

Basis of Reporting for key ESG Environmental indicators

The Kraft Heinz Company

Reporting principles

We utilize the Greenhouse Gas Protocol as a guiding framework in the development of our ESG environmental indicators. Indicators are reported externally via our annual ESG Report (“Report”). This Report reflects our commitment to transparency and provides details for our stakeholders on progress to date against our ESG goals and objectives, which are based on our most material ESG issues. These issues are reviewed and updated based on our ESG Materiality assessment. Details of this assessment are located in our ESG Materiality Assessment.

Kraft Heinz utilizes an operational boundary

Unless otherwise noted, scope for all emissions includes all direct and indirect emissions from facilities owned by the Kraft Heinz Company.

We exclude data from non-material Kraft Heinz owned distribution centers, corporate headquarters, and External manufacturer operations and External manufacturer emissions from our reported figures.

For our Greenhouse gas emissions, we include emissions from Kraft Heinz owned warehouses in North America.

Acquisitions and Divestitures

Baseline data is reviewed annually and will be adjusted if net acquisitions and divestitures are 5%¹ or greater than the total carbon (CO₂e) footprint in the reporting year. CO₂e emissions are used as the basis to determine baseline recalculation for all environmental metrics. A trigger in baseline recalculation based on CO₂e emissions will be applied to other environmental metrics (water, waste to landfill, energy) regardless of hitting the threshold.

Environmental data for years between base year and reporting year will not be recalculated.

¹ Threshold aligned to requirement from the Science Based Targets initiative.

Material updates to the baseline, whether by acquisition or divestiture will be stated in a footnote in the ESG report.

Divestiture specific guidance:

- Baseline will be readjusted to remove environmental data of divested entities utilizing historical absolute baseline year data.
- For partial divestitures, the relevant segment of the facility will be removed.
- Divestitures will be reported in the same reporting year as the event occurred. Data is included in the metrics for as long as the facility was owned by us.

Acquisition specific guidance:

- Baseline will be readjusted to include environmental data of acquired entities utilizing historical absolute baseline year data (where available) or closest available data if re-baselining is necessary based on our 5% criteria.
- Kraft Heinz will allow up to one year to onboard new acquisitions into our platforms. New sites will be included from the first full calendar year that they are part of Kraft Heinz Company. For example, a factory acquired in October 2022, will be included in our metrics from January 2023.

Data errors and recalculations

If there are material errors found in historical data during the data validation/assurance process, Kraft Heinz will restate this information in our annual ESG report. Restatements of material errors will be clearly stated in the footnotes of any reporting documents. Minor errors may also result in a restatement of information, however these errors may or may not include footnotes to the error.

A material error constitutes a deviation of more than 10% from the previously reported value.

Data Governance

Accountability for driving ESG lies with the Kraft Heinz Executive Leadership Team, the zones and with the manager of each manufacturing facility.

Functions (at global level) are responsible for defining ambitions and targets, and facilities are responsible for implementing, delivering, monitoring, and reporting progress on their respective indicators.

Data Input and Review Process

All environmental data reported by our facilities is consolidated, validated, and analyzed by the respective responsible zone functions. We are continuously strengthening processes

and controls around our reporting. Where possible, standard, or automated calculations and validity checks are built into our systems to minimize errors.

Subject matter experts are involved at various levels to validate and challenge the data and process. Our operating companies are at differing maturity levels in implementing data collection and reporting processes. Where we have concerns, we highlight ~~the~~ in the report.

Data Assurance

Kraft Heinz engages with third-party assurance providers Bureau Veritas to provide limited assurance in relation to specific environmental data. Details on our assurance activities are available on the [Reporting Verifications](#) page.

Environmental Metric List

Below are detailed reporting guidelines for Kraft Heinz's ESG environmental indicators including definitions, scope, measurement criteria and reporting assumptions applied, if any.

Energy

Metric name and

Exclusions:

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	2. Reduce water intensity by 20% per metric tonne by 2025 for facilities in high-risk watershed areas
Baseline year	2019
Reporting process	Data is entered into our environmental management system by the

Waste

Metric name and preferred reporting unit	Waste to landfill (metric tonnes) Waste to landfill intensity (metric tonnes per tonne of production)
Commitment	Reduce waste to landfill intensity by 20%
Baseline year	2019
Reporting process	Data is entered into our environmental management system by the manufacturing facility on a monthly basis. At the end of the reporting year,

Basis of Reporting for GHG Footprint Scope 3 Emissions

Background

Net Zero is embedded as a key

Category 6

dashboards and analytic tools in place to review the data completeness and accuracy. Local teams have been trained to use these tools by the Global ESG analytics team.

Each year the Data Ecosystem will improve on our journey to fully automated actual data leveraged to calculate the KHC Footprint. The Data Ecosystem for 2023 is show below for the systems leveraged.

Scope Category	Methodology	Includes Estimations?	Main Data Source
Scope 1	Activity-based (kWh data)	Yes (for Warehouses)	Intelex
Scope 2	Activity-based (kWh data)	Yes (for Warehouses)	Intelex
Scope 3.1	Weight-based		

Category

Category		Definition & Methodology	Emissions Factor Source
Category 9	Downstream Transport & Distribution - Customer Pick Ups - Consumer shopping	Distance and weightbased method Estimated distance and weight-based method	BEIS- Government Conversion Factors 2021, 2022, 2023
Category 10	Processing of Sold Products	Determined to be immaterial for Kraft Heinz	-
Category 11	Use of Sold Products	Product-based	IEA- Emissions Factors 2021