

**CAPITAL MARKETS
PRESENTATION**

SEPTEMBER 4, 2024



PRESENTERS



Gordon Hardie
President and CEO



John Haudrich
SVP and CFO

SAFE HARBOR COMMENTS

This presentation contains “forward-looking” statements related to O-I Glass, Inc. (“O-I Glass” or the “Company”) within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Section 27A of the Securities Act of 1933, as amended. Forward-looking statements reflect the company’s current expectations and projections about future events at the time, and thus involve uncertainty and risk. The words “believe,” “expect,” “anticipate,” “will,” “could,” “would,” “should,” “may,” “plan,” “estimate,” “intend,” “predict,” “potential,” “continue,” and the negatives of these words and other similar expressions generally identify forward-looking statements.

It is possible that the Company’s future financial performance may differ from expectations due to a variety of factors including, but not limited to the following: (1) the general political, economic and competitive conditions in markets and countries where the Company has operations, including uncertainties related to economic and social conditions, trade disputes, disruptions in the supply chain, competitive pricing pressures, inflation or deflation, changes in tax rates and laws, war, civil disturbance or acts of terrorism, natural disasters, public health issues and weather, (2) cost and availability of raw materials, labor, energy and transportation (including impacts related to the current Ukraine-Russia and Israel-Hamas conflicts and disruptions in supply of raw materials caused by transportation delays), (3) competitive pressures from other glass container producers and alternative forms of packaging or consolidation among competitors and customers, (4) changes in consumer preferences or customer inventory management practices, (5) the continuing consolidation of the Company’s customer base, (6) the Company’s ability to improve its glass melting technology, known as the MAGMA program, and implement it within the timeframe expected, (7) unanticipated supply chain and operational disruptions, including higher capital spending, (8) the Company’s ability to achieve expected benefits from margin expansion and profitability initiatives, such as its Fit to Win program, including expected impacts from production curtailments and furnace closures, (9) seasonality of customer demand, (10) the failure of the Company’s joint venture partners to meet their obligations or commit additional capital to the joint venture, (11) labor shortages, labor cost increases or strikes, (12) the Company’s ability to acquire or divest businesses, acquire and expand plants, integrate operations of acquired businesses and achieve expected benefits from acquisitions, divestitures or expansions, (13) the Company’s ability to generate sufficient future cash flows to ensure the Company’s goodwill is not impaired, (14) any increases in the underfunded status of the Company’s pension plans, (15) any failure or disruption of the Company’s information technology, or those of third parties on which the Company relies, or any cybersecurity or data privacy incidents affecting the Company or its third-party service providers, (16) risks related to the Company’s indebtedness or changes in capital availability or cost, including interest rate fluctuations and the ability of the Company to generate cash to service indebtedness and refinance debt on favorable terms, (17) risks associated with operating in foreign countries, (18) foreign currency fluctuations relative to the U.S. dollar, (19) changes in tax laws or U.S. trade policies, (20) the Company’s ability to comply with various environmental legal requirements, (21) risks related to recycling and recycled content laws and regulations, (22) risks related to climate-change and air emissions, including related laws or regulations and increased ESG scrutiny and changing expectations from stakeholders, and the other risk factors discussed in the Company’s filings with the Securities and Exchange Commission.

It is not possible to foresee or identify all such factors. Any forward-looking statements in this document are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate in the circumstances. Forward-looking statements are not a guarantee of future performance, and actual results or developments may differ materially from expectations. While the Company continually reviews trends and uncertainties affecting the Company’s results of operations and financial condition, the Company does not assume any obligation to update or supplement any particular forward-looking statements contained in this document.

Additionally, certain forward-looking and other statements in this presentation or other locations, such as the Company’s corporate website, regarding ESG matters are informed by various ESG standards and frameworks (which may include standards for the measurement of underlying data) and the interests of various stakeholders. Accordingly, such information may not be, and should not be interpreted as necessarily being “material” under the federal securities laws for SEC reporting purposes, even if the Company uses the word “material” or “materiality” in such discussions. ESG information is also often reliant on third-party information or methodologies that are subject to evolving expectations and best practices, and the Company’s approach to and discussion of these matters may continue to evolve as well. For example, the Company’s disclosures may change due to revisions in framework requirements, availability of information, changes in our business or applicable governmental policies, or other factors, some of which may be beyond its control.



O-I AT A GLANCE

GLOBAL LEADER IN GLASS PACKAGING FOCUSED ON WINNING WITH CUSTOMERS, IMPROVING ECONOMIC PROFIT, AND INCREASING THE VALUE OF THE COMPANY

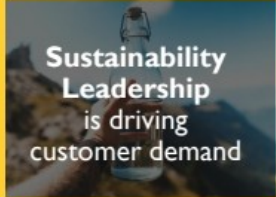


#1
global leader in glass packaging

Glass is the preferred choice for premium and health-oriented products

36 glass containers manufactured in 2023
BILLION

6,000 customers across a broad product portfolio

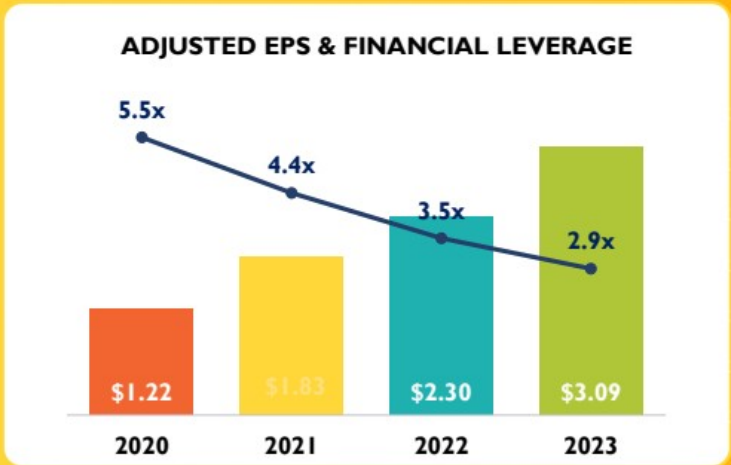


~23,000 employees across **68 plants** in **19 countries**

BREAKTHROUGH INNOVATION
MAGMA & ULTRA



\$7.1B NET SALES
FY 2023



O-I SERVES THE BRANDS YOU TRUST AND LOVE

LEADING CUSTOMER RELATIONSHIPS, DESIGN CAPABILITIES AND SERVICE LEVELS



O-I PORTFOLIO OVERVIEW

PRIVILEGED FOOTPRINT WITH DEEP TECHNICAL AND MANUFACTURING CAPABILITIES

2023	AMERICAS	EU	O-I
Net Sales (\$B)	\$3.9	\$3.1	\$7.1
# Plants	32	34	68
# Countries	7	10	19
Long Term Contracts	75%	35%	55%
Long Term CAGR¹	-1% to +2%	0% to 1%	0% to 1%

Category Mix

Beer	32%
Wine	19%
Food	17%
NAB	16%
Spirits	16%



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O-I's non-reportable segment includes operations in Asia as well as machine part sales and engineering services
 1) 2023-2028 Euromonitor estimates for one way domestic + imported consumption.

COMPETITIVE GLASS OFFERING LEVERAGES MEGA TRENDS



Increased demand for **premium beverages**

Health and wellness favors glass over plastics

CPG **innovation** and **diversification** of product portfolios

Glass is the most sustainable rigid packaging

Glass



Metal



Plastics



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Favorable

Neutral

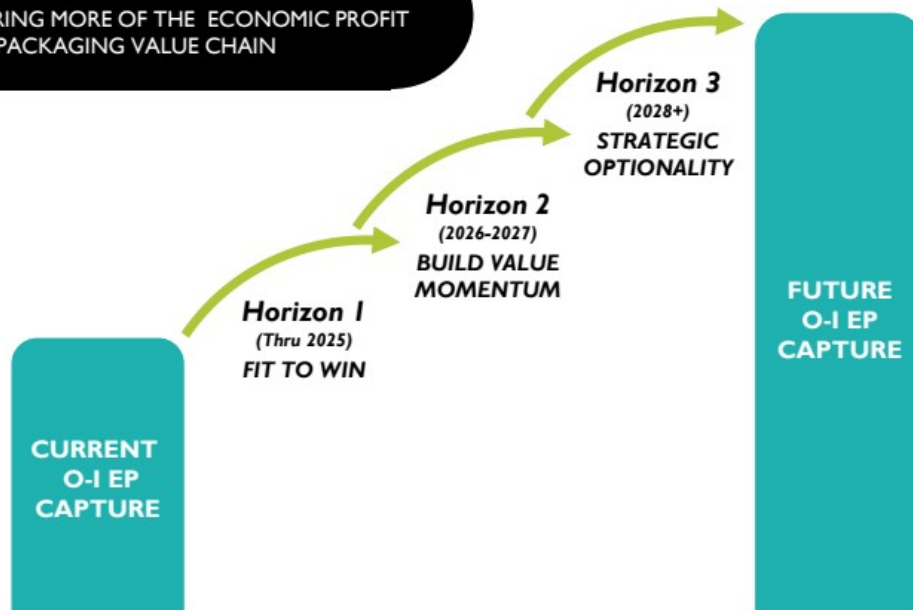
Unfavorable

OCI VALUE CREATION ROADMAP

EARNINGS IMPROVEMENT AND VALUE CREATION OPPORTUNITY SUPPORTED MORE BY SELF HELP RATHER THAN SIGNIFICANT MARKET RECOVERY

ECONOMIC PROFIT MINDSET

CAPTURING MORE OF THE ECONOMIC PROFIT IN THE PACKAGING VALUE CHAIN



REVERSE TREND IN ECONOMIC PROFIT



Preliminary Targets¹ (2027)

- Sustainable aEBITDA \geq \$1.45B
- FCF \geq 5% of Sales
- ES % \geq 2% above WACC

HORIZON I: FIT TO WIN

FIT TO WIN WILL DRIVE A STEP CHANGE IN O-I'S COMPETITIVE POSITION

PILLARS

ACTIONS AND NEXT STEPS

ENHANCE COMPETITIVENESS

- Decentralize business model to align accountability
 - End-to-end supply chain review / network optimization
 - Deliver economically profitable mix and growth
- 24% capacity temporarily curtailed QTD 3Q24 due to slow demand / reduce IDS
 - Announced closure of 4 furnaces as part of program to close 6+ furnaces
 - In 3Q24 earnings call: Detail furnace closure program & 2025 SG&A savings plan

DRIVE CAPITAL DISCIPLINE AND CASH GENERATION

- Incorporate an economic profit (EP) model
 - Increased capital accountability
- Initiated analysis of EP performance across all countries, plants, customers, and SKUs
 - All discretionary capital halted at EP negative operations pending further review
 - In 2H24: Develop draft restructuring and CapEx plan based on EP analysis

CONSISTENT FINANCIAL PERFORMANCE

- Economic profit will be a key financial KPI
 - Evaluate aligning incentives with economic profit
- Shared enterprise EP and ES % for 2022, 2023 and YTD 2024 (see previous page)
 - In 2H24: Integrate EP as an element into future incentive plan structure

PERFORMANCE = POTENTIAL MINUS INTERFERENCE
FIT TO WIN TO ADDRESS THE INTERFERENCE

MONETIZING MAGMA

MAGMA CONTINUES TO ADVANCE WITH INCREASED FOCUS ON ACCELERATING ECONOMIC PROFIT

▶ **MAGMA CORE TECHNOLOGY WORKS**

▶ **RAMPING UP MAGMA GEN 2 GREENFIELD IN BOWLING GREEN**

- Finalizing cold commissioning activities
- Began producing glass in August and ramping up production during 3Q

▶ **ACCELERATING MAGMA TO ECONOMIC PROFIT**

- Gen 1 evaluating targeted legacy furnace replacement at end of life
- Gen 2 proving the industrial model at scale
- Gen 3 consideration as part of Horizon 3 priorities

GEN 2 MAGMA GREENFIELD (Bowling Green, KY)



DISCIPLINED CAPITAL ALLOCATION



GET FIT TO WIN



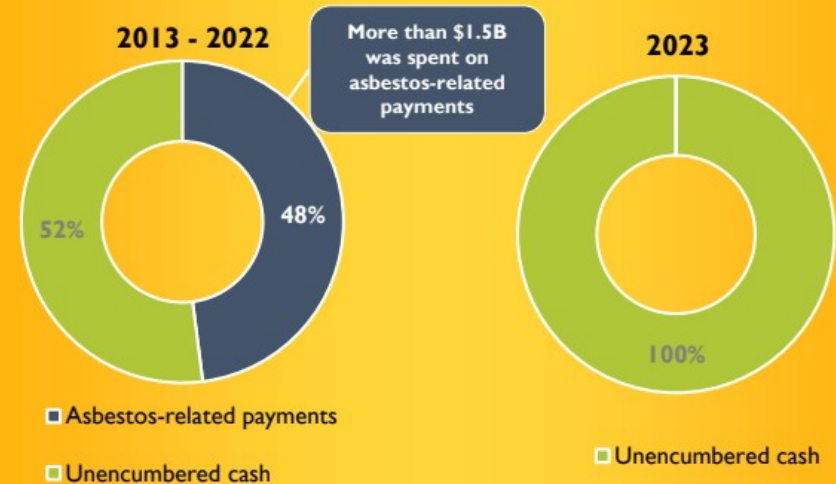
IMPROVE CAPITAL STRUCTURE



RETURN VALUE TO SHAREHOLDERS



FCF PROFILE (PRIOR TO ASBESTOS PAYMENTS)



FOLLOWING FINAL AND FAIR RESOLUTION OF ASBESTOS-RELATED LEGACY LIABILITIES IN 2022, A SIGNIFICANT PORTION OF CASH FLOW IS NO LONGER ENCUMBERED AND IS INCREASINGLY ALLOCATED TO ENHANCING SHAREHOLDER VALUE

CURRENT MARKET UPDATE

O-I IS NOT UPDATING GUIDANCE

DEMAND REMAINS SLUGGISH BUT CONTINUE TO EXPECT MODEST SALES VOLUME GROWTH IN 3Q24 GIVEN EASIER PY COMPS

REFINING EXPECTED MULTI-YEAR COMPETITIVENESS PROGRAM, MORE DETAILS ON 3Q24 EARNINGS CALL

EXPECT PERFORMANCE WILL REBOUND AS O-I IMPLEMENTS THE FIT TO WIN PROGRAM AND DRIVES EP GROWTH





CONCLUSION

1

O-I IS THE GLOBAL LEADER IN GLASS PACKAGING, SERVING THE STABLE AND GROWING FOOD AND BEVERAGE INDUSTRY

2

STRONG CUSTOMER RELATIONSHIPS REFLECT O-I'S SERVICE LEVEL CAPABILITIES, PRIVILEGED FOOTPRINT AND MANUFACTURING KNOW HOW

3

LONG-TERM MEGA TRENDS FAVOR GLASS, WHICH IS WELL POSITIONED TO WIN IN THE NEW GREEN ECONOMY

4

FIT TO WIN WILL MAKE O-I MORE COMPETITIVE, IMPROVE PERFORMANCE AND ENABLE ECONOMIC PROFITABLE GROWTH AS MARKETS RECOVER

5

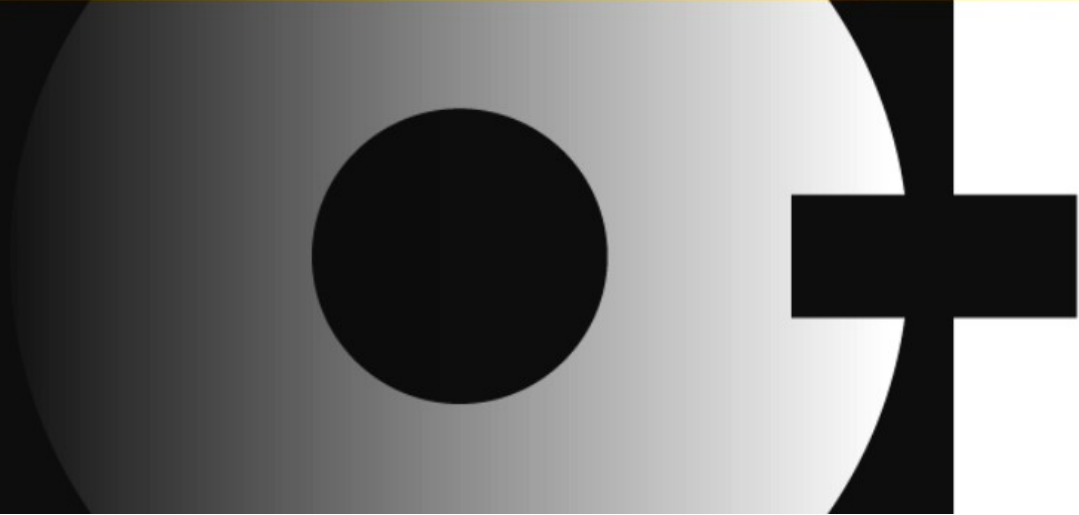
TAKING RAPID ACTION TO STAGE O-I FOR SUCCESS IN 2025 AND BEYOND

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KEY CATALYSTS

- Execute **Fit to Win Program**
- Drive **Capital Discipline**
- Deliver **Profitable Growth**

APPENDIX



HISTORIC FINANCIAL PERFORMANCE

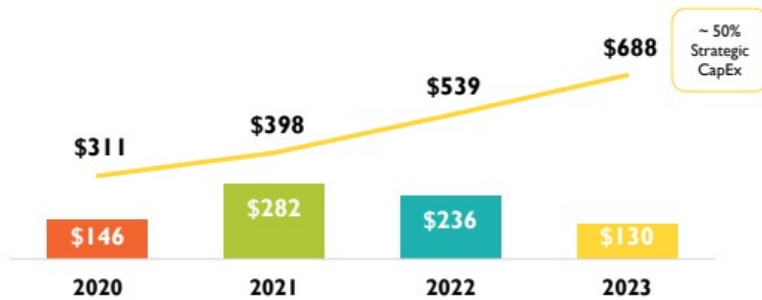
SALES (\$B)



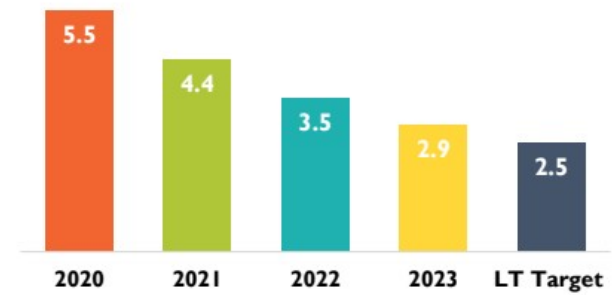
aEPS



FCF AND CAPEX (\$M)



FINANCIAL LEVERAGE



O-I OUR SUSTAINABILITY GOALS



ZERO INJURIES

As part of our journey toward zero injuries, we are committed to a 50% improvement of our Total Recordable Incident Rate (TRIR) by 2030.



50% TARGET

Increase recycled content to 50% average by 2030. O-I is taking a tailored approach to increase recycled content rates across its enterprise network as rates vary significantly by geography.



40% RENEWABLE

Renewable energy is a pillar in our strategy to lower carbon emissions. Our goal is to reach 40% renewable electricity use by 2030 and to reduce total energy consumption by 9%.



SOCIAL IMPACT

We see tremendous opportunity to positively impact the planet and communities where we operate. We will collaborate with customers, NGOs, suppliers and local leaders with an aim to make glass recycling available in 100% of our locations.



25% GHG REDUCTION

Approved SBTi target to reduce GHG emissions 25% by 2030 (interim target of 10% by 2025).



SUPPLY CHAIN SUSTAINABILITY

Achieve sustainability balance, together, by aligning our supply chain with our 2030 sustainability vision and goals.



DIVERSITY, EQUITY & INCLUSION

At O-I, we are better when we reflect the diverse world we serve, feel welcome, and have equal access to opportunities. We are focused on increasing all aspects of diversity, equity and inclusion across our team.



R&D TRANSFORMATION

Reinvent and reimagine glass-making so the circularity of glass meets the potential of our MAGMA melting technology, low-carbon alternative fuels, and light-weighted glass packaging.



ZERO WASTE

Reduce the amount of natural resources used, reduce the generation of waste by reuse and recycling as we drive towards a "Zero Waste" organization.



25% WATER REDUCTION

We are committed to reducing our global water usage 25% by 2030, prioritizing operations in higher risk areas.



NON-GAAP FINANCIAL MEASURES

The company uses certain non-GAAP financial measures, which are measures of its historical or future financial performance that are not calculated and presented in accordance with GAAP, within the meaning of applicable SEC rules. Management believes that its presentation and use of certain non-GAAP financial measures, including adjusted earnings, adjusted earnings per share, free cash flow, total financial leverage, net debt leverage, EBITDA, adjusted EBITDA, economic profit and economic spread percentage, provide relevant and useful supplemental financial information that is widely used by analysts and investors, as well as by management in assessing both consolidated and business unit performance. These non-GAAP measures are reconciled to the most directly comparable GAAP measures and should be considered supplemental in nature and should not be considered in isolation or be construed as being more important than comparable GAAP measures.

Adjusted earnings relates to net earnings (loss) attributable to the company, exclusive of items management considers not representative of ongoing operations and other adjustments because such items are not reflective of the company's principal business activity, which is glass container production. Adjusted earnings are divided by weighted average shares outstanding (diluted) to derive adjusted earnings per share. EBITDA refers to net earnings, excluding gains or losses from discontinued operations, interest expense, net, provision for income taxes, depreciation and amortization of intangibles. Adjusted EBITDA refers to EBITDA, exclusive of items management considers not representative of ongoing operations and other adjustments. Total financial leverage refers to the sum of total debt less cash, plus unfunded pension liability, plus the asbestos liability or Paddock liability divided by Adjusted EBITDA. Net debt leverage refers to total debt less cash divided by Adjusted EBITDA. Economic Profit refers to net earnings (loss) attributable to the Company, excluding interest expense, net, and non-cash goodwill impairment charges, minus the product of the Company's average invested capital and its weighted average cost of capital. Economic Spread percentage refers to Economic Profit divided by the Company's average invested capital. Management uses adjusted earnings, adjusted earnings per share, EBITDA, Adjusted EBITDA, total financial leverage, net debt leverage, economic profit and economic spread percentage to evaluate its period-over-period operating performance because it believes these provide useful supplemental measures of the results of operations of its principal business activity by excluding items that are not reflective of such operations. The above non-GAAP financial measures may be useful to investors in evaluating the underlying operating performance of the company's business as these measures eliminate items that are not reflective of its principal business activity.

Further, free cash flow relates to cash provided by operating activities plus cash payments to fund the Paddock 524(g) trust and related expenses less cash payments for property, plant and equipment. Management has historically used free cash flow to evaluate its period-over-period cash generation performance because it believes these have provided useful supplemental measures related to its principal business activity. It should not be inferred that the entire free cash flow amount is available for discretionary expenditures, since the company has mandatory debt service requirements and other non-discretionary expenditures that are not deducted from these measures. Management uses non-GAAP information principally for internal reporting, forecasting, budgeting and calculating compensation payments.

The company routinely posts important information on its website – www.o-i.com/investors.



RECONCILIATION TO ADJUSTED EARNINGS

The reconciliation below describes the items that management considers not representative of ongoing operations.
Unaudited

(\$millions, except per share amounts)	Year ended December 31			
	2020	2021	2022	2023
Net earnings (loss) attributable to the Company	\$ 249	\$ 142	\$ 584	\$ (103)
Items impacting equity earnings (losses):				
Restructuring, asset impairment and other charges	36			
Items impacting other income (expense), net:				
Charges for deconsolidation of Paddock	14			
Strategic transaction and corporate modernization costs	8			
Charge related to Paddock support agreement liability		154		
Goodwill impairment				445
Restructuring, asset impairment and other charges	106	35	53	100
Gain on sale of divested businesses and miscellaneous assets	(275)	(84)	(55)	(4)
Gain on sale leasebacks			(334)	
Brazil indirect tax credit		(71)		
Pension settlement charges	26	74	20	19
Items impacting interest expense:				
Charges for note repurchase premiums and write-off of finance fees and related charges	44	13	26	39
Items impacting income tax:				
Valuation allowance interest carryovers				20
Tax charge recorded for certain tax adjustments		5	2	
Net expense (benefit) for income tax on items above	(13)	27	41	(25)
Items impacting net earnings attributable to noncontrolling interests:				
Net impact of noncontrolling interests on items above	(1)	(1)	29	
Total adjusting items (non-GAAP)	<u>\$ (55)</u>	<u>\$ 152</u>	<u>\$ (218)</u>	<u>\$ 594</u>
Adjusted earnings (non-GAAP)	<u>\$ 194</u>	<u>\$ 294</u>	<u>\$ 366</u>	<u>\$ 491</u>
Diluted average shares (thousands)	<u>158,785</u>	<u>160,309</u>	<u>158,985</u>	<u>154,651</u>
Net earnings (loss) per share (diluted)	<u>\$ 1.57</u>	<u>\$ 0.88</u>	<u>\$ 3.67</u>	<u>\$ (0.67)</u>
Adjusted earnings per share (non-GAAP)	<u>\$ 1.22</u>	<u>\$ 1.83</u>	<u>\$ 2.30</u>	<u>\$ 3.09</u>

The Company is unable to present a quantitative reconciliation of its forward-looking non-GAAP measure, adjusted earnings and adjusted earnings per share, for periods beyond the year ended December 31, 2023 to its most directly comparable GAAP financial measure, Net earnings (loss) attributable to the Company, because management cannot reliably predict all of the necessary components of this GAAP financial measure without unreasonable efforts. Net earnings (loss) attributable to the Company includes several significant items, such as restructuring charges, asset impairment charges, charges for the write-off of finance fees, and the income tax effect on such items. The decisions and events that typically lead to the recognition of these and other similar items are complex and inherently unpredictable, and the amount recognized for each item can vary significantly. Accordingly, the Company is unable to provide a reconciliation of adjusted earnings and adjusted earnings per share to net earnings (loss) attributable to the Company or address the probable significance of the unavailable information, which could be material to the Company's future financial results.

RECONCILIATION FOR SEGMENT OPERATING PROFIT

(\$millions) Unaudited	Year ended December 31			
	2020	2021	2022	2023
Net sales:				
Americas	\$ 3,322	\$ 3,557	\$ 3,835	\$ 3,865
Europe	2,364	2,687	2,878	3,117
Asia Pacific	281	-	-	-
Reportable segment totals	5,967	6,244	6,713	6,982
Other	124	113	143	123
Net sales	<u>\$ 6,091</u>	<u>\$ 6,357</u>	<u>\$ 6,856</u>	<u>\$ 7,105</u>
Earnings before income taxes	\$ 353	\$ 332	\$ 805	\$ 67
Items excluded from segment operating profit:				
Retained corporate costs and other	145	171	232	224
Items not considered representative of ongoing operations and other adjustments ^(a)	(85)	108	(316)	560
Interest expense, net	265	216	239	342
Segment operating profit ^(b) :	<u>\$ 678</u>	<u>\$ 827</u>	<u>\$ 960</u>	<u>\$ 1,193</u>
Americas	\$ 395	\$ 456	\$ 472	\$ 511
Europe	264	371	488	682
Asia Pacific	19	-	-	-
Reportable segment totals	<u>\$ 678</u>	<u>\$ 827</u>	<u>\$ 960</u>	<u>\$ 1,193</u>
Ratio of earnings before income taxes to net sales	5.8%	5.2%	11.7%	0.9%
Segment operating profit margin ^(c) :				
Americas	11.9%	12.8%	12.3%	13.2%
Europe	11.2%	13.8%	17.0%	21.9%
Asia Pacific	6.8%	-	-	-
Reportable segment margin totals	11.4%	13.2%	14.3%	17.1%

(a) Reference reconciliation for adjusted earnings.

(b) Segment operating profit consists of consolidated earnings before interest income, interest expense, and provision for income taxes and excludes amounts related to certain items that management considers not representative of ongoing operations as well as certain retained corporate costs and other adjustments.

The Company presents information on segment operating profit because management believes that it provides investors with a measure of operating performance separate from the level of indebtedness or other related costs of capital. The most directly comparable GAAP financial measure to segment operating profit is earnings before income taxes. The Company presents segment operating profit because management uses the measure, in combination with net sales and selected cash flow information, to evaluate performance and to allocate resources.

(c) Segment operating profit margin is segment operating profit divided by segment net sales.



RECONCILIATION TO NET DEBT AND FINANCIAL LEVERAGE RATIOS

\$ millions	2020	2021	2022	2023
Net earnings (loss)	264	165	627	(85)
Interest expense, net	265	216	239	342
Provision for income taxes	89	167	178	152
Depreciation	369	356	352	385
Amortization of intangibles	99	93	102	98
EBITDA (non-GAAP)	1,086	997	1,498	892
Adjustments to EBITDA:				
Restructuring, asset impairment, pension settlement and other charges	168	109	73	119
Goodwill impairment				445
Gain on sale of ANZ Business	(275)			0
Gain on sale leaseback			(334)	0
Gain on sale of divested business or misc. assets		(84)	(55)	(4)
Charge related to Paddock support agreement liability		154		0
Brazil indirect tax credit		(71)		0
Strategic transactions and Corporate Modernization costs	8			0
Adjusted EBITDA (non-GAAP)	1,001	1,105	1,182	1,452
Total debt	\$ 5,142	\$ 4,825	\$ 4,716	\$ 4,946
Less cash	\$ 563	\$ 725	\$ 773	\$ 913
Net debt (non-GAAP)	\$ 4,579	\$ 4,100	\$ 3,943	\$ 4,033
Net debt divided by adjusted EBITDA	4.6	3.7	3.3	2.8
Unfunded Pension Liability	\$ 464	\$ 141	\$ 170	\$ 192
Unfunded Pension Liability divided by Adjusted EBITDA	0.5	0.1	0.1	0.1
Asbestos / Paddock Liability	\$ 471	\$ 625	\$ -	\$ -
Asbestos / Paddock Liability divided by Adjusted EBITDA	0.5	0.6	0.0	0.0
Financial Leverage ((Net Debt + Unfunded Pension Liability + Asbestos / Paddock Liability)/Adjusted EBITDA)	5.5	4.4	3.5	2.9

RECONCILIATION TO ADJUSTED EBITDA

(\$ millions)	Year End	
	December 31, 2023	
Net earnings (loss)	\$	(85)
Interest expense, net		342
Provision for income taxes		152
Depreciation		385
Amortization of intangibles		98
EBITDA (non-GAAP)		892
Items not considered representative of ongoing operations		560
Adjusted EBITDA (non-GAAP)	\$	1,452

For the year ending December 31, 2024, the Company is unable to present a quantitative reconciliation of its forward-looking non-GAAP measure, adjusted EBITDA, to its most directly comparable U.S. GAAP financial measure, net earnings (loss), because management cannot reliably predict all of the necessary components of this U.S. GAAP financial measure without unreasonable efforts. Net earnings (loss) includes several significant items, such as restructuring, asset impairment and other charges, charges for the write-off of finance fees, and the income tax effect on such items. The decisions and events that typically lead to the recognition of these and other similar non-GAAP adjustments are inherently unpredictable as to if and when they may occur. The inability to provide a reconciliation is due to that unpredictability and the related difficulties in assessing the potential financial impact of the non-GAAP adjustments. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to the Company's future financial results.



RECONCILIATION TO ECONOMIC PROFIT AND ECONOMIC SPREAD PERCENTAGE

(\$ millions)

	2021	2022	2023	2Q23	3Q23	4Q23	1Q24	2Q24	LTM 2Q24
Net earnings (loss) attributable to the Company		584	(103)		51	(470)	72	57	(290)
Interest expense, net		239	342		78	79	78	87	322
Non-cash goodwill impairment charges		-	445		-	445	-	-	445
Net operating profit after tax (NOPAT)		823	684		129	54	150	144	477
Short-term debt	72	345	248	242				500	
Long-term debt	4,753	4,371	4,698	4,778				4,648	
Share owners equity	827	1,528	1,744	2,143				1,631	
Total invested capital	5,652	6,244	6,690	7,163				6,779	
Average invested capital (AIC)	5,598	5,948	6,467						6,971
Weighted average cost of capital (WACC)		6.5%	8.4%						8.4%
ROIC (NOPAT / AIC)		13.8%	10.6%						6.8%
Capital change (CC = AIC x WACC)		388	542						584
Economic profit (EP = NOPAT - CC)		435	142						(107)
Economic spread % (EP / AIC)		7.3%	2.2%						-1.5%



FREE CASH FLOW PROFILE (PRIOR TO ASBESTOS PAYMENTS) RECONCILIATION

(\$millions)	Cash provided by operating activities	Asbestos & Paddock trust cash payments	Cash provided by operating activities plus asbestos & Paddock trust cash payments	Cash payments for property, plant and equipment (PP&E)	Cash provided by operating activities plus asbestos & Paddock trust cash payments less PP&E
2013	\$ 682	\$ 158	\$ 840	361	\$ 479
2014	675	148	823	369	454
2015	608	138	746	402	344
2016	751	125	876	454	422
2017	721	110	831	441	390
2018	791	105	896	536	360
2019	405	151	556	426	130
2020	457	-	457	311	146
2021	680	-	680	398	282
2022	154	621	775	539	236
Cumulative (2013 - 2022)	\$ 5,924	\$ 1,556	\$ 7,480	\$ 4,237	\$ 3,243
% of asbestos & Paddock trust cash payments to cash provided by operating activities plus asbestos & Paddock trust cash payments less PP&E			48%		

ADDITIONAL RECONCILIATION

RECONCILIATION TO FINANCIAL AND NET DEBT LEVERAGE RATIOS

For the periods ending after December 31, 2023, the Company is unable to present a quantitative reconciliation of its forward-looking non-GAAP measures, total financial leverage ratio and net debt leverage ratio, which are defined as the sum of total debt less cash, unfunded pension liability and asbestos/Paddock liability divided by Adjusted EBITDA and total debt less cash divided by Adjusted EBITDA, respectively, to its most directly comparable U.S. GAAP financial measure, Net earnings (loss), because management cannot reliably predict all of the necessary components of this U.S. GAAP financial measure without unreasonable efforts. Net earnings (loss) includes several significant items, such as restructuring, asset impairment and other charges, charges for the write-off of finance fees, and the income tax effect on such items. The decisions and events that typically lead to the recognition of these and other similar non-GAAP adjustments are inherently unpredictable as to if and when they may occur. The inability to provide a reconciliation is due to that unpredictability and the related difficulties in assessing the potential financial impact of the non-GAAP adjustments. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to the Company's future financial results.

RECONCILIATION TO FREE CASH FLOW

(\$millions)	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2022	Year Ended December 31, 2023	Forecast Year Ended December 31, 2024
Cash provided by operating activities	\$ 457	\$ 680	\$ 154	\$ 818	\$ 625 to 650
Addback: Funding of Paddock 524(g) trust and related expenses			621		
Cash payments for property, plant and equipment	(311)	(398)	(539)	(688)	(550 to 575)
Free cash flow (non-GAAP)	\$ 146	\$ 282	\$ 236	\$ 130	\$ 50 to 100