

Reconciliation Of Non-GAAP Financial Measures

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The following is provided to supplement certain financial measures discussed in this report both as reported (GAAP) and excluding the impact of certain items (non-GAAP) as shown below. Investors and analysts use these financial measures in assessing the Company's business performance, and management believes that presenting these financial measures on a non-GAAP basis provides them with useful supplemental information to enhance their understanding of the Company's underlying business performance and trends. These non-GAAP financial measures also enhance the ability to compare period-to-period financial results. The Company uses these financial measures internally in its budgeting process, to evaluate segment and overall operating performance and as factors

in determining compensation. While the Company believes that these financial measures are useful in evaluating the Company's underlying business performance and trends, this information should be considered as supplemental in nature and is not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. In addition, these non-GAAP financial measures may not be the same as similar measures presented by other companies. This report also discusses organic sales growth, which is net sales growth excluding the impact of foreign exchange, acquisitions and divestments. For a reconciliation of organic sales growth to net sales growth for 2021, see page 46 of the Company's Annual Report on Form 10-K.

(Dollars in Millions Except Per Share Amounts)	Gross Profit Margin	Operating Profit	Net Income	Diluted EPS
2021				
<i>As Reported (GAAP)</i>	59.6%	\$3,332	\$2,166	\$2.55
Goodwill and Indefinite-Lived Intangible Impairment Charges	-	571	518	0.61
Loss on Early Extinguishment of Debt	-	-	55	0.07
Value-Added Tax Matter in Brazil	-	(26)	(20)	(0.02)
<i>Excluding Items (Non-GAAP)</i>	59.6%	\$3,877	\$2,719	\$3.21

2020				
<i>As Reported (GAAP)</i>	60.8%	\$3,885	\$2,695	\$3.14
Global Growth and Efficiency Program	-	(16)	(13)	(0.02)
Subsidiary and Operating Structure Initiatives	-	-	(71)	(0.08)
Acquisition-Related Costs	-	6	4	-
Loss on Early Extinguishment of Debt	-	-	18	0.02
<i>Excluding Items (Non-GAAP)</i>	60.8%	\$3,875	\$2,633	\$3.06

2019				
<i>As Reported (GAAP)</i>	59.4%	\$3,554	\$2,367	\$2.75
Global Growth and Efficiency Program	0.1%	125	102	0.12
Acquisition-Related Costs	-	24	20	0.02
Value-Added Tax Matter in Brazil	-	(30)	(20)	(0.02)
Swiss Income Tax Reform	-	-	(29)	(0.04)
<i>Excluding Items (Non-GAAP)</i>	59.5%	\$3,673	\$2,440	\$2.83