our financial results, which could negatively impact our business, investor confidence, and the price of our common stock.

If we are unable to maintain effective internal control over financial reporting or disclosure controls and procedures, our ability to record, process, and report financial information accurately and to prepare financial statements within required time periods could be adversely affected, which could subject us to litigation, investigations, or penalties; negatively affect our liquidity, our access to capital markets, perceptions of our creditworthiness, our ability to complete acquisitions, our ability to maintain compliance with covenants under our debt instruments or derivative arrangements regarding the timely filing of periodic reports, or investor confidence in our financial reporting; or cause defaults, accelerations, or cross-accelerations under our debt instruments or derivative arrangements to the extent we are unable to obtain waivers from the required creditors or counterparties or to cure any breaches, any of which may require management resources or cause our stock price to decline.

A downgrade in our credit rating could adversely impact interest costs or access to future borrowings.

Our borrowing costs can be affected by short and long-term credit ratings assigned by rating organizations. A decrease in these credit ratings could limit our access to capital markets and increase our borrowing costs, which could materially and adversely affect our financial condition and operating results. In February 2020, Moody’s Investor Services, Inc. (“Moody’s”) affirmed our long-term credit rating of Baa3 with a negative outlook and Fitch Ratings (“Fitch”) and S&P Global Ratings (“S&P”) downgraded our long-term credit rating from BBB- to BB+ with a stable outlook from Fitch and a negative outlook from S&P. The downgrades by Fitch and S&P adversely affected our ability to access the commercial paper market. These downgrades did not constitute a default or event of default under our debt instruments. Our long-term credit rating was upgraded from BB+ to BBB- by S&P in March 2022 and by Fitch in May 2022. Fitch upgraded our long-term debt credit rating from BBB- to BBB in November 2022. As of the date of this filing, our long-term debt is rated BBB- by S&P, BBB by Fitch and Baa3 by Moody’s, with a positive outlook from S&P and a stable outlook from Fitch and Moody’s.

Registered Securities Risks

Sales of our common stock in the public market could cause volatility in the price of our common stock or cause the share price to fall.

Sales of a substantial number of shares of our common stock in the public market, including sales of our common stock by Berkshire Hathaway, or the perception that these sales might occur, could depress the market price of our common stock, and could impair our ability to raise capital through the sale of additional equity securities. A sustained depression in the market price of our common stock has happened and could in the future happen, which could also reduce our market capitalization below the book value of net assets, which could increase the likelihood of recognizing goodwill or indefinite-lived intangible asset impairment losses that could negatively affect our financial condition and results of operations.

Kraft Heinz, 3G Global Food Holdings, and Berkshire Hathaway entered into a registration rights agreement requiring us to register for resale under the Securities Act all registrable shares held by 3G Capital and Berkshire Hathaway, which represents all shares of our common stock held by Berkshire Hathaway and 3G Capital as of the date of the closing of the 2015 Merger. As of December 31, 2022, registrable shares represented approximately 34.5% of all outstanding shares of our common stock. Although the registrable shares are subject to certain holdback and suspension periods, the registrable shares are not subject to a “lock-up” or similar restriction under the registration rights agreement. Accordingly, offers and sales of a large number of registrable shares may be made pursuant to an effective registration statement under the Securities Act in accordance with the terms of the registration rights agreement. Sales of our common stock by Berkshire Hathaway to other persons would likely result in an increase in the number of shares being traded in the public market and may increase the volatility of the price of our common stock.

Our ability to pay regular dividends to our stockholders and the amounts of any such dividends are subject to the discretion of the Board and may be limited by our financial condition, debt agreements, or limitations under Delaware law.

Although it is currently anticipated that we will continue to pay regular quarterly dividends, any such determination to pay dividends and the amounts thereof will be at the discretion of the Board and will be dependent on then-existing conditions, including our financial condition, income, legal requirements, including limitations under Delaware law, debt agreements, and other factors the Board deems relevant. The Board has previously decided, and may in the future decide, in its sole discretion, to change the amount or frequency of dividends or discontinue the payment of dividends entirely. For these reasons, stockholders will not be able to rely on dividends to receive a return on investment. Accordingly, realization of any gain on shares of our common stock may depend on the appreciation of the price of our common stock, which may not occur.

General Risk Factors

Disruptions in the global economy caused by geopolitical conflicts, including the ongoing conflict between Russia and Ukraine, could adversely affect our business, financial condition and results of operations.

Escalation of geopolitical tensions related to military conflict, including increased trade barriers or restrictions on global trade, could result in, among other things, supply chain disruptions, changes in consumer demand, increased cyberattacks, and impacts on foreign exchange rates and financial markets, any of which may adversely affect our business, financial condition, and results of operations. Although we do not have operations in Ukraine, and our business in Russia generated approximately 1% of our consolidated net sales for the year ended December 31, 2022, the military conflict between Russia and Ukraine has caused, and could continue to cause, negative impacts on our business and the global economy. Governments in the United States, Canada, United Kingdom, and European Union have each imposed export controls and economic sanctions on certain industry sectors and parties in Russia. Due in part to the negative impact of the Russia-Ukraine military conflict, we have experienced shortages in certain materials and increased costs in commodities including packaging materials, soybean and vegetable oils, energy, corn products, and wheat products. The effects of current geopolitical conflicts, including the conflict between Russia and Ukraine, as well as potential future geopolitical tensions, could heighten many of our known risks described in this Item 1A, *Risk Factors*.

Unanticipated business disruptions and natural events in the locations in which we or our customers, suppliers, distributors, or regulators operate could adversely affect our ability to provide products to our customers or our results of operations.

We have a complex network of suppliers, owned and leased manufacturing locations, co-manufacturing locations, distribution networks, and information systems that support our ability to consistently provide our products to our customers. Factors that are hard to predict or beyond our control, such as weather or other geological events or natural disasters, including hurricanes, earthquakes, floods, tsunamis, or wild fires (whether as a result of climate change or otherwise), raw material shortages, fires or explosions, political unrest, geopolitical conflicts (including the ongoing conflict between Russia and Ukraine), terrorism, civil strife, acts of war, public corruption, expropriation, generalized labor unrest or labor shortages, or pandemics (including

COVID-19), could damage or disrupt our operations or the operations of our customers, suppliers, vendors, co-manufacturers, distributors, or regulators. These factors include, but are not limited to:

- natural disasters, labor strikes, or other disruptions at any of our facilities or our suppliers' or distributors' facilities may impair or delay the delivery of our products; and
- illness of our workforce, or the workforce of third parties with which we do business, due to influenza or pandemics, could disrupt production of our products in one or more of our manufacturing facilities, or cause our suppliers, vendors, distributors, or third-party manufacturers to fail to meet their obligations to us.

These or other disruptions may require additional resources to restore our supply chain or distribution network. While we insure against many of these events and certain business interruption risks and have policies and procedures to manage business continuity planning, such insurance may not compensate us for any losses incurred and our business continuity plans may not effectively resolve the issues in a timely manner. To the extent we are unable to respond to disruptions in our operations, whether by finding alternative suppliers or replacing capacity at key manufacturing or distribution locations; to quickly repair damage to our information, production, or supply systems; or to financially mitigate the likelihood or potential impact of such events, or effectively manage them if they occur, we may be late in delivering, or unable to deliver, products to our customers or to track orders, inventory, receivables, and payables. If that occurs, our customers' confidence in us and long-term demand for our products could decline. Any of these events could materially and adversely affect our product sales, financial condition, and results of operations.

Our performance may be adversely affected by economic and political conditions in the United States and in various other nations where we do business.

Our performance has been in the past and may continue in the future to be impacted by economic and political conditions in the United States and in other nations where we do business. Economic and financial uncertainties in our international markets, changes to major international trade arrangements, and the imposition of tariffs by certain foreign governments could negatively impact our operations and sales. Other factors impacting our operations in the United States and in international locations where we do business include changes in laws, export and import restrictions, foreign currency exchange rates, foreign currency devaluation, cash repatriation restrictions, recessionary conditions, foreign ownership restrictions, nationalization, the impact of hyperinflationary environments, terrorist acts, political unrest, and military conflict. Such factors in either domestic or foreign jurisdictions, and our responses to them, could materially and adversely affect our product sales, financial condition, and operating results.

We rely on our management team and other key personnel and may be unable to hire or retain key personnel or a highly skilled and diverse global workforce.

We depend on the skills, working relationships, and continued services of key personnel, including our experienced management team. In addition, our ability to achieve our operating goals depends on our ability to identify, hire, train, and retain qualified individuals. We compete with other companies both within and outside of our industry for talented personnel, and we may lose key personnel or fail to attract, train, and retain other talented personnel and a diverse global workforce with the skills and in the locations we need to operate and grow our business. Unplanned turnover, failure to attract and develop personnel with key emerging capabilities such as e-commerce and digital marketing skills, or failure to develop adequate succession plans for leadership positions, including the Chief Executive Officer position, could deplete our institutional knowledge base and erode our competitiveness. Further, equity-based compensation is a key component of our compensation program and essential for attracting and retaining qualified personnel. As a result, the lack of positive performance in our stock price may adversely affect our ability to attract or retain key personnel. Changes in immigration laws and policies could also make it more difficult for us to recruit or relocate skilled employees. Any such loss, failure, or limitation could adversely affect our product sales, financial condition, and operating results.

We are significantly dependent on information technology, and we may be unable to protect our information systems against service interruption, misappropriation of data, or breaches of security.

We rely on information technology networks and systems, including the Internet, to process, transmit, and store electronic and financial information, to manage a variety of business processes and activities, and to comply with regulatory, legal, and tax requirements. We also depend on our information technology infrastructure for digital marketing activities and for electronic communications among our locations, personnel, customers, and suppliers. These information technology systems, some of which are managed by third parties, may be susceptible to damage, invasions, disruptions, or shutdowns due to hardware failures, computer viruses, hacker attacks and other cybersecurity risks, telecommunication failures, user errors, catastrophic events, or other factors. Geopolitical tensions or conflicts, such as the conflict between Russia and Ukraine, may further heighten the risk of cybersecurity attacks. If our information technology systems suffer severe damage, disruption, or shutdown, by unintentional or malicious actions of employees or contractors or by cyberattacks, and our business continuity plans do not effectively resolve the issues in a timely manner, we could experience business disruptions, reputational damage, transaction

errors, processing inefficiencies, the leakage of confidential information, and the loss of customers and sales, causing our product sales, financial condition, and operating results to be adversely affected and the reporting of our financial results to be delayed.

In addition, if we are unable to prevent security breaches or disclosure of non-public information, we may suffer financial and reputational damage, litigation or remediation costs, fines, or penalties because of the unauthorized disclosure of confidential information belonging to us or to our partners, customers, consumers, or suppliers. While we maintain a cyber insurance policy that provides coverage for security incidents, we cannot be certain that our coverage will be adequate for liabilities actually incurred, that insurance will continue to be available to us on financially reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim.

Misuse, leakage, or falsification of information could result in violations of data privacy laws and regulations, damage to our reputation and credibility, loss of opportunities to acquire or divest of businesses or brands, and loss of our ability to commercialize products developed through research and development efforts and, therefore, could have a negative impact on net sales. In addition, we may suffer financial and reputational damage because of lost or misappropriated confidential information belonging to us, our current or former employees, or to our suppliers or consumers, and may become subject to legal action and increased regulatory oversight. We could also be required to spend significant financial and other resources to remedy the damage caused by a security breach or to repair or replace networks and information systems.

We are also subject to various laws and regulations that are continuously evolving and developing regarding privacy, data protection, and data security, including those related to the collection, storage, handling, use, disclosure, transfer, and security of personal data. Such laws and regulations, as well as their interpretation and application, may vary from jurisdiction to jurisdiction, which can result in inconsistent or conflicting requirements. The European Union's General Data Protection Regulation ("GDPR"), and similar regulations implemented in other non-U.S. geographies, adds a broad array of requirements with respect to personal data, including the public disclosure of significant data breaches, and imposes substantial penalties for non-compliance. The California Consumer Privacy Act ("CCPA") and the California Privacy Rights Act ("CPRA"), which became effective in January 2023 and amended the CCPA, among other things, impose additional requirements with respect to disclosure and deletion of personal information of California residents. The CCPA and CPRA provide civil penalties for violations, as well as a private right of action for data breaches. Similar legislation in Virginia, Colorado, Utah, and Connecticut, all of which have gone into effect or will go into effect during 2023, impose transparency and other obligations with respect to personal data of their respective residents and provide residents with similar rights. GDPR, CCPA, CPRA, and other privacy and data protection laws may increase our costs of compliance and risks of non-compliance, which could result in substantial penalties.

Our results could be adversely impacted as a result of increased pension, labor, and people-related expenses.

Inflationary pressures, shortages in the labor market, increased employee turnover, and changes in the availability of our workers could increase labor costs, which could have a material adverse effect on our consolidated operating results or financial condition. Our labor costs include the cost of providing employee benefits in the United States, Canada, and other foreign jurisdictions, including pension, health and welfare, and severance benefits. Any declines in market returns could adversely impact the funding of pension plans, the assets of which are invested in a diversified portfolio of equity and fixed-income securities and other investments. Additionally, the annual costs of benefits vary with increased costs of health care and the outcome of collectively bargained wage and benefit agreements.

Furthermore, we may be subject to increased costs or experience adverse effects to our operating results if we are unable to renew collectively bargained agreements on satisfactory terms. Our financial condition and ability to meet the needs of our customers could be materially and adversely affected if strikes or work stoppages or interruptions occur as a result of delayed negotiations with union-represented employees both in and outside of the United States.

We continue to observe a competitive labor market. Employee turnover, changes in the availability of our workers, and labor shortages in our supply chain have resulted in, and could continue to result in, increased costs and have, and could again, impact our ability to meet consumer demand, both of which could negatively affect our financial condition, results of operations, or cash flows.

Changes in tax laws and interpretations could adversely affect our business.

We are subject to income and other taxes in the United States and in numerous foreign jurisdictions. Our domestic and foreign tax liabilities are dependent on the jurisdictions in which profits are determined to be earned and taxed. Additionally, the amount of taxes paid is subject to our interpretation of applicable tax laws in the jurisdictions in which we operate. A number of factors influence our effective tax rate, including changes in tax laws and treaties as well as the interpretation of existing laws and rules. Federal, state, and local governments and administrative bodies within the United States, which represents the majority of our operations, and other foreign jurisdictions have implemented, or are considering, a variety of broad tax, trade, and other regulatory reforms that may impact us. We continue to monitor the Inflation Reduction Act of 2022 and related regulatory developments to evaluate their potential impact on our business, tax rate, and financial results. Additionally, the Organization for Economic Co-operation and Development (OECD), a global coalition of member countries, proposed a two-pillar plan to reform international taxation. The proposals aim to ensure a fairer distribution of profits among countries and impose a floor on tax competition through the introduction of a global minimum tax. It is not currently possible to accurately determine the potential comprehensive impact of these or future changes, but these changes could have a material impact on our effective tax rate, financial condition, and business.

Significant judgment, knowledge, and experience are required in determining our worldwide provision for income taxes. Our future effective tax rate is impacted by a number of factors including changes in the valuation of our deferred tax assets and liabilities, changes in geographic mix of income, changes in expenses not deductible for tax, including impairment of goodwill, and changes in available tax credits. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. We are also regularly subject to audits by tax authorities. Although we believe our tax estimates are reasonable, the final determination of tax audits, including transfer pricing matters, and any related litigation could be materially different from our historical income tax provisions and accruals. For example, we are currently under examination by the Internal Revenue Service (“IRS”) for income taxes for the years 2018 and 2019. We have received a draft economist report and expect to receive a Notice of Proposed Adjustment relating to transfer pricing with our foreign subsidiaries asserting that our U.S. taxable income for 2018 and 2019 should have been higher, which would result in additional U.S. tax expense for 2018 and 2019 plus interest and potential penalties. We intend to vigorously contest the position taken by the IRS; however, the ultimate outcome of this matter is uncertain, and if we are required to pay the IRS additional U.S. taxes, interest, and potential penalties, our results of operations and cash flows could be materially affected. Economic and political pressures to increase tax revenue in various jurisdictions may make resolving tax disputes more difficult. The results of an audit or litigation could adversely affect our financial statements in the period or periods for which that determination is made.

Volatility of capital markets or macroeconomic factors could adversely affect our business.

Changes in financial and capital markets, including market disruptions, limited liquidity, and interest rate volatility, may increase the cost of financing as well as the risks of refinancing maturing debt. Additionally, some of our customers, suppliers, and counterparties are highly leveraged. Consolidations in some of the industries in which our customers operate have created larger customers, some of which are highly leveraged and facing increased competition and continued credit market volatility. These factors have caused some customers to be less profitable, increasing our exposure to credit risk. A significant adverse change in the financial and/or credit position of a customer, supplier, or counterparty could require us to assume greater credit risk relating to that customer or counterparty and could limit our ability to collect receivables. This could have an adverse impact on our financial condition and liquidity.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Our corporate co-headquarters are located in Pittsburgh, Pennsylvania and Chicago, Illinois. Our co-headquarters are leased and house certain executive offices, our U.S. business units, and our administrative, finance, legal, and human resource functions. We maintain additional owned and leased offices throughout the regions in which we operate.

We manufacture our products in our network of manufacturing and processing facilities located throughout the world. As of December 31, 2022, we operated 78 manufacturing and processing facilities. We own 72 and lease six of these facilities. Our manufacturing and processing facilities count by segment as of December 31, 2022 was:

	Owned	Leased
North America	32	3
International	40	3

We maintain all of our manufacturing and processing facilities in good condition and believe they are suitable and are adequate for our present needs. We also enter into co-manufacturing arrangements with third parties if we determine it is advantageous to outsource the production of any of our products.

In 2022, we transferred ownership of our facility in Ontario, Oregon as part of a long-term third-party manufacturing agreement in our North America segment. Additionally, we divested certain assets and operations associated with our business-to-business powdered cheese business in our North America segment, including, among other things, a manufacturing facility in Albany, Minnesota. We also acquired one owned manufacturing facility in our International segment. See Note 4, *Acquisitions and Divestitures*, in Item 8, *Financial Statements and Supplementary Data*, for additional information on our acquisitions and divestitures.

Item 3. Legal Proceedings.

See Note 15, *Commitments and Contingencies*, in Item 8, *Financial Statements and Supplementary Data*.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

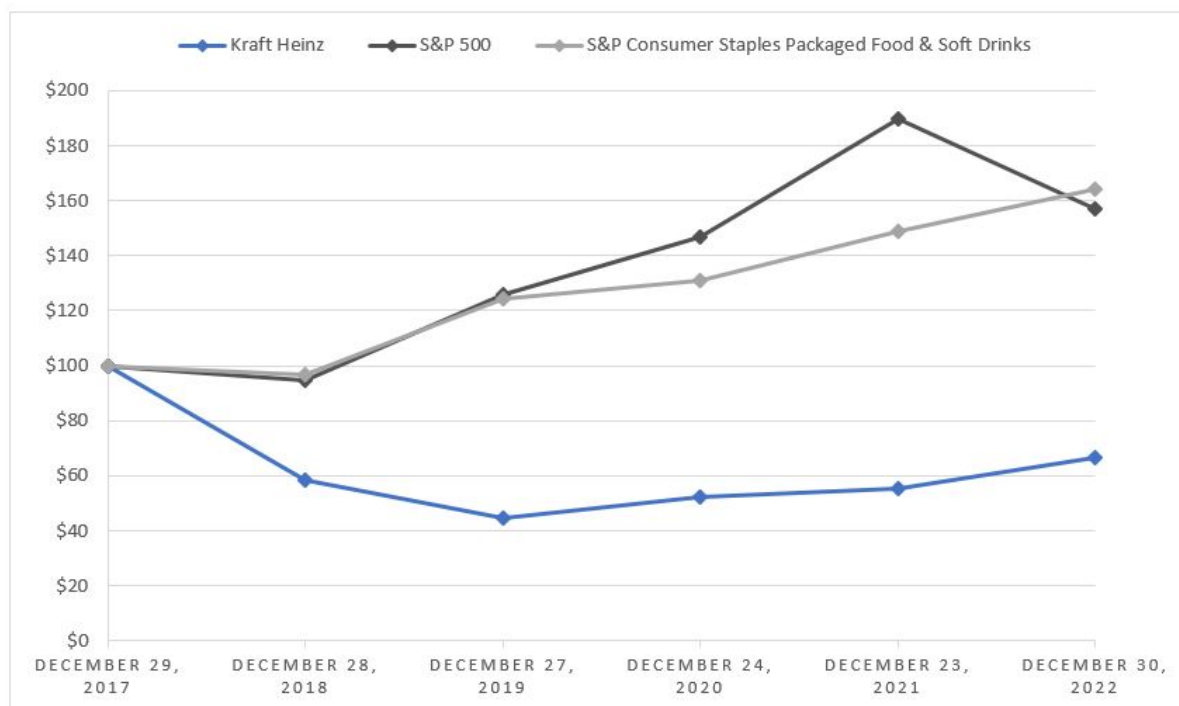
Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is listed on The Nasdaq Stock Market LLC (Nasdaq) under the ticker symbol "KHC." At February 11, 2023, there were approximately 40,000 holders of record of our common stock.

See *Equity and Dividends* in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, for a discussion of cash dividends declared on our common stock.

Comparison of Cumulative Total Return

The following graph compares the cumulative total return on our common stock with the cumulative total return of the S&P 500 Index and the S&P Consumer Staples Food and Soft Drink Products, which we consider to be our peer group. Companies included in the S&P Consumer Staples Food and Soft Drink Products index change periodically and are presented on the basis of the index as it is comprised on December 31, 2022. This graph covers the five-year period from December 29, 2017 (the last trading day of our fiscal year 2017) through December 30, 2022 (the last trading day of our fiscal year 2022). The graph shows total shareholder return assuming \$100 was invested on December 29, 2017 and the dividends were reinvested on a daily basis.



	Kraft Heinz	S&P 500	S&P Consumer Staples Food and Soft Drink Products
December 29, 2017	\$ 100.00	\$ 100.00	\$ 100.00
December 28, 2018	58.45	94.80	96.69
December 27, 2019	44.85	126.06	124.43
December 24, 2020	52.49	146.73	131.03
December 23, 2021	55.16	189.93	148.98
December 30, 2022	66.43	156.88	164.32

The above performance graph shall not be deemed to be “soliciting material” or to be “filed” with the SEC or subject to Regulation 14A or 14C, or to the liabilities of Section 18 of the Exchange Act.

Issuer Purchases of Equity Securities During the Three Months Ended December 31, 2022

Our share repurchase activity in the three months ended December 31, 2022 was:

	Total Number of Shares Purchased ^(a)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ^(b)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
9/25/2022 — 10/29/2022	2,779,689	\$ 34.99	—	\$ —
10/30/2022 — 11/26/2022	433,574	37.73	—	—
11/27/2022 — 12/31/2022	97,208	40.23	—	—
Total	3,310,471		—	

(a) Includes (1) shares repurchased to offset the dilutive effect of the exercise of stock options using option exercise proceeds and the vesting restricted stock units (“RSUs”) and performance share units (“PSUs”) and (2) shares withheld for tax liabilities associated with the vesting of RSUs and PSUs.

(b) We do not have any publicly-announced share repurchase plans or programs.

Item 6. [Reserved].

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Overview

Objective:

The following discussion provides an analysis of our financial condition and results of operations from management's perspective and should be read in conjunction with the consolidated financial statements and related notes included in Item 8, *Financial Statements and Supplementary Data*, of this Annual Report on Form 10-K. Our objective is to also provide discussion of material events and uncertainties known to management that are reasonably likely to cause reported financial information not to be indicative of future operating results or of future financial condition and to offer information that provides an understanding of our financial condition, results of operations, and cash flows.

See below for discussion and analysis of our financial condition and results of operations for 2022 compared to 2021. See Item 7, *Management's Discussions and Analysis of Financial Condition and Results of Operations*, in our Annual Report on Form 10-K for the year ended December 25, 2021 for a detailed discussion of our financial condition and results of operations for 2021 compared to 2020.

Description of the Company:

We manufacture and market food and beverage products, including condiments and sauces, cheese and dairy, meals, meats, refreshment beverages, coffee, and other grocery products throughout the world.

In the second quarter of 2022, our internal reporting and reportable segments changed. We combined our United States and Canada zones to form the North America zone as a result of previously announced organizational changes, which are intended to advance and support our long-term growth plans by streamlining and synergizing our United States and Canada businesses. Subsequently, we manage and report our operating results through two reportable segments defined by geographic region: North America and International. We have reflected this change in all historical periods presented.

See Note 20, *Segment Reporting*, in Item 8, *Financial Statements and Supplementary Data*, for our financial information by segment.

Acquisitions and Divestitures:

In 2022, we completed the acquisition of Companhia Hemmer Indústria e Comércio (the "Hemmer Acquisition") and Just Spices GmbH (the "Just Spices Acquisition"), both of which are in our International segment. Additionally, in 2022, we completed the sale of our business-to-business powdered cheese business (the "Powdered Cheese Transaction"). The Powdered Cheese Transaction is not considered a strategic shift that will have a major effect on our operations or financial results; therefore, the results of this business are included in continuing operations through the date of sale.

In 2021, we completed the acquisition of Assan Gıda Sanayi ve Ticaret A.Ş. (the "Assan Foods Acquisition") and BR Spices Indústria e Comércio de Alimentos Ltda (the "BR Spices Acquisition"), both of which are in our International segment. Additionally, in 2021, we completed the sale of certain assets in our global nuts business (the "Nuts Transaction") as well as the sale of certain assets in our global cheese businesses (the "Cheese Transaction"). The Nuts Transaction and the Cheese Transaction are not, individually or in the aggregate, considered a strategic shift that will have a major effect on our operations or financial results; therefore, the results of these businesses are included in continuing operations through the date of each sale in the prior year period.

See Note 4, *Acquisitions and Divestitures*, in Item 8, *Financial Statements and Supplementary Data*, for additional information.

Conflict Between Russia and Ukraine:

For the year ended December 31, 2022, approximately 1% of consolidated net sales, net income/(loss), and Adjusted EBITDA were generated from our business in Russia. For the year ended December 25, 2021, approximately 1% of consolidated net sales were generated from our business in Russia, while net income/(loss) and Adjusted EBITDA were each insignificant. As of December 31, 2022, we had approximately 1,100 employees in Russia. We have no operations or employees in Ukraine and insignificant net sales through distributors. Further, we have experienced cost increases globally for certain commodities, including packaging materials, soybean and vegetable oils, energy, corn products, and wheat products due to overall market demand, inflationary pressures, and, in part, to the negative impact of the conflict between Russia and Ukraine on the global economy. We will continue to monitor the impact that this conflict has on our business; however, through 2022, the conflict between Russia and Ukraine did not have a material impact on our financial condition, results of operations, or cash flows.

Items Affecting Comparability of Financial Results

Impairment Losses:

Our results of operations reflect goodwill impairment losses of \$444 million, intangible asset impairment losses of \$469 million, and property, plant, and equipment, net asset impairment losses of \$86 million in 2022 compared to goodwill impairment losses of \$318 million and intangible asset impairment losses of \$1.3 billion in 2021. See Note 4, *Acquisitions and Divestitures*, and Note 8, *Goodwill and Intangible Assets*, in Item 8, *Financial Statements and Supplementary Data*, for additional information on these impairment losses.

53rd Week:

We operate on a 52- or 53-week fiscal year ending on the last Saturday in December in each calendar year. Our 2022 fiscal year ended December 31, 2022 includes a 53rd week of activity. Our 2021 fiscal year was a 52-week period that ended on December 25, 2021.

Inflation and Supply Chain Impacts:

During the year ended December 31, 2022, we continued to experience increasing commodity costs and supply chain costs, including procurement, logistics, and manufacturing costs, largely due to inflationary pressures, as compared to the prior year period. We expect these costs to continue to increase and inflation to remain elevated through 2023. While these costs have a negative impact on our results of operations, we are currently taking measures to mitigate, and expect to continue to take measures to mitigate, the impact of this inflation through pricing actions and efficiency gains. However, there has been, and we expect that there could continue to be, a difference between the timing of when these beneficial actions impact our results of operations and when the cost inflation is incurred. Additionally, the pricing actions we take have, in some instances, negatively impacted, and could continue to negatively impact, our market share.

Further, given the current level of demand for our products combined with industry-wide supply chain issues, we have experienced capacity constraints for certain products when demand has exceeded our current manufacturing capacity. As discussed in *Liquidity and Capital Resources*, we continue to focus on rebuilding inventory and expanding capacity through increased capital investments, which have resulted in an increased ability to meet customer demand. However, these capacity constraints have negatively impacted, and could continue to negatively impact, our market share, financial condition, results of operations, or cash flows, until we return to optimal service levels.

Results of Operations

We disclose in this report certain non-GAAP financial measures. These non-GAAP financial measures assist management in comparing our 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 our underlying operations. For additional information and reconciliations to the most closely comparable financial measures presented in our consolidated financial statements, which are calculated in accordance with U.S. GAAP see *Non-GAAP Financial Measures*.

Consolidated Results of Operations

Summary of Results:

	December 31, 2022	December 25, 2021	% Change
	(in millions, except per share data)		
Net sales	\$ 26,485	\$ 26,042	1.7 %
Operating income/(loss)	3,634	3,460	5.0 %
Net income/(loss)	2,368	1,024	131.3 %
Net income/(loss) attributable to common shareholders	2,363	1,012	133.4 %
Diluted EPS	1.91	0.82	132.9 %

Net Sales:

	December 31, 2022	December 25, 2021	% Change
	(in millions)		
Net sales	\$ 26,485	\$ 26,042	1.7 %
Organic Net Sales ^(a)	26,249	23,917	9.8 %

(a) Organic Net Sales is a non-GAAP financial measure. See the *Non-GAAP Financial Measures* section at the end of this item.

Fiscal Year 2022 Compared to Fiscal Year 2021:

Net sales increased 1.7% to \$26.5 billion in 2022 compared to \$26.0 billion in 2021, including the unfavorable impacts of acquisitions and divestitures (8.0 pp) and foreign currency (2.0 pp) and the favorable impact of a 53rd week of shipments (1.9 pp). Organic Net Sales increased 9.8% to \$26.2 billion in 2022 compared to \$23.9 billion in 2021, primarily driven by higher pricing (13.2 pp), which more than offset unfavorable volume/mix (3.4 pp). Pricing was higher in both segments, while volume/mix was unfavorable in both segments.

Net Income/(Loss):

	December 31, 2022	December 25, 2021	% Change
	(in millions)		
Operating income/(loss)	\$ 3,634	\$ 3,460	5.0 %
Net income/(loss)	2,368	1,024	131.3 %
Net income/(loss) attributable to common shareholders	2,363	1,012	133.4 %
Adjusted EBITDA ^(a)	6,003	6,371	(5.8)%

(a) Adjusted EBITDA is a non-GAAP financial measure. See the *Non-GAAP Financial Measures* section at the end of this item.

Fiscal Year 2022 Compared to Fiscal Year 2021:

Operating income/(loss) increased 5.0% to \$3.6 billion in 2022 compared to \$3.5 billion in 2021, primarily driven by higher pricing, lower non-cash impairment losses in the current year period, efficiency gains, and the favorable impact of a 53rd week of shipments, which more than offset higher supply chain costs, reflecting inflationary pressure in procurement, logistics, and manufacturing costs; higher commodity costs (mainly in dairy, packaging materials, soybean and vegetable oils, energy, and meat); the unfavorable impact of acquisitions and divestitures; unfavorable volume/mix; and an accrual related to the previously disclosed securities class action lawsuit.

Net income/(loss) increased 131.3% to \$2.4 billion in 2022 compared to \$1.0 billion in 2021. This increase was driven by lower interest expense, the operating income/(loss) factors discussed above, and lower tax expense, which more than offset unfavorable changes in other expense/(income).

- Interest expense was \$921 million in 2022 compared to \$2.0 billion in 2021. This decrease was primarily due to a \$38 million net gain on extinguishment of debt recognized in the current year period in connection with our debt repurchases in 2022 compared to a \$917 million loss on extinguishment of debt recognized in the prior year period in connection with our tender offers, debt redemptions, and debt repurchases in 2021. The remaining change in interest expense was a decrease of approximately \$171 million compared to the prior year period, as our aggregate principal amount of senior notes was reduced by approximately \$6.2 billion in 2021 through tender offers, redemptions, repurchases, and repayments and approximately \$1.5 billion in 2022 through repurchases and repayments.
- Our effective tax rate was 20.2% in 2022 compared to 40.1% in 2021. Our 2022 effective tax rate was impacted by the favorable geographic mix of pre-tax income in various non-U.S. jurisdictions and certain favorable items, primarily the decrease in deferred tax liabilities due to the merger of certain foreign entities, the revaluation of deferred tax balances due to changes in state tax laws, and changes in estimates of certain 2021 U.S. income and deductions. This impact was partially offset by the impact of certain unfavorable items, primarily non-deductible goodwill impairments, the impact of the federal tax on global intangible low-taxed income ("GILTI"), and the establishment of uncertain tax positions and valuation allowance reserves. Our 2021 effective tax rate was unfavorably impacted by rate reconciling items, primarily the tax impacts related to acquisitions and divestitures, which mainly reflect the impacts of the Nuts Transaction and Cheese Transaction, partially offset by 2021 capital losses; the revaluation of our deferred tax balances due to changes in international and state tax rates, mainly an increase in U.K. tax rates; the impact of the federal tax on GILTI; and non-deductible goodwill impairments. These impacts were partially offset by a favorable geographic mix of pre-tax income in various non-U.S. jurisdictions.
- Other expense/(income) was \$253 million of income in 2022 compared to \$295 million of income in 2021. This change was primarily driven by a \$79 million decrease in net pension and postretirement non-service benefits and a \$25 million net gain on sales of businesses in 2022 compared to a \$44 million net gain on sales of businesses in 2021. These impacts were partially offset by a \$50 million net loss on derivative activities in 2022 compared to an \$86 million net loss on derivative activities in 2021 and a \$12 million increase in interest income as compared to the prior year period.

Adjusted EBITDA decreased 5.8% to \$6.0 billion in 2022 compared to \$6.4 billion in 2021, primarily due to higher supply chain costs, reflecting inflationary pressure in procurement, logistics, and manufacturing costs; higher commodity costs (mainly in dairy, packaging materials, soybean and vegetable oils, energy, and meat); the unfavorable impact of acquisitions and divestitures (6.1 pp); unfavorable volume/mix; and the unfavorable impact of foreign currency (1.3 pp), which more than offset higher pricing, efficiency gains, and the favorable impact of a 53rd week of shipments (1.9 pp).

Diluted Earnings Per Share (“EPS”):

	December 31, 2022	December 25, 2021	% Change
	(in millions, except per share data)		
Diluted EPS	\$ 1.91	\$ 0.82	132.9 %
Adjusted EPS ^(a)	2.78	2.93	(5.1)%

(a) Adjusted EPS is a non-GAAP financial measure. See the *Non-GAAP Financial Measures* section at the end of this item.

Fiscal Year 2022 Compared to Fiscal Year 2021:

Diluted EPS increased 132.9% to \$1.91 in 2022 compared to \$0.82 in 2021, primarily driven by the net income/(loss) factors discussed above.

	December 31, 2022	December 25, 2021	\$ Change	% Change
Diluted EPS	\$ 1.91	\$ 0.82	\$ 1.09	132.9 %
Restructuring activities	0.05	0.05	—	
Unrealized losses/(gains) on commodity hedges	0.04	0.01	0.03	
Impairment losses	0.70	1.07	(0.37)	
Certain non-ordinary course legal and regulatory matters	0.13	0.05	0.08	
Losses/(gains) on sale of business	(0.01)	0.15	(0.16)	
Other losses/(gains) related to acquisitions and divestitures	(0.02)	—	(0.02)	
Nonmonetary currency devaluation	0.01	—	0.01	
Debt prepayment and extinguishment (benefit)/costs	(0.03)	0.59	(0.62)	
Certain significant discrete income tax items	—	0.19	(0.19)	
Adjusted EPS ^(b)	\$ 2.78	\$ 2.93	\$ (0.15)	(5.1)%

Key drivers of change in Adjusted EPS^(a):

Results of operations	\$ 0.01
Results of divested operations	(0.26)
53rd week	0.06
Interest expense	0.13
Other expense/(income)	(0.03)
Effective tax rate	(0.06)
	\$ (0.15)

(a) Adjusted EPS is a non-GAAP financial measure. See the *Non-GAAP Financial Measures* section at the end of this item.

Adjusted EPS decreased 5.1% to \$2.78 in 2022 compared to \$2.93 in 2021 primarily due to lower Adjusted EBITDA, which includes the unfavorable impact of our divestitures, higher taxes on adjusted earnings, and unfavorable changes in other expense/(income), which more than offset lower interest expense, the favorable impact of a 53rd week of shipments, higher divestiture-related license income, and lower equity award compensation expense.

Results of Operations by Segment

Management evaluates segment performance based on several factors, including net sales, Organic Net Sales, and Segment Adjusted EBITDA. Segment Adjusted EBITDA is defined as net income/(loss) from continuing operations before interest expense, other expense/(income), provision for/(benefit from) income taxes, and depreciation and amortization (excluding restructuring activities); in addition to these adjustments, we exclude, when they occur, the impacts of divestiture-related license income (e.g., income related to the sale of licenses in connection with the Cheese Transaction), restructuring activities, deal costs, unrealized gains/(losses) on commodity hedges (the unrealized gains and losses are recorded in general corporate expenses until realized; once realized, the gains and losses are recorded in the applicable segment's operating results), impairment losses, certain non-ordinary course legal and regulatory matters, and equity award compensation expense (excluding restructuring activities). Segment Adjusted EBITDA is a tool that can assist management and investors in comparing our performance on a consistent basis by removing the impact of certain items that management believes do not directly reflect our underlying operations.

Under highly inflationary accounting, the financial statements of a subsidiary are remeasured into our reporting currency (U.S. dollars) based on the legally available exchange rate at which we expect to settle the underlying transactions. Exchange gains and losses from the remeasurement of monetary assets and liabilities are reflected in other expense/(income) on our consolidated statement of income, as nonmonetary currency devaluation, rather than accumulated other comprehensive income/(losses) on our consolidated balance sheet, until such time as the economy is no longer considered highly inflationary. See Note 2, *Significant Accounting Policies*, in Item 8, *Financial Statements and Supplementary Data*, for additional information. We apply highly inflationary accounting to the results of our subsidiaries in Venezuela, Argentina, and Turkey, which are all in our International segment.

Net Sales:

	December 31, 2022	December 25, 2021
	(in millions)	
Net sales:		
North America	\$ 20,340	\$ 20,351
International	6,145	5,691
Total net sales	<u>\$ 26,485</u>	<u>\$ 26,042</u>

Organic Net Sales:

	2022 Compared to 2021	
	December 31, 2022	December 25, 2021
	(in millions)	
Organic Net Sales ^(a) :		
North America	\$ 20,050	\$ 18,361
International	6,199	5,556
Total Organic Net Sales	<u>\$ 26,249</u>	<u>\$ 23,917</u>

(a) Organic Net Sales is a non-GAAP financial measure. See the *Non-GAAP Financial Measures* section at the end of this item.

Drivers of the changes in net sales and Organic Net Sales were:

	Net Sales	Currency	Acquisitions and Divestitures	53rd Week	Organic Net Sales	Price	Volume/Mix
2022 Compared to 2021							
North America	(0.1)%	(0.4) pp	(10.8) pp	1.9 pp	9.2 %	13.0 pp	(3.8) pp
International	8.0 %	(8.1) pp	2.8 pp	1.7 pp	11.6 %	13.5 pp	(1.9) pp
Kraft Heinz	1.7 %	(2.0) pp	(8.0) pp	1.9 pp	9.8 %	13.2 pp	(3.4) pp

Adjusted EBITDA:

	December 31, 2022	December 25, 2021
	(in millions)	
Segment Adjusted EBITDA:		
North America	\$ 5,284	\$ 5,576
International	1,017	1,066
General corporate expenses	(298)	(271)
Depreciation and amortization (excluding restructuring activities)	(922)	(910)
Divestiture-related license income	56	4
Restructuring activities	(74)	(84)
Deal costs	(9)	(11)
Unrealized gains/(losses) on commodity hedges	(63)	(17)
Impairment losses	(999)	(1,634)
Certain non-ordinary course legal and regulatory matters	(210)	(62)
Equity award compensation expense	(148)	(197)
Operating income/(loss)	3,634	3,460
Interest expense	921	2,047
Other expense/(income)	(253)	(295)
Income/(loss) before income taxes	\$ 2,966	\$ 1,708

North America:

	2022 Compared to 2021		
	December 31, 2022	December 25, 2021	% Change
	(in millions)		
Net sales	\$ 20,340	\$ 20,351	(0.1)%
Organic Net Sales ^(a)	20,050	18,361	9.2 %
Segment Adjusted EBITDA	5,284	5,576	(5.2)%

(a) Organic Net Sales is a non-GAAP financial measure. See the *Non-GAAP Financial Measures* section at the end of this item.

Fiscal Year 2022 Compared to Fiscal Year 2021:

Net sales decreased 0.1% to \$20.3 billion in 2022 compared to \$20.4 billion in 2021, including the unfavorable impacts of divestitures (10.8 pp) and foreign currency (0.4 pp), partially offset by the favorable impact of a 53rd week of shipments (1.9 pp). Organic Net Sales increased 9.2% to \$20.1 billion in 2022 compared to \$18.4 billion in 2021, driven by higher pricing (13.0 pp), which more than offset unfavorable volume/mix (3.8 pp). Higher pricing was primarily driven by increases to mitigate rising input costs. Unfavorable volume/mix was primarily due to declines in frozen, meat, condiments and sauces, coffee, ready-to-drink beverages, and desserts.

Segment Adjusted EBITDA decreased 5.2% to \$5.3 billion in 2022 compared to \$5.6 billion in 2021, primarily due to higher commodity costs (mainly in dairy, packaging materials, soybean and vegetable oils, meat, and energy); higher supply chain costs, reflecting inflationary pressure in procurement, logistics, and manufacturing costs; the unfavorable impact of the Cheese Transaction and Nuts Transaction (6.7 pp); unfavorable volume/mix; and the unfavorable impact of foreign currency (0.2 pp). These decreases to Segment Adjusted EBITDA more than offset higher pricing, efficiency gains, and the favorable impact of a 53rd week of shipments (1.9 pp).

International:

	2022 Compared to 2021		
	December 31, 2022	December 25, 2021	% Change
	(in millions)		
Net sales	\$ 6,145	\$ 5,691	8.0 %
Organic Net Sales ^(a)	6,199	5,556	11.6 %
Segment Adjusted EBITDA	1,017	1,066	(4.6)%

(a) Organic Net Sales is a non-GAAP financial measure. See the *Non-GAAP Financial Measures* section at the end of this item.

Fiscal Year 2022 Compared to Fiscal Year 2021:

Net sales increased 8.0% to \$6.1 billion in 2022 compared to \$5.7 billion in 2021, including the favorable impacts of acquisitions and divestitures (2.8 pp) and a 53rd week of shipments (1.7 pp) and the unfavorable impact of foreign currency (8.1 pp). Organic Net Sales increased 11.6% to \$6.2 billion in 2022 compared to \$5.6 billion in 2021, driven by higher pricing (13.5 pp), which more than offset unfavorable volume/mix (1.9 pp). Higher pricing included increases across markets primarily to mitigate rising input costs. Unfavorable volume/mix was primarily due to declines across categories in Australia and New Zealand, declines in boxed dinners and condiments and sauces in the United Kingdom, and declines in condiments and sauces and infant nutrition in Russia, which more than offset higher foodservice sales across most markets and growth in Brazil.

Segment Adjusted EBITDA decreased 4.6% to \$1.0 billion in 2022 compared to \$1.1 billion in 2021, primarily due to higher supply chain costs, reflecting inflationary pressure in procurement, logistics, and manufacturing costs; higher commodity costs, including in packaging and energy; the unfavorable impact of foreign currency (7.2 pp); and unfavorable volume/mix, which more than offset higher pricing, efficiency gains, and the favorable impact of a 53rd week of shipments (1.6 pp).

Liquidity and Capital Resources

We believe that cash generated from our operating activities, commercial paper programs, and Senior Credit Facility will provide sufficient liquidity to meet our working capital needs, repayments of long-term debt, future contractual obligations, payment of our anticipated quarterly dividends, planned capital expenditures, restructuring expenditures, and contributions to our postemployment benefit plans for the next 12 months. An additional potential source of liquidity is access to capital markets. We intend to use our cash on hand and commercial paper programs for daily funding requirements.

Acquisitions and Divestitures:

In the first quarter of 2022, we closed the Just Spices Acquisition for cash consideration of approximately \$243 million. In the second quarter of 2022, we closed the Hemmer Acquisition for cash consideration of approximately \$279 million.

In the fourth quarter of 2022, we received approximately \$108 million of cash consideration following the closing of the Powdered Cheese Transaction.

In the second quarter of 2021, we received approximately \$3.4 billion of cash consideration following the closing of the Nuts Transaction. In connection with the Nuts Transaction, we paid approximately \$700 million of cash taxes in the second half of 2021, primarily to U.S. federal and state tax authorities. We primarily utilized the post-tax transaction proceeds, along with cash on hand, to fund opportunistic repayments of long-term debt, including our tender offers in the second quarter of 2021 and our debt redemption and open market debt repurchases in the third quarter of 2021.

In the fourth quarter of 2021, we received approximately \$3.2 billion of cash consideration following the closing of the Cheese Transaction. In connection with the Cheese Transaction, we paid approximately \$620 million of cash taxes in the second quarter of 2022, primarily to U.S. federal and state tax authorities. We primarily utilized the post-tax transaction proceeds to fund our open market debt repurchases and tender offer in the fourth quarter of 2021.

Additionally, in the fourth quarter of 2021, we completed the Assan Foods Acquisition, which included cash consideration of approximately \$70 million, and the BR Spices Acquisition for an insignificant amount of cash consideration.

See Note 4, *Acquisitions and Divestitures*, in Item 8, *Financial Statements and Supplementary Data*, for additional information on our acquisitions and divestitures. See Note 16, *Debt*, in Item 8, *Financial Statements and Supplementary Data*, for additional information on our debt transactions.

Cash Flow Activity for 2022 Compared to 2021:**Net Cash Provided by/Used for Operating Activities:**

Net cash provided by operating activities was \$2.5 billion for the year ended December 31, 2022 compared to \$5.4 billion for the year ended December 25, 2021. This decrease was primarily driven by proceeds from the sale of licenses in connection with the Cheese Transaction in 2021, higher cash outflows for inventories, primarily related to stock rebuilding, increased input costs, and the acceleration of payments to suppliers attributed to the wind-down of our existing product financing arrangements, as well as lower Adjusted EBITDA. These impacts were partially offset by lower cash outflows for interest primarily due to the reduction of long-term debt throughout 2022 and 2021.

Net Cash Provided by/Used for Investing Activities:

Net cash used for investing activities was \$1.1 billion for the year ended December 31, 2022 compared to net cash provided by investing activities of \$4.0 billion for the year ended December 25, 2021. This decrease was primarily driven by proceeds from the Nuts Transaction and Cheese Transaction in 2021, as well as payments for the Just Spices Acquisition and Hemmer Acquisition in 2022. These impacts were partially offset by increased proceeds from the settlement of net investment hedges and proceeds from the Powdered Cheese Transaction in 2022. We had 2022 capital expenditures of \$916 million compared to 2021 capital expenditures of \$905 million. We expect 2023 capital expenditures to be approximately \$1.1 billion, primarily driven by capital investments for capacity expansion, maintenance, cost improvement and innovation projects, and technology.

Net Cash Provided by/Used for Financing Activities:

Net cash used for financing activities was \$3.7 billion for the year ended December 31, 2022 compared to \$9.3 billion for the year ended December 25, 2021. This change was primarily due to higher repayments of long-term debt and debt prepayment and extinguishment costs in 2021 related to our tender offers, debt repurchases, and debt redemptions in 2021. See Note 16, *Debt*, in Item 8, *Financial Statements and Supplementary Data*, for additional information on our debt repayments.

Cash Held by International Subsidiaries:

Of the \$1.0 billion cash and cash equivalents on our consolidated balance sheet at December 31, 2022, \$707 million was held by international subsidiaries.

Subsequent to January 1, 2018, we consider the unremitted earnings of certain international subsidiaries that impose local country taxes on dividends to be indefinitely reinvested. For those undistributed earnings considered to be indefinitely reinvested, our intent is to reinvest these funds in our international operations, and our current plans do not demonstrate a need to repatriate the accumulated earnings to fund our U.S. cash requirements. The amount of unrecognized deferred tax liabilities for local country withholding taxes that would be owed, if repatriated, related to our 2018 through 2022 accumulated earnings of certain international subsidiaries is approximately \$50 million.

Our undistributed historic earnings in foreign subsidiaries through December 31, 2017 are currently not considered to be indefinitely reinvested. Related to these undistributed historic earnings, we had recorded a deferred tax liability of approximately \$10 million on approximately \$90 million of historic earnings at December 31, 2022 and a deferred tax liability of approximately \$10 million on approximately \$135 million of historic earnings at December 25, 2021. The deferred tax liability relates to local withholding taxes that will be owed when this cash is distributed.

Trade Payables Programs:

In order to manage our cash flow and related liquidity, we work with our suppliers to optimize our terms and conditions, which include the extension of payment terms. Our current payment terms with our suppliers, which we deem to be commercially reasonable, generally range from 0 to 200 days. We also maintain agreements with third party administrators that allow participating suppliers to track payment obligations from us, and, at the sole discretion of the supplier, sell one or more of those payment obligations to participating financial institutions. We have no economic interest in a supplier's decision to enter into these agreements and no direct financial relationship with the financial institutions. Our obligations to our suppliers, including amounts due and scheduled payment terms, are not impacted. Supplier participation in these agreements is voluntary. We estimate that the amounts outstanding under these programs were \$1.1 billion at December 31, 2022 and \$820 million at December 25, 2021.

Product Financing Arrangements:

We enter into various product financing arrangements to facilitate supply from our vendors. In the fourth quarter of 2022, we began to wind-down our existing product financing arrangements, with final impacts of the wind-down expected to extend into 2023. We continue to have access to these programs to facilitate supply from our vendors in the future, if we choose to do so. See Note 14, *Financing Arrangements*, in Item 8, *Financial Statements and Supplementary Data*, for additional information on our product financing arrangements.

Borrowing Arrangements:

As of the date of this filing, our long-term debt is rated BBB- by S&P Global Ratings (“S&P”), BBB by Fitch Ratings (“Fitch”) and Baa3 by Moody’s Investor Services, Inc. (“Moody’s”), with a positive outlook from S&P and a stable outlook from Fitch and Moody’s. In February 2020, Fitch and S&P downgraded our long-term credit rating from BBB- to BB+. These downgrades adversely affected our ability to access the commercial paper market. These downgrades did not constitute a default or event of default under any of our debt instruments. Our ability to borrow under the Senior Credit Facility was not affected by the downgrades. Our long-term credit rating was upgraded from BB+ to BBB- by S&P in March 2022 and by Fitch in May 2022. Fitch upgraded our long-term debt credit rating from BBB- to BBB in November 2022.

From time to time, we obtain funding through our commercial paper programs. We had no commercial paper outstanding at December 31, 2022, at December 25, 2021, or during the year ended December 25, 2021. The maximum amount of commercial paper outstanding during the year ended December 31, 2022 was \$198 million, under our U.S. commercial paper program.

Our Senior Credit Facility provides for a revolving commitment of \$4.0 billion through July 8, 2027. Subject to certain conditions, we may increase the amount of revolving commitments and/or add tranches of term loans in a combined aggregate amount of up to \$1.0 billion.

No amounts were drawn on our Senior Credit Facility at December 31, 2022, our previous credit facility (the “Previous Senior Credit Facility”) at December 25, 2021, or on either the Senior Credit Facility or Previous Senior Credit Facility during the years ended December 31, 2022 and December 25, 2021.

Our credit agreement contains customary representations, warranties, and covenants that are typical for these types of facilities and could, upon the occurrence of certain events of default, restrict our ability to access our Senior Credit Facility. We were in compliance with all financial covenants as of December 31, 2022.

Long-Term Debt:

Our long-term debt, including the current portion, was \$20.1 billion at December 31, 2022 and \$21.8 billion at December 25, 2021. This decrease was primarily due to approximately \$315 million aggregate principal amount of floating rate senior notes that were repaid at maturity in August 2022, approximately \$381 million aggregate principal amount of senior notes that were repaid at maturity in June 2022, approximately \$6 million aggregate principal amount of senior notes that were repaid at maturity in March 2022, and approximately \$755 million aggregate principal amount of senior notes repurchased in connection with the debt repurchases in 2022, as well as changes in foreign currency exchange rates on our foreign-denominated debt. We used cash on hand to fund our debt repurchases in 2022 and to pay related fees and expenses.

We have aggregate principal amounts of senior notes of approximately 750 million euros maturing in June 2023.

We may from time to time seek to retire or purchase our outstanding debt through redemptions, tender offers, cash purchases, prepayments, refinancing, exchange offers, open market or privately negotiated transactions, Rule 10b5-1 plans, or otherwise.

Our long-term debt contains customary representations, covenants, and events of default. We were in compliance with all financial covenants as of December 31, 2022.

See Note 16, *Debt*, in Item 8, *Financial Statements and Supplementary Data*, for additional information on our long-term debt activity.

Equity and Dividends:

We paid dividends on our common stock of \$2.0 billion in 2022, 2021, and 2020, respectively. Additionally, in the first quarter of 2023, our Board declared a cash dividend of \$0.40 per share of common stock, which is payable on March 31, 2023 to stockholders of record on March 10, 2023.

The declaration of dividends is subject to the discretion of our Board and depends on various factors, including our net income, financial condition, cash requirements, future prospects, and other factors that our Board deems relevant to its analysis and decision making.

Aggregate Contractual Obligations:

Related to our current and long-term material cash requirements, the following table summarizes our aggregate contractual obligations at December 31, 2022, which we expect to primarily fund with cash from operating activities (in millions):

	Material Cash Requirements				
	2023	2024-2025	2026-2027	2028 and Thereafter	Total
Long-term debt ^(a)	\$ 1,690	\$ 2,322	\$ 5,319	\$ 24,656	\$ 33,987
Finance leases ^(b)	30	34	19	68	151
Operating leases ^(c)	150	223	160	292	825
Purchase obligations ^(d)	487	766	297	261	1,811
Other long-term liabilities ^(e)	57	142	38	135	372
Total	<u>\$ 2,414</u>	<u>\$ 3,487</u>	<u>\$ 5,833</u>	<u>\$ 25,412</u>	<u>\$ 37,146</u>

(a) Amounts represent the expected cash payments of our long-term debt, including interest on long-term debt.

(b) Amounts represent the expected cash payments of our finance leases, including expected cash payments of interest expense.

(c) Operating leases represent the minimum rental commitments under non-cancellable operating leases net of sublease income.

(d) We have purchase obligations for materials, supplies, property, plant and equipment, and co-packing, storage, and distribution services based on projected needs to be utilized in the normal course of business. Other purchase obligations include commitments for marketing, advertising, capital expenditures, information technology, and professional services. Arrangements are considered purchase obligations if a contract specifies all significant terms, including fixed or minimum quantities to be purchased, a pricing structure, and approximate timing of the transaction. Several of these obligations are long-term and are based on minimum purchase requirements. Certain purchase obligations contain variable pricing components, and, as a result, actual cash payments are expected to fluctuate based on changes in these variable components. Due to the proprietary nature of some of our materials and processes, certain supply contracts contain penalty provisions for early terminations. We do not believe that a material amount of penalties is reasonably likely to be incurred under these contracts based upon historical experience and current expectations.

(e) Other long-term liabilities primarily consist of estimated payments for the one-time toll charge related to 2017 U.S. tax reform, as well as postretirement benefit commitments. Certain other long-term liabilities related to income taxes, insurance accruals, and other accruals included on the consolidated balance sheet are excluded from the above table as we are unable to estimate the timing of payments for these items.

Pension plan contributions were \$11 million in 2022. We estimate that 2023 pension plan contributions will be approximately \$11 million. Postretirement benefit plan contributions were \$12 million in 2022. We estimate that 2023 postretirement benefit plan contributions will be approximately \$12 million. Estimated future contributions take into consideration current economic conditions, which at this time are expected to have minimal impact on expected contributions for 2023. Beyond 2023, we are unable to reliably estimate the timing of contributions to our pension or postretirement plans. Our actual contributions and plans may change due to many factors, including changes in tax, employee benefit, or other laws and regulations, tax deductibility, significant differences between expected and actual pension or postretirement asset performance or interest rates, or other factors. As such, estimated pension and postretirement plan contributions for 2023 have been excluded from the above table.

At December 31, 2022, the amount of net unrecognized tax benefits for uncertain tax positions, including an accrual of related interest and penalties along with positions only impacting the timing of tax benefits, was approximately \$555 million. The timing of payments will depend on the progress of examinations with tax authorities. We are unable to make a reasonably reliable estimate as to if or when any significant cash settlements with taxing authorities may occur; therefore, we have excluded the amount of net unrecognized tax benefits from the above table.

Supplemental Guarantor Information:

The Kraft Heinz Company (as the “Parent Guarantor”) fully and unconditionally guarantees all the senior unsecured registered notes (collectively, the “KHFC Senior Notes”) issued by Kraft Heinz Foods Company (“KHFC”), our 100% owned operating subsidiary (the “Guarantee”). See Note 16, *Debt*, in Item 8, *Financial Statements and Supplementary Data*, for additional descriptions of these guarantees.

The payment of the principal, premium, and interest on the KHFC Senior Notes is fully and unconditionally guaranteed on a senior unsecured basis by the Parent Guarantor, pursuant to the terms and conditions of the applicable indenture. None of the Parent Guarantor’s subsidiaries guarantee the KHFC Senior Notes.

The Guarantee is the Parent Guarantor’s senior unsecured obligation and is: (i) *pari passu* in right of payment with all of the Parent Guarantor’s existing and future senior indebtedness; (ii) senior in right of payment to all of the Parent Guarantor’s future subordinated indebtedness; (iii) effectively subordinated to all of the Parent Guarantor’s existing and future secured indebtedness to the extent of the value of the assets secured by that indebtedness; and (iv) effectively subordinated to all existing and future indebtedness and other liabilities of the Parent Guarantor’s subsidiaries.

The KHFC Senior Notes are obligations exclusively of KHFC and the Parent Guarantor and not of any of the Parent Guarantor’s other subsidiaries. Substantially all of the Parent Guarantor’s operations are conducted through its subsidiaries. The Parent Guarantor’s other subsidiaries are separate legal entities that have no obligation to pay any amounts due under the KHFC

Senior Notes or to make any funds available therefor, whether by dividends, loans, or other payments. Except to the extent the Parent Guarantor is a creditor with recognized claims against its subsidiaries, all claims of creditors (including trade creditors) and holders of preferred stock, if any, of its subsidiaries will have priority with respect to the assets of such subsidiaries over its claims (and therefore the claims of its creditors, including holders of the KHFC Senior Notes). Consequently, the KHFC Senior Notes are structurally subordinated to all liabilities of the Parent Guarantor's subsidiaries and any subsidiaries that it may in the future acquire or establish. The obligations of the Parent Guarantor will terminate and be of no further force or effect in the following circumstances: (i) (a) KHFC's exercise of its legal defeasance option or, except in the case of a guarantee of any direct or indirect parent of KHFC, covenant defeasance option in accordance with the applicable indenture, or KHFC's obligations under the applicable indenture have been discharged in accordance with the terms of the applicable indenture or (b) as specified in a supplemental indenture to the applicable indenture; and (ii) the Parent Guarantor has delivered to the trustee an officer's certificate and an opinion of counsel, each stating that all conditions precedent provided for in the applicable indenture have been complied with. The Guarantee is limited by its terms to an amount not to exceed the maximum amount that can be guaranteed by the Parent Guarantor without rendering the Guarantee voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

The following tables present summarized financial information for the Parent Guarantor and KHFC (as subsidiary issuer of the KHFC Senior Notes) (together, the "Obligor Group"), on a combined basis after the elimination of all intercompany balances and transactions between the Parent Guarantor and subsidiary issuer and investments in any subsidiary that is a non-guarantor.

Summarized Statement of Income

	For the Year Ended December 31, 2022
Net sales	\$ 17,329
Gross profit ^(a)	5,775
Goodwill impairment losses	—
Intercompany service fees and other recharges	3,829
Operating income/(loss)	1,089
Equity in earnings/(losses) of subsidiaries	2,114
Net income/(loss)	2,363
Net income/(loss) attributable to common shareholders	2,363

(a) In 2022, the Obligor Group recorded \$398 million of net sales to the non-guarantor subsidiaries and \$38 million of purchases from the non-guarantor subsidiaries.

Summarized Balance Sheets

	December 31, 2022
ASSETS	
Current assets	\$ 4,218
Current assets due from affiliates ^(a)	1,788
Non-current assets	5,445
Goodwill	8,823
Intangible assets, net	2,102
Non-current assets due from affiliates ^(b)	195
LIABILITIES	
Current liabilities	\$ 4,915
Current liabilities due to affiliates ^(a)	1,791
Non-current liabilities	21,372
Non-current liabilities due to affiliates ^(b)	591

(a) Represents receivables and short-term lending due from and payables and short-term lending due to non-guarantor subsidiaries.

(b) Represents long-term lending due from and long-term borrowings due to non-guarantor subsidiaries.

Commodity Trends

We purchase and use large quantities of commodities, including dairy products, meat products, soybean and vegetable oils, tomatoes, coffee beans, sugar and other sweeteners, other fruits and vegetables, corn products, wheat products, and potatoes, to manufacture our products. In addition, we purchase and use significant quantities of resins, fiberboard, metals, and cardboard to package our products, and we use electricity, diesel fuel, and natural gas in the manufacturing and distribution of our products. We continuously monitor worldwide supply and cost trends of these commodities.

During the year ended December 31, 2022, we experienced higher commodity costs primarily for dairy, packaging materials, soybean and vegetable oils, energy (including diesel fuel, electricity, and natural gas), and meat as compared to the prior year period. These increases were primarily driven by overall market demand, inflationary pressures, and, in part, by the negative impact of the conflict between Russia and Ukraine on the global economy. We anticipate commodity costs to continue to increase and inflation to remain elevated through 2023. We manage commodity cost volatility primarily through pricing and risk management strategies. As a result of these risk management strategies, our commodity costs may not immediately correlate with market price trends.

In 2022, dairy commodities, primarily milk, cream, and cheese, were the most significant cost components of our cheese products. We purchase our dairy raw material requirements from independent third parties, such as agricultural cooperatives and independent processors. Market supply and demand, as well as government programs, significantly influence the prices for milk and other dairy products. Significant cost components of our meat products include pork, beef, and poultry, which we primarily purchase from applicable local markets. Livestock feed costs and the global supply and demand for U.S. meats influence the prices of these meat products.

Critical Accounting Estimates

Note 2, *Significant Accounting Policies*, in Item 8, *Financial Statements and Supplementary Data*, includes a summary of the significant accounting policies we used to prepare our consolidated financial statements. The following is a review of the more significant assumptions and estimates as well as accounting policies we used to prepare our consolidated financial statements.

Revenue Recognition:

Our revenues are primarily derived from customer orders for the purchase of our products. We recognize revenues as performance obligations are fulfilled when control passes to our customers. We record revenues net of variable consideration, including consumer incentives and performance obligations related to trade promotions, excluding taxes, and including all shipping and handling charges billed to customers (accounting for shipping and handling charges that occur after the transfer of control as fulfillment costs). We also record a refund liability for estimated product returns and customer allowances as reductions to revenues within the same period that the revenue is recognized. We base these estimates principally on historical and current period experience factors. We recognize costs paid to third party brokers to obtain contracts as expenses as our contracts are generally less than one year.

Advertising, Consumer Incentives, and Trade Promotions:

We promote our products with advertising, consumer incentives, and performance obligations related to trade promotions. Consumer incentives and trade promotions include, but are not limited to, discounts, coupons, rebates, performance-based in-store display activities, and volume-based incentives. Variable consideration related to consumer incentive and trade promotion activities is recorded as a reduction to revenues based on amounts estimated as being due to customers and consumers at the end of a period. We base these estimates principally on historical utilization, redemption rates, and/or current period experience factors. We review and adjust these estimates at least quarterly based on actual experience and other information.

Advertising expenses are recorded in selling, general and administrative expenses ("SG&A"). For interim reporting purposes, we charge advertising to operations as a percentage of estimated full year sales activity and marketing costs. We then review and adjust these estimates each quarter based on actual experience and other information. Our definition of advertising expenses includes advertising production costs, in-store advertising costs, agency fees, brand promotions and events, and sponsorships, in addition to costs to obtain advertising in television, radio, print, digital, and social channels. We recorded advertising expenses of \$945 million in 2022, \$1,039 million in 2021, and \$1,070 million in 2020. We also incur market research costs, which are recorded in SG&A but are excluded from advertising expenses.

Goodwill and Intangible Assets:

As of December 31, 2022, we maintain 11 reporting units, seven of which comprise our goodwill balance. These seven reporting units had an aggregate goodwill carrying amount of \$30.8 billion at December 31, 2022. Our indefinite-lived intangible asset balance primarily consists of a number of individual brands, which had an aggregate carrying amount of \$38.6 billion as of December 31, 2022.

We test our reporting units and brands for impairment annually as of the first day of our third quarter, or more frequently if events or circumstances indicate it is more likely than not that the fair value of a reporting unit or brand is less than its carrying amount. Such events and circumstances could include a sustained decrease in our market capitalization, increased competition or unexpected loss of market share, increased input costs beyond projections, disposals of significant brands or components of our business, unexpected business disruptions (for example due to a natural disaster, pandemic, or loss of a customer, supplier, or other significant business relationship), unexpected significant declines in operating results, significant adverse changes in the markets in which we operate, changes in income tax rates, changes in interest rates, or changes in management strategy. We test reporting units for impairment by comparing the estimated fair value of each reporting unit with its carrying amount. We test brands for impairment by comparing the estimated fair value of each brand with its carrying amount. If the carrying amount of a reporting unit or brand exceeds its estimated fair value, we record an impairment loss based on the difference between fair value and carrying amount, in the case of reporting units, not to exceed the associated carrying amount of goodwill. See Note 8, *Goodwill and Intangible Assets*, in Item 8, *Financial Statements and Supplementary Data*, for a discussion of the timing of the annual impairment test.

Fair value determinations require considerable judgment and are sensitive to changes in underlying assumptions, estimates, and market factors. Estimating the fair value of individual reporting units and brands requires us to make assumptions and estimates regarding our future plans, as well as industry, economic, and regulatory conditions. These assumptions and estimates include estimated future annual net cash flows, income tax considerations, discount rates, growth rates, royalty rates, contributory asset charges, and other market factors. Our current expectations also include certain assumptions that could be negatively impacted if we are unable to meet our pricing expectations in relation to inflation. If current expectations of future growth rates and margins are not met, if market factors outside of our control, such as discount rates, income tax rates, foreign currency exchange rates, or inflation, change, or if management's expectations or plans otherwise change, including updates to our long-term operating plans, then one or more of our reporting units or brands might become impaired in the future. Additionally, any decisions to divest certain non-strategic assets has led, and could in the future lead, to goodwill or intangible asset impairments.

As detailed in Note 8, *Goodwill and Intangible Assets*, in Item 8, *Financial Statements and Supplementary Data*, we recorded impairment losses related to goodwill and indefinite-lived intangible assets. Our reporting units and brands that were impaired were written down to their respective fair values resulting in zero excess fair value over carrying amount as of the applicable impairment test dates. Accordingly, these and other reporting units and brands that have 20% or less excess fair value over carrying amount as of the Q3 2022 Annual Impairment Test have a heightened risk of future impairments if any assumptions, estimates, or market factors change in the future.

Reporting units with 20% or less fair value over carrying amount had an aggregate goodwill carrying amount after impairment of \$16.4 billion as of the Q3 2022 Annual Impairment Test and included Taste, Meals, and Away from Home (TMA), Canada and North America Coffee (CNAC), and Continental Europe. Reporting units with between 20-50% fair value over carrying amount had an aggregate goodwill carrying amount of \$14.5 billion as of the Q3 2022 Annual Impairment Test and included Fresh, Beverages, and Desserts (FBD), Northern Europe, Asia, and Latin America (LATAM). Our reporting units that have less than 1% excess fair value over carrying amount as of the Q3 2022 Annual Impairment Test are considered at a heightened risk of future impairments and include our CNAC and Continental Europe reporting units, which had an aggregate goodwill carrying amount after impairment of \$2.4 billion. Our four remaining reporting units had no goodwill carrying amount at the time of the Q3 2022 Annual Impairment Test.

Brands with 20% or less fair value over carrying amount had an aggregate carrying amount after impairment of \$16.6 billion as of the Q3 2022 Annual Impairment Test and included *Kraft*, *Oscar Mayer*, *Miracle Whip*, *Ore-Ida*, *Maxwell House*, *Cool Whip*, *Jet Puffed*, and *Plasmon*. The aggregate carrying amount of brands with fair value over carrying amount between 20-50% was \$2.5 billion as of the Q3 2022 Annual Impairment Test. Although the remaining brands, with a carrying amount of \$19.4 billion, have more than 50% excess fair value over carrying amount as of the Q3 2022 Annual Impairment Test, these amounts are also associated with the 2013 Heinz Acquisition and the 2015 Merger and were initially recorded at the time of acquisition on our consolidated balance sheet at their estimated acquisition date fair values. Therefore, if any assumptions, estimates, or market factors change in the future, these amounts are also susceptible to impairments. Our brands that have less than 5% excess fair value over carrying amount as of the Q3 2022 Annual Impairment Test are considered at a heightened risk of future impairments and include our *Kraft*, *Ore-Ida*, *Jet Puffed*, and *Plasmon* brands, which had an aggregate carrying amount of \$11.3 billion.

We generally utilize the discounted cash flow method under the income approach to estimate the fair value of our reporting units. Some of the more significant assumptions inherent in estimating the fair values include the estimated future annual net cash flows for each reporting unit (including net sales, cost of products sold, SG&A, depreciation and amortization, working capital, and capital expenditures), income tax rates, long-term growth rates, and a discount rate that appropriately reflects the risks inherent in each future cash flow stream. We selected the assumptions used in the financial forecasts using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans, and guideline companies.

We utilize the excess earnings method under the income approach to estimate the fair value of certain of our largest brands. Some of the more significant assumptions inherent in estimating the fair values include the estimated future annual net cash flows for each brand (including net sales, cost of products sold, and SG&A), contributory asset charges, income tax considerations, long-term growth rates, a discount rate that reflects the level of risk associated with the future earnings attributable to the brand, and management's intent to invest in the brand indefinitely. We selected the assumptions used in the financial forecasts using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans, and guideline companies.

We utilize the relief from royalty method under the income approach to estimate the fair value of our remaining brands. Some of the more significant assumptions inherent in estimating the fair values include the estimated future annual net sales for each brand, royalty rates (as a percentage of net sales that would hypothetically be charged by a licensor of the brand to an unrelated licensee), income tax considerations, long-term growth rates, a discount rate that reflects the level of risk associated with the future cost savings attributable to the brand, and management's intent to invest in the brand indefinitely. We selected the assumptions used in the financial forecasts using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans, and guideline companies.

As detailed in Note 4, *Acquisitions and Divestitures*, in Item 8, *Financial Statements and Supplementary Data*, the Cheese Transaction closed in the fourth quarter of 2021. We received total consideration of approximately \$3.3 billion, which included approximately \$1.6 billion primarily attributed to the *Kraft* and *Velveeta* licenses that we granted to Lactalis and approximately \$141 million attributed to the *Cracker Barrel* license that Lactalis granted to us, the amounts of which were based on the estimated fair values of the licensed portion of each brand as of the closing date of the Cheese Transaction.

In the fourth quarter of 2021, at the time the licensed rights were granted, we reassessed the remaining fair value of the retained portions of the *Kraft* and *Velveeta* brands and recorded a non-cash intangible asset impairment loss related to the *Kraft* brand of approximately \$1.24 billion, which was recognized in SG&A.

The discount rates, long-term growth rates, and royalty rates used to estimate the fair values of our reporting units and our brands with 20% or less excess fair value over carrying amount, as well as the goodwill or brand carrying amounts, as of the Q3 2022 Annual Impairment Test for each reporting unit or brand, were as follows:

	Goodwill or Brand Carrying Amount (in billions)	Discount Rate		Long-Term Growth Rate		Royalty Rate	
		Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Reporting units	\$ 16.4	7.0 %	8.0 %	1.5 %	2.0 %		
Brands (excess earnings method)	14.9	7.7 %	7.8 %	1.0 %	1.5 %		
Brands (relief from royalty method)	1.7	7.5 %	8.5 %	0.5 %	2.0 %	4.0 %	20.0 %

Assumptions used in impairment testing are made at a point in time and require significant judgment; therefore, they are subject to change based on the facts and circumstances present at each annual and interim impairment test date. Additionally, these assumptions are generally interdependent and do not change in isolation. However, as it is reasonably possible that changes in assumptions could occur, as a sensitivity measure, we have presented the estimated effects of isolated changes in discount rates, long-term growth rates, and royalty rates on the fair values of our reporting units and brands with 20% or less excess fair value over carrying amount. These estimated changes in fair value are not necessarily representative of the actual impairment that would be recorded in the event of a fair value decline.

If we had changed the assumptions used to estimate the fair value of our reporting units and brands with 20% or less excess fair value over carrying amount, as of the Q3 2022 Annual Impairment Test for each of these reporting units and brands, these isolated changes, which are reasonably possible to occur, would have led to the following increase/(decrease) in the aggregate fair value of these reporting units and brands (in billions):

	Discount Rate		Long-Term Growth Rate		Royalty Rate	
	50-Basis-Point		25-Basis-Point		100-Basis-Point	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Reporting units	\$ (2.8)	\$ 3.4	\$ 1.4	\$ (1.3)		
Brands (excess earnings method)	(1.2)	1.4	0.5	(0.5)		
Brands (relief from royalty method)	(0.1)	0.2	0.1	(0.1)	\$ 0.2	\$ (0.2)

Definite-lived intangible assets are amortized on a straight-line basis over the estimated periods benefited. We review definite-lived intangible assets for impairment when conditions exist that indicate the carrying amount of the assets may not be recoverable. Such conditions could include significant adverse changes in the business climate, current-period operating or cash flow losses, significant declines in forecasted operations, or a current expectation that an asset group will be disposed of before the end of its useful life. We perform undiscounted operating cash flow analyses to determine if an impairment exists. When testing for impairment of definite-lived intangible assets held for use, we group assets at the lowest level for which cash flows are separately identifiable. If an impairment is determined to exist, the loss is calculated based on estimated fair value. Impairment losses on definite-lived intangible assets to be disposed of, if any, are based on the estimated proceeds to be received, less costs of disposal.

See Note 8, *Goodwill and Intangible Assets*, in Item 8, *Financial Statements and Supplementary Data*, for our impairment testing results.

Postemployment Benefit Plans:

We maintain various retirement plans for the majority of our employees. These include pension benefits, postretirement health care benefits, and defined contribution benefits. The cost of these plans is charged to expense over an appropriate term based on, among other things, the cost component and whether the plan is active or inactive. Changes in the fair value of our plan assets result in net actuarial gains or losses. These net actuarial gains and losses are deferred into accumulated other comprehensive income/(losses) and amortized within other expense/(income) in future periods using the corridor approach. The corridor is 10% of the greater of the market-related value of the plan's asset or projected benefit obligation. Any actuarial gains and losses in excess of the corridor are then amortized over an appropriate term based on whether the plan is active or inactive.

For our postretirement benefit plans, our 2023 health care cost trend rate assumption will be 6.6%. We established this rate based upon our most recent experience as well as our expectation for health care trend rates going forward. We anticipate the weighted average assumed ultimate trend rate will be 4.8%. The year in which the ultimate trend rate is reached varies by plan, ranging between the years 2023 and 2030. Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans.

Our 2023 discount rate assumption will be 5.5% for service cost and 5.4% for interest cost for our postretirement plans. Our 2023 discount rate assumption will be 5.7% for service cost and 5.5% for interest cost for our U.S. pension plans and 5.3% for service cost and 5.0% for interest cost for our non-U.S. pension plans. We model these discount rates using a portfolio of high quality, fixed-income debt instruments with durations that match the expected future cash flows of the plans. Changes in our discount rates were primarily the result of changes in bond yields year-over-year.

Our 2023 expected return on plan assets will be 6.3% (net of applicable taxes) for our postretirement plans. Our 2023 expected rate of return on plan assets will be 6.6% for our U.S. pension plans and 5.1% for our non-U.S. pension plans. We determine our expected rate of return on plan assets from the plan assets' historical long-term investment performance, current and future asset allocation, and estimates of future long-term returns by asset class. We attempt to maintain our target asset allocation by re-balancing between asset classes as we make contributions and monthly benefit payments.

While we do not anticipate further changes in the 2023 assumptions for our U.S. and non-U.S. pension and postretirement benefit plans, as a sensitivity measure, a 100-basis-point change in our discount rate or a 100-basis-point change in the expected rate of return on plan assets would have the following effects, increase/(decrease) in cost (in millions):

	U.S. Plans		Non-U.S. Plans	
	100-Basis-Point		100-Basis-Point	
	Increase	Decrease	Increase	Decrease
Effect of change in discount rate on pension costs	\$ 8	\$ (11)	\$ (3)	\$ 4
Effect of change in expected rate of return on plan assets on pension costs	(30)	30	(17)	17
Effect of change in discount rate on postretirement costs	—	—	(1)	1
Effect of change in expected rate of return on plan assets on postretirement costs	(8)	8	—	—

Income Taxes:

We compute our annual tax rate based on the statutory tax rates and tax planning opportunities available to us in the various jurisdictions in which we earn income. Significant judgment is required in determining our annual tax rate and in evaluating the uncertainty of our tax positions. We recognize a benefit for tax positions that we believe will more likely than not be sustained upon examination. The amount of benefit recognized is the largest amount of benefit that we believe has more than a 50% probability of being realized upon settlement. We regularly monitor our tax positions and adjust the amount of recognized tax benefit based on our evaluation of information that has become available since the end of our last financial reporting period. The annual tax rate includes the impact of these changes in recognized tax benefits. When adjusting the amount of recognized tax benefits, we do not consider information that has become available after the balance sheet date, however we do disclose the effects of new information whenever those effects would be material to our financial statements. Unrecognized tax benefits represent the difference between the amount of benefit taken or expected to be taken in a tax return and the amount of benefit recognized for financial reporting. These unrecognized tax benefits are recorded primarily within other non-current liabilities on the consolidated balance sheets.

We record valuation allowances to reduce deferred tax assets to the amount that is more likely than not to be realized. When assessing the need for valuation allowances, we consider future taxable income and ongoing prudent and feasible tax planning strategies. Should a change in circumstances lead to a change in judgment about the realizability of deferred tax assets in future years, we would adjust related valuation allowances in the period that the change in circumstances occurs, along with a corresponding increase or decrease to income. The resolution of tax reserves and changes in valuation allowances could be material to our results of operations for any period but is not expected to be material to our financial position.

New Accounting Pronouncements

See Note 3, *New Accounting Standards*, in Item 8, *Financial Statements and Supplementary Data*, for a discussion of new accounting pronouncements.

Contingencies

See Note 15, *Commitments and Contingencies*, in Item 8, *Financial Statements and Supplementary Data*, for a discussion of our contingencies.

Non-GAAP Financial Measures

The non-GAAP financial measures we provide in this report should be viewed in addition to, and not as an alternative for, results prepared in accordance with U.S. GAAP.

To supplement the consolidated financial statements prepared in accordance with U.S. GAAP, we have presented Organic Net Sales, Adjusted EBITDA, and Adjusted EPS, which are considered non-GAAP financial measures. The non-GAAP financial measures presented may differ from similarly titled non-GAAP financial measures presented by other companies, and other companies may not define these non-GAAP financial measures in the same way. These measures are not substitutes for their comparable U.S. GAAP financial measures, such as net sales, net income/(loss), diluted EPS, or other measures prescribed by U.S. GAAP, and there are limitations to using non-GAAP financial measures.

Management uses these non-GAAP financial measures to assist in comparing our 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 our underlying operations. We believe that Organic Net Sales, Adjusted EBITDA, and Adjusted EPS provide important comparability of underlying operating results, allowing investors and management to assess the Company's operating performance on a consistent basis.

Management believes that presenting our non-GAAP financial measures is useful to investors because it (i) provides investors with meaningful supplemental information regarding financial performance by excluding certain items, (ii) permits investors to view performance using the same tools that management uses to budget, make operating and strategic decisions, and evaluate historical performance, and (iii) otherwise provides supplemental information that may be useful to investors in evaluating our results. We believe that the presentation of these non-GAAP financial measures, when considered together with the corresponding U.S. GAAP financial measures and the reconciliations to those measures, provides investors with additional understanding of the factors and trends affecting our business than could be obtained absent these disclosures.

Organic Net Sales is defined as net sales excluding, when they occur, the impact of currency, acquisitions and divestitures, and a 53rd week of shipments. We calculate the impact of currency on net sales by holding exchange rates constant at the previous year's exchange rate, with the exception of highly inflationary subsidiaries, for which we calculate the previous year's results using the current year's exchange rate.

Adjusted EBITDA is defined as net income/(loss) from continuing operations before interest expense, other expense/(income), provision for/(benefit from) income taxes, and depreciation and amortization (excluding restructuring activities); in addition to these adjustments, we exclude, when they occur, the impacts of divestiture-related license income (e.g., income related to the sale of licenses in connection with the Cheese Transaction), restructuring activities, deal costs, unrealized losses/(gains) on commodity hedges, impairment losses, certain non-ordinary course legal and regulatory matters, and equity award compensation expense (excluding restructuring activities).

Adjusted EPS is defined as diluted EPS excluding, when they occur, the impacts of restructuring activities, deal costs, unrealized losses/(gains) on commodity hedges, impairment losses, certain non-ordinary course legal and regulatory matters, losses/(gains) on the sale of a business, other losses/(gains) related to acquisitions and divestitures (e.g., tax and hedging impacts), nonmonetary currency devaluation (e.g., remeasurement gains and losses), debt prepayment and extinguishment (benefit)/costs, and certain significant discrete income tax items (e.g., U.S. and non-U.S. tax reform), and including, when they occur, adjustments to reflect preferred stock dividend payments on an accrual basis.

The Kraft Heinz Company
Reconciliation of Net Sales to Organic Net Sales
(dollars in millions)
(Unaudited)

	Net Sales	Currency	Acquisitions and Divestitures	53rd Week	Organic Net Sales	Price	Volume/Mix
2022							
North America	\$ 20,340	\$ (67)	\$ —	\$ 357	\$ 20,050		
International	6,145	(430)	279	97	6,199		
Kraft Heinz	<u>\$ 26,485</u>	<u>\$ (497)</u>	<u>\$ 279</u>	<u>\$ 454</u>	<u>\$ 26,249</u>		
2021							
North America	\$ 20,351	\$ —	\$ 1,990	\$ —	\$ 18,361		
International	5,691	26	109	—	5,556		
Kraft Heinz	<u>\$ 26,042</u>	<u>\$ 26</u>	<u>\$ 2,099</u>	<u>\$ —</u>	<u>\$ 23,917</u>		
Year-over-year growth rates							
North America	(0.1)%	(0.4) pp	(10.8) pp	1.9 pp	9.2 %	13.0 pp	(3.8) pp
International	8.0 %	(8.1) pp	2.8 pp	1.7 pp	11.6 %	13.5 pp	(1.9) pp
Kraft Heinz	1.7 %	(2.0) pp	(8.0) pp	1.9 pp	9.8 %	13.2 pp	(3.4) pp

The Kraft Heinz Company
Reconciliation of Net Income/(Loss) to Adjusted EBITDA
(in millions)
(Unaudited)

	December 31, 2022	December 25, 2021
Net income/(loss)	\$ 2,368	\$ 1,024
Interest expense	921	2,047
Other expense/(income)	(253)	(295)
Provision for/(benefit from) income taxes	598	684
Operating income/(loss)	3,634	3,460
Depreciation and amortization (excluding restructuring activities)	922	910
Divestiture-related license income	(56)	(4)
Restructuring activities	74	84
Deal costs	9	11
Unrealized losses/(gains) on commodity hedges	63	17
Impairment losses	999	1,634
Certain non-ordinary course legal and regulatory matters	210	62
Equity award compensation expense	148	197
Adjusted EBITDA	<u>\$ 6,003</u>	<u>\$ 6,371</u>

The Kraft Heinz Company
Reconciliation of Diluted EPS to Adjusted EPS
(Unaudited)

	December 31, 2022	December 25, 2021
Diluted EPS	\$ 1.91	\$ 0.82
Restructuring activities ^(a)	0.05	0.05
Unrealized losses/(gains) on commodity hedges ^(b)	0.04	0.01
Impairment losses ^(c)	0.70	1.07
Certain non-ordinary course legal and regulatory matters ^(d)	0.13	0.05
Losses/(gains) on sale of business ^(e)	(0.01)	0.15
Other losses/(gains) related to acquisitions and divestitures ^(f)	(0.02)	—
Nonmonetary currency devaluation ^(g)	0.01	—
Debt prepayment and extinguishment (benefit)/costs ^(h)	(0.03)	0.59
Certain significant discrete income tax items ⁽ⁱ⁾	—	0.19
Adjusted EPS	<u>\$ 2.78</u>	<u>\$ 2.93</u>

- (a) Gross expenses/(income) included in restructuring activities were expenses of \$74 million (\$56 million after-tax) in 2022 and \$84 million (\$64 million after-tax) in 2021 and were recorded in the following income statement line items:
- Cost of products sold included expenses of \$27 million in 2022 and \$13 million in 2021;
 - SG&A included expenses of \$47 million in 2022 and \$70 million in 2021; and
 - Other expense/(income) included expenses of \$1 million in 2021.
- (b) Gross expenses/(income) included in unrealized losses/(gains) on commodity hedges were expenses of \$63 million (\$48 million after-tax) in 2022 and \$17 million (\$13 million after-tax) in 2021 and were recorded in cost of products sold.
- (c) Gross impairment losses included the following:
- Goodwill impairment losses of \$444 million (\$444 million after-tax) in 2022 and \$318 million (\$318 million after-tax) in 2021, which were recorded in SG&A;
 - Intangible asset impairment losses of \$469 million (\$358 million after-tax) in 2022 and \$1.3 billion (\$1.0 billion after-tax) in 2021, which were recorded in SG&A; and
 - Property, plant and equipment asset impairment losses of \$86 million (\$65 million after-tax) in 2022, which were recorded in cost of products sold.
- (d) Gross expenses included in certain non-ordinary course legal and regulatory matters were \$210 million (\$161 million after-tax) in 2022 and \$62 million (\$62 million after-tax) in 2021 and were recorded in SG&A. The 2022 expenses relate to an accrual in connection with the previously disclosed securities class action lawsuit. The 2021 expenses relate to the settlement of the previously disclosed SEC investigation. See Note 15, *Commitments and Contingencies*, in Item 8, *Financial Statements and Supplementary Data*, for additional information.
- (e) Gross expenses/(income) included in losses/(gains) on sale of business were income of \$25 million (\$17 million after-tax) in 2022 and income of \$44 million (expenses of \$181 million after-tax) in 2021 and were recorded in other expense/(income).
- (f) Gross expenses/(income) included in other losses/(gains) related to acquisitions and divestitures were income of \$38 million (\$29 million after-tax) in 2022 and were recorded in other expense/(income).
- (g) Gross expenses included in nonmonetary currency devaluation were \$17 million (\$17 million after-tax) in 2022 and were recorded in other expense/(income).
- (h) Gross expenses/(income) included in debt prepayment and extinguishment (benefit)/costs were income of \$38 million (\$35 million after-tax) in 2022 and expenses of \$917 million (\$728 million after-tax) in 2021 and were recorded in interest expense.
- (i) Certain significant discrete income tax items were an expense of \$235 million in 2021. The impact in 2021 relates to the revaluation of our deferred tax balances due to an increase in U.K. tax rates.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risks from adverse changes in commodity prices, foreign exchange rates, and interest rates. We monitor and manage these exposures as part of our overall risk management program. Our risk management program focuses on the unpredictability of financial markets and seeks to reduce the potentially adverse effects that volatility in these markets may have on our operating results. We maintain risk management policies that principally use derivative financial instruments to reduce significant, unanticipated fluctuations in earnings and cash flows that may arise from variations in commodity prices, foreign currency exchange rates, and interest rates. We manage market risk by incorporating parameters within our risk management strategy that limit the types of derivative instruments, the derivative strategies we use, and the degree of market risk that we hedge with derivative instruments. See Note 2, *Significant Accounting Policies*, and Note 12, *Financial Instruments*, in Item 8, *Financial Statements and Supplementary Data*, for details of our market risk management policies and the financial instruments used to hedge those exposures.

When we use financial instruments, we are exposed to credit risk that a counterparty might fail to fulfill its performance obligations under the terms of our agreement. We minimize our credit risk by entering into transactions with counterparties with investment grade credit ratings, limiting the amount of exposure we have with each counterparty, and monitoring the financial condition of our counterparties. We maintain a policy of requiring that all significant, non-exchange traded derivative contracts are governed by an International Swaps and Derivatives Association master agreement. By policy, we do not engage in speculative or leveraged transactions, nor do we hold or issue financial instruments for trading purposes.

Effect of Hypothetical 10% Fluctuation in Market Prices:

The potential gain or loss on the fair value of our outstanding commodity contracts, foreign exchange contracts, and cross-currency swap contracts, assuming a hypothetical 10% fluctuation in commodity prices and foreign currency exchange rates, would have been (in millions):

	December 31, 2022	December 25, 2021
Commodity contracts	\$ 94	\$ 56
Foreign currency contracts	71	130
Cross-currency swap contracts	211	318

It should be noted that any change in the fair value of our derivative contracts, real or hypothetical, would be significantly offset by an inverse change in the value of the underlying hedged items. In relation to foreign currency contracts, this hypothetical calculation assumes that each exchange rate would change in the same direction relative to the U.S. dollar. Our utilization of financial instruments in managing market risk exposures described above is consistent with the prior year. Changes in our portfolio of financial instruments are a function of our results of operations, debt repayments and debt issuances, market effects on debt and foreign currency, and our acquisition and divestiture activities.

Item 8. Financial Statements and Supplementary Data.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of The Kraft Heinz Company

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of The Kraft Heinz Company and its subsidiaries (the “Company”) as of December 31, 2022 and December 25, 2021, and the related consolidated statements of income, of comprehensive income, of equity and of cash flows for each of the three years in the period ended December 31, 2022, including the related notes and financial statement schedule listed in the index appearing under Item 15(a) (collectively referred to as the “consolidated financial statements”). We also have audited the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and December 25, 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Goodwill Impairment Assessments

As described in Notes 2 and 8 to the consolidated financial statements, the Company's consolidated goodwill balance was \$30.8 billion as of December 31, 2022. Historically, management tested reporting units for impairment annually as of the first day of the second quarter, or more frequently if events or circumstances indicate it is more likely than not that the fair value of a reporting unit is less than its carrying amount. Beginning in the third quarter of 2022 and for subsequent annual periods, management voluntarily changed the annual impairment assessment date to the first day of the third quarter. Reporting units are tested for impairment by comparing the estimated fair value of each reporting unit with its carrying amount. If the carrying amount of a reporting unit exceeds its estimated fair value, an impairment loss is recorded based on the difference between the fair value and carrying amount, not to exceed the associated carrying amount of goodwill. Management recognized non-cash goodwill impairment losses of \$444 million for the year ended December 31, 2022. Management utilizes the discounted cash flow method under the income approach to estimate the fair value of reporting units. As disclosed by management, management's cash flow projections included significant assumptions related to net sales, cost of products sold, selling, general, and administrative costs (SG&A), depreciation and amortization, working capital, capital expenditures, income tax rates, discount rates, long-term growth rates, and other market factors.

The principal considerations for our determination that performing procedures relating to the goodwill impairment assessments is a critical audit matter are (i) the significant judgment by management when developing the fair value of the reporting units; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to net sales, cost of products sold, SG&A, discount rates, and long-term growth rates; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill impairment assessments, including controls over the valuation of the Company's reporting units. These procedures also included, among others (i) testing management's process for developing the fair value of the reporting units; (ii) evaluating the appropriateness of the discounted cash flow method; (iii) testing the completeness and accuracy of underlying data used in the method; and (iv) evaluating the significant assumptions related to net sales, cost of products sold, SG&A, discount rates and long-term growth rates. Evaluating management's assumptions related to net sales, cost of products sold, SG&A, discount rates and long-term growth rates involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the reporting unit; (ii) the consistency with external market and industry data; and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of (i) the Company's discounted cash flow method and (ii) the discount rate and long-term growth rate assumptions.

Indefinite-Lived Intangible Assets Impairment Assessments

As described in Notes 2 and 8 to the consolidated financial statements, the Company's consolidated indefinite-lived intangible assets balance, which consists primarily of individual brands, was \$38.6 billion as of December 31, 2022. Historically, management tested brands for impairment annually as of the first day of the second quarter, or more frequently if events or circumstances indicate it is more likely than not that the fair value of a brand is less than its carrying amount. Beginning in the third quarter of 2022 and for subsequent annual periods, management voluntarily changed the annual impairment assessment date to the first day of the third quarter. Brands are tested for impairment by comparing the estimated fair value of each brand with its carrying amount. If the carrying amount of a brand exceeds its estimated fair value, an impairment loss is recorded based on the difference between the fair value and carrying amount. Management recognized non-cash indefinite-lived intangible asset impairment losses of \$462 million for the year ended December 31, 2022. As disclosed by management, management utilizes either an excess earnings method or relief from royalty method to estimate the fair value of its brands. Using the excess earnings method, management's cash flow projections included significant assumptions relating to net sales, cost of products sold, SG&A, contributory asset charges, income tax considerations, long-term growth rates, discount rates, and other market factors. Using the relief from royalty method, management's cash flow projections included significant assumptions related to net sales, royalty rates, income tax considerations, long-term growth rates, discount rates, and other market factors.

The principal considerations for our determination that performing procedures relating to the indefinite-lived intangible assets impairment assessment is a critical audit matter are (i) the significant judgment by management when developing the fair value of the brands; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to net sales, cost of products sold, SG&A, long-term growth rates and discount rates for the excess earnings method and net sales, royalty rates, long-term growth rates and discount rates for the relief from royalty method; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's indefinite-lived intangible assets impairment assessment, including controls over the valuation of the Company's indefinite-lived intangible assets. These procedures also included, among others (i) testing management's process for developing the fair value of the brands; (ii) evaluating the appropriateness of the excess earnings and relief from royalty methods; (iii) testing the completeness and accuracy of underlying data used in the methods; and (iv) evaluating the significant assumptions used by management related to net sales, cost of products sold, SG&A, long-term growth rates and discount rates for the excess earnings method and net sales, royalty rates, long-term growth rates and discount rates for the relief from royalty method. Evaluating management's assumptions related to net sales, cost of products sold, SG&A, long-term growth rates and discount rates for the excess earnings method and net sales, royalty rates, long-term growth rates and discount rates for the relief from royalty method involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the individual brands; (ii) the consistency with external market and industry data; and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of (i) the Company's excess earnings and relief from royalty methods and (ii) the royalty rate for the relief from royalty method and long-term growth rate and discount rate assumptions for the excess earnings method and relief from royalty method.

/s/ PricewaterhouseCoopers LLP
Chicago, Illinois
February 16, 2023

We have served as the Company's or its predecessors' auditor since 1979.

The Kraft Heinz Company
Consolidated Statements of Income
(in millions, except per share data)

	December 31, 2022	December 25, 2021	December 26, 2020
Net sales	\$ 26,485	\$ 26,042	\$ 26,185
Cost of products sold	18,363	17,360	17,008
Gross profit	8,122	8,682	9,177
Selling, general and administrative expenses, excluding impairment losses	3,575	3,588	3,650
Goodwill impairment losses	444	318	2,343
Intangible asset impairment losses	469	1,316	1,056
Selling, general and administrative expenses	4,488	5,222	7,049
Operating income/(loss)	3,634	3,460	2,128
Interest expense	921	2,047	1,394
Other expense/(income)	(253)	(295)	(296)
Income/(loss) before income taxes	2,966	1,708	1,030
Provision for/(benefit from) income taxes	598	684	669
Net income/(loss)	2,368	1,024	361
Net income/(loss) attributable to noncontrolling interest	5	12	5
Net income/(loss) attributable to common shareholders	\$ 2,363	\$ 1,012	\$ 356
Per share data applicable to common shareholders:			
Basic earnings/(loss)	\$ 1.93	\$ 0.83	\$ 0.29
Diluted earnings/(loss)	1.91	0.82	0.29

See accompanying notes to the consolidated financial statements.

The Kraft Heinz Company
Consolidated Statements of Comprehensive Income
(in millions)

	December 31, 2022	December 25, 2021	December 26, 2020
Net income/(loss)	\$ 2,368	\$ 1,024	\$ 361
Other comprehensive income/(loss), net of tax:			
Foreign currency translation adjustments	(914)	(236)	327
Net deferred gains/(losses) on net investment hedges	343	169	(321)
Amounts excluded from the effectiveness assessment of net investment hedges	32	35	26
Net deferred losses/(gains) on net investment hedges reclassified to net income/(loss)	(28)	(29)	(17)
Net deferred gains/(losses) on cash flow hedges	(72)	(91)	144
Amounts excluded from the effectiveness assessment of cash flow hedges	14	27	24
Net deferred losses/(gains) on cash flow hedges reclassified to net income/(loss)	26	68	(116)
Net actuarial gains/(losses) arising during the period	(386)	232	(27)
Net postemployment benefit losses/(gains) reclassified to net income/(loss)	(8)	(26)	(118)
Total other comprehensive income/(loss)	(993)	149	(78)
Total comprehensive income/(loss)	1,375	1,173	283
Comprehensive income/(loss) attributable to noncontrolling interest	(2)	18	8
Comprehensive income/(loss) attributable to common shareholders	\$ 1,377	\$ 1,155	\$ 275

See accompanying notes to the consolidated financial statements.

The Kraft Heinz Company
Consolidated Balance Sheets
(in millions, except per share data)

	December 31, 2022	December 25, 2021
ASSETS		
Cash and cash equivalents	\$ 1,040	\$ 3,445
Trade receivables (net of allowances of \$46 at December 31, 2022 and \$48 at December 25, 2021)	2,120	1,957
Inventories	3,651	2,729
Prepaid expenses	240	136
Other current assets	842	716
Assets held for sale	4	11
Total current assets	7,897	8,994
Property, plant and equipment, net	6,740	6,806
Goodwill	30,833	31,296
Intangible assets, net	42,649	43,542
Other non-current assets	2,394	2,756
TOTAL ASSETS	\$ 90,513	\$ 93,394
LIABILITIES AND EQUITY		
Commercial paper and other short-term debt	\$ 6	\$ 14
Current portion of long-term debt	831	740
Trade payables	4,848	4,753
Accrued marketing	749	804
Interest payable	264	268
Income taxes payable	136	541
Other current liabilities	2,194	1,944
Total current liabilities	9,028	9,064
Long-term debt	19,233	21,061
Deferred income taxes	10,152	10,536
Accrued postemployment costs	144	205
Long-term deferred income	1,477	1,534
Other non-current liabilities	1,609	1,542
TOTAL LIABILITIES	41,643	43,942
Commitments and Contingencies (Note 15)		
Redeemable noncontrolling interest	40	4
Equity:		
Common stock, \$0.01 par value (5,000 shares authorized; 1,243 shares issued and 1,225 shares outstanding at December 31, 2022; 1,235 shares issued and 1,224 shares outstanding at December 25, 2021)	12	12
Additional paid-in capital	51,834	53,379
Retained earnings/(deficit)	489	(1,682)
Accumulated other comprehensive income/(losses)	(2,810)	(1,824)
Treasury stock, at cost (18 shares at December 31, 2022 and 11 shares at December 25, 2021)	(847)	(587)
Total shareholders' equity	48,678	49,298
Noncontrolling interest	152	150
TOTAL EQUITY	48,830	49,448
TOTAL LIABILITIES AND EQUITY	\$ 90,513	\$ 93,394

See accompanying notes to the consolidated financial statements.

The Kraft Heinz Company
Consolidated Statements of Equity
(in millions)

	Common Stock	Additional Paid-in Capital	Retained Earnings/(Deficit)	Accumulated Other Comprehensive Income/(Losses)	Treasury Stock, at Cost	Noncontrolling Interest	Total Equity
Balance at December 28, 2019	\$ 12	\$ 56,828	\$ (3,060)	\$ (1,886)	\$ (271)	\$ 126	\$ 51,749
Net income/(loss) excluding redeemable noncontrolling interest	—	—	356	—	—	15	371
Other comprehensive income/(loss) excluding redeemable noncontrolling interest	—	—	—	(81)	—	3	(78)
Dividends declared-common stock (\$1.60 per share)	—	(1,973)	—	—	—	—	(1,973)
Dividends declared-noncontrolling interest (\$75.32 per share)	—	—	—	—	—	(4)	(4)
Exercise of stock options, issuance of other stock awards, and other	—	241	10	—	(73)	—	178
Balance at December 26, 2020	12	55,096	(2,694)	(1,967)	(344)	140	50,243
Net income/(loss) excluding redeemable noncontrolling interest	—	—	1,012	—	—	12	1,024
Other comprehensive income/(loss) excluding redeemable noncontrolling interest	—	—	—	143	—	6	149
Dividends declared-common stock (\$1.60 per share)	—	(1,979)	—	—	—	—	(1,979)
Dividends declared-noncontrolling interest (\$108.71 per share)	—	—	—	—	—	(8)	(8)
Exercise of stock options, issuance of other stock awards, and other	—	262	—	—	(243)	—	19
Balance at December 25, 2021	12	53,379	(1,682)	(1,824)	(587)	150	49,448
Net income/(loss) excluding redeemable noncontrolling interest	—	—	2,363	—	—	9	2,372
Other comprehensive income/(loss) excluding redeemable noncontrolling interest	—	—	—	(986)	—	(4)	(990)
Dividends declared-common stock (\$1.60 per share)	—	(1,779)	(193)	—	—	—	(1,972)
Dividends declared-noncontrolling interest (\$100.30 per share)	—	—	—	—	—	(7)	(7)
Exercise of stock options, issuance of other stock awards, and other	—	234	1	—	(260)	4	(21)
Balance at December 31, 2022	<u>\$ 12</u>	<u>\$ 51,834</u>	<u>\$ 489</u>	<u>\$ (2,810)</u>	<u>\$ (847)</u>	<u>\$ 152</u>	<u>\$ 48,830</u>

See accompanying notes to the consolidated financial statements.

The Kraft Heinz Company
Consolidated Statements of Cash Flows
(in millions)

	December 31, 2022	December 25, 2021	December 26, 2020
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income/(loss)	\$ 2,368	\$ 1,024	\$ 361
Adjustments to reconcile net income/(loss) to operating cash flows:			
Depreciation and amortization	933	910	969
Amortization of postemployment benefit plans prior service costs/(credits)	(14)	(7)	(122)
Divestiture-related license income	(56)	(4)	—
Equity award compensation expense	148	197	156
Deferred income tax provision/(benefit)	(278)	(1,042)	(343)
Postemployment benefit plan contributions	(23)	(27)	(27)
Goodwill and intangible asset impairment losses	913	1,634	3,399
Nonmonetary currency devaluation	17	—	6
Loss/(gain) on sale of business	(25)	(44)	2
Proceeds from sale of license	—	1,587	—
Loss/(gain) on extinguishment of debt	(38)	917	124
Other items, net	7	(187)	(54)
Changes in current assets and liabilities:			
Trade receivables	(228)	87	(26)
Inventories	(1,121)	(144)	(249)
Accounts payable	152	408	207
Other current assets	(314)	(32)	40
Other current liabilities	28	87	486
Net cash provided by/(used for) operating activities	2,469	5,364	4,929
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(916)	(905)	(596)
Payments to acquire business, net of cash acquired	(481)	(74)	—
Settlement of net investment hedges	208	(28)	25
Proceeds from sale of business, net of cash disposed and working capital adjustments	88	5,014	—
Other investing activities, net	10	31	49
Net cash provided by/(used for) investing activities	(1,091)	4,038	(522)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayments of long-term debt	(1,465)	(6,202)	(4,697)
Proceeds from issuance of long-term debt	—	—	3,500
Debt prepayment and extinguishment benefit/(costs)	10	(924)	(116)
Proceeds from revolving credit facility	—	—	4,000
Repayments of revolving credit facility	—	—	(4,000)
Proceeds from issuance of commercial paper	228	—	—
Repayments of commercial paper	(228)	—	—
Dividends paid	(1,960)	(1,959)	(1,958)
Other financing activities, net	(299)	(259)	(60)
Net cash provided by/(used for) financing activities	(3,714)	(9,344)	(3,331)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(69)	(30)	62
Cash, cash equivalents, and restricted cash			
Net increase/(decrease)	(2,405)	28	1,138
Balance at beginning of period	3,446	3,418	2,280
Balance at end of period	<u>\$ 1,041</u>	<u>\$ 3,446</u>	<u>\$ 3,418</u>
CASH PAID DURING THE PERIOD FOR:			
Interest	\$ 937	\$ 1,196	\$ 1,286
Income taxes, net of refunds	1,260	1,295	1,027

See accompanying notes to the consolidated financial statements.

The Kraft Heinz Company
Notes to Consolidated Financial Statements

Note 1. Basis of Presentation

Organization

On July 2, 2015 (the “2015 Merger Date”), through a series of transactions, we consummated the merger of Kraft Foods Group, Inc. (“Kraft”) with and into a wholly-owned subsidiary of H.J. Heinz Holding Corporation (“Heinz”) (the “2015 Merger”). At the closing of the 2015 Merger, Heinz was renamed The Kraft Heinz Company. Before the consummation of the 2015 Merger, Heinz was controlled by Berkshire Hathaway Inc. and 3G Global Food Holdings, LP, following their acquisition of H. J. Heinz Company on June 7, 2013 (the “2013 Heinz Acquisition”).

We operate on a 52- or 53-week fiscal year ending on the last Saturday in December in each calendar year. Unless the context requires otherwise, references to years and quarters contained herein pertain to our fiscal years and fiscal quarters. Our 2022 fiscal year was a 53-week period that ended on December 31, 2022, our 2021 fiscal year was a 52-week period that ended on December 25, 2021, and our 2020 fiscal year was a 52-week period that ended on December 26, 2020.

Principles of Consolidation

The consolidated financial statements include The Kraft Heinz Company and all of our controlled subsidiaries. All intercompany transactions are eliminated.

Reportable Segments

In the second quarter of 2022, our internal reporting and reportable segments changed. We combined our United States and Canada zones to form the North America zone as a result of previously announced organizational changes, which are intended to advance and support our long-term growth plans by streamlining and synergizing our United States and Canada businesses. Subsequently, we manage and report our operating results through two reportable segments defined by geographic region: North America and International. We have reflected this change in all historical periods presented.

Use of Estimates

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which requires us to make accounting policy elections, estimates, and assumptions that affect the reported amount of assets, liabilities, reserves, and expenses. These accounting policy elections, estimates, and assumptions are based on our best estimates and judgments. We evaluate our policy elections, estimates, and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment. We believe these estimates to be reasonable given the current facts available. We adjust our policy elections, estimates, and assumptions when facts and circumstances dictate. Market volatility, including foreign currency exchange rates, increases the uncertainty inherent in our estimates and assumptions. As future events and their effects cannot be determined with precision, actual results could differ significantly from estimates. If actual amounts differ from estimates, we include the revisions in our consolidated results of operations in the period the actual amounts become known. Historically, the aggregate differences, if any, between our estimates and actual amounts in any year have not had a material effect on our consolidated financial statements.

Reclassifications

We made reclassifications and adjustments to certain previously reported financial information to conform to our current period presentation.

Held for Sale

At December 31, 2022, we classified certain assets as held for sale in our consolidated balance sheet, primarily relating to land use rights across the globe. At December 25, 2021, we classified certain assets as held for sale in our consolidated balance sheet, including inventory in our International segment and certain manufacturing equipment and land use rights across the globe.

Cash, Cash Equivalents, and Restricted Cash

Cash equivalents include term deposits with banks, money market funds, and all highly liquid investments with original maturities of three months or less. The fair value of cash equivalents approximates the carrying amount. Cash and cash equivalents that are legally restricted as to withdrawal or usage are classified in other current assets or other non-current assets, as applicable, on the consolidated balance sheets. Restricted cash recorded in other non-current assets was \$1 million at December 31, 2022 and \$1 million at December 25, 2021. Total cash, cash equivalents, and restricted cash was \$1,041 million at December 31, 2022 and \$3,446 million at December 25, 2021.

Note 2. Significant Accounting Policies

Revenue Recognition:

Our revenues are primarily derived from customer orders for the purchase of our products. We recognize revenues as performance obligations are fulfilled when control passes to our customers. We record revenues net of variable consideration, including consumer incentives and performance obligations related to trade promotions, excluding taxes, and including all shipping and handling charges billed to customers (accounting for shipping and handling charges that occur after the transfer of control as fulfillment costs). We also record a refund liability for estimated product returns and customer allowances as reductions to revenues within the same period that the revenue is recognized. We base these estimates principally on historical and current period experience factors. We recognize costs paid to third party brokers to obtain contracts as expenses as our contracts are generally less than one year.

Advertising, Consumer Incentives, and Trade Promotions:

We promote our products with advertising, consumer incentives, and performance obligations related to trade promotions. Consumer incentives and trade promotions include, but are not limited to, discounts, coupons, rebates, performance-based in-store display activities, and volume-based incentives. Variable consideration related to consumer incentive and trade promotion activities is recorded as a reduction to revenues based on amounts estimated as being due to customers and consumers at the end of a period. We base these estimates principally on historical utilization, redemption rates, and/or current period experience factors. We review and adjust these estimates at least quarterly based on actual experience and other information.

Advertising expenses are recorded in selling, general and administrative expenses ("SG&A"). For interim reporting purposes, we charge advertising to operations as a percentage of estimated full year sales activity and marketing costs. We then review and adjust these estimates each quarter based on actual experience and other information. Our definition of advertising expenses includes advertising production costs, in-store advertising costs, agency fees, brand promotions and events, and sponsorships, in addition to costs to obtain advertising in television, radio, print, digital, and social channels. We recorded advertising expenses of \$945 million in 2022, \$1,039 million in 2021, and \$1,070 million in 2020. We also incur market research costs, which are recorded in SG&A but are excluded from advertising expenses.

Research and Development Expense:

We expense costs as incurred for product research and development within SG&A. Research and development expenses were approximately \$127 million in 2022, \$140 million in 2021, and \$119 million in 2020.

Stock-Based Compensation:

We recognize compensation costs related to equity awards on a straight-line basis over the vesting period of the award, which is generally three to five years, or on a straight-line basis over the requisite service period for each separately vesting portion of the awards. These costs are primarily recognized within SG&A. We estimate expected forfeitures rather than recognizing forfeitures as they occur in determining our equity award compensation costs. We classify equity award compensation costs primarily within general corporate expenses. See Note 10, *Employees' Stock Incentive Plans*, for additional information.

Postemployment Benefit Plans:

We maintain various retirement plans for the majority of our employees. These include pension benefits, postretirement health care benefits, and defined contribution benefits. The cost of these plans is charged to expense over an appropriate term based on, among other things, the cost component and whether the plan is active or inactive. Changes in the fair value of our plan assets result in net actuarial gains or losses. These net actuarial gains and losses are deferred into accumulated other comprehensive income/(losses) and amortized within other expense/(income) in future periods using the corridor approach. The corridor is 10% of the greater of the market-related value of the plan's asset or projected benefit obligation. Any actuarial gains and losses in excess of the corridor are then amortized over an appropriate term based on whether the plan is active or inactive. See Note 11, *Postemployment Benefits*, for additional information.

Income Taxes:

We recognize income taxes based on amounts refundable or payable for the current year and record deferred tax assets or liabilities for any difference between the financial reporting and tax basis of our assets and liabilities. We also recognize deferred tax assets for temporary differences, operating loss carryforwards, and tax credit carryforwards. Inherent in determining our annual tax rate are judgments regarding business plans, planning opportunities, and expectations about future outcomes. Realization of certain deferred tax assets, primarily net operating loss and other carryforwards, is dependent upon generating sufficient taxable income in the appropriate jurisdiction prior to the expiration of the carryforward periods.

We apply a more-likely-than-not threshold to the recognition and derecognition of uncertain tax positions. Accordingly, we recognize the amount of tax benefit that has a greater than 50 percent likelihood of being ultimately realized upon settlement. Future changes in judgment related to the expected ultimate resolution of uncertain tax positions will affect our results in the quarter of such change.

We record valuation allowances to reduce deferred tax assets to the amount that is more likely than not to be realized. When assessing the need for valuation allowances, we consider future taxable income and ongoing prudent and feasible tax planning strategies. Should a change in circumstances lead to a change in judgment about the realizability of deferred tax assets in future years, we would adjust related valuation allowances in the period that the change in circumstances occurs, along with a corresponding adjustment to our provision for/(benefit from) income taxes. The resolution of tax reserves and changes in valuation allowances could be material to our results of operations for any period, but is not expected to be material to our financial position.

Common Stock and Preferred Stock Dividends:

Dividends are recorded as a reduction to retained earnings. When we have an accumulated deficit, dividends are recorded as a reduction of additional paid-in capital.

Inventories:

Inventories are stated at the lower of cost or net realizable value. We value inventories primarily using the average cost method.

Property, Plant and Equipment:

Property, plant and equipment are stated at historical cost and depreciated on the straight-line method over the estimated useful lives of the assets. Machinery and equipment are depreciated over periods ranging from three years to 20 years and buildings and improvements over periods up to 40 years. Capitalized software costs are included in property, plant and equipment if we have the contractual right to take possession of the software at any time and it is feasible for us to either run the software on our own hardware or contract with a third party to host the software. These costs are amortized on a straight-line basis over the estimated useful lives of the software, which do not exceed seven years. We review long-lived assets for impairment when conditions exist that indicate the carrying amount of the assets may not be fully recoverable. Such conditions could include significant adverse changes in the business climate, current-period operating or cash flow losses, significant declines in forecasted operations, or a current expectation that an asset group will be disposed of before the end of its useful life. We perform undiscounted operating cash flow analyses to determine if an impairment exists. When testing for impairment of assets held for use, we group assets at the lowest level for which cash flows are separately identifiable. If an impairment is determined to exist, the loss is calculated based on estimated fair value. Impairment losses on assets to be disposed of, if any, are based on the estimated proceeds to be received, less costs of disposal.

Hosted Cloud Computing Arrangement that is a Service Contract:

Deferred implementation costs for hosted cloud computing service arrangements are stated at historical cost and amortized on a straight-line basis over the term of the hosting arrangement that the implementation costs relate to. Deferred implementation costs to be amortized during the next 12 months for these arrangements are included in prepaid expenses and amortized to SG&A. All remaining amounts to be amortized are included in other non-current assets. The corresponding cash flows related to these arrangements will be reported within operating activities. We review the deferred implementation costs for impairment when we believe the deferred costs may no longer be recoverable. Such conditions could include situations where the arrangement is not expected to provide substantive service potential, a significant change occurs in the manner in which the arrangement is used or expected to be used, including early cancellation or termination of the arrangement, or situations where the arrangement has had, or will have, a significant change made to it. In instances where we have concluded that an impairment exists, we accelerate the deferred costs on the consolidated balance sheet for immediate expense recognition in SG&A.

Goodwill and Intangible Assets:

We maintain 11 reporting units, seven of which comprise our goodwill balance. Our indefinite-lived intangible asset balance primarily consists of a number of individual brands. We test our reporting units and brands for impairment annually as of the first day of our third quarter, or more frequently if events or circumstances indicate it is more likely than not that the fair value of a reporting unit or brand is less than its carrying amount. Such events and circumstances could include a sustained decrease in our market capitalization, increased competition or unexpected loss of market share, increased input costs beyond projections, disposals of significant brands or components of our business, unexpected business disruptions (for example due to a natural disaster, pandemic, or loss of a customer, supplier, or other significant business relationship), unexpected significant declines in operating results, significant adverse changes in the markets in which we operate, changes in income tax rates, changes in interest rates, or changes in management strategy. We test reporting units for impairment by comparing the estimated fair value of each reporting unit with its carrying amount. We test brands for impairment by comparing the estimated fair value of each brand with its carrying amount. If the carrying amount of a reporting unit or brand exceeds its estimated fair value, we record an impairment loss based on the difference between fair value and carrying amount, in the case of reporting units, not to exceed the associated carrying amount of goodwill. See Note 8, *Goodwill and Intangible Assets*, in Item 8, *Financial Statements and Supplementary Data*, for a discussion of the timing of the annual impairment test.

Definite-lived intangible assets are amortized on a straight-line basis over the estimated periods benefited. We review definite-lived intangible assets for impairment when conditions exist that indicate the carrying amount of the assets may not be recoverable. Such conditions could include significant adverse changes in the business climate, current-period operating or cash flow losses, significant declines in forecasted operations, or a current expectation that an asset group will be disposed of before the end of its useful life. We perform undiscounted operating cash flow analyses to determine if an impairment exists. When testing for impairment of definite-lived intangible assets held for use, we group assets at the lowest level for which cash flows are separately identifiable. If an impairment is determined to exist, the loss is calculated based on estimated fair value. Impairment losses on definite-lived intangible assets to be disposed of, if any, are based on the estimated proceeds to be received, less costs of disposal.

See Note 8, *Goodwill and Intangible Assets*, for additional information.

Leases:

We determine whether a contract is or contains a lease at contract inception based on the presence of identified assets and our right to obtain substantially all the economic benefit from and to direct the use of such assets. When we determine a lease exists, we record a right-of-use (“ROU”) asset and corresponding lease liability on our consolidated balance sheet. ROU assets represent our right to use an underlying asset for the lease term. Lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets are recognized at the lease commencement date at the value of the lease liability and are adjusted for any prepayments, lease incentives received, and initial direct costs incurred. Lease liabilities are recognized at the lease commencement date based on the present value of remaining lease payments over the lease term. As the discount rate implicit in the lease is not readily determinable in most of our leases, we use our incremental borrowing rate (dependent on tenor and currency and adjusted to reflect collateralization) based on the information available at the lease commencement date in determining the present value of lease payments. Our lease terms include options to extend or terminate the lease when it is reasonably certain that we will exercise that option.

We do not record lease contracts with a term of 12 months or less on our consolidated balance sheets.

We recognize fixed lease expense for operating leases on a straight-line basis over the lease term. For finance leases, we recognize amortization expense over the shorter of the estimated useful life of the underlying assets or the lease term. In instances of title transfer, expense is recognized over the useful life. Interest expense on a finance lease is recognized using the effective interest method over the lease term.

We have lease agreements with non-lease components that relate to the lease components (e.g., common area maintenance such as cleaning or landscaping, insurance, etc.). We account for each lease and any non-lease components associated with that lease as a single lease component for all underlying asset classes. Accordingly, all costs associated with a lease contract are accounted for as lease costs.

Certain leasing arrangements require variable payments that are dependent on usage or output or may vary for other reasons, such as insurance and tax payments. Variable lease payments that do not depend on an index or rate are excluded from lease payments in the measurement of the ROU asset and lease liability and are recognized as expense in the period in which the payment occurs.

Our lease agreements do not include significant restrictions or covenants, and residual value guarantees are generally not included within our leases.

Financial Instruments:

As we source our commodities on global markets and periodically enter into financing or other arrangements abroad, we use a variety of risk management strategies and financial instruments to manage commodity price, foreign currency exchange rate, and interest rate risks. Our risk management program focuses on the unpredictability of financial markets and seeks to reduce the potentially adverse effects that the volatility of these markets may have on our operating results. One way we do this is through actively hedging our risks through the use of derivative instruments. As a matter of policy, we do not use highly leveraged derivative instruments, nor do we use financial instruments for speculative purposes.

Derivatives are recorded on our consolidated balance sheets as assets or liabilities at fair value, which fluctuates based on changing market conditions.

Certain derivatives are designated as cash flow hedges and qualify for hedge accounting treatment, while others are not designated as hedging instruments and are marked to market through net income/(loss). The gains and losses on cash flow hedges are deferred as a component of accumulated other comprehensive income/(losses) and are recognized in net income/(loss) at the time the hedged item affects net income/(loss), in the same line item as the underlying hedged item. The excluded component on cash flow hedges is recognized in net income/(loss) over the life of the hedging relationship in the same income statement line item as the underlying hedged item. We also designate certain derivatives and non-derivatives as net investment hedges to hedge the net assets of certain foreign subsidiaries which are exposed to volatility in foreign currency exchange rates. Changes in the value of these derivatives and remeasurements of our non-derivatives designated as net investment hedges are calculated each period using the spot method, with changes reported in foreign currency translation adjustment within accumulated other comprehensive income/(losses). Such amounts will remain in accumulated other comprehensive income/(losses) until the complete or substantially complete liquidation of our investment in the underlying foreign operations. The excluded component on derivatives designated as net investment hedges is recognized in net income/(loss) within interest expense. The income statement classification of gains and losses related to derivative instruments not designated as hedging instruments is determined based on the underlying intent of the contracts. Cash flows related to the settlement of derivative instruments designated as net investment hedges of foreign operations are classified in the consolidated statements of cash flows within investing activities. All other cash flows related to derivative instruments are classified in the same line item as the cash flows of the related hedged item, which is generally within operating activities.

To qualify for hedge accounting, a specified level of hedging effectiveness between the hedging instrument and the item being hedged must be achieved at inception and maintained throughout the hedged period. When a hedging instrument no longer meets the specified level of hedging effectiveness, we reclassify the related hedge gains or losses previously deferred into other comprehensive income/(losses) to net income/(loss) within other expense/(income). We formally document our risk management objectives, our strategies for undertaking the various hedge transactions, the nature of and relationships between the hedging instruments and hedged items, and the method for assessing hedge effectiveness. Additionally, for qualified hedges of forecasted transactions, we specifically identify the significant characteristics and expected terms of the forecasted transactions. If it becomes probable that a forecasted transaction will not occur, the hedge will no longer be effective and all of the derivative gains or losses would be recognized in net income/(loss) in the current period.

Unrealized gains and losses on our commodity derivatives not designated as hedging instruments are recorded in cost of products sold and are included within general corporate expenses until realized. Once realized, the gains and losses are included within the applicable segment operating results. See Note 12, *Financial Instruments*, for additional information.

Our designated and undesignated derivative contracts include:

- *Net investment hedges.* We have numerous investments in our foreign subsidiaries, the net assets of which are exposed to volatility in foreign currency exchange rates. We manage this risk by utilizing derivative and non-derivative instruments, including cross-currency swap contracts, foreign exchange contracts, and certain foreign denominated debt designated as net investment hedges. We exclude the interest accruals and any off-market values on cross-currency swap contracts and the forward points on foreign exchange forward contracts from the assessment and measurement of hedge effectiveness. We recognize the interest accruals and any amortization of off-market values on cross-currency swap contracts in net income/(loss) within interest expense. We amortize the forward points on foreign exchange contracts into net income/(loss) within interest expense over the life of the hedging relationship.

- *Foreign currency cash flow hedges.* We use various financial instruments to mitigate our exposure to changes in exchange rates from third-party and intercompany actual and forecasted transactions. Our principal foreign currency exposures that are hedged include the euro, British pound sterling, and Canadian dollar. These instruments include cross-currency swap contracts and foreign exchange forward and option contracts. Substantially all of these derivative instruments are highly effective and qualify for hedge accounting treatment. We exclude the interest accruals on cross-currency swap contracts (when interest is not a hedged item) and the forward points and option premiums or discounts on foreign exchange contracts from the assessment and measurement of hedge effectiveness and amortize such amounts into net income/(loss) in the same line item as the underlying hedged item over the life of the hedging relationship.
- *Interest rate cash flow hedges.* From time to time, we have used derivative instruments, including interest rate swaps, as part of our interest rate risk management strategy. We have primarily used interest rate swaps to hedge the variability of interest payment cash flows on a portion of our future debt obligations.
- *Commodity derivatives.* We are exposed to price risk related to forecasted purchases of certain commodities that we primarily use as raw materials. We enter into commodity purchase contracts primarily for dairy products, vegetable oils, coffee beans, wheat products, corn products, sugar, meat products, and cocoa products. These commodity purchase contracts generally are not subject to the accounting requirements for derivative instruments and hedging activities under the normal purchases and normal sales exception. We also use commodity futures, options, and swaps to economically hedge the price of certain commodity costs, including the commodities noted above, as well as diesel fuel, packaging products, and natural gas. We do not designate these commodity contracts as hedging instruments. We also occasionally use futures to economically cross hedge a commodity exposure.

Translation of Foreign Currencies:

For all significant foreign operations, the functional currency is the local currency. Assets and liabilities of these operations are translated at the exchange rate in effect at each period end. Income statement accounts are translated at the average rate of exchange prevailing during the period. Foreign currency translation adjustments arising from the use of differing exchange rates from period to period are included as a component of accumulated other comprehensive income/(losses) on our consolidated balance sheet. Gains and losses from foreign currency transactions are included in net income/(loss) for the period.

Highly Inflationary Accounting:

We apply highly inflationary accounting if the cumulative inflation rate in an economy for a three-year period meets or exceeds 100%. Under highly inflationary accounting, the financial statements of a subsidiary are remeasured into our reporting currency (U.S. dollars) based on the legally available exchange rate at which we expect to settle the underlying transactions. Exchange gains and losses from the remeasurement of monetary assets and liabilities are reflected in other expense/(income) on our consolidated statement of income, rather than accumulated other comprehensive income/(losses) on our consolidated balance sheet, until such time as the economy is no longer considered highly inflationary. Certain non-monetary assets and liabilities are recorded at the applicable historical exchange rates. We applied highly inflationary accounting to the results of our subsidiaries in Turkey, Venezuela, and Argentina which resulted in insignificant nonmonetary currency devaluation losses in other expense/(income) in the periods presented. The net monetary assets of each of our subsidiaries in Turkey, Venezuela, and Argentina were insignificant at December 31, 2022. Our results of operations in Turkey, Venezuela, and Argentina reflect those of controlled subsidiaries.

Note 3. New Accounting Standards

Accounting Standards Not Yet Adopted

Accounting for Contract Assets and Contract Liabilities from Contracts with Customers:

In October 2021, the Financial Accounting Standards Board (the “FASB”) issued Accounting Standards Update (“ASU”) 2021-08 to amend the accounting for contract assets and contract liabilities acquired in a business combination under Accounting Standards Codification (“ASC”) 805, *Business Combinations*. The guidance requires entities engaged in a business combination to recognize and measure contract assets acquired and contract liabilities assumed in accordance with ASC 606, *Revenue from Contracts with Customers*, rather than at fair value on the acquisition date. The amendments also apply to other contracts such as contract liabilities arising from nonfinancial assets under ASC 610-20, *Other Income – Gains and Losses from the Derecognition of Nonfinancial Assets*. The ASU will be effective beginning in the first quarter of 2023. Early adoption is permitted, including in an interim period. We currently expect to adopt ASU 2021-08 in the first quarter of 2023 on a prospective basis. While the impact of these amendments is dependent on the nature of any future transactions, we currently do not expect this ASU to have a significant impact on our financial statements and related disclosures.

Supplier Finance Programs (Topic 405-50) - Disclosure of Supplier Finance Program Obligations:

In September 2022, the FASB issued ASU 2022-04 to add disclosure requirements relative to supplier financing programs under ASC 405, *Liabilities*. The guidance requires entities that maintain supplier financing programs to provide information in their financial statements about their use of supplier finance programs and their effect on the entity's working capital, liquidity, and cash flows. Specifically, the amendment requires entities to disclose the key terms of their programs, amounts outstanding, balance sheet presentation, and a rollforward of amounts outstanding during the annual period. Only the amount outstanding at the end of the period is required to be disclosed in interim periods. The ASU will be effective beginning in the first quarter of 2023, except for the rollforward requirement, which is effective in fiscal year 2024. Early adoption is permitted. While we currently disclose the amounts outstanding on our existing trade payables programs, we are reviewing the provisions of this new pronouncement but do not expect this ASU to have a significant impact on our financial statements and related disclosures.

Note 4. Acquisitions and Divestitures**Acquisitions*****Hemmer Acquisition:***

On March 31, 2022 (the "Hemmer Acquisition Date"), we acquired a majority of the outstanding equity interests of Companhia Hemmer Indústria e Comércio ("Hemmer"), a Brazilian food and beverage manufacturing company focused on the condiments and sauces category, from certain third-party shareholders (the "Hemmer Acquisition").

The Hemmer Acquisition was accounted for under the acquisition method of accounting for business combinations. Total cash consideration related to the Hemmer Acquisition was approximately 1.3 billion Brazilian reais (approximately \$279 million at the Hemmer Acquisition Date). A noncontrolling interest was recognized at fair value, which was determined to be the noncontrolling interest's proportionate share of the acquiree's identifiable net assets, as of the Hemmer Acquisition Date. As of the Hemmer Acquisition Date, we acquired 94% of the outstanding shares of Hemmer. In the third quarter of 2022, we completed the redemption of the remaining outstanding shares and own 100% of the controlling interest in Hemmer.

We entered into foreign exchange derivative contracts to economically hedge the foreign currency exposure related to the cash consideration for the Hemmer Acquisition. See Note 12, *Financial Instruments*, for additional information.

We utilized fair values at the Hemmer Acquisition Date to allocate the total consideration exchanged to the net tangible and intangible assets acquired and liabilities assumed.

The fair value estimates of the assets acquired are subject to adjustment during the measurement period (up to one year from the Hemmer Acquisition Date). The primary areas of accounting for the Hemmer Acquisition that are not yet finalized relate to the fair value of certain tangible net assets acquired, residual goodwill, and any related tax impact. The fair values of these net assets acquired are based on management's estimates and assumptions, as well as other information compiled by management, including valuations that utilize customary valuation procedures and techniques. While we believe that such preliminary estimates provide a reasonable basis for estimating the fair value of assets acquired and liabilities assumed, we will evaluate any additional information prior to finalization of the fair value. During the measurement period, we will adjust preliminary valuations assigned to assets and liabilities if new information is obtained about facts and circumstances that existed as of the Hemmer Acquisition Date, that, if known, would have resulted in revised values for these items as of that date. The impact of all changes, if any, that do not qualify as measurement period adjustments will be included in current period earnings.

The preliminary purchase price allocation to assets acquired and liabilities assumed in the Hemmer Acquisition was (in millions):

	Initial Allocation ^(a)	Adjustments	Updated Allocation
Cash	\$ 1	\$ —	\$ 1
Trade receivables	13	—	13
Inventories	17	—	17
Other current assets	2	—	2
Property, plant and equipment, net	14	—	14
Identifiable intangible assets	122	—	122
Other non-current assets	13	4	17
Short-term debt	(9)	—	(9)
Trade payables	(11)	—	(11)
Other current liabilities	(31)	—	(31)
Long-term debt	(11)	—	(11)
Other non-current liabilities	(44)	—	(44)
Net assets acquired	76	4	80
Noncontrolling interest	(16)	—	(16)
Goodwill on acquisition	219	(4)	215
Total consideration	\$ 279	\$ —	\$ 279

(a) As reported in Note 4, *Acquisitions and Divestitures*, to our condensed consolidated financial statements in our Quarterly Report on Form 10-Q for the three months ended June 25, 2022.

The Hemmer Acquisition preliminarily resulted in \$219 million of non-tax deductible goodwill relating principally to Hemmer’s long-term experience and large presence operating in emerging markets. In the fourth quarter of 2022, a portion of the goodwill became tax deductible following the merger of Hemmer into our existing legal entity structure. This goodwill was assigned to the Latin America (“LATAM”) reporting unit within our International segment. In the fourth quarter of 2022, certain insignificant measurement period adjustments were made to the initial allocation, and the preliminary amount of goodwill was adjusted to \$215 million. See Note 8, *Goodwill and Intangible Assets*, for additional information.

The preliminary purchase price allocation to identifiable intangible assets acquired in the Hemmer Acquisition was:

	Fair Value (in millions of dollars)	Weighted Average Life (in years)
Definite-lived trademarks	\$ 101	13
Customer-related assets	21	15
Total	\$ 122	

We valued trademarks using the relief from royalty method and customer-related assets using the distributor method. Some of the more significant assumptions inherent in developing the valuations included the estimated annual net cash flows for each definite-lived intangible asset (including net sales, cost of products sold, selling and marketing costs, and working capital/contributory asset charges), the discount rate that appropriately reflects the risk inherent in each future cash flow stream, the assessment of each asset’s life cycle, and competitive trends, as well as other factors. We determined the assumptions used in the financial forecasts using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management’s plans, and market comparables.

We used carrying values as of the Hemmer Acquisition Date to value certain current and non-current assets and liabilities, as we determined that they represented the fair value of those items at such date.

Just Spices Acquisition:

On January 18, 2022 (the “Just Spices Acquisition Date”), we acquired 85% of the shares of Just Spices GmbH (“Just Spices”), a German-based company focused on direct-to-consumer sales of premium spice blends, from certain third-party shareholders (the “Just Spices Acquisition”).

The Just Spices Acquisition was accounted for under the acquisition method of accounting for business combinations. Total cash consideration related to the Just Spices Acquisition was approximately 214 million euros (approximately \$243 million at the Just Spices Acquisition Date). A noncontrolling interest was recognized at fair value, which was determined to be the noncontrolling interest's proportionate share of the acquiree's identifiable net assets, as of the Just Spices Acquisition Date. Under the terms of certain transaction agreements, Just Spices' other equity holders each have a put option to require us to purchase the remaining equity interests beginning three years after the Just Spices Acquisition Date. If the put option is not exercised, we have a call option to acquire the remaining equity interests of Just Spices. Considering the contractual terms related to the noncontrolling interest, it is classified as redeemable noncontrolling interest on our consolidated balance sheet.

Subsequent to the Just Spices Acquisition, the redeemable noncontrolling interest is measured at the greater of the amount that would be paid if settlement occurred as of the balance sheet date based on the contractually defined redemption value and its carrying amount adjusted for the net income/(loss) attributable to the noncontrolling interest.

We utilized fair values at the Just Spices Acquisition Date to allocate the total consideration exchanged to the net tangible and intangible assets acquired and liabilities assumed. The purchase price allocation for the Just Spices Acquisition was final as of December 31, 2022.

The final purchase price allocation to assets acquired and liabilities assumed in the Just Spices Acquisition was (in millions):

	Initial Allocation ^(a)	Adjustments	Final Allocation
Cash	\$ 2	\$ —	\$ 2
Trade receivables	4	—	4
Inventories	7	—	7
Other current assets	9	—	9
Property, plant and equipment, net	1	—	1
Identifiable intangible assets	172	—	172
Other non-current assets	—	7	7
Trade payables	(10)	—	(10)
Other current liabilities	(12)	—	(12)
Other non-current liabilities	(54)	—	(54)
Net assets acquired	119	7	126
Redeemable noncontrolling interest	(43)	4	(39)
Goodwill on acquisition	167	(11)	156
Total consideration	\$ 243	\$ —	\$ 243

(a) As reported in Note 4, *Acquisitions and Divestitures*, to our condensed consolidated financial statements in our Quarterly Report on Form 10-Q for the three months ended March 26, 2022.

The Just Spices Acquisition preliminarily resulted in \$167 million of non-tax deductible goodwill relating principally to Just Spices' social media presence. This goodwill was assigned to the Continental Europe reporting unit within our International segment. In the second quarter of 2022, certain insignificant measurement period adjustments were made to the initial allocation, and the preliminary amount of goodwill was adjusted to \$163 million. We did not record any measurement period adjustments in the third quarter of 2022. In the fourth quarter of 2022, additional insignificant measurement period adjustments were made to the initial allocation, and the final amount of goodwill was adjusted to \$156 million. In the fourth quarter of 2022, we finalized the purchase accounting for the Just Spices Acquisition. See Note 8, *Goodwill and Intangible Assets*, for additional information.

The purchase price allocation to identifiable intangible assets acquired in the Just Spices Acquisition was:

	Fair Value (in millions of dollars)	Weighted Average Life (in years)
Definite-lived trademarks	\$ 72	10
Customer-related assets	100	15
Total	\$ 172	

We valued trademarks using the relief from royalty method and customer-related assets using the distributor method. Some of the more significant assumptions inherent in developing the valuations included the estimated annual net cash flows for each definite-lived intangible asset (including net sales, cost of products sold, selling and marketing costs, and working capital/contributory asset charges), the discount rate that appropriately reflects the risk inherent in each future cash flow stream, the assessment of each asset's life cycle, and competitive trends, as well as other factors. We determined the assumptions used in the financial forecasts using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans, and market comparables.

We used carrying values as of the Just Spices Acquisition Date to value certain current and non-current assets and liabilities, as we determined that they represented the fair value of those items at such date.

Assan Foods Acquisition:

On October 1, 2021 (the "Assan Foods Acquisition Date"), we acquired all of the outstanding equity interests in Assan Gıda Sanayi ve Ticaret A.Ş. ("Assan Foods"), a condiments and sauces manufacturer based in Turkey, from third parties Kibar Holding Anonim Şirketi and a holder of registered shares of Assan Foods (the "Assan Foods Acquisition").

The Assan Foods Acquisition was accounted for under the acquisition method of accounting for business combinations. Total consideration related to the Assan Foods Acquisition was approximately \$79 million, including cash consideration of \$70 million and contingent consideration of approximately \$9 million. We utilized fair values at the Assan Foods Acquisition Date to allocate the total consideration exchanged to the net tangible and intangible assets acquired and liabilities assumed. The purchase price allocation for the Assan Foods Acquisition was final as of September 24, 2022.

The final purchase price allocation to assets acquired and liabilities assumed in the Assan Foods Acquisition was (in millions):

	Final Allocation
Cash	\$ 4
Trade receivables	24
Inventories	26
Other current assets	2
Property, plant and equipment, net	12
Identifiable intangible assets	16
Other non-current assets	5
Short-term debt	(21)
Current portion of long-term debt	(5)
Trade payables	(25)
Other current liabilities	(2)
Long-term debt	(4)
Other non-current liabilities	(4)
Net assets acquired	28
Goodwill on acquisition	51
Total consideration	\$ 79

In the fourth quarter of 2021, the Assan Foods Acquisition preliminarily resulted in \$64 million of non-tax deductible goodwill relating principally to additional capacity that the Assan Foods manufacturing facilities will provide for our brands in the EMEA East region. This goodwill was assigned to the EMEA East reporting unit within our International segment. Following the measurement period adjustments made in the first quarter of 2022, the preliminary amount of goodwill was adjusted to \$51 million as of March 26, 2022. In the second and third quarters of 2022, we did not record any measurement period adjustments. In the third quarter of 2022, we finalized the purchase accounting for the Assan Foods Acquisition. See Note 8, *Goodwill and Intangible Assets*, for additional information.

The purchase price allocation to identifiable intangible assets acquired in the Assan Foods Acquisition was:

	Fair Value (in millions of dollars)	Weighted Average Life (in years)
Definite-lived trademarks	\$ 13	10
Customer-related assets	3	10
Total	16	

We valued trademarks using the relief from royalty method and customer-related assets using the distributor method. Some of the more significant assumptions inherent in developing the valuations included the estimated annual net cash flows for each definite-lived intangible asset (including net sales, cost of products sold, selling and marketing costs, and working capital/contributory asset charges), the discount rate that appropriately reflects the risk inherent in each future cash flow stream, the assessment of each asset's life cycle, and competitive trends, as well as other factors. We determined the assumptions used in the financial forecasts using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans, and market comparables.

We used carrying values as of the Assan Foods Acquisition Date to value certain current and non-current assets and liabilities, as we determined that they represented the fair value of those items at such date.

In the fourth quarter of 2021, we extinguished approximately \$29 million of the short- and long-term debt assumed as a part of the Assan Foods Acquisition, resulting in approximately \$1 million of long-term debt remaining related to the Assan Foods Acquisition at December 25, 2021. The loss on extinguishment related to the repayment of this debt was insignificant. Cash payments related to debt extinguishment are classified as cash outflows from financing activities on the consolidated statements of cash flows.

Other Acquisitions:

In the fourth quarter of 2021, we acquired a majority stake in BR Spices Indústria e Comércio de Alimentos Ltda. ("BR Spices"), a manufacturer of spices and other seasonings in Brazil, for an insignificant amount of cash consideration (the "BR Spices Acquisition"). The noncontrolling interest associated with BR Spices is included in redeemable noncontrolling interest on our consolidated balance sheet at December 31, 2022 and December 25, 2021.

Deal Costs:

Related to our acquisitions, we incurred insignificant deal costs in 2022 and 2021. We recognized these deal costs in SG&A. There were no deal costs related to acquisitions in 2020.

Divestitures

Powdered Cheese Transaction:

In August 2022, we entered into a definitive agreement with a third party, Kerry Group, to sell our business-to-business powdered cheese business (the "Powdered Cheese Transaction"). The net assets transferred in the Powdered Cheese Transaction include, among other things, the Albany, Minnesota manufacturing facility (collectively, the "Powdered Cheese Disposal Group").

The Powdered Cheese Transaction closed in the fourth quarter of 2022 for total consideration of approximately \$108 million. As a result of the Powdered Cheese Transaction closing, we recognized a pre-tax gain on sale of business of approximately \$26 million.

Cheese Transaction:

In September 2020, we entered into a definitive agreement with a third party, an affiliate of Groupe Lactalis ("Lactalis"), to sell certain assets in our global cheese business, as well as to license certain trademarks, for total consideration of approximately \$3.3 billion, including approximately \$3.2 billion of cash consideration and approximately \$141 million related to a perpetual license for the *Cracker Barrel* brand that Lactalis granted to us for certain products (the "Cheese Transaction"). The Cheese Transaction had two primary components. The first component related to the perpetual licenses for the *Kraft* and *Velveeta* brands that we granted to Lactalis for certain cheese products (the "*Kraft* and *Velveeta* Licenses"), along with a three-year transitional license that we granted to Lactalis for the *Philadelphia* brand (the "*Philadelphia* License" and collectively, the "Cheese Divestiture Licenses"). The second component related to the net assets transferred to Lactalis (the "Cheese Disposal Group"). The Cheese Transaction closed on November 29, 2021 (the "Cheese Transaction Closing Date").

Of the \$3.3 billion total consideration, approximately \$1.6 billion was attributed to the Cheese Divestiture Licenses based on the estimated fair value of the licensed portion of each brand. As of the Cheese Transaction Closing Date, the license income related to the *Kraft* and *Velveeta* Licenses will be recognized over approximately 30 years and the license income related to the *Philadelphia* License will be recognized over approximately three years. Related to the Cheese Divestiture Licenses, we recognized approximately \$56 million of license income in 2022 and an insignificant amount of license income in 2021, which was recorded as a reduction to SG&A and classified as divestiture-related license income. Additionally, at December 31, 2022, we have recorded approximately \$1.5 billion in long-term deferred income and \$56 million in other current liabilities on the consolidated balance sheet related to the Cheese Divestiture Licenses.

In the first quarter of 2022, we reimbursed Lactalis approximately \$20 million following a final inventory count performed after the Cheese Transaction closed. This amount reflects the difference between the estimated and actual value of inventory transferred, which was primarily driven by seasonal fluctuations in finished goods. The payment to Lactalis was recognized in our consolidated statement of cash flows for the year ended December 31, 2022 as a cash outflow from investing activities in proceeds from sale of business, net of cash disposed and working capital adjustments.

In the second quarter of 2021, we assessed the fair value less costs to sell of the net assets of the Cheese Disposal Group and recorded an estimated pre-tax loss on sale of business of approximately \$27 million, which was recognized in other expense/(income).

Following the closing of the Cheese Transaction in the fourth quarter of 2021, we recognized an incremental pre-tax gain on sale of business of \$27 million in other expense/(income). In 2021, the total gain/loss on sale of business related to the Cheese Transaction was insignificant. Additional considerations related to the Cheese Transaction included the treatment of the Cheese Divestiture Licenses upon closing of the transaction. In the fourth quarter of 2021, at the time the licensed rights were granted, we reassessed the remaining fair value of the retained portions of the *Kraft* and *Velveeta* brands and recorded a non-cash intangible asset impairment loss related to the *Kraft* brand of approximately \$1.24 billion, which was recognized in SG&A.

See Note 4, *Acquisitions and Divestitures*, to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 25, 2021 for additional information related to the Cheese Transaction.

Nuts Transaction:

In February 2021, we entered into a definitive agreement with a third party, Hormel Foods Corporation, to sell certain assets in our global nuts business for total consideration of approximately \$3.4 billion (the “Nuts Transaction”). The net assets transferred in the Nuts Transaction included, among other things, our intellectual property rights to the *Planters* brand and to the *Corn Nuts* brand, three manufacturing facilities in the United States, and the associated inventories (collectively, the “Nuts Disposal Group”).

As of February 10, 2021, the date the Nuts Disposal Group was determined to be held for sale, we tested the individual assets included within the Nuts Disposal Group for impairment. The net assets of the Nuts Disposal Group had an aggregate carrying amount above their \$3.4 billion estimated fair value. We determined that the goodwill within the Nuts Disposal Group was partially impaired. As a result, we recorded a non-cash goodwill impairment loss of \$230 million, which was recognized in SG&A, in the first quarter of 2021. Additionally, we recorded an estimated pre-tax loss on sale of business of \$19 million in the first quarter of 2021 primarily related to estimated costs to sell, which was recognized in other expense/(income).

The Nuts Transaction closed in the second quarter of 2021. As a result of the Nuts Transaction closing, we recognized an incremental pre-tax loss on sale of business of \$17 million in other expense/(income) on our consolidated statement of income in the second quarter of 2021. In the third and fourth quarters of 2021, we recorded insignificant adjustments to our estimated costs to sell, which resulted in an insignificant pre-tax gain on sale of business that was recognized in other expense/(income). In 2021, the total pre-tax loss on sale of business for the Nuts Transaction was \$34 million, all of which was recognized in other expense/(income) on our consolidated statement of income.

See Note 4, *Acquisitions and Divestitures*, to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 25, 2021 for additional information related to the Nuts Transaction.

Deal Costs:

Related to our divestitures, we incurred insignificant deal costs in 2022, 2021, and 2020. We recognized these deal costs in SG&A.

Note 5. Restructuring Activities

As part of our restructuring activities, we incur expenses that qualify as exit and disposal costs under U.S. GAAP. These include severance and employee benefit costs and other exit costs. Severance and employee benefit costs primarily relate to cash severance, non-cash severance, and pension and other termination benefits. Other exit costs primarily relate to lease and contract terminations. We also incur expenses that are an integral component of, and directly attributable to, our restructuring activities, which do not qualify as exit and disposal costs under U.S. GAAP. These include asset-related costs and other implementation costs. Asset-related costs primarily relate to accelerated depreciation and asset impairment charges. Other implementation costs primarily relate to start-up costs of new facilities, professional fees, asset relocation costs, costs to exit facilities, and costs associated with restructuring benefit plans.

Employee severance and other termination benefit packages are primarily determined based on established benefit arrangements, local statutory requirements, and historical benefit practices. We recognize the contractual component of these benefits when payment is probable and estimable; additional elements of severance and termination benefits associated with non-recurring benefits are recognized ratably over each employee's required future service period. Charges for accelerated depreciation are recognized on long-lived assets that will be taken out of service before the end of their normal service, in which case depreciation estimates are revised to reflect the use of the asset over its shortened useful life. Asset impairments establish a new fair value basis for assets held for disposal or sale, and those assets are written down to expected net realizable value if carrying value exceeds fair value. All other costs are recognized as incurred.

Restructuring Activities:

We have restructuring programs globally, which are focused primarily on reducing our overall cost structure and streamlining our organizational design. In 2022, we eliminated approximately 575 positions related to these programs. As of December 31, 2022, we expect to eliminate approximately 560 additional positions in 2023, primarily outside of the United States and Canada. In 2022, restructuring activities resulted in expenses of \$74 million and included \$34 million of severance and employee benefit costs, \$12 million of asset-related costs, and \$28 million of other implementation costs. Restructuring activities resulted in expenses of \$84 million in 2021 and income of \$2 million in 2020.

Our net liability balance for restructuring project costs that qualify as exit and disposal costs under U.S. GAAP was (in millions):

	Severance and Employee Benefit Costs	Other Exit Costs	Total
Balance at December 25, 2021	\$ 27	\$ 16	\$ 43
Charges/(credits)	34	—	34
Cash payments	(33)	(5)	(38)
Balance at December 31, 2022	\$ 28	\$ 11	\$ 39

We expect the liability for severance and employee benefit costs as of December 31, 2022 to be paid by the end of 2023. The liability for other exit costs primarily relates to lease obligations. The cash impact of these obligations will continue for the duration of the lease terms, which expire between 2023 and 2026.

Total Expenses/(Income):

Total expense/(income) related to restructuring activities by income statement caption, were (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Severance and employee benefit costs - Cost of products sold	\$ 1	\$ 12	\$ —
Severance and employee benefit costs - SG&A	33	21	1
Severance and employee benefit costs - Other expense/(income)	—	1	—
Asset-related costs - Cost of products sold	12	—	13
Other costs - Cost of products sold	14	1	(33)
Other costs - SG&A	14	49	34
Other costs - Other expense/(income)	—	—	(17)
	\$ 74	\$ 84	\$ (2)

We do not include our restructuring activities within Segment Adjusted EBITDA (as defined in Note 20, *Segment Reporting*). The pre-tax impact of allocating such expenses/(income) to our segments would have been (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
North America	\$ 40	\$ 15	\$ 4
International	25	22	(15)
General corporate expenses	9	47	9
	\$ 74	\$ 84	\$ (2)

Note 6. Inventories

Inventories consisted of the following (in millions):

	December 31, 2022	December 25, 2021
Packaging and ingredients	\$ 1,032	\$ 571
Spare parts	208	208
Work in process	334	268
Finished product	2,077	1,682
Inventories	<u>\$ 3,651</u>	<u>\$ 2,729</u>

At December 25, 2021, inventories excluded amounts classified as held for sale.

Note 7. Property, Plant and Equipment

Property, plant and equipment, net consisted of the following (in millions):

	December 31, 2022	December 25, 2021
Land	\$ 200	\$ 207
Buildings and improvements	2,536	2,508
Equipment, software and other	7,055	6,957
Construction in progress	1,161	1,002
	<u>10,952</u>	<u>10,674</u>
Accumulated depreciation	(4,212)	(3,868)
Property, plant and equipment, net	<u>\$ 6,740</u>	<u>\$ 6,806</u>

At December 31, 2022 and December 25, 2021, property, plant and equipment, net, excluded amounts classified as held for sale. Depreciation expense was \$672 million in 2022, \$671 million in 2021, and \$705 million in 2020.

Note 8. Goodwill and Intangible Assets

Historically, we have tested our reporting units and brands for impairment annually as of the first day of our second quarter, or more frequently if events or circumstances indicate it is more likely than not that the fair value of a reporting unit or brand is less than its carrying amount. As discussed in further detail below, we performed an annual test as of March 27, 2022, the first day of our second quarter (the "Q2 2022 Annual Impairment Test"). Beginning in the third quarter of 2022 and for subsequent annual periods, we voluntarily changed the annual impairment assessment date to the first day of our third quarter and performed an additional annual impairment test as of June 26, 2022 (the "Q3 2022 Annual Impairment Test"). We believe this measurement date, which represents a change in the method of applying an accounting principle, better aligns with the timing of our strategic business planning process and financial forecasts, which are key components of the annual impairment tests and are typically completed in the third quarter of our fiscal year.

Goodwill:

Changes in the carrying amount of goodwill, by segment, were (in millions):

	North America	International	Total
Balance at December 26, 2020	\$ 29,929	\$ 3,160	\$ 33,089
Impairment losses	(35)	(53)	(88)
Acquisitions	—	74	74
Divestitures	(1,662)	—	(1,662)
Translation adjustments and other	10	(127)	(117)
Balance at December 25, 2021	<u>\$ 28,242</u>	<u>\$ 3,054</u>	<u>\$ 31,296</u>
Impairment losses	(455)	—	(455)
Acquisitions	—	386	386
Measurement period adjustments	—	(18)	(18)
Divestitures	(37)	—	(37)
Translation adjustments and other	(65)	(274)	(339)
Balance at December 31, 2022	<u>\$ 27,685</u>	<u>\$ 3,148</u>	<u>\$ 30,833</u>

In the first quarter of 2022, we closed the Just Spices Acquisition in our International segment, which resulted in preliminary goodwill of \$167 million. Additionally, we recorded measurement period adjustments, primarily related to the Assan Foods Acquisition that impacted goodwill. The Assan Foods Acquisition closed in the fourth quarter of 2021 and is in our International segment. These measurement period adjustments resulted in a net decrease to goodwill on acquisitions of approximately \$15 million in the first quarter of 2022. However, as each of the affected reporting units (EMEA East and LATAM in our International segment) had no goodwill balance remaining, we recorded a reduction of the \$53 million non-cash impairment loss recorded to SG&A in the fourth quarter of 2021 that fully impaired the goodwill related to the associated acquisitions and their respective reporting units. The impairment reduction of \$11 million, which reflects the measurement period adjustment of \$15 million adjusted for the impact of foreign currency, was recorded in SG&A in our International segment in the first quarter of 2022. Following these measurement period adjustments, there was no goodwill in the EMEA East or Latin America reporting units. See Note 9, *Goodwill and Intangible Assets*, to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 25, 2021 for additional information related to the impairment losses recorded in the fourth quarter of 2021. See Note 4, *Acquisitions and Divestitures*, for additional information related to these transactions and the related financial statement impacts.

In the second quarter of 2022, we closed the Hemmer Acquisition in our International segment, which resulted in preliminary goodwill of \$219 million. Additionally, we recorded insignificant measurement period adjustments related to the Just Spices Acquisition that impacted goodwill. These measurement period adjustments resulted in a decrease to goodwill on acquisitions of approximately \$4 million in the second quarter of 2022.

In the fourth quarter of 2022, we divested goodwill of approximately \$37 million related to the Powdered Cheese Transaction. Additionally, we recorded measurement period adjustments related to the Just Spices Acquisition and Hemmer Acquisition that impacted goodwill. These measurement period adjustments were recorded in our International segment and resulted in a decrease to goodwill on acquisition of approximately \$11 million in the fourth quarter of 2022.

At December 26, 2020, goodwill excluded amounts classified as held for sale related to the Cheese Transaction, which closed in the fourth quarter of 2021. Additionally, the 2021 amounts included in divestitures in the table above represent the goodwill that was previously reclassified to assets held for sale and tested and determined to be partially impaired in connection with the Nuts Transaction. The resulting impairment loss of \$230 million was recognized in the first quarter of 2021. The Nuts Transaction closed in the second quarter of 2021. See Note 4, *Acquisitions and Divestitures*, for additional information related to the Cheese Transaction and the Nuts Transaction and their financial statement impacts.

2022 Goodwill Impairment Testing

As described in Note 1, *Basis of Presentation*, in the second quarter of 2022, our internal reporting and reportable segments changed. We combined our United States and Canada zones to form the North America zone. Subsequently, we manage and report our operating results through two reportable segments defined by geographic region: North America and International. We have reflected this change in all historical periods presented.

The reorganization of our internal reporting and reportable segments changed the composition of certain of our reporting units wherein certain of our existing United States reporting units (primarily Enhancers, Specialty, and Away From Home (“ESA”); Kids, Snacks, and Beverages (“KSB”); Meal Foundations and Coffee (“MFC”); and Puerto Rico) and our existing Canada reporting units (Canada Retail and Canada Foodservice) have been reorganized into the following new North America reporting units: Taste, Meals, and Away From Home (“TMA”); Fresh, Beverages, and Desserts (“FBD”); Canada and North America Coffee (“CNAC”); and Other North America.

As a result of this reorganization, we reassigned assets and liabilities to the applicable reporting units and allocated goodwill using the relative fair value approach. We performed an interim impairment test (or transition test) on the affected reporting units on both a pre- and post-reorganization basis.

We performed our pre-reorganization impairment test as of March 27, 2022, which was our first day of the second quarter of 2022. There were six reporting units affected by the reassignment of assets and liabilities that maintained a goodwill balance as of our pre-reorganization impairment test date. These reporting units were ESA, KSB, MFC, Puerto Rico, Canada Retail, and Canada Foodservice. One other reporting unit did not have a goodwill balance as of our pre-reorganization impairment test date.

As part of our pre-reorganization impairment test, we utilized the discounted cash flow method under the income approach to estimate the fair values as of March 27, 2022 for the six reporting units noted above. As a result of our pre-reorganization impairment test, we recognized a non-cash impairment loss of approximately \$235 million in SG&A in our North America segment in the second quarter of 2022. This included a \$221 million impairment loss related to our Canada Retail reporting unit, which had a goodwill carrying amount of approximately \$1.2 billion after impairment, and a \$14 million impairment loss related to our Puerto Rico reporting unit, which represented all of the goodwill associated with the Puerto Rico reporting unit. The impairment of our Canada Retail reporting unit was primarily driven by an increase in the discount rate, which was impacted by higher interest rates and other market inputs, as well as a revised downward outlook for operating margin. The impairment of our Puerto Rico reporting unit was primarily driven by a revised downward outlook for operating margin. The other four reporting units for which no impairment charge was required were as follows: ESA, which had a goodwill carrying amount of approximately \$11.4 billion; KSB, which had a goodwill carrying amount of approximately \$9.3 billion; MFC, which had a goodwill carrying amount of approximately \$6.0 billion; and Canada Foodservice, which had a goodwill carrying amount of approximately \$158 million.

We performed our post-reorganization impairment test in conjunction with our Q2 2022 Annual Impairment Test and tested the new North America reporting units (TMA, FBD, CNAC, and Other North America) along with the reporting units in our International segment. The new North America reporting units' goodwill carrying amounts for the post-reorganization and Q2 2022 Annual Impairment Test reflected the pre-reorganization test results, including impairments recorded. We tested our reporting units for impairment as of the first day of our second quarter, which was March 27, 2022 for our Q2 2022 Annual Impairment Test. In performing this test, we incorporated information that was known through the date of filing of our Quarterly Report on Form 10-Q for the period ended June 25, 2022. We utilized the discounted cash flow method under the income approach to estimate the fair value of our reporting units. As a result of our Q2 2022 Annual Impairment Test, we determined that the fair value of each of the reporting units tested was in excess of its carrying amount.

We performed our Q3 2022 Annual Impairment Test as of June 26, 2022, which was our first day of the third quarter of 2022. In performing this test, we incorporated information that was known through the date of filing of our Quarterly Report on Form 10-Q for the period ended September 24, 2022. We utilized the discounted cash flow method under the income approach to estimate the fair value of our reporting units. As a result of our Q3 2022 Annual Impairment Test, we recognized a non-cash impairment loss of approximately \$220 million in SG&A in our North America segment related to our CNAC reporting unit. The impairment of our CNAC reporting unit was primarily driven by reduced revenue growth assumptions and negative macroeconomic factors, including increased interest rates and foreign currency exchange rates for the Canadian dollar relative to the U.S. dollar.

As of December 31, 2022, we maintain 11 reporting units, seven of which comprise our goodwill balance. These seven reporting units had an aggregate goodwill carrying amount of \$30.8 billion at December 31, 2022. As of the Q3 2022 Annual Impairment Test, our reporting units with 20% or less fair value over carrying amount had an aggregate goodwill carrying amount after impairment of \$16.4 billion and included TMA, CNAC, and Continental Europe; and our reporting units with between 20%-50% fair value over carrying amount had an aggregate goodwill carrying amount of \$14.5 billion and included FBD, Northern Europe, Asia, and LATAM.

Accumulated impairment losses to goodwill were \$11.3 billion as of December 31, 2022 and \$10.9 billion at December 25, 2021.

2021 Goodwill Impairment Testing

In the first quarter of 2021, we announced the Nuts Transaction and determined that the Nuts Disposal Group was held for sale. Accordingly, based on a relative fair value allocation, we reclassified \$1.7 billion of goodwill to assets held for sale, which included a portion of goodwill from four of our reporting units. The Nuts Transaction primarily affected our KSB reporting unit but also affected, to a lesser extent, our ESA, Canada Foodservice, and Puerto Rico reporting units. These reporting units were evaluated for impairment prior to their representative inclusion in the Nuts Disposal Group as well as on a post-reclassification basis. The fair value of all reporting units was determined to be in excess of their carrying amounts in both scenarios and, therefore, no impairment was recorded.

We performed our 2021 annual impairment test as of March 28, 2021, which was the first day of our second quarter in 2021. We utilized the discounted cash flow method under the income approach to estimate the fair value of our reporting units. As a result of our 2021 annual impairment test, we recognized a non-cash impairment loss of approximately \$35 million in SG&A in the second quarter of 2021 related to our Puerto Rico reporting unit within our North America segment. With the update of our five-year operating plan in the second quarter of 2021, we established a revised downward outlook for net sales for this reporting unit. See Note 9, *Goodwill and Intangible Assets*, to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 25, 2021 for additional information on this impairment loss.

In the fourth quarter of 2021, we completed the Assan Foods Acquisition and the BR Spices Acquisition, both in our International segment. We assigned the goodwill related to the Assan Foods Acquisition to our EMEA East reporting unit and the goodwill related to the BR Spices Acquisition to our LATAM reporting unit. Prior to these acquisitions, the EMEA East and LATAM reporting units had no goodwill carrying amounts due to previous impairments. The acquisitions changed the composition of each of the reporting units, triggering an interim impairment test. We determined that the carrying amount of each reporting unit exceeded its fair value as of December 25, 2021. As a result, we recognized a non-cash impairment loss of \$53 million in SG&A in our International segment, which represented all of the goodwill of the EMEA East and LATAM reporting units.

2020 Goodwill Impairment Testing

In the first quarter of 2020, following changes to our internal reporting and reportable segments, the composition of certain of our reporting units changed, and we performed an interim impairment test (or transition test) on the affected reporting units on both a pre- and post-reorganization basis.

We performed our pre-reorganization impairment test as of December 29, 2019, which was our first day of 2020. There were no impairment losses resulting from our pre-reorganization impairment test.

We performed our post-reorganization impairment test as of December 29, 2019. There were six reporting units in scope for our post-reorganization impairment test: Northern Europe, Continental Europe, Asia, Australia, New Zealand, and Japan (“ANJ”), LATAM, and Puerto Rico. As a result of our post-reorganization impairment test, we recognized a non-cash impairment loss of \$226 million in SG&A in the first quarter of 2020 related to two reporting units contained within our International segment, including \$83 million related to our ANJ reporting unit and \$143 million related to our LATAM reporting unit, which represented all of the goodwill associated with these reporting units. The remaining reporting units tested as part of our post-reorganization impairment test each had excess fair value over carrying amount as of December 29, 2019.

We performed our 2020 annual impairment test as of March 29, 2020, which was the first day of our second quarter in 2020. We utilized the discounted cash flow method under the income approach to estimate the fair value of our reporting units. Through the performance of the 2020 annual impairment test, we identified impairments related to our U.S. Foodservice, Canada Retail, Canada Foodservice, and EMEA East reporting units. As a result, we recognized a non-cash impairment loss of \$1.8 billion in SG&A in the second quarter of 2020, which included an \$815 million impairment loss in our Canada Retail reporting unit within our North America segment, a \$655 million impairment loss in our U.S. Foodservice reporting unit within our North America segment, a \$205 million impairment loss in our Canada Foodservice reporting unit within our North America segment, and a \$142 million impairment loss in our EMEA East reporting unit within our International segment. These impairments were primarily due to the completion of our enterprise strategy and five-year operating plan in the second quarter of 2020.

In the third quarter of 2020, following changes to our zone reporting structure, the composition of certain of our reporting units changed and we performed an interim impairment test (or transition test) on the affected reporting units on both a pre- and post-reorganization basis.

We performed our pre-reorganization impairment test as of June 28, 2020, which was our first day of the third quarter of 2020. There were no impairment losses resulting from this pre-reorganization impairment test.

We performed our post-reorganization impairment test as of June 28, 2020. There were three reporting units in scope for our post-reorganization impairment test: ESA, KSB, and MFC. These reporting units, which were tested as part of this post-reorganization impairment test, each had excess fair value over carrying amount as of June 28, 2020.

Additionally, in the third quarter of 2020, we announced the Cheese Transaction and determined that the Cheese Disposal Group was held for sale. Accordingly, based on a relative fair value allocation, we reclassified \$580 million of goodwill to assets held for sale, which included a portion of goodwill from seven of our reporting units. Following the reclassification of a portion of goodwill from our reporting units, we determined that a triggering event had occurred for the remaining portion of each of the impacted reporting units, and we tested each for impairment as of September 15, 2020, the triggering event date. The triggering event impairment test did not result in an impairment of the remaining portion of any impacted reporting units.

In the third quarter of 2020, we recorded a non-cash impairment loss of \$300 million in SG&A, which was related to the Cheese Disposal Group’s goodwill. See Note 4, *Acquisitions and Divestitures*, for additional information on the Cheese Transaction and its financial statement impacts.

Additional Goodwill Considerations

Fair value determinations require considerable judgment and are sensitive to changes in underlying assumptions, estimates, and market factors. Estimating the fair value of individual reporting units requires us to make assumptions and estimates regarding our future plans, as well as industry, economic, and regulatory conditions. These assumptions and estimates include estimated future annual net cash flows, income tax rates, discount rates, growth rates, and other market factors. Our current expectations also include certain assumptions that could be negatively impacted if we are unable to meet our pricing expectations in relation to inflation. If current expectations of future growth rates and margins are not met, if market factors outside of our control, such as discount rates, income tax rates, foreign currency exchange rates, or inflation, change, or if management's expectations or plans otherwise change, including updates to our long-term operating plans, then one or more of our reporting units might become impaired in the future. Additionally, any decisions to divest certain non-strategic assets has led, and could in the future lead, to goodwill impairments.

Our reporting units that have 20% or less excess fair value over carrying amount as of the Q3 2022 Annual Impairment Test have a heightened risk of future impairments if any assumptions, estimates, or market factors change in the future. Although the remaining reporting units have more than 20% excess fair value over carrying amount as of the Q3 2022 Annual Impairment Test, these amounts are also associated with the 2013 Heinz Acquisition and the 2015 Merger and were initially recorded at the time of acquisition on our consolidated balance sheet at their estimated acquisition date fair values. Therefore, if any assumptions, estimates, or market factors change in the future, these amounts are also susceptible to impairments.

Indefinite-lived intangible assets:

Changes in the carrying amount of indefinite-lived intangible assets, which primarily consisted of trademarks, were (in millions):

Balance at December 26, 2020	\$	42,267
Impairment losses		(1,307)
Divestitures		(1,487)
Translation adjustments and other		(54)
Balance at December 25, 2021	\$	39,419
Impairment losses		(462)
Translation adjustments and other		(405)
Balance at December 31, 2022	\$	38,552

2022 Indefinite-Lived Intangible Asset Impairment Testing

We performed our Q2 2022 Annual Impairment Test as of March 27, 2022, which was the first day of our second quarter in 2022. As a result of our Q2 2022 Annual Impairment Test, we recognized a non-cash impairment loss of \$395 million in SG&A in our North America segment in the second quarter of 2022 related to four brands, *Maxwell House*, *Miracle Whip*, *Jet Puffed*, and *Classico*. We utilized the relief from royalty method under the income approach to estimate the fair values of the *Maxwell House*, *Jet Puffed*, and *Classico* brands and the excess earnings method under the income approach to estimate the fair value of the *Miracle Whip* brand. The impairments of the *Maxwell House*, *Jet Puffed*, and *Classico* brands were primarily due to downward revisions in expected future operating margins as well as an increase in the discount rate, which was impacted by higher interest rates and other market inputs. The impairment of the *Miracle Whip* brand was primarily due to an increase in the discount rate as well as downward revisions in expected future operating margins due to changes in expectations for commodity input costs, including soybean oil. These brands had an aggregate carrying amount of \$3.2 billion prior to these impairments and \$2.8 billion after these impairments.

We performed our Q3 2022 Annual Impairment Test as of June 26, 2022, which was our first day of the third quarter of 2022. As a result of our Q3 2022 Annual Impairment Test we recognized a non-cash impairment loss of \$67 million in SG&A in the third quarter of 2022 related to two brands, *Jet Puffed* and *Plasmon*. We utilized the relief from royalty method under the income approach to estimate the fair values and recorded non-cash impairment losses of \$50 million in our North America segment and \$17 million in our International segment, consistent with ownership of the trademarks. The impairment of these brands was primarily due to reduced revenue growth assumptions. After the impairments, the aggregate carrying amount of these brands was \$204 million.

Our indefinite-lived intangible asset balance primarily consists of a number of individual brands, which had an aggregate carrying amount of \$38.6 billion at December 31, 2022. As of the Q3 2022 Annual Impairment Test, brands with 20% or less fair value over carrying amount had an aggregate carrying amount after impairment of \$16.6 billion, brands with between 20%-50% fair value over carrying amount had an aggregate carrying amount of \$2.5 billion, and brands that had over 50% fair value over carrying amount had an aggregate carrying amount of \$19.4 billion.

2021 Indefinite-Lived Intangible Asset Impairment Testing

We performed our 2021 annual impairment test as of March 28, 2021, which was the first day of our second quarter in 2021. As a result of our 2021 annual impairment test, we recognized a non-cash impairment loss of \$69 million in SG&A in the second quarter of 2021 related to two brands, *Plasmon* and *Maxwell House*. We utilized the relief from royalty method under the income approach to estimate the fair values and recorded non-cash impairment losses of \$45 million in our International segment related to *Plasmon* and \$24 million in our North America segment related to *Maxwell House*, consistent with the ownership of the trademarks. The impairment of the *Plasmon* brand was largely due to downward revised revenue expectations for infant nutrition in Italy. The impairment of the *Maxwell House* brand was primarily due to downward revised revenue expectations for mainstream coffee in the U.S.

In the fourth quarter of 2021, following the monetization of the licensed portions of the *Kraft* and *Velveeta* brands in connection with the closing of the Cheese Transaction, we performed an interim impairment test and utilized the excess earnings method under the income approach to estimate the fair value on these brands as of November 29, 2021, the Cheese Transaction Closing Date. While the *Velveeta* brand had a fair value in excess of its carrying amount, the *Kraft* brand had a fair value below its carrying amount. Accordingly, we recorded a non-cash impairment loss of \$1.2 billion in SG&A in the fourth quarter of 2021 related to the *Kraft* brand. We recognized this impairment loss in our North America segment, consistent with the ownership of the *Kraft* trademark.

2020 Indefinite-Lived Intangible Asset Impairment Testing

We performed our 2020 annual impairment test as of March 29, 2020, which was the first day of our second quarter in 2020. As a result of our 2020 annual impairment test, we recognized a non-cash impairment loss of \$1.1 billion in SG&A in the second quarter of 2020 primarily related to nine brands (*Oscar Mayer*, *Maxwell House*, *Velveeta*, *Cool Whip*, *Plasmon*, *ABC*, *Classico*, *Wattie's*, and *Planters*), which included impairment losses of \$956 million in our North America segment and \$100 million in our International segment, consistent with the ownership of the trademarks. We utilized the excess earnings method and the relief from royalty method under the income approach to estimate the fair values and recognized a \$626 million impairment loss related to the *Oscar Mayer* brand, a \$140 million impairment loss related to the *Maxwell House* brand, and a \$290 million impairment loss primarily related to seven other brands (*Velveeta*, *Cool Whip*, *Plasmon*, *ABC*, *Classico*, *Wattie's*, and *Planters*).

Additional Indefinite-Lived Intangible Asset Considerations

Fair value determinations require considerable judgment and are sensitive to changes in underlying assumptions, estimates, and market factors. Estimating the fair value of individual brands requires us to make assumptions and estimates regarding our future plans, as well as industry, economic, and regulatory conditions. These assumptions and estimates include estimated future annual net cash flows, income tax considerations, discount rates, growth rates, royalty rates, contributory asset charges, and other market factors. Our current expectations also include certain assumptions that could be negatively impacted if we are unable to meet our pricing expectations in relation to inflation. If current expectations of future growth rates and margins are not met, if market factors outside of our control, such as discount rates, income tax rates, foreign currency exchange rates, or inflation, change, or if management's expectations or plans otherwise change, including updates to our long-term operating plans, then one or more of our brands might become impaired in the future. Additionally, any decisions to divest certain non-strategic assets has led, and could in the future lead, to intangible asset impairments.

Our brands that were impaired were written down to their respective fair values resulting in zero excess fair value over carrying amount as of the applicable impairment test dates. Accordingly, these and other individual brands that have 20% or less excess fair value over carrying amount as of the Q3 2022 Annual Impairment Test have a heightened risk of future impairments if any assumptions, estimates, or market factors change in the future. Although the remaining brands have more than 20% excess fair value over carrying amount as of the Q3 2022 Annual Impairment Test, these amounts are also associated with the 2013 Heinz Acquisition and the 2015 Merger and were initially recorded at the time of acquisition on our consolidated balance sheet at their estimated acquisition date fair values. Therefore, if any assumptions, estimates, or market factors change in the future, these amounts are also susceptible to impairments.

Definite-lived intangible assets:

Definite-lived intangible assets were (in millions):

	December 31, 2022			December 25, 2021		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Trademarks	\$ 2,223	\$ (649)	\$ 1,574	\$ 2,091	\$ (556)	\$ 1,535
Customer-related assets	3,690	(1,177)	2,513	3,617	(1,040)	2,577
Other	13	(3)	10	17	(6)	11
	<u>\$ 5,926</u>	<u>\$ (1,829)</u>	<u>\$ 4,097</u>	<u>\$ 5,725</u>	<u>\$ (1,602)</u>	<u>\$ 4,123</u>

At December 25, 2021, definite-lived intangible assets excluded amounts classified as held for sale.

Amortization expense for definite-lived intangible assets was \$261 million in 2022, \$239 million in 2021, and \$264 million in 2020. Aside from amortization expense, the change in definite-lived intangible assets from December 25, 2021 to December 31, 2022 primarily reflects \$315 million of additions, which are largely related to the Hemmer Acquisition, the Just Spices Acquisition, and the Assan Foods Acquisition, the impact of foreign currency, and \$7 million of non-cash impairment losses related to two trademarks in our International segment. See Note 4, *Acquisitions and Divestitures*, for additional information on these acquisitions. The impairment of definite-lived intangible assets in the third quarter of 2022 relates to two trademarks that had a net carrying value that was deemed not to be recoverable.

In the second quarter of 2021, we recorded \$9 million of non-cash impairment losses to SG&A related to a trademark in our International segment that had a net carrying value that was deemed not to be recoverable.

We estimate that amortization expense related to definite-lived intangible assets will be approximately \$260 million in 2023 and \$250 million in each of the following four years.

Note 9. Income Taxes**Provision for/(Benefit from) Income Taxes:**

Income/(loss) before income taxes and the provision for/(benefit from) income taxes, consisted of the following (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Income/(loss) before income taxes:			
United States	\$ 1,575	\$ (215)	\$ 363
Non-U.S.	1,391	1,923	667
Total	<u>\$ 2,966</u>	<u>\$ 1,708</u>	<u>\$ 1,030</u>
Provision for/(benefit from) income taxes:			
Current:			
U.S. federal	\$ 620	\$ 1,421	\$ 634
U.S. state and local	79	120	91
Non-U.S.	177	185	287
	<u>876</u>	<u>1,726</u>	<u>1,012</u>
Deferred:			
U.S. federal	(192)	(1,086)	(232)
U.S. state and local	(35)	(211)	(109)
Non-U.S.	(51)	255	(2)
	<u>(278)</u>	<u>(1,042)</u>	<u>(343)</u>
Total provision for/(benefit from) income taxes	<u>\$ 598</u>	<u>\$ 684</u>	<u>\$ 669</u>

We record tax benefits related to the exercise of stock options and other equity instruments within our tax provision. Accordingly, we recognized an insignificant tax benefit in our consolidated statements of income in each of 2022, 2021, and 2020 related to tax benefits upon the exercise of stock options and other equity instruments.

Effective Tax Rate:

The effective tax rate on income/(loss) before income taxes differed from the U.S. federal statutory tax rate for the following reasons:

	December 31, 2022	December 25, 2021	December 26, 2020
U.S. federal statutory tax rate	21.0 %	21.0 %	21.0 %
Tax on income of foreign subsidiaries	(8.2)%	(12.9)%	(26.1)%
U.S. state and local income taxes, net of federal tax benefit	1.8 %	(0.5)%	0.6 %
Audit settlements and changes in uncertain tax positions	1.3 %	0.4 %	3.7 %
Global intangible low-taxed income	1.8 %	5.5 %	6.5 %
Goodwill impairment	3.9 %	4.7 %	57.2 %
(Losses)/gains related to acquisitions and divestitures	0.3 %	12.9 %	0.1 %
Movement of valuation allowance reserves	0.8 %	0.1 %	(0.4)%
Deferred tax effect of tax law changes	(0.9)%	9.8 %	(2.1)%
Deferred tax adjustments	(1.1)%	0.3 %	2.8 %
Other	(0.5)%	(1.2)%	1.7 %
Effective tax rate	20.2 %	40.1 %	65.0 %

The provision for income taxes consists of provisions for federal, state, and foreign income taxes. We operate in an international environment; accordingly, the consolidated effective tax rate is a composite rate reflecting the earnings in various locations and the applicable tax rates. Additionally, the calculation of the percentage point impact of goodwill impairment and other items on the effective tax rate shown in the table above are affected by income/(loss) before income taxes. The percentage point impacts on the effective tax rates fluctuate due to income/(loss) before income taxes, which included goodwill and intangible asset impairment losses in all years presented in the table. Fluctuations in the amount of income generated across locations around the world could impact comparability of reconciling items between periods. Additionally, small movements in tax rates due to a change in tax law or a change in tax rates that causes us to revalue our deferred tax balances produces volatility in our effective tax rate.

Our 2022 effective tax rate was an expense of 20.2% on pre-tax income. Our effective tax rate was impacted by the favorable geographic mix of pre-tax income in various non-U.S. jurisdictions and certain favorable items, primarily the decrease in deferred tax liabilities due to the merger of certain foreign entities, the revaluation of deferred tax balances due to changes in state tax laws, and changes in estimates of certain 2021 U.S. income and deductions. This impact was partially offset by the impact of certain unfavorable items, primarily non-deductible goodwill impairments, the impact of the federal tax on global intangible low-taxed income ("GILTI"), and the establishment of uncertain tax positions and valuation allowance reserves.

Our 2021 effective tax rate was an expense of 40.1% on pre-tax income. Our effective tax rate was unfavorably impacted by rate reconciling items, primarily the tax impacts related to acquisitions and divestitures, which mainly reflect the impacts of the Nuts Transaction and Cheese Transaction, partially offset by 2021 capital losses; the revaluation of our deferred tax balances due to changes in international and state tax rates, mainly an increase in U.K. tax rates; the impact of the federal tax on GILTI; and non-deductible goodwill impairments. These impacts were partially offset by a favorable geographic mix of pre-tax income in various non-U.S. jurisdictions.

Our 2020 effective tax rate was an expense of 65.0% on pre-tax income. Our effective tax rate was unfavorably impacted by rate reconciling items, primarily related to non-deductible goodwill impairments, the impact of the federal tax on GILTI, and the revaluation of our deferred tax balances due to changes in international tax laws. These impacts were partially offset by a more favorable geographic mix of pre-tax income in various non-U.S. jurisdictions and the favorable impact of establishing certain deferred tax assets for state tax deductions.

See Note 8, *Goodwill and Intangible Assets*, for additional information related to our impairment losses. See Note 4, *Acquisitions and Divestitures*, for additional information on our acquisitions and divestitures.

Deferred Income Tax Assets and Liabilities:

The tax effects of temporary differences and carryforwards that gave rise to deferred income tax assets and liabilities consisted of the following (in millions):

	December 31, 2022	December 25, 2021
Deferred income tax liabilities:		
Intangible assets, net	\$ 9,985	\$ 10,212
Property, plant and equipment, net	680	748
Right-of-use assets	131	110
Other	408	455
Deferred income tax liabilities	11,204	11,525
Deferred income tax assets:		
Other employee benefits	(111)	(119)
Deferred income	(356)	(369)
Lease liabilities	(139)	(115)
Other	(693)	(621)
Deferred income tax assets	(1,299)	(1,224)
Valuation allowance	96	101
Net deferred income tax liabilities	\$ 10,001	\$ 10,402

The 2021 deferred income tax assets and liabilities reflected in the above table have been adjusted principally to reflect deferred taxes on the gross up of the operating lease right-of-use assets and the operating lease liabilities under ASU 2016-02, *Leases (Topic 842)*. This update had the effect of increasing both the total deferred income tax assets and the deferred income tax liabilities by \$210 million for the year ended December 25, 2021. These adjustments have no net impact on the net deferred income tax liabilities or on the consolidated financial statements and we do not believe they are material to the annual consolidated financial statements.

The decrease in net deferred income tax liabilities from December 25, 2021 to December 31, 2022 was primarily driven by intangible asset impairment losses in 2022. See Note 8, *Goodwill and Intangible Assets*, for additional information on the impairment losses.

At December 31, 2022, foreign operating loss carryforwards totaled \$621 million. Of that amount, \$47 million expire between 2023 and 2042; the other \$575 million do not expire. We have recorded \$180 million of deferred tax assets related to these foreign operating loss carryforwards. Deferred tax assets of \$22 million have been recorded for U.S. state and local operating loss carryforwards. These losses expire between 2023 and 2042. At December 31, 2022, tax credit carryforwards totaled \$55 million, which included state tax credits of \$22 million, foreign credits of \$18 million, and U.S. foreign tax credits of \$15 million.

Uncertain Tax Positions:

At December 31, 2022, our unrecognized tax benefits for uncertain tax positions were \$455 million. If we had recognized all of these benefits, the impact on our effective tax rate would have been \$425 million. It is reasonably possible that our unrecognized tax benefits will decrease by as much as \$3 million in the next 12 months primarily due to the progression of federal, state, and foreign audits in process. Our unrecognized tax benefits for uncertain tax positions are included in income taxes payable and other non-current liabilities on our consolidated balance sheets.

The changes in our unrecognized tax benefits were (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Balance at the beginning of the period	\$ 441	\$ 421	\$ 406
Increases for tax positions of prior years	8	13	13
Decreases for tax positions of prior years	(27)	(51)	(34)
Increases based on tax positions related to the current year	53	75	57
Decreases due to settlements with taxing authorities	(6)	(1)	(8)
Decreases due to lapse of statute of limitations	(14)	(16)	(13)
Balance at the end of the period	\$ 455	\$ 441	\$ 421

Our unrecognized tax benefits increased during 2022 and 2021 mainly as a result of a net increase for tax positions related to the current and prior years in the U.S. and certain state and foreign jurisdictions, which were partially offset by decreases related to audit settlements with federal, state, and foreign taxing authorities and statute of limitations expirations.

We include interest and penalties related to uncertain tax positions in our tax provision. Our provision for/(benefit from) income taxes included a \$20 million expense in 2022, a \$9 million expense in 2021, and a \$10 million expense in 2020 related to interest and penalties. Accrued interest and penalties were \$100 million as of December 31, 2022 and \$81 million as of December 25, 2021.

Other Income Tax Matters:

Tax Examinations:

We are currently under examination for income taxes by the IRS for the years 2018 and 2019. We are continuing to respond to Information Document Requests. We have received a draft economist report and expect to receive a Notice of Proposed Adjustment relating to transfer pricing with our foreign subsidiaries asserting that our U.S. taxable income should have been higher in 2018 and 2019, which would result in additional U.S. tax expense for 2018 and 2019 plus interest and potential penalties. We strongly disagree with the IRS's suggested position, believe that our tax positions are properly supported, and intend to vigorously contest the position taken by the IRS and pursue all available administrative and judicial remedies. We continue to maintain our operating model and believe our income tax reserves are appropriate for all open tax years and that final adjudication of this matter will not have a material impact on our results of operations and cash flows. However, the ultimate outcome of this matter is uncertain, and if we are required to pay the IRS additional U.S. taxes, interest, and potential penalties, our results of operations and cash flows could be materially affected.

In the normal course of business, we are subject to examination by taxing authorities throughout the world, including such major jurisdictions as Brazil, Canada, Italy, the Netherlands, the United Kingdom, and the United States. As of December 31, 2022, we have substantially concluded all national income tax matters through 2020 for the Netherlands, through 2017 for the United States, through 2014 for Italy, through 2013 for the United Kingdom and Canada, and through 2013, with the exception of 2007 and 2008 which are under litigation, for Brazil. We have substantially concluded all U.S. state income tax matters through 2007.

Cash Held by International Subsidiaries:

Our undistributed historic earnings in foreign subsidiaries through December 31, 2017 are currently not considered to be indefinitely reinvested. Related to these undistributed historic earnings, we had recorded a deferred tax liability of approximately \$10 million on approximately \$90 million of historic earnings at December 31, 2022 and a deferred tax liability of approximately \$10 million on approximately \$135 million of historic earnings at December 25, 2021. The deferred tax liability relates to local withholding taxes that will be owed when this cash is distributed.

Subsequent to January 1, 2018, we consider the unremitted earnings of certain international subsidiaries that impose local country taxes on dividends to be indefinitely reinvested. For those undistributed earnings considered to be indefinitely reinvested, our intent is to reinvest these funds in our international operations, and our current plans do not demonstrate a need to repatriate the accumulated earnings to fund our U.S. cash requirements. The amount of unrecognized deferred tax liabilities for local country withholding taxes that would be owed, if repatriated, related to our 2018 through 2022 accumulated earnings of certain international subsidiaries is approximately \$50 million.

Divestitures:

Related to the Cheese Transaction, we paid cash taxes of approximately \$620 million in the second quarter of 2022.

Related to the Nuts Transaction, we paid cash taxes of approximately \$700 million in the second half of 2021.

On August 16, 2022, the Inflation Reduction Act was signed into law in the United States. We are currently evaluating the law and do not expect the Inflation Reduction Act to have a significant impact on our financial statements, including our annual estimated effective tax rate.

Note 10. Employees' Stock Incentive Plans

We grant equity awards, including stock options, restricted stock units ("RSUs"), and performance share units ("PSUs"), to select employees to provide long-term performance incentives to our employees.

Stock Plans

We had activity related to equity awards from the following plans in 2022, 2021, and 2020:

2020 Omnibus Incentive Plan:

In May 2020, our stockholders approved The Kraft Heinz Company 2020 Omnibus Incentive Plan (the “2020 Omnibus Plan”), which was adopted by our Board of Directors (“Board”) in March 2020. The 2020 Omnibus Plan became effective March 2, 2020 (the “Plan Effective Date”) and will expire on the tenth anniversary of the Plan Effective Date. The 2020 Omnibus Plan authorizes the issuance of up to 36 million shares of our common stock for awards to employees, non-employee directors, and other key personnel. The 2020 Omnibus Plan provides for the grant of options, stock appreciation rights, restricted stock, RSUs, deferred stock, performance awards, other stock-based awards, and cash-based awards. Equity awards granted under the 2020 Omnibus Plan include awards that vest in full at the end of a three-year period as well as awards that vest in annual installments over three or four years beginning on the second anniversary of the original grant date. Non-qualified stock options have a maximum exercise term of 10 years from the date of the grant. As of the Plan Effective Date, awards will no longer be granted under The Kraft Heinz Company 2016 Omnibus Incentive Plan, the H. J. Heinz Holding Corporation 2013 Omnibus Incentive Plan, Kraft Foods Group, Inc. 2012 Performance Incentive Plan, or any other equity plans other than the 2020 Omnibus Plan.

2016 Omnibus Incentive Plan:

In April 2016, our stockholders approved The Kraft Heinz Company 2016 Omnibus Incentive Plan (“2016 Omnibus Plan”), which was adopted by our Board in February 2016. The 2016 Omnibus Plan authorized grants of up to 18 million shares of our common stock pursuant to options, stock appreciation rights, RSUs, deferred stock, performance awards, investment rights, other stock-based awards, and cash-based awards. Equity awards granted under the 2016 Omnibus Plan prior to 2019 generally vest in full at the end of a five-year period. Equity awards granted under the 2016 Omnibus Plan in 2019 include awards that vest in full at the end of three and five-year periods as well as awards that become exercisable in annual installments over three to four years beginning on the second anniversary of the original grant date. Non-qualified stock options have a maximum exercise term of 10 years. Equity awards granted under the 2016 Omnibus Plan since inception include non-qualified stock options, RSUs, and PSUs.

2013 Omnibus Incentive Plan:

Prior to approval of the 2016 Omnibus Plan, we issued non-qualified stock options to select employees under the H. J. Heinz Holding Corporation 2013 Omnibus Incentive Plan (“2013 Omnibus Plan”). As a result of the 2015 Merger, each outstanding Heinz stock option was converted into 0.443332 of a Kraft Heinz stock option. Following this conversion, the 2013 Omnibus Plan authorized the issuance of up to 17,555,947 shares of our common stock. Non-qualified stock options awarded under the 2013 Omnibus Plan vest in full at the end of a five-year period and have a maximum exercise term of 10 years. These non-qualified stock options have vested and become exercisable in accordance with the terms and conditions of the 2013 Omnibus Plan and the relevant award agreements.

Kraft 2012 Performance Incentive Plan:

Prior to the 2015 Merger, Kraft issued equity-based awards, including stock options and RSUs, under the Kraft Foods Group, Inc. 2012 Performance Incentive Plan (“2012 Performance Incentive Plan”). As a result of the 2015 Merger, each outstanding Kraft stock option was converted into an option to purchase a number of shares of our common stock based upon an option adjustment ratio, and each outstanding Kraft RSU was converted into one Kraft Heinz RSU. These options generally become exercisable in three annual installments beginning on the first anniversary of the original grant date, and have a maximum exercise term of 10 years. These RSUs generally vest in full on the third anniversary of the original grant date. In accordance with the terms of the 2012 Performance Incentive Plan, vesting generally accelerated for holders of Kraft awards who were terminated without cause within 2 years of the 2015 Merger Date. These Kraft Heinz equity awards have vested and become exercisable in accordance with the terms and conditions that were applicable immediately prior to the completion of the 2015 Merger.

In addition, prior to the 2015 Merger, Kraft issued performance-based, long-term incentive awards (“Kraft Performance Shares”), which vested based on varying performance, market, and service conditions. In connection with the 2015 Merger, all outstanding Kraft Performance Shares were converted into cash awards, payable in two installments: (i) a 2015 pro-rata payment based upon the portion of the Kraft Performance Share cycle completed prior to the 2015 Merger and (ii) the remaining value of the award to be paid on the earlier of the first anniversary of the closing of the 2015 Merger and a participant's termination without cause.

Stock Options

We use the Black-Scholes model to estimate the fair value of stock option grants. Our weighted average Black-Scholes fair value assumptions were:

	December 31, 2022	December 25, 2021	December 26, 2020
Risk-free interest rate	1.64 %	1.03 %	0.45 %
Expected term	6.5 years	6.5 years	6.5 years
Expected volatility	28.5 %	32.1 %	33.6 %
Expected dividend yield	4.4 %	4.6 %	5.7 %
Weighted average grant date fair value per share	\$ 6.46	\$ 6.63	\$ 4.77

The risk-free interest rate represented the constant maturity U.S. Treasury rate in effect at the grant date, with a remaining term equal to the expected term of the options. The expected term is the period over which our employees are expected to hold their options. Due to the lack of historical data, we calculated expected term using the weighted average vesting period and the contractual term of the options. We estimated volatility using a blended volatility approach of term-matched historical volatility from our daily stock prices and weighted average implied volatility. We estimated the expected dividend yield using the quarterly dividend divided by the three-month average stock price, annualized and continuously compounded.

Our stock option activity and related information was:

	Number of Stock Options	Weighted Average Exercise Price (per share)	Aggregate Intrinsic Value (in millions)	Average Remaining Contractual Term
Outstanding at December 25, 2021	11,778,068	\$ 45.43		
Granted	941,146	38.68		
Forfeited	(1,091,515)	61.80		
Exercised	(2,068,636)	27.42		
Outstanding at December 31, 2022	9,559,063	46.80	\$ 37	4 years
Exercisable at December 31, 2022	6,621,706	47.43	29	3 years

The aggregate intrinsic value of stock options exercised during the period was \$24 million in 2022, \$23 million in 2021, and \$24 million in 2020.

Cash received from options exercised was \$57 million in 2022, \$53 million in 2021, and \$85 million in 2020. The tax benefit realized from stock options exercised was \$8 million in 2022, \$12 million in 2021, and \$16 million in 2020.

Our unvested stock options and related information was:

	Number of Stock Options	Weighted Average Grant Date Fair Value (per share)
Unvested options at December 25, 2021	4,408,137	\$ 7.52
Granted	941,146	6.46
Forfeited	(525,007)	7.90
Vested	(1,886,919)	6.87
Unvested options at December 31, 2022	2,937,357	7.53

Restricted Stock Units

RSUs represent a right to receive one share or the value of one share upon the terms and conditions set forth in the applicable plan and award agreement.

We used the stock price on the grant date to estimate the fair value of our RSUs. Certain of our RSUs are not dividend eligible. We discounted the fair value of these RSUs based on the dividend yield. Dividend yield was estimated using the quarterly dividend divided by the three-month average stock price, annualized and continuously compounded. The grant date fair value of RSUs is amortized to expense over the vesting period.

The weighted average grant date fair value per share of our RSUs granted during the year was \$37.50 in 2022, \$36.36 in 2021, and \$29.27 in 2020. All RSUs granted in 2022, 2021, and 2020 were dividend eligible.

Our RSU activity and related information was:

	Number of Units	Weighted Average Grant Date Fair Value (per share)
Outstanding at December 25, 2021	12,476,390	\$ 33.08
Granted	3,087,495	37.50
Forfeited	(1,941,019)	33.27
Vested	(4,292,148)	33.41
Outstanding at December 31, 2022	9,330,718	34.36

The aggregate fair value of RSUs that vested during the period was \$163 million in 2022, \$135 million in 2021, and \$6 million in 2020.

Performance Share Units

PSUs represent a right to receive one share or the value of one share upon the terms and conditions set forth in the applicable plan and award agreement and are subject to achievement or satisfaction of performance or market conditions specified by the Compensation Committee of our Board.

For our PSUs that are tied to performance conditions, we used the stock price on the grant date to estimate the fair value. The PSUs are not dividend eligible; therefore, we discounted the fair value of the PSUs based on the dividend yield. Dividend yield was estimated using the quarterly dividend divided by the three-month average stock price, annualized and continuously compounded. The grant date fair value of PSUs is amortized to expense on a straight-line basis over the requisite service period for each separately vesting portion of the awards. We adjust the expense based on the likelihood of future achievement of performance metrics.

For our PSUs that are tied to market-based conditions, the grant date fair value was determined based on a Monte Carlo simulation model, which takes into account expected volatility and dividend yield, among other things. The related compensation expense is recognized regardless of whether the market condition is satisfied, provided that the requisite service has been provided. The final award is based on the achievement of market-based components and service-based vesting conditions and may equal 0% to 150% of the target grant amount, based on achievement of the market-based conditions.

In 2019, we granted PSUs to our Chief Executive Officer that were tied to market-based conditions. The vesting date for these awards occurred without the performance conditions having been met and the PSUs were forfeited.

The weighted average grant date fair value per share of our PSUs granted during the year was \$34.45 in 2022, \$35.03 in 2021, and \$28.50 in 2020. Our expected dividend yield was 4.41% in 2022, 4.63% in 2021, and 5.10% in 2020. For our PSUs that are tied to market-based conditions, our expected volatility was 32.92% in 2022 and 38.90% in 2021.

Our PSU activity and related information was:

	Number of Units	Weighted Average Grant Date Fair Value (per share)
Outstanding at December 25, 2021	5,319,980	\$ 27.24
Granted	1,737,198	34.45
Forfeited	(1,525,761)	21.31
Vested	(1,512,763)	28.41
Outstanding at December 31, 2022	4,018,654	32.15

The aggregate fair value of PSUs that vested during the period was \$58 million in 2022 and \$69 million in 2021. No PSUs vested in 2020.

Total Equity Awards

Equity award compensation cost and the related tax benefit was (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Pre-tax compensation cost	\$ 148	\$ 197	\$ 156
Related tax benefit	(34)	(43)	(33)
After-tax compensation cost	\$ 114	\$ 154	\$ 123

Unrecognized compensation cost related to unvested equity awards was \$209 million at December 31, 2022 and is expected to be recognized over a weighted average period of 2 years.

Note 11. Postemployment Benefits

We maintain various retirement plans for the majority of our employees. Current defined benefit pension plans are provided primarily for certain domestic union and foreign employees. Local statutory requirements govern many of these plans. The pension benefits of our unionized workers are in accordance with the applicable collective bargaining agreement covering their employment. Defined contribution plans are provided for certain domestic unionized, non-union hourly, and salaried employees as well as certain employees in foreign locations.

We provide health care and other postretirement benefits to certain of our eligible retired employees and their eligible dependents. Certain of our U.S. and Canadian employees may become eligible for such benefits. We may modify plan provisions or terminate plans at our discretion. The postretirement benefits of our unionized workers are in accordance with the applicable collective bargaining agreement covering their employment.

We remeasure our postemployment benefit plans at least annually.

Pension Plans

Obligations and Funded Status:

The projected benefit obligations, fair value of plan assets, and funded status of our pension plans were (in millions):

	U.S. Plans		Non-U.S. Plans	
	December 31, 2022	December 25, 2021	December 31, 2022	December 25, 2021
Benefit obligation at beginning of year	\$ 3,852	\$ 4,191	\$ 2,224	\$ 2,359
Service cost	4	5	14	16
Interest cost	118	90	36	29
Benefits paid	(156)	(132)	(79)	(116)
Actuarial losses/(gains) ^(a)	(988)	(125)	(632)	(35)
Currency	—	—	(191)	(28)
Settlements ^(b)	(176)	(180)	(46)	(2)
Curtailments	(1)	—	—	—
Special/contractual termination benefits	—	3	—	1
Benefit obligation at end of year	2,653	3,852	1,326	2,224
Fair value of plan assets at beginning of year	4,445	4,627	2,910	3,023
Actual return on plan assets	(1,000)	130	(832)	28
Employer contributions	—	—	11	15
Benefits paid	(156)	(132)	(79)	(117)
Currency	—	—	(255)	(37)
Settlements ^(b)	(176)	(180)	(46)	(2)
Fair value of plan assets at end of year	3,113	4,445	1,709	2,910
Net pension liability/(asset) recognized at end of year	\$ (460)	\$ (593)	\$ (383)	\$ (686)

(a) Actuarial losses/(gains) were primarily due to a change in the discount rate assumption utilized in measuring plan obligations.

(b) Settlements represent lump sum payments of \$222 million in 2022 and \$182 million in 2021.

The accumulated benefit obligation, which represents benefits earned to the measurement date, was \$2.6 billion at December 31, 2022 and \$3.8 billion at December 25, 2021 for the U.S. pension plans. The accumulated benefit obligation for the non-U.S. pension plans was \$1.3 billion at December 31, 2022 and \$2.1 billion at December 25, 2021.

The combined U.S. and non-U.S. pension plans resulted in net pension assets of \$843 million at December 31, 2022 and \$1.3 billion at December 25, 2021. We recognized these amounts on our consolidated balance sheets as follows (in millions):

	December 31, 2022	December 25, 2021
Other non-current assets	\$ 908	\$ 1,366
Other current liabilities	(4)	(5)
Accrued postemployment costs	(61)	(82)
Net pension asset/(liability) recognized	<u>\$ 843</u>	<u>\$ 1,279</u>

For certain of our U.S. and non-U.S. plans that were underfunded based on accumulated benefit obligations in excess of plan assets, the projected benefit obligations, accumulated benefit obligations, and the fair value of plan assets were (in millions):

	U.S. Plans		Non-U.S. Plans	
	December 31, 2022	December 25, 2021	December 31, 2022	December 25, 2021
Projected benefit obligation	\$ —	\$ —	\$ 96	\$ 162
Accumulated benefit obligation	—	—	91	155
Fair value of plan assets	—	—	31	75

All of our U.S. plans were overfunded based on plan assets in excess of accumulated benefit obligations as of December 31, 2022 and December 25, 2021.

For certain of our U.S. and non-U.S. plans that were underfunded based on projected benefit obligations in excess of plan assets, the projected benefit obligations, accumulated benefit obligations, and the fair value of plan assets were (in millions):

	U.S. Plans		Non-U.S. Plans	
	December 31, 2022	December 25, 2021	December 31, 2022	December 25, 2021
Projected benefit obligation	\$ —	\$ —	\$ 96	\$ 162
Accumulated benefit obligation	—	—	91	155
Fair value of plan assets	—	—	31	75

All of our U.S. plans were overfunded based on plan assets in excess of projected benefit obligations as of December 31, 2022 and December 25, 2021.

We used the following weighted average assumptions to determine our projected benefit obligations under the pension plans:

	U.S. Plans		Non-U.S. Plans	
	December 31, 2022	December 25, 2021	December 31, 2022	December 25, 2021
Discount rate	5.6 %	3.1 %	4.9 %	1.9 %
Rate of compensation increase	4.0 %	4.0 %	3.8 %	3.8 %

Discount rates for our U.S. and non-U.S. plans were developed from a model portfolio of high quality, fixed-income debt instruments with durations that match the expected future cash flows of the plans.

Components of Net Pension Cost/(Benefit):

Net pension cost/(benefit) consisted of the following (in millions):

	U.S. Plans			Non-U.S. Plans		
	December 31, 2022	December 25, 2021	December 26, 2020	December 31, 2022	December 25, 2021	December 26, 2020
Service cost	\$ 4	\$ 5	\$ 6	\$ 14	\$ 16	\$ 16
Interest cost	118	90	123	36	29	38
Expected return on plan assets	(193)	(186)	(206)	(69)	(94)	(103)
Amortization of prior service costs/(credits)	—	—	—	1	1	—
Amortization of unrecognized losses/(gains)	—	—	—	1	2	1
Settlements	(1)	(11)	(24)	15	1	—
Special/contractual termination benefits	—	3	—	—	1	—
Net pension cost/(benefit)	<u>\$ (72)</u>	<u>\$ (99)</u>	<u>\$ (101)</u>	<u>\$ (2)</u>	<u>\$ (44)</u>	<u>\$ (48)</u>

We present all non-service cost components of net pension cost/(benefit) within other expense/(income) on our consolidated statements of income. In 2021, we recognized special/contractual termination benefits for our U.S. plans related to the Nuts Transaction, including a loss of \$3 million. These special/contractual termination benefits are recorded in other expense/(income) as a component of our pre-tax loss/(gain) on sale of business on the consolidated statement of income for the year ended December 25, 2021.

We used the following weighted average assumptions to determine our net pension costs for the years ended:

	U.S. Plans			Non-U.S. Plans		
	December 31, 2022	December 25, 2021	December 26, 2020	December 31, 2022	December 25, 2021	December 26, 2020
Discount rate - Service cost	4.0 %	3.1 %	3.5 %	2.4 %	2.1 %	2.5 %
Discount rate - Interest cost	4.0 %	2.3 %	2.8 %	1.8 %	1.2 %	1.8 %
Expected rate of return on plan assets	5.3 %	4.2 %	4.4 %	2.6 %	3.1 %	3.8 %
Rate of compensation increase	4.0 %	4.0 %	4.1 %	3.8 %	3.5 %	3.7 %

Discount rates for our U.S. and non-U.S. plans were developed from a model portfolio of high quality, fixed-income debt instruments with durations that match the expected future cash flows of the plans. We determine our expected rate of return on plan assets from the plan assets' historical long-term investment performance, target asset allocation, and estimates of future long-term returns by asset class.

Plan Assets:

The underlying basis of the investment strategy of our defined benefit plans is to ensure that pension funds are available to meet the plans' benefit obligations when they are due. Our investment objectives include: investing plan assets in a high-quality, diversified manner in order to maintain the security of the funds; achieving an optimal return on plan assets within specified risk tolerances; and investing according to local regulations and requirements specific to each country in which a defined benefit plan operates. The investment strategy expects equity investments to yield a higher return over the long term than fixed-income securities, while fixed-income securities are expected to provide certain matching characteristics to the plans' benefit payment cash flow requirements. Our investment policy specifies the type of investment vehicles appropriate for the applicable plan, asset allocation guidelines, criteria for the selection of investment managers, procedures to monitor overall investment performance as well as investment manager performance. It also provides guidelines enabling the applicable plan fiduciaries to fulfill their responsibilities.

Our weighted average asset allocations were:

	U.S. Plans		Non-U.S. Plans	
	December 31, 2022	December 25, 2021	December 31, 2022	December 25, 2021
Fixed-income securities	72 %	83 %	52 %	53 %
Equity securities	10 %	16 %	3 %	21 %
Alternative investments, including real assets and other fixed income	16 %	— %	10 %	— %
Cash and cash equivalents	2 %	1 %	19 %	9 %
Certain insurance contracts	— %	— %	16 %	17 %
Total	100 %	100 %	100 %	100 %

Our pension investment strategy for U.S. plans is designed to align our pension assets with our projected benefit obligation to reduce volatility. We target an investment of approximately 75% of our U.S. plan assets in fixed-income securities, approximately 15% in alternatives, primarily real assets and diversified credit, and approximately 10% in return-seeking assets, primarily equity securities. Prior to 2022, we targeted an investment of approximately 85% of our U.S. plan assets in fixed-income securities and approximately 15% in return-seeking assets, primarily equity securities.

For pension plans outside the United States, our investment strategy is subject to local regulations and the asset/liability profiles of the plans in each individual country. In aggregate, the long-term asset allocation targets of our non-U.S. plans are broadly characterized as a mix of approximately 83% fixed-income securities and certain insurance contracts, approximately 8% in alternatives, primarily multi-asset credit, and approximately 9% in return-seeking assets, primarily equity securities.

The fair value of pension plan assets at December 31, 2022 was determined using the following fair value measurements (in millions):

Asset Category	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Government bonds	\$ 371	\$ 371	\$ —	\$ —
Corporate bonds and other fixed-income securities	2,292	—	2,292	—
Total fixed-income securities	2,663	371	2,292	—
Equity securities	—	—	—	—
Cash and cash equivalents	330	327	3	—
Real estate	—	—	—	—
Certain insurance contracts	275	—	—	275
Fair value excluding investments measured at net asset value	3,268	698	2,295	275
Investments measured at net asset value ^(a)	1,554			
Total plan assets at fair value	\$ 4,822			

(a) Amount includes cash collateral of \$163 million associated with our securities lending program, which is reflected as an asset, and a corresponding securities lending payable of \$163 million, which is reflected as a liability. The net impact on total plan assets at fair value is zero.

The fair value of pension plan assets at December 25, 2021 was determined using the following fair value measurements (in millions):

Asset Category	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Government bonds	\$ 316	\$ 316	\$ —	\$ —
Corporate bonds and other fixed-income securities	4,092	—	4,092	—
Total fixed-income securities	4,408	316	4,092	—
Equity securities	171	171	—	—
Cash and cash equivalents	247	245	2	—
Real estate	6	—	—	6
Certain insurance contracts	488	—	—	488
Fair value excluding investments measured at net asset value	5,320	732	4,094	494
Investments measured at net asset value ^(a)	2,035			
Total plan assets at fair value	\$ 7,355			

(a) Amount includes cash collateral of \$239 million associated with our securities lending program, which is reflected as an asset, and a corresponding securities lending payable of \$239 million, which is reflected as a liability. The net impact on total plan assets at fair value is zero.

The following section describes the valuation methodologies used to measure the fair value of pension plan assets, including an indication of the level in the fair value hierarchy in which each type of asset is generally classified.

Government Bonds. These securities consist of direct investments in publicly traded U.S. fixed interest obligations (principally debentures). Such investments are valued using quoted prices in active markets. These securities are included in Level 1.

Corporate Bonds and Other Fixed-Income Securities. These securities consist of publicly traded U.S. and non-U.S. fixed interest obligations (principally corporate bonds). Such investments are valued through consultation and evaluation with brokers in the institutional market using quoted prices and other observable market data. As such, these securities are included in Level 2. Any securities that are in default are included in Level 3.

Equity Securities. These securities consist of direct investments in the stock of publicly traded companies. Such investments are valued based on the closing price reported in an active market on which the individual securities are traded. As such, the direct investments are classified as Level 1. Beginning in 2022, all equity exposure is provided through pooled funds valued at net asset value.

Cash and Cash Equivalents. This consists of direct cash holdings and institutional short-term investment vehicles. Direct cash holdings are valued based on cost, which approximates fair value and are classified as Level 1. Certain institutional short-term investment vehicles are valued daily and are classified as Level 1. Other cash equivalents that are not traded on an active exchange, such as bank deposits, are classified as Level 2.

Real Estate. These holdings consist of real estate investments and are generally classified as Level 3.

Certain Insurance Contracts. This category consists of group annuity contracts that have been purchased to cover a portion of the plan members and have been classified as Level 3.

Investments Measured at Net Asset Value. This category consists of pooled funds, short-term investments, and partnership/corporate feeder interests.

- **Pooled funds.** The fair values of participation units held in collective trusts are based on their net asset values, as reported by the managers of the collective trusts and as supported by the unit prices of actual purchase and sale transactions occurring as of or close to the financial statement date. The fair value of these investments measured at net asset value is excluded from the fair value hierarchy. Investments in the collective trusts can be redeemed daily, monthly, or quarterly based upon the applicable net asset value per unit and the terms of the specific trust agreements.

The mutual fund investments are not traded on an exchange, and a majority of these funds are held in a separate account managed by a fixed income manager. The fair values of these investments are based on their net asset values, as reported by the managers and as supported by the unit prices of actual purchase and sale transactions occurring as of or close to the financial statement date. The fair value of these investments measured at net asset value is excluded from the fair value hierarchy. The objective of the account is to provide superior return with reasonable risk, where performance is expected to exceed Barclays Long U.S. Credit Index. Investments in this account can be redeemed with a written notice to the investment manager.

- *Short-term investments.* Short-term investments largely consist of a money market fund, the fair value of which is based on the net asset value reported by the manager of the fund and supported by the unit prices of actual purchase and sale transactions. The fair value of these investments measured at net asset value is excluded from the fair value hierarchy. The money market fund is designed to provide safety of principal, daily liquidity, and a competitive yield by investing in high quality money market instruments. The investment objective of the money market fund is to provide the highest possible level of current income while still maintaining liquidity and preserving capital.
- *Partnership/corporate feeder interests.* Fair value estimates of the equity partnership are based on their net asset values, as reported by the manager of the partnership. The fair value of these investments measured at net asset value is excluded from the fair value hierarchy. Investments in the equity partnership may be redeemed once per month upon 10 days' prior written notice to the General Partner, subject to the discretion of the General Partner. The investment objective of the equity partnership is to seek capital appreciation by investing primarily in equity securities.

The fair values of the corporate feeder are based upon the net asset values of the equity master fund in which it invests. The fair value of these investments measured at net asset value is excluded from the fair value hierarchy. Investments in the corporate feeder can be redeemed quarterly with at least 90 days' notice. The investment objective of the corporate feeder is to generate long-term returns by investing in large, liquid equity securities with attractive fundamentals.

Changes in our Level 3 plan assets for the year ended December 31, 2022 included (in millions):

Asset Category	December 25, 2021	Additions	Net Realized Gain/(Loss)	Net Unrealized Gain/(Loss)	Net Purchases, Issuances and Settlements	Transfers Into/(Out of) Level 3	December 31, 2022
Real estate	\$ 6	\$ —	\$ 2	\$ (5)	\$ (3)	\$ —	\$ —
Certain insurance contracts	488	—	—	(198)	(15)	—	275
Total Level 3 investments	<u>\$ 494</u>	<u>\$ —</u>	<u>\$ 2</u>	<u>\$ (203)</u>	<u>\$ (18)</u>	<u>\$ —</u>	<u>\$ 275</u>

Changes in our Level 3 plan assets for the year ended December 25, 2021 included (in millions):

Asset Category	December 26, 2020	Additions	Net Realized Gain/(Loss)	Net Unrealized Gain/(Loss)	Net Purchases, Issuances and Settlements	Transfers Into/(Out of) Level 3	December 25, 2021
Real estate	\$ 35	\$ —	\$ (1)	\$ (1)	\$ (27)	\$ —	\$ 6
Corporate bonds and other fixed-income securities	1	—	—	—	—	(1)	—
Certain insurance contracts	47	464	—	(13)	(10)	—	488
Total Level 3 investments	<u>\$ 83</u>	<u>\$ 464</u>	<u>\$ (1)</u>	<u>\$ (14)</u>	<u>\$ (37)</u>	<u>\$ (1)</u>	<u>\$ 494</u>

Employer Contributions:

In 2022, we contributed \$11 million to our non-U.S. pension plans. We did not contribute to our U.S. pension plans. We estimate that 2023 pension contributions will be approximately \$11 million to our non-U.S. pension plans. We do not plan to make contributions to our U.S. pension plans in 2023. Estimated future contributions take into consideration current economic conditions, which at this time are expected to have minimal impact on expected contributions for 2023. Our actual contributions and plans may change due to many factors, including changes in tax, employee benefit, or other laws and regulations, tax deductibility, significant differences between expected and actual pension asset performance or interest rates, or other factors.

Future Benefit Payments:

The estimated future benefit payments from our pension plans at December 31, 2022 were (in millions):

	U.S. Plans	Non-U.S. Plans
2023	\$ 265	\$ 83
2024	260	77
2025	251	79
2026	234	81
2027	226	84
2028-2032	973	436

Postretirement Plans

Obligations and Funded Status:

The accumulated benefit obligation, fair value of plan assets, and funded status of our postretirement benefit plans were (in millions):

	December 31, 2022	December 25, 2021
Benefit obligation at beginning of year	\$ 995	\$ 1,302
Service cost	4	6
Interest cost	27	20
Benefits paid	(80)	(94)
Actuarial losses/(gains) ^(a)	(205)	(121)
Plan amendments ^(b)	(2)	(116)
Currency	(6)	1
Curtailments	—	(3)
Benefit obligation at end of year	733	995
Fair value of plan assets at beginning of year	1,151	1,153
Actual return on plan assets	(196)	80
Employer contributions	12	13
Benefits paid	(80)	(95)
Fair value of plan assets at end of year	887	1,151
Net postretirement benefit liability/(asset) recognized at end of year	\$ (154)	\$ (156)

(a) Actuarial losses/(gains) were primarily due to a change in the discount rate assumption utilized in measuring plan obligations.

(b) Driven primarily by a 2021 plan amendment that changed the benefit structure for a subset of the retiree population.

We recognized the net postretirement benefit asset/(liability) on our consolidated balance sheets as follows (in millions):

	December 31, 2022	December 25, 2021
Other non-current assets	\$ 244	\$ 287
Other current liabilities	(7)	(8)
Accrued postemployment costs	(83)	(123)
Net postretirement benefit asset/(liability) recognized	\$ 154	\$ 156

For certain of our postretirement benefit plans that were underfunded based on accumulated postretirement benefit obligations in excess of plan assets, the accumulated benefit obligations and the fair value of plan assets were (in millions):

	December 31, 2022	December 25, 2021
Accumulated benefit obligation	\$ 90	\$ 131
Fair value of plan assets	—	—

We used the following weighted average assumptions to determine our postretirement benefit obligations:

	December 31, 2022	December 25, 2021
Discount rate	5.5 %	2.8 %
Health care cost trend rate assumed for next year	6.6 %	5.9 %
Ultimate trend rate	4.8 %	4.8 %

Discount rates for our plans were developed from a model portfolio of high-quality, fixed-income debt instruments with durations that match the expected future cash flows of the plans. Our expected health care cost trend rate is based on historical costs and our expectation for health care cost trend rates going forward.

The year that the health care cost trend rate reaches the ultimate trend rate varies by plan and ranges between 2023 and 2030 as of December 31, 2022. Assumed health care costs trend rates have a significant impact on the amounts reported for the postretirement benefit plans.

Components of Net Postretirement Cost/(Benefit):

Net postretirement cost/(benefit) consisted of the following (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Service cost	\$ 4	\$ 6	\$ 6
Interest cost	27	20	33
Expected return on plan assets	(54)	(49)	(49)
Amortization of prior service costs/(credits)	(15)	(8)	(122)
Amortization of unrecognized losses/(gains)	(15)	(16)	(14)
Curtailments	—	(4)	—
Net postretirement cost/(benefit)	<u>\$ (53)</u>	<u>\$ (51)</u>	<u>\$ (146)</u>

We present all non-service cost components of net postretirement cost/(benefit) within other expense/(income) on our consolidated statements of income. In 2021, we recognized a curtailment gain of \$4 million related to the Nuts Transaction. This gain is recorded in other expense/(income) as a component of our pre-tax loss/(gain) on sale of business on the consolidated statement of income for the year ended December 25, 2021.

The amortization of prior service credits was primarily driven by plan amendments in 2015 and 2016. We estimate that amortization of prior service credits will be insignificant in each of the next five years.

We used the following weighted average assumptions to determine our net postretirement benefit plans cost for the years ended:

	December 31, 2022	December 25, 2021	December 26, 2020
Discount rate - Service cost	2.8 %	2.7 %	3.3 %
Discount rate - Interest cost	3.4 %	1.6 %	2.7 %
Expected rate of return on plan assets	5.4 %	4.4 %	4.7 %
Health care cost trend rate	6.6 %	5.9 %	6.2 %

Discount rates for our plans were developed from a model portfolio of high-quality, fixed-income debt instruments with durations that match the expected future cash flows of the plans. We determine our expected rate of return on plan assets from the plan assets' target asset allocation and estimates of future long-term returns by asset class. Our expected health care cost trend rate is based on historical costs and our expectation for health care cost trend rates going forward.

Plan Assets:

The underlying basis of the investment strategy of our U.S. postretirement plans is to ensure that funds are available to meet the plans' benefit obligations when they are due by investing plan assets in a high-quality, diversified manner in order to maintain the security of the funds. The investment strategy expects equity investments to yield a higher return over the long term than fixed-income securities, while fixed-income securities are expected to provide certain matching characteristics to the plans' benefit payment cash flow requirements.

Our weighted average asset allocations were:

	December 31, 2022	December 25, 2021
Fixed-income securities	61 %	61 %
Equity securities	33 %	36 %
Cash and cash equivalents	6 %	3 %

Our postretirement benefit plan investment strategy is subject to local regulations and the asset/liability profiles of the plans in each individual country. Our investment strategy is designed to align our postretirement benefit plan assets with our postretirement benefit obligation to reduce volatility. In aggregate, our long-term asset allocation targets are broadly characterized as a mix of approximately 70% in fixed-income securities and approximately 30% in return-seeking assets, primarily equity securities.

The fair value of postretirement benefit plan assets at December 31, 2022 was determined using the following fair value measurements (in millions):

Asset Category	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Government bonds	\$ 102	\$ 102	\$ —	\$ —
Corporate bonds and other fixed-income securities	437	—	437	—
Total fixed-income securities	539	102	437	—
Equity securities	163	163	—	—
Fair value excluding investments measured at net asset value	702	265	437	—
Investments measured at net asset value	185			
Total plan assets at fair value	\$ 887			

The fair value of postretirement benefit plan assets at December 25, 2021 was determined using the following fair value measurements (in millions):

Asset Category	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Government bonds	\$ 112	\$ 112	\$ —	\$ —
Corporate bonds and other fixed-income securities	590	—	590	—
Total fixed-income securities	702	112	590	—
Equity securities	236	236	—	—
Fair value excluding investments measured at net asset value	938	348	590	—
Investments measured at net asset value	213			
Total plan assets at fair value	\$ 1,151			

The following section describes the valuation methodologies used to measure the fair value of postretirement benefit plan assets, including an indication of the level in the fair value hierarchy in which each type of asset is generally classified.

Government Bonds. These securities consist of direct investments in publicly traded U.S. fixed interest obligations (principally debentures). Such investments are valued using quoted prices in active markets. These securities are included in Level 1.

Corporate Bonds and Other Fixed-Income Securities. These securities consist of publicly traded U.S. and non-U.S. fixed interest obligations (principally corporate bonds and tax-exempt municipal bonds). Such investments are valued through consultation and evaluation with brokers in the institutional market using quoted prices and other observable market data. As such, these securities are included in Level 2.

Equity Securities. These securities consist of direct investments in the stock of publicly traded companies. Such investments are valued based on the closing price reported in an active market on which the individual securities are traded. As such, the direct investments are classified as Level 1.

Investments Measured at Net Asset Value. This category consists of pooled funds and short-term investments.

- **Pooled funds.** The fair values of participation units held in collective trusts are based on their net asset values, as reported by the managers of the collective trusts and as supported by the unit prices of actual purchase and sale transactions occurring as of or close to the financial statement date. The fair value of these investments measured at net asset value is excluded from the fair value hierarchy. Investments in the collective trusts can be redeemed on each business day based upon the applicable net asset value per unit.

The mutual fund investments are not traded on an exchange. The fair values of the mutual fund investments that are not traded on an exchange are based on their net asset values, as reported by the managers and as supported by the unit prices of actual purchase and sale transactions occurring as of or close to the financial statement date. The fair value of these investments measured at net asset value is excluded from the fair value hierarchy.

- *Short-term investments.* Short-term investments largely consist of a money market fund, the fair value of which is based on the net asset value reported by the manager of the fund and supported by the unit prices of actual purchase and sale transactions. The fair value of these investments measured at net asset value is excluded from the fair value hierarchy. The money market fund is designed to provide safety of principal, daily liquidity, and a competitive yield by investing in high quality money market instruments. The investment objective of the money market fund is to provide the highest possible level of current income while still maintaining liquidity and preserving capital.

Employer Contributions:

In 2022, we contributed \$12 million to our postretirement benefit plans. We estimate that 2023 postretirement benefit plan contributions will be approximately \$12 million. Estimated future contributions take into consideration current economic conditions, which at this time are expected to have minimal impact on expected contributions for 2023. Our actual contributions and plans may change due to many factors, including changes in tax, employee benefit, or other laws and regulations, tax deductibility, significant differences between expected and actual postretirement plan asset performance or interest rates, or other factors.

Future Benefit Payments:

Our estimated future benefit payments for our postretirement plans at December 31, 2022 were (in millions):

2023	\$	87
2024		82
2025		78
2026		74
2027		70
2028-2032		289

Other Plans

We sponsor and contribute to employee savings plans that cover eligible salaried, non-union, and union employees. Our contributions and costs are determined by the matching of employee contributions, as defined by the plans. Amounts charged to expense for defined contribution plans totaled \$98 million in 2022, \$103 million in 2021, and \$91 million in 2020.

Accumulated Other Comprehensive Income/(Losses)

Our accumulated other comprehensive income/(losses) pension and postretirement benefit plans balances, before tax, consisted of the following (in millions):

	Pension Benefits		Postretirement Benefits		Total	
	December 31, 2022	December 25, 2021	December 31, 2022	December 25, 2021	December 31, 2022	December 25, 2021
Net actuarial gain/(loss)	\$ (424)	\$ 28	\$ 416	\$ 475	\$ (8)	\$ 503
Prior service credit/(cost)	(13)	(14)	8	23	(5)	9
	<u>\$ (437)</u>	<u>\$ 14</u>	<u>\$ 424</u>	<u>\$ 498</u>	<u>\$ (13)</u>	<u>\$ 512</u>

The net postemployment benefits recognized in other comprehensive income/(loss), consisted of the following (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Net postemployment benefit gains/(losses) arising during the period:			
Net actuarial gains/(losses) arising during the period - Pension Benefits	\$ (468)	\$ 39	\$ (55)
Net actuarial gains/(losses) arising during the period - Postretirement Benefits	(44)	267	29
	(512)	306	(26)
Tax benefit/(expense)	126	(77)	4
	<u>\$ (386)</u>	<u>\$ 229</u>	<u>\$ (22)</u>
Reclassification of net postemployment benefit losses/(gains) to net income/(loss):			
Amortization of unrecognized losses/(gains) - Pension Benefits	\$ 1	\$ 3	\$ 2
Amortization of unrecognized losses/(gains) - Postretirement Benefits	(15)	(16)	(14)
Amortization of prior service costs/(credits) - Pension Benefits	1	—	—
Amortization of prior service costs/(credits) - Postretirement Benefits	(15)	(8)	(122)
Net settlement and curtailment losses/(gains) - Pension Benefits	15	(11)	(24)
	(13)	(32)	(158)
Tax (benefit)/expense	5	6	40
	<u>\$ (8)</u>	<u>\$ (26)</u>	<u>\$ (118)</u>

Note 12. Financial Instruments

We maintain a policy of requiring that all significant, non-exchange traded derivative contracts be governed by an International Swaps and Derivatives Association master agreement, and these master agreements and their schedules contain certain obligations regarding the delivery of certain financial information upon demand.

Derivative Volume:

The notional values of our outstanding derivative instruments were (in millions):

	Notional Amount	
	December 31, 2022	December 25, 2021
Commodity contracts	\$ 1,166	\$ 592
Foreign exchange contracts	3,139	3,359
Cross-currency contracts	6,336	7,239

Fair Value of Derivative Instruments:

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values and the levels within the fair value hierarchy of derivative instruments recorded on the consolidated balance sheets were (in millions):

	December 31, 2022					
	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)		Significant Other Observable Inputs (Level 2)		Total Fair Value	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Derivatives designated as hedging instruments:						
Foreign exchange contracts ^(a)	\$ —	\$ —	\$ 40	\$ 10	\$ 40	\$ 10
Cross-currency contracts ^(b)	—	—	236	183	236	183
Derivatives not designated as hedging instruments:						
Commodity contracts ^(c)	33	61	—	15	33	76
Foreign exchange contracts ^(a)	—	—	33	25	33	25
Total fair value	<u>\$ 33</u>	<u>\$ 61</u>	<u>\$ 309</u>	<u>\$ 233</u>	<u>\$ 342</u>	<u>\$ 294</u>

(a) At December 31, 2022, the fair value of our derivative assets was recorded in other current assets (\$70 million) and other non-current assets (\$3 million), and the fair value of our derivative liabilities was recorded in other current liabilities (\$33 million) and other non-current liabilities (\$2 million).

- (b) At December 31, 2022, the fair value of our derivative assets was recorded in other current assets (\$132 million) and other non-current assets (\$104 million), and the fair value of our derivative liabilities was recorded in other current liabilities (\$59 million) and other non-current liabilities (\$124 million).
- (c) At December 31, 2022, the fair value of our derivative assets was recorded in other current assets and the fair value of derivative liabilities was recorded in other current liabilities.

	December 25, 2021					
	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)		Significant Other Observable Inputs (Level 2)		Total Fair Value	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Derivatives designated as hedging instruments:						
Foreign exchange contracts ^(a)	\$ —	\$ —	\$ 24	\$ 19	\$ 24	\$ 19
Cross-currency contracts ^(b)	—	—	247	212	247	212
Derivatives not designated as hedging instruments:						
Commodity contracts ^(c)	41	17	2	5	43	22
Foreign exchange contracts ^(a)	—	—	15	18	15	18
Total fair value	\$ 41	\$ 17	\$ 288	\$ 254	\$ 329	\$ 271

- (a) At December 25, 2021, the fair value of our derivative assets was recorded in other current assets (\$31 million) and other non-current assets (\$8 million), and the fair value of our derivative liabilities was recorded in other current liabilities (\$33 million) and other non-current liabilities (\$4 million).
- (b) At December 25, 2021, the fair value of our derivative assets was recorded in other current assets (\$74 million) and other non-current assets (\$173 million), and the fair value of our derivative liabilities was recorded in other current liabilities (\$42 million) and other non-current liabilities (\$170 million).
- (c) At December 25, 2021, the fair value of our derivative assets was recorded in other current assets and the fair value of derivative liabilities was recorded in other current liabilities.

Our derivative financial instruments are subject to master netting arrangements that allow for the offset of assets and liabilities in the event of default or early termination of the contract. We elect to record the gross assets and liabilities of our derivative financial instruments on the consolidated balance sheets. If the derivative financial instruments had been netted on the consolidated balance sheets, the asset and liability positions each would have been reduced by \$222 million at December 31, 2022 and \$155 million at December 25, 2021. At December 31, 2022 we had posted collateral of \$43 million related to commodity derivative margin requirements, which was included in prepaid expenses on our consolidated balance sheet. At December 25, 2021, we had collected collateral related to commodity derivative margin requirements of \$12 million, which was included in other current liabilities on our consolidated balance sheet.

Level 1 financial assets and liabilities consist of commodity future and options contracts and are valued using quoted prices in active markets for identical assets and liabilities.

Level 2 financial assets and liabilities consist of commodity swaps, foreign exchange forwards, options, and swaps, and cross-currency swaps. Commodity swaps are valued using an income approach based on the observable market commodity index prices less the contract rate multiplied by the notional amount. Foreign exchange forwards and swaps are valued using an income approach based on observable market forward rates less the contract rate multiplied by the notional amount. Foreign exchange options are valued using an income approach based on a Black-Scholes-Merton formula. This formula uses present value techniques and reflects the time value and intrinsic value based on observable market rates. Cross-currency swaps are valued based on observable market spot and swap rates.

We did not have any Level 3 financial assets or liabilities in any period presented.

Our calculation of the fair value of financial instruments takes into consideration the risk of nonperformance, including counterparty credit risk.

Net Investment Hedging:

At December 31, 2022, we had the following items designated as net investment hedges:

- Non-derivative foreign denominated debt with principal amounts of €650 million and £400 million; and
- Cross-currency contracts with notional amounts of C\$1.4 billion (\$1.0 billion), €1.9 billion (\$2.1 billion), JPY9.6 billion (\$67 million), and CNH500 million (\$68 million).

We periodically use non-derivative instruments such as non-U.S. dollar financing transactions or non-U.S. dollar assets or liabilities, including intercompany loans, to hedge the exposure of changes in underlying foreign currency denominated subsidiary net assets, and they are designated as net investment hedges. At December 31, 2022, our intercompany loans designated as net investment hedges were insignificant.

The component of the gains and losses on our net investment in these designated foreign operations, driven by changes in foreign exchange rates, are economically offset by fair value movements on the effective portion of our cross-currency contracts and foreign exchange contracts and remeasurements of our foreign denominated debt.

Interest Rate Hedging:

From time to time we have had derivatives designated as interest rate hedges, including interest rate swaps. We no longer have any outstanding interest rate swaps. We continue to amortize the realized hedge losses that were deferred into accumulated other comprehensive income/(losses) into interest expense through the original maturity of the related long-term debt instruments.

Cash Flow Hedge Coverage:

At December 31, 2022, we had entered into foreign exchange contracts designated as cash flow hedges for periods not exceeding the next two years and into cross-currency contracts designated as cash flow hedges for periods not exceeding the next six years.

Deferred Hedging Gains and Losses on Cash Flow Hedges:

Based on our valuation at December 31, 2022 and assuming market rates remain constant through contract maturities, we expect transfers to net income/(loss) of unrealized gains during the next 12 months on foreign currency cash flow hedges to be approximately \$26 million and on cross-currency cash flow hedges to be insignificant. Additionally, we expect transfers to net income/(loss) of unrealized losses on interest rate cash flow hedges during the next 12 months to be insignificant.

Concentration of Credit Risk:

Counterparties to our foreign exchange derivatives consist of major international financial institutions. We continually monitor our positions and the credit ratings of the counterparties involved and, by policy, limit the amount of our credit exposure to any one party. While we may be exposed to potential losses due to the credit risk of non-performance by these counterparties, losses are not anticipated. We closely monitor the credit risk associated with our counterparties and customers and to date have not experienced material losses.

Economic Hedging:

We enter into certain derivative contracts not designated as hedging instruments in accordance with our risk management strategy, which have an economic impact of largely mitigating commodity price risk and foreign currency exposures. Gains and losses are recorded in net income/(loss) as a component of cost of products sold for our commodity contracts and other expense/(income) for our cross currency and foreign exchange contracts.

Acquisition Hedging:

We entered into foreign exchange derivative contracts to economically hedge the foreign currency exposure related to the cash consideration for the Hemmer Acquisition. These derivative contracts settled in our second quarter of 2022. The related derivative gains were \$38 million for the year ended December 31, 2022, and were recorded within other expense/(income). These gains are classified as other losses/(gains) related to acquisitions and divestitures. The related cash flows were classified as cash inflows from investing activities on the consolidated statement of cash flows. See Note 4, *Acquisitions and Divestitures*, for additional information related to the Hemmer Acquisition.

Derivative Impact on the Statements of Comprehensive Income:

The following table presents the pre-tax amounts of derivative gains/(losses) deferred into accumulated other comprehensive income/(losses) and the income statement line item that will be affected when reclassified to net income/(loss) (in millions):

Accumulated Other Comprehensive Income/(Losses) Component	Gains/(Losses) Recognized in Other Comprehensive Income/(Losses) Related to Derivatives Designated as Hedging Instruments			Location of Gains/(Losses) When Reclassified to Net Income/(Loss)
	December 31, 2022	December 25, 2021	December 26, 2020	
Cash flow hedges:				
Foreign exchange contracts	\$ 1	\$ (1)	\$ 1	Net sales
Foreign exchange contracts	46	(11)	(2)	Cost of products sold
Foreign exchange contracts (excluded component)	(17)	—	(2)	Cost of products sold
Foreign exchange contracts	1	1	—	SG&A
Cross-currency contracts	(132)	(119)	221	Other expense/(income)
Cross-currency contracts (excluded component)	30	28	26	Other expense/(income)
Cross-currency contracts	(28)	(22)	(11)	Interest expense
Net investment hedges:				
Foreign exchange contracts	17	1	1	Other expense/(income)
Foreign exchange contracts (excluded component)	—	2	(2)	Interest expense
Cross-currency contracts	324	144	(370)	Other expense/(income)
Cross-currency contracts (excluded component)	42	44	30	Interest expense
Total gains/(losses) recognized in statements of comprehensive income	<u>\$ 284</u>	<u>\$ 67</u>	<u>\$ (108)</u>	

Derivative Impact on the Statements of Income:

The following tables present the pre-tax amounts of derivative gains/(losses) reclassified from accumulated other comprehensive income/(losses) to net income/(loss) and the affected income statement line items (in millions):

	December 31, 2022				December 25, 2021				
	Cost of products sold	SG&A	Interest expense	Other expense/(income)	Net sales	Cost of products sold	SG&A	Interest expense	Other expense/(income)
Total amounts presented in the consolidated statements of income in which the following effects were recorded	\$ 18,363	\$ 4,488	\$ 921	\$ (253)	\$ 26,042	\$ 17,360	\$ 5,222	\$ 2,047	\$ (295)
Gains/(losses) related to derivatives designated as hedging instruments:									
Cash flow hedges:									
Foreign exchange contracts	\$ (2)	\$ 2	\$ —	\$ —	\$ (1)	\$ (46)	\$ (1)	\$ —	\$ —
Foreign exchange contracts (excluded component)	(7)	—	—	—	—	(3)	—	—	—
Interest rate contracts	—	—	(1)	—	—	—	—	—	—
Cross-currency contracts	—	—	(28)	(54)	—	—	—	(23)	(91)
Cross-currency contracts (excluded component)	—	—	—	30	—	—	—	—	27
Net investment hedges:									
Foreign exchange contracts (excluded component)	—	—	(1)	—	—	—	—	2	—
Cross-currency contracts (excluded component)	—	—	37	—	—	—	—	36	—
Gains/(losses) related to derivatives not designated as hedging instruments:									
Commodity contracts	86	—	—	—	—	158	—	—	—
Foreign exchange contracts	—	—	—	(26)	—	—	—	—	(31)
Cross-currency contracts	—	—	—	—	—	—	—	—	9
Total gains/(losses) recognized in statements of income	<u>\$ 77</u>	<u>\$ 2</u>	<u>\$ 7</u>	<u>\$ (50)</u>	<u>\$ (1)</u>	<u>\$ 109</u>	<u>\$ (1)</u>	<u>\$ 15</u>	<u>\$ (86)</u>

	December 26, 2020		
	Cost of products sold	Interest expense	Other expense/(income)
Total amounts presented in the consolidated statements of income in which the following effects were recorded	\$ 17,008	\$ 1,394	\$ (296)
Gains/(losses) related to derivatives designated as hedging instruments:			
Cash flow hedges:			
Foreign exchange contracts	\$ 19	\$ —	\$ —
Interest rate contracts	—	(2)	—
Cross-currency contracts	—	(11)	143
Cross-currency contracts (excluded component)	—	—	26
Net investment hedges:			
Foreign exchange contracts (excluded component)	—	(2)	—
Cross-currency contracts (excluded component)	—	25	—
Gains/(losses) related to derivatives not designated as hedging instruments:			
Commodity contracts	(69)	—	—
Foreign exchange contracts	—	—	(15)
Total gains/(losses) recognized in statements of income	<u>\$ (50)</u>	<u>\$ 10</u>	<u>\$ 154</u>

Non-Derivative Impact on Statements of Comprehensive Income:

Related to our non-derivative foreign-denominated debt instruments designated as net investment hedges, we recognized pre-tax gains of \$111 million in 2022, pre-tax gains of \$75 million in 2021, and pre-tax losses of \$57 million in 2020. These amounts were recognized in other comprehensive income/(loss).

Note 13. Accumulated Other Comprehensive Income/(Losses)

The components of, and changes in, accumulated other comprehensive income/(losses), net of tax, were as follows (in millions):

	Foreign Currency Translation Adjustments	Net Postemployment Benefit Plan Adjustments	Net Cash Flow Hedge Adjustments	Total
Balance as of December 28, 2019	\$ (2,230)	\$ 303	\$ 41	\$ (1,886)
Foreign currency translation adjustments	324	—	—	324
Net deferred gains/(losses) on net investment hedges	(321)	—	—	(321)
Amounts excluded from the effectiveness assessment of net investment hedges	26	—	—	26
Net deferred losses/(gains) on net investment hedges reclassified to net income/(loss)	(17)	—	—	(17)
Net deferred gains/(losses) on cash flow hedges	—	—	144	144
Amounts excluded from the effectiveness assessment of cash flow hedges	—	—	24	24
Net deferred losses/(gains) on cash flow hedges reclassified to net income/(loss)	—	—	(116)	(116)
Net actuarial gains/(losses) arising during the period	—	(27)	—	(27)
Net postemployment benefit losses/(gains) reclassified to net income/(loss)	—	(118)	—	(118)
Total other comprehensive income/(loss)	12	(145)	52	(81)
Balance at December 26, 2020	(2,218)	158	93	(1,967)
Foreign currency translation adjustments	(242)	—	—	(242)
Net deferred gains/(losses) on net investment hedges	169	—	—	169
Amounts excluded from the effectiveness assessment of net investment hedges	35	—	—	35
Net deferred losses/(gains) on net investment hedges reclassified to net income/(loss)	(29)	—	—	(29)
Net deferred gains/(losses) on cash flow hedges	—	—	(91)	(91)
Amounts excluded from the effectiveness assessment of cash flow hedges	—	—	27	27
Net deferred losses/(gains) on cash flow hedges reclassified to net income/(loss)	—	—	68	68
Net actuarial gains/(losses) arising during the period	—	232	—	232
Net postemployment benefit losses/(gains) reclassified to net income/(loss)	—	(26)	—	(26)
Total other comprehensive income/(loss)	(67)	206	4	143
Balance at December 25, 2021	(2,285)	364	97	(1,824)
Foreign currency translation adjustments	(907)	—	—	(907)
Net deferred gains/(losses) on net investment hedges	343	—	—	343
Amounts excluded from the effectiveness assessment of net investment hedges	32	—	—	32
Net deferred losses/(gains) on net investment hedges reclassified to net income/(loss)	(28)	—	—	(28)
Net deferred gains/(losses) on cash flow hedges	—	—	(72)	(72)
Amounts excluded from the effectiveness assessment of cash flow hedges	—	—	14	14
Net deferred losses/(gains) on cash flow hedges reclassified to net income/(loss)	—	—	26	26
Net actuarial gains/(losses) arising during the period	—	(386)	—	(386)
Net postemployment benefit losses/(gains) reclassified to net income/(loss)	—	(8)	—	(8)
Total other comprehensive income/(loss)	(560)	(394)	(32)	(986)
Balance at December 31, 2022	\$ (2,845)	\$ (30)	\$ 65	\$ (2,810)

The gross amount and related tax benefit/(expense) recorded in, and associated with, each component of other comprehensive income/(loss) were as follows (in millions):

	December 31, 2022			December 25, 2021			December 26, 2020		
	Before Tax Amount	Tax	Net of Tax Amount	Before Tax Amount	Tax	Net of Tax Amount	Before Tax Amount	Tax	Net of Tax Amount
Foreign currency translation adjustments	\$ (907)	\$ —	\$ (907)	\$ (242)	\$ —	\$ (242)	\$ 324	\$ —	\$ 324
Net deferred gains/(losses) on net investment hedges	452	(109)	343	220	(51)	169	(426)	105	(321)
Amounts excluded from the effectiveness assessment of net investment hedges	42	(10)	32	46	(11)	35	28	(2)	26
Net deferred losses/(gains) on net investment hedges reclassified to net income/(loss)	(36)	8	(28)	(38)	9	(29)	(23)	6	(17)
Net deferred gains/(losses) on cash flow hedges	(112)	40	(72)	(152)	61	(91)	209	(65)	144
Amounts excluded from the effectiveness assessment of cash flow hedges	13	1	14	28	(1)	27	24	—	24
Net deferred losses/(gains) on cash flow hedges reclassified to net income/(loss)	60	(34)	26	138	(70)	68	(175)	59	(116)
Net actuarial gains/(losses) arising during the period	(512)	126	(386)	308	(76)	232	(30)	3	(27)
Net postemployment benefit losses/(gains) reclassified to net income/(loss)	(13)	5	(8)	(32)	6	(26)	(158)	40	(118)

The amounts reclassified from accumulated other comprehensive income/(losses) were as follows (in millions):

Accumulated Other Comprehensive Income/(Losses) Component	Reclassified from Accumulated Other Comprehensive Income/(Losses) to Net Income/(Loss)			Affected Line Item in the Statements of Income
	December 31, 2022	December 25, 2021	December 26, 2020	
Losses/(gains) on net investment hedges:				
Foreign exchange contracts ^(a)	\$ 1	\$ (2)	\$ 2	Interest expense
Cross-currency contracts ^(a)	(37)	(36)	(25)	Interest expense
Losses/(gains) on cash flow hedges:				
Foreign exchange contracts ^(b)	—	1	—	Net sales
Foreign exchange contracts ^(b)	9	49	(19)	Cost of products sold
Foreign exchange contracts ^(b)	(2)	1	—	SG&A
Foreign exchange contracts ^(b)	—	—	—	Other expense/(income)
Cross-currency contracts ^(b)	24	64	(169)	Other expense/(income)
Cross-currency contracts ^(b)	28	22	11	Interest expense
Interest rate contracts ^(c)	1	1	2	Interest expense
Losses/(gains) on hedges before income taxes	24	100	(198)	
Losses/(gains) on hedges, income taxes	(26)	(61)	65	
Losses/(gains) on hedges	<u>\$ (2)</u>	<u>\$ 39</u>	<u>\$ (133)</u>	
Losses/(gains) on postemployment benefits:				
Amortization of unrecognized losses/(gains) ^(d)	\$ (14)	\$ (13)	\$ (12)	
Amortization of prior service costs/(credits) ^(d)	(14)	(8)	(122)	
Settlement and curtailment losses/(gains) ^(d)	15	(11)	(24)	
Losses/(gains) on postemployment benefits before income taxes	(13)	(32)	(158)	
Losses/(gains) on postemployment benefits, income taxes	5	6	40	
Losses/(gains) on postemployment benefits	<u>\$ (8)</u>	<u>\$ (26)</u>	<u>\$ (118)</u>	

(a) Represents recognition of the excluded component in net income/(loss).

(b) Includes amortization of the excluded component and the effective portion of the related hedges.

(c) Represents amortization of realized hedge losses that were deferred into accumulated other comprehensive income/(losses) through the maturity of the related long-term debt instruments.

(d) These components are included in the computation of net periodic postemployment benefit costs. See Note 11, *Postemployment Benefits*, for additional information.

In this note we have excluded activity and balances related to noncontrolling interest due to their insignificance. This activity was primarily related to foreign currency translation adjustments.

Note 14. Financing Arrangements

We enter into various product financing arrangements to facilitate supply from our vendors. Balance sheet classification is based on the nature of the arrangements. We have concluded that our obligations to our suppliers, including amounts due and scheduled payment terms, are impacted by their participation in the program and therefore we classify amounts outstanding within other current liabilities on our consolidated balance sheets. We had approximately \$87 million at December 31, 2022 and approximately \$215 million at December 25, 2021 on our consolidated balance sheets related to these arrangements.

Transfers of Financial Assets:

Since 2020, we have had a nonrecourse accounts receivable factoring program whereby certain eligible receivables are sold to third party financial institutions in exchange for cash. The program provides us with an additional means for managing liquidity. Under the terms of the arrangement, we act as the collecting agent on behalf of the financial institutions to collect amounts due from customers for the receivables sold. We account for the transfer of receivables as a true sale at the point control is transferred through derecognition of the receivable on our consolidated balance sheet. Receivables sold under this accounts receivable factoring program were approximately \$197 million during 2022, with an insignificant amount outstanding as of December 31, 2022. The incremental costs of factoring receivables under this arrangement were insignificant for the year ended December 31, 2022. No receivables were sold under this accounts receivable factoring program during 2021, and there were no amounts outstanding as of December 25, 2021. The proceeds from the sales of receivables are included in cash from operating activities in the consolidated statement of cash flows.

Note 15. Commitments and Contingencies**Legal Proceedings**

We are involved in legal proceedings, claims, and governmental inquiries, inspections, or investigations (“Legal Matters”) arising in the ordinary course of our business. While we cannot predict with certainty the results of Legal Matters in which we are currently involved or may in the future be involved, we do not expect that the ultimate costs to resolve the Legal Matters that are currently pending will have a material adverse effect on our financial condition, results of operations, or cash flows.

Class Actions and Stockholder Derivative Actions:

The Kraft Heinz Company and certain of our current and former officers and directors are currently defendants in a consolidated securities class action lawsuit pending in the United States District Court for the Northern District of Illinois, *Union Asset Management Holding AG, et al. v. The Kraft Heinz Company, et al.* The consolidated amended class action complaint, which was filed on August 14, 2020 and also names 3G Capital, Inc. and several of its subsidiaries and affiliates (the “3G Entities”) as defendants, asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Rule 10b-5 promulgated thereunder, based on allegedly materially false or misleading statements and omissions in public statements, press releases, investor presentations, earnings calls, Company documents, and SEC filings regarding the Company’s business, financial results, and internal controls, and further alleges the 3G Entities engaged in insider trading and misappropriated the Company’s material, non-public information. In February 2023, the parties to the litigation reached a preliminary settlement agreement. Based upon our current estimate for the ultimate resolution of this matter, in the fourth quarter of 2022, we recorded a net expense of \$210 million within SG&A in our consolidated statements of income. This expense contemplates the Company’s estimated liability after insurance recoveries and contributions from other defendants. The Company’s estimated liability and the insurance recoveries are reflected in current liabilities and current assets on the consolidated balance sheet at December 31, 2022. While it is possible that the ultimate amount of our liability in connection with this settlement could be different than the amount accrued, we believe that any difference between that ultimate liability and the amount already accrued will not have a material impact on our financial condition, results of operations, or cash flows. Any eventual final settlement agreement will be subject to approval by the United States District Court for the Northern District of Illinois.

Certain of The Kraft Heinz Company’s current and former officers and directors and the 3G Entities are also named as defendants in a stockholder derivative action, *In re Kraft Heinz Shareholder Derivative Litigation*, which had been previously consolidated in the United States District Court for the Western District of Pennsylvania, and is now pending in the United States District Court for the Northern District of Illinois. The court appointed lead plaintiffs and plaintiffs’ counsel on October 21, 2021, and lead plaintiffs filed a consolidated amended complaint on November 22, 2021. The consolidated amended complaint asserts state law claims for alleged breaches of fiduciary duties and unjust enrichment, as well as federal claims for contribution for alleged violations of Sections 10(b) and 21D of the Exchange Act and Rule 10b-5 promulgated thereunder, based on allegedly materially false or misleading statements and omissions in public statements and SEC filings, and for implementing cost cutting measures that allegedly damaged the Company. The plaintiffs seek damages in an unspecified amount, attorneys’ fees, and other relief.

Certain of The Kraft Heinz Company's current and former officers and directors and the 3G Entities were also named as defendants in a consolidated stockholder derivative action, *In re Kraft Heinz Company Derivative Litigation*, which was filed in the Delaware Court of Chancery. The consolidated amended complaint, which was filed on April 27, 2020, alleged state law claims, contending that the 3G Entities were controlling stockholders who owed fiduciary duties to the Company, and that they breached those duties by allegedly engaging in insider trading and misappropriating the Company's material, non-public information. The complaint further alleged that certain of The Kraft Heinz Company's current and former officers and directors breached their fiduciary duties to the Company by purportedly making materially misleading statements and omissions regarding the Company's financial performance and the impairment of its goodwill and intangible assets, and by supposedly approving or allowing the 3G Entities' alleged insider trading. The complaint sought relief against the defendants in the form of damages, disgorgement of all profits obtained from the alleged insider trading, contribution and indemnification, and an award of attorneys' fees and costs. The defendants filed a motion to dismiss the consolidated amended complaint, which motion the Delaware Chancery Court granted in an order dated December 15, 2021. The plaintiffs filed a notice of appeal on January 13, 2022, and the Delaware Supreme Court affirmed the trial court's dismissal with prejudice of the consolidated amended complaint in an order dated August 1, 2022.

Certain of The Kraft Heinz Company's current and former officers and directors and the 3G Entities are named as defendants in an additional stockholder derivative action, *Datnoff, et al. v. Behring, et al.*, which was filed on May 6, 2022 in the Delaware Court of Chancery. The complaint alleges state law claims and contends that the Company's Board of Directors wrongfully refused plaintiffs' demands to pursue legal action against the named defendants. Specifically, the complaint alleges that certain of the Company's current and former officers and directors breached their fiduciary duties to the Company by purportedly making materially misleading statements and omissions regarding the Company's financial performance and the impairment of its goodwill and intangible assets. The complaint further alleges that the 3G Entities and certain of the Company's current and former officers and directors breached their fiduciary duties by engaging in insider trading and misappropriating the Company's material, non-public information, or aided and abetted such alleged breaches of fiduciary duty. The complaint seeks relief against the defendants, principally in the form of damages, disgorgement of all profits obtained from the alleged insider trading, contribution and indemnification, and an award of attorneys' fees and costs.

We intend to vigorously defend against these lawsuits; however, we cannot reasonably estimate the potential range of loss, if any, due to the early stage of these proceedings.

2021 United States Government Settlement:

On September 3, 2021, The Kraft Heinz Company reached a settlement with the SEC, concluding and resolving in its entirety the previously disclosed SEC investigation. Under the terms of the settlement, we, without admitting or denying the findings in the administrative order issued by the SEC, agreed to pay a civil penalty of \$62 million and to cease and desist from violations of specified provisions of the federal securities laws and rules promulgated thereunder. We recognized the full amount of the penalty in the second quarter of 2021 in SG&A, and paid the penalty in the third quarter of 2021.

Other Commitments and Contingencies

Purchase Obligations:

We have purchase obligations for materials, supplies, property, plant and equipment, and co-packing, storage, and distribution services based on projected needs to be utilized in the normal course of business. Other purchase obligations include commitments for marketing, advertising, capital expenditures, information technology, and professional services.

As of December 31, 2022, our take-or-pay purchase obligations were as follows (in millions):

2023	\$	487
2024		504
2025		262
2026		227
2027		70
Thereafter		261
Total	\$	<u>1,811</u>

Note 16. Debt

We may from time to time seek to retire or purchase our outstanding debt through redemptions, tender offers, cash purchases, prepayments, refinancing, exchange offers, open market or privately negotiated transactions, Rule 10b5-1 plans, or otherwise. Cash payments related to debt extinguishment are classified as cash outflows from financing activities on the consolidated statements of cash flows. Any gains or losses on extinguishment of debt are recognized in interest expense on the consolidated statements of income.

Borrowing Arrangements:

In July 2022, together with Kraft Heinz Foods Company (“KHFC”), our 100% owned operating subsidiary, we entered into a new credit agreement (the “Credit Agreement”), which provides for a five-year senior unsecured revolving credit facility in an aggregate amount of \$4.0 billion (the “Senior Credit Facility”) that will mature on July 8, 2027 and replaced our then-existing credit facility (the “Previous Senior Credit Facility”). See Note 17, *Debt*, to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 25, 2021 for additional information on the Previous Senior Credit Facility.

The Credit Agreement includes a \$1.0 billion sublimit for borrowings in Canadian dollars, euro, or British pound sterling, as well as a swingline sub-facility of up to \$400 million, and a letter of credit sub-facility of up to \$300 million. Additionally, and subject to certain conditions, we may increase the amount of revolving commitments and/or add tranches of term loans in a combined aggregate amount of up to \$1.0 billion.

Borrowings under the Senior Credit Facility will bear interest at the rates specified in the Credit Agreement, which vary based on the type of borrowing and certain other customary conditions.

The Credit Agreement contains customary representations, warranties, and covenants that are typical for these types of facilities and could, upon the occurrence of certain events of default, restrict our ability to access our Senior Credit Facility. The Credit Agreement requires us to maintain a minimum shareholders’ equity (excluding accumulated other comprehensive income/(losses)) of at least \$35 billion.

The obligations under the Credit Agreement are guaranteed by KHFC and The Kraft Heinz Company in the case of indebtedness and other liabilities of any subsidiary borrower.

In the first quarter of 2020, as a precautionary measure to preserve financial flexibility in light of the uncertainty in the global economy resulting from the COVID-19 pandemic, we borrowed \$4.0 billion under our Previous Senior Credit Facility. We repaid the full \$4.0 billion during the second quarter of 2020. No amounts were drawn on our Senior Credit Facility at December 31, 2022, on our Previous Senior Credit Facility at December 25, 2021, or on either the Senior Credit Facility or Previous Senior Credit Facility during the years ended December 31, 2022 and December 25, 2021.

Long-Term Debt:

The following table summarizes our long-term debt obligations.

	Priority ^(a)	Maturity Dates ^(b)	Interest Rates ^(b)	Carrying Values	
				December 31, 2022	December 25, 2021
				(in millions)	
U.S. dollar notes ^(c)	Senior Notes	2026–2050	3.000%–7.125%	\$ 16,554	\$ 18,049
Euro notes ^(c)	Senior Notes	2023–2028	1.500%–2.250%	2,723	2,877
British pound sterling notes:					
2030 Notes ^(d)	Senior Notes	February 18, 2030	6.250%	155	172
Other British pound sterling notes ^(c)	Senior Notes	July 1, 2027	4.125%	482	533
Other long-term debt	Various	2023–2035	0.500%–16.800%	31	42
Finance lease obligations				119	128
Total long-term debt				20,064	21,801
Current portion of long-term debt				831	740
Long-term debt, excluding current portion				\$ 19,233	\$ 21,061

(a) Priority of debt indicates the order which debt would be paid if all debt obligations were due on the same day. Senior secured debt takes priority over unsecured debt. Senior debt has greater seniority than subordinated debt.

(b) Maturity dates and interest rates presented are for the outstanding long-term debt obligations at December 31, 2022.

(c) Kraft Heinz fully and unconditionally guarantees these notes, which were issued by KHFC.

(d) The 6.250% Pound Sterling Senior Notes due February 18, 2030 (the “2030 Notes”) were issued by H.J. Heinz Finance UK Plc. Kraft Heinz and KHFC fully and unconditionally guarantee the 2030 Notes. The 2030 Notes rank *pari passu* in right of payment with all of our existing and future senior obligations. Kraft Heinz became guarantor of the 2030 Notes in connection with the 2015 Merger. The 2030 Notes were previously only guaranteed by KHFC.

Our long-term debt contains customary representations, covenants, and events of default. We were in compliance with all such covenants as of December 31, 2022.

Long-term Debt Transactions:

The table below summarizes our aggregate principal amount of long-term debt outstanding, excluding financing leases, before and after our current year debt transactions, specifically open-market debt repurchases and debt repayments (in millions):

	Aggregate Principal Amount Outstanding as of December 25, 2021	Open Market Debt Repurchases	Debt Repayments	Aggregate Principal Amount Outstanding as of December 31, 2022
6.375% senior notes due July 2028 ^{(a)(b)}	\$ 218	\$ 14	\$ —	\$ 204
4.625% senior notes due January 2029 ^{(b)(c)}	369	10	—	359
5.000% senior notes due July 2035 ^{(a)(b)(c)}	686	67	—	619
6.875% senior notes due January 2039 ^{(a)(b)(c)}	811	38	—	773
7.125% senior notes due August 2039 ^{(a)(b)(c)}	859	72	—	787
4.625% senior notes due October 2039 ^{(a)(c)}	398	15	—	383
6.500% senior notes due February 2040 ^{(a)(b)}	706	133	—	573
5.000% senior notes due June 2042 ^{(a)(b)(c)}	1,532	109	—	1,423
5.200% senior notes due July 2045 ^{(a)(b)(c)}	1,811	197	—	1,614
4.875% senior notes due October 2049 ^{(b)(c)}	1,500	50	—	1,450
5.500% senior notes due June 2050 ^{(b)(c)}	800	50	—	750
2.850% senior notes due March 2022 ^(d)	6	—	6	—
3.500% senior notes due June 2022 ^(d)	381	—	381	—
Floating rate senior notes due August 2022 ^(d)	315	—	315	—
Other long-term debt ^(e)	11,079	—	—	10,849
Total	\$ 21,471	\$ 755	\$ 702	\$ 19,784

(a) Included in the Q2 2022 Repurchases (defined below).

(b) Included in the Q3 2022 Repurchases (defined below).

(c) Included in the Q4 2022 Repurchases (defined below).

(d) Repaid at maturity.

(e) Represents the aggregate principal amount of all of our long-term debt obligations, excluding finance leases, that were not impacted by current year debt transactions. Foreign-denominated long-term debt is reflected at the foreign currency exchange rate in effect at each period end.

At December 31, 2022, aggregate principal maturities of our long-term debt excluding finance leases were (in millions):

2023	\$ 806
2024	593
2025	3
2026	1,879
2027	1,837
Thereafter	14,666

Open Market Debt Repurchases:**2022 Open Market Debt Repurchases**

In 2022, we repurchased approximately \$755 million of certain of our senior notes under Rule 10b5-1 plans, including \$268 million in the second quarter of 2022 (the “Q2 2022 Repurchases”), \$180 million in the third quarter of 2022 (the “Q3 2022 Repurchases”), and \$307 million in the fourth quarter of 2022 (the “Q4 2022 Repurchases” and, together with the Q2 2022 Repurchases and the Q3 2022 Repurchases, the “2022 Repurchases”). Refer to the table above for which senior notes had amounts extinguished as part of the 2022 Repurchases.

In connection with the 2022 Repurchases, we recognized a net gain on extinguishment of debt of approximately \$38 million within interest expense on the consolidated statement of income for the year ended December 31, 2022, which included a net gain of \$9 million in the second quarter of 2022 related to the Q2 2022 Repurchases, a net gain of \$3 million in the third quarter of 2022 related to the Q3 2022 Repurchases, and a net gain of \$26 million in the fourth quarter related to the Q4 2022 Repurchases. This gain primarily reflects the write-off of unamortized premiums and a net discount associated with the 2022 Repurchases. Related to the 2022 Repurchases, we recognized a debt prepayment and extinguishment benefit of \$10 million on the consolidated statement of cash flows for the year ended December 31, 2022, which reflect the \$38 million net gain on extinguishment of debt adjusted for the non-cash write-off of unamortized premiums of \$33 million, unamortized debt issuance costs of \$3 million, and unamortized discounts of \$2 million.

2021 Open Market Debt Repurchases

In 2021, we repurchased approximately \$738 million of certain of our senior notes under Rule 10b5-1 plans, including \$207 million in the second quarter of 2021 (the “Q2 2021 Repurchases”), \$221 million in the third quarter of 2021 (the “Q3 2021 Repurchases”), and \$310 million in the fourth quarter of 2021 (the “Q4 2021 Repurchases” and, together with the Q2 2021 Repurchases and the Q3 2021 Repurchases, the “2021 Repurchases”). See Note 17, *Debt*, to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 25, 2021 for additional information on the 2021 Repurchases.

In connection with the 2021 Repurchases, we recognized a loss on extinguishment of debt of approximately \$152 million within interest expense on the consolidated statement of income for the year ended December 25, 2021. These losses primarily reflect the payment of premiums associated with the repurchases as well as the write-off of unamortized debt issuance costs, premiums, and discounts. Related to the 2021 Repurchases, we recognized debt prepayment and extinguishment costs of \$162 million on the consolidated statement of cash flows for the year ended December 25, 2021, which reflect the \$152 million loss on extinguishment of debt adjusted for the non-cash write-off of unamortized premiums of \$15 million, unamortized discounts of \$2 million, and unamortized debt issuance costs of \$3 million.

Tender Offers:

2021 Tender Offers

In February 2021, KHFC commenced a cash tender offer to purchase up to the maximum combined aggregate purchase price of \$1.0 billion, including principal and premium but excluding accrued and unpaid interest (the “Q1 2021 Maximum Tender Amount”), of its outstanding 3.950% senior notes due July 2025, 3.000% senior notes due June 2026, 4.000% senior notes due June 2023, and 3.500% senior notes due June 2022 (the “Q1 2021 Tender Offer”), listed in order of priority. Based on participation, KHFC elected to settle the Q1 2021 Tender Offer on the early settlement date, March 9, 2021. Since the aggregate purchase price of the senior notes validly tendered and not validly withdrawn as of the early tender time exceeded the Q1 2021 Maximum Tender Amount, we did not accept for purchase any of the 3.500% senior notes due June 2022 or the 4.000% senior notes due June 2023. The aggregate principal amount of senior notes validly tendered and accepted was approximately \$900 million.

In June 2021, KHFC commenced cash tender offers to purchase up to the maximum combined aggregate purchase price of \$2.8 billion, including principal and premium but excluding accrued and unpaid interest, of its 5.000% senior notes due June 2042, 5.000% senior notes due July 2035, 4.625% senior notes due January 2029, 4.625% senior notes due October 2039, 3.750% senior notes due April 2030, 6.500% senior notes due February 2040, 6.375% senior notes due July 2028, 6.750% senior notes due March 2032, 6.875% senior notes due January 2039, and 7.125% senior notes due August 2039 (the “Q2 2021 Tender Offers”), listed in order of priority. KHFC settled the Q2 2021 Tender Offers on June 14, 2021 and June 16, 2021. The aggregate principal amount of senior notes validly tendered and accepted was approximately \$1.4 billion.

In November 2021, KHFC commenced a cash tender offer to purchase up to the maximum combined aggregate purchase price of \$2.0 billion, including principal and premium but excluding accrued and unpaid interest (the “Q4 2021 Maximum Tender Amount”), of its 3.500% senior notes due June 2022, 4.625% senior notes due January 2029, 4.250% senior notes due March 2031, 6.750% senior notes due March 2032, 5.000% senior notes due July 2035, 6.500% senior notes due February 2040, 5.000% senior notes due June 2042, 5.200% senior notes due July 2045, 6.875% senior notes due January 2039, 7.125% senior notes due August 2039, 5.500% senior notes due June 2050, and 4.875% senior notes due October 2049 (the “Q4 2021 Tender Offer” and, together with the Q1 2021 Tender Offer and the Q2 2021 Tender Offers, the “2021 Tender Offers”), listed in order of priority. KHFC settled the Q4 2021 Tender Offer on December 6, 2021. Since the aggregate purchase price of the senior notes validly tendered and not validly withdrawn as of the early tender time exceeded the Q4 2021 Maximum Tender Amount, we did not accept for purchase any of the 6.500% senior notes due February 2040, 5.000% senior notes due June 2042, 5.200% senior notes due July 2045, 6.875% senior notes due January 2039, 7.125% senior notes due August 2039, 5.500% senior notes due June 2050, and 4.875% senior notes due October 2049. The aggregate principal amount of senior notes validly tendered and accepted was approximately \$1.7 billion.

See Note 17, *Debt*, to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 25, 2021 for additional information on the 2021 Tender Offers.

Related to the 2021 Tender Offers, we recognized a loss on extinguishment of debt of \$636 million within interest expense on the consolidated statement of income for the year ended December 25, 2021. These losses primarily reflect the payment of early tender premiums and fees associated with the 2021 Tender Offers as well as the write-off of unamortized premiums, debt issuance costs, and discounts. Related to the 2021 Tender Offers, we recognized debt prepayment and extinguishment costs of \$636 million on the consolidated statement of cash flows for the year ended December 25, 2021, which reflects the \$636 million loss on extinguishment of debt adjusted for the non-cash write-off of unamortized premiums of \$24 million, unamortized debt issuance costs of \$17 million, and unamortized discounts of \$7 million.

2020 Tender Offer

In May 2020, KHFC commenced a cash tender offer to purchase up to the maximum combined aggregate purchase price of \$2.2 billion, excluding accrued and unpaid interest (the “2020 Maximum Tender Amount”), of its outstanding floating rate senior notes due February 2021, 3.500% senior notes due June 2022, 3.500% senior notes due July 2022, floating rate senior notes due August 2022, 4.000% senior notes due June 2023, 3.950% senior notes due July 2025, and 3.000% senior notes due June 2026 (the “2020 Tender Offer”), listed in order of priority. As a result of the 2020 Tender Offer, KHFC extinguished approximately \$2.1 billion aggregate principal amounts of senior notes in the second quarter of 2020. None of the 3.000% senior notes due June 2026 were tendered based on the aggregate principal amount of senior notes validly tendered exceeding the 2020 Maximum Tender Amount. See Note 18, *Debt*, to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 26, 2020 for additional information on the 2020 Tender Offer.

In connection with the 2020 Tender Offer, we recognized a loss on extinguishment of debt of \$71 million within interest expense on the consolidated statement of income for the year ended December 26, 2020. This loss primarily reflects the payment of early tender premiums and fees associated with the 2020 Tender Offer as well as the write-off of unamortized debt issuance costs, premiums, and discounts. Related to the 2020 Tender Offer, we recognized debt prepayment and extinguishment costs of \$68 million on the consolidated statement of cash flows for the year ended December 26, 2020, which reflect the \$71 million loss on extinguishment of debt adjusted for the non-cash write-off of unamortized premiums of \$1 million, unamortized debt issuance costs of \$3 million, and unamortized discounts of \$1 million.

Debt Redemptions:

2021 Debt Redemptions

In April 2021, KHFC issued a notice of redemption of all of its 4.000% senior notes due June 2023, effective May 1, 2021 (the “Q2 2021 Debt Redemption”). Prior to the redemption, approximately \$447 million aggregate principal amount was outstanding.

In June 2021, KHFC issued a notice of redemption of all of its 3.950% senior notes due July 2025, effective July 14, 2021 (the “Q3 2021 Debt Redemption” and, together with the Q2 2021 Debt Redemption, the “2021 Debt Redemptions”). Prior to the Q3 2021 Redemption, approximately \$797 million aggregate principal amount was outstanding.

In connection with the 2021 Debt Redemptions, we recognized a loss on extinguishment of debt of \$129 million within interest expense on the consolidated statement of income for the year ended December 25, 2021. These losses primarily reflect the payment of premiums and fees associated with the redemptions as well as the write-off of unamortized debt issuance costs. Related to the 2021 Debt Redemptions, we recognized debt prepayment and extinguishment costs of \$126 million on the consolidated statement of cash flows for the year ended December 25, 2021, which reflect the \$129 million loss on extinguishment of debt adjusted for the non-cash write-off of unamortized debt issuance costs of \$3 million.

2020 Debt Redemptions

Concurrently with the commencement of the 2020 Tender Offer, KHFC issued a notice of conditional redemption of all of its \$300 million outstanding aggregate principal amount of 3.375% senior notes due June 2021 and \$976 million outstanding aggregate principal amount of its 4.875% second lien senior secured notes due February 2025 (the “First 2020 Debt Redemptions”). The First 2020 Debt Redemptions were effective and completed in the second quarter of 2020.

In September 2020, KHFC issued a notice of redemption of all of its 3.500% senior notes due July 2022, of which \$302 million aggregate principal amount was outstanding (the “Second 2020 Debt Redemption” and, together with the First 2020 Debt Redemption, the “2020 Debt Redemptions”). The effective date of the Second 2020 Debt Redemption was October 24, 2020.

In connection with the 2020 Debt Redemptions, we recognized a loss on extinguishment of debt of \$53 million within interest expense on the consolidated statement of income for the year ended December 26, 2020. This loss primarily reflects the payment of premiums and fees associated with the redemptions as well as the write-off of unamortized debt issuance costs. Related to the 2020 Debt Redemptions, we recognized debt prepayment and extinguishment costs of \$48 million on the consolidated statement of cash flows for the year ended December 26, 2020, which reflect the \$53 million loss on extinguishment of debt adjusted for the non-cash write-off of unamortized debt issuance costs of \$5 million.

Debt Issuances:

2020 Debt Issuances

In May 2020, KHFC issued \$1,350 million aggregate principal amount of 3.875% senior notes due May 2027, \$1,350 million aggregate principal amount of 4.250% senior notes due March 2031, and \$800 million aggregate principal amount of 5.500% senior notes due June 2050 (collectively, the “2020 Notes”). The 2020 Notes are fully and unconditionally guaranteed by The Kraft Heinz Company as to payment of principal, premium, and interest on a senior unsecured basis. We used the proceeds from the 2020 Notes to fund the 2020 Tender Offer and First 2020 Debt Redemptions and to pay fees and expenses in connection therewith.

Debt Issuance Costs:

Debt issuance costs are reflected as a direct deduction of our current portion of long-term debt and long-term debt balances on the consolidated balance sheets. We incurred an insignificant amount of debt issuance costs in 2022 and debt issuance costs of \$31 million in 2020. We did not incur any debt issuance costs in 2021. Unamortized debt issuance costs were \$88 million at December 31, 2022 and \$97 million at December 25, 2021. Amortization of debt issuance costs was \$11 million in 2022, \$12 million in 2021, and \$11 million in 2020.

Debt Premium:

Unamortized debt premiums are presented on the consolidated balance sheets as a direct addition to the carrying amount of debt. Unamortized debt premium, net, was \$250 million at December 31, 2022 and \$298 million at December 25, 2021. Amortization of our debt premium, net, was \$17 million in 2022, \$16 million in 2021, and \$14 million in 2020.

Debt Repayments:

In March 2022, we repaid \$6 million aggregate principal amount of senior notes that matured in the period.

In June 2022, we repaid \$381 million aggregate principal amount of senior notes that matured in the period.

In August 2022, we repaid \$315 million aggregate principal amount of floating rate senior notes that matured in the period.

In February 2021, we repaid \$111 million aggregate principal amount of floating rate senior notes that matured in the period.

In September 2021, we repaid \$34 million aggregate principal amount of senior notes that matured in the period.

In February 2020, we repaid \$405 million aggregate principal amount of senior notes that matured in the period.

In July 2020, we repaid \$200 million aggregate principal amount of senior notes and 500 million Canadian dollars aggregate principal amount of senior notes that matured in the period.

Fair Value of Debt:

At December 31, 2022, the aggregate fair value of our total debt was \$18.7 billion as compared with a carrying value of \$20.1 billion. At December 25, 2021, the aggregate fair value of our total debt was \$25.7 billion as compared with a carrying value of \$21.8 billion. Our short-term debt had a carrying value that approximated its fair value at December 31, 2022 and December 25, 2021. We determined the fair value of our long-term debt using Level 2 inputs. Fair values are generally estimated based on quoted market prices for identical or similar instruments.

Note 17. Leases

We have operating and finance leases, primarily for warehouse, production, and office facilities and equipment. Our lease contracts have remaining contractual lease terms of up to 19 years, some of which include options to extend the term by up to 10 years. We include renewal options that are reasonably certain to be exercised as part of the lease term. Additionally, some lease contracts include termination options. We do not expect to exercise the majority of our termination options and generally exclude such options when determining the term of our leases. See Note 2, *Significant Accounting Policies*, for our lease accounting policy.

The components of our lease costs were (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Operating lease costs	\$ 173	\$ 176	\$ 173
Finance lease costs:			
Amortization of right-of-use assets	34	34	31
Interest on lease liabilities	5	6	7
Short-term lease costs	8	17	20
Variable lease costs	1,232	1,192	1,313
Sublease income	(10)	(9)	(11)
Total lease costs	\$ 1,442	\$ 1,416	\$ 1,533

Our variable lease costs primarily consist of inventory related costs, such as materials, labor, and overhead components in our manufacturing and distribution arrangements that also contain a fixed component related to an embedded lease. These variable lease costs are determined based on usage or output or may vary for other reasons such as changes in material prices, taxes, or insurance. Certain of our variable lease costs are based on fluctuating indices or rates. These leases are included in our ROU assets and lease liabilities based on the index or rate at the lease commencement date. The future variability in these indices and rates is unknown; therefore, it is excluded from our future minimum lease payments and is not a component of our ROU assets or lease liabilities.

Losses/(gains) on sales and leaseback transactions, net, were insignificant for 2022 and 2021. We had no losses/(gains) on sale and leaseback transactions in 2020.

Supplemental balance sheet information related to our leases was (in millions, except lease term and discount rate):

	December 31, 2022		December 25, 2021	
	Operating Leases	Finance Leases	Operating Leases	Finance Leases
Right-of-use assets	\$ 668	\$ 121	\$ 569	\$ 126
Lease liabilities (current)	125	26	133	30
Lease liabilities (non-current)	585	93	484	98
Weighted average remaining lease term	8 years	12 years	7 years	12 years
Weighted average discount rate	3.6 %	4.1 %	3.5 %	4.1 %

Operating lease ROU assets are included in other non-current assets and finance lease ROU assets are included in property, plant and equipment, net, on our consolidated balance sheets. The current portion of operating lease liabilities is included in other current liabilities, and the current portion of finance lease liabilities is included in the current portion of long-term debt on our consolidated balance sheets. The non-current portion of operating lease liabilities is included in other non-current liabilities, and the non-current portion of finance lease liabilities is included in long-term debt on our consolidated balance sheets.

Cash flows arising from lease transactions were (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash inflows/(outflows) from operating leases	\$ (176)	\$ (179)	\$ (191)
Operating cash inflows/(outflows) from finance leases	(5)	(6)	(7)
Financing cash inflows/(outflows) from finance leases	(38)	(33)	(35)
Right-of-use assets obtained in exchange for lease liabilities:			
Operating leases	197	41	147
Finance leases	34	14	39

Future minimum lease payments for leases in effect at December 31, 2022 were (in millions):

	Operating Leases	Finance Leases
2023	\$ 149	\$ 30
2024	125	20
2025	105	14
2026	90	11
2027	71	8
Thereafter	290	68
Total future undiscounted lease payments	830	151
Less imputed interest	(120)	(32)
Total lease liability	\$ 710	\$ 119

At December 31, 2022, our operating and finance leases that had not yet commenced were insignificant.

Note 18. Capital Stock

Common Stock

Our Second Amended and Restated Certificate of Incorporation authorizes the issuance of up to 5.0 billion shares of common stock.

Shares of common stock issued, in treasury, and outstanding were (in millions of shares):

	Shares Issued	Treasury Shares	Shares Outstanding
Balance at December 28, 2019	1,224	(3)	1,221
Exercise of stock options, issuance of other stock awards, and other	4	(2)	2
Balance at December 26, 2020	1,228	(5)	1,223
Exercise of stock options, issuance of other stock awards, and other	7	(6)	1
Balance at December 25, 2021	1,235	(11)	1,224
Exercise of stock options, issuance of other stock awards, and other	8	(7)	1
Balance at December 31, 2022	1,243	(18)	1,225

Note 19. Earnings Per Share

Our earnings per common share ("EPS") were:

	December 31, 2022	December 25, 2021	December 26, 2020
	(in millions, except per share data)		
Basic Earnings Per Common Share:			
Net income/(loss) attributable to common shareholders	\$ 2,363	\$ 1,012	\$ 356
Weighted average shares of common stock outstanding	1,226	1,224	1,223
Net earnings/(loss)	\$ 1.93	\$ 0.83	\$ 0.29
Diluted Earnings Per Common Share:			
Net income/(loss) attributable to common shareholders	\$ 2,363	\$ 1,012	\$ 356
Weighted average shares of common stock outstanding	1,226	1,224	1,223
Effect of dilutive equity awards	9	12	5
Weighted average shares of common stock outstanding, including dilutive effect	1,235	1,236	1,228
Net earnings/(loss)	\$ 1.91	\$ 0.82	\$ 0.29

We use the treasury stock method to calculate the dilutive effect of outstanding equity awards in the denominator for diluted EPS. Anti-dilutive shares were 6 million in 2022, 7 million in 2021, and 9 million in 2020.

Note 20. Segment Reporting

In the second quarter of 2022, our internal reporting and reportable segments changed. We combined our United States and Canada zones to form the North America zone as a result of previously announced organizational changes, which are intended to advance and support our long-term growth plans by streamlining and synergizing our United States and Canada businesses. Subsequently, we manage and report our operating results through two reportable segments defined by geographic region: North America and International. We have reflected this change in all historical periods presented.

Management evaluates segment performance based on several factors, including net sales and Segment Adjusted EBITDA. Segment Adjusted EBITDA is defined as net income/(loss) from continuing operations before interest expense, other expense/(income), provision for/(benefit from) income taxes, and depreciation and amortization (excluding restructuring activities); in addition to these adjustments, we exclude, when they occur, the impacts of divestiture-related license income (e.g., income related to the sale of licenses in connection with the Cheese Transaction), restructuring activities, deal costs, unrealized gains/(losses) on commodity hedges (the unrealized gains and losses are recorded in general corporate expenses until realized; once realized, the gains and losses are recorded in the applicable segment's operating results), impairment losses, certain non-ordinary course legal and regulatory matters, and equity award compensation expense (excluding restructuring activities). Segment Adjusted EBITDA is a tool that can assist management and investors in comparing our performance on a consistent basis by removing the impact of certain items that management believes do not directly reflect our underlying operations. Management also uses Segment Adjusted EBITDA to allocate resources.

Management does not use assets by segment to evaluate performance or allocate resources. Therefore, we do not disclose assets by segment.

Net sales by segment were (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Net sales:			
North America	\$ 20,340	\$ 20,351	\$ 20,844
International	6,145	5,691	5,341
Total net sales	<u>\$ 26,485</u>	<u>\$ 26,042</u>	<u>\$ 26,185</u>

Segment Adjusted EBITDA was (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Segment Adjusted EBITDA:			
North America	\$ 5,284	\$ 5,576	\$ 5,946
International	1,017	1,066	1,058
General corporate expenses	(298)	(271)	(335)
Depreciation and amortization (excluding restructuring activities)	(922)	(910)	(955)
Divestiture-related license income	56	4	—
Restructuring activities	(74)	(84)	(15)
Deal costs	(9)	(11)	(8)
Unrealized gains/(losses) on commodity hedges	(63)	(17)	6
Impairment losses	(999)	(1,634)	(3,413)
Certain non-ordinary course legal and regulatory matters	(210)	(62)	—
Equity award compensation expense	(148)	(197)	(156)
Operating income/(loss)	<u>3,634</u>	<u>3,460</u>	<u>2,128</u>
Interest expense	921	2,047	1,394
Other expense/(income)	(253)	(295)	(296)
Income/(loss) before income taxes	<u>\$ 2,966</u>	<u>\$ 1,708</u>	<u>\$ 1,030</u>

Total depreciation and amortization expense by segment was (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Depreciation and amortization expense:			
North America	\$ 579	\$ 580	\$ 644
International	259	234	221
General corporate expenses	95	96	104
Total depreciation and amortization expense	<u>\$ 933</u>	<u>\$ 910</u>	<u>\$ 969</u>

Total capital expenditures by segment were (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Capital expenditures:			
North America	\$ 513	\$ 477	\$ 347
International	331	348	212
General corporate expenses	72	80	37
Total capital expenditures	<u>\$ 916</u>	<u>\$ 905</u>	<u>\$ 596</u>

Net sales by platform were (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Taste Elevation	\$ 8,249	\$ 7,267	\$ 6,808
Fast Fresh Meals	6,064	6,665	6,819
Easy Meals Made Better	5,313	4,927	4,909
Real Food Snacking	1,375	1,808	2,296
Flavorful Hydration	1,999	1,777	1,648
Easy Indulgent Desserts	1,067	1,034	999
Other	2,418	2,564	2,706
Total net sales	<u>\$ 26,485</u>	<u>\$ 26,042</u>	<u>\$ 26,185</u>

Net sales by product category were (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Condiments and sauces	\$ 8,241	\$ 7,302	\$ 6,813
Cheese and dairy	3,976	4,922	5,131
Ambient foods	3,047	2,896	2,954
Frozen and chilled foods	2,922	2,698	2,599
Meats and seafood	2,733	2,613	2,515
Refreshment beverages	1,999	1,786	1,655
Coffee	903	847	1,062
Infant and nutrition	411	441	433
Desserts, toppings and baking	1,195	1,157	1,121
Nuts and salted snacks	—	464	1,047
Other	1,058	916	855
Total net sales	<u>\$ 26,485</u>	<u>\$ 26,042</u>	<u>\$ 26,185</u>

Concentration of Risk:

Our largest customer, Walmart Inc., represented approximately 21% of our net sales in 2022 and approximately 22% of our net sales in each of 2021 and 2020. Both of our segments have sales to Walmart Inc.

Geographic Financial Information:

We had significant sales in the United States, Canada, and the United Kingdom. Our net sales by geography were (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Net sales:			
United States	\$ 18,587	\$ 18,604	\$ 19,204
Canada	1,752	1,747	1,640
United Kingdom	1,160	1,147	1,103
Other	4,986	4,544	4,238
Total net sales	<u>\$ 26,485</u>	<u>\$ 26,042</u>	<u>\$ 26,185</u>

We had significant long-lived assets in the United States. Long-lived assets are comprised of property, plant and equipment, net of related accumulated depreciation. Our long-lived assets by geography were (in millions):

	December 31, 2022	December 25, 2021
Long-lived assets:		
United States	\$ 4,469	\$ 4,547
Other	2,271	2,259
Total long-lived assets	<u>\$ 6,740</u>	<u>\$ 6,806</u>

At December 31, 2022 and December 25, 2021, long-lived assets by geography excluded amounts classified as held for sale.

Note 21. Other Financial Data**Consolidated Statements of Income Information****Other expense/(income)**

Other expense/(income) consists of the following (in millions):

	December 31, 2022	December 25, 2021	December 26, 2020
Amortization of postemployment benefit plans prior service costs/(credits)	\$ (14)	\$ (7)	\$ (122)
Net pension and postretirement non-service cost/(benefit) ^(a)	(135)	(214)	(201)
Loss/(gain) on sale of business ^(b)	(25)	(44)	2
Interest income	(27)	(15)	(27)
Foreign exchange losses/(gains)	(106)	(101)	162
Derivative losses/(gains)	50	86	(154)
Other miscellaneous expense/(income)	4	—	44
Other expense/(income)	<u>\$ (253)</u>	<u>\$ (295)</u>	<u>\$ (296)</u>

(a) Excludes amortization of prior service costs/(credits).

(b) Includes a gain on the remeasurement of a disposal group that was reclassified as held and used in the third quarter of 2021.

We present all non-service cost components of net pension cost/(benefit) and net postretirement cost/(benefit) within other expense/(income) on our consolidated statements of income. See Note 11, *Postemployment Benefits*, for additional information on these components, including any curtailments and settlements, as well as information on our prior service credit amortization. See Note 4, *Acquisitions and Divestitures*, for additional information related to our loss/(gain) on sale of business. See Note 12, *Financial Instruments*, for information related to our derivative impacts.

Other expense/(income) was \$253 million of income in 2022 compared to \$295 million of income in 2021. This change was primarily driven by a \$79 million decrease in net pension and postretirement non-service benefits and a \$25 million net gain on sales of businesses in 2022 compared to a \$44 million net gain on sales of businesses in 2021. These impacts were partially offset by a \$50 million net loss on derivative activities in 2022 compared to an \$86 million net loss on derivative activities in 2021 and a \$12 million increase in interest income as compared to the prior year period.

Other expense/(income) was \$295 million of income in 2021 compared to \$296 million of income in 2020. This change was primarily driven by an \$86 million net loss on derivative activities in 2021 compared to a \$154 million net gain on derivative activities in 2020 and a \$115 million decrease in non-cash amortization of postemployment benefit plans prior service credits as compared to the prior year period. These impacts were partially offset by a \$101 million net foreign exchange gain in 2021 compared to a \$162 million net foreign exchange loss in 2020, a \$44 million net gain on sales of businesses in 2021 compared to a \$2 million net loss on sales of businesses in 2020, and a \$26 million loss on the dissolution of a joint venture in 2020.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.**Evaluation of Disclosure Controls and Procedures**

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2022. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures, as of December 31, 2022, were effective and provided reasonable assurance that the information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

Our Chief Executive Officer and Chief Financial Officer, with other members of management, evaluated the changes in our internal control over financial reporting during the quarter ended December 31, 2022. We determined that there were no changes in our internal control over financial reporting during the quarter ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those written policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles;
- provide reasonable assurance that receipts and expenditures are being made only in accordance with management and director authorization; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2022 based on the framework described in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this evaluation, our management concluded that we maintained effective internal control over financial reporting as of December 31, 2022.

PricewaterhouseCoopers LLP, an independent registered public accounting firm that audited the consolidated financial statements included in this Annual Report on Form 10-K, has also audited the effectiveness of our internal control over financial reporting as of December 31, 2022, as stated in their report which appears herein under Item 8, *Financial Statements and Supplementary Data*.

Item 9B. Other Information.

Not applicable.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

None.

PART III**Item 10. Directors, Executive Officers and Corporate Governance.**

Information required by this Item 10 is included under the caption “Information about our Executive Officers” contained in Item 1, *Business*, of this report and under the headings *Proposal 1. Election of Directors, Corporate Governance and Board Matters—Codes of Conduct, Beneficial Ownership of Kraft Heinz Stock—Delinquent Section 16(a) Reports, Board Committees and Membership—Committee Structure and Membership*, and *Other Information—Stockholder Proposals* in our definitive Proxy Statement for our Annual Meeting of Stockholders expected to be held on May 4, 2023 (“2023 Proxy Statement”). This information is incorporated by reference into this Annual Report on Form 10-K.

Item 11. Executive Compensation.

Information required by this Item 11 is included under the headings *Board Committees and Membership—Human Capital and Compensation Committee—Compensation Committee Interlocks and Insider Participation, Director Compensation, Compensation Discussion and Analysis, Executive Compensation Tables*, and *Pay Ratio Disclosure* in our 2023 Proxy Statement. This information is incorporated by reference into this Annual Report on Form 10-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The number of shares to be issued upon exercise or vesting of awards issued under, and the number of shares remaining available for future issuance under our equity compensation plans at December 31, 2022 were:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾	Weighted average exercise price per share of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	22,911,432	\$ 46.80	22,064,622
Equity compensation plans not approved by security holders	—	—	—
Total	22,911,432		22,064,622

(1) Includes the vesting of RSUs and PSUs.

Information related to the security ownership of certain beneficial owners and management is included under the heading *Beneficial Ownership of Kraft Heinz Stock* in our 2023 Proxy Statement. This information is incorporated by reference into this Annual Report on Form 10-K.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Information required by this Item 13 is included under the headings *Corporate Governance and Board Matters—Independence* and *Corporate Governance and Board Matters—Related Person Transactions* in our 2023 Proxy Statement. This information is incorporated by reference into this Annual Report on Form 10-K.

Item 14. Principal Accountant Fees and Services.

Information required by this Item 14 is included under the headings *Proposal 3. Ratification of the Selection of Independent Auditors—Independent Auditors’ Fees and Services* and *Proposal 3. Ratification of the Selection of Independent Auditors—Pre-Approval Policy* in our 2023 Proxy Statement. This information is incorporated by reference into this Annual Report on Form 10-K.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) Index to Consolidated Financial Statements and Schedules

	Page No.
<u>Report of Independent Registered Public Accounting Firm (PCAOB ID 238)</u>	<u>44</u>
<u>Consolidated Statements of Income for the Years Ended December 31, 2022, December 25, 2021, and December 26, 2020</u>	<u>47</u>
<u>Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2022, December 25, 2021, and December 26, 2020</u>	<u>48</u>
<u>Consolidated Balance Sheets at December 31, 2022 and December 25, 2021</u>	<u>49</u>
<u>Consolidated Statements of Equity for the Years Ended December 31, 2022, December 25, 2021, and December 26, 2020</u>	<u>50</u>
<u>Consolidated Statements of Cash Flows for the Years Ended December 31, 2022, December 25, 2021, and December 26, 2020</u>	<u>51</u>
<u>Notes to the Consolidated Financial Statements</u>	<u>52</u>
<u>Financial Statement Schedule - Valuation and Qualifying Accounts for the Years Ended December 31, 2022, December 25, 2021, and December 26, 2020</u>	<u>S-1</u>

Schedules other than those listed above have been omitted either because such schedules are not required or are not applicable.

(b) The following exhibits are filed as part of, or incorporated by reference into, this Annual Report:

Exhibit No.	Descriptions
2.1	<u>Separation and Distribution Agreement, dated September 27, 2012, between Kraft Foods Inc. and Kraft Foods Group, Inc. (incorporated by reference to Exhibit 2.1 of Amendment No. 1 to Kraft Foods Group, Inc.'s Registration Statement on Form S-4, filed on October 26, 2012).</u>
2.2	<u>Master Ownership and License Agreement Regarding Patents, Trade Secrets and Related Intellectual Property, effective October 1, 2012, between Kraft Foods Global Brands LLC, Kraft Foods Group Brands LLC, Kraft Foods UK Ltd., and Kraft Foods R&D Inc. (incorporated by reference to Exhibit 2.3 of Amendment No. 2 to Kraft Foods Group, Inc.'s Registration Statement on Form S-4, filed on December 4, 2012).</u>
3.1	<u>Second Amended and Restated Certificate of Incorporation of H.J. Heinz Holding Corporation (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed on July 2, 2015).</u>
3.2	<u>Amended and Restated By-Laws of The Kraft Heinz Company, effective November 3, 2022 (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed on November 7, 2022).</u>
3.3	<u>Certificate of Retirement of Series A Preferred Stock of The Kraft Heinz Company, dated June 7, 2016 (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed on June 7, 2016).</u>
4.1	<u>Amended and Restated Registration Rights Agreement, dated July 2, 2015, among The Kraft Heinz Company, 3G Global Food Holdings LP, and Berkshire Hathaway Inc. (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on July 2, 2015).</u>
4.2	<u>Indenture, dated July 1, 2015, among H. J. Heinz Company, as issuer, H.J. Heinz Holding Corporation, as guarantor, and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on July 6, 2015).</u>
4.3	<u>First Supplemental Indenture, dated July 1, 2015, relating to the 2.000% Senior Notes due 2023, among H. J. Heinz Company, as issuer, H.J. Heinz Holding Corporation, as guarantor, Wells Fargo Bank, National Association, as trustee, and Société Générale Bank & Trust, as paying agent, security registrar, and transfer agent (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K, filed on July 6, 2015).</u>
4.4	<u>Second Supplemental Indenture, dated July 1, 2015, relating to the 4.125% Senior Notes due 2027, among H. J. Heinz Company, as issuer, H.J. Heinz Holding Corporation, as guarantor, Wells Fargo Bank, National Association, as trustee, and Société Générale Bank & Trust, as paying agent, security registrar, and transfer agent (incorporated by reference to Exhibit 4.4 of the Company's Current Report on Form 8-K, filed on July 6, 2015).</u>
4.5	<u>Third Supplemental Indenture, dated July 2, 2015, relating to the 1.60% Senior Notes due 2017, 2.00% Senior Notes due 2018, 2.80% Senior Notes due 2020, 3.50% Senior Notes due 2022, 3.95% Senior Notes due 2025, 5.00% Senior Notes due 2035, and 5.20% Senior Notes due 2045, among H. J. Heinz Company, as issuer, H.J. Heinz Holding Corporation, as guarantor, and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.6 of the Company's Current Report on Form 8-K, filed on July 6, 2015).</u>

- 4.6 [Indenture, dated June 4, 2012, between Kraft Foods Group, Inc. and Deutsche Bank Trust Company Americas, as trustee \(incorporated by reference to Exhibit 10.4 of Amendment No. 3 to Kraft Foods Group, Inc.'s Registration Statement on Form 10, filed on June 21, 2012\).](#)
- 4.7 [Supplemental Indenture No. 1, dated June 4, 2012, relating to the 1.625% Notes due 2015, 2.250% Notes due 2017, 3.500% Notes due 2022, and 5.000% Notes due 2042, among Kraft Foods Group, Inc., Kraft Foods Inc., as guarantor, and Deutsche Bank Trust Company Americas, as trustee \(incorporated by reference to Exhibit 10.5 of Amendment No. 3 to Kraft Foods Group, Inc.'s Registration Statement on Form 10, filed on June 21, 2012\).](#)
- 4.8 [Supplemental Indenture No. 2, dated July 18, 2012, relating to the 6.125% Senior Notes due 2018, 5.375% Senior Notes due 2020, 6.875% Senior Notes due 2039, and 6.500% Senior Notes due 2040, among Kraft Foods Group, Inc., Kraft Foods Inc., as guarantor, and Deutsche Bank Trust Company Americas, as trustee \(incorporated by reference to Exhibit 10.27 of Amendment No. 5 to Kraft Foods Group, Inc.'s Registration Statement on Form 10, filed on August 6, 2012\).](#)
- 4.9 [Supplemental Indenture No. 3, dated July 2, 2015, among Kraft Foods Group, Inc., as issuer, Kite Merger Sub LLC, H.J. Heinz Holding Corporation, as parent guarantor, and Deutsche Bank Trust Company Americas, as trustee \(incorporated by reference to Exhibit 4.17 of the Company's Current Report on Form 8-K, filed on July 6, 2015\).](#)
- 4.10 [Third Supplemental Indenture, dated July 2, 2015, relating to the 6.75% Debentures due 2032 and 7.125% Debentures due 2039, among H.J. Heinz Holding Corporation, H. J. Heinz Company, and The Bank of New York Mellon, as successor trustee to Bank One, National Association \(incorporated by reference to Exhibit 4.18 of the Company's Current Report on Form 8-K, filed on July 6, 2015\).](#)
- 4.11 [Third Supplemental Indenture, dated July 2, 2015, relating to the 6.375% Debentures due 2028, among H.J. Heinz Holding Corporation, H. J. Heinz Company, and The Bank of New York Mellon, as successor trustee to Bank One, National Association \(incorporated by reference to Exhibit 4.19 of the Company's Current Report on Form 8-K, filed on July 6, 2015\).](#)
- 4.12 [Indenture, dated July 6, 2001, among H. J. Heinz Finance Company, as issuer, H.J. Heinz Company, as guarantor, and Bank One, National Association, as trustee \(incorporated herein by reference to Exhibit 4\(c\) of H. J. Heinz Company's Annual Report on Form 10-K for the fiscal year ended May 1, 2002, filed on July 30, 2002\).](#)
- 4.13 [Indenture, dated July 15, 2008, among H.J. Heinz Company and Union Bank of California, N.A., as trustee \(incorporated herein by reference to Exhibit 4\(d\) of H. J. Heinz Company's Annual Report on Form 10-K for the fiscal year ended April 29, 2009, filed on June 17, 2009\).](#)
- 4.14 [First Supplemental Indenture, dated July 2, 2015, relating to the 2.00% Notes due September 2016, 1.50% Notes due March 2017, 3.125% Notes due September 2021 and 2.85% Notes due March 2022, among H.J. Heinz Holding Corporation, H. J. Heinz Company, and MUFG Union Bank, N.A., as trustee \(incorporated by reference to Exhibit 4.14 to the Company's Annual Report on Form 10-K for the fiscal year ended December 26, 2020, filed on February 17, 2021\).](#)
- 4.15 [Supplemental Indenture No. 4, dated November 11, 2015, relating to the 2.250% Notes due 2017, 6.125% Notes due 2018, 5.375% Notes due 2020, 3.500% Notes due 2022, 6.875% Notes due 2039, 6.500% Notes due 2040, and 5.000% Notes due 2042, between Kraft Heinz Foods Company and Deutsche Bank Trust Company Americas, as trustee \(incorporated by reference to Exhibit 4.21 of the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 2016, filed on March 3, 2016\).](#)
- 4.16 [Indenture, dated July 15, 1992, between H. J. Heinz Company and The First National Bank of Chicago, as trustee \(incorporated by reference to Exhibit 4\(a\) of H. J. Heinz Company's Registration Statement on Form S-3, filed on March 16, 1998\).](#)
- 4.17 [Fourth Supplemental Indenture, dated May 24, 2016, relating to the 3.000% Senior Notes due 2026 and 4.375% Senior Notes due 2046, among Kraft Heinz Foods Company, as issuer, The Kraft Heinz Company, as guarantor, and Deutsche Bank Trust Company Americas, as trustee \(incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on May 25, 2016\).](#)
- 4.18 [Form of 3.000% Senior Notes due 2026 and 4.375% Senior Notes due 2046 \(included in Exhibit 4.17\).](#)
- 4.19 [Fifth Supplemental Indenture, dated May 25, 2016, relating to the 1.500% Senior Notes due 2024 and 2.250% Senior Notes due 2028, among Kraft Heinz Foods Company, as issuer, The Kraft Heinz Company, as guarantor, and Deutsche Bank Trust Company Americas, as trustee, paying agent, security registrar, and transfer agent \(incorporated by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K, filed on May 25, 2016\).](#)
- 4.20 [Form of 1.500% Senior Notes due 2024 and 2.250% Senior Notes due 2028 \(included in Exhibit 4.19\).](#)
- 4.21 [Sixth Supplemental Indenture, dated August 10, 2017, relating to the Floating Rate Senior Notes due 2019, Floating Rate Senior Notes due 2021, and Floating Rate Senior Notes due 2022, among Kraft Heinz Foods Company, as issuer, The Kraft Heinz Company, as guarantor, and Deutsche Bank Trust Company Americas, as trustee, paying agent, security registrar, and calculation agent \(incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on August 10, 2017\).](#)
- 4.22 [Form of Floating Rate Senior Notes due 2019, Floating Rate Senior Notes due 2021, and Floating Rate Senior Notes due 2022 \(included in Exhibit 4.21\).](#)

- 4.23 [Seventh Supplemental Indenture, dated June 15, 2018, relating to the 3.375% Senior Notes due 2021, 4.000% Senior Notes due 2023, and 4.625% Senior Notes due 2029, among Kraft Heinz Foods Company, as issuer, The Kraft Heinz Company, as guarantor, and Deutsche Bank Trust Company Americas, as trustee \(incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on June 15, 2018\).](#)
- 4.24 [Form of 3.375% Senior Notes due 2021, 4.000% Senior Notes due 2023, and 4.625% Senior Notes due 2029 \(included in Exhibit 4.23\).](#)
- 4.25 [Description of Kraft Heinz Securities registered under Section 12 of the Exchange Act \(incorporated by reference to Exhibit 4.32 to the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 2018, filed on June 7, 2019\).](#)
- 4.26 [Eighth Supplemental Indenture, dated September 25, 2019, relating to the 3.750% Senior Notes due 2030, 4.625% Senior Notes due 2039, and 4.875% Senior Notes due 2049, among Kraft Heinz Foods Company, as issuer, The Kraft Heinz Company, as guarantor, and Deutsche Bank Trust Company Americas, as trustee \(incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on September 25, 2019\).](#)
- 4.27 [Form of 3.750% Senior Notes due 2030, 4.625% Senior Notes due 2039, and 4.875% Senior Notes due 2049 \(included in Exhibit 4.26\).](#)
- 4.28 [Registration Rights Agreement, dated September 25, 2019, among Kraft Heinz Foods Company, The Kraft Heinz Company, as guarantor, and BofA Securities, Inc., Citigroup Global Markets Inc., and Wells Fargo Securities, LLC, as representatives of the other initial purchasers \(incorporated by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K, filed on September 25, 2019\).](#)
- 4.29 [Ninth Supplemental Indenture, dated May 18, 2020, relating to the 3.875% Senior Notes due 2027, 4.250% Senior Notes due 2031, and 5.500% Senior Notes due 2050, among Kraft Heinz Foods Company, as issuer, The Kraft Heinz Company, as guarantor, and Deutsche Bank Trust Company Americas, as trustee \(incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed on May 18, 2020\).](#)
- 4.30 [Form of 3.875% Senior Notes due 2027, 4.250% Senior Notes due 2031, and 5.500% Senior Notes due 2050 \(included in Exhibit 4.29\).](#)
- 4.31 [Registration Rights Agreement, dated May 18, 2020, among Kraft Heinz Foods Company, The Kraft Heinz Company, as guarantor, and J.P. Morgan Securities LLC, as representative of the other initial purchasers \(incorporated by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K, filed on May 18, 2020\).](#)
- 10.1 [Tax Sharing and Indemnity Agreement, dated September 27, 2012, between Kraft Foods Inc. and Kraft Foods Group, Inc. \(incorporated by reference to Exhibit 10.3 of Amendment No. 1 to Kraft Foods Group, Inc.'s Registration Statement on Form S-4, filed on October 26, 2012\).](#)
- 10.2 [Kraft Foods Group, Inc. 2012 Performance Incentive Plan \(incorporated by reference to Exhibit 4.3 of Kraft Foods Group, Inc.'s Registration Statement on Form S-8, filed on September 12, 2012\).+.](#)
- 10.3 [Form of Kraft Foods Group, Inc. 2012 Performance Incentive Plan Global Stock Option Award Agreement \(incorporated by reference to Exhibit 10.1 of Kraft Foods Group, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 29, 2014, filed on May 2, 2014\).+.](#)
- 10.4 [H.J. Heinz Holding Corporation 2013 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.1 of Amendment No. 4 to H.J. Heinz Holding Corporation's Registration Statement on Form S-4, filed on May 29, 2015\).+.](#)
- 10.5 [Amendments to the H. J. Heinz Holding Corporation 2013 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.6 of the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 2016, filed on March 3, 2016\).+.](#)
- 10.6 [Form of H.J. Heinz Holding Corporation 2013 Omnibus Incentive Plan Non-Qualified Stock Option Award Agreement \(incorporated by reference to Exhibit 10.2 of Amendment No. 4 to H.J. Heinz Holding Corporation's Registration Statement on Form S-4, filed on May 29, 2015\).+.](#)
- 10.7 [Kraft Foods Group, Inc. Deferred Compensation Plan for Non-Management Directors \(incorporated by reference to Exhibit 4.3 of Kraft Foods Group, Inc.'s Registration Statement on Form S-8, filed on September 12, 2012\).+.](#)
- 10.8 [Settlement Agreement, dated June 22, 2015, between Mondelez International Inc. and Kraft Foods Group, Inc. \(incorporated by reference to Exhibit 10.1 of Kraft Foods Group, Inc.'s Current Report on Form 8-K, filed on June 24, 2015\).](#)
- 10.9 [Credit Agreement, dated July 8, 2022, among The Kraft Heinz Company, Kraft Heinz Foods Company, the initial lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent \(incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed on July 8, 2022\).](#)
- 10.10 [The Kraft Heinz Company Amended & Restated Severance Pay Plan for Salaried Employees, effective January 1, 2023.+*](#)
- 10.11 [The Kraft Heinz Company Change in Control Severance Plan, effective January 1, 2023 \(incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K, filed on December 9, 2022\).+.](#)

- 10.12 [The Kraft Heinz Company 2016 Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended April 3, 2016, filed on May 5, 2016\).+](#)
- 10.13 [Amendment to the Company's 2016 Omnibus Incentive Plan, effective January 1, 2023 \(incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K, filed on December 9, 2022\).+](#)
- 10.14 [2018 Form of The Kraft Heinz Company 2016 Omnibus Incentive Plan Non-Qualified Stock Option Award Agreement, as amended and restated \(incorporated by reference to Exhibit 10.15 of the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 2018, filed on June 7, 2019\).+](#)
- 10.15 [2018 Form of The Kraft Heinz Company 2016 Omnibus Incentive Plan Matching Restricted Stock Unit Award Agreement, as amended and restated \(incorporated by reference to Exhibit 10.16 of the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 2018, filed on June 7, 2019\).+](#)
- 10.16 [2018 Form of The Kraft Heinz Company 2016 Omnibus Incentive Plan Restricted Stock Unit Award Agreement, as amended and restated \(incorporated by reference to Exhibit 10.17 of the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 2018, filed on June 7, 2019\).+](#)
- 10.17 [2019 Form of The Kraft Heinz Company 2016 Omnibus Incentive Plan Non-Qualified Stock Option Award Agreement, as amended and restated \(incorporated by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 28, 2019, filed on October 31, 2019\).+](#)
- 10.18 [2019 Form of The Kraft Heinz Company 2016 Omnibus Incentive Plan Restricted Stock Unit Award Agreement, as amended and restated \(incorporated by reference to Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 28, 2019, filed on October 31, 2019\).+](#)
- 10.19 [2019 Form of The Kraft Heinz Company 2016 Omnibus Incentive Plan Performance Share Award Notice, as amended and restated \(incorporated by reference to Exhibit 10.5 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 28, 2019, filed on October 31, 2019\).+](#)
- 10.20 [The Kraft Heinz Company 2020 Omnibus Incentive Plan \(incorporated by reference to Exhibit 99.1 of the Company's Registration Statement on Form S-8 \(File No. 333-238073\), filed on May 7, 2020\).+](#)
- 10.21 [Amendment to the Company's 2020 Omnibus Incentive Plan, effective January 1, 2023 \(incorporated by reference to Exhibit 10.4 of the Company's Current Report on Form 8-K, filed on December 9, 2022\).+](#)
- 10.22 [2020 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Non-Qualified Stock Option Award Agreement \(incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 27, 2020, filed on July 31, 2020\).+](#)
- 10.23 [2020 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Performance Share Award Notice \(incorporated by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 27, 2020, filed on July 31, 2020\).+](#)
- 10.24 [2020 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Restricted Stock Unit Award Agreement \(incorporated by reference to Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 27, 2020, filed on July 31, 2020\).+](#)
- 10.25 [2020 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Restricted Stock Unit Award Agreement for Bands B02-B09 \(incorporated by reference to Exhibit 10.5 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 27, 2020, filed on July 31, 2020\).+](#)
- 10.26 [2020 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Matching Restricted Stock Unit Award Agreement \(incorporated by reference to Exhibit 10.6 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 27, 2020, filed on July 31, 2020\).+](#)
- 10.27 [2021/2022 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Non-Qualified Stock Option Award Agreement \(incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 26, 2021, filed on August 4, 2021\).+](#)
- 10.28 [2021/2022 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Performance Share Award Notice \(incorporated by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 26, 2021, filed on August 4, 2021\).+](#)
- 10.29 [2021/2022 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Performance Share Award Notice \(Bands\) \(incorporated by reference to Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 26, 2021, filed on August 4, 2021\).+](#)
- 10.30 [2021/2022 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Restricted Stock Unit Award Agreement \(incorporated by reference to Exhibit 10.5 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 26, 2021, filed on August 4, 2021\).+](#)
- 10.31 [2021/2022 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Restricted Stock Unit Award Agreement for Bands B02-B09 \(incorporated by reference to Exhibit 10.6 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 26, 2021, filed on August 4, 2021\).+](#)
- 10.32 [2021/2022 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Matching Restricted Stock Unit Award Agreement \(incorporated by reference to Exhibit 10.7 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 26, 2021, filed on August 4, 2021\).+](#)
- 10.33 [2021 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Deferred Stock Award Agreement \(incorporated by reference to Exhibit 10.8 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 26, 2021, filed on August 4, 2021\).+](#)

10.34	<u>2022 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Deferred Stock Award Agreement (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 26, 2022, filed on April 28, 2022).</u> ⁺
10.35	<u>2023 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Non-Qualified Stock Option Award Agreement.</u> ⁺ *
10.36	<u>2023 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Performance Share Award Notice.</u> ⁺ *
10.37	<u>2023 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Restricted Stock Unit Award Agreement.</u> ⁺ *
10.38	<u>2023 Form of The Kraft Heinz Company 2020 Omnibus Incentive Plan Matching Restricted Stock Unit Award Agreement.</u> ⁺ *
21.1	<u>List of subsidiaries of The Kraft Heinz Company.</u> *
22.1	<u>List of Guarantor Subsidiaries.</u> *
23.1	<u>Consent of PricewaterhouseCoopers LLP.</u> *
24.1	<u>Power of Attorney.</u> *
31.1	<u>Certification of Chief Executive Officer pursuant to Rule 13a 14(a)/15d 14(a) of the Securities Exchange Act of 1934.</u> *
31.2	<u>Certification of Chief Financial Officer pursuant to Rule 13a 14(a)/15d 14(a) of the Securities Exchange Act of 1934.</u> *
32.1	<u>Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u> **
32.2	<u>Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u> **
101.1	The following materials from The Kraft Heinz Company's Annual Report on Form 10-K for the period ended December 31, 2022 formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Consolidated Statements of Income, (ii) the Consolidated Statements of Comprehensive Income, (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Equity, (v) the Consolidated Statements of Cash Flows, (vi) Notes to Consolidated Financial Statements, and (vii) document and entity information.*
104.1	The cover page from The Kraft Heinz Company's Annual Report on Form 10-K for the period ended December 31, 2022, formatted in inline XBRL.*
+	Indicates a management contract or compensatory plan or arrangement.
*	Filed herewith.
**	Furnished herewith.

Item 16. Form 10-K Summary.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

The Kraft Heinz Company

Date: February 16, 2023

By: /s/ Andre Maciel

Andre Maciel

Executive Vice President and Global Chief Financial Officer

(Principal Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Miguel Patricio</u>	Chief Executive Officer and Chair of the Board	February 16, 2023
Miguel Patricio	(Principal Executive Officer)	
<u>/s/ Andre Maciel</u>	Executive Vice President and Global Chief Financial Officer	February 16, 2023
Andre Maciel	(Principal Financial Officer)	
<u>/s/ Vince Garlati</u>	Vice President and Global Controller	February 16, 2023
Vince Garlati	(Principal Accounting Officer)	
<u>*</u>	Vice Chair of the Board	February 16, 2023
<u>John T. Cahill</u>	Lead Director	February 16, 2023
<u>*</u>		
<u>John C. Pope</u>	Director	February 16, 2023
<u>*</u>		
<u>Gregory E. Abel</u>	Director	February 16, 2023
<u>*</u>		
<u>Lori Dickerson Fouché</u>	Director	February 16, 2023
<u>*</u>		
<u>Diane Gherson</u>	Director	February 16, 2023
<u>*</u>		
<u>Timothy Kenesey</u>	Director	February 16, 2023
<u>*</u>		
<u>Alicia Knapp</u>	Director	February 16, 2023
<u>*</u>		
<u>Elio Leoni Sceti</u>	Director	February 16, 2023
<u>*</u>		
<u>Susan Mulder</u>	Director	February 16, 2023
<u>*</u>		
<u>James Park</u>		

*By: /s/ Andre Maciel

Andre Maciel

Attorney-In-Fact

February 16, 2023

The Kraft Heinz Company
Valuation and Qualifying Accounts
For the Years Ended December 31, 2022, December 25, 2021, and December 26, 2020
(in millions)

Description	Balance at Beginning of Period	Additions		Deductions		Balance at End of Period
		Charged to Costs and Expenses	Charged to Other Accounts ^(a)	Write-offs and Reclassifications		
Year ended December 31, 2022						
Allowances related to trade accounts receivable	\$ 48	\$ (4)	\$ —	\$ 2	\$ 46	
Allowances related to deferred taxes	101	(5)	—	—	96	
	<u>\$ 149</u>	<u>\$ (9)</u>	<u>\$ —</u>	<u>\$ 2</u>	<u>\$ 142</u>	
Year ended December 25, 2021						
Allowances related to trade accounts receivable	\$ 48	\$ 5	\$ 1	\$ (6)	\$ 48	
Allowances related to deferred taxes	105	1	—	(5)	101	
	<u>\$ 153</u>	<u>\$ 6</u>	<u>\$ 1</u>	<u>\$ (11)</u>	<u>\$ 149</u>	
Year ended December 26, 2020						
Allowances related to trade accounts receivable	\$ 33	\$ 21	\$ —	\$ (6)	\$ 48	
Allowances related to deferred taxes	112	(3)	—	(4)	105	
	<u>\$ 145</u>	<u>\$ 18</u>	<u>\$ —</u>	<u>\$ (10)</u>	<u>\$ 153</u>	

(a) Primarily relates to acquisitions and currency translation.

THE KRAFT HEINZ COMPANY
AMENDED & RESTATED SEVERANCE PAY PLAN
FOR SALARIED EMPLOYEES
(Effective as of January 1, 2023)

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THE KRAFT HEINZ COMPANY
AMENDED & RESTATED SEVERANCE PAY PLAN FOR SALARIED EMPLOYEES

(Effective as of January 1, 2023)

SECTION 1. PLAN NAME AND EFFECTIVE DATE

The name of this Plan is “The Kraft Heinz Company Amended & Restated Severance Pay Plan for Salaried Employees.”

Kraft Foods Group, Inc. originally established the Kraft Foods Group, Inc. Severance Pay Plan for Salaried Exempt Employees (the “Salaried Exempt Plan”) effective as of January 1, 1991. The Salaried Exempt Plan was amended and restated, effective as of November 1, 2007, and amended five times since.

Kraft Foods Group, Inc. also originally established the Kraft Foods Group, Inc. Severance Pay Plan for Salaried Non-Exempt Employees (the “Salaried Non-Exempt Plan”) effective as of January 1, 1991. The Salaried Non-Exempt Plan was amended and restated, effective as of November 1, 2007, and amended four times since.

H. J. Heinz Company originally established the H. J. Heinz Company Severance Pay Plan (the “Heinz Plan”) effective as of June 1, 1997. The Heinz Plan was amended and restated four times since its adoption.

Kraft Foods Group, Inc. and H.J. Heinz Company merged effective July 2, 2015 whereby Kraft Heinz Foods Company was the successor. The Company is the parent company of Kraft Heinz Foods Company.

Kraft Heinz Foods Company merged effective January 1, 2017 the Salaried Non-Exempt Plan, the Salaried Exempt Plan, and the Heinz Plan into the Kraft Heinz Foods Company Severance Pay Plan for Salaried Employees (the “Prior Plan”).

The Prior Plan is hereby assumed by the Company and amended and restated, effective as of January 1, 2023 (the “Effective Date”).

The Plan, as herein adopted, is applicable to eligible salaried Employees of the Employers whose termination of employment occurs on or after the Effective Date.

SECTION 2. PURPOSE

The purpose of this Plan is to provide severance pay to eligible Employees under conditions set forth below, where the Employee’s employment with an Employer is involuntarily terminated through no fault of the Employee. Severance pay, when granted under the Plan, is designed to provide the Employee with funds while seeking other employment. Benefits received under this Plan shall be not counted as compensation for purposes of determining benefits under any other plan or arrangement of the Employer, except as otherwise specifically provided in such other plan or arrangement.

SECTION 3. DEFINITIONS

3.1 “Act” means the Securities Exchange Act of 1934. Reference to a specific section of the Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

3.2 “Administrator” means the Compensation Committee as designated in Section 9.1 of the Plan.

3.3 “Affiliate” means, with respect to any Employer, all persons with whom the Employer would be considered to be a single employer under Section 414(b) and all persons with whom the Employer would be considered to be a single employer under Section 414(c) of the Code if the ownership test under Section 414 of the Code were “more than 50%” rather than “at least 80%.”

3.4 “Cause” means “cause” as determined by the Administrator.

3.5 “CIC Qualifying Termination” means a Qualifying Termination as defined in the CIC Severance Plan.

3.6 “CIC Severance Plan” means The Kraft Heinz Company Change in Control Severance Plan (as may be amended from time to time).

3.7 “COBRA” means the Consolidated Omnibus Budget Reconciliation Act, as amended.

3.8 “COBRA Benefit Period” means the following:

(a) for Participants below Band 07 Vice President, the equivalent length of time associated with the Pay received by the Participant (e.g., if the Participant receives four months’ Pay, the COBRA Benefit Period would be four months);

(b) for Participants in Band 07 Vice President and above (other than the Chief Executive Officer and Senior Executives), 12 months;

(c) for Senior Executives, 18 months; and

(d) for the Chief Executive Officer, 24 months.

3.9 “Code” means the Internal Revenue Code of 1986, as amended.

3.10 “Company” means The Kraft Heinz Company or its successor.

3.11 “Employee” means a regular, active, full-time or part-time salaried employee of an Employer, but excluding:

(a) an employee represented by a collective bargaining agent which has not negotiated the benefits of this Plan; and

(b) an employee of a subsidiary of the Company whose management has opted out of the Plan with the consent of the Company.

Notwithstanding any provision of the Plan to the contrary, no individual who provides services to an Employer or to any Affiliate under a contract, arrangement or understanding with such individual or with an agency or leasing organization that treats such individual as either an independent contractor or an employee of such agency or leasing organization shall be eligible for participation in the Plan, even if such individual is later determined (whether by judicial or administrative action or otherwise) to have been a common law employee of the Employer or an Affiliate rather than an independent contractor or employee of such agency or leasing organization.

3.12 “Compensation Committee” means the Human Capital and Compensation Committee of the Board of Directors of the Company.

3.13 “Eligible Equity Award” means an equity award granted under the Company’s equity incentive plans that was granted on or prior to December 31, 2022; provided that if such equity award is subject to any performance conditions, such award shall only be deemed an Eligible Equity Award if such award was granted at least 24 months prior to the date of the Participant’s termination of employment.

3.14 “Employer” means the Company and each Affiliate whose Employees participate in the Plan with the consent of the Company.

3.15 “Hour of Service” means, with respect to any Employee, each hour for which the Employee is paid or entitled to payment for the performance of duties for an Employer, calculated and credited pursuant to Department of Labor Regulation Section 2530.200b-2.

3.16 “Independent Tax Advisor” means a lawyer with a nationally recognized law firm, a certified public accountant with a nationally recognized accounting firm, or a compensation consultant with a nationally recognized actuarial and benefits consulting firm, in each case with expertise in the area of executive compensation tax law, who shall be selected by the Company and shall be acceptable to the Participant (the Participant’s acceptance not to be unreasonably withheld), and all of whose fees and disbursements shall be paid by the Company.

3.17 “Participant” means an Employee who satisfies the eligibility requirements as set forth in Section 4.

3.18 “Pay” means for a full-time Employee or a regularly scheduled part-time Employee:

- (a) for purposes of determining weeks of Pay, the weekly rate of regular salary;
- (b) for purposes of determining months of Pay, the monthly rate of regular salary; or
- (c) for purposes of determining annual Pay, the annual rate of regular salary;

on the date of termination of employment with the Employer, excluding all extra pay, such as overtime, bonuses, incentive pay or other allowances.

For a part-time Employee who is not regularly scheduled to work the same hours or days per week:

(d) for purposes of determining weeks of Pay under Section 5.1, the weekly hours shall be determined by calculating the average weekly hours worked based on the 12-month period (or actual period worked if less than 12-months) immediately preceding the Employee's termination date with the Employer;

(e) for purposes of determining months of Pay under Section 5.1, the monthly hours shall be determined by calculating the average hours worked per month during the 12-month period (or actual period worked if less than 12-months) immediately preceding the Employee's termination date with the Employer; and

such part-time Employee's average weekly or average monthly hours worked, as applicable, shall then be multiplied by the Employee's hourly rate of regular salary on the date of his or her termination of employment with the Employer, excluding all extra pay such as overtime, bonuses, incentive pay, or other allowances, to determine the Employee's pay. Notwithstanding the foregoing, for part-time Employees who transferred from full-time to part-time status within three months of an event covered in Section 4.2(a), Pay will be determined based on such Employee's full-time weekly or monthly rate of regular salary, as applicable, as of the date immediately preceding the Employee's transfer to part-time status.

3.19 "Plan" means The Kraft Heinz Company Amended & Restated Severance Pay Plan for Salaried Employees as it may be amended from time to time.

3.20 "Predecessor Corporation" means any corporation or business which was merged into or consolidated with, or all, or substantially all, of the assets of which were acquired by, an Employer or an Affiliate.

3.21 "Qualifying Termination" means a termination of the Participant's employment by the Employer other than for Cause.

3.22 "Severance and Release Agreement" means the severance and release agreement Employee will receive on or before the date of Employee's Qualifying Termination, which will include customary separation terms, including, but not limited to, confidentiality, non-disparagement and, in some instances, restrictive covenant obligations. Any Severance and Release Agreement prescribed by the Company shall be required to be timely signed and returned to the Employer as a condition of receiving severance benefits under this Plan. A Severance and Release Agreement shall be considered timely only to the extent that it is returned to the Company within the time period specified by the Company.

3.23 "Salary Continuation" means payments made by the Employer that represent wage or salary payments through the date of termination during which time the employee is not required to perform any services.

3.24 “Senior Executive” means each of the Employees who reports directly to the Chief Executive Officer (in part or in whole).

3.25 “Service” means a person’s continuous employment with the Employers, an Affiliate or a Predecessor Corporation, or any combination of any of the foregoing (i) beginning on such Employee’s most recent date of hire with an Employer, an Affiliate or a Predecessor Corporation, and (ii) ending on the last day of employment, subject to the following:

(a) any period during which an Employee is on an unpaid leave of absence shall not be included as a period of Service for purposes of the Plan;

(b) for periods prior to March 31, 2007, Service shall include any period of continuous employment prior to such date with Altria Group, Inc., an Altria subsidiary, or a predecessor thereto, to the extent that such periods of employment would have been included in Service under the terms of the Plan as in effect immediately prior to the Effective Date or, if earlier, the Employee’s last day of employment and would not have been disregarded under the break in Service provisions of Section 5.2;

(c) any period during which an individual provides services to an Employer, an Affiliate or any Predecessor Corporation under a contract, arrangement or understanding with such individual or with an agency or leasing organization that treats such individual as either an independent contractor or an employee of such agency or leasing organization shall not be included as a period of Service for purposes of the Plan even if such individual is later determined to have been a common law employee of the Employer, Affiliate or Predecessor Corporation during such period and even if such individual later provides services as an Employee; and

(d) no period(s) of Salary Continuation shall be included as a period of Service for purposes of the Plan.

3.26 “Shares” means shares of the common stock of the Company.

SECTION 4. ELIGIBILITY

4.1 Each full-time Employee and each part-time Employee who is regularly scheduled to work 1,000 or more Hours of Service during the calendar year, shall be eligible to participate in the Plan on such Employee’s 30th day of active employment with an Employer. Each part-time Employee who is regularly scheduled to work fewer than 1,000 Hours of Service during the calendar year shall be eligible to participate in the Plan on the first day of the month following a Computation Period during which such Employee completes at least 1,000 Hours of Service. A “Computation Period” is the initial 12-consecutive-month period commencing on the date the Employee is first credited with an Hour of Service, and each calendar year commencing with the first calendar year which begins on or after the date the Employee is first credited with an Hour of Service.

4.2 Subject to the terms and conditions of the Plan, an Employee who satisfies the requirements of Section 4.1, shall be eligible for severance pay under this Plan, as set forth in Section 5, if the Administrator, in its sole discretion, determines that:

(a) the Employee's employment with an Employer is terminated as a result of a Qualifying Termination; and

(b) the Employee's timely execution and non-revocation of a Severance and Release Agreement and continued compliance with any restrictive covenants or other post-employment obligations that the Employee is subject to pursuant to any restrictive covenant agreement, employment agreement, offer letter, equity incentive plan, equity award agreement or other plan or agreement that the Employee is party to with the Company, an Employer or any of their respective Affiliates.

4.3 An Employee who otherwise satisfies the requirements of Section 4.2 above shall not become eligible for severance pay under this Plan if the Employee declines an offer of another job with the Employer or any Affiliate if:

(a) the commute to the offered job location is less than 50 miles more than the Employee's current home to work location commute;

(b) the job grade of the offered position is no more than two job grades less than the Employee's current job; or

(c) the total cash compensation of the offered job is less than a 15% reduction from the total cash compensation of the Employee's current job.

For purposes of this Plan, a decision whether to accept an offer of another job shall be required from the Employee within seven calendar days after the job offer is made.

4.4 An Employee shall not be eligible for severance pay under this Plan if the Administrator, in its sole discretion, determines that:

(a) the Employee voluntarily resigned from employment with the Employer;

(b) the Employer discharged the Employee for Cause or due to unacceptable performance or unsatisfactory conduct;

(c) the Employee experienced a temporary layoff, except that if (during this absence from work) an event covered in Section 4.2(a) above occurs prior to a break in Service, as defined by the Employer's policy, then the Employee shall be eligible to receive severance pay upon termination; however, a temporarily laid-off employee who has been given recall rights and whose Service is broken because of the expiration of those recall rights, shall remain ineligible to receive severance pay upon such break in Service, which shall constitute a termination;

(d) the Employee was transferred to and became employed by an Employer or Affiliate of an Employer;

(e) the Employee's employment with the Employer is terminated as a result of a sale or other disposition of a business, product line or any part of a business or product line, where the Employee was offered employment by the purchaser, transferee or acquirer;

(f) the Employee retired or died, except that an Employee who retires as a result of an event covered in Section 4.2(a) above shall be eligible to receive severance pay upon retirement, subject to any offsets permitted by law;

(g) the Employee terminated his employment with the Employer pursuant to the terms of an early retirement incentive plan;

(h) the Employee:

(i) has received, or is eligible to receive, from the Employer or any Affiliate any payment or benefit of equal or greater value than the severance pay under this Plan pursuant to the terms of any plan, program, policy, arrangement agreement or statutory termination or notice entitlement intended to provide termination benefits to the Employee; or

(ii) has been offered any payment or benefit described in Section 4.4(h)(i) which is contingent upon execution of a Release which includes a legally enforceable non-compete/ non-solicitation provision (and/or upon execution of a separate non-compete/non-solicitation agreement), and the Employee fails to timely sign and return such Release and/or agreement to the Employer within the time period specified by the Company;

(i) the Employee's business unit or part thereof was leased, transferred, reorganized, off-shored, outsourced, spun-off or assigned and the Employee is offered employment with the lessee, transferee, successor, assignee or a third party who takes over the business or a part thereof;

(j) the Employee is on a military leave of absence and fails to report to work within the time required by applicable federal law;

(k) the Employee is on an approved disability or unpaid medical leave of absence and is not released to return to work within 12 months after the date the leave of absence began;

(l) the Employee fails to return to the Employer all of the Employer's property, including, but not limited to, cellular phones, computers, modems, diskettes, samples, credit cards, telephone cards, keys, security passes, vehicles and equipment, promptly upon termination of employment; or

(m) the Employee fails to repay any obligations owing to the Employer, including, but not limited to, obligations to repay all or any part of any relocation, mobility or other allowance, and any overpaid wages and other payroll overpayment amounts, promptly upon termination of employment; provided, however, that, to the extent permitted by applicable law, the Employer may deduct any such obligations from any compensation owing to the Employee, including, but not limited to, any severance pay amount payable under this Plan.

4.5 Notwithstanding any other provision under this Section 4, the Employer has the right to cancel or reschedule a previously announced or scheduled layoff or other involuntary termination of employment. An Employee is not eligible for benefits under this Plan if an announced or scheduled termination of employment is canceled before termination actually occurs.

SECTION 5. SEVERANCE PAY AMOUNT

5.1 In the event a Participant experiences a Qualifying Termination, then, subject to the terms and conditions of the Plan (including the Participant's compliance with Section 4.2(b) above), the Participant will be entitled to the following payments and benefits:

(a) cash severance equal to the amounts set forth below, payable in a lump sum as soon as administratively possible after the date of termination of active employment and compliance with the terms of this Plan (and in no event later than 60 days after termination):

- (i) for Participants below Band 07 Vice President, two (2) weeks' Pay for each completed year of Service plus any pro-rated fractional year, subject to a minimum of three (3) months' Pay and maximum of twelve (12) months' Pay;
- (ii) for Participants in Band 07 Vice President and above (other than the Chief Executive Officer and Senior Executives), twelve (12) months' Pay;
- (iii) for Senior Executives, eighteen (18) months' Pay;
- (iv) for the Chief Executive Officer, twenty-four (24) months' Pay;

(b) if the Participant is enrolled in medical, dental and/or prescription drug coverage under the Kraft Heinz Foods Company Group Benefits Plan for Employees (the "Group Benefits Plan") and the Participant timely elects to continue such coverage in accordance with COBRA, then for the duration of the COBRA Benefit Period, (i) continued payment by the Participant of the Participant's current premium charged for coverage under the Group Benefits Plan, and (ii) continued payment by the Employer of any incremental premium for such coverage, including the COBRA administration fee; provided that such coverage shall not be provided in the event the Company or the Employer, as applicable, would be subject to any excise tax under Section 4980D of the Code or other penalty or liability pursuant to the provisions of the Patient Protection and Affordable Care Act of 2010 (as amended from time to time) or to the extent not permitted by other applicable law, in which case, in lieu of providing the coverage described above, the Company or the Employer, as applicable, shall instead pay the Participant a monthly cash payment in an amount such that, after payment by the Participant of all taxes on such payment, the Participant retains an amount equal to the portion of the monthly COBRA premiums the Company or the Employer, as applicable, would have paid during the COBRA Benefit Period (after taking into account active employee-cost sharing or similar provisions in effect), with such monthly payment being

made on the last day of each calendar month of the remainder of the COBRA Benefit Period; provided, further, that the Company reserves the right to amend or terminate the arrangement described in this Section 5.1(b);

(c) vesting of the Participant's then-outstanding equity awards in accordance with Section 6 below; and

(d) outplacement services as the Company shall reasonably determine from time to time to those Participants, and for the periods of time, designated below:

(i) For Bands B01 – B09, nine months;

(ii) For Bands B10 – B12, six months; or

(iii) For Bands B13 – B18, three months.

Such payments and any other severance benefits provided under this Section 5.1 will be reduced by any such amounts that were already provided to the Participant pursuant to any personal employment contract, individual severance or separation agreement or statutory notice or termination entitlement. Moreover, such payment and any other severance benefits provided under this Section 5.1 will be reduced by any repayment obligation the Participant owes to the Company or the Employer as of the Employee's Qualifying Termination, including, but not limited to, obligations to repay all or any part of any relocation, mobility or other allowance, and any overpaid wages and other payroll overpayment amounts (to the extent permissible by law).

5.2 Completed years of Service means the duration of elapsed time an Employee accumulates during active employment, plus such approved additional time as may be required or granted for vacation, paid leaves of absence, lay-off or active military service, as determined in accordance with the policy of the Employer. Years of Service shall be computed from the most recent date of hire, shall not include prior years of Service for Employees who terminated employment and later returned, and shall be calculated as completed years plus any pro-rated fractional year of continuous service. The accumulation of Service ends, and Service is broken, upon the earliest to occur of the following events:

(a) if an Employee retires, quits, or is discharged, a break in Service begins on the Employee's last day at work;

(b) if an Employee is absent from active employment for any other reason (other than an approved leave of absence), a break in Service begins on the first anniversary of the date the absence began;

(c) if an Employee takes an approved leave of absence of less than one year and fails to return to work before the first anniversary of the date the leave began, a break in Service begins on the date the Employee fails to return to work;

(d) if an Employee takes an approved leave of absence of one year or more and does not return to work at the end of the leave, a break in Service begins on the first anniversary of the Employee's last day of work;

(e) if an Employee is absent because of an approved disability, a break in Service begins 12 months after the date the absence began; or

(f) if an Employee takes maternity or parental leave and does not return to work at the end of the leave, a break in Service begins on the first anniversary of the Employee's last day at work.

Notwithstanding the foregoing, any period during which an Employee is on an unpaid leave of absence shall not be included as a period of Service for purposes of the Plan.

5.3 Benefits under this Plan are not intended to be in addition to pay-in-lieu-of-notice or similar termination benefits provided pursuant to other plans, programs, contracts, statutory notice or termination entitlements or other applicable laws such as the Worker Adjustment and Retraining ("WARN") Act. The Employers reserve the right to offset the severance pay amount described in Section 5.1 above by (i) any amounts the Employee owes the Employer or an Affiliate, and (ii) any severance or termination benefits payable under any other policy of or agreement with the Employer or under any federal, state, local or non-U.S. jurisdictional law, including without limitation, the WARN Act.

5.4 If a Participant dies before receiving any payment due under this Plan, such payment will be paid in a lump sum to the beneficiary under the Company paid and sponsored life insurance program applicable to the Participant.

5.5 The Employer may from time to time offer special severance pay for Employees terminating employment during a limited period or in connection with a specific event, such as an exit incentive under a reduction in force program or in the context of a facility closing or other business development resulting in reduced employment needs. Any such temporary severance arrangement which may be offered from time to time shall be set forth in an appendix to this Plan and shall be in lieu of, and not in addition to, benefits otherwise payable under this Plan.

5.6 A Participant who is re-employed by an Employer or an Affiliate shall repay that portion of the severance pay attributable to the period after the Participant became re-employed.

5.7 Employees who are away from work due to an approved disability leave, military leave or family medical leave of absence, at the time that the Employee would otherwise qualify for severance pay under the Plan, will be paid severance pay if they qualify under Section 4 and are timely released to return to work, determined as follows:

(a) for a disability or unpaid medical leave, a timely release to return to work will occur if the Employee is released to return to work within 12 months from the Employee's initial date of leave-related absence, medical documentation of such release is timely provided to the Employer, and the release is certified by the Company's disability benefit administrator;

(b) for a military leave of absence, a timely release to return to work will occur if an Employee makes a request to return to work within the time required under applicable federal law; and

(c) for a family medical leave, a timely release to return to work will occur at the end of the Employee's approved FMLA leave, not to exceed 12 weeks during a rolling 12-month period (or 26 weeks during a single 12-month period for those on military caregiver leave). This provision is not applicable to employees on intermittent or reduced schedule leave at time of severance triggering event.

SECTION 6. EQUITY AWARDS

6.1 Equity Vesting. Equity awards shall vest according to the vesting schedules and acceleration provisions provided in each applicable plan or award. Notwithstanding anything to the contrary under the applicable award agreement, a Participant's then-outstanding Eligible Equity Awards shall be eligible to vest as follows, subject to Section 4.2(b) above:

(a) Upon a Qualifying Termination, a prorated portion of the Participant's then-outstanding Eligible Equity Awards shall accelerate and vest based the number of completed 12-month periods of the Participant's employment during the applicable vesting period; provided that for any Eligible Equity Awards subject to performance conditions, accelerated vesting shall occur only upon a Qualifying Termination that occurs 24 months or more after the Eligible Equity Award grant and shall be determined based on actual performance through the end of the applicable performance period and settled in accordance with the terms of the applicable award agreement. After giving effect to this Section 6.1(a), the remaining unvested portion of any equity award granted under the Company's equity incentive plans that is outstanding as of the Participant's date of termination shall remain outstanding to the extent necessary (but subject in all cases to their maximum term) to enable their potential future vesting and exercisability in the event of a CIC Qualifying Termination.

6.2 Options. Any Eligible Equity Award that is an option to purchase Shares and that vests in accordance with Section 6.1 shall remain outstanding and may be exercised until the earlier of the third anniversary of the date of termination and the original maximum term of the option contained in the applicable award agreement.

SECTION 7. OTHER BENEFITS

7.1 Paid Time Off/Vacation. In addition to the benefits outlined in Section 5 above, upon the Participant's termination of employment as described in Section 4.2(a) above, each Participant shall be entitled to receive a cash lump-sum payment as per the U.S. Paid Time Off Policy for Salaried Employees or Vacation Policy, as applicable to a particular Employee.

7.2 Life Insurance. If the Employer is paying the Participant's life insurance premiums at Participant's termination of employment described in Section 4.2(a) above, the Employer shall continue to pay each Participant's life insurance premiums only through the last day of the Participant's employment.

SECTION 8. ADMINISTRATION

8.1 The Administrator and named fiduciary for the Plan is the Compensation Committee.

8.2 The Administrator may at any time delegate to another person or body, or re-assume therefrom, any of the fiduciary responsibilities or administrative duties with respect to this Plan.

8.3 Subject to the conditions and limitations of this Plan, the Administrator may establish such rules for the administration of this Plan as the Administrator may deem desirable.

8.4 The expenses of administering this Plan, including the payment of benefits, shall be paid by the Employers out of general assets.

8.5 The Plan and all of its records are kept on a calendar year basis, beginning January 1 and ending December 31 of each year.

8.6 Except as required by applicable law, benefits provided under this Plan shall not be subject to assignment or alienation, since they are primarily for the support and maintenance of the Participants. Likewise, such payments shall not be subject to attachment by creditors of or through legal process against the Employers or any Participant.

8.7 Each of the Company and the Compensation Committee fully expect to continue the Plan, but each of the Company and the Compensation Committee, acting separately, reserve the right to change or end the Plan at any time for any reason. Any action required or permitted to be taken by the Company or an Employer with respect to the Plan shall be by its Board of Directors or by a person or persons duly authorized by it. Any action required or permitted to be taken by the Compensation Committee shall be by the Compensation Committee or a person or persons duly authorized by the Compensation Committee or its delegate. Participants will be properly notified of any changes. Notwithstanding the foregoing, any amendment to this Plan that adversely affects the benefits potentially payable to a Participant (including, without limitation, a proposed termination of this Plan, or imposing additional conditions or modifying the amount or timing of payment) shall not be effective without the written consent of such Participant, unless such amendment is required by law and a written notice is provided to such Participant at least one year in advance of the effectiveness of such amendment.

8.8 Nothing herein shall be construed as giving to any Employee of an Employer any right to be retained in the employ of the Employer, nor shall it be construed as providing any right to claim any pension or other benefit or allowance after termination of employment with the Employer. No Employee shall, because of this Plan, become entitled to any offer of relocation, lateral transfer, downgrade with pay protection, or any other term of employment.

8.9 This Plan is intended to be an unfunded employee welfare benefit plan, as defined in Section 3(1), Subtitle A of Title I of the Employee Retirement Income Security Act of 1974 (“ERISA”). The Plan will be interpreted and administered to effectuate this intent.

8.10 The Administrator shall enforce the Plan in accordance with its terms and with such rules as may be adopted by the Administrator, and shall have complete discretionary authority to interpret and construe the provisions of the Plan, and to conclusively determine all questions arising under the Plan, including the power to determine the eligibility of Employees and the rights of Participants and other persons entitled to benefits under the Plan and the amount of their benefits.

8.11 Each party shall each bear their own expenses, legal fees and other fees incurred in connection with this Plan; provided, the prevailing party in any such action shall be fully reimbursed by the other party for all costs, including reasonable attorneys' fees, court costs, expert or consultants' fees and reasonable travel and lodging expenses (the "Fees and Expenses"), incurred by the prevailing party in its successful prosecution or defense thereof, including any appellate proceedings. Subject to Section 14, such payments of Fees and Expenses shall be made within 30 business days after delivery of the Participant's written request for payment, accompanied with such evidence of fees and expenses incurred.

8.12 Any payments and benefits provided for hereunder shall be paid net of any applicable withholding required under applicable law.

8.13 In addition to any obligations imposed by law upon any successor to the Company, the Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or its Affiliates to expressly assume and agree to perform this Plan in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

8.14 This Plan constitutes the entire agreement between the Company and the Participants and, except as expressly provided herein or in another agreement that specifically references this Section 8.14, supersedes the provisions of all other prior agreements or policies concerning the payment of severance benefits upon a termination of employment; provided that in no event shall payments or benefits provided pursuant to any other severance agreement or policy entitle a Participant to a duplication of payments and benefits pursuant to this Plan.

SECTION 9. CLAIMS PROCEDURE

9.1 Participants normally need to take no action to receive severance pay under this Plan. Participants will normally be contacted by the Administrator or the Administrator's delegate concerning the receipt of severance pay. Employees who are not so contacted, and who believe they are entitled to severance pay under this Plan, should submit a written claim for severance pay to the Administrator within 60 days of their termination of employment with an Employer.

9.2 If a request for severance pay is denied, in whole or in part, the Administrator shall, within 90 days after a claim is filed, notify the claimant in writing of such denial and of the claimant's right to file an appeal with the Administrator, and shall set forth (in a manner calculated to be understood by the claimant) specific reasons for such denial, specific references to pertinent Plan provisions on which the denial is based, a description of any additional material or information necessary for the claimant to perfect his or her request, an explanation of why such material or information is necessary, and an explanation of the Plan's review procedure. If the Administrator determines that special circumstances require an extension of time for processing a claim, the Administrator shall, within 90 days after the claim is filed, notify the claimant in writing of the extension, of the reasons for the extension and the date a final decision can be expected. In no event shall the extension exceed a period of 90 days from the end of the initial 90-day period.

9.3 Any Employee, or a duly authorized representative thereof, who is denied severance pay in whole or in part, pursuant to Section 9.2 above, may appeal from such denial to the Administrator for a review of the decision by submitting to the Administrator, within 60 days after receiving a notice of denial, a written statement:

- (a) requesting a review of the claim for severance pay by the Administrator;
- (b) setting forth all of the grounds upon which the appeal is based and any facts in support thereof; and
- (c) setting forth any issues or comments which the claimant deems relevant to the claim.

The Administrator shall act upon such appeal within 60 days after the later of receipt of the claimant's request for review by the Administrator or receipt of any additional materials reasonably requested by the Administrator from such claimant. If the Administrator determines that special circumstances require an extension of time for processing an appeal, the Administrator shall, within 60 days after the appeal is received, notify the claimant in writing of the extension and the reasons for the extension. The Administrator shall, in any event, act upon the appeal within 120 days after the appeal is received.

9.4 The Administrator shall make a full and fair review of each such appeal and any written materials submitted by the claimant or the Employer in connection therewith and may require the Employer or the claimant to submit within 30 days of written notice by the Administrator therefore, such additional facts, documents, or other evidence as the Administrator, in the Administrator's sole discretion, deems necessary or advisable in making such a review. On the basis of the Administrator's review, the Administrator shall make an independent determination of the claimant's eligibility for severance pay under this Plan. The decision of the Administrator on any appeal for severance pay shall be final.

9.5 If the Administrator denies an appeal in whole or in part, the Administrator shall give written notice of this decision to the claimant setting forth (in a manner calculated to be understood by the claimant) the specific reasons for such denial and specific references to the pertinent Plan provisions on which the Administrator's decision was based.

SECTION 10. GOVERNING LAW

To the extent that State law shall not have been preempted by ERISA or any other laws of the United States or other non-U.S. jurisdiction heretofore or hereafter enacted, as the same may be amended from time to time, this Plan shall be administered, construed and enforced according to the laws of the Commonwealth of Pennsylvania.

SECTION 11. COORDINATION WITH CODE SECTION 409A

This Plan shall be interpreted to avoid any penalty sanctions under Section 409A of the Code. If any payment or benefit cannot be provided or made at the time specified herein without incurring sanctions under Section 409A of the Code, then such benefit or payment shall be provided in full at the earliest time thereafter when such sanctions shall not be imposed. For

purposes of Section 409A of the Code, each payment made under this Plan shall be treated as a separate payment. In no event may the Participant, directly or indirectly, designate the calendar year of payment. To the maximum extent permitted under Section 409A of the Code and its corresponding regulations, the cash severance benefits payable under this Plan are intended to meet the requirements of the short-term deferral exemption under Section 409A of the Code and the “separation pay exception” under Treas. Reg. §1.409A-1(b)(9)(iii). However, if such severance benefits do not qualify for such exemptions at the time of the Participant’s termination of employment and therefore are deemed as deferred compensation subject to the requirements of Section 409A of the Code, then if the Participant is a “specified employee” under Section 409A of the Code on the date of the Participant’s termination of employment, notwithstanding any other provision of this Plan, payment of severance under this Plan shall be delayed for a period of six months from the date of the Participant’s termination of employment if required by Section 409A of the Code. The accumulated postponed amount shall be paid in a lump-sum payment within 15 days after the end of the six-month period. If the Participant dies during the postponement period prior to payment of the postponed amount, the amounts withheld on account of Section 409A of the Code shall be paid to the Participant’s estate within 15 days after the date of the Participant’s death. All reimbursements and in-kind benefits provided under this Plan shall be made or provided in accordance with the requirements of Section 409A of the Code, including, where applicable, the requirement that (i) any reimbursement shall be for expenses incurred during the Participant’s lifetime (or during a shorter period of time specified in this Plan), (ii) the amount of expenses eligible for reimbursement, or in kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense shall be made on or before the last day of the calendar year following the year in which the expense is incurred and (iv) the right to reimbursement or in kind benefits is not subject to liquidation or exchange for another benefit. For the avoidance of doubt, this Section 11 shall not apply to any Participant who is not subject to the provisions of Section 409A of the Code. Neither the Company nor its Affiliates or their directors, officers, employees or advisers shall be liable to the Participant (or any other individual claiming a benefit through the Participant) for any tax, interest or penalties the Participant may owe as a result of compensation or benefits paid under this Plan, and the Company and its Affiliates shall have no obligation to indemnify or otherwise protect the Participant from the obligation to pay any taxes pursuant to Section 409A or otherwise.

SECTION 12. CODE SECTION 280G

12.1 Notwithstanding any other provision of this Plan or any compensation or benefit program or other agreement to the contrary, if any payment or benefit by or from the Company or any of its Affiliates to or for the benefit of the Participant, whether paid or payable or distributed or distributable pursuant to the terms of this Plan or otherwise, would be subject to the Excise Tax (as hereinafter defined) (all such payments and benefits being collectively referred to herein as the “Payments”), then except as otherwise provided in Section 12.2, the Payments shall be reduced (but not below zero) or eliminated (as further provided for in Section 12.3) to the extent the Independent Tax Advisor shall reasonably determine is necessary so that no portion of the Payments shall be subject to the Excise Tax (the “Reduced Amount”).

12.2 Notwithstanding the provisions of Section 12.1, if the Independent Tax Advisor reasonably determines that the Participant would receive, in the aggregate, a greater amount of the Payments on an after-tax basis (including all applicable federal, state and local income, employment and other applicable taxes and the Excise Tax) if the Payments were not reduced or eliminated to the Reduced Amount pursuant to Section 12.1, then no such reduction shall be made notwithstanding that all or any portion of the Payments may be subject to the Excise Tax.

12.3 For purposes of determining which of Section 12.1 and Section 12.2 shall be given effect, the determination of which Payments shall be reduced or eliminated to avoid the Excise Tax shall be made by the Independent Tax Advisor. The Independent Tax Advisor shall provide its determinations, together with detailed supporting calculations and documentation, to the Company and the Participant for their review no later than 10 days after the date of termination. If a reduction in payments or benefits is necessary so that the Payments equal the Reduced Amount, reduction shall occur in the following order: (i) first by reducing or eliminating the portion of the Payments that are payable in cash, (ii) second by reducing or eliminating the portion of the Payments that are not payable in cash (other than Payments as to which Treasury Regulations Section 1.280G-1 Q/A – 24(c) (or any successor provision thereto) applies (“Q/A-24(c) Payments”)) and (iii) third by reducing or eliminating Q/A-24(c) Payments. In the event that any Q/A-24(c) Payment or acceleration is to be reduced, such Q/A-24(c) Payment shall be reduced or cancelled in the reverse order of the date of grant of the awards. The determinations of the Independent Tax Advisor under this Section 12 shall, after due consideration of the Company’s and the Participant’s comments with respect to such determinations and the interpretation and application of this Section 12, be final and binding on the parties absent manifest error. The Company and the Participant shall furnish to the Independent Tax Advisor such information and documents as the Independent Tax Advisor may reasonably request in order to make the determinations required under this Section 12.

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Executed this 6th day of December, 2022.

THE KRAFT HEINZ COMPANY

By: /s/ Melissa Werneck

Title: Executive Vice President and Global Chief People Officer

[Signature Page to The Kraft Heinz Company Amended & Restated Severance Pay Plan for Salaried Employees]

**THE KRAFT HEINZ COMPANY
2020 OMNIBUS INCENTIVE PLAN**

2023 NON-QUALIFIED STOCK OPTION AWARD AGREEMENT

Unless defined in this award agreement (together with all exhibits and appendices attached thereto, this “**Award Agreement**”), capitalized terms will have the same meanings ascribed to them in The Kraft Heinz Company 2020 Omnibus Incentive Plan (as may be amended from time to time, the “**Plan**”).

Subject to your acceptance of this Award Agreement, you are hereby being granted a Non-Qualified Stock Option (the “**Option**”) as of the Grant Date set forth below (the “**Grant Date**”). The Option entitles you to exercise up to the aggregate number of shares of the Company’s Common Stock set forth below, at the Exercise Price per share set forth below (the “**Exercise Price**”) on the following terms and subject to the provisions of the Plan, which is incorporated herein by reference. In the event of a conflict between the provisions of the Plan and this Award Agreement, the provisions of the Plan will govern.

Total Number of Shares Underlying Options:	_____ Shares
Current Grant Value of Shares Underlying Options:	\$ _____ per Share
Exercise Price per Share:	\$ _____ per Share
Grant Date:	_____
Expiration Date:	10-year anniversary of Grant Date
Vesting Date:	3-year anniversary of Grant Date (subject to the terms of the Award Agreement)

By agreeing to this Award Agreement, you agree that this Option is granted under and governed by the terms and conditions of this Award Agreement (including, without limitation, the terms and conditions set forth on Exhibit A, the Restrictive Covenants Agreement attached as Exhibit B and the terms and conditions set forth on Appendix I) and the Plan.

THE KRAFT HEINZ COMPANY

EXHIBIT A
TERMS AND CONDITIONS OF THE
OPTION AWARD AGREEMENT

Vesting

This Option will vest and become exercisable on the “Vesting Date” set forth in this Award Agreement subject to your continued Service (including, for the avoidance of doubt, service as a member of the Company’s Board of Directors, consultant or advisor) with the Company or one of its Subsidiaries or Affiliates. Any portion of this Option that becomes exercisable in accordance with the foregoing will remain exercisable until the Expiration Date, unless earlier terminated pursuant to the Plan or this Award Agreement (including, without limitation, the section below entitled “Termination”).

Exercisability

Subject to the section below entitled “Termination,” this Option may be exercised only while you are employed by or providing Service to the Company or any of its Subsidiaries or Affiliates. Prior to the exercise of this Option, you will not have any rights of a shareholder with respect to this Option or the Shares subject thereto.

This Option will be exercisable pursuant to procedures approved by the Human Capital and Compensation Committee (formerly the Compensation Committee) of the Board of Directors (the “Committee”) and communicated to you. No Shares will be delivered pursuant to the exercise of this Option unless (i) you have complied with your obligations under this Award Agreement and the Plan, (ii) the exercise of this Option and the delivery of such Shares complies with applicable law and (iii) full payment (or satisfactory provision therefor) of the aggregate exercise price of the Option and any Tax-Related Items (as defined below) have been received by the Company. Until such time as the Shares are delivered to you, you will have no right to vote or receive dividends or any other rights as a shareholder with respect to such Shares, notwithstanding the exercise of this Option.

Unless otherwise determined by the Company or Committee, this Option may only be exercised on a day on which the Nasdaq exchange (the “**Exchange**”) is open. Accordingly, if the Expiration Date is a day on which the Exchange is closed, the Expiration Date shall be the immediately preceding day on which the Exchange is open.

Termination

Effect of a Termination of Service on Vesting and Exercisability

Other than as set forth below, upon a termination of your Service for any reason prior to the Vesting Date, you will forfeit this Option without any consideration due to you.

If prior to the Vesting Date, but more than one (1) year after the Grant Date, the Company terminates your Service Without Cause (as defined below), the vesting of your Option shall accelerate upon such termination of Service as if 33.33% of the Shares subject to the Option had vested on each annual anniversary of the Grant Date on which you provided Service. If prior to the Vesting Date your Service terminates by reason of your death or Disability (as defined below), your Option shall become fully vested and exercisable upon such termination of Service. If prior to the Vesting Date, but more than one (1) year after the Grant Date, your Service terminates by reason of your Retirement (as defined below), your Option shall become fully vested and exercisable upon such termination of Service. Following your termination of

Service, you (or, if applicable, such other person who is entitled to exercise this Option) may exercise such portion of the Option that is or becomes vested upon your termination of Service during the period set forth in the table below.

To the extent this Option is or becomes exercisable on the date of termination of your Service, then, if you (or, if applicable, such other person who is entitled to exercise this Option) do not exercise this Option on or prior to the expiration of the Option Exercise Period (as set forth below), this Option will terminate; provided that in no event may you exercise this Option after the Expiration Date.

<u>Type of Termination</u>	<u>Option Exercise Period</u>
Without Cause	Three-year period beginning on the date of termination
Resignation*	90 days beginning on the date of termination
Retirement	Three-year period beginning on the date of termination
Disability	Three-year period beginning on the date of termination
Death	Three-year period beginning on the date of termination
For Cause	30 days beginning on the date of termination

*except for a resignation that falls within the definition of “Without Cause.”

For purposes of the Option, your Service will be considered terminated as of the date you are no longer actively providing Service to the Company or one of its Subsidiaries or Affiliates with no anticipated return to active service (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement or other service agreement, if any), and unless otherwise expressly provided in this Award Agreement or determined by the Company, (i) your right to vest in the Option under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., your period of Service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any); and (ii) the period (if any) during which you may exercise the Option after such termination of your employment or Service relationship will commence as of such date and will not be extended by any notice period mandated under employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any. The Committee shall have the exclusive discretion to determine when you are no longer actively providing Service for purposes of this Option (including whether you may still be considered to be providing Service while on a leave of absence).

Applicable Definitions

All capitalized terms used in this Award Agreement without definition shall have the meanings ascribed in the Plan. For purposes of this Award Agreement, the following terms shall have the following meanings:

“**Disability**” means (i) a physical or mental condition entitling you to benefits under the long-term disability policy of the Company covering you or (ii) in the absence of any such policy, a physical or mental condition rendering you unable to perform your duties for the Company or any of its Subsidiaries or Affiliates for a period of six (6) consecutive months or longer; *provided* that if you are a party to an Employment Agreement at the time of termination of your Service and such Employment Agreement contains a different definition of “disability” (or any derivation thereof), the definition in such Employment Agreement will control for purposes of this Award Agreement.

“Employment Agreement” means an individual written employment agreement between you and the Company or any of its Affiliates, including an offer letter.

“Retirement” means a termination of Service by you on or after either (a) the later of (i) your 60th birthday and (ii) your completion of five years of Service with the Company, its Subsidiaries or its Affiliates; or (b) the later of (i) your 55th birthday and (ii) your completion of ten years of Service with the Company, its Subsidiaries or its Affiliates.

“Without Cause” means (i) a termination of your Service by the Company or its Subsidiaries or Affiliates other than for Cause (as defined in the Plan) and other than due to your death, Disability or Retirement or (ii) (A) if you are a party to an Employment Agreement, (B) such Employment Agreement is in effect upon the date of your termination of Service and (C) such Employment Agreement defines “Good Reason”, then “Without Cause” shall also include resignation of your Service for “Good Reason” in accordance with such Employment Agreement.

Special Termination Provisions

In the event that there is a conflict between the terms of this Award Agreement regarding the effect of a termination of your Service on this Option and the terms of any Employment Agreement, the terms of this Award Agreement will govern.

If you are terminated Without Cause or due to your resignation and, within the twelve (12) month period subsequent to such termination of your Service, the Company determines that your Service could have been terminated for Cause, subject to anything to the contrary that may be contained in your Employment Agreement at the time of termination of your Service, your Service will, at the election of the Company, be deemed to have been terminated for Cause for purposes of this Award Agreement and the Plan, effective as of the date the events giving rise to Cause occurred and any consequences following from a termination for Cause shall be retroactively applied (including your obligation to repay gains that would not have been realized had your Service been terminated for Cause).

Effect of a Change in Control

The treatment of the Options upon a Change in Control shall be governed by the Plan. In the event that there is a conflict between the terms of the Plan regarding the effect of a Change in Control on this Option and the terms of this Award Agreement or any Employment Agreement, the terms of the Plan will govern.

Restrictive Covenants

Your Service will provide you with specialized training and unique knowledge and access to confidential information and key business relationships, which, if used in competition with the Company, its Subsidiaries and/or its Affiliates, would cause harm to such entities. As such, in partial consideration of the Option granted under this Award Agreement, you agree to comply with the Company’s Restrictive Covenants Agreement, attached (and incorporated into this Award Agreement) as Exhibit B. The restrictions and obligations contained in the Restrictive Covenants Agreement are in addition to any restrictions imposed by, or obligations you may have to, the Company, its Subsidiaries or Affiliates under any Employment Agreement or otherwise.

Taxes

Regardless of any action the Company or your employer (the “**Employer**”) takes with respect to any or all income tax, social security or insurance, payroll tax, fringe benefits tax, payment on account or other tax-related withholding (“**Tax-Related Items**”), you acknowledge the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and the Company and/or its Subsidiaries or Affiliates (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option grant or the Underlying Shares, including but not limited to the grant, vesting or exercise of this Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends and (ii) do not commit to structure the terms of the grant or any aspect of this Option to reduce or eliminate your liability for Tax-Related Items.

Prior to exercise of this Option, you will pay or make adequate arrangements satisfactory to the Committee to satisfy all Tax-Related Items. In this regard, you authorize the withholding of all applicable Tax-Related Items legally payable by you from your wages or other cash compensation payable to you or from proceeds of the sale of Shares. Alternatively, or in addition, if permissible under local law, the Company may in its sole and absolute discretion sell or arrange for the sale of Shares that you acquire to meet the obligation for Tax-Related Items. Finally, you will pay to the Company and/or its Subsidiaries any amount of Tax-Related Items that the Company or its Subsidiaries may be required to withhold as a result of your participation in the Plan or your purchase of Shares that cannot be satisfied by the means previously described. The Company may refuse to honor the exercise and refuse to deliver the Shares if you fail to comply with your obligations in connection with the Tax-Related Items as described in this section.

The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates in your jurisdiction(s). In the event of over-withholding, you may receive a refund of any over-withheld amount in cash and will have no entitlement to the Share equivalent or if not refunded, you may seek a refund from the local tax authorities. In the event of under-withholding, you may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the exercised Option, notwithstanding that a number of Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan.

No Guarantee of Continued Service

You acknowledge and agree that the vesting of this Option on the Vesting Date (or such earlier date as set forth in the section above titled “Termination”) is earned only by performing continuing Service (not through the act of being hired or being granted this Award). You further acknowledge and agree this Award Agreement, the transactions contemplated hereunder and the Vesting Date shall not be construed as giving you the right to be retained in the employ of, or to continue to provide Service to, the Company, its Subsidiaries or any Affiliate. Further, the Company, its Subsidiaries or the applicable Affiliate may at any time dismiss you, free from any liability, or any claim under the Plan, unless otherwise expressly provided in any other agreement binding you, the Company, its Subsidiaries or the applicable Affiliate. The receipt of this Award is not intended to confer any rights on you except as set forth in this Award Agreement.

Company’s Right of Offset

If you become entitled to a distribution of benefits under this Award, and if at such time you have any outstanding debt, obligation, or other liability representing an amount owing to the Company, its Subsidiaries or any of its Affiliates, then the Company, its Subsidiaries or its Affiliates, upon a

determination by the Committee, and to the extent permitted by applicable law and it would not cause a violation of Section 409A of the Code, may offset such amount so owing against the amount of benefits otherwise distributable. Such determination shall be made by the Committee.

Acknowledgment of Nature of Award

In accepting this Option, you understand, acknowledge and agree that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan and this Award Agreement;

(b) the Option award is exceptional, voluntary, occasional and discretionary and does not create any contractual or other right to receive future Option awards, or benefits in lieu of Options even if Options have been awarded in the past;

(c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company;

(d) your participation in the Plan is voluntary;

(e) this Option is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or its Subsidiaries or Affiliates;

(f) this Option, any Shares acquired under the Plan, and the income and value of same are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, holiday pay, long-service awards, pension or retirement benefits or similar payments;

(g) the future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with certainty;

(h) if the underlying Shares do not increase in value, this Option will have no value;

(i) if you receive Shares, the value of such Shares acquired upon exercise may increase or decrease in value, even below the Exercise Price per Share;

(j) unless otherwise agreed with the Company in writing, the Options, any Shares acquired under the Plan, and the income and value of same, are not granted as consideration for, or in connection with, any Service you may provide as a director of a Subsidiary or Affiliate;

(k) no claim or entitlement to compensation or damages, including pro-rated compensation or damages, shall arise from forfeiture of the Option resulting from termination of your Service (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any), and in consideration of the grant of the Option to which you are otherwise not entitled, you irrevocably agree never to institute any claim against the Company, any of its Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company, and its Subsidiaries and Affiliates from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, you shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim; and

(l) this Option is subject to the terms of the Plan (including, without limitation, certain provisions regarding Adjustments, Repurchases and Transfers).

Securities Laws

By accepting this Option, you acknowledge that U.S. federal, state or foreign securities laws and/or the Company's policies regarding trading in its securities may limit or restrict your right to buy or sell Shares, including, without limitation, sales of Shares acquired in connection with this Option. You agree to comply with such securities law requirements and Company policies, as such laws and policies are amended from time to time.

Data Privacy

(a) **Data Collection and Usage.** *The Company collects, processes and uses personal data about you, including but not limited to, your name, home address and telephone number, email address, date of birth, social insurance number, employee identification number, hire date, termination date, gross earnings, tax rate, account identification number for the independent stock plan service provider account, any shares of stock or directorships held in the Company, details of all Options or any other entitlement to shares or equivalent benefits awarded, canceled, exercised, vested, unvested or outstanding in your favor, which the Company receives from you or the Employer ("Data") for the purposes of implementing, administering and managing the Plan. The Company will only use your personal data where expressly permitted by law. Generally, the Company will use your personal data in the following circumstances:*

- *When needed to execute a contract that the Company is going to formalize or that the Company has formalized with you.*
- *Where necessary for the Company's legitimate interests (or those of a third party), provided that the fundamental interests or rights that assist you do not prevail over our interests or those of that third party.*
- *When the Company needs it to comply with any legal or regulatory obligation.*

(b) **Stock Plan Administration Service Providers.** *The Company may transfer Data to one or more independent stock plan service providers, which may assist the Company with the implementation, administration and management of the Plan. Such service provider(s) may open an account for you or ask you to receive and trade shares of common stock. You may be asked to acknowledge, or agree to, separate terms and data processing practices with the service provider(s) with such agreement being a condition of participation in the Plan. Please review these terms and data processing practices carefully. If you do not agree to the independent stock plan service provider's terms and/or data processing practices, you will not be able to participate in the Plan.*

(c) **International Data Transfers.** *Please note that Data processed in connection with the Plan will be transferred from your country to the United States, where the Company and its service providers are based. Your country or jurisdiction may have different data privacy laws and protections than the United States. The Company will ensure that appropriate measures are in place for compliance with applicable data protection laws in relation to transfer of Data to the United States.*

(d) **Data Retention.** *The Company has a legal duty to keep various records and records need to be held for different periods of time, depending on their contents. The Company will use your personal data only as long as necessary to implement, administer and manage your participation in the Plan and as required to comply with legal or regulatory obligations, including under tax and securities laws. The*

Company will therefore keep your personal data for as long as needed in connection with those obligations. The Company will not keep your personal data for longer than data protection law allows.

*(e) **Data Subject Rights.** You understand that you may have a number of rights under data privacy laws in your jurisdiction. Depending on where you are based, such rights may include the right to (i) request access or copies of personal data processed by the Company, (ii) rectification of incorrect data, (iii) deletion of personal data, (iv) restrictions on processing of personal data, (v) portability of personal data, (vi) lodge complaints with competent data protection authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of your personal data. To receive clarification regarding these rights or to exercise these rights, you can contact the Company's Data Privacy Team at gdpr@kraftheinz.com.*

Limits on Transferability; Beneficiaries

This Option shall not be pledged, hypothecated or otherwise encumbered or subject to any lien, obligation or liability to any party, or Transferred, otherwise than by your will or the laws of descent and distribution or to a Beneficiary upon your death, and this Option shall be exercised during your lifetime only by you or your guardian or legal representative, except that this Option may be Transferred to one or more Beneficiaries or other Transferees during your lifetime with the consent of the Committee, and may be exercised by such Transferees in accordance with the terms of this Award Agreement. A Beneficiary, Transferee, or other person claiming any rights under this Award Agreement shall be subject to all terms and conditions of the Plan and this Award Agreement, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee.

No Transfer to any executor or administrator of your estate or to any Beneficiary by will or the laws of descent and distribution of any rights in respect of this Option shall be effective to bind the Company unless the Committee shall have been furnished with (i) written notice thereof and with a copy of the will and/or such evidence as the Committee may deem necessary to establish the validity of the Transfer and (ii) the written agreement of the Transferee to comply with all the terms and conditions applicable to this Option and any Shares purchased upon exercise of this Option that are or would have been applicable to you.

Repayment/Forfeiture

As an additional condition of receiving the Options and without prejudice to the terms of the Company's Restrictive Covenants Agreement (attached as Exhibit B), you agree that the Options and any proceeds or other benefits you may receive hereunder shall be subject to forfeiture and/or repayment to the Company (i) under the terms of the Company's Clawback Policy, as may be amended from time to time (and such requirements shall be deemed incorporated into this Award Agreement without your additional consent) or (ii) to comply with any requirements imposed under applicable laws and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, including, without limitation, pursuant to Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Section 10D of the Act and Rule 10D-1 thereunder. Further, if you receive any amount in excess of what you should have received under the terms of the Options for any reason (including without limitation by reason of a financial restatement, mistake in calculations or administrative error), all as determined by the Committee, then you shall be required to promptly repay any such excess amount to the Company.

Section 409A

It is intended that the Option awarded pursuant to this Award Agreement be exempt from or compliant with Section 409A of the Code (“**Section 409A**”) and the Award Agreement shall be interpreted construed and operated in a manner consistent with this intention. In the event that the Company believes, at any time, that any benefit or right under this Award Agreement is subject to Section 409A, then the Committee may (acting alone and without any required consent by you) amend this Award Agreement in such manner as the Committee deems necessary or appropriate to be exempt from or otherwise comply with the requirements of Section 409A (including without limitation, amending the Award Agreement to increase the Exercise Price per Share to such amount as may be required in order for the Option to be exempt from Section 409A).

Notwithstanding the foregoing, the Company, its Subsidiaries and Affiliates do not make any representation to you that the Option awarded pursuant to this Award Agreement shall be exempt from or satisfy the requirements of Section 409A, and the Company, its Subsidiaries and Affiliates shall have no liability or other obligation to indemnify or hold harmless you or any Beneficiary, Transferee or other party for any tax, additional tax, interest or penalties that you or any Beneficiary, Transferee or other party may incur in the event that any provision of this Award Agreement, or any amendment or modification thereof or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A.

Entire Agreement; Modification

The Plan, this Award Agreement and, to the extent applicable, your Employment Agreement or any separation agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings, representations and agreements (whether oral or written) of the Company, its Subsidiaries and/or Affiliates and you with respect to the subject matter hereof. This Award Agreement may not be modified in a manner that adversely affects your rights heretofore granted under the Plan, except with your consent or to comply with applicable law or to the extent permitted under other provisions of the Plan.

Governing Law; Jurisdiction; Waiver of Jury Trial

This Award Agreement (together with all exhibits and appendices attached thereto) is governed by the laws of the State of Delaware, without regard to its principles of conflict of laws, and any disputes shall be settled in accordance with the Plan.

To the extent not prohibited by applicable law, each of the parties hereto waives any right it may have to trial by jury in respect of any litigation based on, arising out of, under or in connection with this Award Agreement (together with all exhibits and appendices attached thereto) or the Plan.

Electronic Signatures and Delivery and Acceptance

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan, including this Award Agreement, by electronic means or request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. The Award Agreement if delivered by electronic means with electronic signatures shall be treated in all manner and respects as an original executed document and shall be considered to have the same binding legal effect as if it were the original signed versions thereof delivered in person.

Agreement Severable

This Award Agreement shall be enforceable to the fullest extent allowed by law. In the event that any provision of this Award Agreement is determined to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, then that provision shall be reduced, modified or otherwise conformed to the relevant law, judgment or determination to the degree necessary to render it valid and enforceable without affecting the validity, legality or enforceability of any other provision of this Award Agreement or the validity, legality or enforceability of such provision in any other jurisdiction. Any provision of this Award Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be deemed severable from the remainder of this Award Agreement, and the remaining provisions contained in this Award Agreement shall be construed to preserve to the maximum permissible extent the intent and purposes of this Award Agreement.

Interpretation

The Committee shall have the right to resolve all questions that may arise in connection with the Award or this Award Agreement, including whether you are actively employed. Any interpretation, determination or other action made or taken by the Committee regarding the Plan or this Award Agreement shall be final, binding and conclusive. This Award Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any person or persons who shall acquire any rights hereunder in accordance with this Award Agreement or the Plan.

Language

You acknowledge that you are sufficiently proficient in the English language or have consulted with an advisor who is proficient in English, so as to allow you to understand the terms and conditions of this Award Agreement. If you have received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Acknowledgments

By signing this Award Agreement, you acknowledge receipt of a copy of the Plan and represent that you are familiar with the terms and conditions of the Plan, and hereby accept this Option subject to all provisions in this Award Agreement and in the Plan. You hereby agree to accept as final, conclusive and binding all decisions or interpretations of the Committee upon any questions arising under the Plan or this Award Agreement.

Appendix I

Notwithstanding any provision in this Award Agreement, if you work or reside outside the U.S., this Option grant shall be subject to the general non-U.S. terms and conditions and the additional terms and conditions for your country set forth in Appendix I. Moreover, if you relocate from the U.S. to one of the countries included in Appendix I or you move between countries included in Appendix I, the general non-U.S. terms and conditions and the additional terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix I constitutes part of this Award Agreement.

EXHIBIT B

RESTRICTIVE COVENANTS AGREEMENT

*I understand that I am or will be an employee to or other service-provider of The Kraft Heinz Company and/or its Subsidiaries and/or its Affiliates (collectively the “**Company**”) and will learn and have access to the Company’s confidential, trade secret and proprietary information and key business relationships. I understand that the products and services that the Company develops, provides and markets are unique. Further, I know that my promises in this Restrictive Covenants Agreement (the “**Agreement**”) are an important way for the Company to protect its proprietary interests and that The Kraft Heinz Company would not have granted me a stock option or other equity grants unless I made such promises.*

*In addition to other good and valuable consideration, I am expressly being given a stock option or other equity grants in exchange for my agreeing to the terms of this Award Agreement. In consideration of the foregoing, I (the “**Executive**”) agree as follows:*

- 1. NON-DISCLOSURE OF CONFIDENTIAL INFORMATION.** During the course of Executive’s Service, Executive will have access to Confidential Information. For purposes of this Award Agreement, “**Confidential Information**” means all data, information, ideas, concepts, discoveries, trade secrets, inventions (whether or not patentable or reduced to practice), innovations, improvements, know-how, developments, techniques, methods, processes, treatments, drawings, sketches, specifications, designs, plans, patterns, models, plans and strategies, and all other confidential or proprietary information or trade secrets in any form or medium (whether merely remembered or embodied in a tangible or intangible form or medium) whether now or hereafter existing, relating to or arising from the past, current or potential business, activities and/or operations of the Company, including, without limitation, any such information relating to or concerning finances, sales, marketing, advertising, transition, promotions, pricing, personnel, customers, suppliers, vendors, raw partners and/or competitors of the Company. Executive agrees that Executive shall not, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of Executive’s assigned duties and for the benefit of the Company, either during the period of Executive’s Service or at any time thereafter, any Confidential Information or other confidential or proprietary information received from third parties subject to a duty on the Company’s part to maintain the confidentiality of such information, and to use such information only for certain limited purposes, in each case, which shall have been obtained by Executive during Executive’s Service. The foregoing shall not apply to information that (i) was known to the public prior to its disclosure to Executive; (ii) becomes generally known to the public subsequent to disclosure to Executive through no wrongful act of Executive or any representative of Executive; or (iii) Executive is required to disclose by applicable law, regulation or legal process (provided that, to the extent permitted by law, Executive provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information).

Pursuant to the U.S. Defend Trade Secrets Act of 2016, Executive shall not be held criminally, or civilly, liable under any Federal or State Trade secret law for the disclosure of a trade secret that is made in confidence either directly or indirectly to a Federal, State, or local government official, or an attorney, for the sole purpose of reporting, or investigating, a violation of law. Moreover, Executive may disclose trade secrets in a complaint, or other document, filed in a lawsuit, or other proceeding, if such filing is made under seal. Finally, if Executive files a lawsuit alleging retaliation by the Company for reporting a suspected violation of the law, Executive may disclose the trade secret to Executive’s attorney and use the trade secret in the court proceeding, if Executive files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

No Company policies or practices, including this Non-Disclosure of Confidential Information provision, is intended to or shall limit, prevent, impede or interfere in any way with Executive’s

right, without prior notice to the Company, to provide information to the government, participate in investigations, testify in proceedings regarding the Company's past or future conduct, or engage in any activities protected under whistle blower statutes. Nothing in or about this Award Agreement prohibits you from: (i) filing and, as provided for under Section 21F of the Act, maintaining the confidentiality of a claim with the Commission, (ii) providing the Commission with information that would otherwise violate the non-disclosure restrictions in this Award Agreement, to the extent permitted by Section 21F of the Act; (iii) cooperating, participating or assisting in a Commission investigation or proceeding without notifying the Company; or (iv) receiving a monetary award as set forth in Section 21F of the Act.

2. **NON-COMPETITION.** Executive acknowledges that (i) Executive performs services of a unique nature for the Company that are irreplaceable, and that Executive's performance of such services to a competing business will result in irreparable harm to the Company, (ii) Executive has had and will continue to have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company, (iii) in the course of Executive's employment by or service to a competitor, Executive would inevitably use or disclose such Confidential Information, (iv) the Company has substantial relationships with its customers and Executive has had and will continue to have access to these customers, (v) Executive has received and will receive specialized training from the Company, and (vi) Executive has generated and will continue to generate goodwill for the Company in the course of Executive's Service. Accordingly, during Executive's Service and for twelve (12) months following a termination of Executive's Service for any reason (the "**Restricted Period**"), Executive will not engage in any business activities, directly or indirectly (whether as an employee, consultant, officer, director, partner, joint venturer, manager, member, principal, agent, or independent contractor, individually, in concert with others, or in any other manner) within the same line or lines of business for which the Executive performed services for the Company and in a capacity that is similar to the capacity in which the Executive was employed by the Company with any person or entity that competes with the Company in the consumer packaged food and beverage industry ("**Competitive Business**") anywhere within the same geographic territory(ies) for which the Executive performed services for the Company (the "**Restricted Territory**"). Notwithstanding the foregoing, nothing herein shall prohibit Executive from being a passive owner of not more than three percent (3%) of the equity securities of a publicly traded corporation engaged in a business that is in competition with the Company, so long as Executive has no active participation in the business of such corporation.
3. **NON-SOLICITATION.** During the Restricted Period, Executive agrees that Executive shall not, except in the furtherance of Executive's duties to the Company, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, solicit, aid, induce, assist in the solicitation of, or accept any business (other than on behalf of the Company) from, any customer or potential customer of the Company to purchase goods or services then sold by the Company from another person, firm, corporation or other entity or, directly or indirectly, in any way request, suggest or advise any such customer to withdraw or cancel any of their business or refuse to continue to do business with the Company. This restriction shall apply to customers or potential customers who, during the two (2) years immediately preceding the Executive's termination, had been assigned to the Executive by the Company, or with which the Executive had contact on behalf of the Company while an Executive of the Company, or about which the Executive had access to Confidential Information by virtue of Executive's employment with the Company.
4. **NON-INTERFERENCE.** During the Restricted Period, Executive agrees that Executive shall not, except in the furtherance of Executive's duties to the Company, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, (A) solicit, aid or induce any employee, representative or agent of the Company to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or

agent, or (B) interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company and its vendors, suppliers or customers. As used herein, the term “solicit, aid or induce” includes, but is not limited to, (i) initiating communications with a Company employee relating to possible employment, (ii) offering bonuses or other compensation to encourage a Company employee to terminate his or her employment with the Company and accept employment with any entity, (iii) recommending a Company employee to any entity, and (iv) aiding an entity in recruitment of a Company employee. An employee, representative or agent shall be deemed covered by this Section 4 while so employed or retained and for a period of six (6) months thereafter.

5. NON-DISPARAGEMENT. Executive agrees not to make negative comments or otherwise disparage the Company or its officers, directors, employees, shareholders, agents or products or services. The foregoing shall not be violated by truthful statements made in (a) response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings) or (b) the good faith performance of Executive’s duties to the Company.

6. INVENTIONS.

- a. Executive acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, methods, works of authorship and other work product (“**Inventions**”), whether patentable or unpatentable, (A) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company resources and/or within the scope of Executive’s work with the Company or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company, and that are made or conceived by Executive, solely or jointly with others, during Executive’s Service, or (B) suggested by any work that Executive performs in connection with the Company, either while performing Executive’s duties with the Company or on Executive’s own time, but only insofar as the Inventions are related to Executive’s work as an employee or other service provider to the Company, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon. Executive will keep full and complete written records (the “**Records**”), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and Executive will surrender them upon the termination of Service, or upon the Company’s request. Executive irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to Executive’s Service, together with the right to file, in Executive’s name or in the name of the Company (or its designee), applications for patents and equivalent rights (the “**Applications**”). Executive will, at any time during and subsequent to Executive’s Service, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company’s rights in the Inventions, all without additional compensation to Executive from the Company. Executive will also execute assignments to the Company (or its designee) of the Applications and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company’s benefit, all without additional compensation to Executive from the Company, but entirely at the Company’s expense.
- b. In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company and Executive agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to Executive. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, Executive hereby irrevocably conveys, transfers and assigns to the Company,

all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of Executive's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, Executive hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that Executive has any rights in the results and proceeds of Executive's service to the Company that cannot be assigned in the manner described herein, Executive agrees to unconditionally waive the enforcement of such rights. Executive hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to Executive's benefit by virtue of Executive being an employee of or other service provider to the Company.

7. **RETURN OF COMPANY PROPERTY.** On the date of Executive's termination of Service with the Company for any reason (or at any time prior thereto at the Company's request), Executive shall return all property belonging to the Company (including, but not limited to, any Company-provided laptops, computers, cell phones, wireless electronic mail devices or other equipment, or documents and property belonging to the Company).
8. **REASONABLENESS OF COVENANTS.** In signing this Award Agreement, including by electronic means, Executive gives the Company assurance that Executive has carefully read and considered all of the terms and conditions of this Award Agreement, including the restraints imposed by it. Executive agrees that these restraints are necessary for the reasonable and proper protection of the Company and its Confidential Information and that each and every one of the restraints is reasonable in respect to subject matter, length of time and geographic area, and that these restraints, individually or in the aggregate, will not prevent Executive from obtaining other suitable employment during the period in which Executive is bound by the restraints. Executive acknowledges that each of these covenants has a unique, very substantial and immeasurable value to the Company and that Executive has sufficient assets and skills to provide a livelihood while such covenants remain in force. Executive further covenants that Executive will not challenge the reasonableness or enforceability of any of the covenants set forth in this Award Agreement, and

that Executive will reimburse the Company for all costs (including reasonable attorneys' fees) incurred in connection with any action to enforce any of the provisions of this Award Agreement if either the Company prevails on any material issue involved in such dispute or if Executive challenges the reasonableness or enforceability of any of the provisions of this Award Agreement. **It is also agreed that the "Company" as used in this Award Agreement refers to each of the Company's Subsidiaries and Affiliates and that each of the Company's Subsidiaries and Affiliates will have the right to enforce all of Executive's obligations to that Subsidiary or Affiliate under this Award Agreement, as applicable, subject to any limitation or restriction on such rights of the Subsidiary or Affiliate under applicable law.**

9. **REFORMATION.** If it is determined by a court of competent jurisdiction in any state or country that any restriction in this Award Agreement is excessive in duration or scope or is unreasonable or unenforceable under applicable law, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by the laws of that state or country.
10. **REMEDIES.** Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of this Award Agreement would be inadequate and, in recognition of this fact, Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond or other security, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available, without the necessity of showing actual monetary damages, in addition to any other equitable relief (including without limitation an accounting and/or disgorgement) and/or any other damages as a matter of law.
11. **REPURCHASE.** Executive acknowledges and agrees that a breach of this Award Agreement would constitute a "Covenant Breach" as such term is used in the Plan and therefore, in the event of a Covenant Breach, Executive's Option and the Shares issued therefor (as such terms are defined in the Plan) shall be subject to repurchase by The Kraft Heinz Company in accordance with the terms of the Plan.
12. **TOLLING.** In the event of any violation of the provisions of this Award Agreement, Executive acknowledges and agrees that the post-termination restrictions contained in this Award Agreement shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.
13. **SURVIVAL OF PROVISIONS.** The obligations contained in this Award Agreement hereof shall survive the termination or expiration of the Executive's Service with the Company and shall be fully enforceable thereafter.
14. **VENUE, PERSONAL JURISDICTION, AND COVENANT NOT TO SUE.** Executive expressly agrees to submit to the exclusive jurisdiction and exclusive venue of courts located in the State of Delaware in connection with any litigation which may be brought with respect to a dispute between the Company and Executive in relation to this Restrictive Covenants Agreement, regardless of where Executive resides or where Executive performs services for the Company. Executive hereby irrevocably waives Executive's rights, if any, to have any disputes between the Company and Executive related to this Restrictive Covenants Agreement decided in any jurisdiction or venue other than a court in the State of Delaware. Executive hereby waives, to the fullest extent permitted by applicable law, any objection which Executive now or hereafter may

have to personal jurisdiction or to the laying of venue of any such suit, action or proceeding, and Executive agrees not to plead or claim the same. Executive further irrevocably covenants not to sue the Company related to this Restrictive Covenants Agreement in any jurisdiction or venue other than a court in the State of Delaware. All matters relating to the interpretation, construction, application, validity, and enforcement of this Award Agreement, and any disputes or controversies arising hereunder, will be governed by the laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule, whether of the State of Delaware or any other jurisdiction, that would cause the application of laws of any jurisdiction other than the State of Delaware.

APPENDIX I**ADDITIONAL TERMS AND CONDITIONS OF
THE KRAFT HEINZ COMPANY
2020 OMNIBUS INCENTIVE PLAN****NON-QUALIFIED STOCK OPTION AWARD AGREEMENT FOR NON-U.S.
PARTICIPANTS*****TERMS AND CONDITIONS***

This Appendix I includes additional terms and conditions that govern the Non-Qualified Stock Option (referred to herein as the, this or these Option(s)) granted to you under the Plan if you work or reside outside the U.S. and/or in one of the countries listed below. These terms and conditions are in addition to, or if so indicated, in place of the terms and conditions set forth in the Award Agreement. Certain capitalized terms used but not defined in this Appendix I have the meanings set forth in the Plan and/or the Award Agreement.

If you are a citizen or resident of a country other than the one in which you are currently working, transfer employment and/or residency to another country after this Option is granted to you, or are considered a resident of another country for local law purposes, the terms and conditions contained herein may not be applicable to you, and the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply to you.

NOTIFICATIONS

This Appendix I also includes information regarding exchange controls and certain other issues of which you should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of January 2023. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you not rely on the information in this Appendix I as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you vest in or exercise this Option or sell Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of a particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Finally, if you are a citizen or resident of a country other than the one in which you are currently working, transfer employment and/or residency after this Option is granted or are considered a resident of another country for local law purposes, the notifications contained herein may not be applicable to you in the same manner.

GENERAL NON-U.S. TERMS AND CONDITIONS**TERMS AND CONDITIONS**

The following terms and conditions apply to you if you are located outside of the U.S.

Entire Agreement.

The following provisions supplement the entire Award Agreement, generally:

If you are located outside the U.S., in no event will any aspect of this Option be determined in accordance with your Employment Agreement (or other Service contract). The terms and conditions of this Option will be solely determined in accordance with the provisions of the Plan and the Award Agreement, including this Appendix I, which supersede and replace any prior agreement, either written or verbal (including your Employment Agreement, if applicable) in relation to this Option.

Termination.

The following provision supplements the *Termination* section of the Award Agreement:

Notwithstanding the provisions governing the treatment of this Option upon termination due to Retirement set forth in the Termination section of the Award Agreement, if the Company receives an opinion of counsel that there has been a legal judgment and/or legal development in a particular jurisdiction that would likely result in the treatment in case of a termination due to Retirement as set forth in the Award Agreement being deemed unlawful and/or discriminatory, then the Company will not apply the provisions for termination due to Retirement at the time you cease to provide Services and this Option will be treated as it would under the rules that apply if your Service ends for resignation.

Termination for Cause.

The implications upon a termination for Cause as set forth in the Award Agreement and Plan shall only be enforced, to the extent deemed permissible under applicable local law, as determined in the sole discretion of the Committee.

Taxes.

The following provisions supplement the *Taxes* section of the Award Agreement:

You acknowledge that your liability for Tax-Related Items may exceed the amount, if any, withheld by the Company, its Subsidiaries and/or its Affiliates (as applicable).

If you have become subject to tax in more than one jurisdiction, you acknowledge that the Company, its Subsidiaries and Affiliates may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Limits on Transferability; Beneficiaries.

The following provision supplements the *Limits on Transferability; Beneficiaries* section of the Award Agreement:

If you are located outside the U.S., this Option may not be Transferred to a designated Beneficiary and may only be Transferred upon your death to your legal heirs in accordance with applicable laws of descent and distribution. In no case may this Option be Transferred to another individual during your lifetime.

Acknowledgment of Nature of Award.

The following provisions supplement the *Acknowledgment of Nature of Award* section of the Award Agreement:

You acknowledge the following with respect to this Option:

(a) This Option and any Shares acquired under the Plan, and the income and value of same, are not intended to replace any pension rights or compensation.

(b) In no event should this Option, any Shares acquired under the Plan, and the income and value of same, be considered as compensation for, or relating in any way to, past services for the Company, its Subsidiaries or any Affiliate.

(c) The Option, any Shares acquired under the Plan and the income and value of same are not part of normal or expected compensation or salary for any purpose.

(d) Neither the Company, its Subsidiaries nor any Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of this Option or of any amounts due to you pursuant to exercise of this Option or the subsequent sale of any Shares acquired upon exercise.

No Advice Regarding Award.

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

Not a Public Offering in Non-U.S. Jurisdictions.

If you are resident or employed outside of the United States, neither the grant of the Options under the Plan nor the issuance of the underlying Shares upon exercise of the Options is intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filings to the local securities authorities in jurisdictions outside of the United States unless otherwise required under local law.

Language Consent.

If you are resident or employed outside of the United States, you acknowledge and agree that it is your express intent that this Award Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Options, be drawn up in English.

Insider Trading and Market Abuse Laws.

You may be subject to insider trading restrictions and/or market abuse laws based on the exchange on which the Shares are listed and in applicable jurisdictions including the United States and your country or your broker's country, if different, which may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares or rights linked to the value of Shares under the Plan during such times as you are considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (a) disclosing the inside information to any third party and (b) "tipping" third parties or causing them otherwise to buy or sell securities (third parties include fellow employees). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable

Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you should speak to your personal advisor on this matter.

Foreign Asset/Account, Exchange Control and Tax Reporting.

You may be subject to foreign asset/account, exchange control and/or tax reporting requirements as a result of the acquisition, holding and/or transfer of Shares or cash (including dividends and the proceeds arising from the sale of Shares) derived from your participation in the Plan, to and/or from a brokerage/bank account or legal entity located outside your country. The applicable laws of your country may require that you report such accounts, assets, the balances therein, the value thereof and/or the transactions related thereto to the applicable authorities in such country. You acknowledge that you are responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting requirements and should consult your personal legal advisor on this matter.

Imposition of Other Requirements.

The Company reserves the right to impose other requirements on your participation in the Plan, on this Option and on any Shares purchased upon exercise of this Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Waiver.

You acknowledge that a waiver by the Company for breach of any provision of the Award Agreement shall not operate or be construed as a waiver of any other provision of the Award Agreement, or of any subsequent breach of the Award Agreement.

COUNTRY-SPECIFIC TERMS AND CONDITIONS/NOTIFICATIONS

AUSTRALIA

NOTIFICATIONS

Securities Law Information.

The offer of the Option is being made under Division 1A of Part 7.12 of the Australian Corporations Act 2001 (Cth) ("Division 1A"). If you acquire Shares under the Plan and offer such Shares for sale to a person or entity resident in Australia, the offer may be subject to disclosure requirements under Australian law. You should obtain legal advice regarding your disclosure obligations prior to making any such offer.

Deferred Taxation.

Subdivision 83A-C of the Income Tax Assessment Act, 1997, applies to Options granted under the Plan, such that the Options are intended to be subject to deferred taxation.

BELGIUM

NOTIFICATIONS

Foreign Assets/Account Reporting Information.

If you are a resident of Belgium, you will be required to report any security (*e.g.*, Shares acquired under the Plan) or bank account (including brokerage accounts) established outside of Belgium on your annual tax return. In a separate report, you will be required to provide the National Bank of Belgium with details regarding such foreign accounts (including the account number, bank name and country in which any such account was opened). The form, as well as additional information on how to complete it, can be found on

the website of the National Bank of Belgium (www.nbb.be) under the caption *Kredietcentrales / Centrales des crédits*.

BRAZIL

TERMS AND CONDITIONS

Compliance with Law.

By accepting this Option, you acknowledge that you agree to comply with applicable Brazilian laws and pay any and all applicable taxes legally due by you associated with the exercise of this Option, the receipt of any dividends, and the sale of Shares acquired under the Plan. You further agree that, for all legal purposes, (a) the benefits provided to you under the Plan are the result of commercial transactions unrelated to your employment or Service relationship; (b) the Plan is not a part of the terms and conditions of your employment or Service relationship; and (c) the income from the Award, if any, is not part of your remuneration from employment or Service.

NOTIFICATIONS

Exchange Control Information.

If you are resident or domiciled in Brazil, you will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$1,000,000. Assets and rights that must be reported include Shares.

CANADA

TERMS AND CONDITIONS

Exercisability.

The following provision supplements the *Exercisability* section of the Award Agreement:

Notwithstanding any provision in the Plan or the Award Agreement to the contrary, you are prohibited from surrendering Shares that you already own or attesting to the ownership of Shares to pay the Exercise Price per Share or any Tax-Related Items in connection with this Option.

Plan Document Acknowledgment.

In accepting the grant of Options, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Award Agreement in their entirety and fully understand and accept all provisions of the Plan and the Award Agreement.

Termination.

The following provision replaces the fourth paragraph of the *Termination* section of the Award Agreement:

In the event of your termination of Service (whether or not later found to be invalid or unlawful for any reason, including for breaching employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any), unless provided otherwise by the Company: (i) your right to vest in this Option (if any) will terminate effective, and (ii) the period (if any) during which you may exercise the vested Option will commence, as of the earlier of (1) the date the you receive notice of termination, or (2) the date you are no longer providing Service regardless of any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under local law. You will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which your right to vest terminates, nor will you be entitled to any compensation for lost vesting, in all cases, regardless of

any notice period or period of pay in lieu of such notice required under applicable Canadian employment laws (including, but not limited to statutory law, regulatory law and/or common law). Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the Options under the Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting.

The following terms and conditions apply if you are a resident of Quebec:

Language Consent.

A French translation of the Plan and the Award Agreement will be made available to you as soon as reasonably practicable. You understand that, from time to time, additional information related to the offering of the Plan might be provided in English and such information may not be immediately available in French. However, upon request, the Company will translate into French documents related to the offering of the Plan as soon as reasonably practicable.

Consentement Linguistique. Une traduction française du Plan et de l'Accord ("Award Agreement") sera mise à la disposition du vous dès que raisonnablement possible. Vous comprenez que, de temps à autre, des informations supplémentaires liées à l'offre du Plan peuvent être fournies en anglais et que ces informations peuvent ne pas être immédiatement disponibles en français. Cependant, sur demande, la Société traduira les documents relatifs à l'offre du Plan dès que raisonnablement possible.

NOTIFICATIONS

Securities Law Information.

You are permitted to sell Shares acquired under the Plan through the designated broker appointed under the Plan, if any, provided the sale of the Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (i.e., Nasdaq).

Foreign Assets/Account Reporting Information.

Canadian residents are required to report any specified foreign property (including Shares and Options) on form T1135 (Foreign Income Verification Statement) if the total cost of such specified foreign property exceeds C\$100,000 at any time in the year. The form must be filed by April 30 of the following year. Specified foreign property includes Shares acquired under the Plan and may include the Options. The Options must be reported - generally at a nil cost - if the C\$100,000 cost threshold is exceeded because of other foreign property you hold. If Shares are acquired, their cost generally is the adjusted cost base ("ACB") of the Shares. The ACB would normally equal the fair market value of the Shares at vesting, but if you own other shares, this ACB may have to be averaged with the ACB of the other shares. You should speak with a personal tax advisor to determine the scope of foreign property that must be considered for purposes of this requirement.

CHILE

NOTIFICATIONS

Securities Law Information.

The private offering of the Option starts on the Grant Date and is made subject to general ruling n° 336 of the Chilean Commission for the Financial Market ("CMF"). This offer refers to securities not registered at the securities registry or at the foreign securities registry of the CMF, and therefore such securities are not subject to its oversight. Given that these securities are not registered in Chile, there is no obligation from

the issuer to provide public information on them in Chile. These securities cannot be subject to public offering in Chile while they are not registered at the corresponding securities registry in Chile.

CHINA

TERMS AND CONDITIONS

The following provisions apply if you are subject to the exchange control regulations or restrictions in the People's Republic of China ("China"), as determined by the Company in its sole discretion:

Vesting and Exercisability.

The following provisions replace the Vesting Date, Vesting, Exercisability, and Termination sections of the Award Agreement:

Notwithstanding anything to the contrary in the Award Agreement, due to legal restrictions in China, if and when this Option vests and becomes exercisable, you will be required to pay the Exercise Price per Share by a cashless exercise through a licensed securities broker acceptable to the Company, such that all Shares subject to the exercised Option will be sold immediately upon exercise and the proceeds of sale, less the Exercise Price per Share, any Tax-Related Items and broker's fees or commissions, will be remitted to you in accordance with any applicable exchange control laws and regulations. The Company reserves the right to lift the exercise restrictions herein depending on the development of local law.

Expiration Date.

Notwithstanding anything to the contrary in the Award Agreement, in the event of your termination of Service, you shall be permitted to exercise this Option to the extent vested and exercisable for the shorter of the post-termination Option Exercise Period (if any) set forth in the Award Agreement and six months (or such other period as may be required by the State Administration of Foreign Exchange ("SAFE") after the date of termination of your active Service. At the end of the post-termination Option Exercise Period specified by SAFE, any unexercised portion of this Option will be forfeited without any consideration to you.

Exchange Control Restriction.

You understand and agree that, due to exchange control laws in China, you will be required to immediately repatriate to China the cash proceeds from the cashless exercise of this Option. You further understand that, under local law, such repatriation of the cash proceeds may need to be effected through a special exchange control account established by the Company or any Subsidiary or Affiliate of the Company and you hereby consent and agree that the proceeds from the cashless exercise of this Option may be transferred to such special account prior to being delivered to you. Further, if the proceeds from your participation in the Plan are converted to local currency, you acknowledge that the Company (including its Subsidiaries and Affiliates) is under no obligation to secure any currency conversion rate and may face delays in converting the proceeds to local currency due to exchange control restrictions in China. You agree to bear the risk of any currency conversion rate fluctuation between the date that your proceeds are delivered to such special exchange control account and the date of conversion of the proceeds to local currency.

You further agree to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

COSTA RICA

There are no country-specific provisions.

EGYPT*NOTIFICATIONS***Exchange Control Information.**

If you transfer funds into Egypt in connection with the Options (including proceeds from the sale of Shares or the receipt of any dividends) you are required to transfer the funds through a bank registered in Egypt.

FRANCE*TERMS AND CONDITIONS***Language Consent.**

By accepting the Option, you confirm having read and understood the documents relating to the grant of the Option (the Plan and the Award Agreement), which were provided in the English language, and you accept the terms of such documents accordingly.

Consentement relatif à la langue.

En acceptant l'Option, vous confirmez ainsi avoir lu et compris les documents relatifs à l'attribution de l'Option (le Plan et le Contrat d'Attribution) qui vous ont été communiqués en langue anglaise, et vous en acceptez les termes et conditions en connaissance de cause.

*NOTIFICATIONS***Options not Tax-Qualified.**

The Options granted under the Award Agreement are not intended to qualify for specific tax and social security treatment pursuant to Sections Section L. 225-177 to L. 225-186-1 of the French Commercial Code, as amended.

Foreign Assets/Account Reporting Information.

If you are a French resident and you hold securities (including Shares) or cash outside of France, you must declare all foreign bank and brokerage accounts (including the accounts that were opened and closed during the tax year) on an annual basis on a special form n°3916, together with your income tax return. If you fail to complete this reporting, you may be subject to penalties.

GERMANY*NOTIFICATIONS***Exchange Control Information.**

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank (Bundesbank). If you make or receive a payment in excess of this amount (including if you acquire Shares with a value in excess of this amount or sell Shares via a foreign broker, bank or service provider and receive proceeds in excess of this amount), you must report the payment to Bundesbank, either electronically using the “General Statistics Reporting Portal” (“*Allgemeines Meldeportal Statistik*”) available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

INDIA*TERMS AND CONDITIONS***Exercisability.**

The following provision supplements the *Exercisability* section of the Award Agreement:

Due to legal restrictions in India, should the Shares be listed on a recognized national securities exchange at the time of exercise, you may not exercise this Option using a cashless sell-to-cover exercise, whereby you direct a broker or transfer agent to sell some (but not all) of the Shares subject to the exercised Option and deliver to the Company the amount of the sale proceeds to pay the Exercise Price per Share and any Tax-Related Items. However, payment of the Exercise Price per Share may be made by any of the other methods of payment acceptable to the Company. The Company reserves the right to provide you with this method of payment depending on the development of local law.

Labor Law Acknowledgment.

The Options and the Shares underlying the Options, and the income and value of same, are extraordinary items that are not part of your annual gross salary.

*NOTIFICATIONS***Exchange Control Information.**

You are required to repatriate the proceeds from the sale of Shares and any dividends received in relation to the Shares to India within the time frame prescribed under applicable Indian exchange control laws as may be amended from time to time. You must maintain the foreign inward remittance certificate received from the bank where the foreign currency is deposited in the event that the Reserve Bank of India or your employer requests proof of repatriation. It is your responsibility to comply with applicable exchange control laws in India.

Foreign Assets/Account Reporting Information.

If you are an Indian resident, you are required to report all bank accounts or investments (including the Option and any Shares) that you hold outside of India. You should consult with a personal tax advisor to ensure that you are properly complying with applicable reporting requirements.

INDONESIA*TERMS AND CONDITIONS***Language Consent and Notification.**

By accepting the grant of Options, you (i) confirm having read and understood the documents relating to this grant (*i.e.*, the Plan and the Award Agreement) which were provided in the English language, (ii) accept the terms of those documents accordingly, and (iii) agree not to challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Dengan menekan tombol “Saya menerima” atau dengan menandatangani dan mengembalikan dokumen ini yang memuat syarat dan ketentuan pemberian anda, (i) anda mengkonfirmasi bahwa anda telah membaca dan mengerti isi dokumen yang terkait dengan pemberian ini yang disediakan untuk anda dalam bahasa Inggris, (ii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) anda setuju bahwa anda tidak akan mengajukan keberatan atas keberlakuan dokumen ini berdasarkan Undang-Undang No.

24 tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan atau Peraturan Presiden pelaksana (ketika diterbitkan).

NOTIFICATIONS

Exchange Control Information.

Indonesian residents must provide the Bank of Indonesia with information on foreign exchange activities in an online monthly report no later than the fifteenth day of the month following the activity. In addition, if you remit funds into Indonesia (e.g., proceeds from the sale of Shares), the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of Indonesia for statistical reporting purposes. For transactions of US\$10,000 or more, a more detailed description of the transaction must be included in the report and you may be required to provide information about the transaction (e.g., the relationship between you and the transferor of the funds, the source of the funds, etc.) to the bank in order for the bank to complete the report.

IRELAND

There are no country-specific provisions.

ITALY

TERMS AND CONDITIONS

Exercisability.

The following provision supplements the *Exercisability* section of the Award Agreement:

The Company reserves the right to restrict the methods and timing of the exercise of the Option at any time to comply with the applicable securities law restrictions in Italy. You may be required to consult with a financial intermediary prior to the exercise of the Option and to exercise the option solely by a “cashless” means as the Company so requires.

Plan Document Acknowledgment.

By accepting the Option, you acknowledge that you have received a copy of the Plan and the Award Agreement, have reviewed each of these documents in their entirety and fully understand and accept all terms of such documents. In this regard, you acknowledge having read and specifically approve the following sections of the Award Agreement and this Appendix I, as applicable: (i) Vesting; (ii) Exercisability; (iii) Termination; (iv) Taxes; (v) No Guarantee of Continued Service; (vi) Acknowledgment of Nature of Award; (vii) Data Privacy; and (viii) Governing Law; Jurisdiction; Waiver of Jury Trial.

NOTIFICATIONS

Foreign Assets/Account Reporting Information.

Italian residents who, during the fiscal year, hold investments abroad or foreign financial assets (e.g., cash, Shares and Options) which may generate income taxable in Italy are required to report such on their annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due. The same reporting obligations apply to Italian residents who, even if they do not directly hold investments abroad or foreign financial assets (e.g., cash, Shares and Options), are beneficial owners of the investment pursuant to Italian money laundering provisions.

Tax on Foreign Financial Assets.

Italian residents may be subject to tax on the value of financial assets held outside of Italy. The taxable amount will be the fair market value of the financial assets (including Shares) assessed at the end of the calendar year. If you are subject to this foreign financial assets tax, you will need to report the value of your financial assets held abroad in your annual tax return. You are encouraged to consult your personal legal advisor for additional information about the foreign financial assets tax.

JAPAN***NOTIFICATIONS*****Exchange Control Information.**

If you remit more than ¥30 million for the purchase of Shares in a single transaction, you must file a Payment Report with the Ministry of Finance (through the Bank of Japan or the bank carrying out the transaction). The precise reporting requirements vary depending on whether the relevant payment is made through a bank in Japan. If you acquire Shares whose value exceeds ¥100 million in a single transaction, you must also file a Report Concerning Acquisition Shares (“**Securities Acquisition Report**”) with the Ministry of Finance through the Bank of Japan within 20 days of acquiring the Shares. The forms to make these reports can be acquired from the Bank of Japan.

A Payment Report is required independently from a Securities Acquisition Report. Therefore, if the total amount that you pay upon a one-time transaction for exercising the Option and acquiring Shares exceeds ¥100 million, you must file both a Payment Report and a Securities Acquisition Report.

Foreign Assets/Account Reporting Information.

If you are a Japanese tax resident, you will be required to report details of any assets held outside of Japan as of December 31st (including any Shares or cash acquired under the Plan) to the extent such assets have a total net fair market value exceeding ¥50 million. Such report will be due by March 15th each year. You should consult with your personal tax advisor as to whether the reporting obligation applies to you and whether you will be required to include details of any outstanding Shares, Options or cash held by you in the report.

KOREA***NOTIFICATIONS*****Foreign Assets/Account Reporting Information.**

You must declare all of your foreign financial accounts (*i.e.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authorities and file a report with respect to such accounts if the value of such accounts exceeds KRW 500 million (or an equivalent amount in foreign currency) on any month-end date during the year.

LUXEMBOURG

There are no country-specific provisions.

MEXICO*TERMS AND CONDITIONS***No Entitlement or Claims for Compensation.**

These provisions supplement the *Acknowledgment of Nature of Award* section of the Award Agreement including this Appendix I:

Modification.

By accepting this Option, you understand and agree that any modification of the Plan or the Award Agreement or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

Policy Statement.

The Award of Options the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with offices at One PPG Place, Pittsburgh, Pennsylvania 15222, U.S.A. is solely responsible for the administration of the Plan and participation in the Plan and the acquisition of Shares does not, in any way, establish an employment relationship between you and the Company since you are participating in the Plan on a wholly commercial basis and the sole employer is Delimex de Mexico, S.A. de C.V., located at Monte Pelvoux #220, Piso 6, Col. Lomas de Chapultepec, Delegacion Miquel Hidalgo C.P. 11000 Mexico, nor does it establish any rights between you and the Company, its Subsidiaries or its Affiliates.

Plan Document Acknowledgment.

By accepting this Option, you acknowledge that you have received copies of the Plan, have reviewed the Plan and the Award Agreement in their entirety and fully understand and accept all provisions of the Plan and the Award Agreement.

In addition, by accepting the Award Agreement, you further acknowledge that you have read and specifically and expressly approve the terms and conditions in the Award Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and any Subsidiary or Affiliates are not responsible for any decrease in the value of the Shares underlying this Option.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Company for any compensation or damages as a result of your participation in the Plan and therefore grant a full and broad release to the Company and any Subsidiary or Affiliate with respect to any claim that may arise under the Plan.

*TÉRMINOS Y CONDICIONES***No existirá derecho o demanda por daños y perjuicios.**

Estas disposiciones son complementarias de la sección de Reconocimiento de la Naturaleza del Contrato, incluyendo el presente Apéndice I:

Modificación.

Al aceptar esta Opción, usted entiende y acuerda que cualquier modificación al Plan o al Contrato, o su terminación no constituirá un cambio o impedimento a los términos y condiciones de su empleo.

Declaración de Política.

La Entrega de Opciones que la Compañía hace mediante el Plan, es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificarlo o suspenderlo en cualquier momento, sin asumir ninguna responsabilidad.

La Compañía, con oficinas en One PPG Place, Pittsburgh, Pennsylvania 15222, U.S.A. es únicamente responsable de la administración del Plan. La participación en el Plan y la adquisición de Acciones no establece, en ninguna forma, una relación laboral entre usted y la Compañía, toda vez que usted está participando en el Plan en un plano meramente comercial y su único patrón es Administración de Comidas Rápidas S.A. de C.V., localizado en Delimex de Mexico, S.A. de C.V., located at Monte Pelvoux #220, Piso 6, Col. Lomas de Chapultepec, Delegación Miguel Hidalgo C.P. 11000 Mexico, y tampoco establece ningún derecho entre usted y la Compañía, sus Subsidiarias o Afiliadas.

Reconocimiento del Documento del Plan.

Al aceptar esta Opción, usted reconoce que ha recibido copias de dicho Plan, ha revisado el Plan y el Contrato en su integridad y comprende y acepta plenamente todas las disposiciones del Plan y del Contrato.

Asimismo, al aceptar el Contrato, usted reconoce que ha leído y especifica y expresamente aprueba los términos y condiciones en el Contrato, en el cual se establece y describe lo siguiente: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan, y su participación en él es ofrecido por la Compañía sobre una base plenamente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía y cualquier Subsidiaria o Afiliada no son responsables por cualquier disminución en el valor de las Acciones implícitas en esta Opción.

Finalmente, por medio del presente usted declara que no se reserva ninguna acción o derecho a presentar cualquier reclamo en contra de la Compañía por cualquier compensación o daño como resultado de su participación en el Plan y por lo tanto otorga la liberación más amplia que en derecho proceda a la Compañía y cualquier Subsidiaria o Afiliada con respecto a cualquier reclamo que pueda surgir en torno al Plan.

Securities Law Information.

The Options and Shares offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Award Agreement and any other document relating to the Options may not be publicly distributed in Mexico. These materials are addressed to you only because of your existing relationship with the Company and your employer and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of Delimex de Mexico, S.A. de C.V. made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

**Attention! This investment falls outside AFM supervision.
No prospectus required for this activity.**



NEW ZEALAND*NOTIFICATIONS***Securities Law Information.**

WARNING - You are being offered Options (which, upon exercise in accordance with the terms of the grant of the Options, will be converted into Shares) in the Company. Shares give you a stake in the ownership of the Company. You may receive a return if dividends are paid. Shares are quoted on the Nasdaq. This means you may be able to sell them on the Nasdaq if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

In compliance with applicable New Zealand securities laws, you are entitled to receive, in electronic or other form and free of cost, copies of the Company's latest annual report, relevant financial statements and the auditor's report on said financial statements (if any).

Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

PAPUA NEW GUINEA

There are no country-specific provisions.

POLAND*NOTIFICATIONS***Exchange Control Information.**

If you transfer funds in excess of a certain threshold (currently €15,000) into or out of Poland, the funds must be transferred via a Polish bank account or financial institution. You are required to retain the documents connected with a foreign exchange transaction for a period of five (5) years, as measured from the end of the year in which such transaction occurred.

Foreign Assets/Account Reporting Information.

Polish residents holding foreign securities (e.g., Shares) and/or maintaining accounts abroad must report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets possessed abroad) exceeds PLN 7 million. If required, the reports must be filed on a quarterly basis on special forms that are available on the website of the National Bank of Poland.

PUERTO RICO*NOTIFICATIONS***Securities Law Information.**

The offer of the Plan is subject exclusively to United States securities laws, including the United States Securities Exchange Act of 1934, as amended.

RUSSIA*TERMS AND CONDITIONS***U.S. Transaction.**

You understand that your acceptance of the Option results in a contract between you and the Company that is completed in the United States and that the Award Agreement is governed by the laws of the State of Delaware, without giving effect to the conflict of laws principles thereof. You are not permitted to sell the Shares directly to other Russian legal entities or individuals.

*NOTIFICATIONS***Securities Law Information.**

Your employer is not in any way involved with the offer of the Options or administration of the Plan. This Award Agreement, the Plan and all other materials you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of securities pursuant to the Plan has not and will not be registered in Russia; hence, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia. In no event will Shares issued upon exercise of the Option be delivered to you in Russia; all Shares will be maintained on your behalf in the United States of America.

Exchange Control and Repatriation Information.

You may be required to repatriate to Russia certain cash amounts you receive with respect to the Options (e.g., dividends, sale proceeds, etc.) as soon as you intend to use those cash amounts for any purpose, including reinvestment. You are responsible for complying with any applicable Russian exchange control and repatriation regulations and rulings. Because Russian exchange control and repatriation regulations and rulings change frequently and without notice, you should consult with a legal advisor to ensure compliance applicable to any aspect of your participation in the Plan, including the grant, vesting and exercise of the Options, issuance of any Shares at exercise, receipt of any proceeds from the sale of Shares and/or receipt of any payments in connection with any Dividend Equivalents or dividends.

Foreign Assets/Account Reporting Information.

Russian residents are required to notify Russian tax authorities within one (1) month of opening, closing or changing the details of a foreign account (which includes a foreign bank account or foreign brokerage account). Russian residents also are required to report (i) the beginning and ending balances in such a foreign account each year and (ii) transactions related to such a foreign account during the calendar year to the Russian tax authorities, before June 1 of the following year. The tax authorities can require you to provide appropriate supporting documents related to transactions in a foreign bank account.

You also are required to submit an annual cash flow report for any offshore brokerage account, due by June 1 each year for the previous year. Starting with the reporting year 2021, in addition to the annual cash flow

account, you are required to submit an annual financial asset report on any securities, *e.g.*, Shares, in an offshore brokerage account, due by June 1 each year for the previous year.

Anti-Corruption Notice.

Anti-corruption laws prohibit certain public servants, their spouses and their dependent children from owning any foreign source financial instruments (*e.g.*, shares of foreign companies such as the Company). Accordingly, you should inform the Company if you are covered by these laws because you should not hold Shares acquired under the Plan.

SINGAPORE

NOTIFICATIONS

Securities Law Information.

The grant of this Option is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”) and is exempt from the prospectus and registration requirements under the SFA. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore and the grant is not made with a view to the Options or Shares being subsequently offered to another party. You should note that this Option is subject to section 257 of the SFA and you should not make (i) any subsequent sale of Shares in Singapore or (ii) any offer of such subsequent sale of Shares subject to the awards in Singapore, unless such sale or offer is made: (a) more than six months after the Grant Date or (b) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

Director Notification Requirement.

If you are a director, associate director or shadow director of the Company’s Singapore Subsidiary or Affiliate, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore Subsidiary or Affiliate in writing when you receive an interest (*e.g.*, Options, Shares) in the Company, a Subsidiary or Affiliate. In addition, you must notify the Singapore Subsidiary or Affiliate when you sell Shares (including when you sell Shares issued upon exercise of this Option). These notifications must be made within two business days of acquiring or disposing of any interest in the Company or any Subsidiary or Affiliate. In addition, a notification of your interests in the Company, Subsidiary or Affiliate must be made within two business days of becoming a director. If you are the chief executive officer (“CEO”) of the Company’s Singapore Subsidiary or Affiliate and the above notification requirements are determined to apply to the CEO of a Singapore subsidiary or affiliate, the above notification requirements also may apply.

SPAIN

TERMS AND CONDITIONS

Acknowledgment of Nature of Award.

The following provisions supplement the *Acknowledgment of Nature of Award* section of the General Non-U.S. Terms and Conditions section of this Appendix I:

By accepting the grant of the Options, you acknowledge that you consent to participation in the Plan and have received a copy of the Plan.

You understand that the Company has unilaterally, gratuitously and discretionally decided to grant Options under the Plan to individuals who may be employees of the Company’s Subsidiaries or Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition

that any grant will not economically or otherwise bind the Company or its Subsidiaries or Affiliates on an ongoing basis except as provided in the Plan. Consequently, you understand that the Options are granted on the assumption and condition that the Options or the Shares acquired upon exercise shall not become a part of any employment contract with the Company and any of its Subsidiaries and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, you understand that this grant would not be made to you but for the assumptions and conditions referred to above; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the Options shall be null and void.

You understand and agree that, unless otherwise provided in the Award Agreement, the vesting and settlement of the Options is expressly conditioned on your continuous Service such that if your employment or rendering of Services terminates for any reason whatsoever, your Options will cease vesting immediately effective as of the date of such termination for any reason including, but not limited to, resignation, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause (*i.e.*, subject to a “despido improcedente”), individual or collective dismissal on objective grounds, whether adjudged or recognized to be with or without cause, material modification of the terms of employment under Article 41 of the Workers’ Statute, relocation under Article 40 of the Workers’ Statute, and/or Article 50 of the Workers’ Statute, unilateral withdrawal by your employer and under Article 10.3 of the Royal Decree 1382/1985. Consequently, upon termination for any of the above reasons, you will automatically lose any rights to the Options granted to you that were unvested on the date of termination, as described in the Award Agreement.

NOTIFICATIONS

Securities Law Information.

The Options and the Shares issued pursuant to the exercise of the Options do not qualify under Spanish regulations as securities. No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory. The Award Agreement has not been nor will it be registered with the Comisión Nacional del Mercado de Valores and does not constitute a public offering prospectus.

Foreign Assets/Account Reporting Information.

If you are a Spanish resident and you hold 10% or more of the share capital of the Company or such other amount that would entitle you to join the Board of Directors [under applicable law], you must declare the acquisition, ownership and disposition of Shares to the Dirección General de Comercial e Inversiones (the “**DGCI**”) or for statistical purposes. This declaration must be made in January for any Shares owned as of December 31 of the prior year by filing a form D-6 with the DGCI; however, if the value of the Shares being reported exceeds €1,502,530, the declaration must be filed within one (1) month of the acquisition or disposition of the Shares, as applicable. In addition, if you wish to import the ownership title of any Shares (*i.e.*, share certificates) into Spain, you must declare the importation of such securities to the DGCI.

You also are required to declare electronically to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including Shares) and any transactions with non-Spanish residents (including any payments of Shares made pursuant to the Plan) held in such accounts if the value of the transactions during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceeds €1,000,000.

To the extent that you hold rights or assets (*e.g.*, Shares acquired under the Plan or cash held in a bank or brokerage account) outside Spain with a value in excess of €50,000 per type of asset as of December 31 each year, you will be required to report information on such assets on your tax return (tax form 720) for such year. After such rights and/or assets are initially reported, the reporting obligation will apply for

subsequent years only if the value of such right or asset increases by more than €20,000 or if you sell or otherwise dispose of previously reported rights or assets. The reporting must be completed by the following March 31.

You are solely responsible for complying with applicable reporting obligations. The laws are often complex and can change frequently. You should consult your personal legal and/or tax advisor to confirm the reporting requirements that will apply to you in connection with the Plan.

SWEDEN

TERMS AND CONDITIONS

Authorization to Withhold. The following provisions supplement the *Taxes* section of the Award Agreement and the General Non-U.S. Terms and Conditions section of this Appendix I:

Without limiting the Company or your employer's authority to satisfy their withholding obligations for Tax-Related Items as set forth in the *Taxes* section of the Award Agreement and the General Non-U.S. Terms and Conditions section of this Appendix I, by exercising the Option, you authorize the Company and your employer to withhold from proceeds of the sale of Shares or any other amount otherwise deliverable to you upon the exercise of Options to satisfy Tax-Related Items, regardless of whether the Company or your employer has an obligation to withhold such Tax-Related Items.

THAILAND

NOTIFICATIONS

Exchange Control Information. If you receive funds in connection with the Plan (e.g., dividends, sale proceeds) with a value equal to or greater than US\$1 million, you are required to immediately repatriate such funds to Thailand. Any foreign currency repatriated to Thailand must be converted to Thai Baht or deposited into a foreign currency deposit account opened with any commercial bank in Thailand acting as the authorized agent within 360 days from the date the funds are repatriated to Thailand. You are also required to inform the authorized agent of the details of the foreign currency transaction, including your identification information and the purpose of the transaction.

TURKEY

NOTIFICATIONS

Securities Law Information.

You are permitted to sell Shares acquired under the Plan through the designated broker appointed under the Plan, if any, provided the sale of the Shares takes place outside of Turkey through the facilities of a stock exchange on which the Shares are listed (*i.e.*, Nasdaq).

Exchange Control Information.

Under Turkish law, Turkish residents are permitted to purchase and sell securities or derivatives traded on exchanges abroad only through a financial intermediary licensed in Turkey. Therefore, you may be required to appoint a Turkish broker to assist you with the sale of the Shares acquired under the Plan. You should consult your personal legal advisor before selling any Shares acquired under the Plan to confirm the applicability of this requirement to you.

UNITED ARAB EMIRATES*NOTIFICATIONS***Securities Law Information.**

The Plan is being offered only to employees and is in the nature of providing equity incentives to employees of the Company or its Subsidiaries or Affiliates in the United Arab Emirates (“UAE”). Any documents related to the Plan, including the Plan, this Award Agreement, and other grant documents (“**Plan Documents**”), are intended for distribution only to such employees and must not be delivered to, or relied on by any other person. Prospective purchasers of the securities offered (*i.e.*, the Options) should conduct their own due diligence on the securities.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any Plan Documents nor has it taken steps to verify the information set out in them, and thus, is not responsible for such documents. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it and has no responsibility for it. If you do not understand the contents of the Plan Documents, you should consult an authorized financial advisor.

UNITED KINGDOM*TERMS & CONDITIONS***Taxes.**

The following provisions supplement the *Taxes* section of the Award Agreement and the General Non-U.S. Terms and Conditions section of this Appendix I:

Without limitation to the *Taxes* section of the Award Agreement and the General Non-U.S. Terms and Conditions section of this Appendix I, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items as and when requested by the Company or your employer or by HM Revenue and Customs (“**HMRC**”) (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and your employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to HMRC (or any other tax authority or any other relevant authority). Notwithstanding the foregoing, if you are a director or executive officer (as within the meaning of the Act), the terms of the immediately foregoing provision will not apply. In the event that you are a director or executive officer and income tax due is not collected from or paid by you within ninety (90) days of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that you ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or your employer (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or your employer may obtain from you by any of the means referred to in the *Taxes* section of the Award Agreement and the General Non-U.S. Terms and Conditions section of this Appendix I.

**THE KRAFT HEINZ COMPANY
2020 OMNIBUS INCENTIVE PLAN**

2023 PERFORMANCE SHARE AWARD NOTICE

Unless defined in this award notice (together with all exhibits and appendices attached thereto, this “**Award Notice**”), capitalized terms will have the same meanings ascribed to them in The Kraft Heinz Company Performance Share Award Agreement, which is included as Exhibit A (the “**Award Agreement**” or “**Agreement**”) and The Kraft Heinz Company 2020 Omnibus Incentive Plan (as may be amended from time to time, the “**Plan**”).

Subject to your acceptance of this Award Notice, you are hereby being granted an award of Performance Share Units (the “**PSUs**”) as of the Grant Date set forth below (the “**Grant Date**”). Each PSU is a bookkeeping entry representing the right to receive one (1) share of The Kraft Heinz Company’s (the “**Company**”) common stock on the following terms and subject to the provisions of the Plan, which are incorporated herein by reference. In the event of a conflict between the provisions of the Plan and this Award Notice, the provisions of the Plan will govern.

Target Number of PSUs: _____

Grant Date: _____

Vesting Date: Subject to the terms of the Award Agreement and achievement of the performance criteria set forth below, Seventy-Five Percent (75%) will vest on the 3-year anniversary of the Grant Date; and the remaining Twenty-Five Percent (25%) will vest on the 4-year anniversary of the Grant Date (subject to the terms of the Award Agreement).

Performance Period: January 1, 2023 to December 27, 2025 (the Company’s 2023 to 2025 fiscal years)

Performance Target/Payout Metrics:

Weight	Measure	Target	Payout
40%	3-year average annual Company Total Shareholder Return (TSR) performance relative to the Peer Group ¹	Threshold: ____ Target: ____ Maximum: ____ <i>If TSR is negative, TSR payout is capped at Target.</i>	Threshold: 25% Target: 100% Maximum: 150%
30%	3-year Organic Net Sales compound annual growth rate (CAGR)*	Threshold: ____ Target: ____ Maximum: ____	Threshold: 25% Target: 100% Maximum: 150%
30%	3-year Cumulative Free Cash Flow*	Threshold: ____ Target: ____ Maximum: ____	Threshold: 25% Target: 100% Maximum: 150%

¹ 2023 TSR Performance Peer Group: Campbell Soup Company, Conagra Brands, Inc., General Mills, Inc., Hormel Foods Corporation, J.M. Smucker Company, Kellogg Company, Mondelez International, Inc., PepsiCo, Inc., The Coca-Cola Company, Tyson Foods, Inc., Keurig Dr Pepper Inc., The Hershey Company, McCormick & Company Incorporated. The Company reserves the right to make adjustments in its sole discretion and as approved by the Committee in the event, among other things, any company within TSR Performance Peer Group undergoes delisting, merger, acquisition, bankruptcy, spin-off, or ticker change.

Threshold, Target, and Maximum as approved by the Human Capital and Compensation Committee (formerly the Compensation Committee) of the Board of Directors (the “**Committee**”) on February 9, 2023. Results are subject to linear interpolation between Threshold, Target, and Maximum.

* Threshold, Target, and Maximum subject to adjustment at the discretion of, and as approved by, the Committee to eliminate the impact of restructuring, mergers, acquisitions, divestitures, and non-ordinary course items.

Effect of a Termination of Service on Vesting

Other than as set forth below, upon a termination of your Service for any reason prior to the Vesting Date, you will forfeit the PSUs, without any consideration due to you.

If prior to the Vesting Date, but between the second-year and third-year anniversaries of the Grant Date, the Company terminates your Service Without Cause (as defined in the Award Agreement below), the vesting of the Performance Share Award Share Payout (as defined below) shall accelerate upon such termination of Service as if 50% of the Performance Share Award Share Payout had vested on the second-year anniversary of the Grant Date. If prior to the Vesting Date your Service terminates by reason of your death or Disability (as defined below), 100% of the Performance Share Award Share Payout shall become fully vested. If prior to the Vesting Date, but more than two (2) years after the Grant Date, your Service terminates by reason of your Retirement (as defined below), 100% of the Performance Share Award Share Payout shall become fully vested. The Performance Share Award Share Payout shall be determined by the Committee based on actual performance at the end of the Performance Period and settled once the Committee certifies the results of the Performance Period.

For purposes of the PSUs, your Service will be considered terminated as of the date you are no longer actively providing Service to the Company or one of its Subsidiaries or Affiliates with no anticipated return to active Service (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any), and unless otherwise expressly provided in the Award Agreement or determined by the Company, your right to vest in the PSUs, if any, under the Plan will terminate as of such date and will not be extended by any notice period (e.g., your period of Service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any). The Committee shall have the exclusive discretion to determine when you are no longer actively providing Service for purposes of the PSUs (including whether you may still be considered to be providing Service while on a leave of absence).

Dividends:

The PSUs will not be entitled to accrue any dividends declared on the Shares, including any Dividend Equivalents as defined by the Plan.

Acknowledgments

By signing this Award Notice, you agree that the PSUs are granted under and governed by the terms and conditions of this Award Notice (including, without limitation, the terms and conditions set forth on Exhibit A, the Restrictive Covenants Agreement attached as Exhibit B and the terms and conditions set forth on Appendix I) and the Plan.

EXHIBIT A
THE KRAFT HEINZ COMPANY

PERFORMANCE SHARE AWARD AGREEMENT

1. Grant of Performance Share Award.

- a. Performance Share Award. In consideration of your agreement to provide services to The Kraft Heinz Company, a corporation organized under the laws of Delaware (the “**Company**”), or any of its Subsidiaries or Affiliates, and, as applicable, in consideration for your agreement to the non-competition and non-solicitation covenants provided in the attached Exhibit B, and for other good and valuable consideration, the Company hereby grants as of the date set forth in the Performance Share Award Notice (referred to as the “**Notice**”) to you a Performance Share Award in the form of Performance Share Units (the “**PSUs**”) with respect to the Performance Period set forth in the Notice, subject to the terms and provisions of the Notice, this Performance Share Award Agreement, including any appendices (this “**Agreement**”), and the Company’s 2020 Omnibus Incentive Plan, as amended from time to time (the “**Plan**”). Unless and until the Performance Share Award becomes payable in the manner set forth in Section 3 hereof, you shall have no right to payment of the Performance Share Award. Prior to payment of the Performance Share Award, the Performance Share Award shall represent an unsecured obligation of the Company, payable (if at all) from the general assets of the Company.
- b. Plan.
 - i. Incorporation of Terms and Conditions. The Performance Share Award and this Agreement are subject to the terms and conditions of the Plan, which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.
 - ii. Performance Targets. The Committee, in its sole discretion, shall have the authority to determine, establish and adjust Performance Periods, establish the applicable Performance Targets, adjust the applicable Performance Targets and certify the attainment of Performance Targets.

2. Definitions. All capitalized terms used in this Agreement without definition shall have the meanings ascribed in the Plan and the Notice. The following terms shall have the meanings specified below, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates.

- a. “**Disability**” means (i) a physical or mental condition entitling you to benefits under the long-term disability policy of the Company covering you or (ii) in the absence of any such policy, a physical or mental condition rendering you unable to perform your duties for the Company or any of its Subsidiaries or Affiliates for a period of six (6) consecutive months or longer; provided that if you are a party to an Employment Agreement at the time of termination of your Service and such Employment Agreement contains a different definition of “disability” (or any derivation thereof), the definition in such Employment Agreement shall control for purposes of this Agreement.
- b. “**Employment Agreement**” means an individual written employment agreement between you and the Company or any of its Affiliates, including an offer letter.
- c. “**Payout**” is calculated based on actual performance as determined by the Performance Target/Payout Metrics in the Notice, in the aggregate, as approved and certified by the Committee.
- d. “**Performance Share Award Share Payout**” means an amount equal to the Payout or other calculation included in the Notice or Employment Agreement.

- e. **“Performance Share Award Target”** shall mean the target number of Shares subject to this Performance Share Award set forth in the Notice or Employment Agreement.
- f. **“Retirement”** means a termination of Service by you on or after either (a) the later of (i) your 60th birthday and (ii) your completion of five years of Service with the Company, its Subsidiaries or its Affiliates or (b) the later of (i) your 55th birthday and (ii) your completion of ten years of Service with the Company, its Subsidiaries or its Affiliates.
- g. **“Without Cause”** means (i) a termination of your Service by the Company or its Subsidiaries or Affiliates other than for Cause (as defined in the Plan) and other than due to your death, Disability or Retirement or (ii) (A) if you are a party to an Employment Agreement, (B) such Employment Agreement is in effect upon the date of your termination of Service and (C) such Employment Agreement defines “Good Reason”, then “Without Cause” shall also include resignation of your Service for “Good Reason” in accordance with such Employment Agreement.

3. Payment.

a. Form and Time of Payment.

- i. Vesting. The Performance Share Award will vest on the “Vesting Date” set forth in the Notice subject to your continued Service with the Company or one of its Subsidiaries or Affiliates, except as otherwise set forth in the Plan or this Agreement. Prior to the vesting and settlement of the Performance Share Award, you will not have any rights of a shareholder with respect to the Performance Share Award or the Shares subject thereto. No Shares will be delivered pursuant to the vesting of the Performance Share Award unless (i) you have complied with your obligations under this Agreement and the Plan and (ii) the vesting of the Performance Share Award and the delivery of such Shares complies with applicable law. Until such time as the Shares are delivered to you (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), you will have no right to vote or receive dividends, including any Dividend Equivalents as defined by the Plan, or any other rights as a shareholder with respect to such Shares, notwithstanding the vesting of the Performance Share Award.
- ii. Performance Share Award Payment. Subject to the terms of the Plan and this Agreement, any Performance Share Award that becomes payable shall be made in whole Shares, which shall be issued in book-entry form, registered in your name. In the event the Performance Share Award Share Payout is to be made in Shares results in less than a whole number of Shares, the Performance Share Award Share Payout shall be rounded up or down to the next whole Share (no fractional Shares shall be issued in payment of a Performance Share Award). Any Shares issued in respect of a Performance Share Award Share Payout shall be issued pursuant to the terms and conditions of the Plan and shall reduce the number of Shares available for issuance thereunder.
- iii. Dividends. The PSUs will not be entitled to any cash dividend declared with respect to the Shares, including any Dividend Equivalents as defined by the Plan.
- iv. Payment Timing. Except as otherwise provided in Section 21 hereof or in the Notice, as applicable, (A) the Performance Share Award payment shall be made as soon as practicable following the Vesting Date, but in any event no later than March 15 of the taxable year following the Vesting Date and (B) a Performance Share Award that becomes payable due to a termination due to your Retirement, death or Disability, shall be paid no later than sixty (60) days after the Vesting Date.
- v. Payout Upon Termination. The Notice shall set forth the effect of termination upon the Performance Share Award. If you are terminated Without Cause or due to your resignation and, within the twelve (12) month period subsequent to such termination of

your Service, the Company determines that your Service could have been terminated for Cause, subject to anything to the contrary that may be contained in the Notice at the time of termination of your Service, your Service will, at the election of the Company, be deemed to have been terminated for Cause for purposes of this Agreement and the Plan, effective as of the date the events giving rise to Cause occurred and any consequences following from a termination for Cause shall be retroactively applied (including your obligation to repay gains that would not have been realized had your Service been terminated for Cause).

- b. Conditions to Payment of Performance Share Award. Notwithstanding any other provision of this Agreement:
 - i. The Performance Share Award shall not become payable to you or your legal representative unless and until you or your legal representative shall have satisfied all applicable withholding obligations for Tax-Related Items (as defined in Section 5 below), if any, in accordance with Section 5 hereof.
 - ii. The Company shall not be required to issue or deliver any Shares in payment of the Performance Share Award prior to the fulfillment of all of the following conditions: (A) the admission of the Shares to listing on all stock exchanges on which the Shares are then listed, (B) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the U.S. Securities and Exchange Commission (the “**Commission**”) or other governmental regulatory body, which the Committee shall, in its sole and absolute discretion, deem necessary and advisable, or if the offering of the Shares is not so registered, a determination by the Company that the issuance of the Shares would be exempt from any such registration or qualification requirements, (C) the obtaining of any approval or other clearance from any state, federal or foreign governmental agency that the Committee shall, in its absolute discretion, determine to be necessary or advisable and (D) the lapse of any such reasonable period of time following the date the Performance Share Award becomes payable as the Committee may from time to time establish for reasons of administrative convenience, subject to compliance with Section 409A of the Code.
 - c. Committee Discretion. Anything to the contrary in this Section 3 notwithstanding, the Committee may, in its sole discretion, provide for full or partial payment of the Performance Share Award upon termination of your active employment for any reason prior to the completion of a Performance Period to which a Performance Share Award relates; provided that the Committee shall not exercise such discretion if doing so would cause other Performance Share Awards that are intended to qualify as Qualified Performance-Based Compensation not to qualify.
4. Withholding Taxes. Regardless of any action the Company or, if different, your employer (the “**Employer**”) takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you (“**Tax-Related Items**”), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. Furthermore, you acknowledge that the Company and/or the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Share Award or the underlying Shares, including, but not limited to, the grant, vesting, or payment of this Performance Share Award or the subsequent sale of Shares issued in payment of the Performance Share Award; and (b) do not commit to and are under no obligation to structure the terms of the grant of the Performance Share Award or any aspect of your participation in the Plan to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. If you are or become subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for (including report) Tax-Related Items in more than one jurisdiction.

The Company is authorized to satisfy the withholding for any or all Tax-Related Items arising from the granting, vesting, or payment of the Performance Share Award or sale of Shares issued pursuant to the Performance Share Award, as the case may be, by deducting the number of Shares having an aggregate value equal to the amount of Tax-Related Items withholding due from a Performance Share Award Share Payout or otherwise becoming subject to current taxation. If the Company satisfies the Tax-Related Items obligation by withholding a number of Shares as described herein, for tax purposes, you shall be deemed to have been issued the full number of Shares due to you at vesting, notwithstanding that a number of Shares is held back solely for the purpose of such Tax-Related Items withholding.

The Company is also authorized to satisfy the actual withholding for any or all Tax-Related Items arising from the granting, vesting or payment of this Performance Share Award, the sale of Shares issued pursuant to the Performance Share Award or hypothetical withholding tax amounts if you are covered under a Company tax equalization policy, as the case may be, by the remittance of the required amounts from any proceeds realized upon the open-market sale of the Shares received in payment of the vested Performance Share Award by you. Such open-market sale is on your behalf and at your direction pursuant to this authorization.

Furthermore, the Company and/or the Employer are authorized to satisfy the withholding for any or all Tax-Related Items arising from the granting, vesting, or payment of this Performance Share Award, or sale of Shares issued pursuant to the Performance Share Award, as the case may be, by withholding from your wages, or other cash compensation payable to you by the Company and/or the Employer.

If you are subject to the short-swing profit rules of Section 16(b) of the Act, the Participant may elect the form of withholding in advance of any Tax-Related Items withholding event, and in the absence of the Participant's election, the Company shall deduct the number of Shares having an aggregate value equal to the amount of any withholding for Tax-Related Items due from the Performance Share Award Share Payout, or the Committee may determine that a particular method be used to satisfy any withholding for Tax-Related Items.

Shares deducted from the payment of this Performance Share Award in satisfaction of Tax-Related Items withholding shall be valued at the Fair Market Value of the Shares received in payment of the vested Performance Share Award on the date as of which the amount giving rise to the withholding requirement first became includible in your gross income under applicable tax laws. The Company may refuse to issue or deliver the Shares if you fail to comply with your Tax-Related Items obligations. The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates in your jurisdiction(s). In the event of over-withholding, you may receive a refund of any over-withheld amount in cash and will have no entitlement to the Share equivalent or if not refunded, you may seek a refund from the local tax authorities. In the event of under-withholding, you may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

You shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold that cannot be satisfied by the means previously described. If you are covered by a Company tax equalization policy, you also agree to pay to the Company any additional hypothetical tax obligation calculated and paid under the terms and conditions of such tax equalization policy.

5. Nature of Grant. By participating in the Plan and in exchange for receiving the Performance Share Award, you acknowledge, understand and agree that:

- a. the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan;
- b. the grant of the Performance Share Award is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Performance Share Awards, or benefits in lieu of Performance Share Awards, even if Performance Share Awards have been granted in the past;

- c. all decisions with respect to future Performance Share Award grants, if any, shall be at the sole discretion of the Board of Directors of the Company or the Committee;
- d. the Participant is voluntarily participating in the Plan;
- e. the Performance Share Award and any Shares subject to the Performance Share Award are not part of or included in any calculation of severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, holiday pay, long-service awards, pension, retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer, or any Affiliate;
- f. the Performance Share Award grant shall not be interpreted to form or amend an employment or service contract or relationship with the Company or any Affiliate;
- g. the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;
- h. the Performance Share Award and the benefits evidenced by this Agreement do not create any entitlement, not otherwise specifically determined by the Company in its discretion, to have the Performance Share Award or any such benefits transferred to, or assumed by, another company, or to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

If you reside outside the U.S., the following additional provisions shall apply:

- i. the Performance Share Award and the Shares subject to the Performance Share Award, and the income from and value of same, are not intended to replace any pension rights or compensation;
- j. the Performance Share Award and the Shares subject to the Performance Share Award are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or the Employer, and are outside the scope of your employment or service contract, if any;
- k. the Performance Share Award and the Shares subject to the Performance Share Award are not part of normal compensation or salary from the Employer and in no event should be considered as compensation for, or relating in any way to, past services for the Company, the Employer or any Affiliate of the Company;
- l. no claim or entitlement to compensation or damages, including pro-rated compensation or damages, shall arise from forfeiture of the Performance Share Award resulting from failure to reach Performance Goals or termination of your employment by the Company or the Employer (for any reason whatsoever and whether or not in breach of any employment laws in the country where you reside or later found to be invalid), and in consideration of the grant of the Performance Share Award to which you are otherwise not entitled, you irrevocably agree never to institute any claim against the Company or the Employer, waive your ability, if any, to bring any such claim, and release the Company and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, you shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claims; and
- m. neither the Company, the Employer nor any Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Performance Share Award, any Shares paid to you or any proceeds resulting from your sale of such Shares.

6. Data Privacy.

- a. **Data Collection and Usage.** *The Company collects, processes and uses personal data about you, including but not limited to, your name, home address and telephone number, email address, date of birth, social insurance number, employee identification number, hire date, termination date, gross earnings, tax rate, account identification number for the independent stock plan service provider account, any shares of stock or directorships held in the Company, details of all PSUs or any other entitlement to shares or equivalent benefits awarded, canceled, exercised, vested, unvested or outstanding in your favor, which the Company receives from you or the Employer (“Data”) for the purposes of implementing, administering and managing the Plan. The Company will only use your personal data where expressly permitted by law. Generally, the Company will use your personal data in the following circumstances:*
- *When needed to execute a contract that the Company is going to formalize or that the Company has formalized with you.*
 - *Where necessary for the Company’s legitimate interests (or those of a third party), provided that the fundamental interests or rights that assist you do not prevail over our interests or those of that third party.*
 - *When the Company needs it to comply with any legal or regulatory obligation.*
- b. **Stock Plan Administration Service Providers.** *The Company may transfer Data to one or more independent stock plan service providers, which may assist the Company with the implementation, administration and management of the Plan. Such service provider(s) may open an account for you or ask you to receive and trade shares of common stock. You may be asked to acknowledge, or agree to, separate terms and data processing practices with the service provider(s) with such agreement being a condition of participation in the Plan. Please review these terms and data processing practices carefully. If you do not agree to the independent stock plan service provider’s terms and/or data processing practices, you will not be able to participate in the Plan.*
- c. **International Data Transfers.** *Please note that Data processed in connection with the Plan will be transferred from your country to the United States, where the Company and its service providers are based. Your country or jurisdiction may have different data privacy laws and protections than the United States. The Company will ensure that appropriate measures are in place for compliance with applicable data protection laws in relation to transfer of Data to the United States.*
- d. **Data Retention.** *The Company has a legal duty to keep various records and records need to be held for different periods of time, depending on their contents. The Company will use your personal data only as long as necessary to implement, administer and manage your participation in the Plan and as required to comply with legal or regulatory obligations, including under tax and securities laws. The Company will therefore keep your personal data for as long as needed in connection with those obligations. The Company will not keep your personal data for longer than data protection law allows.*
- e. **Data Subject Rights.** *You understand that you may have a number of rights under data privacy laws in your jurisdiction. Depending on where you are based, such rights may include the right to (i) request access or copies of personal data processed by the Company, (ii) rectification of incorrect data, (iii) deletion of personal data, (iv) restrictions on processing of personal data, (v) portability of personal data, (vi) lodge complaints with competent data protection authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of your personal data. To receive clarification regarding these rights or to exercise these rights, you can contact the Company’s Data Privacy Team at gdp@kraftheinz.com.*
7. **Non-Transferability of Performance Share Award.** *The Performance Share Award or the interests or rights therein may not be transferred in any manner other than by will or by the laws of descent and*

distribution, and may not be assigned, hypothecated or otherwise pledged and shall not be subject to execution, attachment or similar process. Upon any attempt to effect any such disposition, or upon the levy of any such process, in violation of the provisions herein, the Performance Share Award shall immediately become null and void and any rights to receive a payment under the Performance Share Award shall be forfeited.

8. Rights as Shareholder. Neither you nor any person claiming under or through you shall have any of the rights or privileges of a shareholder of the Company in respect of any Shares issuable hereunder unless and until certificates representing such Shares (which may be in uncertificated form) will have been issued and recorded on the books and records of the Company or its transfer agents or registrars, and delivered to you (including through electronic delivery to a brokerage account). After such issuance, recordation and delivery, you shall have all the rights of a shareholder of the Company, including with respect to the right to vote the Shares and the right to receive any cash or Share dividends or other distributions paid to or made with respect to the Shares.

9. Repayment/Forfeiture. As an additional condition of receiving the Performance Share Award, you agree that the Performance Share Award and any proceeds or other benefits you may receive hereunder shall be subject to forfeiture and/or repayment to the Company (i) under the terms of the Company's Clawback Policy, as may be amended from time to time (and such requirements shall be deemed incorporated into this Agreement without your consent) or (ii) to comply with any requirements imposed under applicable laws and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, including, without limitation, pursuant to Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Section 10D of the Act and Rule 10D-1 thereunder. Further, if you receive any amount in excess of what you should have received under the terms of the Performance Share Award for any reason (including without limitation by reason of a financial restatement, mistake in calculations or administrative error), all as determined by the Committee, then you shall be required to promptly repay any such excess amount to the Company.

10. Restrictions on Resale. You hereby agree not to sell any Shares issued in payment of the Performance Share Award at a time when applicable laws or Company policies prohibit a sale. This restriction shall apply as long as your employment continues and for such period of time after the termination of your employment as the Company may specify.

11. Language. You acknowledge that you are sufficiently proficient in the English language or have consulted with an advisor who is proficient in English, so as to allow you to understand the terms and conditions of this Agreement. If you have received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

12. Effect of a Change in Control. The treatment of a Performance Share Award upon a Change in Control shall be governed by the Plan, provided, however, that to the extent that the Performance Share Award constitute Deferred Compensation, settlement of any portion of the Performance Share Award that may vest in connection with a Change in Control will occur within sixty (60) days following the Vesting Date. In the event that there is a conflict between the terms of the Plan regarding the effect of a Change in Control on the Performance Share Award and the terms of this Agreement or any Employment Agreement, the terms of the Plan will govern.

13. Securities Laws. By accepting a Performance Share Award, you acknowledge that U.S. federal, state or foreign securities laws and/or the Company's policies regarding trading in its securities may limit or restrict your right to buy or sell Shares, including, without limitation, sales of Shares acquired in connection with the Performance Share Award. You agree to comply with such securities law requirements and Company policies, as such laws and policies are amended from time to time.

14. Adjustments. The Performance Goals, as well as the manner in which the Performance Share Award payment is calculated is subject to adjustment in the Committee's sole discretion in accordance with Section 10(b) of the Plan and the Notice. You shall be notified of such adjustment and such adjustment shall be binding upon the Company and you.

15. NO GUARANTEE OF CONTINUED EMPLOYMENT. YOU HEREBY ACKNOWLEDGE AND AGREE THAT THE VESTING OF THE PERFORMANCE SHARE AWARD PURSUANT TO THE PROVISIONS OF THIS AGREEMENT IS EARNED ONLY IF THE PERFORMANCE GOALS ARE ATTAINED AND THE OTHER TERMS AND CONDITIONS SET FORTH HEREIN ARE SATISFIED AND BY YOUR CONTINUED SERVICE (SUBJECT TO THE PROVISIONS OF SECTION 3(b) HEREOF) AT THE WILL OF THE COMPANY OR AN AFFILIATE (AND NOT THROUGH THE ACT OF BEING EMPLOYED BY THE COMPANY OR AN AFFILIATE, BEING GRANTED A PERFORMANCE SHARE AWARD, OR RECEIVING SHARES HEREUNDER). YOU FURTHER ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE RIGHT TO EARN A PAYMENT UNDER THE PERFORMANCE SHARE AWARD SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED EMPLOYMENT DURING THE PERFORMANCE PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE WITH YOUR RIGHT OR THE RIGHT OF THE COMPANY OR AN AFFILIATE TO TERMINATE YOUR EMPLOYMENT AT ANY TIME, WITH OR WITHOUT CAUSE, AND IN ACCORDANCE WITH APPLICABLE EMPLOYMENT LAWS OF THE COUNTRY WHERE YOU RESIDE.

16. Entire Agreement: Governing Law. The Notice, the Plan and this Agreement, including any appendices, constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and you with respect to the subject matter hereof, and may not be modified adversely to your interest except as provided in the Notice, the Plan or this Agreement or by means of a writing signed by the Company and you. Nothing in the Notice, the Plan and this Agreement (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties. The Notice, the Plan and this Agreement are to be construed in accordance with and governed by the substantive laws of Delaware, U.S.A., without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the substantive laws of Delaware to the rights and duties of the parties. Unless otherwise provided in the Notice, the Plan or this Agreement, you are deemed to submit to the exclusive jurisdiction of Delaware, U.S.A., and agree that such litigation shall be conducted in the courts of Wilmington County, Delaware, or the federal courts for the United States for the Eastern District of Delaware, where this grant is made and/or to be performed.

17. Conformity to Securities Laws. You acknowledge that the Notice, the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Act, and any and all regulations and rules promulgated thereunder by the Commission, including, without limitation, Rule 16b-3. Notwithstanding anything herein to the contrary, the Notice, the Plan and this Agreement shall be administered, and the Performance Share Award is granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Notice, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

18. Administration and Interpretation. The Performance Share Award, the vesting of the Performance Share Award and any payment of the Performance Share Award are subject to, and shall be administered in accordance with, the provisions of this Agreement, as the same may be amended from time to time. Any question or dispute regarding the administration or interpretation of the Notice, the Plan and this Agreement shall be submitted by you or by the Company to the Committee. The resolution of such question or dispute by the Committee shall be final and binding on all persons.

19. Headings. The captions used in the Notice and this Agreement are inserted for convenience and shall not be deemed a part of the Performance Share Award for construction or interpretation.

20. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown in these instruments, or to such other address as such party may designate in writing from time to time to the other part.

21. Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth, this Agreement shall be binding upon you and your heirs, executors, administrators, successors and assign.

22. Severability. Whenever feasible, each provision of the Notice, this Agreement, and the Plan shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision in the Notice, Plan or this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of the Notice, the Plan or this Agreement.

23. Waiver. You acknowledge that a waiver by the Company for breach of any provision of the Agreement shall not operate or be construed as a waiver of any other provision of the Award Agreement, or of any subsequent breach of the Agreement.

24. Code Section 409A. This Performance Share Award is intended to be exempt from or to comply with Section 409A of the Code and shall be interpreted, operated and administered in a manner consistent with such intent. To the extent this Agreement provides for the Performance Share Award to become vested and be settled upon your termination of employment, the applicable Shares shall be transferred to you or your beneficiary upon your "separation from service," within the meaning of Section 409A of the Code; provided that if you are a "specified employee," within the meaning of Section 409A of the Code, then to the extent the Performance Share Award constitutes nonqualified deferred compensation, within the meaning of Section 409A of the Code, such Shares shall be transferred to you or your beneficiary upon the earlier to occur of (i) the six-month anniversary of such separation from service and (ii) the date of your death.

This Agreement may be amended at any time, without the consent of any party, to avoid the application of Section 409A of the Code in a particular circumstance or that is necessary or desirable to satisfy any of the requirements under Section 409A of the Code, but the Company shall not be under any obligation to make any such amendment. Nothing in the Agreement shall provide a basis for any person to take action against the Company or any Affiliate based on matters covered by Section 409A of the Code, including the tax treatment of any amount paid under the Performance Share Award granted hereunder, and neither the Company nor any of its Affiliates shall under any circumstances have any liability to you or your estate or any other party for any taxes, penalties or interest due on amounts paid or payable under this Agreement, including taxes, penalties or interest imposed under Section 409A of the Code.

25. No Advice Regarding Performance Share Award. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your acquisition or sale of any Shares issued in payment of the Performance Share Award. You acknowledge that you should consult with your own personal tax, legal and financial advisors before taking any action related to the Performance Share Award.

26. Appendix I. Notwithstanding any provisions in this Agreement, the Performance Share Award grant shall be subject to any additional terms and conditions set forth in Appendix I to this Agreement for your country. Moreover, if you relocate to one of the countries included in Appendix I, the additional terms and conditions for such country shall apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with laws in the country where you reside regarding the issuance of Shares, or to facilitate the administration of the Performance Share Award. Appendix I constitutes part of this Agreement.

27. Electronic Delivery and Acceptance. The Company may, in its sole discretion, decide to deliver any documents related to current or future Performance Share Awards by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

28. Imposition of Other Requirements. The Company reserves the right to impose other requirements on your participation in the Plan or on the Performance Share Award and on any Shares issued in

payment of the Performance Share Award, to the extent the Company determines it is necessary or advisable in order to comply with laws in the country where you reside regarding the issuance of Shares, or to facilitate the administration of the Performance Share Award, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

EXHIBIT B

RESTRICTIVE COVENANTS AGREEMENT

I understand that I am or will be an employee to or other service-provider of The Kraft Heinz Company and/or its Subsidiaries and/or its Affiliates (collectively, the “**Company**”) and will learn and have access to the Company’s confidential, trade secret and proprietary information and key business relationships. I understand that the products and services that the Company develops, provides and markets are unique. Further, I know that my promises in this Restrictive Covenants Agreement (the “**Agreement**”) are an important way for the Company to protect its proprietary interests and that The Kraft Heinz Company would not have granted me Performance Share Units (“**PSUs**”) or other equity grants unless I made such promises.

In addition to other good and valuable consideration, I am expressly being given PSUs or other equity grants in exchange for my agreeing to the terms of this Agreement. In consideration of the foregoing, I (the “**Executive**”) agree as follows:

1. **NON-DISCLOSURE OF CONFIDENTIAL INFORMATION.** During the course of Executive’s Service, Executive will have access to Confidential Information. For purposes of this Agreement, “**Confidential Information**” means all data, information, ideas, concepts, discoveries, trade secrets, inventions (whether or not patentable or reduced to practice), innovations, improvements, know-how, developments, techniques, methods, processes, treatments, drawings, sketches, specifications, designs, plans, patterns, models, plans and strategies, and all other confidential or proprietary information or trade secrets in any form or medium (whether merely remembered or embodied in a tangible or intangible form or medium) whether now or hereafter existing, relating to or arising from the past, current or potential business, activities and/or operations of the Company, including, without limitation, any such information relating to or concerning finances, sales, marketing, advertising, transition, promotions, pricing, personnel, customers, suppliers, vendors, raw partners and/or competitors of the Company. Executive agrees that Executive shall not, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of Executive’s assigned duties and for the benefit of the Company, either during the period of Executive’s Service or at any time thereafter, any Confidential Information or other confidential or proprietary information received from third parties subject to a duty on the Company’s part to maintain the confidentiality of such information, and to use such information only for certain limited purposes, in each case, which shall have been obtained by Executive during Executive’s Service. The foregoing shall not apply to information that (i) was known to the public prior to its disclosure to Executive; (ii) becomes generally known to the public subsequent to disclosure to Executive through no wrongful act of Executive or any representative of Executive; or (iii) Executive is required to disclose by applicable law, regulation or legal process (provided that, to the extent permitted by law, Executive provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information).

Pursuant to the U.S. Defend Trade Secrets Act of 2016, Executive shall not be held criminally, or civilly, liable under any Federal or State Trade secret law for the disclosure of a trade secret that is made in confidence either directly or indirectly to a Federal, State, or local government official, or an attorney, for the sole purpose of reporting, or investigating, a violation of law. Moreover, Executive may disclose trade secrets in a complaint, or other document, filed in a lawsuit, or other proceeding, if such filing is made under seal. Finally, if Executive files a lawsuit alleging retaliation by the Company for reporting a suspected violation of the law, Executive may disclose the trade secret to Executive’s attorney and use the trade secret in the court proceeding, if Executive files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

No Company policies or practices, including this Non-Disclosure of Confidential Information provision, is intended to or shall limit, prevent, impede or interfere in any way with Executive’s right, without prior notice to the Company, to provide information to the government, participate

in investigations, testify in proceedings regarding the Company's past or future conduct, or engage in any activities protected under whistleblower statutes. Specifically, nothing in this Non-Disclosure of Confidential Information provision prohibits Executive from: (i) filing and, as provided for under Section 21F of the Act, maintaining the confidentiality of a claim with the Commission; (ii) providing the Commission with information that would otherwise violate this provision, to the extent permitted by Section 21F of the Act; (iii) cooperating, participating or assisting in a Commission investigation or proceeding without notifying the Company; or (iv) receiving a monetary award as set forth in Section 21F of the Act.

2. **NON-COMPETITION.** Executive acknowledges that (i) Executive performs services of a unique nature for the Company that are irreplaceable, and that Executive's performance of such services to a competing business will result in irreparable harm to the Company, (ii) Executive has had and will continue to have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company, (iii) in the course of Executive's employment by or service to a competitor, Executive would inevitably use or disclose such Confidential Information, (iv) the Company has substantial relationships with its customers and Executive has had and will continue to have access to these customers, (v) Executive has received and will receive specialized training from the Company, and (vi) Executive has generated and will continue to generate goodwill for the Company in the course of Executive's Service. Accordingly, during Executive's Service and for twelve (12) months following a termination of Executive's Service for any reason (the "**Restricted Period**"), Executive will not engage in any business activities, directly or indirectly (whether as an employee, consultant, officer, director, partner, joint venturer, manager, member, principal, agent, or independent contractor, individually, in concert with others, or in any other manner) within the same line or lines of business for which the Executive performed services for the Company and in a capacity that is similar to the capacity in which the Executive was employed by the Company with any person or entity that competes with the Company in the consumer packaged food and beverage industry ("**Competitive Business**") anywhere within the same geographic territory(ies) for which the Executive performed services for the Company (the "**Restricted Territory**"). Notwithstanding the foregoing, nothing herein shall prohibit Executive from being a passive owner of not more than three percent (3%) of the equity securities of a publicly traded corporation engaged in a business that is in competition with the Company, so long as Executive has no active participation in the business of such corporation.
3. **NON-SOLICITATION.** During the Restricted Period, Executive agrees that Executive shall not, except in the furtherance of Executive's duties to the Company, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, solicit, aid, induce, assist in the solicitation of, or accept any business (other than on behalf of the Company) from, any customer or potential customer of the Company to purchase goods or services then sold by the Company from another person, firm, corporation or other entity or, directly or indirectly, in any way request, suggest or advise any such customer to withdraw or cancel any of their business or refuse to continue to do business with the Company. This restriction shall apply to customers or potential customers who, during the two (2) years immediately preceding the Executive's termination, had been assigned to the Executive by the Company, or with which the Executive had contact on behalf of the Company while an Executive of the Company, or about which the Executive had access to Confidential Information by virtue of Executive's employment with the Company.
4. **NON-INTERFERENCE.** During the Restricted Period, Executive agrees that Executive shall not, except in the furtherance of Executive's duties to the Company, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, (A) solicit, aid or induce any employee, representative or agent of the Company to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent, or (B) interfere, or aid or induce any other person or entity in interfering, with the

relationship between the Company and its vendors, suppliers or customers. As used herein, the term “solicit, aid or induce” includes, but is not limited to, (i) initiating communications with a Company employee relating to possible employment, (ii) offering bonuses or other compensation to encourage a Company employee to terminate his or her employment with the Company and accept employment with any entity, (iii) recommending a Company employee to any entity, and (iv) aiding an entity in recruitment of a Company employee. An employee, representative or agent shall be deemed covered by this Section 4 while so employed or retained and for a period of six (6) months thereafter.

5. **NON-DISPARAGEMENT.** Executive agrees not to make negative comments or otherwise disparage the Company or its officers, directors, employees, shareholders, agents or products or services. The foregoing shall not be violated by truthful statements made in (a) response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings) or (b) the good faith performance of Executive’s duties to the Company.

6. **INVENTIONS.**

- a. Executive acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, methods, works of authorship and other work product (“**Inventions**”), whether patentable or unpatentable, (A) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company resources and/or within the scope of Executive’s work with the Company or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company, and that are made or conceived by Executive, solely or jointly with others, during Executive’s Service, or (B) suggested by any work that Executive performs in connection with the Company, either while performing Executive’s duties with the Company or on Executive’s own time, but only insofar as the Inventions are related to Executive’s work as an employee or other service provider to the Company, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon. Executive will keep full and complete written records (the “**Records**”), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and Executive will surrender them upon the termination of Service, or upon the Company’s request. Executive irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to Executive’s Service, together with the right to file, in Executive’s name or in the name of the Company (or its designee), applications for patents and equivalent rights (the “**Applications**”). Executive will, at any time during and subsequent to Executive’s Service, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company’s rights in the Inventions, all without additional compensation to Executive from the Company. Executive will also execute assignments to the Company (or its designee) of the Applications and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company’s benefit, all without additional compensation to Executive from the Company, but entirely at the Company’s expense.
- b. In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company and Executive agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to Executive. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, Executive hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in

perpetuity, in and to the Inventions, including, without limitation, all of Executive's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, Executive hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that Executive has any rights in the results and proceeds of Executive's service to the Company that cannot be assigned in the manner described herein, Executive agrees to unconditionally waive the enforcement of such rights. Executive hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to Executive's benefit by virtue of Executive being an employee of or other service provider to the Company.

7. **RETURN OF COMPANY PROPERTY.** On the date of Executive's termination of Service with the Company for any reason (or at any time prior thereto at the Company's request), Executive shall return all property belonging to the Company (including, but not limited to, any Company-provided laptops, computers, cell phones, wireless electronic mail devices or other equipment, or documents and property belonging to the Company).
8. **REASONABLENESS OF COVENANTS.** In signing this Agreement, including by electronic means, Executive gives the Company assurance that Executive has carefully read and considered all of the terms and conditions of this Agreement, including the restraints imposed by it. Executive agrees that these restraints are necessary for the reasonable and proper protection of the Company and its Confidential Information and that each and every one of the restraints is reasonable in respect to subject matter, length of time and geographic area, and that these restraints, individually or in the aggregate, will not prevent Executive from obtaining other suitable employment during the period in which Executive is bound by the restraints. Executive acknowledges that each of these covenants has a unique, very substantial and immeasurable value to the Company and that Executive has sufficient assets and skills to provide a livelihood while such covenants remain in force. Executive further covenants that Executive will not challenge the reasonableness or enforceability of any of the covenants set forth in this Agreement, and that Executive will reimburse the Company for all costs (including reasonable attorneys' fees) incurred in connection with any action to enforce any of the provisions of this Agreement if either the Company prevails on any material issue involved in such dispute or if Executive challenges the reasonableness or enforceability of any of the provisions of this Agreement. **It is also agreed that the "Company" as used in this Agreement refers to each of the Company's Subsidiaries and Affiliates and that each of the Company's Subsidiaries and Affiliates will have the right to enforce all of Executive's obligations to that Subsidiary or Affiliate under this Agreement, as applicable, subject to any limitation or restriction on such rights of the Subsidiary or Affiliate under applicable law.**
9. **REFORMATION.** If it is determined by a court of competent jurisdiction in any state or country that any restriction in this Agreement is excessive in duration or scope or is unreasonable or unenforceable under applicable law, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by the laws of that state or country.
10. **REMEDIES.** Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of this Agreement would be inadequate and, in recognition of this fact, Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond or other security, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy.

which may then be available, without the necessity of showing actual monetary damages, in addition to any other equitable relief (including without limitation an accounting and/or disgorgement) and/or any other damages as a matter of law.

11. **REPURCHASE.** Executive acknowledges and agrees that a breach of this Agreement would constitute a “Covenant Breach” as such term is used in the Plan and therefore, in the event of a Covenant Breach, Executive’s PSUs and the Shares issued in payment thereof (as such terms are defined in the Plan) shall be subject to repurchase by The Kraft Heinz Company in accordance with the terms of the Plan.
12. **TOLLING.** In the event of any violation of the provisions of this Agreement, Executive acknowledges and agrees that the post-termination restrictions contained in this Agreement shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.
13. **SURVIVAL OF PROVISIONS.** The obligations contained in this Agreement hereof shall survive the termination or expiration of the Executive’s Service with the Company and shall be fully enforceable thereafter.
14. **VENUE, PERSONAL JURISDICTION, AND COVENANT NOT TO SUE.** Executive expressly agrees to submit to the exclusive jurisdiction and exclusive venue of courts located in the State of Delaware in connection with any litigation which may be brought with respect to a dispute between the Company and Executive in relation to this Restrictive Covenants Agreement, regardless of where Executive resides or where Executive performs services for the Company. Executive hereby irrevocably waives Executive’s rights, if any, to have any disputes between the Company and Executive related to this Restrictive Covenants Agreement decided in any jurisdiction or venue other than a court in the State of Delaware. Executive hereby waives, to the fullest extent permitted by applicable law, any objection which Executive now or hereafter may have to personal jurisdiction or to the laying of venue of any such suit, action or proceeding, and Executive agrees not to plead or claim the same. Executive further irrevocably covenants not to sue the Company related to this Restrictive Covenants Agreement in any jurisdiction or venue other than a court in the State of Delaware. All matters relating to the interpretation, construction, application, validity, and enforcement of this Agreement, and any disputes or controversies arising hereunder, will be governed by the laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule, whether of the State of Delaware or any other jurisdiction, that would cause the application of laws of any jurisdiction other than the State of Delaware.

APPENDIX I**ADDITIONAL TERMS AND CONDITIONS OF
THE KRAFT HEINZ COMPANY
2020 OMNIBUS INCENTIVE PLAN****PERFORMANCE SHARE AWARD AGREEMENT FOR NON-U.S. PARTICIPANTS*****TERMS AND CONDITIONS***

This Appendix I includes additional terms and conditions that govern the Performance Share Units (referred to herein as PSUs) granted to you under the Plan if you work or reside outside the U.S. and/or in one of the countries listed below. These terms and conditions are in addition to, or if so indicated, in place of the terms and conditions set forth in the Award Agreement. Certain capitalized terms used but not defined in this Appendix I have the meanings set forth in the Plan and/or the Award Agreement.

If you are a citizen or resident of a country other than the one in which you are currently working, transfer employment and/or residency to another country after the PSUs are granted to you, or are considered a resident of another country for local law purposes, the terms and conditions contained herein may not be applicable to you, and the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply to you.

NOTIFICATIONS

This Appendix I also includes information regarding exchange controls and certain other issues of which you should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of January 2023. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you not rely on the information in this Appendix I as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you vest in the PSUs or sell Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of a particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Finally, if you are a citizen or resident of a country other than the one in which you are currently working, transfer employment and/or residency after the PSUs are granted or are considered a resident of another country for local law purposes, the notifications contained herein may not be applicable to you in the same manner.

GENERAL NON-U.S. TERMS AND CONDITIONS***TERMS AND CONDITIONS***

The following terms and conditions apply to you if you are located outside of the U.S.

Entire Agreement.

The following provisions supplement the entire Agreement, generally:

If you are located outside the U.S., in no event will any aspect of the PSUs be determined in accordance with your Employment Agreement (or other Service contract). The terms and conditions of the PSUs will be solely determined in accordance with the provisions of the Plan and the Agreement, including this Appendix I, which supersede and replace any prior agreement, either written or verbal (including your Employment Agreement, if applicable) in relation to the PSUs.

Performance Share Award Payment.

If you are resident or employed outside of the United States, the Company may, in its sole discretion, settle the PSUs in the form of a cash payment to the extent settlement in Shares: (i) is prohibited under local law, (ii) would require you, the Company or one of its Subsidiaries or Affiliates to obtain the approval of any governmental or regulatory body in your country of residence (or your country of employment, if different), (iii) would result in adverse tax consequences for you, the Company or one of its Subsidiaries or Affiliates, or (iv) is administratively burdensome. Alternatively, the Company may, in its sole discretion settle the PSUs in the form of Shares but require you to sell such Shares immediately or within a specified period following your termination of Service (in which case, the Award Agreement shall give the Company the authority to issue sales instructions on your behalf).

Termination Without Cause, Death and Disability / Payout Upon Termination.

The following provision supplements the termination provisions of the Award Notice and Award Agreement, provided, however, that if you are subject to U.S. federal income tax and the PSUs constitute Deferred Compensation, your termination of Service date will be the date of your Separation from Service:

Notwithstanding the provisions governing the treatment of the PSUs upon termination due to Retirement as set forth in the Award Notice and Award Agreement, if the Company receives an opinion of counsel that there has been a legal judgment and/or legal development in a particular jurisdiction that would likely result in the treatment in case of a termination due to Retirement as set forth in the Award Agreement being deemed unlawful and/or discriminatory, then the Company will not apply the provisions for termination due to Retirement at the time you cease to provide Service and the PSUs will be treated as it would under the rules that apply if your Service ends for resignation.

Termination for Cause.

The implications upon a termination for Cause as set forth in the Agreement and Plan shall only be enforced, to the extent deemed permissible under applicable local law, as determined in the sole discretion of the Committee.

Taxes.

The following provisions supplement the Withholding Taxes section of the Award Agreement:

You acknowledge that your liability for Tax-Related Items may exceed the amount, if any, withheld by the Company, its Subsidiaries and/or its Affiliates (as applicable).

If you have become subject to tax in more than one jurisdiction, you acknowledge that the Company, its Subsidiaries and Affiliates may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates in your jurisdiction(s). If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested PSUs, notwithstanding that a number of Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan.

Not a Public Offering in Non-U.S. Jurisdictions.

If you are resident or employed outside of the United States, neither the grant of the PSUs under the Plan nor the issuance of the underlying Shares upon vesting of the PSUs is intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filings to the local securities authorities in jurisdictions outside of the United States unless otherwise required under local law.

Insider Trading and Market Abuse Laws.

You may be subject to insider trading restrictions and/or market abuse laws based on the exchange on which the Shares are listed and in applicable jurisdictions including the United States and your country or

your broker's country, if different, which may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares or rights linked to the value of Shares under the Plan during such times as you are considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (a) disclosing the inside information to any third party and (b) "tipping" third parties or causing them otherwise to buy or sell securities (third parties include fellow employees). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you should speak to your personal advisor on this matter.

Foreign Asset/Account, Exchange Control and Tax Reporting.

You may be subject to foreign asset/account, exchange control and/or tax reporting requirements as a result of the acquisition, holding and/or transfer of Shares or cash (including dividends, dividend equivalents and the proceeds arising from the sale of Shares) derived from your participation in the Plan, to and/or from a brokerage/bank account or legal entity located outside your country. The applicable laws of your country may require that you report such accounts, assets, the balances therein, the value thereof and/or the transactions related thereto to the applicable authorities in such country. You acknowledge that you are responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting requirements and should consult your personal legal advisor on this matter.

COUNTRY-SPECIFIC TERMS AND CONDITIONS/NOTIFICATIONS

AUSTRALIA

NOTIFICATIONS

Securities Law Information.

This offer is being made under Division 1A, Part 7.12 of the Corporations Act 2001 (Cth). Please note that if an Australian resident offers the Shares acquired under Plan for sale to a person or entity resident in Australia, the offer may be subject to disclosure requirements under Australian law. You are solely responsible for obtaining legal advice on your disclosure obligations prior to making any such offer.

Deferred Taxation.

Subdivision 83A-C of the Income Tax Assessment Act, 1997, applies to PSUs granted under the Plan, such that the PSUs are intended to be subject to deferred taxation.

BELGIUM

NOTIFICATIONS

Foreign Assets/Account Reporting Information.

If you are a resident of Belgium, you will be required to report any security (*e.g.*, Shares acquired under the Plan) or bank account (including brokerage accounts) established outside of Belgium on your annual tax return. In a separate report, you will be required to provide the National Bank of Belgium with details regarding such foreign accounts (including the account number, bank name and country in which any such account was opened). The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium (www.nbb.be) under the caption *Kredietcentrales / Centrales des crédits*.

BRAZIL

TERMS AND CONDITIONS

Compliance with Law.

By accepting the PSUs, you acknowledge that you agree to comply with applicable Brazilian laws and pay any and all applicable taxes legally due by you associated with the vesting of the PSUs, the receipt of any dividends and/or Dividend Equivalents, and the sale of Shares acquired or issued under the Plan. You further agree that, for all legal purposes, (i) the benefits provided to you under the Plan are the result of

commercial transactions unrelated to your employment or Service relationship, (ii) the Plan is not a part of the terms and conditions of your employment or Service relationship, and (iii) the income from the Award, if any, is not part of your remuneration from employment or Service.

NOTIFICATIONS

Exchange Control Information.

If you are resident or domiciled in Brazil, you will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$1,000,000. Assets and rights that must be reported include Shares.

CANADA

TERMS AND CONDITIONS

Plan Document Acknowledgment.

In accepting the grant of PSUs, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Award Agreement in their entirety and fully understand and accept all provisions of the Plan and the Award Agreement.

Payout of PSUs in Shares Only.

Pursuant to its discretion under Section 10(d) of the Plan, with respect to all employees residing in Canada, the Company will convert all vested PSUs only into an equivalent number of Shares. If you reside in Canada (or in the event of your death, your legal representative or estate) you will not receive an equivalent or fractional Share cash payment with respect to the vested PSUs.

Termination.

The following provision replaces the last paragraph of the *Effect of Termination of Service on Vesting* section of the Award Agreement:

In the event of your termination of Service (whether or not later found to be invalid or unlawful for any reason, including for breaching employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any), unless provided otherwise by the Company: (i) your right to vest in the PSUs (if any) will terminate effective, as of the earlier of (1) the date you receive notice of termination, or (2) the date you are no longer providing Service regardless of any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under local law. You will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which your right to vest terminates, nor will you be entitled to any compensation for lost vesting, in all cases, regardless of any notice period or period of pay in lieu of such notice required under applicable Canadian employment laws (including, but not limited to statutory law, regulatory law and/or common law). Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the PSUs under the Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting.

The following terms and conditions apply if you are a resident of Quebec:

Language Consent.

A French translation of the Plan and the Award Agreement will be made available to you as soon as reasonably practicable. You understand that, from time to time, additional information related to the offering of the Plan might be provided in English and such information may not be immediately available in French. However, upon request, the Company will translate into French documents related to the offering of the Plan as soon as reasonably practicable.

Consentement Linguistique. Une traduction française du Plan et de l'Accord ("Award Agreement") sera mise à la disposition du vous dès que raisonnablement possible. Vous comprenez que, de temps à autre, des informations supplémentaires liées à l'offre du Plan peuvent être fournies en anglais et que ces

informations peuvent ne pas être immédiatement disponibles en français. Cependant, sur demande, la Société traduira en français les documents relatifs à l'offre du Plan dès que raisonnablement possible.

NOTIFICATIONS

Securities Law Information.

You are permitted to sell Shares acquired under the Plan through the designated broker appointed under the Plan, if any, provided the sale of the Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (*i.e.*, Nasdaq).

Foreign Assets/Account Reporting Information.

Canadian residents are required to report any specified foreign property (including Shares and PSUs) on form T1135 (Foreign Income Verification Statement) if the total cost of such specified foreign property exceeds C\$100,000 at any time in the year. The form must be filed by April 30 of the following year. Specified foreign property includes Shares acquired under the Plan and may include the PSUs. The PSUs must be reported - generally at a nil cost - if the C\$100,000 cost threshold is exceeded because of other foreign property you hold. If Shares are acquired, their cost generally is the adjusted cost base (“ACB”) of the Shares. The ACB would normally equal the fair market value of the Shares at vesting, but if you own other shares, this ACB may have to be averaged with the ACB of the other shares. You should speak with a personal tax advisor to determine the scope of foreign property that must be considered for purposes of this requirement.

CHILE

NOTIFICATIONS

Securities Law Information.

The private offering of the RSUs starts on the Grant Date and is made subject to general ruling n° 336 of the Chilean Commission for the Financial Market (“CMF”). This offer refers to securities not registered at the securities registry or at the foreign securities registry of the CMF, and therefore such securities are not subject to its oversight. Given that these securities are not registered in Chile, there is no obligation from the issuer to provide public information on them in Chile. These securities cannot be subject to public offering in Chile while they are not registered at the corresponding securities registry in Chile.

CHINA

TERMS AND CONDITIONS

The following provisions apply if you are subject to the exchange control regulations or restrictions in the People’s Republic of China (“China”), as determined by the Company in its sole discretion:

Vesting and Mandatory Sale Restriction.

The following provisions replace the *Payment* section of the Award Agreement:

Notwithstanding anything to the contrary in the Award Agreement, due to legal restrictions in China, you agree that the Company may force the sale of any Shares (i) immediately upon vesting, (ii) following the termination of your Service, (iii) following your transfer to another Subsidiary or Affiliate outside of China, or (iv) within any other timeframe the Company determines to be necessary or advisable. You agree that you must maintain any Shares acquired under the Plan in an account at a broker designated by the Company (“**Designated Account**”). All Shares deposited in the Designated Account cannot be transferred out of that Designated Account. Within six (6) months after the termination of your Service for any reason (or such other period as determined by the Company in its sole discretion), you must sell all Shares acquired under the Plan. The Company will direct the automatic sale of any such Shares remaining in the Designated Account at the expiration of this six (6) month period (or such other period as determined by the Company in its sole discretion).

You agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such Shares (on your behalf pursuant to this authorization) and you expressly authorize the Company’s designated broker to complete the sale of such Shares. You acknowledge that the Company’s

designated broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the Company agrees to pay you the cash proceeds from the sale, less any brokerage fees or commissions and subject to any obligation to satisfy Tax-Related Items. You agree that if you sell Shares that you acquire under the Plan, the repatriation requirements described below shall apply.

If you transfer to a Subsidiary or an Affiliate in China or transfer from an Affiliate or Subsidiary in China to another Affiliate outside of China, you may become or remain subject to the requirements set forth in this Appendix I, as determined by the Company in its sole discretion. The Company reserves the right to suspend your participation in the Plan or take such other measures as it deems necessary or advisable to comply with local regulations.

Exchange Control Restriction.

You understand and agree that, due to exchange control laws in China, you will be required to immediately repatriate to China any cash proceeds acquired under the Plan. You further understand that, under local law, such repatriation of the cash proceeds may need to be effected through a special exchange control account established by the Company or any Subsidiary or Affiliate of the Company and you hereby consent and agree that the cash proceeds may be transferred to such special account prior to being delivered to you. Further, if the proceeds from your participation in the Plan are converted to local currency, you acknowledge that the Company (including its Subsidiaries and Affiliates) is under no obligation to secure any currency conversion rate and may face delays in converting the proceeds to local currency due to exchange control restrictions in China. You agree to bear the risk of any currency conversion rate fluctuation between the date that your proceeds are delivered to such special exchange control account and the date of conversion of the proceeds to local currency.

You further agree to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

COSTA RICA

There are no country-specific provisions.

EGYPT

NOTIFICATIONS

Exchange Control Information.

If you transfer funds into Egypt in connection with the remittance of proceeds from the vesting of the PSUs, sale of Shares or the receipt of any dividends and/or Dividend Equivalents, you are required to transfer the funds through a bank registered in Egypt.

FRANCE

TERMS AND CONDITIONS

Language Consent.

By accepting the PSUs, you confirm having read and understood the documents relating to the grant of the PSUs (the Plan and the Award Agreement), which were provided in the English language, and you accept the terms of such documents accordingly.

Consentement relatif à la langue.

En acceptant l'PSUs, vous confirmez ainsi avoir lu et compris les documents relatifs à l'attribution de l'PSUs (le Plan et le Contrat d'Attribution) qui vous ont été communiqués en langue anglaise, et vous en acceptez les termes et conditions en connaissance de cause.

NOTIFICATIONS

Award not Tax-Qualified.

The PSUs granted under the Award Agreement are not intended to qualify for specific tax and social security treatment pursuant to Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.

Foreign Assets/Account Reporting Information.

If you are a French resident and you hold securities (including Shares) or cash outside of France, you must declare all foreign bank and brokerage accounts (including the accounts that were opened and closed during the tax year) on an annual basis on a special form n°3916, together with your income tax return. If you fail to complete this reporting, you may be subject to penalties.

GERMANY*NOTIFICATIONS***Exchange Control Information.**

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank (Bundesbank). If you make or receive a payment in excess of this amount (including if you acquire Shares with a value in excess of this amount or sell Shares via a foreign broker, bank or service provider and receive proceeds in excess of this amount), you must report the payment to Bundesbank, either electronically using the “General Statistics Reporting Portal” (“*Allgemeines Meldeportal Statistik*”) available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

INDIA*TERMS AND CONDITIONS***Labor Law Acknowledgment.**

The PSUs and the Shares underlying the PSUs, and the income and value of same, are extraordinary items that are not part of your annual gross salary.

*NOTIFICATIONS***Exchange Control Information.**

You are required to repatriate the proceeds from the sale of Shares and any dividends received in relation to the Shares to India within the time frame prescribed under applicable Indian exchange control laws as may be amended from time to time. You must maintain the foreign inward remittance certificate received from the bank where the foreign currency is deposited in the event that the Reserve Bank of India or your employer requests proof of repatriation. It is your responsibility to comply with applicable exchange control laws in India.

Foreign Assets/Account Reporting Information.

If you are an Indian resident, you are required to report all bank accounts or investments (including the PSUs and any Shares) that you hold outside of India. You should consult with a personal tax advisor to ensure that you are properly complying with applicable reporting requirements.

INDONESIA*TERMS AND CONDITIONS***Language Consent and Notification.**

By accepting the PSUs, (i) you confirm having read and understood the documents relating to this grant which were provided in the English language, (ii) you accept the terms of those documents accordingly, and (iii) you agree that you will not challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Persetujuan dan Pemberitahuan Bahasa.

Dengan menerima pemberian Unit Saham Terbatas ini, Peserta (i) anda mengkonfirmasi bahwa anda telah membaca dan mengerti isi dokumen yang terkait dengan pemberian ini yang disediakan dalam Bahasa Inggris, (ii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) anda setuju bahwa anda tidak akan mengajukan

keberatan atas keberlakuan dokumen ini berdasarkan Undang-Undang No. 24 tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan atau Peraturan Presiden pelaksana (ketika diterbitkan).

NOTIFICATIONS

Exchange Control Information.

Indonesian residents must provide the Bank of Indonesia with information on foreign exchange activities in an online monthly report no later than the fifteenth day of the month following the activity. In addition, if you remit funds into Indonesia (e.g., proceeds from the sale of Shares), the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of Indonesia for statistical reporting purposes. For transactions of US\$10,000 or more, a more detailed description of the transaction must be included in the report and you may be required to provide information about the transaction (e.g., the relationship between you and the transferor of the funds, the source of the funds, etc.) to the bank in order for the bank to complete the report.

IRELAND

There are no country-specific provisions.

ITALY

TERMS AND CONDITIONS

Plan Document Acknowledgment.

By accepting the PSUs, you acknowledge that you have received a copy of the Plan and the Award Agreement, have reviewed each of these documents in their entirety and fully understand and accept all terms of such documents. In this regard, you acknowledge having read and specifically approve the following sections of the Award Agreement and this Appendix I, as applicable: (i) Vesting; (ii) Termination; (iii) Repayment/Forfeiture; (iv) Withholding Taxes; (v) No Guarantee of Continued Employment; (vi) Nature of Grant; (vii) Data Privacy; and (viii) Entire Agreement/Governing Law.

NOTIFICATIONS

Foreign Assets/Account Reporting Information.

Italian residents who, during the fiscal year, hold investments abroad or foreign financial assets (e.g., cash, Shares and PSUs) which may generate income taxable in Italy are required to report such on their annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due. The same reporting obligations apply to Italian residents who, even if they do not directly hold investments abroad or foreign financial assets (e.g., cash, Shares and PSUs), are beneficial owners of the investment pursuant to Italian money laundering provisions.

Tax on Foreign Financial Assets.

Italian residents may be subject to tax on the value of financial assets held outside of Italy. The taxable amount will be the fair market value of the financial assets, including Shares assessed at the end of the calendar year. If you are subject to this foreign financial assets tax, you will need to report the value of your financial assets held abroad in your annual tax return. You are encouraged to consult your personal legal advisor for additional information about the foreign financial assets tax.

JAPAN

NOTIFICATIONS

Exchange Control Information.

If you acquire Shares whose value exceeds ¥100 million in a single transaction, you must file a Report Concerning Acquisition Shares (“**Securities Acquisition Report**”) with the Ministry of Finance through the Bank of Japan within 20 days of acquiring the Shares. The forms to make these reports can be acquired from the Bank of Japan.

Foreign Assets/Account Reporting Information.

If you are a Japanese tax resident, you will be required to report details of any assets held outside of Japan as of December 31st (including any Shares or cash acquired under the Plan) to the extent such assets have a total net fair market value exceeding ¥50 million. Such report will be due by March 15th each year. You should consult with your personal tax advisor as to whether the reporting obligation applies to you and whether you will be required to include details of any outstanding Shares, RSUs or cash held by you in the report.

KOREA***NOTIFICATIONS*****Foreign Assets/Account Reporting Information.**

You must declare all of your foreign financial accounts (*i.e.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authorities and file a report with respect to such accounts if the value of such accounts exceeds KRW 500 million (or an equivalent amount in foreign currency) on any month-end date during the year.

LUXEMBOURG

There are no country-specific provisions.

MEXICO***TERMS AND CONDITIONS*****Modification.**

By accepting the PSUs, you understand and agree that any modification of the Plan or the Award Agreement or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

Policy Statement.

The Award of PSUs the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with offices at One PPG Place, Pittsburgh, Pennsylvania 15222, U.S.A. is solely responsible for the administration of the Plan and participation in the Plan and the acquisition of Shares does not, in any way, establish an employment relationship between you and the Company since you are participating in the Plan on a wholly commercial basis and the sole employer is Delimex de Mexico, S.A. de C.V., located at Monte Pelvoux #220, Piso 6, Col. Lomas de Chapultepec, Delegacion Miquel Hidalgo C.P. 11000 Mexico, nor does it establish any rights between you and the Company, its Subsidiaries or its Affiliates.

Plan Document Acknowledgment.

By accepting the PSUs, you acknowledge that you have received copies of the Plan, have reviewed the Plan and the Award Agreement in their entirety and fully understand and accept all provisions of the Plan and the Award Agreement.

In addition, by accepting the Award Agreement, you further acknowledge that you have read and specifically and expressly approve the terms and conditions in the Award Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and any Subsidiary or Affiliates are not responsible for any decrease in the value of the Shares underlying the PSUs.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Company for any compensation or damages as a result of your participation in the Plan and therefore grant a full and broad release to the Company and any Subsidiary or Affiliate with respect to any claim that may arise under the Plan.

TÉRMINOS Y CONDICIONES

Modificación.

Al aceptar esta PSUs, usted entiende y acuerda que cualquier modificación al Plan o al Contrato, o su terminación no constituirá un cambio o impedimento a los términos y condiciones de su empleo.

Declaración de Política.

El Otorgamiento de RSUs que la Compañía hace mediante el Plan, es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificarlo o descontinuarlo en cualquier momento, sin asumir ninguna responsabilidad.

La Compañía, con oficinas en One PPG Place, Pittsburgh, Pennsylvania 15222, U.S.A. es únicamente responsable de la administración del Plan y la participación en el Plan y la adquisición de Acciones no establece, en ninguna forma, una relación laboral entre usted y la Compañía, toda vez que usted está participando en el Plan en un plano completamente comercial y su único patrón es Delimex de Mexico, S.A. de C.V., ubicado en Monte Pelvoux #220, Piso 6, Col. Lomas de Chapultepec, Delegación Miguel Hidalgo C.P. 11000 México, y tampoco establece ningún derecho entre usted y la Compañía, sus Subsidiarias o Afiliadas.

Reconocimiento del Documento del Plan.

Al aceptar esta PSUs, usted reconoce que ha recibido copias de dicho Plan, ha revisado el Plan y el Contrato en su integridad y comprende y acepta plenamente todas las disposiciones del Plan y del Contrato.

Adicionalmente, al aceptar el Contrato, usted reconoce que ha leído y especifica y expresamente aprueba los términos y condiciones en el Contrato, en el cual se establece y describe claramente lo siguiente: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan, y su participación en él es ofrecido por la Compañía sobre una base plenamente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía y cualquier Subsidiaria o Afiliada no son responsables por cualquier disminución en el valor de las Acciones implícitas en las PSUs.

Finalmente, por medio del presente usted declara que no se reserva ninguna acción o derecho a presentar cualquier reclamo en contra de la Compañía por cualquier compensación o daño como resultado de su participación en el Plan y por lo tanto otorga la liberación más amplia que en derecho proceda a la Compañía y cualquier Subsidiaria o Afiliada con respecto a cualquier reclamo que pueda surgir en torno al Plan.

Securities Law Information.

The PSUs and Shares offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Award Agreement and any other document relating to the PSUs may not be publicly distributed in Mexico. These materials are addressed to you only because of your existing relationship with the Company and your employer and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of Delimex de Mexico, S.A. de C.V. made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

**Attention! This investment falls outside AFM supervision.
No prospectus required for this activity.**



NEW ZEALAND

NOTIFICATIONS

Securities Law Information.

WARNING - You are being offered PSUs (which, upon vesting in accordance with the terms of the grant of the PSUs, will be converted into Shares) in the Company. Shares give you a stake in the ownership of the Company. You may receive a return if dividends are paid. Shares are quoted on the Nasdaq. This means you may be able to sell them on the Nasdaq if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

In compliance with applicable New Zealand securities laws, you are entitled to receive, in electronic or other form and free of cost, copies of the Company's latest annual report, relevant financial statements and the auditor's report on said financial statements (if any).

Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

PANAMA**NOTIFICATIONS****Securities Law Information.**

The PSUs and the Shares to be issued upon vesting of PSUs are offered in a private transaction. This is not an offer to the public and the offer is not subject to the protections established by Panamanian securities laws.

PAPUA NEW GUINEA

There are no country-specific provisions.

POLAND**NOTIFICATIONS****Exchange Control Information.**

If you transfer funds in excess of a certain threshold (currently €15,000) into or out of Poland, the funds must be transferred via a Polish bank account or financial institution. You are required to retain the documents connected with a foreign exchange transaction for a period of five (5) years, as measured from the end of the year in which such transaction occurred.

Foreign Assets/Account Reporting Information.

Polish residents holding foreign securities (e.g., Shares) and/or maintaining accounts abroad must report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets possessed abroad) exceeds PLN 7 million. If required, the reports must be filed on a quarterly basis on special forms that are available on the website of the National Bank of Poland.

PUERTO RICO**NOTIFICATIONS****Securities Law Information.**

The offer of the Plan is subject exclusively to United States securities laws, including the United States Securities Exchange Act of 1934, as amended.

RUSSIA*TERMS AND CONDITIONS***U.S. Transaction.**

You understand that your acceptance of the PSUs results in a contract between you and the Company that is completed in the United States and that the Award Agreement is governed by the laws of the State of Delaware, without giving effect to the conflict of laws principles thereof. You are not permitted to sell the Shares directly to other Russian legal entities or individuals.

*NOTIFICATIONS***Securities Law Information.**

Your employer is not in any way involved with the offer of the PSUs or administration of the Plan. The Award Agreement, the Plan and all other materials you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of securities pursuant to the Plan has not and will not be registered in Russia; hence, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia. In no event will Shares issued upon vesting of the PSUs be delivered to you in Russia; all Shares will be maintained on your behalf in the United States of America.

Exchange Control Information.

You are responsible for complying with any applicable Russian exchange control regulations and rulings. Because Russian exchange control regulations and rulings change frequently and without notice, you should consult with a legal advisor to ensure compliance applicable to any aspect of your participation in the Plan, including the grant and vesting of the PSUs, issuance of any Shares at vesting, receipt of any proceeds from the sale of Shares and/or receipt of any payments in connection with any Dividend Equivalents or dividends.

Foreign Assets/Account Reporting Information.

Russian residents are required to notify Russian tax authorities within one (1) month of opening, closing or changing the details of a foreign account. Russian residents also are required to report (i) the beginning and ending balances in such a foreign bank account each year and (ii) transactions related to such a foreign account during the year to the Russian tax authorities, on or before June 1 of the following year. The tax authorities can require you to provide appropriate supporting documents related to transactions in a foreign bank account.

You also are required to submit an annual cash flow report for any offshore brokerage account, due by June 1 each year for the previous year. Starting with the reporting year 2021, in addition to the annual cash flow account, you are required to submit an annual financial asset report on any securities, *e.g.*, Shares, in an offshore brokerage account, due by June 1 each year for the previous year.

Anti-Corruption Notice.

Anti-corruption laws prohibit certain public servants, their spouses and their dependent children from owning any foreign source financial instruments (*e.g.*, shares of foreign companies such as the Company). Accordingly, you should inform the Company if you are covered by these laws because you should not hold Shares acquired under the Plan.

SINGAPORE*NOTIFICATIONS***Securities Law Information.**

The grant of the PSUs is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”), under which it is exempt from the prospectus and registration requirements under the SFA. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore and the grant of the PSUs is not made with a view to the PSUs or Shares being subsequently offered to another party. You should note that the PSUs are subject to section 257 of the SFA and you should not make any subsequent sale of

Shares in Singapore or any offer of such subsequent sale of Shares subject to the awards in Singapore, unless such sale or offer in is made: (i) more than six (6) months from the Grant Date or (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

Director Notification Requirement.

If you are a director, associate director or shadow director of the Company's Singapore Subsidiary or Affiliate, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore Subsidiary or Affiliate in writing when you receive an interest (e.g., PSUs, Shares) in the Company, a Subsidiary or Affiliate. In addition, you must notify the Singapore Subsidiary or Affiliate when you sell Shares (including when you sell Shares issued upon vesting and settlement of the PSUs). These notifications must be made within two (2) business days of acquiring or disposing of any interest in the Company or any Subsidiary or Affiliate. In addition, a notification of your interests in the Company, Subsidiary or Affiliate must be made within two (2) business days of becoming a director. If you are the chief executive officer ("CEO") of the Company's Singapore Subsidiary or Affiliate and the above notification requirements are determined to apply to the CEO of a Singapore subsidiary or affiliate, the above notification requirements also may apply.

SPAIN

TERMS AND CONDITIONS

Nature of Award.

The following provisions supplement the first paragraph of the *Nature of Grant* section of the *General Non-U.S. Terms and Conditions* section of this Appendix I:

By accepting the grant of the PSUs, you acknowledge that you consent to participation in the Plan and have received a copy of the Plan.

You understand that the Company has unilaterally, gratuitously and discretionally decided to grant PSUs under the Plan to individuals who may be employees of the Company's Subsidiaries or Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or its Subsidiaries or Affiliates on an ongoing basis except as provided in the Plan. Consequently, you understand that the PSUs are granted on the assumption and condition that the PSUs or the Shares acquired upon vesting shall not become a part of any employment contract with the Company and any of its Subsidiaries and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, you understand that this grant would not be made to you but for the assumptions and conditions referred to above; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the PSUs shall be null and void.

You understand and agree that, unless otherwise provided in the Award Agreement, the vesting and settlement of the PSUs is expressly conditioned on your continuous Service such that if your employment or rendering of Services terminates for any reason whatsoever, your PSUs will cease vesting immediately effective as of the date of such termination for any reason including, but not limited to, resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause (i.e., subject to a "despido improcedente"), individual or collective dismissal on objective grounds, whether adjudged or recognized to be with or without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, and/or Article 50 of the Workers' Statute, unilateral withdrawal by your employer and under Article 10.3 of the Royal Decree 1382/1985. Consequently, upon termination for any of the above reasons, you will automatically lose any rights to the PSUs granted to you that were unvested on the date of termination, as described in the Award Agreement.

*NOTIFICATIONS***Securities Law Information.**

The PSUs and the Shares issued pursuant to the vesting of the PSUs do not qualify under Spanish regulations as securities. No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory. The Award Agreement has not been nor will it be registered with the Comisión Nacional del Mercado de Valores and does not constitute a public offering prospectus.

Foreign Assets/Account Reporting Information.

If you are a Spanish resident and you hold 10% or more of the share capital of the Company or such other amount that would entitle you to join the Board of Directors, you must declare the acquisition, ownership and disposition of Shares to the Dirección General de Comercial e Inversiones (the “**DGCI**”) for statistical purposes. This declaration must be made in January for any Shares owned as of December 31 of the prior year by filing a form D-6 with the DGCI; however, if the value of the Shares being reported exceeds €1,502,530, the declaration must be filed within one (1) month of the acquisition or disposition of the Shares, as applicable. In addition, if you wish to import the ownership title of any Shares (*i.e.*, share certificates) into Spain, you must declare the importation of such securities to the DGCI.

You also are required to declare electronically to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including Shares) and any transactions with non-Spanish residents (including any payments of Shares made pursuant to the Plan) held in such accounts if the value of the transactions during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceeds €1,000,000.

To the extent that you hold rights or assets (*e.g.*, Shares acquired under the Plan or cash held in a bank or brokerage account) outside Spain with a value in excess of €50,000 per type of asset as of December 31 each year, you will be required to report information on such assets on your tax return (tax form 720) for such year. After such rights and/or assets are initially reported, the reporting obligation will apply for subsequent years only if the value of such right or asset increases by more than €20,000 or if you sell or otherwise dispose of previously reported rights or assets. The reporting must be completed by the following March 31.

You are solely responsible for complying with applicable reporting obligations. The laws are often complex and can change frequently. You should consult your personal legal and/or tax advisor to confirm the reporting requirements that will apply to you in connection with the Plan.

SWEDEN*TERMS AND CONDITIONS*

Authorization to Withhold. The following provisions supplement the *Withholding Taxes* section of the Award Agreement and the *General Non-U.S. Terms and Conditions* section of this Appendix I:

Without limiting the Company or your employer’s authority to satisfy their withholding obligations for Tax-Related Items as set forth in the *Withholding Taxes* section of the Award Agreement and the *General Non-U.S. Terms and Conditions* section of this Appendix I, you authorize the Company and your employer to withhold from the Shares or proceeds of the sale of Shares or any other amount otherwise deliverable to you upon the settlement of the PSUs to satisfy Tax-Related Items, regardless of whether the Company or your employer has an obligation to withhold such Tax-Related Items.

THAILAND*NOTIFICATIONS***Exchange Control Information.**

If you are a Thai resident and you receive funds in connection with the Plan (*e.g.*, dividends or sale proceeds) with a value equal to or greater than US\$1,000,000 per transaction, you are required to immediately repatriate such funds to Thailand. Any foreign currency repatriated to Thailand must be

converted to Thai Baht or deposited into a foreign currency deposit account opened with any commercial bank in Thailand acting as the authorized agent within 360 days from the date the funds are repatriated to Thailand. You are also required to inform the authorized agent of the details of the foreign currency transaction, including your identification information and the purpose of the transaction.

If you do not comply with the above obligations, you may be subject to penalties assessed by the Bank of Thailand. Because exchange control regulations change frequently and without notice, you should consult your legal advisor before selling any Shares (or receiving any other funds in connection with the Plan) to ensure compliance with current regulations. You are responsible for ensuring compliance with all exchange control laws in Thailand, and neither the Company nor your employer will be liable for any fines or penalties resulting from failure to comply with applicable laws.

TURKEY

NOTIFICATIONS

Securities Law Information.

You are permitted to sell Shares acquired under the Plan through the designated broker appointed under the Plan, if any, provided the sale of the Shares takes place outside of Turkey through the facilities of a stock exchange on which the Shares are listed (*i.e.*, Nasdaq).

Exchange Control Information.

Under Turkish law, Turkish residents are permitted to purchase and sell securities or derivatives traded on exchanges abroad only through a financial intermediary licensed in Turkey. Therefore, you may be required to appoint a Turkish broker to assist you with the sale of the Shares acquired under the Plan. You should consult your personal legal advisor before selling any Shares acquired under the Plan to confirm the applicability of this requirement to you.

UNITED ARAB EMIRATES

NOTIFICATIONS

Securities Law Information.

The Plan is being offered only to employees and is in the nature of providing equity incentives to employees of the Company or its Subsidiaries or Affiliates in the United Arab Emirates (“UAE”). Any documents related to the Plan, including the Plan, this Award Agreement, and other grant documents (“**Plan Documents**”), are intended for distribution only to such employees and must not be delivered to, or relied on by any other person. Prospective purchasers of the securities offered (*i.e.*, the PSUs) should conduct their own due diligence on the securities.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any Plan Documents nor has it taken steps to verify the information set out in them, and thus, is not responsible for such documents. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it and has no responsibility for it. If you do not understand the contents of the Plan Documents, you should consult an authorized financial advisor.

UNITED KINGDOM

TERMS & CONDITIONS

Taxes.

The following provisions supplement the *Withholding Taxes* section of the Award Agreement and the *General Non-U.S. Terms and Conditions* section of this Appendix I:

Without limitation to the *Withholding Taxes* section of the Award Agreement and the *General Non-U.S. Terms and Conditions* section of this Appendix I, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items as and when requested by the Company or your employer or by HM Revenue and Customs (“**HMRC**”) (or any other tax authority or any other relevant

authority). You also agree to indemnify and keep indemnified the Company and your employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are a director or executive officer (as within the meaning of the Act), the terms of the immediately foregoing provision will not apply. In the event that you are a director or executive officer and income tax due is not collected from or paid by you within ninety (90) days of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that you ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or your employer (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or your employer may obtain from you by any of the means referred to in the *Withholding Taxes* section of the Award Agreement and the *General Non-U.S. Terms and Conditions* section of this Appendix I.

**THE KRAFT HEINZ COMPANY
2020 OMNIBUS INCENTIVE PLAN**

2023 RESTRICTED STOCK UNIT AWARD AGREEMENT

Unless defined in this award agreement (together with all exhibits and appendices attached thereto, this “**Award Agreement**”), capitalized terms will have the same meanings ascribed to them in The Kraft Heinz Company 2020 Omnibus Incentive Plan (as may be amended from time to time, the “**Plan**”).

Subject to your acceptance of this Award Agreement, you are hereby being granted an award of Restricted Stock Units (the “**RSUs**”) as of the Grant Date set forth below (the “**Grant Date**”). Each RSU is a bookkeeping entry representing the right to receive one (1) share of The Kraft Heinz Company’s (the “**Company**”) common stock on the following terms and subject to the provisions of the Plan, which is incorporated herein by reference. In the event of a conflict between the provisions of the Plan and this Award Agreement, the provisions of the Plan will govern.

Number of RSUs:

Grant Date:

Vesting Date:

Seventy-Five Percent (75%) on 3-year anniversary of Grant Date; and remaining Twenty-five Percent (25%) on 4-year anniversary of Grant Date (subject to the terms of the Award Agreement).

By agreeing to this Award Agreement, you agree that the RSUs are granted under and governed by the terms and conditions of this Award Agreement (including, without limitation, the terms and conditions set forth on Exhibit A, the Restrictive Covenants Agreement attached as Exhibit B and the terms and conditions set forth on Appendix I) and the Plan.

THE KRAFT HEINZ COMPANY

EXHIBIT A
TERMS AND CONDITIONS OF THE
RESTRICTED STOCK UNITS

Vesting

The RSUs will vest on the “Vesting Date” set forth in this Award Agreement subject to your continued Service (including, for the avoidance of doubt, service as a consultant or advisor) with the Company or one of its Subsidiaries or Affiliates, except as otherwise set forth in the Plan or this Award Agreement (including, without limitation, the section below titled “Termination”). Prior to the vesting and settlement of the RSUs, you will not have any rights of a shareholder with respect to the RSUs or the Shares subject thereto.

Shares due to you upon vesting and settlement of the RSUs will be delivered in accordance with the provisions of the section below titled “Settlement of Vested RSUs.” However, no Shares will be delivered pursuant to the vesting of the RSUs prior to the fulfillment of all of the following conditions: (i) you have complied with your obligations under this Award Agreement and the Plan, (ii) the vesting of the RSUs and the delivery of such Shares complies with applicable law, (iii) full payment (or satisfactory provision therefor) of any Tax-Related Items (as defined below), (iv) the admission of the Shares to listing on all stock exchanges on which the Shares are then listed, (v) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission (the “**Commission**”) or other governmental regulatory body, which the Committee shall, in its sole and absolute discretion, deem necessary and advisable, or if the offering of the Shares is not so registered, a determination by the Company that the issuance of the Shares would be exempt from any such registration or qualification requirements, (vi) the obtaining of any approval or other clearance from any state, federal or foreign governmental agency that the Committee shall, in its absolute discretion, determine to be necessary or advisable and (vii) the lapse of any such reasonable period of time following the date the RSUs become payable as the Committee may from time to time establish for reasons of administrative convenience, subject to compliance with Section 409A of the Code.

Until such time as the Shares are delivered to you (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), you will have no right to vote or receive dividends or any other rights as a shareholder with respect to such Shares, notwithstanding the vesting of the RSUs.

Dividend Equivalents

If while the RSUs are outstanding the Board declares a cash dividend on the Company’s common stock, you will be entitled to Dividend Equivalents on the dividend payment date established by the Company equal to the cash dividends payable on the same number of Shares as the number of unvested RSUs subject to this award on the dividend record date established by the Company. Any such Dividend Equivalents will be in the form of additional RSUs, will be subject to the same terms and vesting dates as the underlying RSUs, and will be delivered at the same time and in the same manner as the underlying RSUs originally subject to this award. The number of additional RSUs credited as Dividend Equivalents on the dividend payment date will be determined by dividing (i) the product of (A) the number of your unvested RSUs as of the corresponding dividend record date (including any unvested Restricted Stock Units previously credited as a result of prior payments of Dividend Equivalents) and (B) the per-Share cash dividend paid on the dividend payment date, by (ii) the per-share Fair Market Value of the Shares on the dividend payment date, rounded up or down to the nearest whole RSU.

Termination

Effect of a Termination of Service on Vesting

Other than as set forth below, upon a termination of your Service for any reason prior to the Vesting Date, you will forfeit the RSUs, including any accrued Dividend Equivalents, without any consideration due to you.

If prior to the Vesting Date, but more than one (1) year after the Grant Date, the Company terminates your Service Without Cause (as defined below), the vesting of your RSUs (plus any Dividend Equivalents accrued with respect to such RSUs) shall accelerate upon such termination of Service as if 25% of the RSUs had vested on each annual anniversary of the Grant Date on which you provided Service. If prior to the Vesting Date your Service terminates by reason of your death or Disability (as defined below), your RSUs (plus any Dividend Equivalents accrued with respect to such RSUs) shall become fully vested upon such termination of Service. If prior to the Vesting Date, but more than one (1) year after the Grant Date, your Service terminates by reason of your Retirement (as defined below) your RSUs (plus any Dividend Equivalents accrued with respect to such RSUs) shall become fully vested upon such termination of Service.

For purposes of the RSUs, your Service will be considered terminated as of the date you are no longer actively providing Service to the Company or one of its Subsidiaries or Affiliates with no anticipated return to active Service (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any), and unless otherwise expressly provided in this Award Agreement or determined by the Company, your right to vest in the RSUs, if any, under the Plan will terminate as of such date and will not be extended by any notice period (e.g., your period of Service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any). The Committee shall have the exclusive discretion to determine when you are no longer actively providing Service for purposes of the RSUs (including whether you may still be considered to be providing Service while on a leave of absence).

Settlement of Vested RSUs

To the extent the RSUs become vested pursuant to the terms of this Award Agreement, the Company will issue and deliver to you, or, as applicable, your Beneficiary or the personal representative of your estate, the number of Shares equal to the number of vested RSUs. Such delivery of Shares will occur within the settlement period set forth in the table below, which will vary depending on the applicable vesting event.

<u>Vesting Event</u>	<u>Settlement Period</u>
Vesting Date	As soon as practicable and no later than 60 days following the Vesting Date
Termination of Service Without Cause	Within 60 days of your termination date*
Retirement	Within 60 days of your termination date*
Disability	Within 60 days of your termination date*
Death	Within 60 days of the date of death

*If you are subject to U.S. federal income tax and the RSUs constitute an item of non-qualified deferred compensation, within the meaning of Section 409A of the Code, that is not exempt from

Section 409A of the Code as a short-term deferral or otherwise, as determined by the Company (“**Deferred Compensation**”), settlement will occur within this period only if your termination of Service constitutes a “separation from service” within the meaning of Section 409A of the Code (“**Separation from Service**”); otherwise, settlement will occur in accordance with the original vesting schedule (i.e., as soon as practicable and no later than sixty (60) days following the Vesting Date).

Notwithstanding the foregoing, if you are subject to U.S. federal income tax and the Company determines that you are a “specified employee” within the meaning of Section 409A of the Code, any RSUs that are Deferred Compensation and are subject to settlement upon your Separation from Service will instead be settled on the date that is the first business day following the six (6) month anniversary of such Separation from Service, or, if earlier, upon your death, to the extent required pursuant to Section 409A of the Code to avoid additional taxes and penalties under Section 409A of the Code.

Applicable Definitions

All capitalized terms used in this Award Agreement without definition shall have the meanings ascribed in the Plan. For purposes of this Award Agreement, the following terms shall have the following meanings:

“**Disability**” means (i) a physical or mental condition entitling you to benefits under the long-term disability policy of the Company covering you or (ii) in the absence of any such policy, a physical or mental condition rendering you unable to perform your duties for the Company or any of its Subsidiaries or Affiliates for a period of six (6) consecutive months or longer; *provided* that if you are a party to an Employment Agreement at the time of termination of your Service and such Employment Agreement contains a different definition of “disability” (or any derivation thereof), the definition in such Employment Agreement will control for purposes of this Award Agreement.

“**Employment Agreement**” means an individual written employment agreement between you and the Company or any of its Affiliates, including an offer letter.

“**Retirement**” means a termination of Service by you on or after either (a) the later of (i) your 60th birthday and (ii) your completion of five years of Service with the Company, its Subsidiaries or its Affiliates; or (b) the later of (i) your 55th birthday and (ii) your completion of ten years of Service with the Company, its Subsidiaries or its Affiliates.

“**Without Cause**” means (i) a termination of your Service by the Company or its Subsidiaries or Affiliates other than for Cause (as defined in the Plan) and other than due to your death, Disability or Retirement or (ii) (A) if you are a party to an Employment Agreement, (B) such Employment Agreement is in effect upon the date of your termination of Service and (C) such Employment Agreement defines “Good Reason”, then “Without Cause” shall also include resignation of your Service for “Good Reason” in accordance with such Employment Agreement.

Special Termination Provisions

In the event that there is a conflict between the terms of this Award Agreement regarding the effect of a termination of your Service on the RSUs and the terms of any Employment Agreement, the terms of this Award Agreement will govern.

If you are terminated Without Cause or due to your resignation and, within the twelve (12) month period subsequent to such termination of your Service, the Company determines that your Service could

have been terminated for Cause, subject to anything to the contrary that may be contained in your Employment Agreement at the time of termination of your Service, your Service will, at the election of the Company, be deemed to have been terminated for Cause for purposes of this Award Agreement and the Plan, effective as of the date the events giving rise to Cause occurred and any consequences following from a termination for Cause shall be retroactively applied (including your obligation to repay gains that would not have been realized had your Service been terminated for Cause).

Effect of a Change in Control

The treatment of the RSUs upon a Change in Control shall be governed by the Plan, provided, however, that to the extent that the RSUs constitute Deferred Compensation, settlement of any portion of the RSUs that may vest in connection with a Change in Control will occur within sixty (60) days following the Vesting Date. In the event that there is a conflict between the terms of the Plan regarding the effect of a Change in Control on the RSUs and the terms of this Award Agreement or any Employment Agreement, the terms of the Plan will govern.

Restrictive Covenants

Your Service will provide you with specialized training and unique knowledge and access to confidential information and key business relationships, which, if used in competition with the Company, its Subsidiaries and/or its Affiliates, would cause harm to such entities. As such, in partial consideration of the RSUs granted under this Award Agreement, you agree to comply with the Company's Restrictive Covenants Agreement, attached (and incorporated into this Award Agreement) as Exhibit B. The restrictions and obligations contained in the Restrictive Covenants Agreement are in addition to any restrictions imposed by, or obligations you may have to, the Company, its Subsidiaries or Affiliates under any Employment Agreement or otherwise.

Taxes

You acknowledge that, regardless of any action the Company or your employer (the “**Employer**”) takes with respect to any or all income tax, social security or insurance, payroll tax, fringe benefits tax, payment on account or other tax-related withholding (“**Tax-Related Items**”), the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or its Subsidiaries or Affiliates (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSU grant or the underlying Shares, including but not limited to the grant, vesting or settlement of the RSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends or Dividend Equivalents and (ii) do not commit to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate your liability for Tax-Related Items.

Prior to vesting of the RSUs, you will pay or make adequate arrangements satisfactory to the Committee to satisfy all Tax-Related Items. In this regard, you authorize the withholding of all applicable Tax-Related Items legally payable by you from your wages or other cash compensation payable to you or from proceeds of the sale of Shares. Alternatively, or in addition, if permissible under local law, the Company may in its sole and absolute discretion (A) sell or arrange for the sale of Shares that you acquire to meet the obligation for Tax-Related Items, and/or (B) withhold the amount of Shares necessary to satisfy the minimum withholding amount, or to the extent permitted by applicable accounting principles, withhold Shares based on a rate of up to the maximum applicable withholding rate. Notwithstanding the foregoing, if you are subject to the short-swing profit rules of Section 16(b) of the Act, you may elect the form of withholding in advance of any Tax-Related Items withholding event, and in the absence of your election, the Company shall withhold the number of Shares having an aggregate value equal to the amount of Tax-

Related Items due upon the vesting of the RSUs, or the Committee may determine that a particular alternative method must be used to satisfy any withholding for Tax Related Items.

Further, the Company is authorized to satisfy the withholding for any or all Tax-Related Items arising from the granting, vesting, or payment of the RSUs or sale of Shares issued in settlement of the RSUs, as the case may be, by deducting the number of Shares having an aggregate value equal to the amount of the withholding due for any Tax-Related Items or otherwise becoming subject to current taxation. If the Company satisfies the Tax-Related Items obligation by withholding a number of Shares as described herein, for tax purposes, you shall be deemed to have been issued the full number of Shares due to you at vesting, notwithstanding that a number of Shares is held back solely for the purpose of such withholding.

Furthermore, the Company and/or the Employer are authorized to satisfy the withholding for any Tax-Related Items arising from the granting, vesting, or payment of this Award, or sale of Shares issued pursuant to the Award, as the case may be, by withholding from the Participant's wages, or other cash compensation paid to you by the Company and/or the Employer. In the event of over-withholding, you may receive a refund of any over-withheld amount in cash and will have no entitlement to the Share equivalent or if not refunded, you may seek a refund from the local tax authorities. In the event of under-withholding, you may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

Finally, you will pay to the Company and/or its Subsidiaries or Affiliates any amount of Tax-Related Items that the Company or its Subsidiaries or Affiliates may be required to withhold as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to deliver the Shares if you fail to comply with your obligations in connection with the Tax-Related Items as described in this section.

No Guarantee of Continued Service

You acknowledge and agree that the vesting of the RSUs on the Vesting Date (or such earlier date as set forth in the section above titled "Termination") is earned only by performing continuing Service (not through the act of being hired or being granted this Award). You further acknowledge and agree that this Award Agreement, the transactions contemplated hereunder and the Vesting Date shall not be construed as giving you the right to be retained in the employ of, or to continue to provide Service to, the Company, its Subsidiaries or any Affiliates. Further, the Company or the applicable Subsidiary may at any time dismiss you, free from any liability, or any claim under the Plan, unless otherwise expressly provided in any other agreement binding you, the Company or the applicable Subsidiary. The receipt of this Award is not intended to confer any rights on you except as set forth in this Award Agreement.

Company's Right of Offset

If you become entitled to a distribution of benefits under this Award, and if at such time you have any outstanding debt, obligation, or other liability representing an amount owing to the Company, its Subsidiaries or any of its Affiliates, then the Company, its Subsidiaries or its Affiliates, upon a determination by the Committee, and to the extent permitted by applicable law and it would not cause a violation of Section 409A of the Code, may offset such amount so owing against the amount of benefits otherwise distributable. Such determination shall be made by the Committee.

Acknowledgment of Nature of Award

In accepting the RSUs, you understand, acknowledge and agree that:

- a. the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan and this Award Agreement;
- b. the award of the RSUs is exceptional, voluntary, occasional and discretionary and does not create any contractual or other right to receive future RSU awards, or benefits in lieu of RSUs even if RSUs have been awarded in the past;
- c. all decisions with respect to future awards, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of the RSUs, the number of Shares subject to the RSUs, and the vesting provisions applicable to the RSUs;
- d. your participation in the Plan is voluntary;
- e. the RSUs are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or its Subsidiaries;
- f. the RSUs, any Shares acquired under the Plan, and the income and value of same are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, holiday pay, long-service awards, pension or retirement benefits or similar payments;
- g. the future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with certainty;
- h. unless otherwise agreed with the Company in writing, the RSUs, any Shares acquired under the Plan, and the income and value of same, are not granted as consideration for, or in connection with, any Service you may provide as a director of a Subsidiary or Affiliate;
- i. no claim or entitlement to compensation or damages, including pro-rated compensation or damages, shall arise from forfeiture of the RSU resulting from termination of your Service (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any), and in consideration of the grant of the RSU to which you are otherwise not entitled, you irrevocably agree never to institute any claim against the Company, any of its Subsidiaries or Affiliates, waive your ability, if any, to bring any such claim, and release the Company, and its Subsidiaries and Affiliates from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, you shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim; and
- j. the RSUs are subject to the terms of the Plan (including, without limitation, certain provisions regarding Adjustments, Repurchases and Transfers).

Securities Laws

By accepting the RSUs, you acknowledge that U.S. federal, state or foreign securities laws and/or the Company's policies regarding trading in its securities may limit or restrict your right to buy or sell

Shares, including, without limitation, sales of Shares acquired in connection with the RSUs. You agree to comply with such securities law requirements and Company policies, as such laws and policies are amended from time to time.

Data Privacy

a. **Data Collection and Usage.** *The Company collects, processes and uses personal data about you, including but not limited to, your name, home address and telephone number, email address, date of birth, social insurance number, employee identification number, hire date, termination date, gross earnings, tax rate, account identification number for the independent stock plan service provider account, any shares of stock or directorships held in the Company, details of all RSUs or any other entitlement to shares or equivalent benefits awarded, canceled, exercised, vested, unvested or outstanding in your favor, which the Company receives from you or the Employer (“Data”) for the purposes of implementing, administering and managing the Plan. The Company will only use your personal data where expressly permitted by law. Generally, the Company will use your personal data in the following circumstances:*

- *When needed to execute a contract that the Company is going to formalize or that the Company has formalized with you.*
- *Where necessary for the Company’s legitimate interests (or those of a third party), provided that the fundamental interests or rights that assist you do not prevail over our interests or those of that third party.*
- *When the Company needs it to comply with any legal or regulatory obligation.*

b. **Stock Plan Administration Service Providers.** *The Company may transfer Data to one or more independent stock plan service providers, which may assist the Company with the implementation, administration and management of the Plan. Such service provider(s) may open an account for you or ask you to receive and trade shares of common stock. You may be asked to acknowledge, or agree to, separate terms and data processing practices with the service provider(s) with such agreement being a condition of participation in the Plan. Please review these terms and data processing practices carefully. If you do not agree to the independent stock plan service provider’s terms and/or data processing practices, you will not be able to participate in the Plan.*

c. **International Data Transfers.** *Please note that Data processed in connection with the Plan will be transferred from your country to the United States, where the Company and its service providers are based. Your country or jurisdiction may have different data privacy laws and protections than the United States. The Company will ensure that appropriate measures are in place for compliance with applicable data protection laws in relation to transfer of Data to the United States.*

d. **Data Retention.** *The Company has a legal duty to keep various records and records need to be held for different periods of time, depending on their contents. The Company will use your personal data only as long as necessary to implement, administer and manage your participation in the Plan and as required to comply with legal or regulatory obligations, including under tax and securities laws. The Company will therefore keep your personal data for as long as needed in connection with those obligations. The Company will not keep your personal data for longer than data protection law allows.*

e. **Data Subject Rights.** *You understand that you may have a number of rights under data privacy laws in your jurisdiction. Depending on where you are based, such rights may include the right to (i) request access or copies of personal data processed by the Company, (ii) rectification of incorrect data, (iii) deletion of personal data, (iv) restrictions on processing of personal data, (v) portability of personal data, (vi) lodge complaints with competent data protection authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of your personal data.*

To receive clarification regarding these rights or to exercise these rights, you can contact the Company's Data Privacy Team at gdpr@kraftheinz.com.

Limits on Transferability; Beneficiaries

The RSUs shall not be pledged, hypothecated or otherwise encumbered or subject to any lien, obligation or liability to any party, or Transferred, otherwise than by your will or the laws of descent and distribution or to a Beneficiary upon your death. A Beneficiary or other person claiming any rights under this Award Agreement shall be subject to all terms and conditions of the Plan and this Award Agreement, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee.

No Transfer to any executor or administrator of your estate or to any Beneficiary by will or the laws of descent and distribution of any rights in respect of the RSUs shall be effective to bind the Company unless the Committee shall have been furnished with (i) written notice thereof and with a copy of the will and/or such evidence as the Committee may deem necessary to establish the validity of the Transfer and (ii) the written agreement of the Transferee to comply with the terms and conditions of this Award Agreement, to the extent applicable, as determined by the Company.

Repayment/Forfeiture

As an additional condition of receiving the RSUs and without prejudice to the terms of the Company's Restrictive Covenants Agreement (attached as Exhibit B), you agree that the RSUs and any proceeds or other benefits you may receive hereunder shall be subject to forfeiture and/or repayment to the Company (i) under the terms of the Company's Clawback Policy, as may be amended from time to time (and such requirements shall be deemed incorporated into this Award Agreement without your consent) or (ii) to comply with any requirements imposed under applicable laws and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, including, without limitation, pursuant to Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Section 10D of the Act and Rule 10D-1 thereunder. Further, if you receive any amount in excess of what you should have received under the terms of the RSUs for any reason (including without limitation by reason of a financial restatement, mistake in calculations or administrative error), all as determined by the Committee, then you shall be required to promptly repay any such excess amount to the Company.

Section 409A

It is intended that the RSUs awarded pursuant to this Award Agreement be exempt from or compliant with Section 409A of the Code ("Section 409A") and the Award Agreement shall be interpreted, construed and operated to reflect this intent. Notwithstanding the foregoing, this Award Agreement and the Plan may be amended at any time, without the consent of any party, to the extent that is necessary or desirable to exempt the RSUs from Section 409A or satisfy any of the requirements under Section 409A, but the Company shall not be under any obligation to make any such amendment. Further, the Company, its Subsidiaries and Affiliates do not make any representation to you that the RSUs awarded pursuant to this Award Agreement shall be exempt from or satisfy the requirements of Section 409A, and the Company, its Subsidiaries and Affiliates shall have no liability or other obligation to indemnify or hold harmless you or any Beneficiary, Transferee or other party for any tax, additional tax, interest or penalties that you or any Beneficiary, Transferee or other party may incur in the event that any provision of this Award Agreement, or any amendment or modification thereof or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A.

Entire Agreement; Modification

The Plan, this Award Agreement and, to the extent applicable, your Employment Agreement or any separation agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings, representations and agreements (whether oral or written) of the Company, its Subsidiaries and/or Affiliates and you with respect to the subject matter hereof. This Award Agreement may not be modified in a manner that adversely affects your rights heretofore granted under the Plan, except with your consent or to comply with applicable law or to the extent permitted under other provisions of the Plan.

Governing Law; Jurisdiction; Waiver of Jury Trial

This Award Agreement (together with all exhibits and appendices attached thereto) is governed by the laws of the State of Delaware, without regard to its principles of conflict of laws, and any disputes shall be settled in accordance with the Plan.

To the extent not prohibited by applicable law, each of the parties hereto waives any right it may have to trial by jury in respect of any litigation based on, arising out of, under or in connection with this Award Agreement (together with all exhibits and appendices attached thereto) or the Plan.

Electronic Signatures and Delivery and Acceptance

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan, including this Award Agreement, by electronic means or request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. The Award Agreement if delivered by electronic means with electronic signatures shall be treated in all manner and respects as an original executed document and shall be considered to have the same binding legal effect as if it were the original signed versions thereof delivered in person.

Agreement Severable

This Award Agreement shall be enforceable to the fullest extent allowed by law. In the event that any provision of this Award Agreement is determined to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, then that provision shall be reduced, modified or otherwise conformed to the relevant law, judgment or determination to the degree necessary to render it valid and enforceable without affecting the validity, legality or enforceability of any other provision of this Award Agreement or the validity, legality or enforceability of such provision in any other jurisdiction. Any provision of this Award Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be deemed severable from the remainder of this Award Agreement, and the remaining provisions contained in this Award Agreement shall be construed to preserve to the maximum permissible extent the intent and purposes of this Award Agreement.

Interpretation

The Committee shall have the right to resolve all questions that may arise in connection with the Award or this Award Agreement, including whether you are actively employed. Any interpretation, determination or other action made or taken by the Committee regarding the Plan or this Award Agreement shall be final, binding and conclusive. This Award Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any person or persons who shall acquire any rights hereunder in accordance with this Award Agreement or the Plan.

Language

If you have received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Acknowledgments

By signing this Award Agreement, you acknowledge receipt of a copy of the Plan and represent that you are familiar with the terms and conditions of the Plan, and hereby accept the RSUs subject to all provisions in this Award Agreement and in the Plan. You hereby agree to accept as final, conclusive and binding all decisions or interpretations of the Committee upon any questions arising under the Plan or this Award Agreement.

Appendix I

Notwithstanding any provision in this Award Agreement, if you work or reside outside the U.S., the RSUs shall be subject to the general non-U.S. terms and conditions and the additional terms and conditions for your country set forth in Appendix I. Moreover, if you relocate from the U.S. to one of the countries included in Appendix I or you move between countries included in Appendix I, the general non-U.S. terms and conditions and the additional terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix I constitutes part of this Award Agreement.

EXHIBIT B

RESTRICTIVE COVENANTS AGREEMENT

*I understand that I am or will be an employee to or other service-provider of The Kraft Heinz Company and/or its Subsidiaries and/or its Affiliates (collectively the “**Company**”) and will learn and have access to the Company’s confidential, trade secret and proprietary information and key business relationships. I understand that the products and services that the Company develops, provides and markets are unique. Further, I know that my promises in this Restrictive Covenants Agreement (the “**Agreement**”) are an important way for the Company to protect its proprietary interests and that The Kraft Heinz Company would not have granted me Restricted Stock Units (the “**RSUs**”) or other equity grants unless I made such promises.*

*In addition to other good and valuable consideration, I am expressly being given RSUs or other equity grants in exchange for my agreeing to the terms of this Award Agreement. In consideration of the foregoing, I (the “**Executive**”) agree as follows:*

- 1. NON-DISCLOSURE OF CONFIDENTIAL INFORMATION.** During the course of Executive’s Service, Executive will have access to Confidential Information. For purposes of this Award Agreement, “**Confidential Information**” means all data, information, ideas, concepts, discoveries, trade secrets, inventions (whether or not patentable or reduced to practice), innovations, improvements, know-how, developments, techniques, methods, processes, treatments, drawings, sketches, specifications, designs, plans, patterns, models, plans and strategies, and all other confidential or proprietary information or trade secrets in any form or medium (whether merely remembered or embodied in a tangible or intangible form or medium) whether now or hereafter existing, relating to or arising from the past, current or potential business, activities and/or operations of the Company, including, without limitation, any such information relating to or concerning finances, sales, marketing, advertising, transition, promotions, pricing, personnel, customers, suppliers, vendors, raw partners and/or competitors of the Company. Executive agrees that Executive shall not, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of Executive’s assigned duties and for the benefit of the Company, either during the period of Executive’s Service or at any time thereafter, any Confidential Information or other confidential or proprietary information received from third parties subject to a duty on the Company’s part to maintain the confidentiality of such information, and to use such information only for certain limited purposes, in each case, which shall have been obtained by Executive during Executive’s Service. The foregoing shall not apply to information that (i) was known to the public prior to its disclosure to Executive; (ii) becomes generally known to the public subsequent to disclosure to Executive through no wrongful act of Executive or any representative of Executive; or (iii) Executive is required to disclose by applicable law, regulation or legal process (provided that, to the extent permitted by law, Executive provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information).

Pursuant to the U.S. Defend Trade Secrets Act of 2016, Executive shall not be held criminally, or civilly, liable under any Federal or State Trade secret law for the disclosure of a trade secret that is made in confidence either directly or indirectly to a Federal, State, or local government official, or an attorney, for the sole purpose of reporting, or investigating, a violation of law. Moreover, Executive may disclose trade secrets in a complaint, or other document, filed in a lawsuit, or other proceeding, if such filing is made under seal. Finally, if Executive files a lawsuit alleging retaliation by the Company for reporting a suspected violation of the law, Executive may disclose the trade secret to Executive’s attorney and use the trade secret in the court proceeding, if Executive files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. No Company policies or practices, including this Non-Disclosure of Confidential Information provision, is intended to or shall limit, prevent, impede or interfere in any way with Executive’s right, without prior notice to the Company, to provide information to the government, participate in investigations, testify in proceedings regarding the Company’s past or future conduct, or engage in any activities protected under whistle blower statutes. Nothing in this Non-Disclosure of Confidential

Information provision prohibits Executive from: (i) filing and, as provided for under Section 21F of the Act, maintaining the confidentiality of a claim with the Commission; (ii) providing the Commission with information that would otherwise violate this provision, to the extent permitted by Section 21F of the Act; (iii) cooperating, participating or assisting in a Commission investigation or proceeding without notifying the Company; or (iv) receiving a monetary award as set forth in Section 21F of the Act.

2. **NON-COMPETITION.** Executive acknowledges that (i) Executive performs services of a unique nature for the Company that are irreplaceable, and that Executive's performance of such services to a competing business will result in irreparable harm to the Company, (ii) Executive has had and will continue to have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company, (iii) in the course of Executive's employment by or service to a competitor, Executive would inevitably use or disclose such Confidential Information, (iv) the Company has substantial relationships with its customers and Executive has had and will continue to have access to these customers, (v) Executive has received and will receive specialized training from the Company, and (vi) Executive has generated and will continue to generate goodwill for the Company in the course of Executive's Service. Accordingly, during Executive's Service and for twelve (12) months following a termination of Executive's Service for any reason (the "**Restricted Period**"), Executive will not engage in any business activities, directly or indirectly (whether as an employee, consultant, officer, director, partner, joint venturer, manager, member, principal, agent, or independent contractor, individually, in concert with others, or in any other manner) within the same line or lines of business for which the Executive performed services for the Company and in a capacity that is similar to the capacity in which the Executive was employed by the Company with any person or entity that competes with the Company in the consumer packaged food and beverage industry ("**Competitive Business**") anywhere within the same geographic territory(ies) for which the Executive performed services for the Company (the "**Restricted Territory**"). Notwithstanding the foregoing, nothing herein shall prohibit Executive from being a passive owner of not more than three percent (3%) of the equity securities of a publicly traded corporation engaged in a business that is in competition with the Company, so long as Executive has no active participation in the business of such corporation.
3. **NON-SOLICITATION.** During the Restricted Period, Executive agrees that Executive shall not, except in the furtherance of Executive's duties to the Company, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, solicit, aid, induce, assist in the solicitation of, or accept any business (other than on behalf of the Company) from, any customer or potential customer of the Company to purchase goods or services then sold by the Company from another person, firm, corporation or other entity or, directly or indirectly, in any way request, suggest or advise any such customer to withdraw or cancel any of their business or refuse to continue to do business with the Company. This restriction shall apply to customers or potential customers who, during the two (2) years immediately preceding the Executive's termination, had been assigned to the Executive by the Company, or with which the Executive had contact on behalf of the Company while an Executive of the Company, or about which the Executive had access to Confidential Information by virtue of Executive's employment with the Company.
4. **NON-INTERFERENCE.** During the Restricted Period, Executive agrees that Executive shall not, except in the furtherance of Executive's duties to the Company, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, (A) solicit, aid or induce any employee, representative or agent of the Company to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent, or (B) interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company and its vendors, suppliers or customers. As used herein, the term "solicit, aid or induce" includes, but is not limited to, (i) initiating communications with a Company employee relating to possible employment, (ii) offering bonuses or other compensation to encourage a Company employee to terminate his or her employment with the Company and accept employment with any entity, (iii) recommending a

Company employee to any entity, and (iv) aiding an entity in recruitment of a Company employee. An employee, representative or agent shall be deemed covered by this Section 4 while so employed or retained and for a period of six (6) months thereafter.

5. NON-DISPARAGEMENT. Executive agrees not to make negative comments or otherwise disparage the Company or its officers, directors, employees, shareholders, agents or products or services. The foregoing shall not be violated by truthful statements made in (a) response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings) or (b) the good faith performance of Executive's duties to the Company.

6. INVENTIONS.

a. Executive acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, methods, works of authorship and other work product ("**Inventions**"), whether patentable or unpatentable, (A) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company resources and/or within the scope of Executive's work with the Company or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company, and that are made or conceived by Executive, solely or jointly with others, during Executive's Service, or (B) suggested by any work that Executive performs in connection with the Company, either while performing Executive's duties with the Company or on Executive's own time, but only insofar as the Inventions are related to Executive's work as an employee or other service provider to the Company, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon. Executive will keep full and complete written records (the "**Records**"), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and Executive will surrender them upon the termination of Service, or upon the Company's request. Executive irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to Executive's Service, together with the right to file, in Executive's name or in the name of the Company (or its designee), applications for patents and equivalent rights (the "**Applications**"). Executive will, at any time during and subsequent to Executive's Service, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company's rights in the Inventions, all without additional compensation to Executive from the Company. Executive will also execute assignments to the Company (or its designee) of the Applications and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company's benefit, all without additional compensation to Executive from the Company, but entirely at the Company's expense.

b. In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company and Executive agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to Executive. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, Executive hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of Executive's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions,

known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, Executive hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that Executive has any rights in the results and proceeds of Executive's service to the Company that cannot be assigned in the manner described herein, Executive agrees to unconditionally waive the enforcement of such rights. Executive hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to Executive's benefit by virtue of Executive being an employee of or other service provider to the Company.

7. **RETURN OF COMPANY PROPERTY.** On the date of Executive's termination of Service with the Company for any reason (or at any time prior thereto at the Company's request), Executive shall return all property belonging to the Company (including, but not limited to, any Company-provided laptops, computers, cell phones, wireless electronic mail devices or other equipment, or documents and property belonging to the Company).
8. **REASONABLENESS OF COVENANTS.** In signing this Award Agreement, including by electronic means, Executive gives the Company assurance that Executive has carefully read and considered all of the terms and conditions of this Award Agreement, including the restraints imposed by it. Executive agrees that these restraints are necessary for the reasonable and proper protection of the Company and its Confidential Information and that each and every one of the restraints is reasonable in respect to subject matter, length of time and geographic area, and that these restraints, individually or in the aggregate, will not prevent Executive from obtaining other suitable employment during the period in which Executive is bound by the restraints. Executive acknowledges that each of these covenants has a unique, very substantial and immeasurable value to the Company and that Executive has sufficient assets and skills to provide a livelihood while such covenants remain in force. Executive further covenants that Executive will not challenge the reasonableness or enforceability of any of the covenants set forth in this Award Agreement, and that Executive will reimburse the Company for all costs (including reasonable attorneys' fees) incurred in connection with any action to enforce any of the provisions of this Award Agreement if either the Company prevails on any material issue involved in such dispute or if Executive challenges the reasonableness or enforceability of any of the provisions of this Award Agreement. **It is also agreed that the "Company" as used in this Award Agreement refers to each of the Company's Subsidiaries and Affiliates and that each of the Company's**

Subsidiaries and Affiliates will have the right to enforce all of Executive's obligations to that Subsidiary or Affiliate under this Award Agreement, as applicable, subject to any limitation or restriction on such rights of the Subsidiary or Affiliate under applicable law.

- 9. REFORMATION.** If it is determined by a court of competent jurisdiction in any state or country that any restriction in this Award Agreement is excessive in duration or scope or is unreasonable or unenforceable under applicable law, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by the laws of that state or country.
- 10. REMEDIES.** Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of this Award Agreement would be inadequate and, in recognition of this fact, Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond or other security, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available, without the necessity of showing actual monetary damages, in addition to any other equitable relief (including without limitation an accounting and/or disgorgement) and/or any other damages as a matter of law.
- 11. REPURCHASE.** Executive acknowledges and agrees that a breach of this Award Agreement would constitute a "Covenant Breach" as such term is used in the Plan and therefore, in the event of a Covenant Breach, Executive's RSU and the Shares issued therefor (as such terms are defined in the Plan) shall be subject to repurchase by The Kraft Heinz Company in accordance with the terms of the Plan.
- 12. TOLLING.** In the event of any violation of the provisions of this Award Agreement, Executive acknowledges and agrees that the post-termination restrictions contained in this Award Agreement shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.
- 13. SURVIVAL OF PROVISIONS.** The obligations contained in this Award Agreement hereof shall survive the termination or expiration of the Executive's Service with the Company and shall be fully enforceable thereafter.
- 14. VENUE, PERSONAL JURISDICTION, AND COVENANT NOT TO SUE.** Executive expressly agrees to submit to the exclusive jurisdiction and exclusive venue of courts located in the State of Delaware in connection with any litigation which may be brought with respect to a dispute between the Company and Executive in relation to this Restrictive Covenants Agreement, regardless of where Executive resides or where Executive performs services for the Company. Executive hereby irrevocably waives Executive's rights, if any, to have any disputes between the Company and Executive related to this Restrictive Covenants Agreement decided in any jurisdiction or venue other than a court in the State of Delaware. Executive hereby waives, to the fullest extent permitted by applicable law, any objection which Executive now or hereafter may have to personal jurisdiction or to the laying of venue of any such suit, action or proceeding, and Executive agrees not to plead or claim the same. Executive further irrevocably covenants not to sue the Company related to this Restrictive Covenants Agreement in any jurisdiction or venue other than a court in the State of Delaware. All matters relating to the interpretation, construction, application, validity, and enforcement of this Award Agreement, and any disputes or controversies arising hereunder, will be governed by the laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule, whether of the State of Delaware or any other jurisdiction, that would cause the application of laws of any jurisdiction other than the State of Delaware.

APPENDIX I**ADDITIONAL TERMS AND CONDITIONS OF
THE KRAFT HEINZ COMPANY
2020 OMNIBUS INCENTIVE PLAN****RESTRICTED STOCK AWARD AGREEMENT FOR NON-U.S. PARTICIPANTS*****TERMS AND CONDITIONS***

This Appendix I includes additional terms and conditions that govern the Restricted Stock Units (referred to herein as RSUs) granted to you under the Plan if you work or reside outside the U.S. and/or in one of the countries listed below. These terms and conditions are in addition to, or if so indicated, in place of the terms and conditions set forth in the Award Agreement. Certain capitalized terms used but not defined in this Appendix I have the meanings set forth in the Plan and/or the Award Agreement.

If you are a citizen or resident of a country other than the one in which you are currently working, transfer employment and/or residency to another country after the RSUs are granted to you, or are considered a resident of another country for local law purposes, the terms and conditions contained herein may not be applicable to you, and the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply to you.

NOTIFICATIONS

This Appendix I also includes information regarding exchange controls and certain other issues of which you should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of January 2023. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you not rely on the information in this Appendix I as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you vest in the RSUs or sell Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of a particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Finally, if you are a citizen or resident of a country other than the one in which you are currently working, transfer employment and/or residency after the RSUs are granted or are considered a resident of another country for local law purposes, the notifications contained herein may not be applicable to you in the same manner.

GENERAL NON-U.S. TERMS AND CONDITIONS**TERMS AND CONDITIONS**

The following terms and conditions apply to you if you are located outside of the U.S.

Entire Agreement.

The following provision supplements the entire Award Agreement, generally:

If you are located outside the U.S., in no event will any aspect of the RSUs be determined in accordance with your Employment Agreement (or other Service contract). The terms and conditions of the RSUs will be solely determined in accordance with the provisions of the Plan and the Award Agreement, including this Appendix I, which supersede and replace any prior agreement, either written or verbal (including your Employment Agreement, if applicable) in relation to the RSUs.

Vesting.

If you are resident or employed outside of the United States, the Company may, in its sole discretion, settle the RSUs in the form of a cash payment to the extent settlement in Shares: (i) is prohibited under local law, (ii) would require you, the Company or one of its Subsidiaries or Affiliates to obtain the approval of any governmental or regulatory body in your country of residence (or your country of employment, if different), (iii) would result in adverse tax consequences for you, the Company or one of its Subsidiaries or Affiliates, or (iv) is administratively burdensome. Alternatively, the Company may, in its sole discretion settle the RSUs in the form of Shares but require you to sell such Shares immediately or within a specified period following your termination of Service (in which case, this Award Agreement shall give the Company the authority to issue sales instructions on your behalf).

Termination.

The following provision supplements the Termination section of the Award Agreement, provided, however, that for purposes of the section of the Award Agreement titled Settlement of Vested RSUs, if you are subject to U.S. federal income tax and the RSUs constitute Deferred Compensation, your termination of Service date will be the date of your Separation from Service:

Notwithstanding the provisions governing the treatment of the RSUs upon termination due to Retirement set forth in the Termination section of the Award Agreement, if the Company receives an opinion of counsel that there has been a legal judgment and/or legal development in a particular jurisdiction that would likely result in the treatment in case of a termination due to Retirement as set forth in the Award Agreement being deemed unlawful and/or discriminatory, then the Company will not apply the provisions for termination due to Retirement at the time you cease to provide Service and the RSUs will be treated as it would under the rules that apply if your Service ends for resignation.

Termination for Cause.

The implications upon a termination for Cause as set forth in the Award Agreement and Plan shall only be enforced, to the extent deemed permissible under applicable local law, as determined in the sole discretion of the Committee.

Taxes.

The following provisions supplement the Taxes section of the Award Agreement:

You acknowledge that your liability for Tax-Related Items may exceed the amount, if any, withheld by the Company, its Subsidiaries and/or its Affiliates (as applicable).

If you have become subject to tax in more than one jurisdiction, you acknowledge that the Company, its Subsidiaries and Affiliates may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates in your jurisdiction(s). If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested RSUs, notwithstanding that a number of Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan.

Limits on Transferability; Beneficiaries.

The following provision supplements the Limits on Transferability; Beneficiaries section of the Award Agreement:

If you are located outside the U.S., the RSUs may not be Transferred to a designated Beneficiary and may only be Transferred upon your death to your legal heirs in accordance with applicable laws of descent and distribution. In no case may the RSUs be Transferred to another individual during your lifetime.

Acknowledgment of Nature of Award.

The following provisions supplement the Acknowledgment of Nature of Award section of the Award Agreement:

You acknowledge the following with respect to the RSUs:

- a. The RSUs, any Shares acquired under the Plan, and the income and value of same, are not intended to replace any pension rights or compensation.
- b. In no event should the RSUs, any Shares acquired under the Plan, and the income and value of same, be considered as compensation for, or relating in any way to, past services for the Company, its Subsidiaries or any Affiliate.
- c. The RSUs, any Shares acquired under the Plan and the income and value of same are not part of normal or expected compensation or salary for any purpose.
- d. Neither the Company, its Subsidiaries nor any Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to you pursuant to vesting of the RSUs or the subsequent sale of any Shares acquired upon vesting.

Not a Public Offering in Non-U.S. Jurisdictions.

If you are resident or employed outside of the United States, neither the grant of the RSUs under the Plan nor the issuance of the underlying Shares upon vesting of the RSUs is intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filings to the local securities authorities in jurisdictions outside of the United States unless otherwise required under local law.

Language Consent.

If you are in a country where English is not an official language, you acknowledge that you are sufficiently proficient in English to understand the terms and conditions of this Award Agreement or have had the ability to consult with an advisor who is sufficiently proficient in the English language. You further

acknowledge and agree that it is your express intent that this Award Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the RSUs, be drawn up in English.

Insider Trading and Market Abuse Laws.

You may be subject to insider trading restrictions and/or market abuse laws based on the exchange on which the Shares are listed and in applicable jurisdictions including the United States and your country or your broker's country, if different, which may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares or rights linked to the value of Shares under the Plan during such times as you are considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (a) disclosing the inside information to any third party and (b) "tipping" third parties or causing them otherwise to buy or sell securities (third parties include fellow employees). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you should speak to your personal advisor on this matter.

Foreign Asset/Account, Exchange Control and Tax Reporting.

You may be subject to foreign asset/account, exchange control and/or tax reporting requirements as a result of the acquisition, holding and/or transfer of Shares or cash (including dividends, dividend equivalents and the proceeds arising from the sale of Shares) derived from your participation in the Plan, to and/or from a brokerage/bank account or legal entity located outside your country. The applicable laws of your country may require that you report such accounts, assets, the balances therein, the value thereof and/or the transactions related thereto to the applicable authorities in such country. You acknowledge that you are responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting requirements and should consult your personal legal advisor on this matter.

No Advice Regarding Award.

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You understand and acknowledge that you should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

Imposition of Other Requirements.

The Company reserves the right to impose other requirements on your participation in the Plan, on the RSUs and on any Shares acquired upon vesting of the RSUs, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Waiver.

You acknowledge that a waiver by the Company for breach of any provision of the Award Agreement shall not operate or be construed as a waiver of any other provision of the Award Agreement, or of any subsequent breach of the Award Agreement.

COUNTRY-SPECIFIC TERMS AND CONDITIONS/NOTIFICATIONS**AUSTRALIA***NOTIFICATIONS***Securities Law Information.**

This offer is being made under Division 1A, Part 7.12 of the Corporations Act 2001 (Cth). Please note that if an Australian resident offers the Shares acquired under Plan for sale to a person or entity resident in Australia, the offer may be subject to disclosure requirements under Australian law. You are solely responsible for obtaining legal advice on your disclosure obligations prior to making any such offer.

Deferred Taxation.

Subdivision 83A-C of the Income Tax Assessment Act, 1997, applies to RSUs granted under the Plan, such that the RSUs are intended to be subject to deferred taxation.

BELGIUM*NOTIFICATIONS***Foreign Assets/Account Reporting Information.**

If you are a resident of Belgium, you will be required to report any security (*e.g.*, Shares acquired under the Plan) or bank account (including brokerage accounts) established outside of Belgium on your annual tax return. In a separate report, you will be required to provide the National Bank of Belgium with details regarding such foreign accounts (including the account number, bank name and country in which any such account was opened). The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium (www.nbb.be) under the caption *Kredietcentrales / Centrales des crédits*.

BRAZIL*TERMS AND CONDITIONS***Compliance with Law.**

By accepting the RSUs you acknowledge that you agree to comply with applicable Brazilian laws and pay any and all applicable taxes legally due by you associated with the vesting of the RSUs, the receipt of any dividends and/or Dividend Equivalents, and the sale of Shares acquired or issued under the Plan. You further agree that, for all legal purposes, (i) the benefits provided to you under the Plan are the result of commercial transactions unrelated to your employment or Service relationship, (ii) the Plan is not a part of the terms and conditions of your employment or Service relationship, and (iii) the income from the Award, if any, is not part of your remuneration from employment or Service.

*NOTIFICATIONS***Exchange Control Information.**

If you are resident or domiciled in Brazil, you will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$1,000,000. Assets and rights that must be reported include Shares.

CANADA*TERMS AND CONDITIONS***Plan Document Acknowledgment.**

In accepting the grant of RSUs, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Award Agreement in their entirety and fully understand and accept all provisions of the Plan and the Award Agreement.

Payout of RSUs in Shares Only.

Pursuant to its discretion under the *Settlement of Vested RSUs* section of the Award Agreement, with respect to all employees residing in Canada, the Company will convert all vested RSUs only into an equivalent number of Shares. If you reside in Canada (or in the event of your death, your legal representative or estate) you will not receive an equivalent or fractional Share cash payment with respect to the vested RSUs.

Termination.

The following provision replaces the last paragraph of the *Termination* section of the Award Agreement:

In the event of your termination of Service (whether or not later found to be invalid or unlawful for any reason, including for breaching employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any), unless provided otherwise by the Company: (i) your right to vest in the RSUs (if any) will terminate effective, as of the earlier of (1) the date you receive notice of termination, or (2) the date you are no longer providing Service regardless of any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under local law. You will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which your right to vest terminates, nor will you be entitled to any compensation for lost vesting, in all cases, regardless of any notice period or period of pay in lieu of such notice required under applicable Canadian employment laws (including, but not limited to statutory law, regulatory law and/or common law). Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the RSUs under the Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting.

The following terms and conditions apply if you are a resident of Quebec:**Language Consent.**

A French translation of the Plan and the Award Agreement will be made available to you as soon as reasonably practicable. You understand that, from time to time, additional information related to the offering of the Plan might be provided in English and such information may not be immediately available in French. However, upon request, the Company will translate into French documents related to the offering of the Plan as soon as reasonably practicable.

Consentement Linguistique. Une traduction française du Plan et de l'Accord ("Award Agreement") sera mise à la disposition du vous dès que raisonnablement possible. Vous comprenez que, de temps à autre, des informations supplémentaires liées à l'offre du Plan peuvent être fournies en anglais et que ces informations peuvent ne pas être immédiatement disponibles en français. Cependant, sur demande, la Société traduira en français les documents relatifs à l'offre du Plan dès que raisonnablement possible.

NOTIFICATIONS

Securities Law Information.

You are permitted to sell Shares acquired under the Plan through the designated broker appointed under the Plan, if any, provided the sale of the Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (*i.e.*, Nasdaq).

Foreign Assets/Account Reporting Information.

Canadian residents are required to report any specified foreign property (including Shares and RSUs) on form T1135 (Foreign Income Verification Statement) if the total cost of such specified foreign property exceeds C\$100,000 at any time in the year. The form must be filed by April 30 of the following year. Specified foreign property includes Shares acquired under the Plan and may include the RSUs. The RSUs must be reported - generally at a nil cost - if the C\$100,000 cost threshold is exceeded because of other foreign property you hold. If Shares are acquired, their cost generally is the adjusted cost base (“ACB”) of the Shares. The ACB would normally equal the fair market value of the Shares at vesting, but if you own other shares, this ACB may have to be averaged with the ACB of the other shares. You should speak with a personal tax advisor to determine the scope of foreign property that must be considered for purposes of this requirement.

CHILE

NOTIFICATIONS

Securities Law Information.

The private offering of the RSUs starts on the Grant Date and is made subject to general ruling n° 336 of the Chilean Commission for the Financial Market (“CMF”). This offer refers to securities not registered at the securities registry or at the foreign securities registry of the CMF, and therefore such securities are not subject to its oversight. Given that these securities are not registered in Chile, there is no obligation from the issuer to provide public information on them in Chile. These securities cannot be subject to public offering in Chile while they are not registered at the corresponding securities registry in Chile.

CHINA

TERMS AND CONDITIONS

The following provisions apply if you are subject to the exchange control regulations or restrictions in the People’s Republic of China (“China”), as determined by the Company in its sole discretion:

Vesting and Mandatory Sale Restriction.

The following provisions replace the *Vesting*, *Termination* and *Settlement of Vested RSUs* sections of the Award Agreement:

Notwithstanding anything to the contrary in the Award Agreement, due to legal restrictions in China, you agree that the Company may force the sale of any Shares (i) immediately upon vesting, (ii) following the termination of your Service, (iii) following your transfer to another Subsidiary or Affiliate outside of China, or (iv) within any other timeframe the Company determines to be necessary or advisable. You agree that you must maintain any Shares acquired under the Plan in an account at a broker designated by the Company (“**Designated Account**”). All Shares deposited in the Designated Account cannot be transferred out of that Designated Account. Within six (6) months after the termination of your Service for any reason (or such other period as determined by the Company in its sole discretion), you must sell all Shares acquired under the Plan. The Company will direct the automatic sale of any such Shares remaining in the Designated

Account at the expiration of this six (6) month period (or such other period as determined by the Company in its sole discretion).

You agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such Shares (on your behalf pursuant to this authorization) and you expressly authorize the Company's designated broker to complete the sale of such Shares. You acknowledge that the Company's designated broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the Company agrees to pay you the cash proceeds from the sale, less any brokerage fees or commissions and subject to any obligation to satisfy Tax-Related Items. You agree that if you sell Shares that you acquire under the Plan, the repatriation requirements described below shall apply.

If you transfer to a Subsidiary or an Affiliate in China or transfer from an Affiliate or Subsidiary in China to another Affiliate outside of China, you may become or remain subject to the requirements set forth in this Appendix I, as determined by the Company in its sole discretion. The Company reserves the right to suspend your participation in the Plan or take such other measures as it deems necessary or advisable to comply with local regulations.

Exchange Control Restriction.

You understand and agree that, due to exchange control laws in China, you will be required to immediately repatriate to China any cash proceeds acquired under the Plan. You further understand that, under local law, such repatriation of the cash proceeds may need to be effected through a special exchange control account established by the Company or any Subsidiary or Affiliate of the Company and you hereby consent and agree that the cash proceeds may be transferred to such special account prior to being delivered to you. Further, if the proceeds from your participation in the Plan are converted to local currency, you acknowledge that the Company (including its Subsidiaries and Affiliates) is under no obligation to secure any currency conversion rate and may face delays in converting the proceeds to local currency due to exchange control restrictions in China. You agree to bear the risk of any currency conversion rate fluctuation between the date that your proceeds are delivered to such special exchange control account and the date of conversion of the proceeds to local currency.

You further agree to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

COSTA RICA

There are no country-specific provisions.

EGYPT

NOTIFICATIONS

Exchange Control Information.

If you transfer funds into Egypt in connection with the remittance of proceeds from the vesting of the RSUs, sale of Shares or the receipt of any dividends and/or Dividend Equivalents, you are required to transfer the funds through a bank registered in Egypt.

FRANCE*TERMS AND CONDITIONS***Language Consent.**

By accepting the RSUs, you confirm having read and understood the documents relating to the grant of the RSUs (the Plan and the Award Agreement), which were provided in the English language, and you accept the terms of such documents accordingly.

Consentement relatif à la langue.

En acceptant l'RSUs, vous confirmez ainsi avoir lu et compris les documents relatifs à l'attribution de l'RSUs (le Plan et le Contrat d'Attribution) qui vous ont été communiqués en langue anglaise, et vous en acceptez les termes et conditions en connaissance de cause.

*NOTIFICATIONS***Award not Tax-Qualified.**

The RSUs granted under the Award Agreement are not intended to qualify for specific tax and social security treatment pursuant to Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.

Foreign Assets/Account Reporting Information.

If you are a French resident and you hold securities (including Shares) or cash outside of France, you must declare all foreign bank and brokerage accounts (including the accounts that were opened and closed during the tax year) on an annual basis on a special form n°3916, together with your income tax return. If you fail to complete this reporting, you may be subject to penalties.

GERMANY*NOTIFICATIONS***Exchange Control Information.**

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank (Bundesbank). If you make or receive a payment in excess of this amount (including if you acquire Shares with a value in excess of this amount or sell Shares via a foreign broker, bank or service provider and receive proceeds in excess of this amount), you must report the payment to Bundesbank, either electronically using the “General Statistics Reporting Portal” (“*Allgemeines Meldeportal Statistik*”) available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

INDIA*TERMS AND CONDITIONS***Labor Law Acknowledgment.**

The RSUs and the Shares underlying the RSUs, and the income and value of same, are extraordinary items that are not part of your annual gross salary.

NOTIFICATIONS

Exchange Control Information.

You are required to repatriate the proceeds from the sale of Shares and any dividends received in relation to the Shares to India within the time frame prescribed under applicable Indian exchange control laws as may be amended from time to time. You must maintain the foreign inward remittance certificate received from the bank where the foreign currency is deposited in the event that the Reserve Bank of India or your employer requests proof of repatriation. It is your responsibility to comply with applicable exchange control laws in India.

Foreign Assets/Account Reporting Information.

If you are an Indian resident, you are required to report all bank accounts or investments (including the RSUs and any Shares) that you hold outside of India. You should consult with a personal tax advisor to ensure that you are properly complying with applicable reporting requirements.

INDONESIA

NOTIFICATIONS

Language Consent and Notification.

By accepting the RSUs, (i) you confirm having read and understood the documents relating to this grant which were provided in the English language, (ii) you accept the terms of those documents accordingly, and (iii) you agree that you will not challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Persetujuan dan Pemberitahuan Bahasa.

Dengan menerima pemberian Unit Saham Terbatas ini, Peserta (i) anda mengkonfirmasi bahwa anda telah membaca dan mengerti isi dokumen yang terkait dengan pemberian ini yang disediakan dalam Bahasa Inggris, (ii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) anda setuju bahwa anda tidak akan mengajukan keberatan atas keberlakuan dokumen ini berdasarkan Undang-Undang No. 24 tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan atau Peraturan Presiden pelaksana (ketika diterbitkan).

Exchange Control Information.

Indonesian residents must provide the Bank of Indonesia with information on foreign exchange activities in an online monthly report no later than the fifteenth day of the month following the activity. In addition, if you remit funds into Indonesia (e.g., proceeds from the sale of Shares), the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of Indonesia for statistical reporting purposes. For transactions of US\$10,000 or more, a more detailed description of the transaction must be included in the report and you may be required to provide information about the transaction (e.g., the relationship between you and the transferor of the funds, the source of the funds, etc.) to the bank in order for the bank to complete the report.

IRELAND

There are no country-specific provisions.

ITALY

TERMS AND CONDITIONS

Plan Document Acknowledgment.

By accepting the RSUs, you acknowledge that you have received a copy of the Plan and the Award Agreement, have reviewed each of these documents in their entirety and fully understand and accept all terms of such documents. In this regard, you acknowledge having read and specifically approve the following sections of the Award Agreement and this Appendix I, as applicable: (i) *Vesting*; (ii) *Termination*; (iii) *Settlement of Vested RSUs*; (iv) *Taxes*; (v) *No Guarantee of Continued Service*; (vi) *Acknowledgment of Nature of Award*; (vii) *Data Privacy*; and (viii) *Governing Law; Jurisdiction; Waiver of Jury Trial*.

NOTIFICATIONS

Foreign Assets/Account Reporting Information.

Italian residents who, during the fiscal year, hold investments abroad or foreign financial assets (*e.g.*, cash, Shares and RSUs) which may generate income taxable in Italy are required to report such on their annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due. The same reporting obligations apply to Italian residents who, even if they do not directly hold investments abroad or foreign financial assets (*e.g.*, cash, Shares and RSUs), are beneficial owners of the investment pursuant to Italian money laundering provisions.

Tax on Foreign Financial Assets.

Italian residents may be subject to tax on the value of financial assets held outside of Italy. The taxable amount will be the fair market value of the financial assets, including Shares assessed at the end of the calendar year. If you are subject to this foreign financial assets tax, you will need to report the value of your financial assets held abroad in your annual tax return. You are encouraged to consult your personal legal advisor for additional information about the foreign financial assets tax.

JAPAN

NOTIFICATIONS

Exchange Control Information.

If you acquire Shares whose value exceeds ¥100 million in a single transaction, you must file a Report Concerning Acquisition Shares (“**Securities Acquisition Report**”) with the Ministry of Finance through the Bank of Japan within 20 days of acquiring the Shares. The forms to make these reports can be acquired from the Bank of Japan.

Foreign Assets/Account Reporting Information.

If you are a Japanese tax resident, you will be required to report details of any assets held outside of Japan as of December 31st (including any Shares or cash acquired under the Plan) to the extent such assets have a total net fair market value exceeding ¥50 million. Such report will be due by March 15th each year. You should consult with your personal tax advisor as to whether the reporting obligation applies to you and whether you will be required to include details of any outstanding Shares, RSUs or cash held by you in the report.

KOREA*NOTIFICATIONS***Foreign Assets/Account Reporting Information.**

You must declare all of your foreign financial accounts (*i.e.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authorities and file a report with respect to such accounts if the value of such accounts exceeds KRW 500 million (or an equivalent amount in foreign currency) on any month-end date during the year.

LUXEMBOURG

There are no country-specific provisions.

MEXICO*TERMS AND CONDITIONS***No Entitlement or Claims for Compensation.**

These provisions supplement the *Acknowledgment of Nature of Award* section of the Award Agreement including this Appendix I:

Modification.

By accepting the RSUs, you understand and agree that any modification of the Plan or the Award Agreement or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

Policy Statement.

The Award of RSUs the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with offices at One PPG Place, Pittsburgh, Pennsylvania 15222, U.S.A. is solely responsible for the administration of the Plan and participation in the Plan and the acquisition of Shares does not, in any way, establish an employment relationship between you and the Company since you are participating in the Plan on a wholly commercial basis and the sole employer is Delimex de Mexico, S.A. de C.V., located at Monte Pelvoux #220, Piso 6, Col. Lomas de Chapultepec, Delegacion Miquel Hidalgo C.P. 11000 Mexico, nor does it establish any rights between you and the Company, its Subsidiaries or its Affiliates.

Plan Document Acknowledgment.

By accepting the RSUs, you acknowledge that you have received copies of the Plan, have reviewed the Plan and the Award Agreement in their entirety and fully understand and accept all provisions of the Plan and the Award Agreement.

In addition, by accepting the Award Agreement, you further acknowledge that you have read and specifically and expressly approve the terms and conditions in the Award Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) the Company and any Subsidiary or Affiliates are not responsible for any decrease in the value of the Shares underlying the RSUs.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Company for any compensation or damages as a result of your participation in the Plan and therefore grant a full and broad release to the Company and any Subsidiary or Affiliate with respect to any claim that may arise under the Plan.

TÉRMINOS Y CONDICIONES

No existirá derecho o demanda por daños y perjuicios.

Estas disposiciones son complementarias de la sección de Reconocimiento de la Naturaleza del Contrato, incluyendo el presente Apéndice I:

Modificación.

Al aceptar esta RSUs, usted entiende y acuerda que cualquier modificación al Plan o al Contrato, o su terminación no constituirá un cambio o impedimento a los términos y condiciones de su empleo.

Declaración de Política.

El Otorgamiento de RSUs que la Compañía hace mediante el Plan, es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificarlo o discontinuarlo en cualquier momento, sin asumir ninguna responsabilidad.

La Compañía, con oficinas en One PPG Place, Pittsburgh, Pennsylvania 15222, U.S.A. es únicamente responsable de la administración del Plan y la participación en el Plan y la adquisición de Acciones no establece, en ninguna forma, una relación laboral entre usted y la Compañía, toda vez que usted está participando en el Plan en un plano completamente comercial y su único patrón es Delimex de Mexico, S.A. de C.V., ubicado en Monte Pelvoux #220, Piso 6, Col. Lomas de Chapultepec, Delegación Miquel Hidalgo C.P. 11000 México, y tampoco establece ningún derecho entre usted y la Compañía, sus Subsidiarias o Afiliadas.

Reconocimiento del Documento del Plan.

Al aceptar esta RSUs, usted reconoce que ha recibido copias de dicho Plan, ha revisado el Plan y el Contrato en su integridad y comprende y acepta plenamente todas las disposiciones del Plan y del Contrato.

Adicionalmente, al aceptar el Contrato, usted reconoce que ha leído y especifica y expresamente aprueba los términos y condiciones en el Contrato, en el cual se establece y describe claramente lo siguiente: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan, y su participación en él es ofrecido por la Compañía sobre una base plenamente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía y cualquier Subsidiaria o Afiliada no son responsables por cualquier disminución en el valor de las Acciones implícitas en las RSUs.

Finalmente, por medio del presente usted declara que no se reserva ninguna acción o derecho a presentar cualquier reclamo en contra de la Compañía por cualquier compensación o daño como resultado de su participación en el Plan y por lo tanto otorga la liberación más amplia que en derecho proceda a la Compañía y cualquier Subsidiaria o Afiliada con respecto a cualquier reclamo que pueda surgir en torno al Plan.

Securities Law Information.

The RSUs and Shares offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Award Agreement and any other document relating to the RSUs may not be publicly distributed in Mexico. These materials are addressed to you only because of

your existing relationship with the Company and your employer and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of Delimex de Mexico, S.A. de C.V. made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

**Attention! This investment falls outside AFM supervision.
No prospectus required for this activity.**



NEW ZEALAND

NOTIFICATIONS

Securities Law Information.

WARNING - You are being offered RSUs (which, upon vesting in accordance with the terms of the grant of the RSUs, will be converted into Shares) in the Company. Shares give you a stake in the ownership of the Company. You may receive a return if dividends are paid. Shares are quoted on the Nasdaq. This means you may be able to sell them on the Nasdaq if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

In compliance with applicable New Zealand securities laws, you are entitled to receive, in electronic or other form and free of cost, copies of the Company's latest annual report, relevant financial statements and the auditor's report on said financial statements (if any).

Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

PANAMA

NOTIFICATIONS

Securities Law Information.

The RSUs and the Shares to be issued upon vesting of RSUs are offered in a private transaction. This is not an offer to the public and the offer is not subject to the protections established by Panamanian securities laws.

PAPUA NEW GUINEA

There are no country-specific provisions.

POLAND*NOTIFICATIONS***Exchange Control Information.**

If you transfer funds in excess of a certain threshold (currently €15,000) into or out of Poland, the funds must be transferred via a Polish bank account or financial institution. You are required to retain the documents connected with a foreign exchange transaction for a period of five (5) years, as measured from the end of the year in which such transaction occurred.

Foreign Assets/Account Reporting Information.

Polish residents holding foreign securities (e.g., Shares) and/or maintaining accounts abroad must report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets possessed abroad) exceeds PLN 7 million. If required, the reports must be filed on a quarterly basis on special forms that are available on the website of the National Bank of Poland.

PUERTO RICO*NOTIFICATIONS***Securities Law Information.**

The offer of the Plan is subject exclusively to United States securities laws, including the United States Securities Exchange Act of 1934, as amended.

RUSSIA*TERMS AND CONDITIONS***U.S. Transaction.**

You understand that your acceptance of the RSUs results in a contract between you and the Company that is completed in the United States and that the Award Agreement is governed by the laws of the State of Delaware, without giving effect to the conflict of laws principles thereof. You are not permitted to sell the Shares directly to other Russian legal entities or individuals.

*NOTIFICATIONS***Securities Law Information.**

Your employer is not in any way involved with the offer of the RSUs or administration of the Plan. The Award Agreement, the Plan and all other materials you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of securities pursuant to the Plan has not and will not be registered in Russia; hence, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia. In no event will Shares issued upon vesting of the RSUs be delivered to you in Russia; all Shares will be maintained on your behalf in the United States of America.

Exchange Control Information.

You are responsible for complying with any applicable Russian exchange control regulations and rulings. Because Russian exchange control regulations and rulings change frequently and without notice, you should consult with a legal advisor to ensure compliance applicable to any aspect of your participation in the Plan,

including the grant and vesting of the RSUs, issuance of any Shares at vesting, receipt of any proceeds from the sale of Shares and/or receipt of any payments in connection with any Dividend Equivalents or dividends.

Foreign Assets/Account Reporting Information.

Russian residents are required to notify Russian tax authorities within one (1) month of opening, closing or changing the details of a foreign account. Russian residents also are required to report (i) the beginning and ending balances in such a foreign bank account each year and (ii) transactions related to such a foreign account during the year to the Russian tax authorities, on or before June 1 of the following year. The tax authorities can require you to provide appropriate supporting documents related to transactions in a foreign bank account.

You also are required to submit an annual cash flow report for any offshore brokerage account, due by June 1 each year for the previous year. Starting with the reporting year 2021, in addition to the annual cash flow account, you are required to submit an annual financial asset report on any securities, *e.g.*, Shares, in an offshore brokerage account, due by June 1 each year for the previous year.

Anti-Corruption Notice.

Anti-corruption laws prohibit certain public servants, their spouses and their dependent children from owning any foreign source financial instruments (*e.g.*, shares of foreign companies such as the Company). Accordingly, you should inform the Company if you are covered by these laws because you should not hold Shares acquired under the Plan.

SINGAPORE

NOTIFICATIONS

Securities Law Information.

The grant of the RSUs is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”), under which it is exempt from the prospectus and registration requirements under the SFA. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore and the grant of the RSUs is not made with a view to the RSUs or Shares being subsequently offered to another party. You should note that the RSUs are subject to section 257 of the SFA and you should not make any subsequent sale of Shares in Singapore or any offer of such subsequent sale of Shares subject to the awards in Singapore, unless such sale or offer is made: (i) more than six (6) months from the Grant Date or (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

Director Notification Requirement.

If you are a director, associate director or shadow director of the Company’s Singapore Subsidiary or Affiliate, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore Subsidiary or Affiliate in writing when you receive an interest (*e.g.*, RSUs, Shares) in the Company, a Subsidiary or Affiliate. In addition, you must notify the Singapore Subsidiary or Affiliate when you sell Shares (including when you sell Shares issued upon vesting and settlement of the RSUs). These notifications must be made within two (2) business days of acquiring or disposing of any interest in the Company or any Subsidiary or Affiliate. In addition, a notification of your interests in the Company, Subsidiary or Affiliate must be made within two (2) business days of becoming a director. If you are the chief executive officer (“CEO”) of the Company’s Singapore Subsidiary or Affiliate and the above notification requirements are determined to apply to the CEO of a Singapore subsidiary or affiliate, the above notification requirements also may apply.

SPAIN**TERMS AND CONDITIONS****Acknowledgment of Nature of Award.**

The following provisions supplement the first paragraph of the *Acknowledgment of Nature of Award* section of the *General Non-U.S. Terms and Conditions* section of this Appendix I:

By accepting the grant of the RSUs, you acknowledge that you consent to participation in the Plan and have received a copy of the Plan.

You understand that the Company has unilaterally, gratuitously and discretionally decided to grant RSUs under the Plan to individuals who may be employees of the Company's Subsidiaries or Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or its Subsidiaries or Affiliates on an ongoing basis except as provided in the Plan. Consequently, you understand that the RSUs are granted on the assumption and condition that the RSUs or the Shares acquired upon vesting shall not become a part of any employment contract with the Company and any of its Subsidiaries and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, you understand that this grant would not be made to you but for the assumptions and conditions referred to above; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the RSUs shall be null and void.

You understand and agree that, unless otherwise provided in the Award Agreement, the vesting and settlement of the RSUs is expressly conditioned on your continuous Service such that if your employment or rendering of Services terminates for any reason whatsoever, your RSUs will cease vesting immediately effective as of the date of such termination for any reason including, but not limited to, resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause (*i.e.*, subject to a "despido improcedente"), individual or collective dismissal on objective grounds, whether adjudged or recognized to be with or without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, and/or Article 50 of the Workers' Statute, unilateral withdrawal by your employer and under Article 10.3 of the Royal Decree 1382/1985. Consequently, upon termination for any of the above reasons, you will automatically lose any rights to the RSUs granted to you that were unvested on the date of termination, as described in the Award Agreement.

NOTIFICATIONS**Securities Law Information.**

The RSUs and the Shares issued pursuant to the vesting of the RSUs do not qualify under Spanish regulations as securities. No "offer of securities to the public," as defined under Spanish law, has taken place or will take place in the Spanish territory. The Award Agreement has not been nor will it be registered with the Comisión Nacional del Mercado de Valores and does not constitute a public offering prospectus.

Foreign Assets/Account Reporting Information.

If you are a Spanish resident and you hold 10% or more of the share capital of the Company or such other amount that would entitle you to join the Board of Directors, you must declare the acquisition, ownership and disposition of Shares to the Dirección General de Comercial e Inversiones (the "DGCI") for statistical purposes. This declaration must be made in January for any Shares owned as of December 31 of the prior year by filing a form D-6 with the DGCI; however, if the value of the Shares being reported exceeds

€1,502,530, the declaration must be filed within one (1) month of the acquisition or disposition of the Shares, as applicable. In addition, if you wish to import the ownership title of any Shares (*i.e.*, share certificates) into Spain, you must declare the importation of such securities to the DGCI.

You also are required to declare electronically to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including Shares) and any transactions with non-Spanish residents (including any payments of Shares made pursuant to the Plan) held in such accounts if the value of the transactions during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceeds €1,000,000.

To the extent that you hold rights or assets (*e.g.*, Shares acquired under the Plan or cash held in a bank or brokerage account) outside Spain with a value in excess of €50,000 per type of asset as of December 31 each year, you will be required to report information on such assets on your tax return (tax form 720) for such year. After such rights and/or assets are initially reported, the reporting obligation will apply for subsequent years only if the value of such right or asset increases by more than €20,000 or if you sell or otherwise dispose of previously reported rights or assets. The reporting must be completed by the following March 31.

You are solely responsible for complying with applicable reporting obligations. The laws are often complex and can change frequently. You should consult your personal legal and/or tax advisor to confirm the reporting requirements that will apply to you in connection with the Plan.

SWEDEN

TERMS AND CONDITIONS

Authorization to Withhold. The following provisions supplement the *Taxes* section of the Award Agreement and the *General Non-U.S. Terms and Conditions* section of this Appendix I:

Without limiting the Company or your employer's authority to satisfy their withholding obligations for Tax-Related Items as set forth in the *Taxes* section of the Award Agreement and the *General Non-U.S. Terms and Conditions* section of this Appendix I, you authorize the Company and your employer to withhold from the Shares or proceeds of the sale of Shares or any other amount otherwise deliverable to you upon the settlement of the RSUs to satisfy Tax-Related Items, regardless of whether the Company or your employer has an obligation to withhold such Tax-Related Items.

THAILAND

NOTIFICATIONS

Exchange Control Information.

If you are a Thai resident and you receive funds in connection with the Plan (*e.g.*, dividends or sale proceeds) with a value equal to or greater than US\$1,000,000 per transaction, you are required to immediately repatriate such funds to Thailand. Any foreign currency repatriated to Thailand must be converted to Thai Baht or deposited into a foreign currency deposit account opened with any commercial bank in Thailand acting as the authorized agent within 360 days from the date the funds are repatriated to Thailand. You are also required to inform the authorized agent of the details of the foreign currency transaction, including your identification information and the purpose of the transaction.

If you do not comply with the above obligations, you may be subject to penalties assessed by the Bank of Thailand. Because exchange control regulations change frequently and without notice, you should consult

your legal advisor before selling any Shares (or receiving any other funds in connection with the Plan) to ensure compliance with current regulations. You are responsible for ensuring compliance with all exchange control laws in Thailand, and neither the Company nor your employer will be liable for any fines or penalties resulting from failure to comply with applicable laws.

TURKEY

NOTIFICATIONS

Securities Law Information.

You are permitted to sell Shares acquired under the Plan through the designated broker appointed under the Plan, if any, provided the sale of the Shares takes place outside of Turkey through the facilities of a stock exchange on which the Shares are listed (*i.e.*, Nasdaq).

Exchange Control Information.

Under Turkish law, Turkish residents are permitted to purchase and sell securities or derivatives traded on exchanges abroad only through a financial intermediary licensed in Turkey. Therefore, you may be required to appoint a Turkish broker to assist you with the sale of the Shares acquired under the Plan. You should consult your personal legal advisor before selling any Shares acquired under the Plan to confirm the applicability of this requirement to you.

UNITED ARAB EMIRATES

NOTIFICATIONS

Securities Law Information.

The Plan is being offered only to employees and is in the nature of providing equity incentives to employees of the Company or its Subsidiaries or Affiliates in the United Arab Emirates (“UAE”). Any documents related to the Plan, including the Plan, this Award Agreement, and other grant documents (“**Plan Documents**”), are intended for distribution only to such employees and must not be delivered to, or relied on by any other person. Prospective purchasers of the securities offered (*i.e.*, the RSUs) should conduct their own due diligence on the securities.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any Plan Documents nor has it taken steps to verify the information set out in them, and thus, is not responsible for such documents. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it and has no responsibility for it. If you do not understand the contents of the Plan Documents, you should consult an authorized financial advisor.

UNITED KINGDOM

TERMS & CONDITIONS

Taxes.

The following provisions supplement the *Taxes* section of the Award Agreement and the *General Non-U.S. Terms and Conditions* section of this Appendix I:

Without limitation to the *Taxes* section of the Award Agreement and the *General Non-U.S. Terms and Conditions* section of this Appendix I, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items as and when requested by the Company or your employer or

by HM Revenue and Customs (“**HMRC**”) (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and your employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are a director or executive officer (as within the meaning of the Act), the terms of the immediately foregoing provision will not apply. In the event that you are a director or executive officer and income tax due is not collected from or paid by you within ninety (90) days of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that you ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or your employer (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or your employer may obtain from you by any of the means referred to in the *Taxes* section of the Award Agreement and the *General Non-U.S. Terms and Conditions* section of this Appendix I.

**THE KRAFT HEINZ COMPANY
2020 OMNIBUS INCENTIVE PLAN**

2023 MATCHING RESTRICTED STOCK UNIT AWARD AGREEMENT

Unless defined in this award agreement (together with all exhibits and appendices attached thereto, this “**Award Agreement**”), capitalized terms will have the same meanings ascribed to them in The Kraft Heinz Company 2020 Omnibus Incentive Plan (as may be amended from time to time, the “**Plan**”).

Subject to your acceptance of this Award Agreement, you are hereby being granted an award of Restricted Stock Units (the “**RSUs**”) as of the Grant Date set forth below (the “**Grant Date**”). The RSUs are granted in connection with your purchase of Shares in the Company’s 2023 Bonus Investment Plan (formerly the Bonus Swap Program) (the “**Related Shares**”). Each RSU is a bookkeeping entry representing the right to receive one (1) share of The Kraft Heinz Company’s (the “**Company**”) common stock on the following terms and subject to the provisions of the Plan, which is incorporated herein by reference. In the event of a conflict between the provisions of the Plan and this Award Agreement, the provisions of the Plan will govern.

Grant Date:	March 1, 2023
Vesting Date:	3-year anniversary of Grant Date (subject to the terms of the Award Agreement)

By agreeing to this Award Agreement, you agree that the RSUs are granted under and governed by the terms and conditions of this Award Agreement (including, without limitation, the terms and conditions set forth on Exhibit A, the Restrictive Covenants Agreement attached as Exhibit B and the terms and conditions set forth on Appendix I) and the Plan.

THE KRAFT HEINZ COMPANY

EXHIBIT A

**TERMS AND CONDITIONS OF THE
MATCHING RESTRICTED STOCK UNITS**

Vesting

The RSUs will vest on the “Vesting Date” set forth in this Award Agreement subject to your continued Service (including, for the avoidance of doubt, service as a consultant or advisor) with the Company or one of its Subsidiaries or Affiliates, except as otherwise set forth in the Plan or this Award Agreement (including, without limitation, the section below titled “Termination”), and subject to forfeiture as set forth in the section below titled “Forfeiture of Unvested RSUs upon the Transfer of Related Shares.” Prior to the vesting and settlement of the RSUs, you will not have any rights of a shareholder with respect to the RSUs or the Shares subject thereto.

Shares due to you upon vesting and settlement of the RSUs will be delivered in accordance with the provisions of the section below titled “Settlement of Vested RSUs.” However, no Shares will be delivered pursuant to the vesting of the RSUs prior to the fulfillment of all of the following conditions: (i) you have complied with your obligations under this Award Agreement and the Plan, (ii) the vesting of the RSUs and the delivery of such Shares complies with applicable law, (iii) full payment (or satisfactory provision therefor) of any Tax-Related Items (as defined below), (iv) the admission of the Shares to listing on all stock exchanges on which the Shares are then listed, (v) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission (the “**Commission**”) or other governmental regulatory body, which the Committee shall, in its sole and absolute discretion, deem necessary and advisable, or if the offering of the Shares is not so registered, a determination by the Company that the issuance of the Shares would be exempt from any such registration or qualification requirements, (vi) the obtaining of any approval or other clearance from any state, federal or foreign governmental agency that the Committee shall, in its absolute discretion, determine to be necessary or advisable and (vii) the lapse of any such reasonable period of time following the date the RSUs become payable as the Committee may from time to time establish for reasons of administrative convenience, subject to compliance with Section 409A of the Code.

Until such time as the Shares are delivered to you (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), you will have no right to vote or receive dividends or any other rights as a shareholder with respect to such Shares, notwithstanding the vesting of the RSUs.

Dividend Equivalents

If while the RSUs are outstanding the Board declares a cash dividend on the Company’s common stock, you will be entitled to Dividend Equivalents on the dividend payment date established by the Company equal to the cash dividends payable on the same number of Shares as the number of unvested RSUs subject to this award on the dividend record date established by the Company. Any such Dividend Equivalents will be in the form of additional RSUs, will be subject to the same terms and vesting dates as the underlying RSUs, and will be delivered at the same time and in the same manner as the underlying RSUs originally subject to this award. The number of additional RSUs credited as Dividend Equivalents on the dividend payment date will be determined by dividing (i) the product of (A) the number of your unvested RSUs as of the corresponding dividend record date (including any unvested Restricted Stock Units previously credited as a result of prior payments of Dividend Equivalents) and (B) the per-Share cash dividend paid on the dividend payment date, by (ii) the per-share Fair Market Value of the Shares on the dividend payment date, rounded up or down to the nearest whole RSU.

Termination

Effect of a Termination of Service on Vesting

Other than as set forth below, upon a termination of your Service for any reason prior to the Vesting Date, you will forfeit the RSUs, including any accrued Dividend Equivalents, without any consideration due to you.

If prior to the Vesting Date, but more than one (1) year after the Grant Date, the Company terminates your Service Without Cause (as defined below), the vesting of your RSUs (plus any Dividend Equivalents accrued with respect to such RSUs) shall accelerate upon such termination of Service as if 33.33% of the RSUs had vested on each annual anniversary of the Grant Date on which you provided Service. If prior to the Vesting Date your Service terminates by reason of your death or Disability (as defined below), your RSUs (plus any Dividend Equivalents accrued with respect to such RSUs) shall become fully vested upon such termination of Service. If prior to the Vesting Date, but more than one (1) year after the Grant Date, your Service terminates by reason of your Retirement (as defined below), your RSUs (plus any Dividend Equivalents accrued with respect to such RSUs) shall become fully vested upon such termination of Service.

For purposes of the RSUs, your Service will be considered terminated as of the date you are no longer actively providing Service to the Company or one of its Subsidiaries or Affiliates with no anticipated return to active Service (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any), and unless otherwise expressly provided in this Award Agreement or determined by the Company, your right to vest in the RSUs, if any, under the Plan will terminate as of such date and will not be extended by any notice period (e.g., your period of Service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any). The Committee shall have the exclusive discretion to determine when you are no longer actively providing Service for purposes of the RSUs (including whether you may still be considered to be providing Service while on a leave of absence).

Settlement of Vested RSUs

To the extent the RSUs become vested pursuant to the terms of this Award Agreement, the Company will issue and deliver to you, or, as applicable, your Beneficiary or the personal representative of your estate, the number of Shares equal to the number of vested RSUs. Such delivery of Shares will occur within the settlement period set forth in the table below, which will vary depending on the applicable vesting event.

<u>Vesting Event</u>	<u>Settlement Period</u>
Vesting Date	As soon as practicable and no later than 60 days following the Vesting Date
Termination of Service Without Cause	Within 60 days of your termination date*
Retirement	Within 60 days of your termination date*
Disability	Within 60 days of your termination date*
Death	Within 60 days of the date of death

*If you are subject to U.S. federal income tax and the RSUs constitute an item of non-qualified deferred compensation within the meaning of Section 409A of the Code, that is not exempt from Section 409A of the Code as a short-term deferral or otherwise, as determined by the Company (“**Deferred Compensation**”), settlement will occur within this period only if your termination of Service constitutes a “separation from service” within the meaning of Section 409A of the Code (“**Separation from Service**”); otherwise, settlement will occur in accordance with the original vesting schedule (i.e., as soon as practicable and no later than sixty (60) days following the Vesting Date).

Notwithstanding the foregoing, if you are subject to U.S. federal income tax and the Company determines that you are a “specified employee” within the meaning of Section 409A of the Code, any RSUs that are Deferred Compensation and are subject to settlement upon your Separation from Service will instead be settled on the date that is the first business day following the six (6) month anniversary of such Separation from Service, or, if earlier, upon your death, to the extent required pursuant to Section 409A of the Code to avoid additional taxes and penalties under Section 409A of the Code.

Applicable Definitions

All capitalized terms used in this Award Agreement without definition shall have the meanings ascribed in the Plan. For purposes of this Award Agreement, the following terms shall have the following meanings:

“**Disability**” means (i) a physical or mental condition entitling you to benefits under the long-term disability policy of the Company covering you or (ii) in the absence of any such policy, a physical or mental condition rendering you unable to perform your duties for the Company or any of its Subsidiaries or Affiliates for a period of six (6) consecutive months or longer; *provided* that if you are a party to an Employment Agreement at the time of termination of your Service and such Employment Agreement contains a different definition of “disability” (or any derivation thereof), the definition in such Employment Agreement will control for purposes of this Award Agreement.

“**Employment Agreement**” means an individual written employment agreement between you and the Company or any of its Affiliates, including an offer letter.

“**Retirement**” means a termination of Service by you on or after either (a) the later of (i) your 60th birthday and (ii) your completion of five years of Service with the Company, its Subsidiaries or its Affiliates; or (b) the later of (i) your 55th birthday and (ii) your completion of ten years of Service with the Company, its Subsidiaries or its Affiliates.

“**Without Cause**” means (i) a termination of your Service by the Company or its Subsidiaries or Affiliates other than for Cause (as defined in the Plan) and other than due to your death, Disability or Retirement or (ii) (A) if you are a party to an Employment Agreement, (B) such Employment Agreement is in effect upon the date of your termination of Service and (C) such Employment Agreement defines “Good Reason”, then “Without Cause” shall also include resignation of your Service for “Good Reason” in accordance with such Employment Agreement.

Special Termination Provisions

In the event that there is a conflict between the terms of this Award Agreement regarding the effect of a termination of your Service on the RSUs and the terms of any Employment Agreement, the terms of this Award Agreement will govern.

If you are terminated Without Cause or due to your resignation and, within the twelve (12) month period subsequent to such termination of your Service, the Company determines that your Service could have been terminated for Cause, subject to anything to the contrary that may be contained in your Employment Agreement at the time of termination of your Service, your Service will, at the election of the Company, be deemed to have been terminated for Cause for purposes of this Award Agreement and the Plan, effective as of the date the events giving rise to Cause occurred and any consequences following from a termination for Cause shall be retroactively applied (including your obligation to repay gains that would not have been realized had your Service been terminated for Cause).

Effect of a Change in Control

The treatment of the RSUs upon a Change in Control shall be governed by the Plan, provided, however, that to the extent that the RSUs constitute Deferred Compensation, settlement of any portion of the RSUs that may vest in connection with a Change in Control will occur within sixty (60) days following the Vesting Date. In the event that there is a conflict between the terms of the Plan regarding the effect of a Change in Control on the RSUs and the terms of this Award Agreement or any Employment Agreement, the terms of the Plan will govern.

Restrictive Covenants

Your Service will provide you with specialized training and unique knowledge and access to confidential information and key business relationships, which, if used in competition with the Company, its Subsidiaries and/or its Affiliates, would cause harm to such entities. As such, in partial consideration of the RSUs granted under this Award Agreement, you agree to comply with the Company's Restrictive Covenants Agreement, attached (and incorporated into this Award Agreement) as Exhibit B. The restrictions and obligations contained in the Restrictive Covenants Agreement are in addition to any restrictions imposed by, or obligations you may have to, the Company, its Subsidiaries or Affiliates under any Employment Agreement or otherwise.

Forfeiture of Unvested RSUs upon the Transfer of Related Shares

Transfer (other than pursuant to the laws of descent) of the Related Shares before the RSUs vest (whether on the Vesting Date or such earlier date set forth in the section above titled "Termination" or elsewhere in the Award Agreement), will result in immediate forfeiture of all or a portion of the unvested RSUs granted under this Award Agreement as set forth below:

(i) If you Transfer more than 50% of the Related Shares, you will forfeit all unvested RSUs, including any Dividend Equivalents accrued with respect to such RSUs.

(ii) If you Transfer 50% or less of the Related Shares (the "**Transferred Percentage**"), you will forfeit a portion of the unvested RSUs equal to twice the Transferred Percentage, plus any Dividend Equivalents accrued with respect to such RSUs.

Taxes

You acknowledge that, regardless of any action the Company or your employer (the "**Employer**") takes with respect to any or all income tax, social security or insurance, payroll tax, fringe benefits tax, payment on account or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or its Subsidiaries or Affiliates (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSU grant or the underlying Shares, including but not

limited to the grant, vesting or settlement of the RSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends or Dividend Equivalents and (ii) do not commit to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate your liability for Tax-Related Items.

Prior to vesting of the RSUs, you will pay or make adequate arrangements satisfactory to the Committee to satisfy all Tax-Related Items. In this regard, you authorize the withholding of all applicable Tax-Related Items legally payable by you from your wages or other cash compensation payable to you or from proceeds of the sale of Shares. Alternatively, or in addition, if permissible under local law, the Company may in its sole and absolute discretion (A) sell or arrange for the sale of Shares that you acquire to meet the obligation for Tax-Related Items, and/or (B) withhold the amount of Shares necessary to satisfy the minimum withholding amount, or to the extent permitted by applicable accounting principles, withhold Shares based on a rate of up to the maximum applicable withholding rate. Notwithstanding the foregoing, if you are subject to the short-swing profit rules of Section 16(b) of the Act, you may elect the form of withholding in advance of any Tax-Related Items withholding event, and in the absence of your election, the Company shall withhold the number of Shares having an aggregate value equal to the amount of Tax-Related Items due upon the vesting of the RSUs, or the Committee may determine that a particular alternative method must be used to satisfy any withholding for Tax Related Items.

Further, the Company is authorized to satisfy the withholding for any or all Tax-Related Items arising from the granting, vesting, or payment of the RSUs or sale of Shares issued in settlement of the RSUs, as the case may be, by deducting the number of Shares having an aggregate value equal to the amount of the withholding due for any Tax-Related Items or otherwise becoming subject to current taxation. If the Company satisfies the Tax-Related Items obligation by withholding a number of Shares as described herein, for tax purposes, you shall be deemed to have been issued the full number of Shares due to you at vesting, notwithstanding that a number of Shares is held back solely for the purpose of such withholding.

Furthermore, the Company and/or the Employer are authorized to satisfy the withholding for any Tax-Related Items arising from the granting, vesting, or payment of this Award, or sale of Shares issued pursuant to the Award, as the case may be, by withholding from the Participant's wages, or other cash compensation paid to you by the Company and/or the Employer. In the event of over-withholding, you may receive a refund of any over-withheld amount in cash and will have no entitlement to the Share equivalent or if not refunded, you may seek a refund from the local tax authorities. In the event of under-withholding, you may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

Finally, you will pay to the Company and/or its Subsidiaries or Affiliates any amount of Tax-Related Items that the Company or its Subsidiaries or Affiliates may be required to withhold as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to deliver the Shares if you fail to comply with your obligations in connection with the Tax-Related Items as described in this section.

No Guarantee of Continued Service

You acknowledge and agree that the vesting of the RSUs on the Vesting Date (or such earlier date as set forth in the section above titled "Termination") is earned only by performing continuing Service (not through the act of being hired or being granted this Award). You further acknowledge and agree that this Award Agreement, the transactions contemplated hereunder and the Vesting Date shall not be construed as giving you the right to be retained in the employ of, or to continue to provide Service to, the Company or its Subsidiaries. Further, the Company or the applicable Subsidiary may at any time dismiss you, free from any liability, or any claim under the Plan, unless otherwise expressly provided in any other agreement

binding you, the Company or the applicable Subsidiary. The receipt of this Award is not intended to confer any rights on you except as set forth in this Award Agreement.

Company's Right of Offset

If you become entitled to a distribution of benefits under this Award, and if at such time you have any outstanding debt, obligation, or other liability representing an amount owing to the Company, its Subsidiaries or any of its Affiliates, then the Company, its Subsidiaries or its Affiliates, upon a determination by the Committee, and to the extent permitted by applicable law and it would not cause a violation of Section 409A of the Code, may offset such amount so owing against the amount of benefits otherwise distributable. Such determination shall be made by the Committee.

Acknowledgment of Nature of Award

In accepting the RSUs, you understand, acknowledge and agree that:

- a. the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan and this Award Agreement;
- b. the award of the RSUs is exceptional, voluntary, occasional and discretionary and does not create any contractual or other right to receive future RSU awards, or benefits in lieu of RSUs even if RSUs have been awarded in the past;
- c. all decisions with respect to future awards, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of the RSUs, the number of Shares subject to the RSUs, and the vesting provisions applicable to the RSUs;
- d. your participation in the Plan is voluntary;
- e. the RSUs are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or its Subsidiaries;
- f. the RSUs, any Shares acquired under the Plan, and the income and value of same are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, holiday pay, long-service awards, pension or retirement benefits or similar payments;
- g. the future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with certainty;
- h. unless otherwise agreed with the Company in writing, the RSUs, any Shares acquired under the Plan, and the income and value of same, are not granted as consideration for, or in connection with, any Service you may provide as a director of a Subsidiary or Affiliate;
- i. no claim or entitlement to compensation or damages, including pro-rated compensation or damages, shall arise from forfeiture of the RSU resulting from termination of your Service (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any), and in consideration of the grant of the RSU to which you are otherwise not entitled, you irrevocably agree never to institute any claim against the Company, any of its Subsidiaries or Affiliates, waive your ability, if any, to bring any

such claim, and release the Company, and its Subsidiaries and Affiliates from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, you shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim; and

j. the RSUs are subject to the terms of the Plan (including, without limitation, certain provisions regarding Adjustments, Repurchases and Transfers).

Securities Laws

By accepting the RSUs, you acknowledge that U.S. federal, state or foreign securities laws and/or the Company's policies regarding trading in its securities may limit or restrict your right to buy or sell Shares, including, without limitation, sales of Shares acquired in connection with the RSUs. You agree to comply with such securities law requirements and Company policies, as such laws and policies are amended from time to time.

Data Privacy

a. ***Data Collection and Usage.*** *The Company collects, processes and uses personal data about you, including but not limited to, your name, home address and telephone number, email address, date of birth, social insurance number, employee identification number, hire date, termination date, gross earnings, tax rate, account identification number for the independent stock plan service provider account, any shares of stock or directorships held in the Company, details of all RSUs or any other entitlement to shares or equivalent benefits awarded, canceled, exercised, vested, unvested or outstanding in your favor, which the Company receives from you or the Employer ("Data") for the purposes of implementing, administering and managing the Plan. The Company will only use your personal data where expressly permitted by law. Generally, the Company will use your personal data in the following circumstances:*

- *When needed to execute a contract that the Company is going to formalize or that the Company has formalized with you.*
- *Where necessary for the Company's legitimate interests (or those of a third party), provided that the fundamental interests or rights that assist you do not prevail over our interests or those of that third party.*
- *When the Company needs it to comply with any legal or regulatory obligation.*

b. ***Stock Plan Administration Service Providers.*** *The Company may transfer Data to one or more independent stock plan service providers, which may assist the Company with the implementation, administration and management of the Plan. Such service provider(s) may open an account for you or ask you to receive and trade shares of common stock. You may be asked to acknowledge, or agree to, separate terms and data processing practices with the service provider(s) with such agreement being a condition of participation in the Plan. Please review these terms and data processing practices carefully. If you do not agree to the independent stock plan service provider's terms and/or data processing practices, you will not be able to participate in the Plan.*

c. ***International Data Transfers.*** *Please note that Data processed in connection with the Plan will be transferred from your country to the United States, where the Company and its service providers are based. Your country or jurisdiction may have different data privacy laws and protections than the United States. The Company will ensure that appropriate measures are in place for compliance with applicable data protection laws in relation to transfer of Data to the United States.*

d. **Data Retention.** *The Company has a legal duty to keep various records and records need to be held for different periods of time, depending on their contents. The Company will use your personal data only as long as necessary to implement, administer and manage your participation in the Plan and as required to comply with legal or regulatory obligations, including under tax and securities laws. The Company will therefore keep your personal data for as long as needed in connection with those obligations. The Company will not keep your personal data for longer than data protection law allows.*

e. **Data Subject Rights.** *You understand that you may have a number of rights under data privacy laws in your jurisdiction. Depending on where you are based, such rights may include the right to (i) request access or copies of personal data processed by the Company, (ii) rectification of incorrect data, (iii) deletion of personal data, (iv) restrictions on processing of personal data, (v) portability of personal data, (vi) lodge complaints with competent data protection authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of your personal data. To receive clarification regarding these rights or to exercise these rights, you can contact the Company's Data Privacy Team at gdpr@kraftheinz.com.*

Limits on Transferability; Beneficiaries

The RSUs shall not be pledged, hypothecated or otherwise encumbered or subject to any lien, obligation or liability to any party, or Transferred, otherwise than by your will or the laws of descent and distribution or to a Beneficiary upon your death. A Beneficiary or other person claiming any rights under this Award Agreement shall be subject to all terms and conditions of the Plan and this Award Agreement, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee.

No Transfer to any executor or administrator of your estate or to any Beneficiary by will or the laws of descent and distribution of any rights in respect of the RSUs shall be effective to bind the Company unless the Committee shall have been furnished with (i) written notice thereof and with a copy of the will and/or such evidence as the Committee may deem necessary to establish the validity of the Transfer and (ii) the written agreement of the Transferee to comply with the terms and conditions of this Award Agreement, to the extent applicable, as determined by the Company.

Repayment/Forfeiture

As an additional condition of receiving the RSUs and without prejudice to the terms of the Company's Restrictive Covenants Agreement (attached as Exhibit B), you agree that the RSUs and any proceeds or other benefits you may receive hereunder shall be subject to forfeiture and/or repayment to the Company (i) under the terms of the Company's Clawback Policy, as may be amended from time to time (and such requirements shall be deemed incorporated into this Award Agreement without your consent) or (ii) to comply with any requirements imposed under applicable laws and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, including, without limitation, pursuant to Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Section 10D of the Act and Rule 10D-1 thereunder. Further, if you receive any amount in excess of what you should have received under the terms of the RSUs for any reason (including without limitation by reason of a financial restatement, mistake in calculations or administrative error), all as determined by the Committee, then you shall be required to promptly repay any such excess amount to the Company.

Section 409A

It is intended that the RSUs awarded pursuant to this Award Agreement be exempt from or compliant with Section 409A of the Code ("Section 409A") and the Award Agreement shall be interpreted,

construed and operated in a manner consistent with this intention. Notwithstanding the foregoing, this Award Agreement and the Plan may be amended at any time, without the consent of any party, to the extent that is necessary or desirable to exempt the RSUs from Section 409A or satisfy any of the requirements under Section 409A, but the Company shall not be under any obligation to make any such amendment. Further, the Company, its Subsidiaries and Affiliates do not make any representation to you that the RSUs awarded pursuant to this Award Agreement shall be exempt from or satisfy the requirements of Section 409A, and the Company, its Subsidiaries and Affiliates shall have no liability or other obligation to indemnify or hold harmless you or any Beneficiary, Transferee or other party for any tax, additional tax, interest or penalties that you or any Beneficiary, Transferee or other party may incur in the event that any provision of this Award Agreement, or any amendment or modification thereof or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A.

Entire Agreement; Modification

The Plan, this Award Agreement and, to the extent applicable, your Employment Agreement or any separation agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings, representations and agreements (whether oral or written) of the Company, its Subsidiaries and/or Affiliates and you with respect to the subject matter hereof. This Award Agreement may not be modified in a manner that adversely affects your rights heretofore granted under the Plan, except with your consent or to comply with applicable law or to the extent permitted under other provisions of the Plan.

Governing Law; Jurisdiction; Waiver of Jury Trial

This Award Agreement (together with all exhibits and appendices attached thereto) is governed by the laws of the State of Delaware, without regard to its principles of conflict of laws, and any disputes shall be settled in accordance with the Plan.

To the extent not prohibited by applicable law, each of the parties hereto waives any right it may have to trial by jury in respect of any litigation based on, arising out of, under or in connection with this Award Agreement (together with all exhibits and appendices attached thereto) or the Plan.

Electronic Signatures and Delivery and Acceptance

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan, including this Award Agreement, by electronic means or request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. The Award Agreement if delivered by electronic means with electronic signatures shall be treated in all manner and respects as an original executed document and shall be considered to have the same binding legal effect as if it were the original signed versions thereof delivered in person.

Agreement Severable

This Award Agreement shall be enforceable to the fullest extent allowed by law. In the event that any provision of this Award Agreement is determined to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, then that provision shall be reduced, modified or otherwise conformed to the relevant law, judgment or determination to the degree necessary to render it valid and enforceable without affecting the validity, legality or enforceability of any other provision of this Award Agreement or the validity, legality or enforceability of such provision in any other jurisdiction. Any

provision of this Award Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be deemed severable from the remainder of this Award Agreement, and the remaining provisions contained in this Award Agreement shall be construed to preserve to the maximum permissible extent the intent and purposes of this Award Agreement.

Interpretation

The Committee shall have the right to resolve all questions that may arise in connection with the Award or this Award Agreement, including whether you are actively employed. Any interpretation, determination or other action made or taken by the Committee regarding the Plan or this Award Agreement shall be final, binding and conclusive. This Award Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any person or persons who shall acquire any rights hereunder in accordance with this Award Agreement or the Plan.

Language

If you have received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Acknowledgments

By signing this Award Agreement, you acknowledge receipt of a copy of the Plan and represent that you are familiar with the terms and conditions of the Plan, and hereby accept the RSUs subject to all provisions in this Award Agreement and in the Plan. You hereby agree to accept as final, conclusive and binding all decisions or interpretations of the Committee upon any questions arising under the Plan or this Award Agreement.

Appendix I

Notwithstanding any provision in this Award Agreement, if you work or reside outside the U.S., the RSUs shall be subject to the general non-U.S. terms and conditions and the additional terms and conditions for your country set forth in Appendix I. Moreover, if you relocate from the U.S. to one of the countries included in Appendix I or you move between countries included in Appendix I, the general non-U.S. terms and conditions and the additional terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix I constitutes part of this Award Agreement.

EXHIBIT B

RESTRICTIVE COVENANTS AGREEMENT

*I understand that I am or will be an employee to or other service-provider of The Kraft Heinz Company and/or its Subsidiaries and/or its Affiliates (collectively the “**Company**”) and will learn and have access to the Company’s confidential, trade secret and proprietary information and key business relationships. I understand that the products and services that the Company develops, provides and markets are unique. Further, I know that my promises in this Restrictive Covenants Agreement (the “**Agreement**”) are an important way for the Company to protect its proprietary interests and that The Kraft Heinz Company would not have granted me Restricted Stock Units (the “**RSUs**”) or other equity grants unless I made such promises.*

*In addition to other good and valuable consideration, I am expressly being given RSUs or other equity grants in exchange for my agreeing to the terms of this Award Agreement. In consideration of the foregoing, I (the “**Executive**”) agree as follows:*

- 1. NON-DISCLOSURE OF CONFIDENTIAL INFORMATION.** During the course of Executive’s Service, Executive will have access to Confidential Information. For purposes of this Award Agreement, “**Confidential Information**” means all data, information, ideas, concepts, discoveries, trade secrets, inventions (whether or not patentable or reduced to practice), innovations, improvements, know-how, developments, techniques, methods, processes, treatments, drawings, sketches, specifications, designs, plans, patterns, models, plans and strategies, and all other confidential or proprietary information or trade secrets in any form or medium (whether merely remembered or embodied in a tangible or intangible form or medium) whether now or hereafter existing, relating to or arising from the past, current or potential business, activities and/or operations of the Company, including, without limitation, any such information relating to or concerning finances, sales, marketing, advertising, transition, promotions, pricing, personnel, customers, suppliers, vendors, raw partners and/or competitors of the Company. Executive agrees that Executive shall not, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of Executive’s assigned duties and for the benefit of the Company, either during the period of Executive’s Service or at any time thereafter, any Confidential Information or other confidential or proprietary information received from third parties subject to a duty on the Company’s part to maintain the confidentiality of such information, and to use such information only for certain limited purposes, in each case, which shall have been obtained by Executive during Executive’s Service. The foregoing shall not apply to information that (i) was known to the public prior to its disclosure to Executive; (ii) becomes generally known to the public subsequent to disclosure to Executive through no wrongful act of Executive or any representative of Executive; or (iii) Executive is required to disclose by applicable law, regulation or legal process (provided that, to the extent permitted by law, Executive provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information).

Pursuant to the U.S. Defend Trade Secrets Act of 2016, Executive shall not be held criminally, or civilly, liable under any Federal or State Trade secret law for the disclosure of a trade secret that is made in confidence either directly or indirectly to a Federal, State, or local government official, or an attorney, for the sole purpose of reporting, or investigating, a violation of law. Moreover, Executive may disclose trade secrets in a complaint, or other document, filed in a lawsuit, or other proceeding, if such filing is made under seal. Finally, if Executive files a lawsuit alleging retaliation by the Company for reporting a suspected violation of the law, Executive may disclose the trade secret to Executive’s attorney and use the trade secret in the court proceeding, if Executive files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

No Company policies or practices, including this Non-Disclosure of Confidential Information provision, is intended to or shall limit, prevent, impede or interfere in any way with Executive's right, without prior notice to the Company, to provide information to the government, participate in investigations, testify in proceedings regarding the Company's past or future conduct, or engage in any activities protected under whistle blower statutes. Nothing in or about this Award Agreement prohibits you from: (i) filing and, as provided for under Section 21F of the Act, maintaining the confidentiality of a claim with the Commission, (ii) providing the Commission with information that would otherwise violate the non-disclosure restrictions in this Award Agreement, to the extent permitted by Section 21F of the Act; (iii) cooperating, participating or assisting in a Commission investigation or proceeding without notifying the Company; or (iv) receiving a monetary award as set forth in Section 21F of the Act.

2. **NON-COMPETITION.** Executive acknowledges that (i) Executive performs services of a unique nature for the Company that are irreplaceable, and that Executive's performance of such services to a competing business will result in irreparable harm to the Company, (ii) Executive has had and will continue to have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company, (iii) in the course of Executive's employment by or service to a competitor, Executive would inevitably use or disclose such Confidential Information, (iv) the Company has substantial relationships with its customers and Executive has had and will continue to have access to these customers, (v) Executive has received and will receive specialized training from the Company, and (vi) Executive has generated and will continue to generate goodwill for the Company in the course of Executive's Service. Accordingly, during Executive's Service and for twelve (12) months following a termination of Executive's Service for any reason (the "**Restricted Period**"), Executive will not engage in any business activities, directly or indirectly (whether as an employee, consultant, officer, director, partner, joint venturer, manager, member, principal, agent, or independent contractor, individually, in concert with others, or in any other manner) within the same line or lines of business for which the Executive performed services for the Company and in a capacity that is similar to the capacity in which the Executive was employed by the Company with any person or entity that competes with the Company in the consumer packaged food and beverage industry ("**Competitive Business**") anywhere within the same geographic territory(ies) for which the Executive performed services for the Company (the "**Restricted Territory**"). Notwithstanding the foregoing, nothing herein shall prohibit Executive from being a passive owner of not more than three percent (3%) of the equity securities of a publicly traded corporation engaged in a business that is in competition with the Company, so long as Executive has no active participation in the business of such corporation.
3. **NON-SOLICITATION.** During the Restricted Period, Executive agrees that Executive shall not, except in the furtherance of Executive's duties to the Company, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, solicit, aid, induce, assist in the solicitation of, or accept any business (other than on behalf of the Company) from, any customer or potential customer of the Company to purchase goods or services then sold by the Company from another person, firm, corporation or other entity or, directly or indirectly, in any way request, suggest or advise any such customer to withdraw or cancel any of their business or refuse to continue to do business with the Company. This restriction shall apply to customers or potential customers who, during the two (2) years immediately preceding the Executive's termination, had been assigned to the Executive by the Company, or with which the Executive had contact on behalf of the Company while an Executive of the Company, or about which the Executive had access to Confidential Information by virtue of Executive's employment with the Company.
4. **NON-INTERFERENCE.** During the Restricted Period, Executive agrees that Executive shall not, except in the furtherance of Executive's duties to the Company, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, (A) solicit, aid or induce any employee, representative or agent of the Company to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent, or (B) interfere, or aid or induce any

other person or entity in interfering, with the relationship between the Company and its vendors, suppliers or customers. As used herein, the term “solicit, aid or induce” includes, but is not limited to, (i) initiating communications with a Company employee relating to possible employment, (ii) offering bonuses or other compensation to encourage a Company employee to terminate his or her employment with the Company and accept employment with any entity, (iii) recommending a Company employee to any entity, and (iv) aiding an entity in recruitment of a Company employee. An employee, representative or agent shall be deemed covered by this Section 4 while so employed or retained and for a period of six (6) months thereafter.

- 5. NON-DISPARAGEMENT.** Executive agrees not to make negative comments or otherwise disparage the Company or its officers, directors, employees, shareholders, agents or products or services. The foregoing shall not be violated by truthful statements made in (a) response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings) or (b) the good faith performance of Executive’s duties to the Company.

6. INVENTIONS.

- a. Executive acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, methods, works of authorship and other work product (“**Inventions**”), whether patentable or unpatentable, (A) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company resources and/or within the scope of Executive’s work with the Company or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company, and that are made or conceived by Executive, solely or jointly with others, during Executive’s Service, or (B) suggested by any work that Executive performs in connection with the Company, either while performing Executive’s duties with the Company or on Executive’s own time, but only insofar as the Inventions are related to Executive’s work as an employee or other service provider to the Company, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon. Executive will keep full and complete written records (the “**Records**”), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and Executive will surrender them upon the termination of Service, or upon the Company’s request. Executive irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to Executive’s Service, together with the right to file, in Executive’s name or in the name of the Company (or its designee), applications for patents and equivalent rights (the “**Applications**”). Executive will, at any time during and subsequent to Executive’s Service, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company’s rights in the Inventions, all without additional compensation to Executive from the Company. Executive will also execute assignments to the Company (or its designee) of the Applications and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company’s benefit, all without additional compensation to Executive from the Company, but entirely at the Company’s expense.
- b. In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company and Executive agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to Executive. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, Executive hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of Executive’s right, title and interest in the

copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, Executive hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that Executive has any rights in the results and proceeds of Executive's service to the Company that cannot be assigned in the manner described herein, Executive agrees to unconditionally waive the enforcement of such rights. Executive hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to Executive's benefit by virtue of Executive being an employee of or other service provider to the Company.

7. **RETURN OF COMPANY PROPERTY.** On the date of Executive's termination of Service with the Company for any reason (or at any time prior thereto at the Company's request), Executive shall return all property belonging to the Company (including, but not limited to, any Company-provided laptops, computers, cell phones, wireless electronic mail devices or other equipment, or documents and property belonging to the Company).
8. **REASONABLENESS OF COVENANTS.** In signing this Award Agreement, including by electronic means, Executive gives the Company assurance that Executive has carefully read and considered all of the terms and conditions of this Award Agreement, including the restraints imposed by it. Executive agrees that these restraints are necessary for the reasonable and proper protection of the Company and its Confidential Information and that each and every one of the restraints is reasonable in respect to subject matter, length of time and geographic area, and that these restraints, individually or in the aggregate, will not prevent Executive from obtaining other suitable employment during the period in which Executive is bound by the restraints. Executive acknowledges that each of these covenants has a unique, very substantial and immeasurable value to the Company and that Executive has sufficient assets and skills to provide a livelihood while such covenants remain in force. Executive further covenants that Executive will not challenge the reasonableness or enforceability of any of the covenants set forth in this Award Agreement, and that Executive will reimburse the Company for all costs (including reasonable attorneys' fees) incurred in connection with any action to enforce any of the provisions of this Award Agreement if either the Company prevails on any material issue involved in such dispute or if Executive challenges the reasonableness or enforceability of any of the provisions of this Award Agreement. **It is also agreed that the "Company" as used in this Award Agreement refers to each of the Company's Subsidiaries and Affiliates and that each of the Company's Subsidiaries and Affiliates will have the right to enforce all of Executive's obligations to that Subsidiary or Affiliate under this Award Agreement, as applicable, subject to any limitation or restriction on such rights of the Subsidiary or Affiliate under applicable law.**
9. **REFORMATION.** If it is determined by a court of competent jurisdiction in any state or country that any restriction in this Award Agreement is excessive in duration or scope or is unreasonable or unenforceable under applicable law, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by the laws of that state or country.
10. **REMEDIES.** Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of this Award Agreement would be inadequate and, in recognition of this fact, Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond or other security, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available, without the necessity of showing actual monetary damages, in addition to any other equitable relief.

(including without limitation an accounting and/or disgorgement) and/or any other damages as a matter of law.

- 11. REPURCHASE.** Executive acknowledges and agrees that a breach of this Award Agreement would constitute a “Covenant Breach” as such term is used in the Plan and therefore, in the event of a Covenant Breach, Executive’s RSU and the Shares issued therefor (as such terms are defined in the Plan) shall be subject to repurchase by The Kraft Heinz Company in accordance with the terms of the Plan.
- 12. TOLLING.** In the event of any violation of the provisions of this Award Agreement, Executive acknowledges and agrees that the post-termination restrictions contained in this Award Agreement shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.
- 13. SURVIVAL OF PROVISIONS.** The obligations contained in this Award Agreement hereof shall survive the termination or expiration of the Executive’s Service with the Company and shall be fully enforceable thereafter.
- 14. VENUE, PERSONAL JURISDICTION, AND COVENANT NOT TO SUE.** Executive expressly agrees to submit to the exclusive jurisdiction and exclusive venue of courts located in the State of Delaware in connection with any litigation which may be brought with respect to a dispute between the Company and Executive in relation to this Restrictive Covenants Agreement, regardless of where Executive resides or where Executive performs services for the Company. Executive hereby irrevocably waives Executive’s rights, if any, to have any disputes between the Company and Executive related to this Restrictive Covenants Agreement decided in any jurisdiction or venue other than a court in the State of Delaware. Executive hereby waives, to the fullest extent permitted by applicable law, any objection which Executive now or hereafter may have to personal jurisdiction or to the laying of venue of any such suit, action or proceeding, and Executive agrees not to plead or claim the same. Executive further irrevocably covenants not to sue the Company related to this Restrictive Covenants Agreement in any jurisdiction or venue other than a court in the State of Delaware. All matters relating to the interpretation, construction, application, validity, and enforcement of this Award Agreement, and any disputes or controversies arising hereunder, will be governed by the laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule, whether of the State of Delaware or any other jurisdiction, that would cause the application of laws of any jurisdiction other than the State of Delaware.

APPENDIX I
ADDITIONAL TERMS AND CONDITIONS OF
THE KRAFT HEINZ COMPANY
2020 OMNIBUS INCENTIVE PLAN

MATCHING RESTRICTED STOCK UNIT AWARD AGREEMENT FOR NON-U.S.
PARTICIPANTS

TERMS AND CONDITIONS

This Appendix I includes additional terms and conditions that govern the Restricted Stock Units (referred to herein as RSUs) granted to you under the Plan if you work or reside outside the U.S. and/or in one of the countries listed below. These terms and conditions are in addition to, or if so indicated, in place of the terms and conditions set forth in the Award Agreement. Certain capitalized terms used but not defined in this Appendix I have the meanings set forth in the Plan and/or the Award Agreement.

If you are a citizen or resident of a country other than the one in which you are currently working, transfer employment and/or residency to another country after the RSUs are granted to you, or are considered a resident of another country for local law purposes, the terms and conditions contained herein may not be applicable to you, and the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply to you.

NOTIFICATIONS

This Appendix I also includes information regarding exchange controls and certain other issues of which you should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of January 2023. Such laws are often complex and change frequently. As a result, the Company strongly recommends that you not rely on the information in this Appendix I as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you vest in the RSUs or sell Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of a particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Finally, if you are a citizen or resident of a country other than the one in which you are currently working, transfer employment and/or residency after the RSUs are granted or are considered a resident of another country for local law purposes, the notifications contained herein may not be applicable to you in the same manner.

GENERAL NON-U.S. TERMS AND CONDITIONS

TERMS AND CONDITIONS

The following terms and conditions apply to you if you are located outside of the U.S.

Entire Agreement.

The following provision supplements the entire Award Agreement, generally:

If you are located outside the U.S., in no event will any aspect of the RSUs be determined in accordance with your Employment Agreement (or other Service contract). The terms and conditions of the RSUs will be solely determined in accordance with the provisions of the Plan and the Award Agreement, including this Appendix I, which supersede and replace any prior agreement, either written or verbal (including your Employment Agreement, if applicable) in relation to the RSUs.

Vesting.

If you are resident or employed outside of the United States, the Company may, in its sole discretion, settle the RSUs in the form of a cash payment to the extent settlement in Shares: (i) is prohibited under local law, (ii) would require you, the Company or one of its Subsidiaries or Affiliates to obtain the approval of any governmental or regulatory body in your country of residence (or your country of employment, if different), (iii) would result in adverse tax consequences for you, the Company or one of its Subsidiaries or Affiliates, or (iv) is administratively burdensome. Alternatively, the Company may, in its sole discretion settle the RSUs in the form of Shares but require you to sell such Shares immediately or within a specified period following your termination of Service (in which case, this Award Agreement shall give the Company the authority to issue sales instructions on your behalf).

Termination.

The following provision supplements the *Termination* section of the Award Agreement, provided, however, that for purposes of the section of the Award Agreement titled Settlement of Vested RSUs, if you are subject to U.S. federal income tax and the RSUs constitute Deferred Compensation, your termination of Service date will be the date of your Separation from Service:

Notwithstanding the provisions governing the treatment of the RSUs upon termination due to Retirement set forth in the *Termination* section of the Award Agreement, if the Company receives an opinion of counsel that there has been a legal judgment and/or legal development in a particular jurisdiction that would likely result in the treatment in case of a termination due to Retirement as set forth in the Award Agreement being deemed unlawful and/or discriminatory, then the Company will not apply the provisions for termination due to Retirement at the time you cease to provide Service and the RSUs will be treated as it would under the rules that apply if your Service ends for resignation.

Termination for Cause.

The implications upon a termination for Cause as set forth in the Award Agreement and Plan shall only be enforced, to the extent deemed permissible under applicable local law, as determined in the sole discretion of the Committee.

Taxes.

The following provisions supplement the *Taxes* section of the Award Agreement:

You acknowledge that your liability for Tax-Related Items may exceed the amount, if any, withheld by the Company, its Subsidiaries and/or its Affiliates (as applicable).

If you have become subject to tax in more than one jurisdiction, you acknowledge that the Company, its Subsidiaries and Affiliates may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates in your jurisdiction(s). If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested RSUs, notwithstanding that a number of Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan.

Limits on Transferability; Beneficiaries.

The following provision supplements the *Limits on Transferability; Beneficiaries* section of the Award Agreement:

If you are located outside the U.S., the RSUs may not be Transferred to a designated Beneficiary and may only be Transferred upon your death to your legal heirs in accordance with applicable laws of descent and distribution. In no case may the RSUs be Transferred to another individual during your lifetime.

Acknowledgment of Nature of Award.

The following provisions supplement the *Acknowledgment of Nature of Award* section of the Award Agreement:

You acknowledge the following with respect to the RSUs:

- a. The RSUs, any Shares acquired under the Plan, and the income and value of same, are not intended to replace any pension rights or compensation.
- b. In no event should the RSUs, any Shares acquired under the Plan, and the income and value of same, be considered as compensation for, or relating in any way to, past services for the Company, its Subsidiaries or any Affiliate.
- c. The RSUs, any Shares acquired under the Plan and the income and value of same are not part of normal or expected compensation or salary for any purpose.
- d. Neither the Company, its Subsidiaries nor any Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to you pursuant to vesting of the RSUs or the subsequent sale of any Shares acquired upon vesting.

Not a Public Offering in Non-U.S. Jurisdictions.

If you are resident or employed outside of the United States, neither the grant of the RSUs under the Plan nor the issuance of the underlying Shares upon vesting of the RSUs is intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filings to the local securities authorities in jurisdictions outside of the United States unless otherwise required under local law.

Language Consent.

If you are in a country where English is not an official language, you acknowledge that you are sufficiently proficient in English to understand the terms and conditions of this Award Agreement or have had the ability to consult with an advisor who is sufficiently proficient in the English language. You further

acknowledge and agree that it is your express intent that this Award Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the RSUs, be drawn up in English.

Insider Trading and Market Abuse Laws.

You may be subject to insider trading restrictions and/or market abuse laws based on the exchange on which the Shares are listed and in applicable jurisdictions including the United States and your country or your broker's country, if different, which may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares or rights linked to the value of Shares under the Plan during such times as you are considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (a) disclosing the inside information to any third party and (b) "tipping" third parties or causing them otherwise to buy or sell securities (third parties include fellow employees). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you should speak to your personal advisor on this matter.

Foreign Asset/Account, Exchange Control and Tax Reporting.

You may be subject to foreign asset/account, exchange control and/or tax reporting requirements as a result of the acquisition, holding and/or transfer of Shares or cash (including dividends, dividend equivalents and the proceeds arising from the sale of Shares) derived from your participation in the Plan, to and/or from a brokerage/bank account or legal entity located outside your country. The applicable laws of your country may require that you report such accounts, assets, the balances therein, the value thereof and/or the transactions related thereto to the applicable authorities in such country. You acknowledge that you are responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting requirements and should consult your personal legal advisor on this matter.

No Advice Regarding Award.

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You understand and acknowledge that you should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

Imposition of Other Requirements.

The Company reserves the right to impose other requirements on your participation in the Plan, on the RSUs and on any Shares acquired upon vesting of the RSUs, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Waiver.

You acknowledge that a waiver by the Company for breach of any provision of the Award Agreement shall not operate or be construed as a waiver of any other provision of the Award Agreement, or of any subsequent breach of the Award Agreement.

COUNTRY-SPECIFIC TERMS AND CONDITIONS/NOTIFICATIONS

AUSTRALIA

NOTIFICATIONS

Offer Document.

This offer document sets out information regarding the grant of RSUs to Australian resident employees of the Company and its Subsidiaries or Affiliates and is provided by the Company to ensure compliance of the Plan with the Australian Securities and Investments Commission's ("ASIC's") Class Order 14/1000 and relevant provisions of the Corporations Act 2001.

In addition to the information set out in the Award Agreement, you also are being provided with copies of the following documents:

- a. the Plan;
- b. the Bonus Election Form; and
- c. the Bonus Election Form FAQs

(collectively, the "**Additional Documents**").

The Additional Documents provide further information to help you make an informed investment decision about participating in the Plan. The Plan is not a prospectus for the purposes of the *Corporations Act 2001*.

You should not rely upon any oral statements made in relation to this offer. You should rely only upon the statements contained in the Award Agreement and the Additional Documents when considering participation in the Plan.

Securities Law Notification

Investment in Shares involves a degree of risk. If you elect to participate in the Plan, you should monitor your participation and consider all risk factors relevant to the acquisition of Shares under the Plan as set out in the Award Agreement and the Additional Documents.

The information contained in this offer is general information only. It is not advice or information that takes into account your objectives, financial situation and needs.

You should consider obtaining your own financial product advice from an independent person who is licensed by ASIC to give advice about participation in the Plan.

Additional Risk Factors for Australian Residents

You should have regard to risk factors relevant to investment in securities generally and, in particular, to the holding of Shares. For example, the price at which Shares are quoted on the Nasdaq may increase or decrease due to a number of factors. There is no guarantee that the price of the Shares will increase. Factors which may affect the price of Shares include fluctuations in the domestic and international market for listed stocks, general economic conditions, including interest rates, inflation rates, commodity and oil prices, changes to government fiscal, monetary or regulatory policies, legislation or regulation, the nature of the markets in which the Company operates and general operational and business risks.

More information about potential factors that could affect the Company's business and financial results is included in the Company's most recent Annual Report on Form 10-K and the Company's Quarterly Report on Form 10-Q. Copies of these reports are available at <http://www.sec.gov/>, on the Company's "Investor Relations" page at <http://ir.kraftheinzcompany.com/>, and upon request to the Company.

In addition, you should be aware that the Australian dollar value of any Shares acquired at vesting will be affected by the U.S. dollar/Australian dollar exchange rate. Participation in the Plan involves certain risks related to fluctuations in this rate of exchange.

Common Stock

Common stock of a U.S. corporation is analogous to ordinary shares of an Australian corporation.

Dividends may be paid on the Shares out of any funds of the Company legally available for dividends at the discretion of the Board.

The Shares are traded on the Nasdaq in the United States of America under the symbol "KHC."

The Shares are not liable to any further calls for payment of capital or for other assessment by the Company and have no sinking fund provisions, pre-emptive rights, conversion rights or redemption provisions.

Ascertaining the Market Price of Shares

You may ascertain the current market price of the Shares as traded on the Nasdaq at <http://www.Nasdaq.com> under the symbol "KHC." The Australian dollar equivalent of that price can be obtained at: <http://www.rba.gov.au/statistics/frequency/exchange-rates.html>.

This will not be a prediction of what the market price per Share will be when the RSUs vest or when the Shares are issued or of the applicable exchange rate on the actual Vesting Date or date the Shares are issued.

Securities Law Information.

This offer is being made under Division 1A, Part 7.12 of the Corporations Act 2001 (Cth). Please note that if an Australian resident offers the Shares acquired under Plan for sale to a person or entity resident in Australia, the offer may be subject to disclosure requirements under Australian law. You are solely responsible for obtaining legal advice on your disclosure obligations prior to making any such offer.

Deferred Taxation.

Subdivision 83A-C of the Income Tax Assessment Act, 1997, applies to RSUs granted under the Plan, such that the RSUs are intended to be subject to deferred taxation.

BELGIUM

NOTIFICATIONS

Foreign Assets/Account Reporting Information.

If you are a resident of Belgium, you will be required to report any security (e.g., Shares acquired under the Plan) or bank account (including brokerage accounts) established outside of Belgium on your annual tax return. In a separate report, you will be required to provide the National Bank of Belgium with details regarding such foreign accounts (including the account number, bank name and country in which any such account was opened). The form, as well as additional information on how to complete it, can be found on the website of the National Bank of Belgium (www.nbb.be) under the caption *Kredietcentrales / Centrales des crédits*.

BRAZIL*TERMS AND CONDITIONS***Compliance with Law.**

By accepting the RSUs you acknowledge that you agree to comply with applicable Brazilian laws and pay any and all applicable taxes legally due by you associated with the vesting of the RSUs, the receipt of any dividends and/or Dividend Equivalents, and the sale of Shares acquired or issued under the Plan. You further agree that, for all legal purposes, (i) the benefits provided to you under the Plan are the result of commercial transactions unrelated to your employment or Service relationship, (ii) the Plan is not a part of the terms and conditions of your employment or Service relationship, and (iii) the income from the Award, if any, is not part of your remuneration from employment or Service.

*NOTIFICATIONS***Exchange Control Information.**

If you are resident or domiciled in Brazil, you will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$1,000,000. Assets and rights that must be reported include Shares.

CANADA*TERMS AND CONDITIONS***Plan Document Acknowledgment.**

In accepting the grant of RSUs, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Award Agreement in their entirety and fully understand and accept all provisions of the Plan and the Award Agreement.

Payout of RSUs in Shares Only.

Pursuant to its discretion under the *Settlement of Vested RSUs* section of the Plan, with respect to all employees residing in Canada, the Company will convert all vested RSUs only into an equivalent number of Shares. If you reside in Canada (or in the event of your death, your legal representative or estate) you will not receive an equivalent or fractional Share cash payment with respect to the vested RSUs.

Termination.

The following provision replaces the last paragraph of the *Termination* section of the Award Agreement:

In the event of your termination of Service (whether or not later found to be invalid or unlawful for any reason, including for breaching employment laws in the jurisdiction where you provide Service or the terms of your Employment Agreement, if any), unless provided otherwise by the Company: (i) your right to vest in the RSUs (if any) will terminate effective, as of the earlier of (1) the date you receive notice of termination, or (2) the date you are no longer providing Service, regardless of any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under local law. You will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which your right to vest terminates, nor will you be entitled to any compensation for lost vesting, in all cases regardless of any notice period or period of pay in lieu of such notice required under applicable Canadian employment laws (including, but not limited to statutory law, regulatory law and/or common law). Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the RSUs under the Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but you

will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting.

The following terms and conditions apply if you are a resident of Quebec:

Language Consent.

A French translation of the Plan and the Award Agreement will be made available to you as soon as reasonably practicable. You understand that, from time to time, additional information related to the offering of the Plan might be provided in English and such information may not be immediately available in French. However, upon request, the Company will translate into French documents related to the offering of the Plan as soon as reasonably practicable.

Consentement Linguistique. Une traduction française du Plan et de l'Accord ("Award Agreement") sera mise à la disposition du vous dès que raisonnablement possible. Vous comprenez que, de temps à autre, des informations supplémentaires liées à l'offre du Plan peuvent être fournies en anglais et que ces informations peuvent ne pas être immédiatement disponibles en français. Cependant, sur demande, la Société traduira en français les documents relatifs à l'offre du Plan dès que raisonnablement possible.

NOTIFICATIONS

Securities Law Information.

You are permitted to sell Shares acquired under the Plan through the designated broker appointed under the Plan, if any, provided the sale of the Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (*i.e.*, Nasdaq).

Foreign Assets/Account Reporting Information.

Canadian residents are required to report any specified foreign property (including Shares and RSUs) on form T1135 (Foreign Income Verification Statement) if the total cost of such specified foreign property exceeds C\$100,000 at any time in the year. The form must be filed by April 30 of the following year. Specified foreign property includes Shares acquired under the Plan and may include the RSUs. The RSUs must be reported - generally at a nil cost - if the C\$100,000 cost threshold is exceeded because of other foreign property you hold. If Shares are acquired, their cost generally is the adjusted cost base ("**ACB**") of the Shares. The ACB would normally equal the fair market value of the Shares at vesting, but if you own other shares, this ACB may have to be averaged with the ACB of the other shares. You should speak with a personal tax advisor to determine the scope of foreign property that must be considered for purposes of this requirement.

CHILE

NOTIFICATIONS

Securities Law Information.

The private offering of the RSUs starts on the Grant Date and is made subject to general ruling n° 336 of the Chilean Commission for the Financial Market ("**CMF**"). This offer refers to securities not registered at the securities registry or at the foreign securities registry of the CMF, and therefore such securities are not subject to its oversight. Given that these securities are not registered in Chile, there is no obligation from the issuer to provide public information on them in Chile. These securities cannot be subject to public offering in Chile while they are not registered at the corresponding securities registry in Chile.

CHINA**TERMS AND CONDITIONS**

The following provisions apply if you are subject to the exchange control regulations or restrictions in the People's Republic of China ("China"), as determined by the Company in its sole discretion:

Vesting and Mandatory Sale Restriction.

The following provisions replace the Vesting, Termination and Settlement of Vested RSUs sections of the Award Agreement:

Notwithstanding anything to the contrary in the Award Agreement, due to legal restrictions in China, you agree that the Company may force the sale of any Shares (i) immediately upon vesting, (ii) following the termination of your Service, (iii) following your transfer to another Subsidiary or Affiliate outside of China, or (iv) within any other timeframe the Company determines to be necessary or advisable. You agree that you must maintain any Shares acquired under the Plan in an account at a broker designated by the Company ("**Designated Account**"). All Shares deposited in the Designated Account cannot be transferred out of that Designated Account. Within six (6) months after the termination of your Service for any reason (or such other period as determined by the Company in its sole discretion), you must sell all Shares acquired under the Plan. The Company will direct the automatic sale of any such Shares remaining in the Designated Account at the expiration of this six (6) month period (or such other period as determined by the Company in its sole discretion).

You agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such Shares (on your behalf pursuant to this authorization) and you expressly authorize the Company's designated broker to complete the sale of such Shares. You acknowledge that the Company's designated broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the Company agrees to pay you the cash proceeds from the sale, less any brokerage fees or commissions and subject to any obligation to satisfy Tax-Related Items. You agree that if you sell Shares that you acquire under the Plan, the repatriation requirements described below shall apply.

If you transfer to a Subsidiary or an Affiliate in China or transfer from an Affiliate or Subsidiary in China to another Affiliate outside of China, you may become or remain subject to the requirements set forth in this Appendix I, as determined by the Company in its sole discretion. The Company reserves the right to suspend your participation in the Plan or take such other measures as it deems necessary or advisable to comply with local regulations.

Exchange Control Restriction.

You understand and agree that, due to exchange control laws in China, you will be required to immediately repatriate to China any cash proceeds acquired under the Plan. You further understand that, under local law, such repatriation of the cash proceeds may need to be effected through a special exchange control account established by the Company or any Subsidiary or Affiliate of the Company and you hereby consent and agree that the cash proceeds may be transferred to such special account prior to being delivered to you. Further, if the proceeds from your participation in the Plan are converted to local currency, you acknowledge that the Company (including its Subsidiaries and Affiliates) is under no obligation to secure any currency conversion rate and may face delays in converting the proceeds to local currency due to exchange control restrictions in China. You agree to bear the risk of any currency conversion rate fluctuation between the date that your proceeds are delivered to such special exchange control account and the date of conversion of the proceeds to local currency.

You further agree to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in China.

COSTA RICA

There are no country-specific provisions.

EGYPT

NOTIFICATIONS

Exchange Control Information.

If you transfer funds into Egypt in connection with the remittance of proceeds from the vesting of the RSUs, sale of Shares or the receipt of any dividends and/or Dividend Equivalents, you are required to transfer the funds through a bank registered in Egypt.

FRANCE

TERMS AND CONDITIONS

Language Consent.

By accepting the RSUs, you confirm having read and understood the documents relating to the grant of the RSUs (the Plan and the Award Agreement), which were provided in the English language, and you accept the terms of such documents accordingly.

Consentement relatif à la langue.

En acceptant l'RSUs, vous confirmez ainsi avoir lu et compris les documents relatifs à l'attribution de l'RSUs (le Plan et le Contrat d'Attribution) qui vous ont été communiqués en langue anglaise, et vous en acceptez les termes et conditions en connaissance de cause.

NOTIFICATIONS

Award not Tax-Qualified.

The RSUs granted under the Award Agreement are not intended to qualify for specific tax and social security treatment pursuant to Sections L. 225-197-1 to L. 225-197-5 and Sections L. 22-10-59 to L. 22-10-60 of the French Commercial Code, as amended.

Foreign Assets/Account Reporting Information.

If you are a French resident and you hold securities (including Shares) or cash outside of France, you must declare all foreign bank and brokerage accounts (including the accounts that were opened and closed during the tax year) on an annual basis on a special form n°3916, together with your income tax return. If you fail to complete this reporting, you may be subject to penalties.

GERMANY

NOTIFICATIONS

Exchange Control Information.

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank (Bundesbank). If you make or receive a payment in excess of this amount (including if you acquire Shares with a value in excess of this amount or sell Shares via a foreign broker, bank or service provider and receive proceeds in excess of this amount), you must report the payment to Bundesbank,

either electronically using the “General Statistics Reporting Portal” (“*Allgemeines Meldeportal Statistik*”) available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

INDIA

TERMS AND CONDITIONS

Labor Law Acknowledgment.

The RSUs and the Shares underlying the RSUs, and the income and value of same, are extraordinary items that are not part of your annual gross salary.

NOTIFICATIONS

Exchange Control Information.

You are required to repatriate the proceeds from the sale of Shares and any dividends received in relation to the Shares to India within the time frame prescribed under applicable Indian exchange control laws as may be amended from time to time. You must maintain the foreign inward remittance certificate received from the bank where the foreign currency is deposited in the event that the Reserve Bank of India or your employer requests proof of repatriation. It is your responsibility to comply with applicable exchange control laws in India.

Foreign Assets/Account Reporting Information.

If you are an Indian resident, you are required to report all bank accounts or investments (including the RSUs and any Shares) that you hold outside of India. You should consult with a personal tax advisor to ensure that you are properly complying with applicable reporting requirements.

INDONESIA

NOTIFICATIONS

Language Consent and Notification.

By accepting the RSUs, (i) you confirm having read and understood the documents relating to this grant which were provided in the English language, (ii) you accept the terms of those documents accordingly, and (iii) you agree that you will not challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Persetujuan dan Pemberitahuan Bahasa.

Dengan menerima pemberian Unit Saham Terbatas ini, Peserta (i) anda mengkonfirmasi bahwa anda telah membaca dan mengerti isi dokumen yang terkait dengan pemberian ini yang disediakan dalam Bahasa Inggris, (ii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) anda setuju bahwa anda tidak akan mengajukan keberatan atas keberlakuan dokumen ini berdasarkan Undang-Undang No. 24 tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan atau Peraturan Presiden pelaksana (ketika diterbitkan).

Exchange Control Information.

Indonesian residents must provide the Bank of Indonesia with information on foreign exchange activities in an online monthly report no later than the fifteenth day of the month following the activity. In addition,

if you remit funds into Indonesia (*e.g.*, proceeds from the sale of Shares), the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of Indonesia for statistical reporting purposes. For transactions of US\$10,000 or more, a more detailed description of the transaction must be included in the report and you may be required to provide information about the transaction (*e.g.*, the relationship between you and the transferor of the funds, the source of the funds, etc.) to the bank in order for the bank to complete the report.

IRELAND

There are no country-specific provisions.

ITALY

TERMS AND CONDITIONS

Plan Document Acknowledgment.

By accepting the RSUs, you acknowledge that you have received a copy of the Plan and the Award Agreement, have reviewed each of these documents in their entirety and fully understand and accept all terms of such documents. In this regard, you acknowledge having read and specifically approve the following sections of the Award Agreement and this Appendix I, as applicable: (i) Vesting; (ii) Termination; (iii) Settlement of Vested RSUs; (iv) Forfeiture of Unvested RSUs Upon the Transfer of Related Shares; (v) Taxes; (vi) No Guarantee of Continued Service; (vii) Acknowledgment of Nature of Award; (viii) Data Privacy; and (ix) Governing Law; Jurisdiction; Waiver of Jury Trial.

NOTIFICATIONS

Foreign Assets/Account Reporting Information.

Italian residents who, during the fiscal year, hold investments abroad or foreign financial assets (*e.g.*, cash, Shares and RSUs) which may generate income taxable in Italy are required to report such on their annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due. The same reporting obligations apply to Italian residents who, even if they do not directly hold investments abroad or foreign financial assets (*e.g.*, cash, Shares and RSUs), are beneficial owners of the investment pursuant to Italian money laundering provisions.

Tax on Foreign Financial Assets.

Italian residents may be subject to tax on the value of financial assets held outside of Italy. The taxable amount will be the fair market value of the financial assets, including Shares assessed at the end of the calendar year. If you are subject to this foreign financial assets tax, you will need to report the value of your financial assets held abroad in your annual tax return. You are encouraged to consult your personal legal advisor for additional information about the foreign financial assets tax.

JAPAN

NOTIFICATIONS

Foreign Assets/Account Reporting Information.

If you are a Japanese tax resident, you will be required to report details of any assets held outside of Japan as of December 31st (including any Shares or cash acquired under the Plan) to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report will be due by March 15th each year. You should consult with your personal tax advisor as to whether the reporting obligation applies to you and

whether you will be required to include details of any outstanding Shares, RSUs or cash held by you in the report.

KOREA

NOTIFICATIONS

Foreign Assets/Account Reporting Information.

You must declare all of your foreign financial accounts (*i.e.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authorities and file a report with respect to such accounts if the value of such accounts exceeds KRW 500 million (or an equivalent amount in foreign currency) on any month-end date during the year.

LUXEMBOURG

There are no country-specific provisions.

MEXICO

TERMS AND CONDITIONS

No Entitlement or Claims for Compensation.

These provisions supplement the *Acknowledgment of Nature of Award* section of the Award Agreement including this Appendix I:

Modification.

By accepting the RSUs, you understand and agree that any modification of the Plan or the Award Agreement or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

Policy Statement.

The Award of RSUs the Company is making under the Plan is unilateral and discretionary and, therefore, the Company reserves the absolute right to amend it and discontinue it at any time without any liability.

The Company, with offices at One PPG Place, Pittsburgh, Pennsylvania 15222, U.S.A. is solely responsible for the administration of the Plan and participation in the Plan and the acquisition of Shares does not, in any way, establish an employment relationship between you and the Company since you are participating in the Plan on a wholly commercial basis and the sole employer is Delimex de Mexico, S.A. de C.V., located at Monte Pelvoux #220, Piso 6, Col. Lomas de Chapultepec, Delegacion Miquel Hidalgo C.P. 11000 Mexico, nor does it establish any rights between you and the Company, its Subsidiaries or its Affiliates.

Plan Document Acknowledgment.

By accepting the RSUs, you acknowledge that you have received copies of the Plan, have reviewed the Plan and the Award Agreement in their entirety and fully understand and accept all provisions of the Plan and the Award Agreement.

In addition, by accepting the Award Agreement, you further acknowledge that you have read and specifically and expressly approve the terms and conditions in the Award Agreement, in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis;

(iii) participation in the Plan is voluntary; and (iv) the Company and any Subsidiary or Affiliates are not responsible for any decrease in the value of the Shares underlying the RSUs.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Company for any compensation or damages as a result of your participation in the Plan and therefore grant a full and broad release to the Company and any Subsidiary or Affiliate with respect to any claim that may arise under the Plan.

TÉRMINOS Y CONDICIONES

No existirá derecho o demanda por daños y perjuicios.

Estas disposiciones son complementarias de la sección de Reconocimiento de la Naturaleza del Contrato, incluyendo el presente Apéndice I:

Modificación.

Al aceptar esta RSUs, usted entiende y acuerda que cualquier modificación al Plan o al Contrato, o su terminación no constituirá un cambio o impedimento a los términos y condiciones de su empleo.

Declaración de Política.

El Otorgamiento de RSUs que la Compañía hace mediante el Plan, es unilateral y discrecional y, por lo tanto, la Compañía se reserva el derecho absoluto de modificarlo o discontinuarlo en cualquier momento, sin asumir ninguna responsabilidad.

La Compañía, con oficinas en One PPG Place, Pittsburgh, Pennsylvania 15222, U.S.A. es únicamente responsable de la administración del Plan y la participación en el Plan y la adquisición de Acciones no establece, en ninguna forma, una relación laboral entre usted y la Compañía, toda vez que usted está participando en el Plan en un plano completamente comercial y su único patrón es Delimex de Mexico, S.A. de C.V., ubicado en Monte Pelvoux #220, Piso 6, Col. Lomas de Chapultepec, Delegación Miguel Hidalgo C.P. 11000 México, y tampoco establece ningún derecho entre usted y la Compañía, sus Subsidiarias o Afiliadas.

Reconocimiento del Documento del Plan.

Al aceptar esta RSUs, usted reconoce que ha recibido copias de dicho Plan, ha revisado el Plan y el Contrato en su integridad y comprende y acepta plenamente todas las disposiciones del Plan y del Contrato.

Adicionalmente, al aceptar el Contrato, usted reconoce que ha leído y especifica y expresamente aprueba los términos y condiciones en el Contrato, en el cual se establece y describe claramente lo siguiente: (i) la participación en el Plan no constituye un derecho adquirido; (ii) el Plan, y su participación en él es ofrecido por la Compañía sobre una base plenamente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) la Compañía y cualquier Subsidiaria o Afiliada no son responsables por cualquier disminución en el valor de las Acciones implícitas en las RSUs. Finalmente, por medio del presente usted declara que no se reserva ninguna acción o derecho a presentar cualquier reclamo en contra de la Compañía por cualquier compensación o daño como resultado de su participación en el Plan y por lo tanto otorga la liberación más amplia que en derecho proceda a la Compañía y cualquier Subsidiaria o Afiliada con respecto a cualquier reclamo que pueda surgir en torno al Plan.

Securities Law Information.

The RSUs and Shares offered under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, the Award Agreement and any other document relating to

the RSUs may not be publicly distributed in Mexico. These materials are addressed to you only because of your existing relationship with the Company and your employer and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of Delimex de Mexico, S.A. de C.V. made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

NETHERLANDS

**Attention! This investment falls outside AFM supervision.
No prospectus required for this activity.**



NEW ZEALAND

NOTIFICATIONS

Securities Law Information.

WARNING - You are being offered RSUs (which, upon vesting in accordance with the terms of the grant of the RSUs, will be converted into Shares) in the Company. Shares give you a stake in the ownership of the Company. You may receive a return if dividends are paid. Shares are quoted on the Nasdaq. This means you may be able to sell them on the Nasdaq if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share scheme. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment.

In compliance with applicable New Zealand securities laws, you are entitled to receive, in electronic or other form and free of cost, copies of the Company's latest annual report, relevant financial statements and the auditor's report on said financial statements (if any).

Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

PANAMA

NOTIFICATIONS

Securities Law Information.

The RSUs and the Shares to be issued upon vesting of RSUs are offered in a private transaction. This is not an offer to the public and the offer is not subject to the protections established by Panamanian securities laws.

PAPUA NEW GUINEA

There are no country-specific provisions.

POLAND*NOTIFICATIONS***Exchange Control Information.**

If you transfer funds in excess of a certain threshold (currently €15,000) into or out of Poland, the funds must be transferred via a Polish bank account or financial institution. You are required to retain the documents connected with a foreign exchange transaction for a period of five (5) years, as measured from the end of the year in which such transaction occurred.

Foreign Assets/Account Reporting Information.

Polish residents holding foreign securities (e.g., Shares) and/or maintaining accounts abroad must report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets possessed abroad) exceeds PLN 7 million. If required, the reports must be filed on a quarterly basis on special forms that are available on the website of the National Bank of Poland.

PUERTO RICO*NOTIFICATIONS***Securities Law Information.**

The offer of the Plan is subject exclusively to United States securities laws, including the United States Securities Exchange Act of 1934, as amended.

RUSSIA*TERMS AND CONDITIONS***U.S. Transaction.**

You understand that your acceptance of the RSUs results in a contract between you and the Company that is completed in the United States and that the Award Agreement is governed by the laws of the State of Delaware, without giving effect to the conflict of laws principles thereof. You are not permitted to sell the Shares directly to other Russian legal entities or individuals.

*NOTIFICATIONS***Securities Law Information.**

Your employer is not in any way involved with the offer of the RSUs or administration of the Plan. The Award Agreement, the Plan and all other materials you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of securities pursuant to the Plan has not and will not be registered in Russia; hence, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia. In no event will Shares issued upon vesting of the RSUs be delivered to you in Russia; all Shares will be maintained on your behalf in the United States of America.

Exchange Control Information.

You are responsible for complying with any applicable Russian exchange control regulations and rulings. Because Russian exchange control regulations and rulings change frequently and without notice, you should consult with a legal advisor to ensure compliance applicable to any aspect of your participation in the Plan, including the grant and vesting of the RSUs, issuance of any Shares at vesting, receipt of any proceeds from the sale of Shares and/or receipt of any payments in connection with any Dividend Equivalents or dividends.

Foreign Assets/Account Reporting Information.

Russian residents are required to notify Russian tax authorities within one (1) month of opening, closing or changing the details of a foreign account. Russian residents also are required to report (i) the beginning and ending balances in such a foreign bank account each year and (ii) transactions related to such a foreign account during the year to the Russian tax authorities, on or before June 1 of the following year. The tax authorities can require you to provide appropriate supporting documents related to transactions in a foreign bank account.

You also are required to submit an annual cash flow report for any offshore brokerage account, due by June 1 each year for the previous year. Starting with the reporting year 2021, in addition to the annual cash flow account, you are required to submit an annual financial asset report on any securities, *e.g.*, Shares, in an offshore brokerage account, due by June 1 each year for the previous year.

Anti-Corruption Notice.

Anti-corruption laws prohibit certain public servants, their spouses and their dependent children from owning any foreign source financial instruments (*e.g.*, shares of foreign companies such as the Company). Accordingly, you should inform the Company if you are covered by these laws because you should not hold Shares acquired under the Plan.

SINGAPORE***NOTIFICATIONS*****Securities Law Information.**

The grant of the RSUs is being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”), under which it is exempt from the prospectus and registration requirements under the SFA. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore and the grant of the RSUs is not made with a view to the RSUs or Shares being subsequently offered to another party. You should note that the RSUs are subject to section 257 of the SFA and you should not make any subsequent sale of Shares in Singapore or any offer of such subsequent sale of Shares subject to the awards in Singapore, unless such sale or offer in is made: (i) more than six (6) months from the Grant Date or (ii) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

Director Notification Requirement.

If you are a director, associate director or shadow director of the Company’s Singapore Subsidiary or Affiliate, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore Subsidiary or Affiliate in writing when you receive an interest (*e.g.*, RSUs, Shares) in the Company, a Subsidiary or Affiliate. In addition, you must notify the Singapore Subsidiary or Affiliate when you sell Shares (including when you sell Shares issued upon vesting and settlement of the RSUs). These notifications must be made within two (2) business days of acquiring or disposing of any interest in the Company or any Subsidiary or Affiliate. In addition, a notification of your interests in the Company, Subsidiary or Affiliate must be made within two (2) business days of becoming a director. If you are the chief executive officer (“CEO”) of the Company’s Singapore

Subsidiary or Affiliate and the above notification requirements are determined to apply to the CEO of a Singapore subsidiary or affiliate, the above notification requirements also may apply.

SPAIN

TERMS AND CONDITIONS

Acknowledgment of Nature of Award.

The following provisions supplement the first paragraph of the *Acknowledgment of Nature of Award* section of the General Non-U.S. Terms and Conditions section of this Appendix I:

By accepting the grant of the RSUs, you acknowledge that you consent to participation in the Plan and have received a copy of the Plan.

You understand that the Company has unilaterally, gratuitously and discretionally decided to grant RSUs under the Plan to individuals who may be employees of the Company's Subsidiaries or Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or its Subsidiaries or Affiliates on an ongoing basis except as provided in the Plan. Consequently, you understand that the RSUs are granted on the assumption and condition that the RSUs or the Shares acquired upon vesting shall not become a part of any employment contract with the Company and any of its Subsidiaries and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, you understand that this grant would not be made to you but for the assumptions and conditions referred to above; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the RSUs shall be null and void.

You understand and agree that, unless otherwise provided in the Award Agreement, the vesting and settlement of the RSUs is expressly conditioned on your continuous Service such that if your employment or rendering of services terminates for any reason whatsoever, your RSUs will cease vesting immediately effective as of the date of such termination for any reason including, but not limited to, resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause (*i.e.*, subject to a "despido improcedente"), individual or collective dismissal on objective grounds, whether adjudged or recognized to be with or without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, and/or Article 50 of the Workers' Statute, unilateral withdrawal by your employer and under Article 10.3 of the Royal Decree 1382/1985. Consequently, upon termination for any of the above reasons, you will automatically lose any rights to the RSUs granted to you that were unvested on the date of termination, as described in the Award Agreement.

NOTIFICATIONS

Securities Law Information.

The RSUs and the Shares issued pursuant to the vesting of the RSUs do not qualify under Spanish regulations as securities. No "offer of securities to the public," as defined under Spanish law, has taken place or will take place in the Spanish territory. The Award Agreement has not been nor will it be registered with the Comisión Nacional del Mercado de Valores and does not constitute a public offering prospectus.

Foreign Assets/Account Reporting Information.

If you are a Spanish resident and you hold 10% or more of the share capital of the Company or such other amount that would entitle you to join the Board of Directors, you must declare the acquisition, ownership

and disposition of Shares to the Dirección General de Comercial e Inversiones (the “**DGCI**”) for statistical purposes. This declaration must be made in January for any Shares owned as of December 31 of the prior year by filing a form D-6 with the DGCI; however, if the value of the Shares being reported exceeds €1,502,530, the declaration must be filed within one (1) month of the acquisition or disposition of the Shares, as applicable. In addition, if you wish to import the ownership title of any Shares (*i.e.*, share certificates) into Spain, you must declare the importation of such securities to the DGCI.

You also are required to declare electronically to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including Shares) and any transactions with non-Spanish residents (including any payments of Shares made pursuant to the Plan) held in such accounts if the value of the transactions during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceeds €1,000,000.

To the extent that you hold rights or assets (*e.g.*, Shares acquired under the Plan or cash held in a bank or brokerage account) outside Spain with a value in excess of €50,000 per type of asset as of December 31 each year, you will be required to report information on such assets on your tax return (tax form 720) for such year. After such rights and/or assets are initially reported, the reporting obligation will apply for subsequent years only if the value of such right or asset increases by more than €20,000 or if you sell or otherwise dispose of previously reported rights or assets. The reporting must be completed by the following March 31.

You are solely responsible for complying with applicable reporting obligations. The laws are often complex and can change frequently. You should consult your personal legal and/or tax advisor to confirm the reporting requirements that will apply to you in connection with the Plan.

SWEDEN

TERMS AND CONDITIONS

Authorization to Withhold. The following provisions supplement the *Taxes* section of the Award Agreement and the General Non-U.S. Terms and Conditions section of this Appendix I:

Without limiting the Company or your employer’s authority to satisfy their withholding obligations for Tax-Related Items as set forth in the *Taxes* section of the Award Agreement and the General Non-U.S. Terms and Conditions section of this Appendix I, you authorize the Company and your employer to withhold from the Shares or proceeds of the sale of Shares or any other amount otherwise deliverable to you upon the settlement of the RSUs to satisfy Tax-Related Items, regardless of whether the Company or your employer has an obligation to withhold such Tax-Related Items.

THAILAND

NOTIFICATIONS

Exchange Control Information.

If you are a Thai resident and you receive funds in connection with the Plan (*e.g.*, dividends or sale proceeds) with a value equal to or greater than US\$1,000,000 per transaction, you are required to immediately repatriate such funds to Thailand. Any foreign currency repatriated to Thailand must be converted to Thai Baht or deposited into a foreign currency deposit account opened with any commercial bank in Thailand acting as the authorized agent within 360 days from the date the funds are repatriated to Thailand. You are also required to inform the authorized agent of the details of the foreign currency transaction, including your identification information and the purpose of the transaction.

If you do not comply with the above obligations, you may be subject to penalties assessed by the Bank of Thailand. Because exchange control regulations change frequently and without notice, you should consult your legal advisor before selling any Shares (or receiving any other funds in connection with the Plan) to ensure compliance with current regulations. You are responsible for ensuring compliance with all exchange control laws in Thailand, and neither the Company nor your employer will be liable for any fines or penalties resulting from failure to comply with applicable laws.

TURKEY

NOTIFICATIONS

Securities Law Information.

You are permitted to sell Shares acquired under the Plan through the designated broker appointed under the Plan, if any, provided the sale of the Shares takes place outside of Turkey through the facilities of a stock exchange on which the Shares are listed (*i.e.*, Nasdaq).

Exchange Control Information.

Under Turkish law, Turkish residents are permitted to purchase and sell securities or derivatives traded on exchanges abroad only through a financial intermediary licensed in Turkey. Therefore, you may be required to appoint a Turkish broker to assist you with the sale of the Shares acquired under the Plan. You should consult your personal legal advisor before selling any Shares acquired under the Plan to confirm the applicability of this requirement to you.

UNITED ARAB EMIRATES

NOTIFICATIONS

Securities Law Information.

The Plan is being offered only to employees and is in the nature of providing equity incentives to employees of the Company or its Subsidiaries or Affiliates in the United Arab Emirates (“UAE”). Any documents related to the Plan, including the Plan, this Award Agreement, and other grant documents (“**Plan Documents**”), are intended for distribution only to such employees and must not be delivered to, or relied on by any other person. Prospective purchasers of the securities offered (*i.e.*, the RSUs) should conduct their own due diligence on the securities.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any Plan Documents nor has it taken steps to verify the information set out in them, and thus, is not responsible for such documents. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it and has no responsibility for it. If you do not understand the contents of the Plan Documents, you should consult an authorized financial advisor.

UNITED KINGDOM

TERMS & CONDITIONS

Taxes.

The following provisions supplement the *Taxes* section of the Award Agreement and the General Non-U.S. Terms and Conditions section of this Appendix I:

Without limitation to the *Taxes* section of the Award Agreement and the General Non-U.S. Terms and Conditions section of this Appendix I, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items as and when requested by the Company or your employer or by HM Revenue and Customs (“**HMRC**”) (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and your employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are a director or executive officer (as within the meaning of the Act), the terms of the immediately foregoing provision will not apply. In the event that you are a director or executive officer and income tax due is not collected from or paid by you within ninety (90) days of the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that you ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying the Company or your employer (as applicable) for the value of any employee national insurance contributions due on this additional benefit, which the Company and/or your employer may obtain from you by any of the means referred to in the *Taxes* section of the Award Agreement and the General Non-U.S. Terms and Conditions section of this Appendix I.

The Kraft Heinz Company
List of Subsidiaries

Subsidiary	State or Country
Alimentos Heinz de Costa Rica S.A.	Costa Rica
Alimentos Heinz, C.A.	Venezuela
Asian Home Gourmet (CPL) Pte. Ltd	Singapore
Asian Restaurants Limited	United Kingdom
Battery Properties, Inc.	Delaware
Boca Foods Company	Delaware
BR Spices Industria e Comercio de Alimentos Ltda	Brazil
Bridgetown KHC SRL	Barbados
Cairo Food Industries, S.A.E.	Egypt
Capri Sun, Inc.	Delaware
Carlton Bridge Limited	United Kingdom
Cerebos (Australia) Ltd.	Australia
Cerebos Gregg's Ltd.	New Zealand
Cerebos Skellerop Ltd.	New Zealand
Churny Company, LLC	Delaware
Comercializadora Heinz Panama SCA	Panama
Country Ford Development Limited	China
Delimex de Mexico S.A. de C.V.	Mexico
Devour Foods LLC	Delaware
Distribuidora Heinz Caracas, C.A.	Venezuela
Distribuidora Heinz Maracaibo C.A.	Venezuela
Ege Assan Gida Pazarlama Sanayi ve Ticaret Anonim Sirketi, S.A.	Turkey
Ethical Bean LLC	Delaware
evolv group llc	Delaware
evolv venture capital fund LP	Delaware
evolv ventures llc	Delaware
Fall Ridge Partners LLP	United Kingdom
Foodstar (China) Investments Company Limited	China
Foodstar (Shanghai) Foods Co. Ltd.	China
Foodstar Holdings Pte. Ltd.	Singapore
Fruitlove LLC	Delaware
Fundacion Heinz	Venezuela
Garland BBQ Company	Delaware
Gevalia Kaffe LLC	Delaware
Golden Circle Limited	Australia
Gourmet Specialties LLC	Delaware
H. J. Heinz Belgium S.A.	Belgium
H. J. Heinz Company Brands LLC	Delaware
H. J. Heinz GmbH	Germany
H. J. Heinz Nigeria Limited	Nigeria
H.J. Heinz B.V.	Netherlands
H.J. Heinz Company (Ireland) Limited	Ireland
H.J. Heinz Company (New Zealand) Limited	New Zealand

H.J. Heinz Company Australia Limited	Australia
H.J. Heinz Company Limited	United Kingdom
H.J. Heinz Distribution SAS	France
H.J. Heinz European Holding B.V.	Netherlands
H.J. Heinz Finance UK PLC	United Kingdom
H.J. Heinz Foods Spain S.L.U.	Spain
H.J. Heinz Foods UK Limited	United Kingdom
H.J. Heinz France SAS	France
H.J. Heinz Global Holding B.V.	Netherlands
H.J. Heinz Holding B.V.	Netherlands
H.J. Heinz Investments Coöperatief U.A.	Netherlands
H.J. Heinz Ireland Holdings Unlimited Company	Ireland
H.J. Heinz Manufacturing Spain S.L.U.	Spain
H.J. Heinz Manufacturing UK Limited	United Kingdom
H.J. Heinz Nederland B.V.	Netherlands
H.J. Heinz Polska Sp. z o.o.	Poland
H.J. Heinz Supply Chain Europe B.V.	Netherlands
H.J. Heinz US Brands LLC	Delaware
Heinz (China) Investment Co. Ltd.	China
Heinz (China) Sauces & Condiments Co. Ltd.	China
Heinz (Shanghai) Enterprise Services Co., Ltd.	China
Heinz Africa and Middle East FZE	United Arab Emirates
Heinz Asean Pte. Ltd.	Singapore
Heinz Brasil S.A.	Brazil
Heinz Colombia SAS	Colombia
Heinz Credit LLC	Delaware
Heinz Egypt LLC	Egypt
Heinz Egypt Trading LLC	Egypt
Heinz Finance (Luxembourg) S.à r.l	Luxembourg
Heinz Foreign Investment Company	Idaho
Heinz-Georgievsk Ltd.	Russia
Heinz Gida Anonim Sirketi	Turkey
Heinz Hong Kong Ltd.	China
Heinz Israel Ltd.	Israel
Heinz Italia S.p.A.	Italy
Heinz Japan Ltd.	Japan
Heinz Korea Ltd.	South Korea
Heinz Mexico, S.A. de C.V.	Mexico
Heinz Nutrition Foundation India	India
Heinz Pakistan (Pvt.) Limited	Pakistan
Heinz Panama, S.A.	Panama
Heinz Purchasing Company	Delaware
Heinz Qingdao Food Co., Ltd.	China
Heinz South Africa (Pty.) Ltd.	South Africa
Heinz Thailand Limited	Delaware
Heinz Transatlantic Holding LLC	Delaware
Heinz UFE Ltd.	China
Heinz Wattie's Japan YK	Japan

Heinz Wattie's Limited	New Zealand
Heinz Wattie's Pty Limited	Australia
Heinz-Noble, Inc.	Arizona
Highview Atlantic Finance (Barbados) SRL	Barbados
HJH Development Corporation	Delaware
HJH Overseas LLC	Delaware
HP Foods Holdings Limited	United Kingdom
HP Foods International Limited	United Kingdom
HP Foods Limited	United Kingdom
Hugo Canning Co. Pty Ltd.	Papua New Guinea
HZ.I.L. Ltd.	Israel
Industria Procesadora de Alimentos de Barcelona C.A.	Venezuela
International Spirits Recipes, LLC	Delaware
Istituto Scotti Bassani per la Ricerca e l'Informazione Scientifica e Nutrizionale	Italy
Jacobs Road Limited	Cayman Islands
Just Spices GmbH	Germany
Kaiping Guanghe Fermented Bean Curd Co. Ltd.	China
Kaiping Weishida Seasonings Co. Ltd.	China
KFG Management Services LLC	Delaware
KFGB Holdings LLC	Delaware
KHC New Venture 1 LLC	Delaware
KHC New Venture 2 LLC	Delaware
KHC Toronto Holdings ULC	Canada
KHC Turkey Gida San A.S.	Turkey
KH Caribbean SRL	Barbados
KH Foodstar LLC	Delaware
KH Gustav LLC	Delaware
KH Investment Company LLC	Delaware
Koninklijke De Ruijter B.V.	Netherlands
Kraft Foods Group Brands LLC	Delaware
Kraft Foods Group Exports LLC	Delaware
Kraft Foods Group Puerto Rico LLC	Puerto Rico
Kraft Heinz (Barbados) SRL	Barbados
Kraft Heinz (Shanghai) Enterprise Management Co., Ltd.	China
Kraft Heinz (Thailand) Co., Ltd.	Thailand
Kraft Heinz Amsterdam B.V.	Netherlands
Kraft Heinz Argentina S.R.L.	Argentina
Kraft Heinz Australia Pty Limited	Australia
Kraft Heinz Bridgetown LP	Delaware
Kraft Heinz Canada Holdings Company ULC	Canada
Kraft Heinz Canada ULC	Canada
Kraft Heinz Chile Limitada	Chile
Kraft Heinz Creek LLC	Delaware
Kraft Heinz Foods Company	Pennsylvania
Kraft Heinz Foods Company LP	Canada
Kraft Heinz Global Finance B.V.	Netherlands
Kraft Heinz Holding LLC	Delaware
Kraft Heinz India Private Limited	India

Kraft Heinz Ingredients Corp.	Delaware
Kraft Heinz Intermediate Corporation I	Delaware
Kraft Heinz Intermediate Corporation II	Delaware
Kraft Heinz Investment Company LLC	Delaware
Kraft Heinz MEA LLC	UAE
Kraft Heinz NoMa B.V.	Netherlands
Kraft Heinz Puerto Rico LLC	Puerto Rico
Kraft Heinz Singapore Holding Pte. Ltd.	Singapore
Kraft Heinz UK Limited	United Kingdom
Kraft Heinz Ventures LLC	Delaware
Kraft Heinz Yangjiang Foods Co., Ltd.	China
Kraft New Services, LLC	Delaware
KraftHeinz Vostok Ltd.	Russia
La Bonne Cuisine Limited	New Zealand
Lea & Perrins Limited	United Kingdom
Lea & Perrins LLC	Delaware
LLC Ivanovsky Kombina Detskogo Pitaniya	Russia
Master Chef Limited	New Zealand
Nature's Delicious Foods Group LLC	Delaware
Noble Insurance Company Limited	Ireland
O.R.A. LLC	California
P.T. Heinz ABC Indonesia	Indonesia
Petroproduct-Otradnoye Limited	Russia
Phenix Management Corporation	Delaware
Primal Nutrition LLC	Delaware
Pudliszki Sp. z o.o.	Poland
Renee's Gourmet Foods Inc.	Canada
Salpak Pty Ltd.	Australia
Seven Seas Foods, Inc.	Delaware
Sewickley LLC	Delaware
The Bold Butcher, LLC	Delaware
The Kraft Heinz Company Foundation	Illinois
The Kraft Heinz Not Company LLC	Delaware
Thompson & Hills Ltd.	New Zealand
Top Taste Company Limited	New Zealand
Tsai Weng Ping Incorporated Limited	British Virgin Islands
Weishida (Nanjing) Foods Co. Ltd.	China
Wellio, Inc.	Delaware
Wexford LLC	Delaware
WW Foods LLC	Delaware
XO Dairy, LLC	Delaware

The Kraft Heinz Company
List of Subsidiary Guarantors and Issuers of Guaranteed Securities

As of December 31, 2022, The Kraft Heinz Company was the sole guarantor of all the unsecured registered notes issued by Kraft Heinz Foods Company, a Pennsylvania limited liability company, its 100% owned operating subsidiary.

Description of KHFC Senior Notes

2.000% Euro senior notes due 2023
1.500% Euro senior notes due 2024
3.000% senior notes due 2026
3.875% senior notes due 2027
4.125% British Pound senior notes due 2027
2.250% Euro senior notes due 2028
6.375% senior notes due 2028
4.625% senior notes due 2029
3.750% senior notes due 2030
4.250% senior notes due 2031
6.750% senior notes due 2032
5.000% senior notes due 2035
6.875% senior notes due 2039
7.125% senior notes due 2039
4.625% senior notes due 2039
6.500% senior notes due 2040
5.000% senior notes due 2042
5.200% senior notes due 2045
4.375% senior notes due 2046
4.875% senior notes due 2049
5.500% senior notes due 2050

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-250081) and Form S-8 (Nos. 333-205481, 333-211147 and 333-238073) of The Kraft Heinz Company of our report dated February 16, 2023 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Chicago, Illinois
February 16, 2023

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints Miguel Patricio, Andre Maciel, and Vince Garlati, or any one of them, his or her true and lawful attorney-in-fact and in his or her name, place, and stead for purposes of executing the Annual Report on Form 10-K of The Kraft Heinz Company for its fiscal year ended December 31, 2022, and any and all amendments or supplements thereto, and to cause the same to be filed with the Securities and Exchange Commission, pursuant to the Securities Exchange Act of 1934, as amended, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his or her substitute, may lawfully do or cause to be done by virtue hereof.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Miguel Patricio</u> Miguel Patricio	Chief Executive Officer and Chair of the Board (Principal Executive Officer)	February 13, 2023
<u>/s/ Andre Maciel</u> Andre Maciel	Executive Vice President and Global Chief Financial Officer (Principal Financial Officer)	February 13, 2023
<u>/s/ Vince Garlati</u> Vince Garlati	Vice President and Global Controller (Principal Accounting Officer)	February 13, 2023
<u>/s/ John T. Cahill</u> John T. Cahill	Vice Chair of the Board	February 13, 2023
<u>/s/ John C. Pope</u> John C. Pope	Lead Director	February 13, 2023
<u>/s/ Gregory E. Abel</u> Gregory E. Abel	Director	February 13, 2023
<u>/s/ Lori Dickerson Fouché</u> Lori Dickerson Fouché	Director	February 13, 2023
<u>/s/ Diane Gherson</u> Diane Gherson	Director	February 13, 2023
<u>/s/ Timothy Kenesey</u> Timothy Kenesey	Director	February 13, 2023
<u>/s/ Alicia Knapp</u> Alicia Knapp	Director	February 13, 2023
<u>/s/ Elio Leoni Sceti</u> Elio Leoni Sceti	Director	February 13, 2023
<u>/s/ Susan Mulder</u> Susan Mulder	Director	February 13, 2023
<u>/s/ James Park</u> James Park	Director	February 13, 2023

I, Miguel Patricio, certify that:

1. I have reviewed this Annual Report on Form 10-K for the period ended December 31, 2022 of The Kraft Heinz Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal controls over financial reporting, or caused such internal controls over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Miguel Patricio

Miguel Patricio
Chief Executive Officer

Date: February 16, 2023

I, Andre Maciel, certify that:

1. I have reviewed this Annual Report on Form 10-K for the period ended December 31, 2022 of The Kraft Heinz Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal controls over financial reporting, or caused such internal controls over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Andre Maciel

Andre Maciel

Executive Vice President and Global Chief Financial Officer

Date: February 16, 2023

18 U.S.C. SECTION 1350 CERTIFICATION

I, Miguel Patricio, Chief Executive Officer of The Kraft Heinz Company (the “Company”), hereby certify that, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, to my knowledge:

1. The Company’s Annual Report on Form 10-K for the period ended December 31, 2022 (the “Form 10-K”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Miguel Patricio
Name: Miguel Patricio
Title: Chief Executive Officer

Date: February 16, 2023

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Form 10-K or as a separate disclosure document.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to The Kraft Heinz Company and will be retained by The Kraft Heinz Company and furnished to the Securities and Exchange Commission or its staff upon request.

18 U.S.C. SECTION 1350 CERTIFICATION

I, Andre Maciel , Executive Vice President and Global Chief Financial Officer of The Kraft Heinz Company (the “Company”), hereby certify that, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, to my knowledge:

1. The Company’s Annual Report on Form 10-K for the period ended December 31, 2022 (the “Form 10-K”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Andre Maciel
Name: Andre Maciel
Title: Executive Vice President and Global Chief Financial Officer

Date: February 16, 2023

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Form 10-K or as a separate disclosure document.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to The Kraft Heinz Company and will be retained by The Kraft Heinz Company and furnished to the Securities and Exchange Commission or its staff upon request.