BARCLAYS
STIFEL NICOLAUS
CHICAGO FOOD
FIELD TRIP
MAY 13, 2022
This presentation contains a number of forward-looking statements. Words such as "accelerate," "advance," "build," "capture," "create," "deliver," "develop," "enable," "engineer," "execute," "focus," "gain," "generate," "grow," "hold," "implement," "improve," "increase," "integrate," "invent," "invigorate," "leverage," "maintain," "make," "modernize," "navigate," "open," "partner," "position," "provide," "reduce," "shorten," "strengthen," "transform," "uncover," "unlock," "upgrade," "will," and variations of such words and similar future or conditional expressions are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements regarding the Company's plans, impacts of accounting standards and guidance, growth, legal matters, taxes, costs and cost savings, impairments, dividends, expectations, investments, innovations, opportunities, capabilities, execution, initiatives, and pipeline. 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 the Company's control.

Important factors that may affect the Company’s 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, the impacts of COVID-19 and government and consumer responses; operating in a highly competitive industry; the Company’s 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 the Company's relationships with significant customers or suppliers, or in other business relationships; the Company’s ability to maintain, extend, and expand its reputation and brand image; the Company's ability to leverage its brand value to compete against private label products; the Company's ability to drive revenue growth in its key product categories or platforms, increase its 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; the Company's ability to identify, complete, or realize the benefits from strategic acquisitions, alliances, divestitures, joint ventures, or other investments; the Company's ability to successfully execute its strategic initiatives; the impacts of the Company's International operations; the Company's ability to protect intellectual property rights; the Company's ownership structure; the Company’s ability to realize the anticipated benefits from prior or future streamlining actions to reduce fixed costs, simplify or improve processes, and improve its competitiveness; the Company's level of indebtedness, as well as our ability to comply with covenants under our debt agreements, the Company's level of indebtedness, as well as our ability to comply with covenants under our debt agreements.

FORWARD-LOOKING STATEMENTS

MAY 13, 2022

NON-GAAP FINANCIAL MEASURES

This presentation contains certain non-GAAP financial measures, including Organic Net Sales, Adjusted EBITDA, Constant Currency Adjusted EBITDA, Adjusted EPS, and Free Cash Flow. These non-GAAP financial measures may differ from similarly titled non-GAAP financial measures presented by other companies. These measures are not substitutes for their comparable financial measures prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and should be viewed in addition to, and not as an alternative for, the GAAP results in this presentation.

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

Please see discussion of non-GAAP financial measures at the end of this presentation and the reconciliations at ir.kraftheinzcompany.com/events-and-webcasts for more information.
Miguel Patricio
Chairman and Chief Executive Officer
The next stage of our transformation is gaining momentum.

Delivering strong results

While navigating short-term turbulence

And advancing long-term strategy
Making rapid advancements to **drive results today** and set us up for **future growth**

**Reinvigorated Product PORTFOLIO**

**Disruptive MARKETING**

**New Ways of WORKING**

---

2022 FOOD FIELD TRIP
Kraft Heinz
Product Portfolio
Kraft Heinz is a $26B global food and beverage company.

8 Brands represent approximately 50% of our business

1 Financials reflect 2021 net sales by brand globally for the ongoing business
Resilient growth across our consumer platforms

US Zone Organic Net Sales\(^1\) heavily weighted to attractive GROW platforms

<table>
<thead>
<tr>
<th>CAGR Q1 vs 2019(^3)</th>
<th>% of Zone(^2,3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9%</td>
<td>14%</td>
</tr>
<tr>
<td>8%</td>
<td>21%</td>
</tr>
<tr>
<td>7%</td>
<td>65%</td>
</tr>
<tr>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

1) Non-GAAP financial measure. See ir.kraftheinzcompany.com/events and webcasts for more information, including GAAP to non-GAAP reconciliations.
2) Results for Q1 2022.
3) Excludes Kraft Heinz Ingredients business.
Actively managing short-term challenges while providing great value long-term

Reduced private label exposure with an improved position relative to peers

Offering consumer choices across rungs of price ladder

Tailoring Value Beyond Price to address consumer needs

Renovating products to improve flexibility, cost, and value proposition
Reduced Exposure to Private Label

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Food &amp; Bev</th>
<th>Kraft Heinz</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>20%</td>
<td>17%</td>
</tr>
<tr>
<td>2021</td>
<td>20%</td>
<td>11%</td>
</tr>
</tbody>
</table>

1) IRI, Multi Outlet (excluding Convenience). 2019 = 52 Weeks ending 12/29/2019, 2021 = 52 Weeks ending 12/26/2021. Total edible universe excludes categories with <$1M in consumption; KHC figures presented on basis of categories where the Company competes.
2) The Company views comparison to the 2019 period to be more meaningful than the comparable 2020 period given the exceptional, COVID-19-related consumer demand changes experienced in the 2020 period.
Differentiation across pricing ladder throughout portfolio

Lower $ per Serving

Higher $ per Serving

PRODUCT PORTFOLIO

2022 FOOD FIELD TRIP
Uniquely positioned to provide consumers additional value as inflation persists.

Value Beyond Price

Leveraging unique breadth of portfolio and occasion-based insights

Tailoring approach to consumers by demand moment / shopping preferences

PRODUCT PORTFOLIO

2022 FOOD FIELD TRIP
### Brand Design to Value

<table>
<thead>
<tr>
<th>Versatility</th>
<th><strong>Pleasure Point:</strong> Delicious Gooey Melt is most important to me when it comes to American Cheese</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Pain Point:</strong> I only use American Cheese on Grilled Cheese and Burgers</td>
</tr>
<tr>
<td>Quality</td>
<td><strong>Pain Point:</strong> American Cheese is too mild when I want a kick of flavor</td>
</tr>
<tr>
<td></td>
<td><strong>Pleasure Point:</strong> Healthy eating and functional nutrition is important to me</td>
</tr>
<tr>
<td></td>
<td><strong>Pain Point:</strong> Sometimes my Kraft Singles are discolored and hard</td>
</tr>
<tr>
<td>Convenience</td>
<td><strong>Pain Point:</strong> As soon as I open a package the slices go everywhere, making a messy refrigerator</td>
</tr>
</tbody>
</table>
Kraft Heinz
Disruptive Marketing
Transforming Marketing to Be More Impactful and Efficient

1. Granular Consumer Intimacy
2. Meaningful Growth Opportunities
3. Brand+ Performance Media Approach
4. More Effective Creative
We are Re-Imagining how we do Media and Activation

1st Party Data Capture
1st Party Data Enrichment

Growth Segment Grouping & Personalization enabled by the Kraft-O-Matic

Digital Activation

Impact

Household Penetration
Marketing ROI
Consumer Intimacy
**Deeper Customer Understanding**

- **Leveraging powerful brands and CRM assets**
  - to acquire and enrich more First Party Data
  - (33M IDs across 400 attributes)

- **Strengthening strategic data partnerships to enable stronger insights**

- **Developed proprietary data science and AI models to identify growth opportunities based on our platforms**
User Interface enables **high value insight & business decisions** with speed.
### Transforming Marketing to Be More Impactful and Efficient

<table>
<thead>
<tr>
<th>Consumer need:</th>
<th>Retail Media Examples: Amazon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Creative</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Consumer need:</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Managing the Household</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Consumer need:</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Family Time</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Consumer need:</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Customization</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Consumer need:</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Anytime Meals</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Consumer need:</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
<tr>
<td>Comfort &amp; Cravings</td>
<td><img src="kraft_macaroni_cheese.jpg" alt="Image" /></td>
</tr>
</tbody>
</table>
**Media Examples: Personalized Programmatic Display**

**Audience: Blue Box Buyers w/ Kids A12-18**

**Test:** What consumer need-based messaging drives higher sales lift for HH w/kids A12-18?

- **Control:** The taste you love
- **Consumer need: Expression:** Feed their cheesy creativity
- **Consumer need: Independence:** Build their kitchen confidence
- **Consumer need: Connection:** Make them the star of mealtime
Journey to date

Test phase launched 50+ agile marketing campaigns with a **15% ROAS gain**
while AI-built microsegments **delivered 40%+ ROAS gains**

Where we started
- Agency-led activations
- Limited capability for scale

Where are we today
- Refactored models with 3rd Party data
- Expanded channels and brands
- Achieved proof of value

Going forward
- Rollout end-to-end integration across all software
  - Build models for 20+ brands
  - Scale activations to 60%+ of business

2022 FOOD FIELD TRIP
Transforming Marketing to Be More Impactful and Efficient

1. Granular Consumer Intimacy
2. Meaningful Growth Opportunities
3. Brand+ Performance Media Approach
4. More Effective Creative
The Kitchen – Creating at the Speed of Culture

Real Scale

- Full Portfolio
- 98 Creators Strong
- Social Listening
- Creation
- Production

More Efficient

- Reduced Agency Fees
- Lower Production Cost
- Faster Speed to Market

Winning Externally

DISRUPTIVE MARKETING

2022 FOOD FIELD TRIP

Kraft Heinz
Reengineering Kraft Heinz to create the structure required to implement agility throughout the organization

Agile@Scale Disciplines

1. Organize & Lead with Agile Values
2. Build Tech Eco-System & Capabilities End-to-End
3. Scale Up Proven Solutions
Prioritizing the most critical initiatives will **unlock end-to-end efficiencies** across the entire value chain.

### Cross-Functional Agile Pods
- Embed solutions back to business
- 1,300+ team members trained by 2022

### Organization Re-Structure
- Reduced organizational layers
- Increased managers’ span of control

### Company-Wide Capabilities
- Developed fit-to-compete and fit-to-win capabilities
- Integrate agile mindset and principles

### Digital Factory
- Hired 100 tech talents
- Tech ecosystem creating new to world, proprietary solutions
We’ve launched **25 pods** in **3 critical areas** to deliver our **strategic priorities**

- **Consumer Intimacy and Innovation**
- **Advantaged Relationships with our Customers**
- **Resilient and Agile Supply Chain**
We’ve launched **25 pods** in **3 critical areas** to deliver our **strategic priorities**.

<table>
<thead>
<tr>
<th>Critical Area</th>
<th># of Pods</th>
<th>Ambition</th>
<th>Transformational KPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing</td>
<td>2</td>
<td>Engage with consumers to increase brand conversion</td>
<td>ROAS Lift</td>
</tr>
<tr>
<td>Disruptive Innovation</td>
<td>6</td>
<td>Build innovation engine to deliver portfolio of the future</td>
<td>Pilots to Scale</td>
</tr>
<tr>
<td>Brand Design to Value</td>
<td>3</td>
<td>Optimize existing brands to meet consumer needs</td>
<td>Brand Margin Improvement</td>
</tr>
<tr>
<td>Revenue Management</td>
<td>1</td>
<td>Optimize promotions to drive sales growth</td>
<td>Promo Optimization Targets</td>
</tr>
<tr>
<td>Sales</td>
<td>1</td>
<td>Extract insights to build customer growth plan</td>
<td>Net Sales sold-in with Customer</td>
</tr>
<tr>
<td>Logistics</td>
<td>8</td>
<td>Fulfill customer orders OTIF</td>
<td>CFR Improvement</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2</td>
<td>Identify root causes to troubleshoot lines in plants</td>
<td>Planned loss productivity gain</td>
</tr>
<tr>
<td>Procurement</td>
<td>1</td>
<td>Provide insights to identify productivity &amp; saving opportunities</td>
<td>Savings committed into contract</td>
</tr>
<tr>
<td>Supply Security</td>
<td>1</td>
<td>Address material and packaging risks to meet growth ambitions</td>
<td>NSV Risk Avoidance</td>
</tr>
</tbody>
</table>
Increasing **consumer intimacy** and accelerating the pace of **innovation** will lead to an **advantaged portfolio** equipped to drive growth.

### Consumer Intimacy
- Granular, real-time consumer data
- Customized messaging at scale
- Drive brand relevancy

### Innovation
- Shorten innovation time to market
- Develop sustainable innovation
- Accelerate innovation via partnerships

---

**Advantaged Portfolio**

![Logos of KRAFTOMATIC, Ore-Ida, Google, Simplot, Just Spices, Kraft Heinz NotCo]
Strengthening partnerships with our customers using data-driven insights to drive the business

Bob Wang
Head of Digital Transformation – NA Sales

Madeline Siambekos
Process & Capability Lead

Mike Overly
Principal Data Scientist

Dominique Carney
User Experience / Interface Designer

Salim Sopariwalla
Sr. Scrum Master

Faryal Masood
Business Intelligence Engineer

Wei Li
Staff Data Engineer

Advantaged Relationships with our Customers
Strengthening partnerships with our customers using data-driven insights to drive the business

- Questions that help us think from our customer’s vantage
- Access to real-time insights from multiple data sources
- New internal/customer routines to engage in growth conversations
- AI doing the work for humans – recognizing & recommending patterns

Advantaged Relationships with our Customers
Enabling increased product availability with our customers by sharing insights

Bi-directional data exchange with the retailer to drive transparency

Led to the right product, in the right place, at the right time

Out of stock improved within 4 weeks

Average weekly results: Pilot retailer

<table>
<thead>
<tr>
<th>Week</th>
<th>Average OOS %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>20.0%</td>
</tr>
<tr>
<td>1</td>
<td>20.4%</td>
</tr>
<tr>
<td>2</td>
<td>18.9%</td>
</tr>
<tr>
<td>3</td>
<td>13.3%</td>
</tr>
<tr>
<td>4</td>
<td>10.2%</td>
</tr>
<tr>
<td>5</td>
<td>8.4%</td>
</tr>
<tr>
<td>6</td>
<td>7.5%</td>
</tr>
<tr>
<td></td>
<td>6.7%</td>
</tr>
</tbody>
</table>
Our **Microsoft partnership** will accelerate scaling while also **uncovering other transformational enablers**.

### WAYS OF WORKING

<table>
<thead>
<tr>
<th>HORIZON 1: THE BASICS</th>
<th>HORIZON 2: ACCELERATE AGILITY</th>
<th>HORIZON 3: DRIVE INNOVATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modernize IT Foundation</td>
<td>Tech Ecosystem in critical areas</td>
<td>Transform the Business</td>
</tr>
<tr>
<td>Upgraded outdated systems</td>
<td>Sales JVP Acceleration Supply Chain Control Tower Manufacturing</td>
<td>Joint Innovation Lab to drive new-to-the-world Products/Categories</td>
</tr>
<tr>
<td>All 5 data centers in Azure Cloud</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Joint Innovation Lab** to drive new-to-the-world Products/Categories.
Leveraging Agile@Scale to run the business and transform the business

Agile@Scale Disciplines

1. Organize & Lead with Agile Values
2. Build Tech Eco-System & Capabilities End-to-End
3. Scale Up Proven Solutions
Making rapid advancements to drive results today and set us up for future growth

Reinvigorated Product PORTFOLIO

Disruptive MARKETING

New Ways of WORKING
Financial Strength and Flexibility

Kraft Heinz

Andre Maciel
EVP and Global Chief Financial Officer
Long-term algorithm builds on the results of our transformation

Open New Growth Opportunities
Unlock Greater Efficiencies
Generate Meaningful Free Cash Flow

Long-term algorithm:

Organic Net Sales\(^1\) growth \(\ldots\) 1%-2\(^{\%}\) \(\rightarrow\) 2%-3\(^{\%}\)

Adjusted EBITDA\(^1\) growth \(\ldots\) 2%-3\(^{\%}\) \(\rightarrow\) 4%-6\(^{\%}\)

Adjusted EPS\(^1\) growth \(\ldots\) 4%-6\(^{\%}\) \(\rightarrow\) 6%-8\(^{\%}\)

Free Cash Flow\(^1\) conversion \(\ldots\) ≥ 100\(^{\%}\) \(\rightarrow\) ≥ 100\(^{\%}\)

1) Non-GAAP financial measure. See ir.kraftheinzcompany.com/events-and-webcasts for more information, including GAAP to non-GAAP reconciliations.
2) As disclosed at Kraft Heinz Investor Day in September 2020.
3) The targets provided here are as of February 22, 2022 and are not intended to update, amend, or reaffirm the targets provided as of such date.
And drives strong **top-line** and **bottom-line** growth

- GROW platforms in Developed Markets
- Foodservice worldwide
- Emerging Markets
- Portfolio transformation

<table>
<thead>
<tr>
<th>Higher Organic Net Sales(^1), with Improved Mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Efficiencies of at least $2B</td>
</tr>
<tr>
<td>Increasing Marketing Investments</td>
</tr>
<tr>
<td>Holding Overhead Flat</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marketing Expenses(^2) as % of net sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
</tr>
<tr>
<td>2020</td>
</tr>
</tbody>
</table>

\(^1\) Non-GAAP financial measure. See ir.kraftheinzcompany.com/events and webcasts for more information, including GAAP to non-GAAP reconciliations.

\(^2\) Marketing expenses include advertising expenses plus market research costs. In 2019, advertising expenses as a percentage of net sales were 3.9%.
Financial flexibility continues to improve

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>Q1 2020</th>
<th>Q1 2021</th>
<th>Q1 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Leverage</td>
<td>4.5x</td>
<td>4.5x</td>
<td>3.6x</td>
<td>3.1x</td>
</tr>
<tr>
<td>Impact from LTM divested Adjusted EBITDA</td>
<td>0.2x</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Patience and financial discipline drove return to investment grade

Record timing, positive outlook (S&P)

Strong balance sheet gives Kraft Heinz strategic optionality

1) Net leverage ratios reflect total debt less cash, divided by last twelve months Adjusted EBITDA. Adjusted EBITDA is a non-GAAP financial measure. See ir.kraftheinzcompany.com/events and webcasts for more information, including GAAP to non-GAAP reconciliations.
2) To provide additional context to this figure, we have calculated net leverage considering (a) the impact from the Nuts and Cheese divestitures on the last twelve months of Adjusted EBITDA through March 2022 and (b) the projected cash tax payments on the Cheese divestiture in the second quarter of 2022. When considering the impact of these items on the net leverage calculation, net leverage would have been ~3.3x for Q1 2022. Adjusted EBITDA is a non-GAAP financial measure. See ir.kraftheinzcompany.com/events and webcasts for more information, including GAAP to non-GAAP reconciliations.
Generate Meaningful Free Cash Flow\(^1\) and maintain Financial Flexibility

**Invest for Growth**
- Focused investments to accelerate growth and enhance long-term market position
- Capture efficiencies without sacrificing growth

**Maintain Net Leverage to Increase Flexibility, Optionality**
- Maintain net leverage below 4x
- Strategic priority to maintain Investment Grade rating

**Maintain Industry-Leading Capital Return**
- Ongoing commitment to current dividend
- Strong payout

**Agile Portfolio Management**
- Proactively accelerate strategy and sharpen focus on areas of advantage
- Maintain price discipline
- Strategic Partnerships

\(^1\) Non-GAAP financial measure. See ir.kraftheinzcompany.com/events-and-webcasts for more information, including GAAP to non-GAAP reconciliations.
The next stage of our transformation is gaining momentum.

Delivering strong results

Consecutive Solid Quarterly Results

Q1 CAGR vs 2019:
+5.3% Organic Net Sales¹
+2.4% Adj. EBITDA¹
(Ongoing Business²)

While navigating short-term turbulence

Pricing to protect Margin $
Value Beyond Price
Wide Price Ladder

And advancing long-term strategy

Reinvigorated Product Portfolio
Disruptive Marketing
New Ways of Working
Financial Flexibility

1| Non-GAAP financial measure. See ir.kraftheinzcompany.com/events-and-webcasts for more information, including GAAP to non-GAAP reconciliations.
2| Constant Currency Adjusted EBITDA CAGR calculation presented reflects the remaining business following the divestiture of the Nuts and Natural Cheese businesses in 2021. Adjusted EBITDA CAGR vs 2019 is (2.1%), with (4.5%) negative impact from divested businesses. Adjusted EBITDA and Constant Currency Adjusted EBITDA are non-GAAP financial measures. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.
The non-GAAP financial measures provided in this presentation should be viewed in addition to, and not as an alternative for, results prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

To supplement the financial information provided, the Company has presented Organic Net Sales, Adjusted EBITDA, Constant Currency Adjusted EBITDA, Adjusted EPS, and Free Cash Flow, 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 GAAP financial measures, such as net sales, net income/(loss), diluted earnings per share ("EPS"), net cash provided by/(used for) operating activities, or other measures prescribed by GAAP, and there are limitations to using non-GAAP financial measures.

Management uses these non-GAAP financial measures to assist in comparing the Company's performance on a consistent basis for purposes of business decision making by removing the impact of certain items that management believes do not directly reflect the Company's underlying operations. Management believes that presenting the Company's non-GAAP financial measures (i.e., Organic Net Sales, Adjusted EBITDA, Constant Currency Adjusted EBITDA, Adjusted EPS, and Free Cash Flow) 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 the Company's results. The Company believes that the presentation of these non-GAAP financial measures, when considered together with the corresponding GAAP financial measures and the reconciliations to those measures, provides investors with additional understanding of the factors and trends affecting the Company’s 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. The Company calculates 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 the Company calculates the previous year’s results using the current year’s exchange rate. Organic Net Sales is a tool that can assist management and investors in comparing the Company’s performance on a consistent basis by removing the impact of certain items that management believes do not directly reflect the Company’s underlying operations.

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, the Company excludes, when they occur, the impacts of divestiture-related 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). The Company also presents Adjusted EBITDA on a constant currency basis. The Company calculates the impact of currency on Adjusted EBITDA by holding exchange rates constant at the previous year’s exchange rate, with the exception of highly inflationary subsidiaries, for which it calculates the previous year’s results using the current year’s exchange rate. Adjusted EBITDA and Constant Currency Adjusted EBITDA are tools that can assist management and investors in comparing the Company’s performance on a consistent basis by removing the impact of certain items that management believes do not directly reflect the Company’s underlying operations. Adjusted EBITDA is a tool that can assist management and investors in comparing the Company’s performance on a consistent basis by removing the impact of certain items that management believes do not directly reflect the Company’s underlying operations.

Adjusted EPS is defined as diluted earnings per share 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 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 Company believes Adjusted EPS provides important comparability of underlying operating results, allowing investors and management to assess operating performance on a consistent basis.

Free Cash Flow is defined as net cash provided by/(used for) operating activities less capital expenditures. The Company believes Free Cash Flow provides a measure of the Company’s core operating performance, the cash-generating capabilities of the Company’s business operations, and is one factor used in determining the amount of cash available for debt repayments, dividends, acquisitions, share repurchases, and other corporate purposes. The use of this non-GAAP measure does not imply or represent the residual cash flow for discretionary expenditures since the Company has certain non-discretionary obligations such as debt service that are not deducted from the measure.

We provide guidance for Organic Net Sales, Adjusted EBITDA, Adjusted EPS and Cash Flow on a non-GAAP basis only because certain information necessary to calculate the most comparable GAAP measure is unavailable due to the uncertainty and inherent difficulty of predicting the occurrence and the future financial statement impact of such items impacting comparability, including, but not limited to, the impact of currency, acquisitions and divestitures, divestiture-related income, restructuring activities, deal costs, unrealized losses/(gains) on commodity hedges, impairment losses, certain non-ordinary course legal and regulatory matters, equity award compensation expense, 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 costs, and certain significant discrete income tax items (e.g., U.S. and non-U.S. tax reform), among other items. Therefore, as a result of the uncertainty and variability of the nature and amount of future adjustments, which could be significant, the Company is unable to provide a reconciliation of these measures without unreasonable effort.

See the schedules at ir.kraftheinzcompany.com/events-and-webcasts for supplemental financial data, which includes the financial information, the non-GAAP financial measures and corresponding reconciliations to the comparable GAAP financial measures for the relevant periods.