



Q4 and FY 2025 Results

February 24, 2026

KEURIG



Forward looking statements

Certain statements in this Presentation (this "Presentation") of Keurig Dr Pepper Inc. (the "Company" or "KDP"), including statements relating to the Company's contemplated acquisition (the "Acquisition") of JDE Peet's, N.V. ("JDE Peet's"), the structured manufacturing JV with Apollo Management Holdings, L.P. (together with its affiliates, "Apollo") as the lead investor, in partnership with Kohlberg Kravis Roberts & Co., L.P. (together with its affiliates, "KKR") and Goldman Sachs Asset Management, L.P. and its affiliates (the "Structured JV"), the convertible preferred investment with KKR as the lead investor, along with Apollo and other institutional investors (the "Preferred Investment"), the combined business, the contemplated separation of the beverage and coffee portfolios (the "Separation"), future financial targets and results, anticipated leverage ratios, credit ratings and weighted average cost of capital and expected cost savings and synergies, may be considered "forward-looking statements" within the meaning of applicable securities laws and regulations. Forward-looking statements include those preceded by, followed by or that include the words "anticipate," "expect," "believe," "could," "continue," "ongoing," "forecast," "estimate," "intend," "may," "plan," "potential," "project," "should," "target," "will," "would" and similar words or phrases. These forward-looking statements speak only as of the date of this Presentation. These statements are based on the current expectations of our management and are not predictions of actual performance.

Although the Company believes that the assumptions upon which its forward-looking statements are based are reasonable, it can give no assurance that these forward-looking statements will prove to be correct. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical experience or from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, (i) the inherent uncertainty of estimates, forecasts and projections, (ii) global economic uncertainty or economic downturns, (iii) tariffs or the imposition of new tariffs, trade wars, barriers or restrictions, or threats of such actions and related uncertainty, (iv) the risk that our financial performance may be better or worse than anticipated, (v) the possibility that we are unable to successfully integrate GHOST Lifestyle LLC into our business, (vi) risks relating to the completion of the Acquisition, the Structured JV, the Preferred Investment and the subsequent Separation in the anticipated timeframe or at all, (vii) risks related to the receipt of regulatory approvals without unexpected delays or conditions, (viii) risks relating to our incurrence of significant debt or our entry into other funding alternatives, in each case, to fund the Acquisition, which may result in dilution to our stockholders or introduce complexity to our capital structure (ix) additional risks associated with the Acquisition and those geographies where JDE Peet's currently operates, (x) our ability to successfully integrate JDE Peet's into our business, or that such integration may be more difficult, time-consuming or costly than expected, (xi) constraints on management's attention to operating and growing our business during the execution of the Acquisition and the Separation, (xii) the potential downgrade of our credit ratings as a result of debt incurred and/or assumed in connection with the Acquisition and the Separation, (xiii) the risk that the Acquisition and the Separation may incur significant additional costs, (xiv) the risk of potential litigation, (xv) negative effects of the announcement and pendency of the Acquisition and the Separation on our share price, (xvi) the ability to achieve the anticipated strategic and financial benefits from the Separation, and (xvii) the other risks and uncertainties discussed in the Company's press releases and public filings. These risks and uncertainties, as well as others, are more fully discussed in the Company's filings with the Securities and Exchange Commission (the "SEC"), including our Annual Report on Form 10-K filed with the SEC on February 24, 2026. While the lists of risk factors presented here and in our public filings are considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties.

Any forward-looking statement made herein speaks only as of the date of this Presentation. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, unless required by law.

Non-GAAP Metrics

This Presentation includes adjusted operating income, adjusted operating margin, adjusted EPS, free cash flow and other non-GAAP measures, which differ from results using U.S. Generally Accepted Accounting Principles ("GAAP"). These non-GAAP financial measures should be considered as supplements to the GAAP reported measures, should not be considered replacements for, or superior to, the GAAP measures and may not be directly comparable to similar measures used by other companies in the Company's industry, as other companies may define such measures differently. Non-GAAP financial measures typically exclude certain charges, including one-time costs that are not expected to occur routinely in future periods. The Company uses non-GAAP financial measures internally to focus management on performance excluding these special charges to gauge our business operating performance. While the Company believes these non-GAAP measures provide shareholders with additional insight into operating performance, the non-GAAP measures presented herein are not measurements of financial performance under GAAP, and should not be considered as alternatives to, and should only be considered together with, the Company's or JDE Peet's, as applicable, financial results in accordance with GAAP and the IFRS Accounting Standards, as issued by the International Accounting Standards Board (the "IFRS Accounting Standards"), as applicable. Further, the non-GAAP financial measures relating to the Company and JDE Peet's may not be directly comparable as the Company's financial information is prepared under GAAP and JDE Peet's financial information is prepared under the IFRS Accounting Standards. Management believes that non-GAAP financial measures are frequently used by analysts and investors in their evaluation of companies, and its continued inclusion provides consistency in financial reporting and enables analysts and investors to perform meaningful comparisons of past, present and future operating results. The non-GAAP information presented is unaudited and provided for illustrative purposes only, and audited results could differ materially. The Company does not provide reconciliations of forward-looking non-GAAP measures to GAAP measures, due to the inability to predict the amount and timing of impacts outside of the Company's control on certain items, such as non-cash gains or losses resulting from mark-to-market adjustments of derivative instruments, among others, which could be material. See Appendix for additional information regarding non-GAAP financial measures.

Industry & Market Data

This Presentation also contains estimates and information concerning our industry, including market position, market size, and growth rates of the markets in which the Company participates, that are based on industry publications and reports. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these estimates. The Company has not independently verified the accuracy or completeness of the data contained in these industry publications and reports. The industry in which the Company operates is subject to a high degree of uncertainty and risk due to variety of factors. These and other factors could cause results to differ materially from those expressed in these publications and reports.

Restrictions

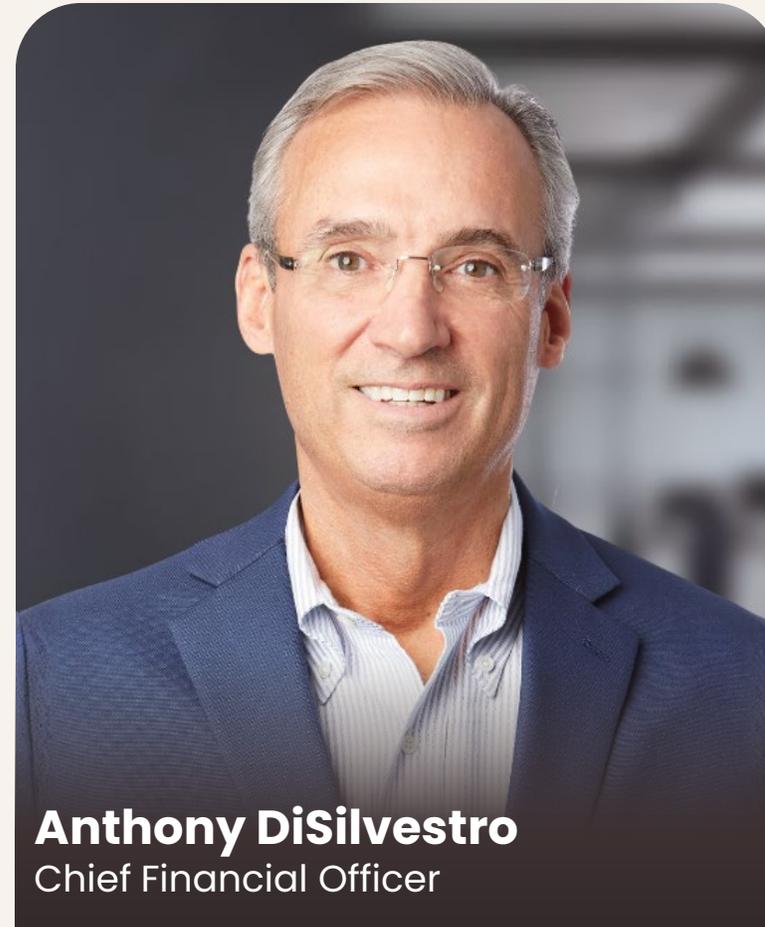
This Presentation does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities in JDE Peet's. Any offer will be made only by means of the offer memorandum approved by the Dutch Authority for the Financial Markets, which is available as of January 15, 2026. This Presentation is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, in any jurisdiction in which such release, publication or distribution would be unlawful.

Agenda

1. Business Update
2. Results & Outlook
3. Q&A



Conference call participants



Business Update

Tim Cofer

Chief Executive Officer

2026 to build on a strong 2025

2025 Accomplishments	2026 Objectives
Delivered against guidance	Low-double-digit EPS growth²
Fastest growing major food & beverage manufacturer¹	Seamless JDE Peet's integration
Laid groundwork for transformational next chapter	Position future pure play companies for success

6 ¹Circana POS Data, Edible Department, TOTAL US MULO + with Conv YE 2025; fastest among top 10 largest companies.
²Low-double-digit Adjusted EPS growth inclusive of JDE Peet's.



Transformation updates



On track to close JDE Peet's acquisition in early April



Significant progress on integration workstreams



Designed Combined Co. operating model



Advancing key separation milestones: leadership, BODs, financing

Continue to target operational readiness to separate by end of 2026

2025 enterprise performance



**+HSD% net sales
& EPS growth**



**Standout
performance in
U.S. Refreshment
Beverages**



**Softer U.S. Coffee
trends, with
underlying progress**



**Resilient
International
growth**

2025 commercial highlights

9th straight
year Dr Pepper
share gains¹



Successful
GHOST
integration



More agile,
digitally-led
marketing



Progress
readying
Keurig Alta for
launch



Q4 2025 highlights

- **Net sales growth of 10%**,
with positive contributions from each segment
- **Mid-single-digit net price realization**,
reflecting actions to mitigate inflation
- **Healthy volume/mix increase**,
from GHOST addition and base business gains
- **EPS growth of 2%**,
as expected, given cost & investment phasing



U.S. Refreshment Beverages

Q4 Segment Highlights



Continued top & bottom-line momentum



Core portfolio strength, led by CSDs



**Robust growth in emerging platforms,
energy & sports hydration**



U.S. Coffee

Q4 Segment Highlights



Coffee category & Keurig ecosystem resilience



Meaningful near-term cost pressure due to green coffee inflation and tariffs



Continued investment to position business for long-term success



International

Q4 Segment Highlights



Strong top & bottom-line growth



Momentum led by Mexico, supported by market share & distribution gains



Healthy growth in Canada coffee, driven by pricing actions



Launching robust 2026 innovation slate

Refreshment Beverages

Coffee

CSDs



Energy



Sports Hydration



Still Beverages



Keurig Coffee Collective



The Original Donut Shop



RTD Coffee



Keurig

K-Mini+, K-Supreme, Keurig Alta



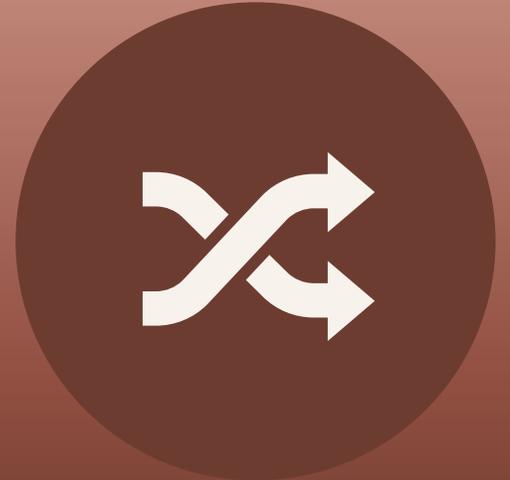
Key objectives for 2026



**Deliver
low-double-digit
EPS growth¹**



**Unlock JDE Peet's
combination benefits**



**Execute key
separation milestones**

Results & Outlook

Anthony DiSilvestro
Chief Financial Officer

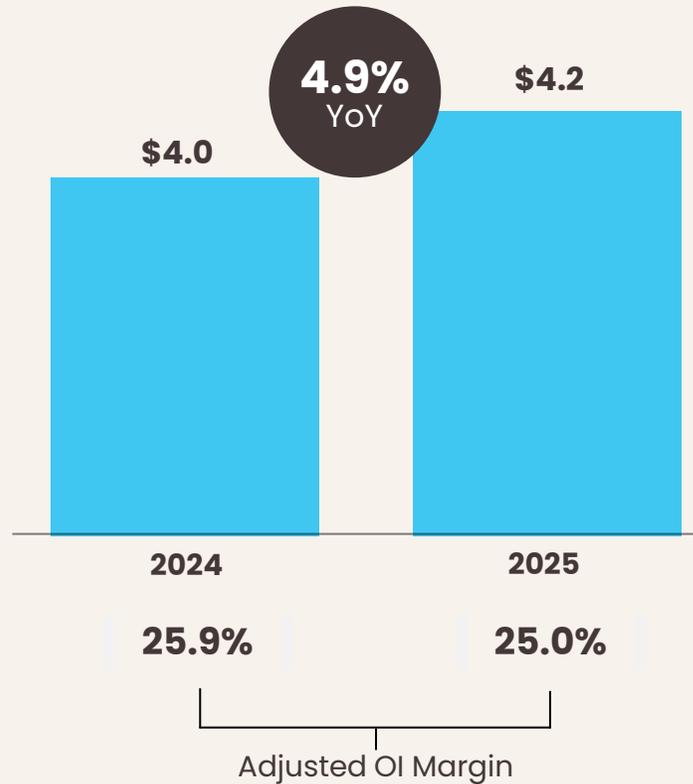
FY 2025 consolidated results

Constant currency

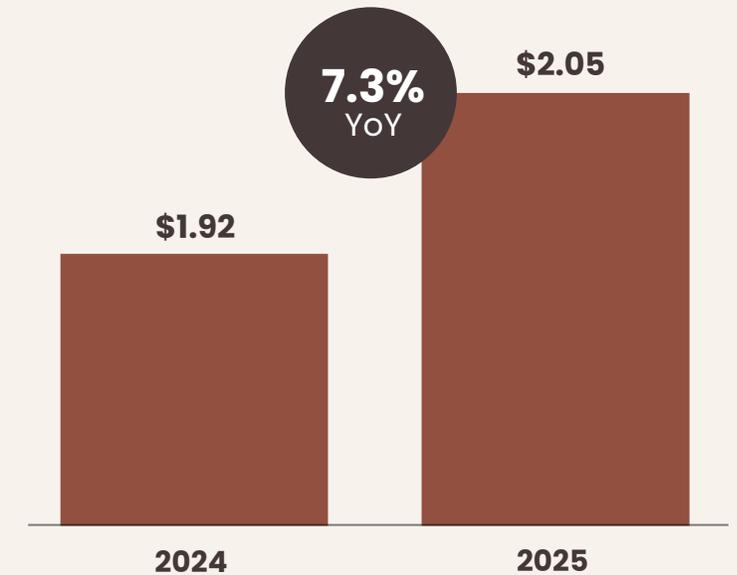
NET SALES (\$B)



ADJ. OPERATING INCOME (\$B)



ADJUSTED EPS (\$ PER SHARE)



Q4 2025 consolidated results

Constant currency

NET SALES (\$B)



ADJ. OPERATING INCOME (\$B)



ADJUSTED EPS (\$ PER SHARE)



U.S. Refreshment Beverages

	Q4 2025	Change
Net Sales	\$2.7B	11.5%
Adjusted Operating Income	\$841M	8.7%
Adjusted Operating Margin	30.9%	(0.8pts)

- Net sales increased 11.5%, with volume/mix adding 7.0% and net price realization contributing 4.5%
- Sales growth driven by CSDs, sports hydration, and energy, including the contribution from the GHOST acquisition
- Operating income growth was driven by net sales gains and productivity, partially offset by inflation and higher SG&A



U.S. Coffee

	Q4 2025	Change
Net Sales	\$1.2B	3.9%
Adjusted Operating Income	\$364M	(8.8%)
Adjusted Operating Margin	31.0%	(4.3pts)

- Net sales increased 3.9%, with net price realization adding 8.0%, partially offset by a volume/mix decline of (4.1%)
- Sales growth driven by pod revenue increases, partially offset by brewer revenue declines
- Operating income pressure driven by cost inflation and volume/mix decline, partially offset by pricing and productivity



International

	Q4 2025	Change
Net Sales	\$604M	16.0%
Adjusted Operating Income	\$163M	20.0%
Adjusted Operating Margin	27.0%	0.8pts

- Net sales increased 16.0%, with net price realization adding 9.2% and volume/mix gains of 6.8%
- Sales growth reflected increases across categories & regions
- Operating income growth was driven by net sales growth and productivity



Balance sheet and cash flow



Committed to strong balance sheet and investment grade ratings

For KDP and future Beverage Co. and Global Coffee Co.

2026 Priorities

Strong cash generation: ~\$2B¹ in KDP free cash flow, up from \$1.5B in '25; outlook to increase post JDEP close

Optimized acquisition financing: ~\$9B of new debt, \$8.5B of equity, \$5B legacy JDEP debt

- Upsized convertible to \$4.5B given strong demand
- \$4B Global Coffee Co. pod manufacturing JV
- Debt issuance and term loan borrowing to fund the balance to close deal
- Will not pursue partial IPO of Beverage Co.

Focus on continued deleveraging: evaluating non-core asset monetization opportunities

2026 outlook

Net Sales Growth (Constant FX)



\$25.9–\$26.4B

4–6% KDP standalone growth (const. FX)

\$8.5–\$8.7B JDE Peet's net sales¹

Adjusted EPS Growth (Constant FX)



Low–Double–Digit%

4–6% KDP standalone growth (const. FX)

+6–7pts JDE Peet's contribution¹

~1pt FX tailwind

Top-line and EPS benefit to KDP standalone growth²

Other Items

\$1.07–1.12B Interest Expense



22–23% Tax Rate

~1.37B Diluted Shares Outstanding

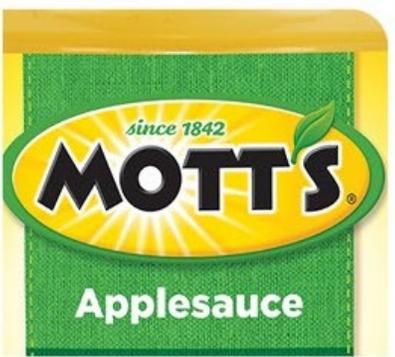
~190M Pre-Tax Coffee JV Cost

Greater of:

~\$53M Quarterly Preferred Dividend³

or

~8% Proportionate Share of Earnings³



Closing Remarks

Tim Cofer
Chief Executive Officer



Refreshing Board and enhancing governance

Succession Planning

Effective March 31, 2026



**Bob
Gamgort**

Outgoing
Chairman



**Pamela
Patsley**

Future Chair &
Current Lead
Independent Director

Director Recruitment

Effective March 2, 2026



**Amie
Thuener**

Independent
Director



**Bill
Newlands**

Independent
Director

***Also establishing separate Nominating & Governance and Compensation Committees,
consistent with best-in-class practices***



Questions & Answers



Appendix

KDP

Reconciliations of GAAP to non-GAAP information

<i>(in millions, except %)</i>	Gross profit	Gross margin	Income from operations	Operating margin
Fourth Quarter of 2025				
Reported	\$ 2,419	53.8 %	\$ 881	19.6 %
Items Affecting Comparability:				
Productivity	41		55	
Mark-to-market	6		18	
Amortization of intangibles	—		37	
Stock compensation	—		3	
Non-routine legal matters	—		4	
Restructuring - 2023 CEO Succession and Associated Realignment	—		1	
Restructuring - Network Optimization	2		24	
Impairment of intangible assets	—		78	
Acquisition, integration, and financing costs - Acquisition of JDE Peet's and Spin of Global Coffee Co.	—		84	
Integration of acquisitions, excluding JDE Peet's	—		5	
Adjusted	<u>\$ 2,468</u>	<u>54.9 %</u>	<u>\$ 1,190</u>	<u>26.5 %</u>
Impact of foreign currency		(0.1)%		(0.1)%
Constant currency adjusted		<u>54.8 %</u>		<u>26.4 %</u>
Fourth Quarter of 2024				
Reported	\$ 2,277	55.9 %	\$ 63	1.5 %
Items Affecting Comparability:				
Productivity	20		36	
Mark-to-market	(5)		(10)	
Amortization of intangibles	—		33	
Stock compensation	—		3	
Non-routine legal matters	—		5	
Restructuring - 2023 CEO Succession and Associated Realignment	—		24	
Restructuring - Network Optimization	—		6	
Impairment of goodwill and intangible assets	—		718	
Termination fees for distribution rights related to GHOST	—		225	
Integration of acquisitions, excluding JDE Peet's	—		1	
Transaction costs, excluding JDE Peet's	—		25	
Adjusted	<u>\$ 2,292</u>	<u>56.3 %</u>	<u>\$ 1,129</u>	<u>27.7 %</u>

Reconciliations of GAAP to non-GAAP information

<i>(in millions, except % and per share data)</i>	Interest expense, net	Income (loss) before provision for income taxes	Provision (benefit) for income taxes	Effective tax rate	Net income (loss)	Diluted earnings per share
Fourth Quarter of 2025						
Reported	\$ 238	\$ 457	\$ 104	22.8 %	\$ 353	\$ 0.26
Items Affecting Comparability:						
Productivity	—	55	12		43	0.03
Mark-to-market	(44)	62	7		55	0.04
Amortization of intangibles	—	37	7		30	0.02
Stock compensation	—	3	—		3	—
Amortization of fair value debt adjustment	(4)	4	1		3	—
Non-routine legal matters	—	4	1		3	—
Restructuring - 2023 CEO Succession and Associated Realignment	—	1	—		1	—
Restructuring - Network Optimization	—	24	5		19	0.01
Impairment of intangible assets	—	78	19		59	0.04
Acquisition, integration, and financing costs - Acquisition of JDE Peet's and Spin of Global Coffee Co.	(18)	153	23		130	0.10
Change in mandatory redemption liability for GHOST	—	154	37		117	0.09
Integration of acquisitions, excluding JDE Peet's	—	5	5		—	—
Inventory step-up	—	—	1		(1)	—
Change in deferred tax liabilities related to goodwill and intangible assets	—	—	2		(2)	—
Adjusted	\$ 172	\$ 1,037	\$ 224	21.6 %	\$ 813	\$ 0.60
Impact of foreign currency				(0.1)%		
Constant currency adjusted				21.5 %		

Reconciliations of GAAP to non-GAAP information

<i>(in millions, except % and per share data)</i>	Interest expense, net	Income (loss) before provision for income taxes	Provision (benefit) for income taxes	Effective tax rate	Net income (loss)	Diluted earnings per share
Fourth Quarter of 2024						
Reported	\$ 247	\$ (154)	\$ (10)	6.5 %	\$ (144)	\$ (0.11)
Items Affecting Comparability:						
Productivity	—	36	10		26	0.02
Mark-to-market	(88)	65	13		52	0.04
Amortization of intangibles	—	33	9		24	0.02
Stock compensation	—	3	1		2	—
Amortization of fair value of debt adjustment	(4)	4	2		2	—
Non-routine legal matters	—	5	2		3	—
Restructuring - 2023 CEO Succession and Associated Realignment	—	24	5		19	0.01
Restructuring - Network Optimization	—	6	2		4	—
Impairment of goodwill and intangible assets	—	718	111		607	0.45
Impairment of investment	—	2	(10)		12	0.01
Termination fees for distribution rights related to GHOST	—	225	58		167	0.12
Integration of acquisitions, excluding JDE Peet's	—	1	—		1	—
Transaction costs, excluding JDE Peet's	—	25	7		18	0.01
Change in deferred tax liabilities related to goodwill and other intangible assets	—	—	3		(3)	—
Adjusted	<u>\$ 155</u>	<u>\$ 993</u>	<u>\$ 203</u>	20.4 %	<u>\$ 790</u>	<u>\$ 0.58</u>
Change - adjusted	11.0 %				2.9 %	3.4 %
Impact of foreign currency	0.6 %				(0.6)%	(1.7)%
Change - constant currency adjusted	11.6 %				2.3 %	1.7 %

Reconciliations of GAAP to non-GAAP information

<i>(in millions, except %)</i>	U.S. Refreshment Beverages	U.S. Coffee	International	Unallocated corporate costs	Total
Fourth Quarter of 2025					
Reported - Income from Operations	\$ 737	\$ 290	\$ 160	\$ (306)	\$ 881
Items Affecting Comparability:					
Productivity	—	41	—	14	55
Mark-to-market	—	—	—	18	18
Amortization of intangibles	11	23	3	—	37
Stock compensation	—	—	—	3	3
Non-routine legal matters	—	—	—	4	4
Restructuring - 2023 CEO Succession and Associated Realignment	—	—	—	1	1
Restructuring - Network Optimization	13	10	—	1	24
Impairment of intangible assets	78	—	—	—	78
Acquisition, integration, and financing costs - Acquisition of JDE Peet's and Spin of Global Coffee Co.	—	—	—	84	84
Integration of acquisitions, excluding JDE Peet's	2	—	—	3	5
Adjusted - Income from Operations	<u>\$ 841</u>	<u>\$ 364</u>	<u>\$ 163</u>	<u>\$ (178)</u>	<u>\$ 1,190</u>
Fourth Quarter of 2024					
Reported - Income from Operations	\$ (176)	\$ 349	\$ 126	\$ (236)	\$ 63
Items Affecting Comparability:					
Productivity	—	21	—	15	36
Mark-to-market	—	—	—	(10)	(10)
Amortization of intangibles	4	25	4	—	33
Stock compensation	—	—	—	3	3
Non-routine legal matters	—	—	—	5	5
Restructuring - 2023 CEO Succession and Associated Realignment	—	—	—	24	24
Restructuring - Network Optimization	1	4	—	1	6
Impairment of goodwill and intangible assets	718	—	—	—	718
Termination fees for distribution rights related to GHOST	225	—	—	—	225
Integration of acquisitions, excluding JDE Peet's	—	—	—	1	1
Transaction costs, excluding JDE Peet's	2	—	—	23	25
Adjusted - Income from Operations	<u>\$ 774</u>	<u>\$ 399</u>	<u>\$ 130</u>	<u>\$ (174)</u>	<u>\$ 1,129</u>
Change - adjusted	8.7 %	(8.8)%	25.4 %	2.3 %	5.4 %
Impact of foreign currency	— %	— %	(5.4)%	— %	(0.6)%
Change - constant currency adjusted	<u>8.7 %</u>	<u>(8.8)%</u>	<u>20.0 %</u>	<u>2.3 %</u>	<u>4.8 %</u>

Reconciliations of GAAP to non-GAAP information

	Reported	Impact of Foreign Currency	Constant Currency
Fourth Quarter of 2025			
Change in net sales			
U.S. Refreshment Beverages	11.5 %	— %	11.5 %
U.S. Coffee	3.9	—	3.9
International	21.0	(5.0)	16.0
Total change in net sales	10.5	(0.6)	9.9

	Reported	Items Affecting Comparability	Adjusted	Impact of Foreign Currency	Constant Currency Adjusted
Fourth Quarter of 2025					
Operating margin					
U.S. Refreshment Beverages	27.1 %	3.8 %	30.9 %	— %	30.9 %
U.S. Coffee	24.7	6.3	31.0	—	31.0
International	26.5	0.5	27.0	(0.1)	26.9
Total operating margin	19.6	6.9	26.5	(0.1)	26.4

	Reported	Items Affecting Comparability	Adjusted
Fourth Quarter of 2024			
Operating margin			
U.S. Refreshment Beverages	(7.2)%	38.9 %	31.7 %
U.S. Coffee	30.9	4.4	35.3
International	25.3	0.8	26.1
Total operating margin	1.5	26.2	27.7

Reconciliations of GAAP to non-GAAP information

<i>(in millions, except %)</i>	Gross profit	Gross margin	Income from operations	Operating margin
For the Year Ended December 31, 2025				
Reported	\$ 8,999	54.2 %	\$ 3,575	21.5 %
Items Affecting Comparability:				
Productivity	136		181	
Mark-to-market	(64)		(71)	
Amortization of intangibles	—		138	
Stock compensation	—		13	
Non-routine legal matters	—		21	
Restructuring - 2023 CEO Succession and Associated Realignment	—		1	
Restructuring - Network Optimization	4		62	
Impairment of intangible assets	—		78	
Acquisition, integration, and financing costs - Acquisition of JDE Peet's and Spin of Global Coffee Co.	—		97	
Integration of acquisitions, excluding JDE Peet's	1		40	
Inventory step-up	17		17	
Transaction costs, excluding JDE Peet's	—		4	
Adjusted	<u>\$ 9,093</u>	<u>54.8 %</u>	<u>\$ 4,156</u>	<u>25.0 %</u>
Impact of foreign currency		— %		— %
Constant currency adjusted		<u>54.8 %</u>		<u>25.0 %</u>
For the Year Ended December 31, 2024				
Reported	\$ 8,529	55.6 %	\$ 2,591	16.9 %
Items Affecting Comparability:				
Productivity	73		147	
Amortization of intangibles	—		133	
Stock compensation	—		14	
Non-routine legal matters	—		10	
Restructuring - 2023 CEO Succession and Associated Realignment	—		40	
Restructuring - Network Optimization	15		51	
Impairment of goodwill and intangible assets	—		718	
Change in mandatory redemption liability for GHOST	—		225	
Integration of acquisitions, excluding JDE Peet's	—		1	
Inventory step-up	4		4	
Transaction costs, excluding JDE Peet's	—		40	
Adjusted	<u>\$ 8,621</u>	<u>56.2 %</u>	<u>\$ 3,974</u>	<u>25.9 %</u>

Reconciliations of GAAP to non-GAAP information

<i>(in millions, except % and per share data)</i>	Interest expense, net	Income before provision for income taxes	Provision for income taxes	Effective tax rate	Net income	Diluted earnings per share
For the Year Ended December 31, 2025						
Reported	\$ 754	\$ 2,687	\$ 608	22.6 %	\$ 2,079	\$ 1.53
Items Affecting Comparability:						
Productivity	—	181	44		137	0.10
Mark-to-market	(30)	(9)	(2)		(7)	—
Amortization of intangibles	—	138	33		105	0.08
Stock compensation	—	13	3		10	0.01
Amortization of fair value debt adjustment	(15)	15	4		11	0.01
Amortization of deferred financing costs	(1)	1	—		1	—
Non-routine legal matters	—	21	5		16	0.01
Restructuring - 2023 CEO Succession and Associated Realignment	—	1	—		1	—
Restructuring - Network Optimization	—	62	15		47	0.03
Impairment of intangible assets	—	78	19		59	0.04
Acquisition, integration, and financing costs - Acquisition of JDE Peet's and Spin of Global Coffee Co.	(23)	143	21		122	0.09
Change in mandatory redemption liability for GHOST	—	214	52		162	0.12
Integration of acquisitions, excluding JDE Peet's	—	40	9		31	0.02
Inventory step-up	—	17	2		15	0.01
Transaction costs, excluding JDE Peet's	—	4	1		3	—
Adjusted	<u>\$ 685</u>	<u>\$ 3,606</u>	<u>\$ 814</u>	22.6 %	<u>\$ 2,792</u>	<u>\$ 2.05</u>
Impact of foreign currency				(0.2)%		
Constant currency adjusted				22.4 %		

Reconciliations of GAAP to non-GAAP information

<i>(in millions, except % and per share data)</i>	Interest expense, net	Income before provision for income taxes	Provision for income taxes	Effective tax rate	Net income	Diluted earnings per share
For the Year Ended December 31, 2024						
Reported	\$ 735	\$ 1,914	\$ 473	24.7 %	\$ 1,441	\$ 1.05
Items Affecting Comparability:						
Productivity	—	147	37		110	0.08
Mark-to-market	(101)	84	12		72	0.05
Amortization of intangibles	—	133	34		99	0.07
Stock compensation	—	14	3		11	0.01
Amortization of fair value of debt adjustment	(15)	15	4		11	0.01
Amortization of deferred financing costs	(1)	1	—		1	—
Non-routine legal matters	—	10	3		7	0.01
Restructuring - 2023 CEO Succession and Associated Realignment	—	40	9		31	0.02
Restructuring - Network Optimization	—	51	13		38	0.03
Impairment of goodwill and intangible assets	—	718	111		607	0.44
Impairment of investment	—	2	(10)		12	0.01
Termination fees for distribution rights related to GHOST	—	225	58		167	0.12
Integration of acquisitions, excluding JDE Peet's	—	1	—		1	—
Inventory step-up	—	4	1		3	—
Transaction costs, excluding JDE Peet's	—	40	10		30	0.02
Change in deferred tax liabilities related to goodwill and other intangible assets	—	—	9		(9)	(0.01)
Adjusted	<u>\$ 618</u>	<u>\$ 3,399</u>	<u>\$ 767</u>	22.6 %	<u>\$ 2,632</u>	<u>\$ 1.92</u>
Change - adjusted	10.8 %				6.1 %	6.8 %
Impact of foreign currency	— %				0.5 %	0.5 %
Change - Constant currency adjusted	10.8 %				6.6 %	7.3 %

Reconciliations of GAAP to non-GAAP information

<i>(in millions, except %)</i>	U.S. Refreshment Beverages	U.S. Coffee	International	Unallocated corporate costs	Total
For the Year Ended December 31, 2025					
Reported - Income from Operations	\$ 2,939	\$ 962	\$ 546	\$ (872)	\$ 3,575
Items Affecting Comparability:					
Productivity	—	136	—	45	181
Mark-to-market	—	—	—	(71)	(71)
Amortization of intangibles	36	92	10	—	138
Stock compensation	—	—	—	13	13
Non-routine legal matters	—	1	—	20	21
Restructuring - 2023 CEO Succession and Associated Realignment	—	—	—	1	1
Restructuring - Network Optimization	17	42	—	3	62
Impairment of intangible assets	78	—	—	—	78
Acquisition, integration, and financing costs - Acquisition of JDE Peet's and Spin of Global Coffee Co.	—	—	—	97	97
Integration of acquisitions, excluding JDE Peet's	27	—	—	13	40
Inventory step-up	17	—	—	—	17
Transaction costs, excluding JDE Peet's	—	—	—	4	4
Adjusted - Income from Operations	<u>\$ 3,114</u>	<u>\$ 1,233</u>	<u>\$ 556</u>	<u>\$ (747)</u>	<u>\$ 4,156</u>
For the Year Ended December 31, 2024					
Reported - Income from Operations	\$ 1,878	\$ 1,079	\$ 545	\$ (911)	\$ 2,591
Items Affecting Comparability:					
Productivity	3	74	—	70	147
Mark-to-market	—	—	(7)	7	—
Amortization of intangibles	19	100	14	—	133
Stock compensation	—	—	—	14	14
Non-routine legal matters	—	—	—	10	10
Restructuring - 2023 CEO Succession and Associated Realignment	—	—	—	40	40
Restructuring - Network Optimization	12	37	—	2	51
Impairment of goodwill and intangible assets	718	—	—	—	718
Termination fees for distribution rights related to GHOST	225	—	—	—	225
Integration of acquisitions, excluding JDE Peet's	—	—	—	1	1
Inventory step-up	4	—	—	—	4
Transaction costs, excluding JDE Peet's	2	—	—	38	40
Adjusted - Income from Operations	<u>\$ 2,861</u>	<u>\$ 1,290</u>	<u>\$ 552</u>	<u>\$ (729)</u>	<u>\$ 3,974</u>
Change - adjusted	8.8 %	(4.4)%	0.7 %	2.5 %	4.6 %
Impact of foreign currency	— %	— %	2.6 %	0.2 %	0.3 %
Change - constant currency adjusted	<u>8.8 %</u>	<u>(4.4)%</u>	<u>3.3 %</u>	<u>2.7 %</u>	<u>4.9 %</u>

Reconciliations of GAAP to non-GAAP information

	Reported	Impact of Foreign Currency	Constant Currency		
For the Year Ended December 31, 2025					
Change in net sales					
U.S. Refreshment Beverages	11.9 %	— %	11.9 %		
U.S. Coffee	0.6	—	0.6		
International	5.9	3.4	9.3		
Total change in net sales	8.2	0.4	8.6		
	Reported	Items Affecting Comparability	Adjusted	Impact of Foreign Currency	Constant Currency Adjusted
For the Year Ended December 31, 2025					
Operating margin					
U.S. Refreshment Beverages	28.2 %	1.6 %	29.8 %	— %	29.8 %
U.S. Coffee	24.1	6.8	30.9	—	30.9
International	25.1	0.5	25.6	(0.2)	25.4
Total operating margin	21.5	3.5	25.0	—	25.0
	Reported	Items Affecting Comparability	Adjusted		
For the Year Ended December 31, 2024					
Operating margin					
U.S. Refreshment Beverages	20.1 %	10.6 %	30.7 %		
U.S. Coffee	27.2	5.3	32.5		
International	26.5	0.4	26.9		
Total operating margin	16.9	9.0	25.9		

Reconciliations of GAAP to non-GAAP information

<i>(in millions, except for ratio)</i>	Last Twelve Months
Net income	\$ 2,079
Interest expense, net	754
Provision for income taxes	608
Depreciation expense	455
Other amortization	160
Amortization of intangibles	138
EBITDA	4,194
Items affecting comparability:	
Productivity	152
Mark-to-market	(39)
Stock compensation	13
Non-routine legal matters	21
Restructuring - 2023 CEO Succession and Associated Realignment	1
Restructuring - Network Optimization	53
Impairment of intangible assets	78
Acquisition, integration, and financing costs - Acquisition of JDE Peet's and Spin of Global Coffee Co.	120
Change in mandatory redemption liability for GHOST	214
Integration of acquisitions, excluding JDE Peet's	40
Inventory step-up	17
Transaction costs, excluding JDE Peet's	4
Adjusted EBITDA	\$ 4,868
	December 31, 2025
Principal amounts of:	
Commercial paper notes	\$ 2,210
Senior unsecured notes	14,064
Total principal amounts	16,274
Less: Cash and cash equivalents	1,026
Total principal amounts less cash and cash equivalents	\$ 15,248
December 31, 2025 Management Leverage Ratio	3.1

Reconciliations of GAAP to non-GAAP information

<i>(in millions)</i>	Year Ended December 31,	
	2025	2024
Net cash provided by operating activities	\$ 1,991	\$ 2,219
Purchases of property, plant, and equipment	(486)	(563)
Proceeds from sales of property, plant, and equipment	14	4
Free Cash Flow	\$ 1,519	\$ 1,660