

FMC CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

**RECONCILIATION OF NET INCOME (LOSS) ATTRIBUTABLE TO FMC STOCKHOLDERS (GAAP) TO
ADJUSTED AFTER-TAX EARNINGS FROM CONTINUING OPERATIONS, ATTRIBUTABLE TO FMC
STOCKHOLDERS (NON-GAAP)**

(Unaudited and in millions, except per share amounts)

	<u>Three Months Ended</u> <u>September 30,</u>		<u>Nine Months Ended</u> <u>September 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net income (loss) attributable to FMC stockholders (GAAP)	\$ 65.0	\$ (3.5)	\$ 357.4	\$ 223.0
Corporate special charges (income):				
Restructuring and other charges (income) ^(a)	22.6	28.2	158.6	48.0
Non-operating pension and postretirement charges (income) ^(b)	4.4	4.2	12.9	13.4
Income tax expense (benefit) on Corporate special charges (income) ^(c)	(5.0)	(4.2)	(28.4)	(8.5)
Adjustment for noncontrolling interest, net of tax on Corporate special charges (income)	—	0.4	—	(1.6)
Discontinued operations attributable to FMC stockholders, net of income taxes ^(d)	0.9	8.3	16.2	41.3
Tax adjustment ^(e)	(0.7)	22.0	(305.0)	25.5
Adjusted after-tax earnings from continuing operations attributable to FMC stockholders (Non-GAAP) ⁽¹⁾	\$ 87.2	\$ 55.4	\$ 211.7	\$ 341.1
Diluted earnings per common share (GAAP)	\$ 0.52	\$ (0.03)	\$ 2.85	\$ 1.77
Corporate special charges (income) per diluted share, before tax:				
Restructuring and other charges (income)	0.18	0.22	1.27	0.39
Non-operating pension and postretirement charges (income)	0.03	0.03	0.10	0.11
Income tax expense (benefit) on Corporate special charges (income), per diluted share	(0.04)	(0.03)	(0.23)	(0.07)
Adjustment for noncontrolling interest, net of tax on Corporate special charges (income) per diluted share	—	—	—	(0.02)
Discontinued operations attributable to FMC stockholders, net of income taxes per diluted share	0.01	0.07	0.13	0.33
Tax adjustments per diluted share	(0.01)	0.18	(2.43)	0.20
Diluted adjusted after-tax earnings from continuing operations per share, attributable to FMC stockholders (Non-GAAP)	\$ 0.69	\$ 0.44	\$ 1.69	\$ 2.71
Average number of shares outstanding used in diluted adjusted after-tax earnings from continuing operations per share computations	125.5	125.3	125.3	125.7

(1) Referred to as Adjusted earnings. The Company believes that Adjusted earnings, a Non-GAAP financial measure, and its presentation on a per share basis provides useful information about the Company's operating results to management, investors, and securities analysts. Adjusted earnings excludes the effects of corporate special charges, tax-related adjustments and the results of our discontinued operations. The Company also believes that excluding the effects of these items from operating results allows management and investors to compare more easily the financial performance of its underlying business from period to period.

(a) **Three Months Ended September 30, 2024:**

Restructuring and other charges (income) includes restructuring charges of \$15.7 million primarily related to the previously announced global restructuring plan, referred to as "Project Focus." Charges incurred related to Project Focus consist of \$7.0 million of severance and employee separation costs, \$5.4 million of professional service provider costs and other miscellaneous charges, and accelerated depreciation of \$6.2 million on assets identified for disposal in connection with the restructuring initiative. These Project Focus restructuring charges were partially offset by a \$3.1 million gain recognized on the disposition of a previously closed manufacturing site. Other charges (income) of \$6.9 million is comprised of \$4.8 million of charges associated with our environmental sites and \$2.1 million of other miscellaneous charges.

Three Months Ended September 30, 2023:

Restructuring and other charges (income) includes \$2.5 million of employee separation and \$0.4 million of other exit costs incurred as part of various restructuring initiatives. Other charges (income) of \$25.3 million is comprised of \$11.9 million in charges resulting from the third quarter acquisition of in-process research and development assets that do not meet the criteria for capitalization. Additionally, we incurred \$4.9 million in losses related to the devaluation of the Argentine peso driven by government actions, \$4.5 million of charges associated with our environmental sites, and \$4.0 million of other miscellaneous charges.

Nine Months Ended September 30, 2024:

Restructuring and other charges (income) includes restructuring charges of \$133.2 million primarily related Project Focus. Charges incurred in connection with Project Focus consist of \$53.3 million of non-cash asset write off charges resulting from the contract termination with one of our third-party manufacturers, \$44.5 million of severance and employee separation costs, including costs associated with the previously announced CEO transition, \$24.1 million of professional service provider costs and other miscellaneous charges, and accelerated depreciation of \$14.4 million on assets identified for disposal in connection with the restructuring initiative. These Project Focus restructuring charges were partially offset by a \$3.1 million gain recognized on the disposition of a previously closed manufacturing site. Other charges (income) of \$25.4 million is comprised of \$13.8 million of charges associated with our environmental sites and \$11.6 million of other miscellaneous charges.

Nine Months Ended September 30, 2023:

Restructuring and other charges (income) includes \$6.8 million of employee separation costs as well as \$1.9 million of asset impairment and other charges related to various global restructuring initiatives. These restructuring charges were offset by a \$5.8 million gain recognized on the disposition of land related to a previously closed manufacturing facility. Other charges (income) of \$45.1 million, is comprised of \$11.9 million in charges resulting from the third quarter acquisition of in-process research and development assets that do not meet the criteria for capitalization. We recognized a \$6.9 million remeasurement charge triggered during the period as a result of the significant currency depreciation of the Pakistani Rupee. On January 25, 2023, the Pakistani Rupee experienced its largest single day drop against the US dollar in over two decades following the removal of the USD-PKR exchange cap in place on the country's currency. Additionally, we incurred \$4.9 million in losses related to the devaluation of the Argentine peso driven by government actions during the period, \$14.3 million of charges associated with our environmental sites, and \$7.1 million of other miscellaneous charges.

- (b) Our non-operating pension and postretirement charges (income) are defined as those costs (benefits) related to interest, expected return on plan assets, amortized actuarial gains and losses and the impacts of any plan curtailments or settlements. These are excluded from our Adjusted Earnings and are primarily related to changes in pension plan assets and liabilities which are tied to financial market performance and we consider these costs to be outside our operational performance. We continue to include the service cost and amortization of prior service cost in our Adjusted Earnings results noted above. These elements reflect the current year operating costs to our businesses for the employment benefits provided to active employees.
- (c) The income tax expense (benefit) on Corporate special charges (income) is determined using the applicable rates in the taxing jurisdictions in which the corporate special charge or income occurred and includes both current and deferred income tax expense (benefit) based on the nature of the non-GAAP performance measure.
- (d) Discontinued operations includes provisions, net of recoveries, for environmental liabilities and legal reserves and expenses related to previously discontinued operations and retained liabilities. Discontinued operations for the nine months ended September 30, 2024 includes cash proceeds, net of fees of \$18.0 million received as the result of an insurance settlement for retained legal reserves.
- (e) We exclude the GAAP tax provision, including discrete items, from the Non-GAAP measure of income, and include a Non-GAAP tax provision based upon the projected annual Non-GAAP effective tax rate. The GAAP tax provision includes certain discrete tax items including, but are not limited to: income tax expenses or benefits that are not related to continuing operating results in the current year; tax adjustments associated with fluctuations in foreign currency remeasurement of certain foreign operations; certain changes in estimates of tax matters related to prior fiscal years; certain changes in the realizability of deferred tax assets and related interim accounting impacts; and changes in tax law. Management believes excluding these discrete tax items assists investors and securities analysts in understanding the tax provision and the effective tax rate related to continuing operating results thereby providing investors with useful supplemental information about FMC's operational performance.

(in Millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Non-GAAP tax adjustments				
Revisions to valuation allowances of historical deferred tax assets	\$ —	\$ —	\$ (1.6)	\$ —
Foreign currency remeasurement and other discrete items	(0.7)	22.0	(303.4)	25.5
Total Non-GAAP tax adjustments	\$ (0.7)	\$ 22.0	\$ (305.0)	\$ 25.5

In connection with our plans to establish a global technology and innovation center in Switzerland, we initiated changes to our corporate entity structure, including intra-entity transfers of certain intellectual property, during the second quarter of 2024. As a result, we recorded a net tax benefit of approximately \$300 million in the nine months ended September 30, 2024. This benefit, net of valuation allowance, was primarily a result of the recognition of a step-up in tax basis to the fair value of the transferred intellectual property by the Company's Swiss subsidiary. In addition, local tax impacts associated with the disposition of the transferred intellectual property were recorded as well as an increase in our valuation allowance associated with Swiss nonrefundable tax credits as a result of indirect effects of the transferred intellectual property.

**RECONCILIATION OF NET INCOME (LOSS) (GAAP) TO ADJUSTED EARNINGS FROM
CONTINUING OPERATIONS, BEFORE INTEREST, INCOME TAXES, DEPRECIATION
AND AMORTIZATION, AND NONCONTROLLING INTERESTS (NON-GAAP)
(Unaudited, in millions)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net income (loss) (GAAP)	\$ 65.6	\$ (3.7)	\$ 357.7	\$ 224.6
Restructuring and other charges (income)	22.6	28.2	158.6	48.0
Non-operating pension and postretirement charges (income)	4.4	4.2	12.9	13.4
Discontinued operations, net of income taxes	0.9	8.3	16.2	41.3
Interest expense, net	58.7	64.6	184.0	180.5
Depreciation and amortization	43.2	45.6	133.2	138.4
Provision (benefit) for income taxes	6.0	27.4	(298.9)	77.7
Adjusted earnings from continuing operations, before interest, income taxes, depreciation and amortization, and noncontrolling interests (Non-GAAP) ⁽¹⁾	\$ 201.4	\$ 174.6	\$ 563.7	\$ 723.9

(1) Referred to as Adjusted EBITDA. Defined as operating profit excluding restructuring and other charges (income) and depreciation and amortization expense.

**RECONCILIATION OF CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES OF
CONTINUING OPERATIONS (GAAP) TO FREE CASH FLOW (NON-GAAP)**

(Unaudited, in millions)

	<u>Three Months Ended</u> <u>September 30,</u>		<u>Nine Months Ended</u> <u>September 30,</u>	
	2024	2023	2024	2023
Cash provided (required) by operating activities of continuing operations (GAAP)	\$ 159.5	\$ 101.6	\$ 308.8	\$ (618.2)
Project Focus transformation spending ⁽¹⁾	26.4	—	89.9	—
Capital expenditures	(15.7)	(33.0)	(46.3)	(108.8)
Other investing activities	2.0	(2.5)	(5.2)	(7.8)
Capital additions and other investing activities	\$ (13.7)	\$ (35.5)	\$ (51.5)	\$ (116.6)
Cash provided (required) by operating activities of discontinued operations	(18.3)	(34.1)	(37.2)	(61.0)
Project Focus transformation spending ⁽¹⁾	(26.4)	—	(89.9)	—
Proceeds from Land Disposition	—	—	—	5.8
Legacy and transformation	\$ (44.7)	\$ (34.1)	\$ (127.1)	\$ (55.2)
Divestiture transaction costs ⁽²⁾	\$ 4.6	\$ —	\$ 4.6	\$ —
Free cash flow (Non-GAAP)⁽³⁾	\$ 132.1	\$ 32.0	\$ 224.7	\$ (790.0)

- (1) Represents cash payments made in connection with our Project Focus transformation program. This spending is reclassified within this reconciliation to be reflected in the "Legacy and transformation" category. The presentation has no impact on our cash provided (required) by operating activities of continuing operations (GAAP) or free cash flow (non-GAAP).
- (2) Represents transactional-related costs such as legal and professional third-party fees associated with the anticipated sale of our Global Specialty Solutions ("GSS") business. Proceeds from the sale of our GSS business anticipated for the fourth quarter 2024 will be excluded from free cash flow when received. Therefore, we have also excluded the related transaction costs from free cash flow.
- (3) Free cash flow is defined as cash provided (required) by operating activities of continuing operations (GAAP) adjusted for spending for capital additions and other investing activities as well as legacy and transformation spending and divestiture transaction costs associated with the anticipated sale of our GSS business. As noted above, Project Focus transformation spending is reclassified into "Legacy and transformation" for presentation purposes. We believe that this Non-GAAP financial measure provides a useful basis for investors and securities analysts about the cash generated by routine business operations, including capital expenditures, in addition to assessing our ability to repay debt, fund acquisitions and return capital to shareholders through share repurchases and dividends. Our use of free cash flow has limitations as an analytical tool and should not be considered in isolation or as a substitute for an analysis of our results under U.S. GAAP.

**RECONCILIATION OF REVENUE CHANGE (GAAP) TO
ORGANIC REVENUE CHANGE (NON-GAAP) ⁽¹⁾**

(Unaudited)

	<u>Three Months Ended</u> <u>September 30, 2024 vs.</u>	<u>Nine Months Ended</u> <u>September 30, 2024 vs.</u>
Total Revenue Change (GAAP)	9 %	(10) %
Less: Foreign Currency Impact	(3) %	(2) %
Organic Revenue Change (Non-GAAP)	12 %	(8) %

- (1) We believe organic revenue growth (non-GAAP) provides management and investors with useful supplemental information regarding our ongoing revenue performance and trends by presenting revenue growth excluding the impact of fluctuations in foreign exchange rates.

**RECONCILIATION OF NET INCOME (LOSS) ATTRIBUTABLE TO
FMC STOCKHOLDERS (GAAP) TO RETURN ON INVESTED CAPITAL ("ROIC")
NUMERATOR (NON-GAAP) AND ROIC (USING NON-GAAP NUMERATOR)⁽¹⁾
(Unaudited)**

	Twelve Months Ended	
	September 30, 2024	
Net income (loss) attributable to FMC stockholders (GAAP)	\$	1,455.9
Interest expense, net, net of income taxes		206.1
Corporate special charges (income)		366.4
Income tax expense (benefit) on Corporate special charges (income)		(52.7)
Discontinued operations attributable to FMC stockholders, net of income taxes		73.4
Tax adjustments		(1,497.9)
ROIC numerator (Non-GAAP)	\$	551.2

	September 30, 2024	September 30, 2023
Total debt	\$ 4,070.0	\$ 4,115.7
Total FMC stockholders' equity	4,607.8	3,290.9
Total debt and FMC stockholders' equity (GAAP)	\$ 8,677.8	\$ 7,406.6
ROIC denominator (2 yr average total debt and FMC stockholders' equity)	\$ 8,042.2	

ROIC (using Net income (loss) attributable to FMC stockholders (GAAP) as numerator)	18.10 %
ROIC (using Non-GAAP numerator)	6.85 %

(1) We believe ROIC (non-GAAP) provides management and investors with useful supplemental information regarding our utilization of capital provided by both equity and debt as well as our working capital and free cash flow management.