



Campbell's

**Q3 Fiscal 2022 Earnings
Presentation**

Connecting people through food they love.





Campbell's

Rebecca Gardy

Senior Vice President Investor Relations

INTRODUCTION

Forward-Looking Statements

The factors that could cause actual results to vary materially from those anticipated or expressed in any forward-looking statement include:

Impacts of, and associated responses to, the COVID-19 pandemic on our business, suppliers, customers, consumers and employees; our ability to execute on and realize the expected benefits from our strategy, including growing sales in snacks and growing/maintaining market share position in soup; the impact of strong competitive responses to our efforts to leverage brand power with product innovation, promotional programs and new advertising; the risks associated with trade and consumer acceptance of product improvements, shelving initiatives, new products and pricing and promotional strategies; our ability to realize projected cost savings and benefits from cost savings initiatives and the integration of recent acquisitions; disruptions in or inefficiencies to our supply chain and/or operations including the impacts of the COVID-19 pandemic, the risks related to the availability of, and cost inflation in, supply chain inputs, including labor, raw materials, commodities, packaging and transportation; the risks related to the effectiveness of our hedging activities and our ability to respond to volatility in commodity prices; our ability to manage changes to our organizational structure and/or business processes, including selling, distribution, manufacturing and information management systems or processes; changes in consumer demand for our products and favorable perception of our brands; changing inventory management practices by certain of our key customers; a changing customer landscape, with value and e-commerce retailers expanding their market presence, while certain of our key customers maintain significance to our business; product quality and safety issues, including recalls and product liabilities; the possible disruption to the independent contractor distribution models used by certain of our businesses, including as a result of litigation or regulatory actions affecting their independent contractor classification; the uncertainties of litigation and regulatory actions against us; the costs, disruption and diversion of management's attention associated with activist investors; a disruption, failure or security breach of our or our vendors' information technology systems, including ransomware attacks; impairment to goodwill or other intangible assets; our ability to protect our intellectual property rights; increased liabilities and costs related to our defined benefit pension plans; our ability to attract and retain key talent; goals and initiatives related to, and the impacts of, climate change, including weather-related events; negative changes and volatility in financial and credit markets, deteriorating economic conditions and other external factors, including changes in laws and regulations; unforeseen business disruptions or other impacts due to political instability, civil disobedience, terrorism, armed hostilities (including the ongoing conflict between Russia and Ukraine), extreme weather conditions, natural disasters, other pandemics or other calamities; and other factors described in our most recent Form 10-K and subsequent Securities and Exchange Commission filings.

We disclaim any obligation or intent to update these statements to reflect new information or future events.

Agenda

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Mark Clouse

President & Chief Executive Officer

INTRODUCTION

Key Q3 FY22 Messages

- Strengthened execution amidst dynamic macro environment
- Strong top-line results reflect continued consumer demand and significantly improved supply
- Strong underlying portfolio health; some share pressure due to continued supply constraints and private label recovery
- Return to growth in adjusted EBIT and adjusted EPS due to successful inflation mitigation and supply recovery
- Full-year FY22 Net Sales guidance raised, adjusted EBIT* and adjusted EPS* guidance reaffirmed

*See Non-GAAP reconciliation

Key Q3 FY22 Highlights

Q3 FY22

NET SALES

\$2.1B

+7% vs. PY

ORGANIC NET SALES*

+9%

vs. PY

ADJ. GROSS MARGIN*

31.5%

+ 90 bps vs. PY

ADJ. EBIT*

\$321M

+23% vs. PY

\$ CONSUMPTION¹

+4%

vs. PY

+14%

vs. 3YA

ADJ. EPS*

\$0.70

+37% vs. PY

**OPERATING CASH
FLOW**

\$1.1B

*See Non-GAAP reconciliation

¹ Total IRI US MULO \$ Consumption latest 13 weeks ending 5/1/2022

Most Key Brands Share¹ Remain At or Above Pre-COVID 19 Levels, Despite Short-Term Supply-Driven Q3 Pressure



¹ Total IRI US MULO \$ Consumption latest 13 weeks ending 5/1/2022

Meals & Beverages: Key Highlights



Q3 FY22



Growth vs. PY

Organic Net Sales*

+9%

Consumption¹

+4%

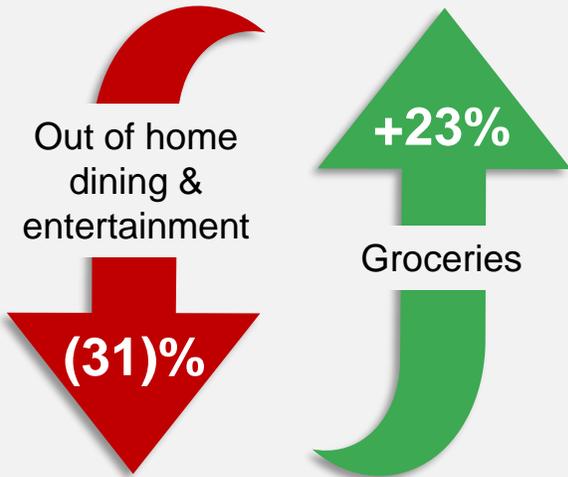


*See Non-GAAP reconciliation

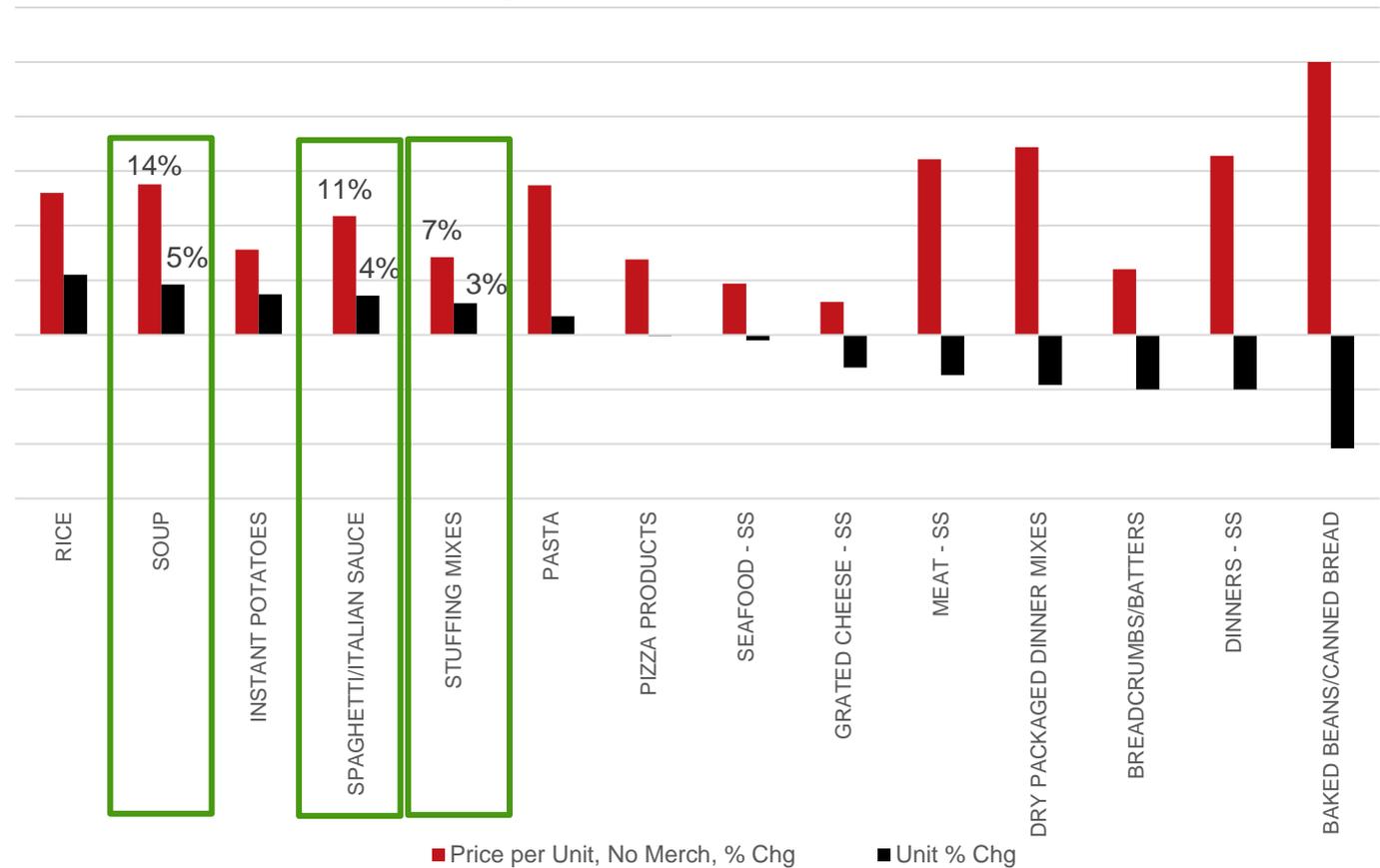
¹ Total IRI US MULO \$ Consumption latest 13 weeks ending 5/1/2022

Positioned to Win in Current Environment

Out-of-home meals is top area people cut back while **Grocery spending is the top priority**¹



Campbell has leading brands in **3** of 6 categories staying in baskets as prices rise²



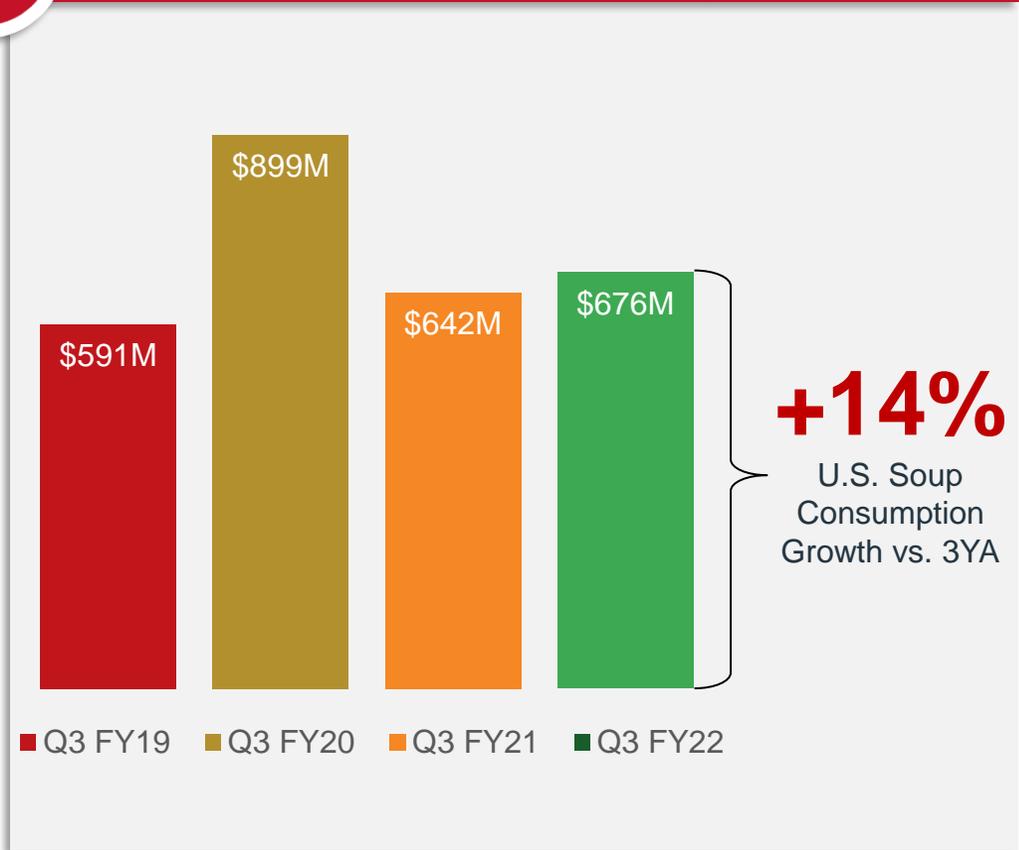
¹ NielsenIQ Consumer Outlook 2022 Survey, December 2021

² IRI Panel; All Outlets, 5 weeks Ending 5/1/2022

Meals & Beverages: Win in Soup 2.0



U.S. Soup Consumption¹



Winning where it matters



Condensed share¹ of segment down 2.2 pts vs. PY but up 1.6 pts vs. 3YA



RTS share¹ of segment down 1.1 pts;

Chunky share +1.6 pts vs. PY

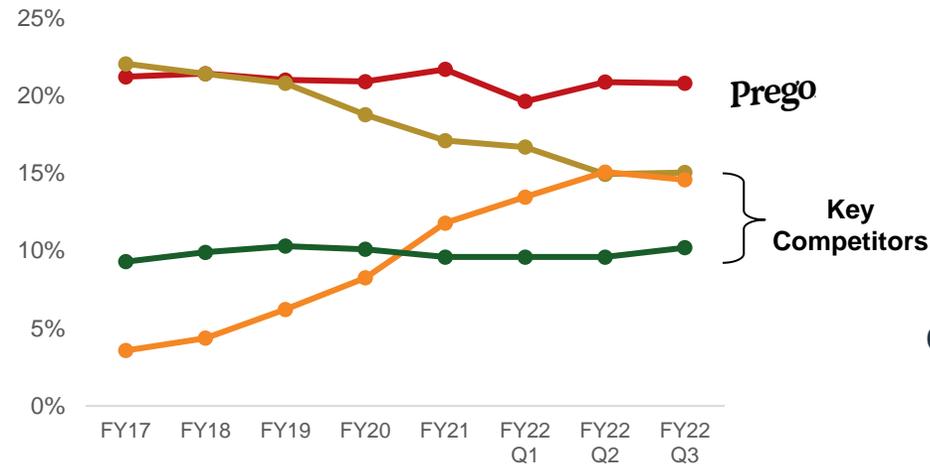
¹ Total IRI US MULO \$ Consumption latest 13 weeks ending 5/1/2022

² IRI National Consumer Panel, Total U.S. All Outlets; NBD volume adjusted 5/1/2022

Building a \$1B Sauces Business



Prego still #1 in Italian Category¹



+7%
Q3 consumption growth vs. PY¹

+25%
Q3 consumption growth vs. 3YA¹

+5pts
Q3 repeat rate vs. 3YA²



Pace service recovery driving strong results in Q3

+0.2 pts
Q3 share growth vs. PY¹

+0.5 pts
Q3 household penetration vs. PY²

+800,000
new households in Q3 vs. PY²

+14%
Q3 consumption growth vs. 3YA¹

¹ Total IRI US MULO latest 13 weeks ending 5/1/2022

² IRI National Consumer Panel, Total U.S. All Outlets; NBD volume adjusted 5/1/2022

Leveraging Innovation to Drive Momentum

Quick Scratch Cooking



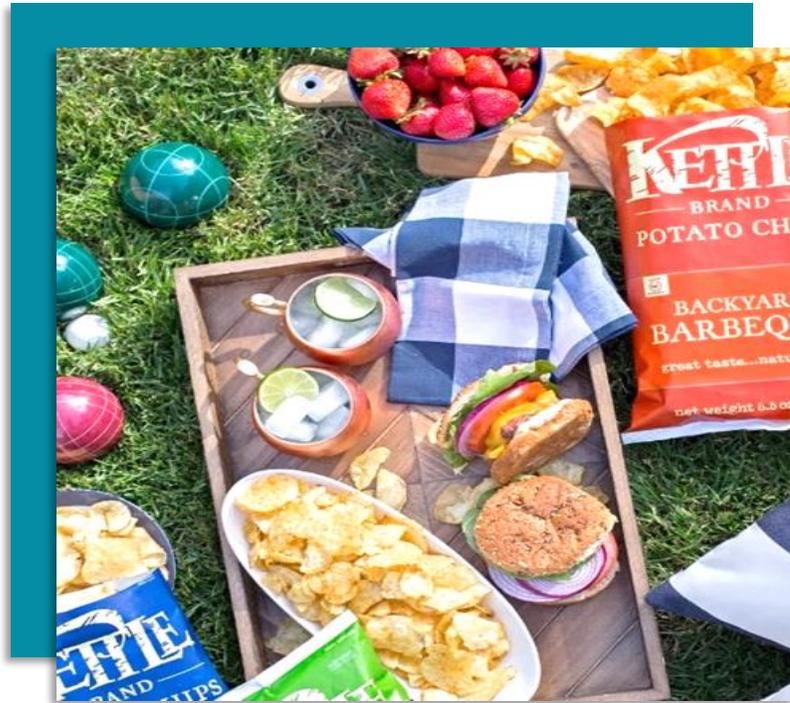
Ready to Lunch/Snack



Snacks: Key Highlights



Q3 FY22



Growth vs. PY

Organic Net Sales*

+8%

Consumption¹

+4%



*See Non-GAAP reconciliation

¹ Total IRI US MULO \$ Consumption latest 13 weeks ending 5/1/2022

Snacks Power Brands Consumption: +6% vs. PY, +19% vs. 3YA



Q3 FY22



¹ Total IRI US MULO \$ Consumption latest 13 weeks ending 5/1/2022

Goldfish: Driving Relevance

Breakthrough Activations



Tik Tok Challenge



Sports

Fashion

Music

Innovation is Beating Competition



Mega Bites & Family Size

LTO Strategy Creating Excitement



Goldfish® Frank's RedHot



Old Bay®

Jalapeño Popper

Limited Edition Old Bay[®] Seasoned Goldfish[®]



Consumers are Craving

Sold out in
9hrs

On Launch Day¹ on
McCormick micro-site

#1

Velocity New
Cracker during Launch
Week¹

1.5B

Earned Media
Impressions

Attracting

2.5x more

Household than *Frank's
RedHot* at Major Retailer²

Media is Raving

GOOD
MORNING
AMERICA

*"Goldfish and Old Bay created
the cult-favorite seasoned
crackers of our dreams"*

*"Old Bay Makes Goldfish, an Already
Perfect Snack, Even Better"*

EATER

*"Two beloved brands are coming together for a delicious
snack that is almost sure to fly off the shelves this month."*

yahoo!
news

¹ Launched 05/09/2022

² Total IRI US MULO MTD week ending 5/1/2022

Q4 FY22 Key Priorities

Mitigate Inflation

- Deploy full range of tools to combat inflation and manage margin pressure

Further Recover on Shelf

- Leverage improving supply and execution to further distribution and inventory levels

Return to Investment

- Strengthen competitive position and stem private label recovery by returning promotional and marketing investment

Drive Strategic Agenda

- Navigate the near-term challenges while unlocking the long-term potential



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Mick Beekhuizen

EVP & Chief Financial Officer

CFO PERSPECTIVE

Q3 FY22 Key Messages

- Solid growth across all three key metrics: Net Sales, adjusted EBIT* and adjusted EPS* amidst meaningful macro headwinds
 - Sustained consumer demand and improved supply chain execution
 - Inflation-driven pricing; price elasticities below historical levels
 - Q3 margin improvement represents gradual recovery of year-to-date impact of significant inflation and select supply constraints
 - Favorable prior-year comparisons
- \$1.1B Q3 YTD Cash Flow from Operations
- \$450M+ returned to shareholders Q3 YTD through dividends and repurchases
- FY22 Guidance: Net Sales raised; Adjusted EBIT and Adjusted EPS reaffirmed

*See Non-GAAP reconciliation

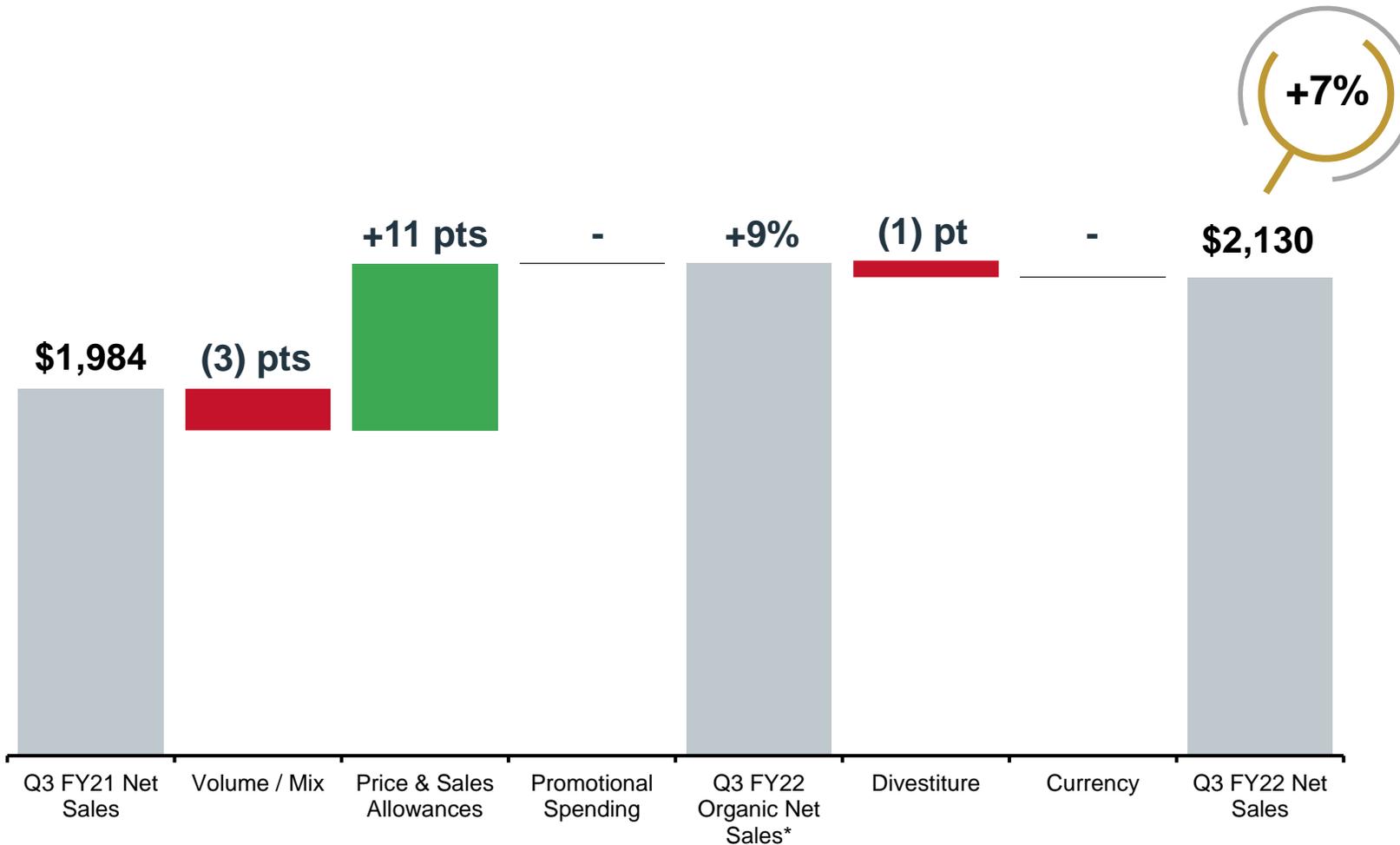
Financial Summary

	Q3		Change vs. PY		YTD		Change vs. PY	
	FY22	\$	%		FY22	\$	%	
Net Sales	\$2,130	\$146	7%		\$6,575	\$(28)	-	
Organic Net Sales*			9%				1%	
Adjusted EBIT*	\$321	\$60	23%		\$1,028	\$(72)	(7)%	
Adjusted EBIT margin**	15.1%			+190 bps	15.6%			(110) bps
Adjusted EPS*	\$0.70	\$0.19	37%		\$2.28	\$(0.05)	(2)%	

*See Non-GAAP reconciliation

** Defined as adjusted EBIT as a percentage of Net Sales

Q3 FY22 Net Sales Bridge



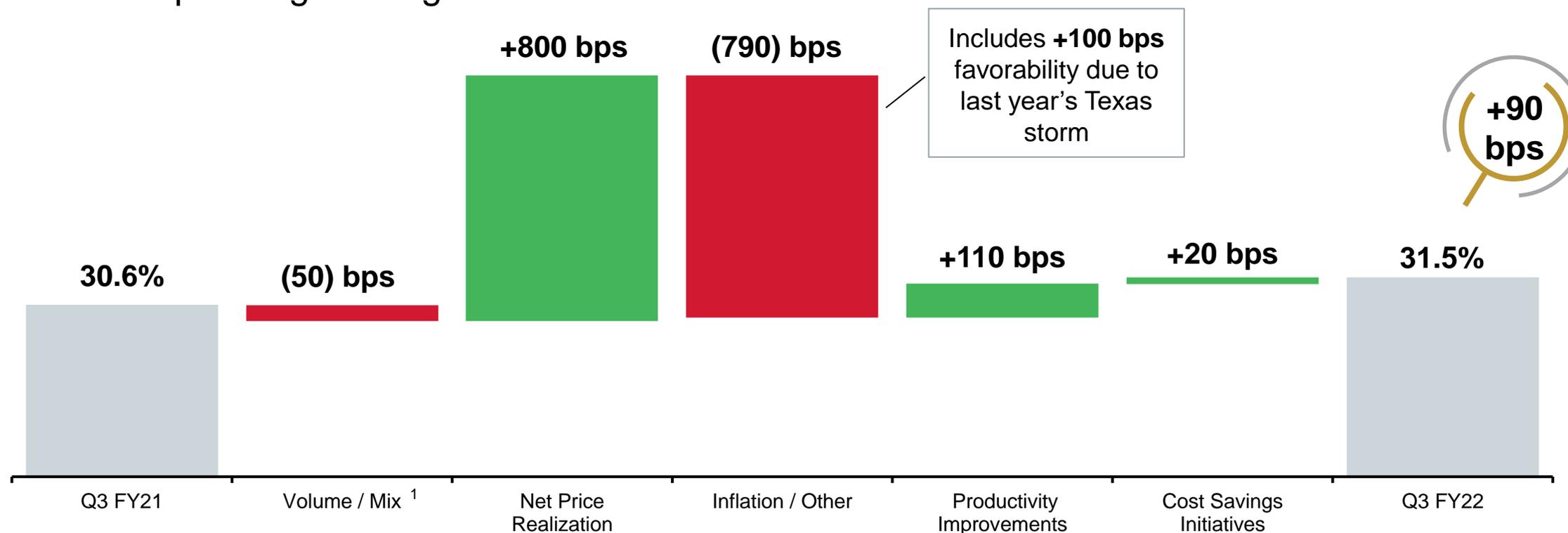
Highlights

- Net Sales growth reflects inflation-driven pricing related to increased cost inflation
- Volume / mix decline primarily reflective of select supply constraints and price elasticities; partially offset by retailer inventory rebuild

*See Non-GAAP reconciliation
Numbers may not add due to rounding

Q3 FY22 Adjusted Gross Margin* Bridge

Favorable prior year comparisons, inflation-driven pricing combined with productivity improvements and cost savings offset inflation / other; unfavorable volume / mix largely due to reduced operating leverage

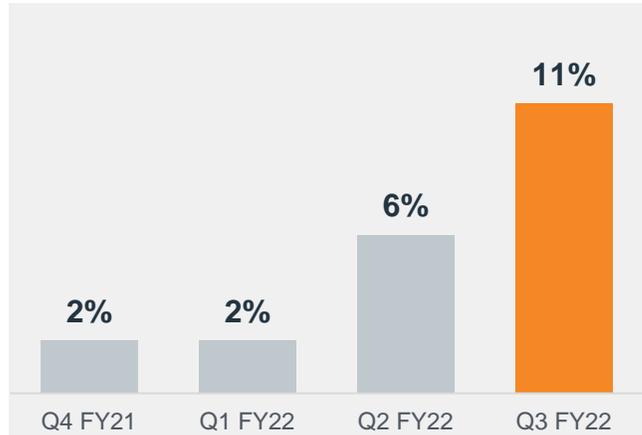


*See Non-GAAP reconciliation

¹ Volume / Mix includes the impact of operating leverage

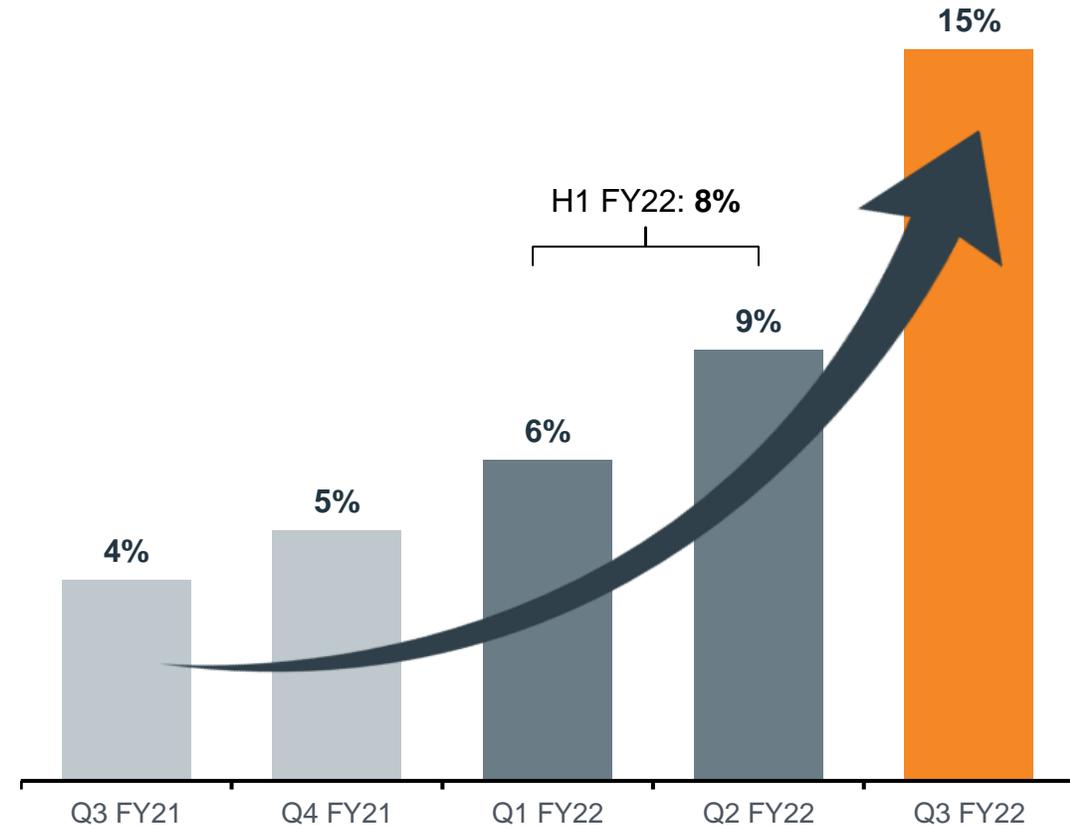
Mitigating Accelerating Core Inflation

Net Pricing



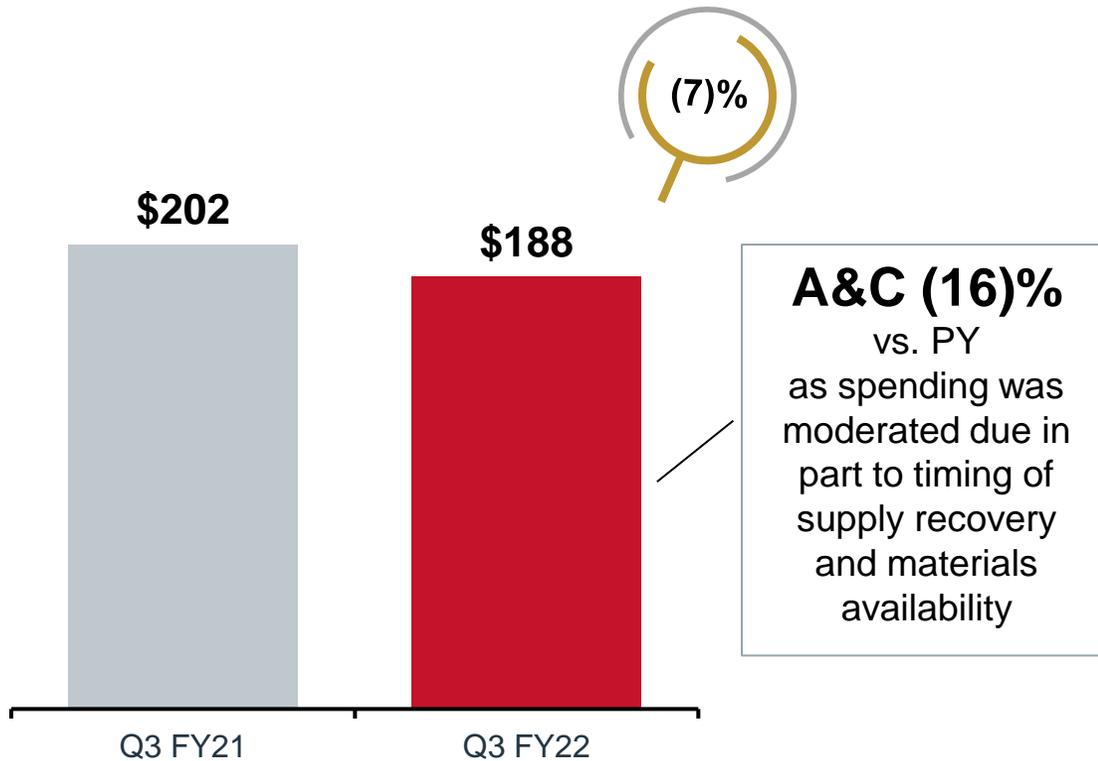
- Pricing and Trade Optimization
- Supply Chain Productivity
- Cost Savings Initiatives
- Manage Discretionary Spending

Core Inflation Rate

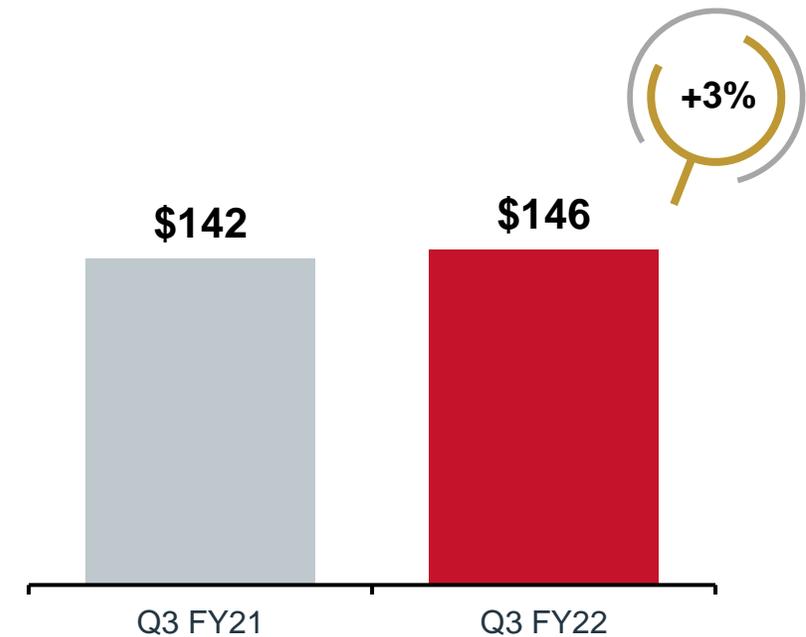


Other Operating Items

MARKETING & SELLING EXPENSES



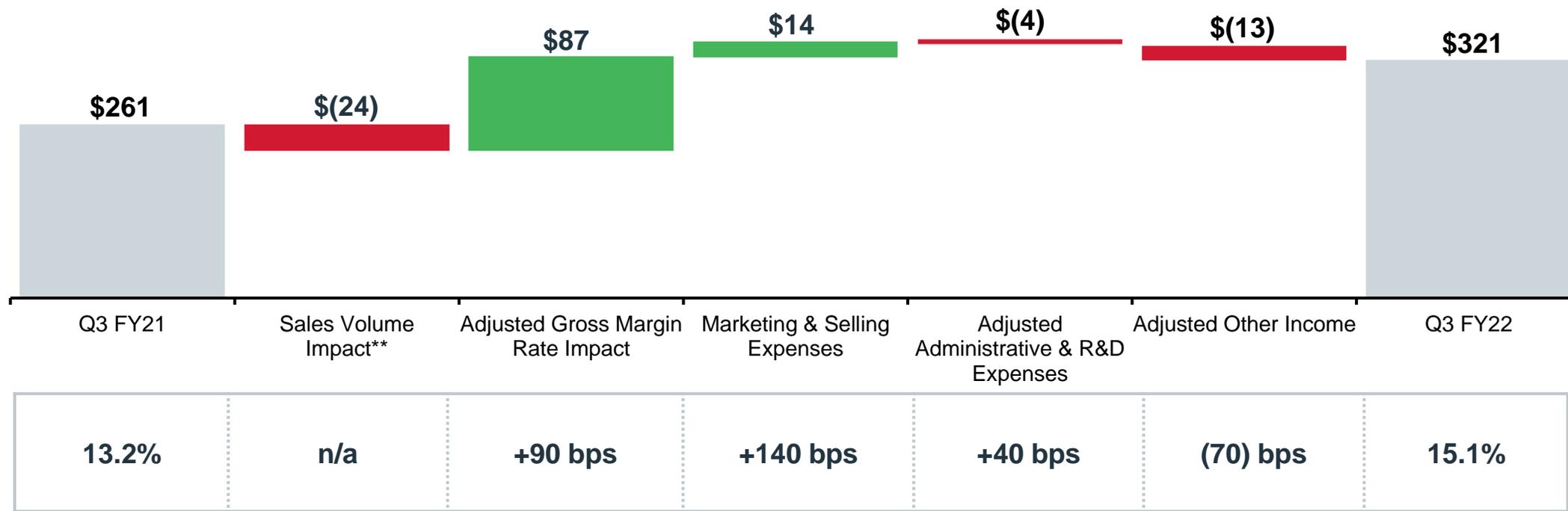
ADJUSTED ADMINISTRATIVE EXPENSES*



*See Non-GAAP reconciliation

Q3 FY22 Adjusted EBIT* Bridge

Year-over-year sales volume decline offset by adjusted gross margin improvement drove adjusted EBIT change



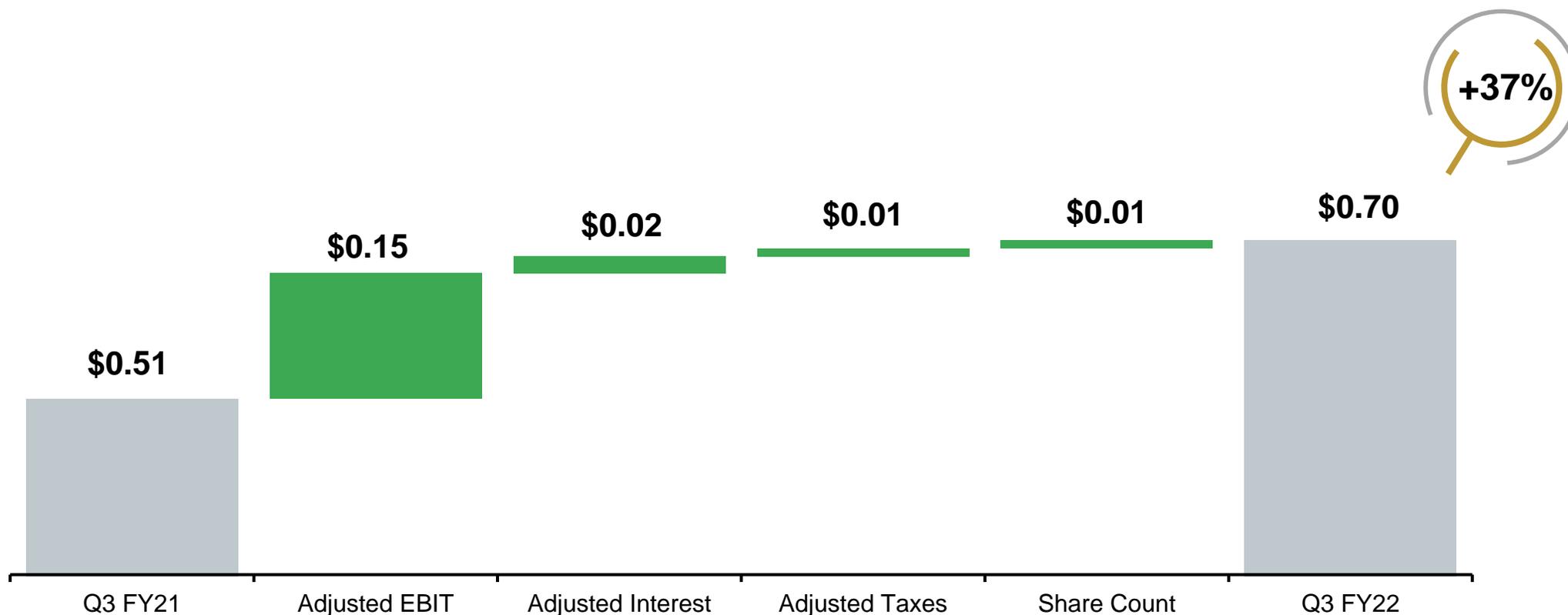
*See Non-GAAP reconciliations for all adjusted financial measures presented

**Impact of sales volume change, including divestiture, based on prior-year adjusted gross margin

Numbers may not add due to rounding

Adjusted EPS* Bridge

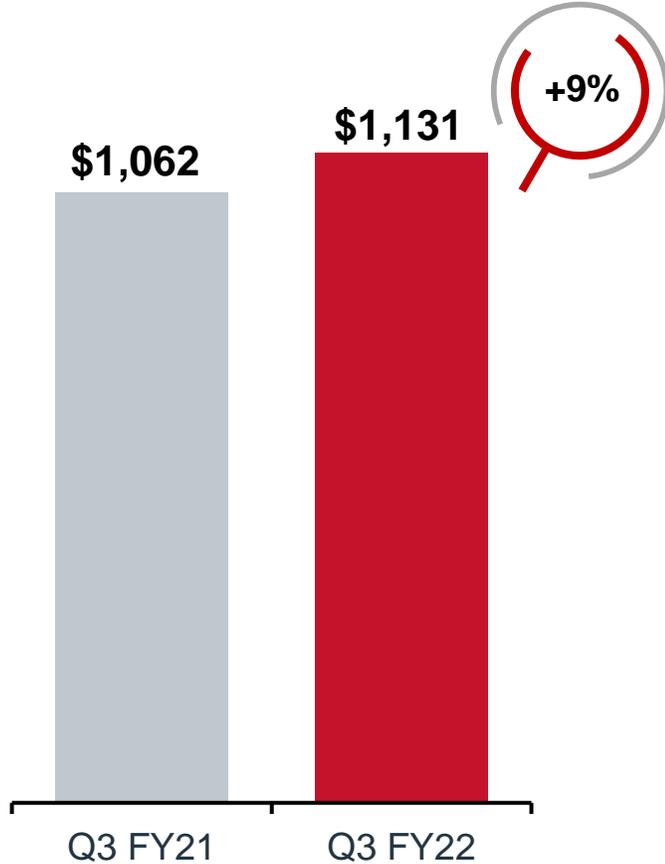
Higher adjusted EBIT leading driver of 37% increase in adjusted EPS



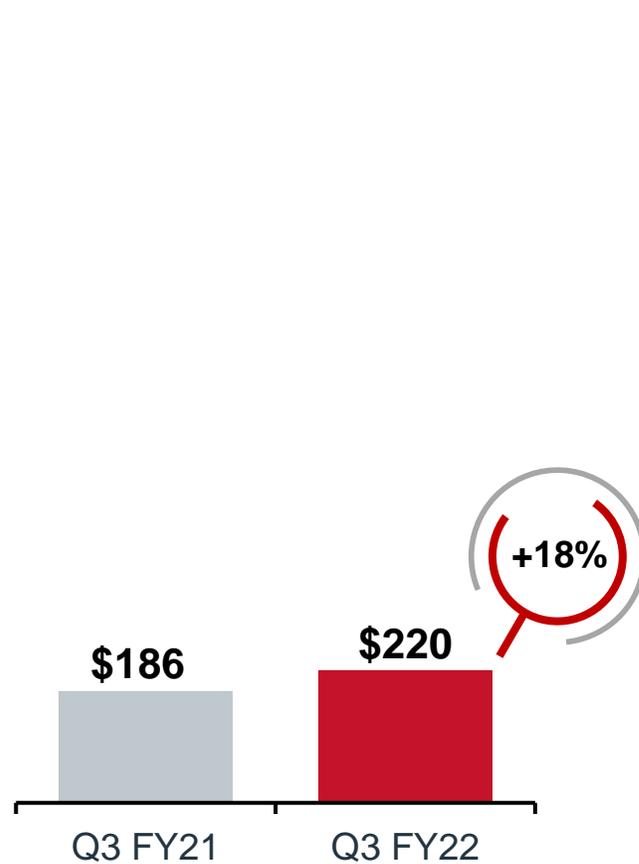
*See Non-GAAP reconciliations for all adjusted financial measures presented

Q3 FY22 Meals & Beverages Segment Results

NET SALES & ORGANIC GROWTH RATE*



OPERATING EARNINGS



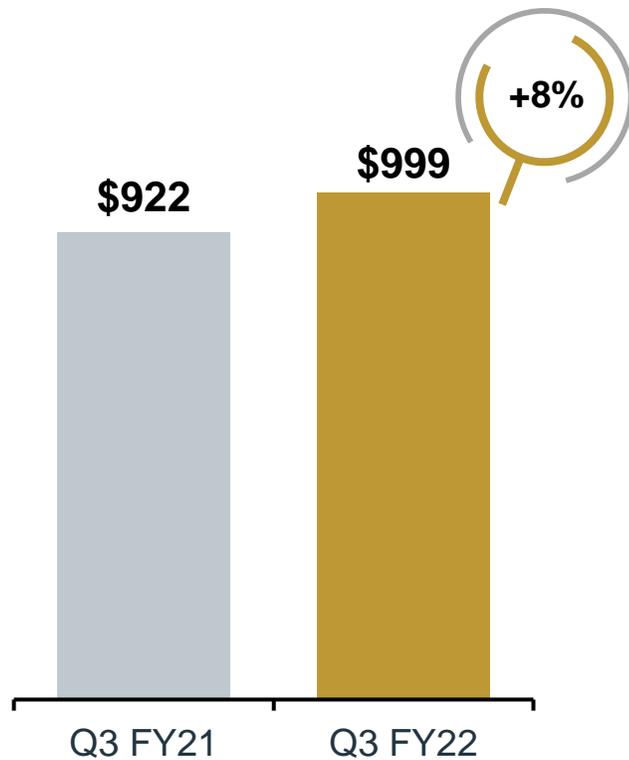
Campbell's MEALS & BEVERAGES



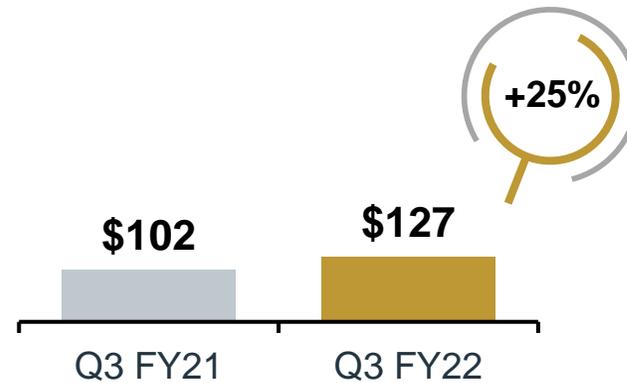
*See Non-GAAP reconciliation

Q3 FY22 Snacks Segment Results

NET SALES & ORGANIC GROWTH RATE*



OPERATING EARNINGS



Campbell's | SNACKS



*See Non-GAAP reconciliation

Cash Flow

Strong YTD FY22 Cash Flow generation with over \$450 million returned to shareholders

	YTD FY21	YTD FY22
Net Cash Flows from Operations	\$881	\$1,101
<i>of which changes in working capital</i>	<i>\$(178)</i>	<i>\$109</i>
Net Cash Flows from Investing Activities	\$(177)	\$(168)
<i>of which capital expenditures</i>	<i>\$(190)</i>	<i>\$(179)</i>
Net Cash Flows from Financing Activities	\$(1,356)	\$(805)
<i>of which dividends paid</i>	<i>\$(327)</i>	<i>\$(340)</i>
<i>of which stock repurchases</i>	<i>-</i>	<i>\$(116)</i>
<i>of which net debt repayments</i>	<i>\$(1,016)</i>	<i>\$121</i>
<i>of which payments related to debt extinguishment</i>	<i>-</i>	<i>\$(453)</i>
Net Change in Cash & Cash Equivalents¹	(\$650)	\$127
Cash & Cash Equivalents – end of period	\$209	\$196

¹Numbers do not add as this item includes the effect of exchange rate changes on cash

Updated FY22 Guidance

	Fiscal 2021 Results	Previous Fiscal 2022 Guidance ¹	Updated Fiscal 2022 Guidance ¹
Net Sales	\$8,476	(2)% to 0%	0% to +1%
<i>Organic Net Sales</i>		(1)% to +1%	+1% to +2%
Adjusted EBIT	\$1,356*	(4.5)% to (1.5)%	(4.5)% to (1.5)%
Adjusted EPS	\$2.86*	(4)% to 0% \$2.75 to \$2.85	(4)% to 0% \$2.75 to \$2.85

- Raising Net Sales guidance to reflect YTD performance, continued strong consumer demand, limited price elasticities and ongoing supply recovery
- Reaffirmed adjusted EBIT and adjusted EPS reflecting increased core inflation
- The sale of the Plum baby food and snacks business, which was divested on May 3, 2021, is estimated to have an impact of 1 percentage point on Net Sales in Fiscal 2022

* See Non-GAAP reconciliation

¹ A non-GAAP reconciliation is not provided for fiscal 2022 guidance as the company is unable to reasonably estimate the full-year financial impact of items such as actuarial gains or losses on pension and postretirement plans because these impacts are dependent on future changes in market conditions. The inability to predict the amount and timing of these future items makes a detailed reconciliation of these forward-looking financial measures impracticable

Summary

- Net Sales reflect inflation-driven pricing with limited elasticities and strong in-market demand, tempered by select labor and material availability constraints
- Q3 margin benefitted from lapping sizeable decline in the prior year, pricing actions, productivity improvements and cost savings initiatives
- Expect continued rising inflation across all input categories in Q4
- Raising FY22 guidance on full-year net sales reflecting strong demand. Reaffirming adjusted EBIT and EPS
- Deutsche Bank Global Consumer Conference June 15



Q&A Forum



Mark Clouse

President & Chief Executive Officer



Mick Beekhuizen

EVP & Chief Financial Officer

Appendix

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations (\$ millions)

Third Quarter

May 1, 2022

Meals & Beverages

	<u>Net Sales, As Reported</u>	<u>Impact of Currency</u>	<u>Organic Net Sales</u>
	\$ 1,131	\$ 1	\$ 1,132

% Change

<u>Net Sales, As Reported</u>	<u>Organic Net Sales</u>
6%	9%

Snacks

	999	-	999
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8%	8%
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Total Net Sales

\$ 2,130	\$ 1	\$ 2,131
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7%	9%
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May 2, 2021

Meals & Beverages

	<u>Net Sales, As Reported</u>	<u>Impact of Divestitures</u>	<u>Organic Net Sales</u>
	\$ 1,062	\$ (22)	\$ 1,040

Snacks

	922	-	922
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Total Net Sales

\$ 1,984	\$ (22)	\$ 1,962
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Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations (\$ millions)

Nine Months

May 1, 2022

	<u>Net Sales, As Reported</u>	<u>Impact of Currency</u>	<u>Organic Net Sales</u>	<u>% Change</u>	
	<u>Net Sales, As Reported</u>	<u>Organic Net Sales</u>	<u>Net Sales, As Reported</u>	<u>Organic Net Sales</u>	
Meals & Beverages	\$ 3,672	\$ (7)	\$ 3,665	(2)%	0%
Snacks	2,903	-	2,903	2%	2%
Total Net Sales	\$ 6,575	\$ (7)	\$ 6,568	0%	1%

May 2, 2021

	<u>Net Sales, As Reported</u>	<u>Impact of Divestitures</u>	<u>Organic Net Sales</u>
Meals & Beverages	\$ 3,743	\$ (68)	\$ 3,675
Snacks	2,860	-	2,860
Total Net Sales	\$ 6,603	\$ (68)	\$ 6,535

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations
(\$ millions, except per share amounts)

Third Quarter

	<u>EBIT</u>	<u>EBIT Margin %</u>	<u>Earnings</u>	<u>Diluted EPS</u>
2022 – As Reported	\$ 294	13.8%	\$ 188	\$ 0.62
Add: Restructuring charges, implementation costs and other related costs	6		5	0.02
Add: Pension and postretirement adjustments	16		12	0.04
Add: Commodity mark-to-market adjustments	5		4	0.01
Add: Loss on extinguishment of debt	-		3	0.01
2022 – Adjusted	<u>\$ 321</u>	<u>15.1%</u>	<u>\$ 212</u>	<u>\$ 0.70</u>
2021 – As Reported	\$ 272	13.7%	\$ 166	\$ 0.54
Add: Restructuring charges, implementation costs and other related costs	15		11	0.04
Deduct: Pension and postretirement adjustments	(4)		(3)	(0.01)
Deduct: Commodity mark-to-market adjustments	(22)		(17)	(0.06)
2021 – Adjusted	<u>\$ 261</u>	<u>13.2%</u>	<u>\$ 157</u>	<u>\$ 0.51</u>
\$ Change - Adjusted	\$ 60		\$ 55	\$ 0.19
% Change - Adjusted	23%	+190 bps	35%	37%

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations
(\$ millions, except per share amounts)

Nine Months

	<u>EBIT</u>	<u>EBIT Margin %</u>	<u>Earnings</u>	<u>Diluted EPS*</u>
2022 – As Reported	\$ 993	15.1%	\$ 661	\$ 2.18
Add: Restructuring charges, implementation costs and other related costs	15		12	0.04
Add: Pension and postretirement adjustments	12		9	0.03
Add: Commodity mark-to-market adjustments	8		6	0.02
Add: Loss on extinguishment of debt	-		3	0.01
2022 – Adjusted	<u>\$ 1,028</u>	<u>15.6%</u>	<u>\$ 691</u>	<u>\$ 2.28</u>
2021 – As Reported	\$ 1,134	17.2%	\$ 720	\$ 2.36
Add: Restructuring charges, implementation costs and other related costs	43		32	0.10
Deduct: Pension and postretirement adjustments	(38)		(29)	(0.10)
Deduct: Commodity mark-to-market adjustments	(39)		(30)	(0.10)
Add: Deferred tax charge	-		19	0.06
2021 – Adjusted	<u>\$ 1,100</u>	<u>16.7%</u>	<u>\$ 712</u>	<u>\$ 2.33</u>
\$ Change - Adjusted	\$ (72)		\$ (21)	\$ (0.05)
% Change - Adjusted	(7)%	(110) bps	(3)%	(2)%

*The sum of the individual per share amounts may not add due to rounding

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations (\$ millions)

	Gross Margin	GM %	Net Interest Expense	EBT	Tax	Tax Rate
2022 – As Reported	\$ 665	31.2%	\$ 50	\$ 244	\$ 56	23.0%
Add: Restructuring charges, implementation costs and other related costs	1		-	6	1	
Add: Pension and postretirement adjustments	-		-	16	4	
Add: Commodity mark-to-market adjustments	5		-	5	1	
Add (Deduct): Loss on extinguishment of debt	-		(4)	4	1	
2022 – Adjusted	<u>\$ 671</u>	<u>31.5%</u>	<u>\$ 46</u>	<u>\$ 275</u>	<u>\$ 63</u>	<u>22.9%</u>
2021 – As Reported	\$ 628	31.7%	\$ 53	\$ 219	\$ 53	24.2%
Add: Restructuring charges, implementation costs and other related costs	2		-	15	4	
Deduct: Pension and postretirement adjustments	-		-	(4)	(1)	
Deduct: Commodity mark-to-market adjustments	(22)		-	(22)	(5)	
2021 – Adjusted	<u>\$ 608</u>	<u>30.6%</u>	<u>\$ 53</u>	<u>\$ 208</u>	<u>\$ 51</u>	<u>24.5%</u>
Change - Adjusted		+90 bps				(160) bps

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations (\$ millions)

Adjusted EBIT Impacts from Sales Volume and Adjusted Gross Margin Rate

	<u>Third Quarter</u>
2022 – Change in Net Sales Attributable to Volume*	\$ (78)
Multiplied by: 2021 – Adjusted Gross Margin %	30.6%
	<hr/>
Adjusted EBIT Impact from Sales Volume	<u>\$ (24)</u>
	<hr/>
2022 – Adjusted Gross Margin \$	\$ 671
2021 – Adjusted Gross Margin \$	608
	<hr/>
Change in Adjusted Gross Margin \$	<u>\$ 63</u>
	<hr/>
Deduct: Adjusted EBIT Impact from Sales Volume	(24)
	<hr/>
Adjusted EBIT Impact from Adjusted Gross Margin Rate	<u>\$ 87</u>

*Includes the impact of the divestiture of the Plum baby food and snacks business

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations (\$ millions)

Third Quarter

	<u>Administrative Expenses</u>	<u>R&D Expenses</u>	<u>Total</u>
2022 – As Reported	\$ 151	\$ 22	\$ 173
Deduct: Restructuring charges, implementation costs and other related costs	(5)	-	(5)
2022 – Adjusted	<u>\$ 146</u>	<u>\$ 22</u>	<u>\$ 168</u>
% of Net Sales - Adjusted	6.9%	1.0%	7.9%
2021 – As Reported	\$ 153	22	\$ 175
Deduct: Restructuring charges, implementation costs and other related costs	(11)	-	(11)
2021 – Adjusted	<u>\$ 142</u>	<u>\$ 22</u>	<u>\$ 164</u>
% of Net Sales – Adjusted	7.2%	1.1%	8.3%
% of Net Sales Change - Adjusted	(30) bps	(10) bps	(40) bps
\$ Change – Adjusted	\$ 4	\$ 0	\$ 4
% Change - Adjusted	3%	0%	2%

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations (\$ millions)

Third Quarter

	<u>Other Expenses / (Income)</u>
2022 – As Reported	\$ 10
Deduct: Pension and postretirement adjustments	(16)
2022 – Adjusted	<u>\$ (6)</u>
% of Net Sales - Adjusted	(0.3)%
2021 – As Reported	\$ (23)
Add: Pension and postretirement adjustments	4
2021 – Adjusted	<u>\$ (19)</u>
% of Net Sales – Adjusted	(1.0)%
% of Net Sales Change – Adjusted	+70 bps
\$ Change – Adjusted	\$ 13
% Change - Adjusted	(68)%

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations
(\$ millions, except per share amounts)

Third Quarter – Adjusted Diluted EPS Impact from Adjusted EBIT

	<u>EBIT</u>
2022 – Adjusted	\$ 321
2021 – Adjusted	261
\$ Change	<u>\$ 60</u>
Deduct: 2021 Adjusted tax rate impact on EBIT	<u>(15)</u>
Impact to Net Earnings	<u>\$ 45</u>
Third Quarter 2021 Diluted Shares	305
Adjusted Diluted EPS Impact	\$ 0.15

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations
(\$ millions, except per share amounts)

Third Quarter – Adjusted Diluted EPS Impact from Adjusted Net Interest Expense

	<u>Net Interest Expense</u>
2022 – Adjusted	\$ 46
2021 – Adjusted	53
\$ Change	<u>\$ 7</u>
Deduct: 2021 Adjusted tax rate impact on Net Interest Expense	<u>(2)</u>
Impact to Net Earnings	<u>\$ 5</u>
Third Quarter 2021 Diluted Shares	305
Adjusted Diluted EPS Impact	\$ 0.02

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations
(\$ millions, except per share amounts)

Adjusted Diluted EPS Impact from Change in Adjusted Tax Rate

	<u>Third Quarter</u>
2022 – Adjusted EBT	\$ 275
Change in Adjusted Tax Rate	(1.6)%
Adjusted EBT multiplied by the Change in Adjusted Tax Rate	<u>\$ 4</u>
Third Quarter 2021 Diluted Shares	305
Adjusted Diluted EPS Impact	\$ 0.01

Reconciliation of GAAP and Non-GAAP Financial Measures

Continuing Operations (\$ millions, except per share amounts)

<u>Full Year</u>	<u>EBIT</u>	<u>Earnings</u>	<u>Diluted EPS*</u>
2021 – As Reported	\$ 1,545	\$ 1,008	\$ 3.30
Add: Restructuring charges, implementation costs and other related costs	53	40	0.13
Deduct: Pension and postretirement adjustments	(203)	(155)	(0.51)
Add (Deduct): Charges (gains) associated with divestiture	11	(3)	(0.01)
Add: Deferred tax charge	-	19	0.06
Deduct: Commodity mark-to-market adjustments	(50)	(38)	(0.12)
2021 – Adjusted	<u>\$ 1,356</u>	<u>\$ 871</u>	<u>\$ 2.86</u>

*The sum of the individual per share amounts may not add due to rounding