**Reconciliation of EPS to Adjusted EPS**

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|
| **Earnings per share of common stock - assuming dilution (EPS) (1)** | $6.21 | $2.00 | $8.98 | $8.41 | $6.72 | $7.91 | $7.27 |
| **Pension mark-to-market (2)** | 0.28 | 0.09 | 0.04 | 0.13 | 0.04 | 0.05 | 0.64 |
| **Separation costs (3)** | - | 0.02 | 0.97 | - | - | - | - |
| **Impacts from U.S. Tax Reform** | - | 5.04 | (1.98) | (0.38) | - | - | - |
| **Debt refinancing expense (2)** | 0.12 | - | - | - | - | - | - |
| **Separation related tax adjustment (4)** | - | - | - | - | (0.26) | - | - |
| **Garrett related adjustments (5)** | - | - | - | - | 0.60 | 0.01 | - |
| **Changes in fair value for Garrett equity securities (6)** | - | - | - | - | - | (0.03) | - |
| **Gain on sale of retail footwear business (7)** | - | - | - | - | - | (0.11) | - |
| **Expense related to UOP Matters (8)** | - | - | - | - | - | 0.23 | 0.07 |
| **Russian-related Charges (9)** | - | - | - | - | - | - | 0.43 |
| **Gain on sale of Russian Entity (10)** | - | - | - | - | - | - | (0.03) |
| **Net expense related to the NARCO Buyout and HWI Sale (11)** | - | - | - | - | - | - | 0.38 |
| **Adjusted earnings per share of common stock - assuming dilution** | $6.61 | $7.15 | $8.01 | $8.16 | $7.10 | $8.06 | $8.76 |

(1) 2022 adjusted earnings per share utilizes weighted average shares 683.1 million.
2021 adjusted earnings per share utilizes weighted average shares 700.4 million.
2020 adjusted earnings per share utilizes weighted average shares 711.2 million.
2019 adjusted earnings per share utilizes weighted average shares 730.3 million
2018 adjusted earnings per share utilizes weighted average shares 753.0 million.
2017 adjusted earnings per share utilizes weighted average shares 772.1 million.
2016 adjusted earnings per share utilizes weighted average shares 775.3 million.

(2) Pension mark-to-market uses a blended tax rate of 21.3%, 23%, 24%, 24%, 25%, 25% and 16% for 2016, 2017, 2018, 2019, 2020, 2021, and 2022, respectively. Debt refinancing expense uses a tax rate of 26.5%.

(3) For the twelve months ended December 31, 2018, separation costs of $732 million including net tax impacts. For the twelve months ended December 31, 2017, separation costs of $14 million including net tax impacts.

(4) For the twelve months ended December 31, 2020, separation related tax adjustment of $186 million, without tax benefit, includes the favorable resolution of a foreign tax matter related to the spin-off transactions.

(5) For the twelve months ended December 31, 2021, the adjustment was $7 million, without tax benefit, due to a non-cash charge associated with a reduction in value of reimbursement receivables following Garrett's emergence from bankruptcy on April 30, 2021. For the twelve months ended December 31, 2020, adjustments were $427 million, net of tax benefit of $5 million, due to the non-cash charges associated with the reduction in value of reimbursement receivables due from Garrett, net of proceeds from settlement of related hedging transactions.

(6) For the twelve months ended December 31, 2021, the adjustment was $19 million, net of tax expense of $5 million, due to changes in fair value for Garrett equity securities.

(7) For the twelve months ended December 31, 2021, the adjustment was $76 million, net of tax expense of $19 million, due to the gain on sale of the retail footwear business.

(8) For the twelve months ended December 31, 2022, and twelve months ended December 31, 2021, the adjustments were $45 million and $160 million, respectively, without tax benefit, due to an expense related to UOP matters.

(9) For the twelve months ended December 31, 2022, the adjustment was $297 million, including a tax valuation allowance benefit of $2 million, to exclude charges and the accrual of reserves related to outstanding accounts receivable and contract assets, impairment of intangible assets, foreign exchange revaluation, inventory reserves, the write-down of other assets, impairment of property, plant and equipment, employee severance, and called guarantees related to the initial suspension and wind down of our businesses and operations in Russia.

(10) For the twelve months ended December 31, 2022, the adjustment was $22 million, without tax benefit, due to the gain on sale of Russian entity.

(11) For the three and twelve months ended December 31, 2022, the adjustment was $260 million, net of tax expense of $82 million, due to the net expense related to the NARCO Buyout and HWI Sale.

We define adjusted earnings per share as diluted earnings per share adjusted to exclude various charges as listed above. We believe Adjusted EPS is a measure that is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.