UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

for the Quarterly Period Ended June 30, 2022

Commission File Number 1-9608

NEWELL BRANDS INC.

(Exact name of registrant as specified in its charter)

Delaware	36-3514169
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6655 Peachtree Dunwoody Road,
Atlanta, Georgia 30328
(Address of principal executive offices)
(Zip Code)
Registrant's telephone number, including area code: (770) 418-7000

Securities registered pursuant to Section 12(b) of the Act:

TITLE OF EACH CLASS	TRADING SYMBOL	NAME OF EXCHANGE ON WHICH REGISTERED
Common stock, $1 par value per share	NWL	Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of common stock outstanding (net of treasury shares) as of July 25, 2022: 413.6 million.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

NEWELL BRANDS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
(Amounts in millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net sales	$ 2,534	$ 2,709	$ 4,922	$ 4,997
Cost of products sold	1,709	1,827	3,357	3,384
Gross profit	825	882	1,565	1,613
Selling, general and administrative expenses	504	572	1,022	1,106
Restructuring costs, net	4	5	9	10
Operating income	317	305	534	497
Non-operating expenses:				
Interest expense, net	55	65	114	132
Other (income) expense, net	8	(3)	(116)	(4)
Income before income taxes	254	243	536	369
Income tax provision	50	46	98	83
Net income	**$ 204**	**$ 197**	**$ 438**	**$ 286**
Weighted average common shares outstanding:				
Basic	413.8	425.4	417.9	425.1
Diluted	415.7	427.8	420.2	427.7
Earnings per share:				
Basic	$ 0.49	$ 0.46	$ 1.05	$ 0.67
Diluted	$ 0.49	$ 0.46	$ 1.04	$ 0.67

See Notes to Condensed Consolidated Financial Statements (Unaudited).

NEWELL BRANDS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (Unaudited)
(Amounts in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Comprehensive income (loss):				
Net income	$ 204	$ 197	$ 438	$ 286
Other comprehensive income (loss), net of tax				
Foreign currency translation adjustments	(120)	34	(97)	(10)
Pension and postretirement costs	7	4	12	9
Derivative financial instruments	11	3	11	8
Total other comprehensive income (loss), net of tax	(102)	41	(74)	7
Comprehensive income	102	238	364	293
Total comprehensive income attributable to noncontrolling interests	—	3	—	2
Total comprehensive income attributable to parent	**$ 102**	**$ 235**	**$ 364**	**$ 291**

See Notes to Condensed Consolidated Financial Statements (Unaudited).

NEWELL BRANDS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(Amounts in millions, except par values)

	June 30, 2022	December 31, 2021
Assets:		
Cash and cash equivalents	$ 323	$ 440
Accounts receivable, net	1,562	1,500
Inventories	2,522	1,997
Prepaid expenses and other current assets	350	325
Total current assets	4,757	4,262
Property, plant and equipment, net	1,138	1,204
Operating lease assets	563	558
Goodwill	3,450	3,504
Other intangible assets, net	2,977	3,370
Deferred income taxes	786	814
Other assets	777	467
Total assets	**$ 14,448**	**$ 14,179**
Liabilities:		
Accounts payable	$ 1,700	$ 1,680
Accrued compensation	160	270
Other accrued liabilities	1,309	1,364
Short-term debt and current portion of long-term debt	1,461	3
Total current liabilities	4,630	3,317
Long-term debt	3,793	4,883
Deferred income taxes	714	405
Operating lease liabilities	500	500
Other noncurrent liabilities	864	983
Total liabilities	10,501	10,088
Commitments and contingencies (Footnote 17)		
Stockholders' equity:		
Preferred stock (10.0 authorized shares, $1.00 par value, no shares issued at June 30, 2022 and December 31, 2021)	—	—
Common stock (800.0 authorized shares, $1.00 par value, 438.6 shares and 450.0 shares issued at June 30, 2022 and December 31, 2021, respectively)	439	450
Treasury stock, at cost (25.0 shares and 24.5 shares at June 30, 2022 and December 31, 2021, respectively)	(623)	(609)
Additional paid-in capital	7,251	7,734
Retained deficit	(2,164)	(2,602)
Accumulated other comprehensive loss	(956)	(882)
Total stockholders' equity	3,947	4,091
Total liabilities and stockholders' equity	**$ 14,448**	**$ 14,179**

See Notes to Condensed Consolidated Financial Statements (Unaudited).

NEWELL BRANDS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(Amounts in millions)

	Six Months Ended June 30,	
	2022	**2021**
Cash flows from operating activities:		
Net income	$ 438	$ 286
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	147	166
(Gain) loss from sale of businesses	(133)	2
Deferred income taxes	309	(12)
Stock based compensation expense	23	26
Other, net	(1)	(3)
Changes in operating accounts excluding the effects of divestitures:		
Accounts receivable	(177)	(50)
Inventories	(681)	(386)
Accounts payable	106	54
Accrued liabilities and other	(481)	(7)
Net cash provided by (used in) operating activities	(450)	76
Cash flows from investing activities:		
Proceeds from sale of divested business	620	—
Capital expenditures	(140)	(114)
Other investing activities, net	19	9
Net cash provided by (used in) investing activities	499	(105)
Cash flows from financing activities:		
Short-term debt, net	372	(1)
Payments on current portion of long-term debt	(2)	(94)
Payments on long-term debt	—	(6)
Repurchase of shares of common stock	(325)	—
Cash dividends	(195)	(198)
Acquisition of noncontrolling interest	—	(4)
Equity compensation activity and other, net	(35)	(35)
Net cash used in financing activities	(185)	(338)
Exchange rate effect on cash, cash equivalents and restricted cash	(3)	(6)
Decrease in cash, cash equivalents and restricted cash	(139)	(373)
Cash, cash equivalents and restricted cash at beginning of period	477	1,021
Cash, cash equivalents and restricted cash at end of period	**$ 338**	**$ 648**
Supplemental disclosures:		
Restricted cash at beginning of period	$ 37	$ 40
Restricted cash at end of period	15	11

See Notes to Condensed Consolidated Financial Statements (Unaudited).

NEWELL BRANDS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS’ EQUITY (Unaudited)
(Amounts in millions)

	Common Stock	Treasury Stock	Additional Paid-In Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
Balance at March 31, 2022	$ 441	$ (623)	$ 7,384	$ (2,368)	$ (854)	$ 3,980
Comprehensive income (loss)	—	—	—	204	(102)	102
Dividends declared on common stock - $0.23 per share	—	—	(95)	—	—	(95)
Equity compensation, net of tax	—	—	10	—	—	10
Common stock purchased and retired	(2)	—	(48)	—	—	(50)
Balance at June 30, 2022	**$ 439**	**$ (623)**	**$ 7,251**	**$ (2,164)**	**$ (956)**	**$ 3,947**
Balance at December 31, 2021	$ 450	$ (609)	$ 7,734	$ (2,602)	$ (882)	$ 4,091
Comprehensive income (loss)	—	—	—	438	(74)	364
Dividends declared on common stock - $0.46 per share	—	—	(192)	—	—	(192)
Equity compensation, net of tax	2	(14)	22	—	—	10
Common stock purchased and retired	(13)	—	(312)	—	—	(325)
Other	—	—	(1)	—	—	(1)
Balance at June 30, 2022	**$ 439**	**$ (623)**	**$ 7,251**	**$ (2,164)**	**$ (956)**	**$ 3,947**

	Common Stock	Treasury Stock	Additional Paid-In Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Stockholders' Equity Attributable to Parent	Noncontrolling Interests	Total Stockholders' Equity
Balance at March 31, 2021	$ 450	$ (608)	$ 7,993	$ (3,085)	$ (914)	$ 3,836	$ 25	$ 3,861
Comprehensive income	—	—	—	197	38	235	3	238
Dividends declared on common stock - $0.23 per share	—	—	(99)	—	—	(99)	—	(99)
Equity compensation, net of tax	—	(1)	12	—	—	11	—	11
Acquisition of noncontrolling interests	—	—	—	—	—	—	(3)	(3)
Other changes attributable to noncontrolling interests	—	—	—	—	3	3	—	3
Balance at June 30, 2021	**$ 450**	**$ (609)**	**$ 7,906**	**$ (2,888)**	**$ (873)**	**$ 3,986**	**$ 25**	**$ 4,011**
Balance at December 31, 2020	$ 448	$ (598)	$ 8,078	$ (3,174)	$ (880)	$ 3,874	$ 26	$ 3,900
Comprehensive income	—	—	—	286	6	292	1	293
Dividends declared on common stock - $0.46 per share	—	—	(200)	—	—	(200)	—	(200)
Equity compensation, net of tax	2	(11)	28	—	—	19	—	19
Acquisition of noncontrolling interests	—	—	—	—	—	—	(3)	(3)
Other changes attributable to noncontrolling interests	—	—	—	—	1	1	1	2
Balance at June 30, 2021	**$ 450**	**$ (609)**	**$ 7,906**	**$ (2,888)**	**$ (873)**	**$ 3,986**	**$ 25**	**$ 4,011**

See Notes to Condensed Consolidated Financial Statements (Unaudited).

NEWELL BRANDS INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Footnote 1 — Basis of Presentation and Significant Accounting Policies

The accompanying unaudited condensed consolidated financial statements of Newell Brands Inc. (collectively with its subsidiaries, the "Company") have been prepared pursuant to the rules and regulations of the United States Securities and Exchange Commission (the "SEC") and do not include all of the information and footnotes required by U.S. generally accepted accounting principles ("U.S. GAAP") for complete financial statements. In the opinion of management, the unaudited condensed consolidated financial statements include all adjustments (including normal recurring accruals) considered necessary for a fair statement of the financial position and the results of operations of the Company. These unaudited condensed consolidated financial statements should be read in conjunction with the financial statements, and the footnotes thereto, included in the Company's most recent Annual Report on Form 10-K. The Condensed Consolidated Balance Sheet at December 31, 2021 has been derived from the audited financial statements as of that date, but it does not include all the information and footnotes required by U.S. GAAP for a complete financial statement. Certain reclassifications have been made in the Company's financial statements of the prior year to conform to current year presentation.

On March 31, 2022, the Company sold its Connected Home & Security ("CH&S") business unit to Resideo Technologies, Inc. See *Footnotes 2 and 16* for further information.

Use of Estimates and Risks

Management's application of U.S. GAAP in preparing the Company's consolidated financial statements requires the pervasive use of estimates and assumptions. The Company continues to be impacted by the COVID-19 pandemic, inflationary and supply chain pressures, and the indirect macroeconomic impact of the Russia-Ukraine conflict, which has required greater use of estimates and assumptions in the preparation of the consolidated financial statements, more specifically, those estimates and assumptions utilized in the Company's forecasted results of operations and cash flows that form the basis in developing the fair values utilized in its impairment assessments, its annual effective tax rate and other related reserves. These estimates also include assumptions as to the timing and amount of demand shifts amongst sales channels, workforce availability and supply chain continuity. Although management has made its best estimates and assumptions based upon current information, actual results could materially differ and may require future changes to such estimates and assumptions, including reserves, which may result in future expense.

Seasonal Variations

Sales of the Company's products tend to be seasonal, with sales, operating income and operating cash flow in the first quarter generally lower than any other quarter during the year, driven principally by reduced volume and the mix of products sold in the first quarter. The seasonality of the Company's sales volume combined with the accounting for fixed costs, such as depreciation, amortization, rent, personnel costs and interest expense, impacts the Company's results on a quarterly basis. In addition, the Company typically tends to generate the majority of its operating cash flow in the third and fourth quarters of the year due to seasonal variations in operating results, the timing of annual performance-based compensation payments, customer program payments, working capital requirements and credit terms provided to customers. Accordingly, the Company's results of operations for the three and six months ended June 30, 2022 and cash flows for the six months ended June 30, 2022, may not necessarily be indicative of the results that may be expected for the year ending December 31, 2022.
The Company's sales and operating results, previously disrupted by the COVID-19 pandemic, reverted back to historical patterns in 2021, however, uncertainty still remains due to the inflationary and supply chain pressures and the volatility and direction of future consumer demand patterns.

Recent Accounting Pronouncements

Changes to U.S. GAAP are established by the Financial Accounting Standards Board ("FASB") in the form of accounting standards updates ("ASUs") to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all ASUs.

In March 2020, the FASB issued ASU 2020-04, "*Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting.*" In January 2021, the FASB clarified the scope of this guidance with the issuance of ASU 2021-01, *Reference Rate Reform: Scope.* ASU 2020-04 provides optional expedients and exceptions to account for contracts, hedging relationships and other transactions that reference the London Interbank Offered Rate ("LIBOR") or another reference rate if certain criteria are met. ASU 2020-04 may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2022. The Company is currently evaluating the potential effects of the adoption of ASU 2020-04.

Sales of Accounts Receivables

Factored receivables at June 30, 2022 associated with the Company's existing factoring agreement (the "Customer Receivables Purchase Agreement") were approximately $545 million, an increase of approximately $45 million from December 31, 2021. During the second quarter of 2022, the Company amended the Customer Receivables Purchase Agreement to (1) increase the amount of certain customer receivables that may be sold under the agreement, (2) add new customers to the agreement and (3) change the reference rate from LIBOR to Secured Overnight Financing Rate ("SOFR"). Transactions under this agreement are accounted for as sales of accounts receivable, and the receivables sold are removed from the Condensed Consolidated Balance Sheet at the time of the sales transaction. The Company classifies the proceeds received from the sales of accounts receivable as an operating cash flow in the Condensed Consolidated Statement of Cash Flows. The Company records the discount as other (income) expense, net in the Condensed Consolidated Statement of Operations and collections of accounts receivables not yet submitted to the financial institution as a financing cash flow.

Footnote 2 — Divestiture Activity

On March 31, 2022, the Company sold its CH&S business unit to Resideo Technologies, Inc., for approximately $593 million, subject to customary working capital and other post-closing adjustments. As a result, during the six months ended June 30, 2022, the Company recorded a pretax gain of $133 million, which was included in other (income) expense, net in its Condensed Consolidated Statements of Operations.

Footnote 3 — Accumulated Other Comprehensive Income (Loss)

The following table displays the changes in Accumulated Other Comprehensive Income (Loss) ("AOCL") by component, net of tax, for the six months ended June 30, 2022 (in millions):

	Cumulative Translation Adjustment	Pension and Postretirement Costs	Derivative Financial Instruments	AOCL
Balance at December 31, 2021	$ (575)	$ (292)	$ (15)	$ (882)
Other comprehensive income (loss) before reclassifications	(103)	6	13	(84)
Amounts reclassified to earnings	6	6	(2)	10
Net current period other comprehensive income (loss)	(97)	12	11	(74)
Balance at June 30, 2022	**$ (672)**	**$ (280)**	**$ (4)**	**$ (956)**

Reclassifications from AOCL to the results of operations for the three and six months ended June 30, 2022 and 2021 were pretax (income) expense of (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Cumulative translation adjustment (1)	$ —	$ —	$ 6	$ —
Pension and postretirement benefit plans (2)	3	6	7	11
Derivative financial instruments (3)	(4)	7	(3)	11

(1) See *Footnote 2* for further information.
(2) See *Footnote 11* for further information.
(3) See *Footnote 10* for further information.

The income tax provision (benefit) allocated to the components of AOCL for the periods indicated are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Foreign currency translation adjustments	$ 19	$ (3)	$ 20	$ 9
Pension and postretirement benefit costs	1	1	1	2
Derivative financial instruments	4	1	3	3
Income tax provision (benefit) related to AOCL	**$ 24**	**$ (1)**	**$ 24**	**$ 14**

Footnote 4 — Restructuring Costs

Restructuring costs, net incurred by reportable business segments for all restructuring activities for the periods indicated are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Commercial Solutions	$ —	$ —	$ 1	$ —
Home Appliances	—	3	1	4
Home Solutions	—	1	1	3
Learning and Development	—	—	2	1
Outdoor and Recreation	2	—	2	1
Corporate	2	1	2	1
	$ 4	**$ 5**	**$ 9**	**$ 10**

Accrued restructuring costs activity for the six months ended June 30, 2022 are as follows (in millions):

	Balance at December 31, 2021	Restructuring Costs, Net	Payments	Balance at June 30, 2022
Severance and termination costs	$ 8	$ 8	$ (9)	$ 7
Contract termination and other costs	2	1	(2)	1
	$ 10	**$ 9**	**$ (11)**	**$ 8**

2020 Restructuring Plan

The Company's 2020 restructuring program, which was substantially complete at the end of 2021, was designed to reduce overhead costs, streamline certain underperforming operations and improve future profitability. The restructuring costs, which impacted all segments, include employee-related costs such as severance and other termination benefits. During the three and six months ended June 30, 2021, the Company recorded restructuring charges of $4 million and $9 million, respectively. Any remaining cash payments are expected to be paid within one year of charges incurred.

Other Restructuring and Restructuring-Related Costs

The Company regularly incurs other restructuring and restructuring-related costs in connection with various discrete initiatives, including certain costs associated with Project Ovid, the multi-year, customer centric supply chain initiative to transform the Company's go-to-market capabilities in the U.S., improve customer service levels and drive operational efficiencies. Restructuring-related costs are recorded in cost of products sold and selling, general and administrative expenses ("SG&A") in the Condensed Consolidated Statements of Operations based on the nature of the underlying costs incurred. During the three and six months ended June 30, 2022, the Company recorded restructuring charges of $4 million and $9 million, respectively.

Footnote 5 — Inventories

Inventories are comprised of the following at the dates indicated (in millions):

	June 30, 2022	December 31, 2021
Raw materials and supplies	$ 327	$ 310
Work-in-process	203	167
Finished products	1,992	1,520
	$ 2,522	**$ 1,997**

Footnote 6 — Property, Plant and Equipment, Net

Property, plant and equipment, net, is comprised of the following at the dates indicated (in millions):

	June 30, 2022	December 31, 2021
Land	$ 76	$ 82
Buildings and improvements	632	678
Machinery and equipment	2,325	2,387
	3,033	3,147
Less: Accumulated depreciation	(1,895)	(1,943)
	$ 1,138	**$ 1,204**

Depreciation expense was $47 million and $51 million for the three months ended June 30, 2022 and 2021, respectively, and $96 million and $103 million for the six months ended June 30, 2022 and 2021, respectively.

During the three months ended March 31, 2022, the Company took possession of a right of use operating lease asset with future obligations of approximately $64 million.

Footnote 7 — Goodwill and Other Intangible Assets, Net

Goodwill activity for the six months ended June 30, 2022 is as follows (in millions):

Segments	Net Book Value at December 31, 2021	Foreign Exchange	Gross Carrying Amount	Accumulated Impairment Charges	Net Book Value at June 30, 2022
Commercial Solutions	$ 747	$ —	$ 916	$ (169)	$ 747
Home Appliances	—	—	569	(569)	—
Home Solutions	164	—	2,567	(2,403)	164
Learning and Development	2,593	(54)	3,385	(846)	2,539
Outdoor and Recreation	—	—	788	(788)	—
	$ 3,504	**$ (54)**	**$ 8,225**	**$ (4,775)**	**$ 3,450**

Other intangible assets, net, are comprised of the following at the dates indicated (in millions):

	June 30, 2022			December 31, 2021		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Trade names — indefinite life	$ 1,985	$ —	$ 1,985	$ 2,219	$ —	$ 2,219
Trade names — other	160	(73)	87	159	(65)	94
Capitalized software	586	(466)	120	631	(495)	136
Patents and intellectual property	22	(15)	7	22	(14)	8
Customer relationships and distributor channels	1,071	(293)	778	1,216	(303)	913
	$ 3,824	**$ (847)**	**$ 2,977**	**$ 4,247**	**$ (877)**	**$ 3,370**

Amortization expense for intangible assets for the three months ended June 30, 2022 and 2021 was $24 million and $29 million, respectively and $51 million and $63 million for the six months ended June 30, 2022 and 2021, respectively.

Footnote 8 — Other Accrued Liabilities

Other accrued liabilities are comprised of the following at the dates indicated (in millions):

	June 30, 2022	December 31, 2021
Customer accruals	$ 678	$ 715
Operating lease liabilities	122	122
Accrued self-insurance liabilities, contingencies and warranty	117	125
Accrued marketing and freight expenses	74	59
Accrued interest expense	53	56
Accrued income taxes	52	43
Other	213	244
	$ 1,309	**$ 1,364**

Footnote 9 — Debt

Debt is comprised of the following at the dates indicated (in millions):

	June 30, 2022	December 31, 2021
3.85% senior notes due 2023	$ 1,087	$ 1,086
4.00% senior notes due 2024	200	200
4.875% senior notes due 2025	495	494
3.90% senior notes due 2025	47	47
4.20% senior notes due 2026	1,976	1,975
5.375% senior notes due 2036	417	417
5.50% senior notes due 2046	658	658
Commercial paper	112	—
Receivables facility	260	—
Other debt	2	9
Total debt	5,254	4,886
Short-term debt and current portion of long-term debt	(1,461)	(3)
Long-term debt	**$ 3,793**	**$ 4,883**

Senior Notes

On February 11, 2022, S&P Global Inc. (“S&P”) upgraded the Company’s debt rating to “BBB-” from “BB+” as S&P believed the Company has been able to achieve S&P’s target debt level. Since the S&P upgrade, the Company has been in a position to access the commercial paper market, up to a maximum of $800 million, provided there is a sufficient amount available for borrowing under the Credit Revolver (defined hereafter). In addition, the interest rate on the relevant senior notes decreased by 25 basis points due to the upgrade, reducing the Company’s interest expense by approximately $10 million on an annualized basis (approximately $8 million in 2022). However, certain of the Company’s outstanding senior notes aggregating to approximately $4.2 billion are still subject to an interest rate adjustment of 25 basis points in connection with the Moody’s Corporation (“Moody’s”) downgrade of the Company's debt rating in 2020.

Receivables Facility

The Company maintains an Accounts Receivable Securitization Facility (the “Securitization Facility”). During the second quarter of 2022, the Company amended the Securitization Facility. This amendment (1) reduced the aggregate commitment under the Securitization Facility to $375 million from $600 million, (2) extended its maturity by one year to October 2023 and (3) changed the reference rate under the Securitization Facility from LIBOR to SOFR. The Securitization Facility bears interest at a margin over a variable interest rate. The maximum availability under the Securitization Facility fluctuates based on eligible accounts receivable balances. At June 30, 2022, the Company has $260 million outstanding under the Securitization Facility.

Revolving Credit Facility and Commercial Paper

The Company maintains a $1.25 billion revolving credit facility that matures in December 2023 (the “Credit Revolver”). Under the Credit Revolver the Company may borrow funds on a variety of interest rate terms. Since the Credit Revolver provides the committed backup liquidity required to issue commercial paper, the Company may issue commercial paper up to a maximum of $800 million provided there is a sufficient amount available for borrowing under the Credit Revolver. At June 30, 2022, the Company did not have any amounts outstanding under the Credit Revolver, with a net availability of approximately $1.1 billion and approximately $112 million outstanding under its commercial paper program.

The Credit Revolver also provides for the issuance of up to $100 million of letters of credit, so long as there is sufficient amount available for borrowing under the Credit Revolver. At June 30, 2022, the Company has approximately $22 million of outstanding standby letters of credit issued against the Credit Revolver.

Other

The fair value of the Company's senior notes are based upon prices of similar instruments in the marketplace and are as follows (in millions):

	June 30, 2022		December 31, 2021	
	Fair Value	Book Value	Fair Value	Book Value
Senior notes	$ 4,619	$ 4,880	$ 5,477	$ 4,877

The carrying amounts of all other significant debt approximates fair value.

Footnote 10 —Derivatives

From time to time, the Company enters into derivative transactions to hedge its exposures to interest rate, foreign currency rate and commodity price fluctuations. The Company does not enter into derivative transactions for trading purposes.

Interest Rate Contracts

The Company manages its fixed and floating rate debt mix using interest rate swaps. The Company may use fixed and floating rate swaps to alter its exposure to the impact of changing interest rates on its consolidated results of operations and future cash outflows for interest. Floating rate swaps would be used, depending on market conditions, to convert the fixed rates of long-term debt into short-term variable rates. Fixed rate swaps would be used to reduce the Company's risk of the possibility of increased interest costs. The cash paid and received from the settlement of interest rate swaps is included in interest expense.

Fair Value Hedges

At June 30, 2022, the Company had approximately $100 million notional amount of interest rate swaps that exchange a fixed rate of interest for a variable rate (LIBOR) of interest plus a weighted average spread. These floating rate swaps are designated as fair value hedges against $100 million of principal on the 4.00% senior notes due 2024 for the remaining life of the note. The effective portion of the fair value gains or losses on these swaps is offset by fair value adjustments in the underlying debt.

Cross-Currency Contracts

The Company uses cross-currency swaps to hedge foreign currency risk on certain financing arrangements. The Company previously entered into three cross-currency swaps, maturing in January 2025, February 2025 and September 2027, respectively, with an aggregate notional amount of $1.3 billion. Each of these cross-currency swaps were designated as net investment hedges of the Company's foreign currency exposure of its net investment in certain Euro-functional currency subsidiaries with Euro-denominated net assets, and the Company pays a fixed rate of Euro-based interest and receives a fixed rate of U.S. dollar interest. The Company has elected the spot method for assessing the effectiveness of these contracts. During the three months ended June 30, 2022 and 2021, the Company recognized income of $6 million and $3 million, respectively, and income of $11 million and $7 million for the six months ended June 30, 2022 and 2021, respectively, in interest expense, net, related to the portion of cross-currency swaps excluded from hedge effectiveness testing.

Foreign Currency Contracts

The Company uses forward foreign currency contracts to mitigate the foreign currency exchange rate exposure on the cash flows related to forecasted inventory purchases and sales with maturity dates through March 2023. The derivatives used to hedge these forecasted transactions that meet the criteria for hedge accounting are accounted for as cash flow hedges. The effective portion of the gains or losses on these derivatives is deferred as a component of AOCL until it is recognized in earnings at the same time that the hedged item affects earnings and is included in the same caption in the statements of operations as the underlying hedged item. At June 30, 2022, the Company had approximately $375 million notional amount outstanding of forward foreign currency contracts that are designated as cash flow hedges of forecasted inventory purchases and sales.

The Company also uses foreign currency contracts, primarily forward foreign currency contracts, to mitigate the foreign currency exposure of certain other foreign currency transactions. At June 30, 2022, the Company had approximately $1.5 billion notional amount outstanding of these foreign currency contracts that are not designated as effective hedges for accounting purposes and have maturity dates through May 2023. Fair market value gains or losses are included in the results of operations and are classified in other (income) expense, net in the Company's Condensed Consolidated Statement of Operations.

The following table presents the fair value of derivative financial instruments at the dates indicated (in millions):

	Balance Sheet Location	Fair Value of Derivatives Assets (Liabilities) June 30, 2022	Fair Value of Derivatives Assets (Liabilities) December 31, 2021
Derivatives designated as effective hedges:			
Cash Flow Hedges			
Foreign currency contracts	Prepaid expenses and other current assets	$ 14	$ 12
Foreign currency contracts	Other accrued liabilities	(2)	(2)
Fair Value Hedges			
Interest rate swaps	Other assets	—	3
Interest rate swaps	Other accrued liabilities	(2)	—
Net Investment Hedges			
Cross-currency swaps	Prepaid expenses and other current assets	17	18
Cross-currency swaps	Other assets	42	—
Cross-currency swaps	Other noncurrent liabilities	—	(41)
Derivatives not designated as effective hedges:			
Foreign currency contracts	Prepaid expenses and other current assets	21	7
Foreign currency contracts	Other accrued liabilities	(26)	(14)
Total		**$ 64**	**$ (17)**

The following table presents gain and (loss) activity (on a pretax basis) related to derivative financial instruments designated or previously designated, as effective hedges (in millions):

	Location of gain/(loss) recognized in income	Three Months Ended June 30, 2022 Gain/(Loss) Recognized in OCI (effective portion)	Three Months Ended June 30, 2022 Gain/(Loss) Reclassified from AOCL to Income	Three Months Ended June 30, 2021 Gain/(Loss) Recognized in OCI (effective portion)	Three Months Ended June 30, 2021 Gain/(Loss) Reclassified from AOCL to Income
Interest rate swaps	Interest expense, net	$ —	$ (1)	$ —	$ (1)
Foreign currency contracts	Net sales and cost of products sold	20	5	(3)	(6)
Cross-currency swaps	Other (income) expense, net	78	—	(8)	—
Total		**$ 98**	**$ 4**	**$ (11)**	**$ (7)**

	Location of gain/(loss) recognized in income	Six Months Ended June 30, 2022 Gain/(Loss) Recognized in OCI (effective portion)	Six Months Ended June 30, 2022 Gain/(Loss) Reclassified from AOCL to Income	Six Months Ended June 30, 2021 Gain/(Loss) Recognized in OCI (effective portion)	Six Months Ended June 30, 2021 Gain/(Loss) Reclassified from AOCL to Income
Interest rate swaps	Interest expense, net	$ —	$ (3)	$ —	$ (3)
Foreign currency contracts	Net sales and cost of products sold	19	6	—	(8)
Cross-currency swaps	Other (income) expense, net	82	—	28	—
Total		**$ 101**	**$ 3**	**$ 28**	**$ (11)**

At June 30, 2022, net deferred gains of approximately $23 million within AOCL are expected to be reclassified to earnings over the next twelve months.

During the three and six months ended June 30, 2022, the Company recognized income of $2 million and expense of $1 million respectively, and expense of $3 million and income of $4 million, during the three and six months ended June 30, 2021, respectively, in other (income) expense, net, related to derivatives that are not designated as hedging instruments. Gains and losses on these derivatives are mostly offset by foreign currency movement in the underlying exposure.

The Company is not a party to any derivatives that require collateral to be posted prior to settlement.

Footnote 11 — Employee Benefit and Retirement Plans

The components of pension and postretirement benefit (income) expense for the periods indicated, are as follows (in millions):

	Pension Benefits							
	U.S.		International		U.S.		International	
	Three Months Ended June 30,				Six Months Ended June 30,			
	2022	2021	2022	2021	2022	2021	2022	2021
Service cost	$ —	$ —	$ 1	$ 1	$ —	$ —	$ 2	$ 2
Interest cost	7	5	3	1	13	10	5	3
Expected return on plan assets	(12)	(13)	(1)	(1)	(24)	(25)	(3)	(2)
Amortization	4	6	—	1	8	11	1	2
Total (income) expense	**$ (1)**	**$ (2)**	**$ 3**	**$ 2**	**$ (3)**	**$ (4)**	**$ 5**	**$ 5**

	Postretirement Benefits			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Amortization	$ (1)	$ (1)	$ (2)	$ (2)
Total income	**$ (1)**	**$ (1)**	**$ (2)**	**$ (2)**

U.K. Defined Benefit Plan

In February 2022, the Company entered into an agreement with an insurance company for a bulk annuity purchase or "buy-in" for one of its U.K. defined benefit pension plans, resulting in an exchange of plan assets for an annuity that matches the plan's future projected benefit obligations to covered participants. The Company anticipates the "buy-out" for the plan to be completed by the end of 2022 or early 2023. The non-cash settlement charge associated with the transaction is expected to be approximately £50 million to £70 million.

Footnote 12 — Income Taxes

The Company's effective income tax rates for the three months ended June 30, 2022 and 2021 were 19.7% and 18.9%, respectively and 18.3% and 22.5% for the six months ended June 30, 2022 and 2021 respectively, reflecting a low effective income tax rate associated with the sale of the CH&S business.

The differences between the U.S. federal statutory income tax rate of 21.0% and the Company's effective income tax rate for the three and six months ended June 30, 2022 and 2021 were impacted by a variety of factors, primarily resulting from the geographic mix of where the income was earned as well as certain taxable income inclusion items in the U.S. based on foreign earnings.

The three and six months ended June 30, 2022 were also impacted by certain discrete items. Income tax expense for the three months ended June 30, 2022 included a discrete benefit of $11 million associated with the reduction in valuation allowance related to the integration of certain Brazilian operations. The six months ended June 30, 2022 also included a discrete benefit of $4 million associated with the approval of certain state tax credits, offset by $15 million of income tax expense related to the divestiture of the CH&S business unit.

The three and six months ended June 30, 2021 were also impacted by certain discrete items. Income tax expense for the three and six months ended June 30, 2021 included a discrete benefit of $13 million associated with a reduction in valuation allowance related to the integration of certain U.K. operations and $9 million related to a statute of limitation expiration in France.

During the six months ended June 30, 2022, the Company amended its 2017 U.S. federal income tax return to carryback foreign tax credits generated in 2018 and capital losses generated in 2018 and 2020. This resulted in an increase in noncurrent income taxes receivable of approximately $261 million, a decrease in income taxes payable of approximately $95 million, and an increase in deferred tax liabilities of approximately $356 million.

The Company's U.S. federal income tax returns for 2011 to 2015 and 2017 to 2019, as well as certain state and non-U.S. income tax returns for various years, are under examination.

On June 18, 2019, the U.S. Treasury and the Internal Revenue Service ("IRS") released temporary regulations under IRC Section 245A ("Section 245A") as enacted by the 2017 U.S. Tax Reform Legislation ("2017 Tax Reform") and IRC Section 954(c)(6) (the "Temporary Regulations") to apply retroactively to the date the 2017 Tax Reform was enacted. On August 21, 2020, the U.S. Treasury and IRS released finalized versions of the Temporary Regulations (collectively with the Temporary Regulations, the "Regulations"). The Regulations seek to limit the 100% dividends received deduction permitted by Section 245A for certain dividends received from controlled foreign corporations and to limit the applicability of the look-through exception to foreign personal holding company income for certain dividends received from controlled foreign corporations. Before the retroactive application of the Regulations, the Company benefited in 2018 from both the 100% dividends received deduction and the look-through exception to foreign personal holding company income. The Company analyzed the Regulations and concluded the relevant Regulations were not validly issued. Therefore, the Company has not accounted for the effects of the Regulations in its Condensed Consolidated Financial Statements for the period ending June 30, 2022. The Company believes it has strong arguments in favor of its position and believes it has met the more likely than not recognition threshold that its position will be sustained. However, due to the inherent uncertainty involved in challenging the validity of regulations, as well as a potential litigation process, there can be no assurances that the relevant Regulations will be invalidated or that a court of law will rule in favor of the Company. If the Company's position on the Regulations is not sustained, the Company would be required to recognize an income tax expense of approximately $180 million to $220 million related to an income tax benefit from fiscal year 2018 that was recorded based on regulations in existence at the time. In addition, the Company may be required to pay any applicable interest and penalties. On April 4, 2022, in a case not involving the Company, the United States District Court for the District of Colorado granted the taxpayer's motion for summary judgment that the Temporary Regulations were not validly issued on the basis of improper promulgation. The Company is monitoring the impact of this decision and intends to continue to vigorously defend its position.

Footnote 13 — Earnings Per Share

The computations of the weighted average shares outstanding for the periods indicated are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	**2021**	**2022**	**2021**
Basic weighted average shares outstanding	413.8	425.4	417.9	425.1
Dilutive securities	1.9	2.4	2.3	2.6
Diluted weighted average shares outstanding	**415.7**	**427.8**	**420.2**	**427.7**

Footnote 14 — Stockholders' Equity and Share-Based Compensation

During the six months ended June 30, 2022, the Company granted 1.1 million performance-based restricted stock units ("RSUs"), which had an aggregate grant date fair value of $29 million and entitle the recipients to shares of the Company's common stock primarily at the end of a three-year vesting period. The actual number of shares that will ultimately vest is dependent on the level of achievement of the specified performance conditions.

During the six months ended June 30, 2022, the Company also granted 0.8 million time-based RSUs with an aggregate grant date fair value of $20 million. These time-based RSUs entitle recipients to shares of the Company's common stock and primarily vest either at the end of a three-year period or in equal installments over a three-year period.

During the six months ended June 30, 2022, the Company also granted 2.2 million time-based stock options with an aggregate grant date fair value of $14 million. These stock options entitle recipients to purchase shares of the Company's common stock at an exercise price equal to the fair market value of the underlying shares as of the grant date and vest in equal installments over a three-year period.

The weighted average assumptions used to determine the fair value of stock options granted for the six months ended June 30, 2022, is as follows:

Risk-free interest rates	1.9 %
Expected volatility	42.0 %
Expected dividend yield	5.1 %
Expected life (in years)	6
Exercise price	$25.66

Share Repurchase Program

On February 6, 2022, the Company's Board of Directors authorized a $375 million Share Repurchase Program ("SRP"), effective immediately through the end of 2022. Under the SRP, the Company may purchase its common shares in the open market, in negotiated transactions or in other manners, as permitted by federal securities laws and other legal requirements. On February 25, 2022, the Company repurchased $275 million of its shares of common stock beneficially owned by Carl C. Icahn and certain of his affiliates (collectively, "Icahn Enterprises"), at a purchase price of $25.86 per share, the closing price of the Company's common shares on February 18, 2022. During the three months ended June 30, 2022, the Company repurchased approximately $50 million of its shares of common stock at an average purchase price of $22.01 per share. At June 30, 2022, the Company has remaining authority to repurchase approximately $50 million of its shares of common stock under the SRP.

Footnote 15 — Fair Value Disclosures

Recurring Fair Value Measurements

The following table presents the Company's non-pension financial assets and liabilities, which are measured at fair value on a recurring basis (in millions):

	June 30, 2022				December 31, 2021			
	Fair value Asset (Liability)				Fair value Asset (Liability)			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Derivatives:								
Assets	$ —	$ 94	$ —	$ 94	$ —	$ 40	$ —	$ 40
Liabilities	—	(30)	—	(30)	—	(57)	—	(57)
Investment securities, including mutual funds	14	—	—	14	13	—	—	13

For publicly traded investment securities, including mutual funds, fair value is determined on the basis of quoted market prices and, accordingly, such investments are classified as Level 1. The Company determines the fair value of its derivative instruments using standard pricing models and market-based assumptions for all significant inputs, such as yield curves and quoted spot and forward exchange rates. Accordingly, the Company's derivative instruments are classified as Level 2.

Financial Instruments

The Company's financial instruments include cash and cash equivalents, accounts receivable, accounts payable, derivative instruments, notes payable and short and long-term debt. The carrying values for current financial assets and liabilities, including cash and cash equivalents, accounts receivable, accounts payable and short-term debt approximate fair value due to the short maturity of such instruments. The fair values of the Company's debt and derivative instruments are disclosed in *Footnote 9* and *Footnote 10*, respectively.

Nonrecurring Fair Value Measurements

The Company’s nonfinancial assets, which are measured at fair value on a nonrecurring basis, include property, plant and equipment, goodwill, intangible assets and certain other assets.

In connection with the Company's annual impairment testing at December 1, 2021, a tradename within the Learning and Development segment was fair valued at $47 million on a non-recurring basis.

Footnote 16 — Segment Information

On March 31, 2022, the Company sold its CH&S business unit to Resideo Technologies, Inc. The results of operations for CH&S continued to be reported in the Condensed Consolidated Statements of Operations as part of the Commercial Solutions segment through March 31, 2022.

The Company's five primary reportable segments are:

Segment	Key Brands	Description of Primary Products
Commercial Solutions	Mapa, Quickie, Rubbermaid, Rubbermaid Commercial Products and Spontex	Commercial cleaning and maintenance solutions; closet and garage organization; hygiene systems and material handling solutions
Home Appliances	Calphalon, Crockpot, Mr. Coffee, Oster and Sunbeam	Household products, including kitchen appliances
Home Solutions	Ball[(1)], Calphalon, Chesapeake Bay Candle, FoodSaver, Rubbermaid, Sistema, WoodWick and Yankee Candle	Food and home storage products; fresh preserving products; vacuum sealing products; gourmet cookware, bakeware and cutlery and home fragrance products
Learning and Development	Aprica, Baby Jogger, Dymo, Elmer’s, EXPO, Graco, Mr. Sketch, NUK, Paper Mate, Parker, Prismacolor, Sharpie, Tigex, Waterman and X-Acto	Baby gear and infant care products; writing instruments, including markers and highlighters, pens and pencils; art products; activity-based adhesive and cutting products and labeling solutions
Outdoor and Recreation	Campingaz, Coleman, Contigo, ExOfficio and Marmot	Products for outdoor and outdoor-related activities

(1) and Ball® TM of Ball Corporation, used under license.

This structure reflects the manner in which the chief operating decision maker (“CODM”) regularly assesses information for decision-making purposes, including the allocation of resources. The Company also provides general corporate services to its segments which is reported as a non-operating segment, Corporate.

Selected information by segment is presented in the following tables (in millions):

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Net sales [(1)]				
Commercial Solutions [(3)]	$ 429	$ 493	$ 939	$ 964
Home Appliances	346	394	686	754
Home Solutions	467	525	967	1,029
Learning and Development	865	844	1,515	1,461
Outdoor and Recreation	427	453	815	789
	$ 2,534	**$ 2,709**	**$ 4,922**	**$ 4,997**
Operating income (loss) [(2)]				
Commercial Solutions [(3)]	$ 43	$ 43	$ 98	$ 93
Home Appliances	15	13	(3)	16
Home Solutions	5	53	66	114
Learning and Development	247	217	377	327
Outdoor and Recreation	46	48	91	63
Corporate	(39)	(69)	(95)	(116)
	$ 317	**$ 305**	**$ 534**	**$ 497**

	June 30, 2022	December 31, 2021
Segment assets		
Commercial Solutions [(3)]	$ 1,961	$ 2,522
Home Appliances	1,085	1,055
Home Solutions	3,140	3,109
Learning and Development	4,608	4,401
Outdoor and Recreation	1,079	907
Corporate	2,575	2,185
	$ 14,448	**$ 14,179**

(1) All intercompany transactions have been eliminated.
(2) Operating income (loss) by segment is net sales less cost of products sold, SG&A, restructuring and impairment of goodwill, intangibles and other assets. Certain Corporate expenses of an operational nature are allocated to business segments primarily on a net sales basis. Corporate depreciation and amortization is allocated to the segments on a percentage of net sales basis and included in segment operating income.
(3) The change in the Commercial Solutions net sales, operating income and segment assets is primarily due to the sale of the CH&S business at the end of the first quarter of 2022.

The following tables disaggregate revenue by major product grouping source and geography for the periods indicated (in millions):

	Three Months Ended June 30, 2022					
	Commercial Solutions	Home Appliances	Home Solutions	Learning and Development	Outdoor and Recreation	Total
Commercial	$ 429	$ —	$ —	$ —	$ —	$ 429
Home Appliances	—	346	—	—	—	346
Food	—	—	304	—	—	304
Home Fragrance	—	—	163	—	—	163
Baby	—	—	—	313	—	313
Writing	—	—	—	552	—	552
Outdoor and Recreation	—	—	—	—	427	427
Total	**$ 429**	**$ 346**	**$ 467**	**$ 865**	**$ 427**	**$ 2,534**
North America	$ 314	$ 156	$ 393	$ 656	$ 237	$ 1,756
International	115	190	74	209	190	778
Total	**$ 429**	**$ 346**	**$ 467**	**$ 865**	**$ 427**	**$ 2,534**

	Three Months Ended June 30, 2021					
	Commercial Solutions	Home Appliances	Home Solutions	Learning and Development	Outdoor and Recreation	Total
Commercial	$ 401	$ —	$ —	$ —	$ —	$ 401
Connected Home Security	92	—	—	—	—	92
Home Appliances	—	394	—	—	—	394
Food	—	—	323	—	—	323
Home Fragrance	—	—	202	—	—	202
Baby	—	—	—	319	—	319
Writing	—	—	—	525	—	525
Outdoor and Recreation	—	—	—	—	453	453
Total	**$ 493**	**$ 394**	**$ 525**	**$ 844**	**$ 453**	**$ 2,709**
North America	$ 364	$ 206	$ 425	$ 626	$ 256	$ 1,877
International	129	188	100	218	197	832
Total	**$ 493**	**$ 394**	**$ 525**	**$ 844**	**$ 453**	**$ 2,709**

	Six Months Ended June 30, 2022					
	Commercial Solutions	Home Appliances	Home Solutions	Learning and Development	Outdoor and Recreation	Total
Commercial	$ 830	$ —	$ —	$ —	$ —	$ 830
Connected Home Security	109	—	—	—	—	109
Home Appliances	—	686	—	—	—	686
Food	—	—	606	—	—	606
Home Fragrance	—	—	361	—	—	361
Baby	—	—	—	604	—	604
Writing	—	—	—	911	—	911
Outdoor and Recreation	—	—	—	—	815	815
Total	**$ 939**	**$ 686**	**$ 967**	**$ 1,515**	**$ 815**	**$ 4,922**
North America	$ 710	$ 334	$ 794	$ 1,124	$ 447	$ 3,409
International	229	352	173	391	368	1,513
Total	**$ 939**	**$ 686**	**$ 967**	**$ 1,515**	**$ 815**	**$ 4,922**

	Six Months Ended June 30, 2021					
	Commercial Solutions	Home Appliances	Home Solutions	Learning and Development	Outdoor and Recreation	Total
Commercial	$ 781	$ —	$ —	$ —	$ —	$ 781
Connected Home Security	183	—	—	—	—	183
Home Appliances	—	754	—	—	—	754
Food	—	—	597	—	—	597
Home Fragrance	—	—	432	—	—	432
Baby	—	—	—	600	—	600
Writing	—	—	—	861	—	861
Outdoor and Recreation	—	—	—	—	789	789
Total	**$ 964**	**$ 754**	**$ 1,029**	**$ 1,461**	**$ 789**	**$ 4,997**
North America	$ 708	$ 401	$ 826	$ 1,052	$ 433	$ 3,420
International	256	353	203	409	356	1,577
Total	**$ 964**	**$ 754**	**$ 1,029**	**$ 1,461**	**$ 789**	**$ 4,997**

Footnote 17 — Litigation and Contingencies

The Company is subject to various claims and lawsuits in the ordinary course of business, including from time to time, contractual disputes, employment and environmental matters, product and general liability claims, claims that the Company has infringed on the intellectual property rights of others, and consumer and employment class actions. Some of the legal proceedings include claims for punitive as well as compensatory damages. In the ordinary course of business, the Company is also subject to legislative requests, regulatory and governmental examinations, information requests and subpoenas, inquiries, investigations, and threatened legal actions and proceedings. In connection with such formal and informal inquiries, the Company receives numerous requests, subpoenas, and orders for documents, testimony and information in connection with various aspects of its activities. The Company previously disclosed that it had received a subpoena and related informal document requests from the SEC primarily relating to its sales practices and certain accounting matters for the time period beginning from January 1, 2016. The Company has cooperated with the SEC in connection with its investigation and ongoing requests for documents, testimony and information and intends to continue to do so. The Company cannot predict the timing or outcome of this investigation. Further, on June 30, 2021, the Company received a subpoena from the SEC requesting the production of documents related to its disclosure of the potential impact of the U.S. Treasury regulations described in *Footnote 12 - Income Taxes*.

Securities Litigation

Certain of the Company’s current and former officers and directors have been named in shareholder derivative lawsuits. On October 29, 2018, a shareholder filed a putative derivative complaint, Streicher v. Polk, *et al*., in the United States District Court for the District of Delaware (the “Streicher Derivative Action”), purportedly on behalf of the Company against certain of the Company's current and former officers and directors. On October 30, 2018, another shareholder filed a putative derivative complaint, Martindale v. Polk, *et al.*, in the United States District Court for the District of Delaware (the “Martindale Derivative Action”), asserting substantially similar claims purportedly on behalf of the Company against the same defendants. The complaints allege, among other things, violations of the federal securities laws, breaches of fiduciary duties, unjust enrichment, and waste of corporate assets. The factual allegations underlying these claims are similar to the factual allegations made in the In re Newell Brands, Inc. Securities Litigation that was previously pending in the United States District Court for the District of New Jersey. That matter was dismissed by the District Court on January 10, 2020, and the dismissal was affirmed by the United States District Court of Appeals for the Third Circuit on December 1, 2020. The complaints seek damages and restitution for the Company from the individual defendants, the payment of costs and attorneys’ fees, and that the Company be directed to reform certain governance and internal procedures. The Streicher Derivative Action and the Martindale Derivative Action have been consolidated and the case is now known as In re Newell Brands Inc. Derivative Litigation (the “Newell Brands Derivative Action”), which is pending in the United States District Court for the District of Delaware. On March 22, 2021, the United States District Court for the District of Delaware stayed the Newell Brands Derivative Action pending the resolution of any motions for summary judgment filed in Oklahoma Firefighters Pension and Retirement System v. Newell Brands Inc., *et al.* (described below). On December 30, 2020, two shareholders filed a putative derivative complaint, Weber, et al. v. Polk, *et al.*, in the United States District Court for the District of Delaware (the “Weber Derivative Action”), purportedly on behalf of the Company against certain of the Company’s current and former officers and directors. The complaint in the Weber Derivative Action alleges, among other things, breaches of fiduciary duty and waste of corporate assets. The factual allegations underlying these claims are similar to the factual allegations made in the Newell Brands Derivative Action. On March 19, 2021, the United States District Court for the District of Delaware stayed the Weber Derivative Action pending final disposition of Oklahoma Firefighters Pension and Retirement System v. Newell Brands Inc., *et al.* (described below).

The Company and certain of its current and former officers and directors have been named as defendants in a putative securities class action lawsuit filed in the Superior Court of New Jersey, Hudson County, on behalf of all persons who acquired Company common stock pursuant or traceable to the S-4 registration statement and prospectus issued in connection with the April 2016 acquisition of Jarden Corporation (the “Registration Statement”). The action was filed on September 6, 2018 and is captioned Oklahoma Firefighters Pension and Retirement System v. Newell Brands Inc., et al., Civil Action No. HUD-L-003492-18. The operative complaint alleges certain violations of the securities laws, including, among other things, that the defendants made certain materially false and misleading statements and omissions in the Registration Statement regarding the Company’s financial results, trends, and metrics. The plaintiff seeks compensatory damages and attorneys’ fees and costs, among other relief. The Company is currently unable to predict the ultimate timing or outcome of this litigation or reasonably estimate the range of possible losses. The Company maintains insurance intended to cover losses arising out of this litigation up to specified limits (subject to deductibles, coverage limits and other terms and conditions), but any losses may exceed our current coverage levels, which could have an adverse impact on our financial results.

Environmental Matters

The Company is involved in various matters concerning federal and state environmental laws and regulations, including matters in which the Company has been identified by the U.S. Environmental Protection Agency (“U.S. EPA”) and certain state environmental agencies as a potentially responsible party (“PRP”) at contaminated sites under the Comprehensive Environmental Response Compensation and Liability Act (“CERCLA”) and equivalent state laws. In assessing its environmental response costs, the Company has considered several factors, including the extent of the Company’s volumetric contribution at each site relative to that of other PRPs; the kind of waste; the terms of existing cost sharing and other applicable agreements; the financial ability of other PRPs to share in the payment of requisite costs; the Company’s prior experience with similar sites; environmental studies and cost estimates available to the Company; the effects of inflation on cost estimates; and the extent to which the Company’s, and other parties’, status as PRPs is disputed.

The Company’s estimate of environmental remediation costs associated with these matters at June 30, 2022 was $36 million which is included in other accrued liabilities and other noncurrent liabilities in the Condensed Consolidated Balance Sheets. No insurance recovery was taken into account in determining the Company’s cost estimates or reserves, nor do the Company’s cost estimates or reserves reflect any discounting for present value purposes, except with respect to certain long-term operations and maintenance CERCLA matters. Because of the uncertainties associated with environmental investigations and response activities, the possibility that the Company could be identified as a PRP at sites identified in the future that require the incurrence of environmental response costs and the possibility that sites acquired in business combinations may require environmental response costs, actual costs to be incurred by the Company may vary from the Company's estimates.

Lower Passaic River Matter

Background

The U.S. EPA has issued General Notice Letters to over 100 entities, including the Company and its subsidiary, Berol Corporation (together, the "Company Parties"), alleging that they are PRPs at the Diamond Alkali Superfund Site (the "Site") pursuant to CERCLA. The Site is the subject of investigation and remedial activities (the "CERCLA Administrative Actions") and related settlement negotiations with the U.S. EPA. In addition, the Company Parties are defendants in related litigation, and the Site is also subject to a Natural Resource Damage Assessment.

CERCLA Administrative Actions

The Site is divided into four "operable units," and the Company Parties have received General Notice Letters in connection with operable unit 2, which comprises the lower 8.3 miles of the Lower Passaic River and its tributaries ("Unit 2"), and operable Unit 4, which comprises a 17-mile stretch of the Lower Passaic River and its tributaries ("Unit 4"). Unit 2 is geographically subsumed within Unit 4.

Unit 4 Investigation

The Company received its first general notice letter pertaining to Unit 4 in 2003. Beginning in 2004, the Company Parties, together with numerous other PRPs, entered into several administrative agreements with the U.S. EPA to fund and perform various investigation and clean-up activities in Unit 4. Pursuant to a 2007 Administrative Order on Consent, over 70 PRPs, including the Company Parties, have been performing or funding the remedial investigation and feasibility study for Unit 4. The parties performing the remedial investigation and feasibility study submitted the results of their remedial investigation to the U.S. EPA in July 2019. They also submitted an interim remedy feasibility study focused on the upper 9 miles of Unit 4 in September 2021. Activity under the remedial investigation and feasibility study for Unit 4 is not yet complete and remains underway.

In October 2021, the U.S. EPA issued a Record of Decision for an interim remedy for the upper 9 miles of Unit 4, selecting a combination of dredging and capping as the remedial alternative, which the U.S. EPA estimates will cost $441 million in the aggregate.

Unit 2 Investigation

Concurrent with activities under the remedial investigation and feasibility study for Unit 4, the U.S. EPA performed a Source Control Early Action Focused Feasibility Study for Unit 2, which culminated in a Record of Decision in 2016. The U.S. EPA estimates that the selected remedy for Unit 2 set forth in its Record of Decision will cost $1.4 billion in the aggregate. The U.S. EPA then issued a General Notice Letter for Unit 2 to the Company Parties and over 100 other entities, including those that received a General Notice Letter in connection with Unit 4. The Unit 2 General Notice Letter requested that Occidental Chemical Corporation ("OCC") perform the remedial design for Unit 2, which OCC subsequently agreed to perform. The General Notice Letter indicated that, following execution of a remedial design consent decree, the U.S. EPA would begin negotiating a remedial action consent decree for Unit 2 with OCC and other major PRPs.

2016 Record of Decision and 2021 Record of Decision Remedy Performance

In March 2022, U.S. EPA issued a Notice of Potential Liability and Notice of Consent Decree Negotiations to OCC and several other entities, excluding the Company Parties, encouraging those parties to finance and perform the remedies selected in the 2016 and 2021 Records of Decision. The U.S. EPA specifically identified OCC and four other companies as "work parties" in connection with Units 2 and 4. The Company Parties were not recipients of this notice and were not identified as work parties.

The U.S. EPA Settlement

In September 2017, the U.S. EPA announced an allocation process involving roughly 80 Unit 2 General Notice Letter recipients, with the intent of offering cash-out settlements to a number of parties (the "U.S. EPA Settlement"). The PRPs responsible for release of dioxin, furans, and/or polychlorinated biphenyls would be expected to perform the remedial action for Unit 2 and would be excluded from the U.S. EPA Settlement. The allocation process has concluded. In February 2022, the U.S. EPA and certain parties to the allocation, including the Company Parties, reached an agreement in principle concerning a cash-out settlement for both Unit 2 and Unit 4. The agreement in principle remains subject to the negotiation and court entry of a consent decree finalizing the U.S. EPA Settlement.

The OCC Litigation

In June 2018, OCC sued over 100 parties, including the Company Parties, in the U.S. District Court in New Jersey pursuant to CERCLA, requesting cost recovery, contribution, and a declaratory judgement. The defendants, in turn, filed claims against 42 third-party defendants, and filed counterclaims against OCC (collectively, the "OCC Litigation"). The primary focus of the OCC Litigation has been certain past and future costs for investigation, design and remediation of Units 2 and 4. However, OCC has stated that it anticipates asserting claims against defendants regarding Newark Bay, which is also part of the Site, after the U.S. EPA has selected the Newark Bay remedy. OCC has also stated that it may broaden its claims in the future after completion of the Natural Resource Damage Assessment described below.

In a Motion for Stay of Proceedings filed in January 2022, certain defendants and all third-party defendants in the OCC Litigation moved to stay the case for a six-month period to allow the final stage of the parallel allocation proceedings and resulting settlement negotiations in the U.S. EPA Settlement to conclude. The U.S. District Court denied the motion in March 2022.

The Company Parties continue to vigorously defend the OCC Litigation. At this time, the Company cannot predict the eventual outcome.

The Natural Resource Damage Assessment

In 2007, the National Oceanic and Atmospheric Administration ("NOAA"), acting as the lead administrative trustee on behalf of itself and the U.S. Department of the Interior, issued a Notice of Intent to Perform a Natural Resource Damage Assessment to the Company Parties, along with numerous other entities, identifying the recipients as PRPs. The federal trustees (who now include the United States Department of Commerce, represented by NOAA, and the Department of the Interior, represented by the United States Fish and Wildlife Service) are presently undertaking the Natural Resource Damage Assessment.

As of the date of filing of this Quarterly Report, based on the agreement in principle noted above, the Company does not expect that its allocation in the U.S. EPA Settlement relating to Unit 2 and Unit 4, if the settlement is finalized, will be material to the Company. With respect to the OCC Litigation and Natural Resource Damage Assessment, the Company is currently unable to reasonably estimate the range of possible losses.

Based on currently known facts and circumstances, the Company does not believe that the Lower Passaic River matter is reasonably likely to have a material impact on the Company's results of operations. However, in the event of one or more adverse determinations related to this matter, it is possible that the ultimate liability resulting from this matter and the impact on the Company's results of operations could be material.

Because of the uncertainties associated with environmental investigations and response activities, the possibility that the Company could be identified as a PRP at sites identified in the future that require the incurrence of environmental response costs and the possibility that sites acquired in business combinations may require environmental response costs, actual costs to be incurred by the Company may vary from the Company's estimates.

Other Matters

In the normal course of business and as part of its acquisition and divestiture strategy, the Company may provide certain representations and indemnifications related to legal, environmental, product liability, tax or other types of issues. Based on the nature of these representations and indemnifications, it is not possible to predict the maximum potential payments under all of these agreements due to the conditional nature of the Company's obligations and the unique facts and circumstances involved in each particular agreement. Historically, payments made by the Company under these agreements did not have a material effect on the Company's business, financial condition or results of operations. In connection with the 2018 sale of The Waddington Group, Novolex Holdings, Inc. (the “Buyer”) filed suit against the Company in October 2019 in the Superior Court of Delaware. The Buyer generally alleged that the Company fraudulently breached certain representations in the Equity Purchase Agreement between the Company and Buyer, dated May 2, 2018, resulting in an inflated purchase price for The Waddington Group. In the year ended December 31, 2021 the Company recorded an immaterial reserve to continuing operations in its Consolidated Financial Statements based on its best estimate of probable loss associated with this matter. Further, in connection with the Company’s sale of The United States Playing Card Company (“USPC”), Cartamundi, Inc. and Cartamundi España, S.L., (the “Buyers”) have notified the Company of their contention that certain representations and warranties in the Stock Purchase Agreement, dated June 4, 2019, were inaccurate and/or breached, and have sought indemnification to the extent that the Buyers are required to pay related damages arising out of a third party lawsuit that was recently filed against USPC.

Although management of the Company cannot predict the ultimate outcome of other proceedings with certainty, it believes that the ultimate resolution of the Company’s proceedings, including any amounts it may be required to pay in excess of amounts reserved, will not have a material effect on the Company’s Condensed Consolidated Financial Statements, except as otherwise described in this *Footnote 17*.

At June 30, 2022, the Company had approximately $45 million in standby letters of credit primarily related to the Company’s self-insurance programs, including workers’ compensation, product liability and medical expenses.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of Newell Brands Inc.'s ("Newell Brands," the "Company," "we," "us" or "our") consolidated financial condition and results of operations. The discussion should be read in conjunction with the accompanying condensed consolidated financial statements and notes thereto.

Forward-Looking Statements

Forward-looking statements in this Report are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements generally can be identified by the use of words such as "intend," "anticipate," "believe," "estimate," "project," "target," "plan," "expect," "setting up," "beginning to," "will," "should," "would," "could," "resume," "are confident that," "remain optimistic that," "seek to," or similar statements. The Company cautions that forward-looking statements are not guarantees because there are inherent difficulties in predicting future results. Actual results may differ materially from those expressed or implied in the forward-looking statements. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to:

- the Company's ability to manage the actual or perceived effects of the COVID-19 pandemic, including as a result of any additional variants of the virus or the efficacy and distribution of vaccines;
- the Company's dependence on the strength of retail and consumer demand, commercial and industrial sectors of the economy in various countries around the world;
- competition with other manufacturers and distributors of consumer products;
- major retailers' strong bargaining power and consolidation of the Company's customers;
- supply chain and operational disruptions in the markets in which we operate, whether as a result of the actual or perceived effects of the COVID-19 pandemic or broader geopolitical and macroeconomic conditions, including the military conflict between Russia and Ukraine;
- changes in the prices and availability of labor, transportation, raw materials and sourced products, including significant inflation, and the Company's ability to offset cost increases through pricing and productivity in a timely manner;
- the Company's ability to improve productivity, reduce complexity and streamline operations;
- the cost and outcomes of governmental investigations, inspections, lawsuits, legislative requests or other actions by third parties, including but not limited to those described in *Footnote 17 of the Notes to the Unaudited Condensed Consolidated Financial Statements*, the potential outcomes of which could exceed policy limits, to the extent insured;
- the Company's ability to develop innovative new products, to develop, maintain and strengthen end-user brands and to realize the benefits of increased advertising and promotion spend;
- the Company's ability to consistently maintain effective internal control over financial reporting;
- the risks inherent to the Company's foreign operations, including currency fluctuations, exchange controls and pricing restrictions;
- future events that could adversely affect the value of the Company's assets and/or stock price and require additional impairment charges;
- unexpected costs or expenses associated with dispositions;
- our ability to effectively execute our turnaround plan, including Project Ovid;
- risks related to the Company's substantial indebtedness, potential increases in interest rates or changes in the Company's credit ratings;
- a failure or breach of one of the Company's key information technology systems, networks, processes or related controls or those of the Company's service providers;
- the impact of United States and foreign regulations on the Company's operations, including the impact of tariffs and environmental remediation costs and legislation and regulatory actions related to climate change;
- the potential inability to attract, retain and motivate key employees;
- changes in tax laws and the resolution of tax contingencies resulting in additional tax liabilities;
- product liability, product recalls or related regulatory actions;
- the Company's ability to protect its intellectual property rights;
- significant increases in the funding obligations related to the Company's pension plans; and
- other factors listed from time to time in our SEC filings, including but not limited to our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q and other filings.

The information contained in this Report is as of the date indicated. The Company assumes no obligation to update any forward-looking statements contained in this Report as a result of new information or future events or developments. In addition, there can be no assurance that the Company has correctly identified and assessed all of the factors affecting the Company or that the publicly available and other information the Company receives with respect to these factors is complete or correct.

Overview

Newell Brands is a leading global consumer goods company with a strong portfolio of well-known brands, including Rubbermaid, FoodSaver, Calphalon, Sistema, Sharpie, Paper Mate, Dymo, EXPO, Elmer’s, Yankee Candle, Graco, NUK, Rubbermaid Commercial Products, Spontex, Coleman, Campingaz, Contigo, Oster, Sunbeam and Mr. Coffee. Newell Brands' beloved brands enhance and brighten consumers lives at home and outside by creating moments of joy, building confidence and providing peace of mind. The Company sells its products in nearly 200 countries around the world and has operations on the ground in over 40 of these countries, excluding third-party distributors.

Business Strategy

The Company continues to execute on its turnaround strategy of building a global, next generation consumer products company that can unleash the full potential of its brands in a fast-moving omni-channel environment. The strategy, developed in 2019, is designed to:

- Drive sustainable top line growth by focusing on innovation, sharpening brand positioning, strengthening the international businesses, enhancing digital marketing and omni-channel capabilities, and building customer relationships;
- Improve operating margins by driving productivity and overhead savings, while reinvesting in the business;
- Accelerate cash conversion cycle by focusing on cash efficiency and improving key working capital metrics;
- Strengthen the portfolio by investing in attractive categories that are aligned with its capabilities and strategy and optimizing product mix; and
- Strengthen organizational capabilities and employee engagement by building a winning team and focusing the best people on the right things.

The Company is implementing this strategy while addressing key challenges such as shifting consumer preferences and behaviors; a highly competitive operating environment; a rapidly changing retail landscape; continued macroeconomic and geopolitical volatility; significant inflationary and supply chain pressures, and an evolving regulatory landscape.

Continued execution of these strategic imperatives, in combination with new initiatives aimed to build operational excellence, will better position the Company for long-term sustainable growth. One such initiative that was announced in the third quarter of 2021 is Project Ovid, a multi-year, customer centric supply chain initiative to transform the Company's go-to-market capabilities in the U.S., improve customer service levels and drive operational efficiencies. This initiative is expected to leverage technology to further simplify the organization by harmonizing and automating processes. Project Ovid is designed to optimize the Company’s distribution network by creating a single integrated supply chain from 23 business-unit-centric supply chains. The initiative is intended to reduce administrative complexity, improve inventory and invoicing workflow for our customers and enhance product availability for consumers through omni-channel enablement. This new operating model is also expected to drive efficiencies by better utilizing the Company's transportation and distribution network.

Organizational Structure

On March 31, 2022, the Company sold its Connected Home & Security ("CH&S") business unit to Resideo Technologies, Inc. The results of operations for CH&S continued to be reported in the Condensed Consolidated Statements of Operations as part of the Commercial Solutions segment through March 31, 2022.

The Company's five primary reportable segments are the following:

Segment	Key Brands	Description of Primary Products
Commercial Solutions	Mapa, Quickie, Rubbermaid, Rubbermaid Commercial Products and Spontex	Commercial cleaning and maintenance solutions; closet and garage organization; hygiene systems and material handling solutions
Home Appliances	Calphalon, Crockpot, Mr. Coffee, Oster and Sunbeam	Household products, including kitchen appliances
Home Solutions	Ball[1], Calphalon, Chesapeake Bay Candle, FoodSaver, Rubbermaid, Sistema, WoodWick and Yankee Candle	Food and home storage products; fresh preserving products; vacuum sealing products; gourmet cookware, bakeware and cutlery and home fragrance products
Learning and Development	Aprica, Baby Jogger, Dymo, Elmer's, EXPO, Graco, Mr. Sketch, NUK, Paper Mate, Parker, Prismacolor, Sharpie, Tigex, Waterman and X-Acto	Baby gear and infant care products; writing instruments, including markers and highlighters, pens and pencils; art products; activity-based adhesive and cutting products and labeling solutions
Outdoor and Recreation	Campingaz, Coleman, Contigo, ExOfficio and Marmot	Products for outdoor and outdoor-related activities

(1) and Ball® TM of Ball Corporation, used under license.

This structure reflects the manner in which the chief operating decision maker regularly assesses information for decision-making purposes, including the allocation of resources. The Company also provides general corporate services to its segments which is reported as a non-operating segment, Corporate. See *Footnote 16 of the Notes to the Unaudited Condensed Consolidated Financial Statements* for further information.

Recent Developments

COVID-19 Pandemic

The COVID-19 pandemic, which began in late 2019, has continued to disrupt the Company's global operations, similar to those of many large, multi-national corporations in two primary areas:

Supply chain. The Company continues to face product, supply and labor shortages, capacity constraints and logistical challenges across its businesses, including port congestion, constrained shipping container availability and delays in carrier pickup, which have negatively impacted the Company's ability to satisfy demand for its products, creating order backlog in certain categories. The Company also continues to face significant inflation for commodities, including resin and metals, sourced finished goods, transportation and labor, which had a negative high-single-digit-percentage impact to costs of products sold in the first half of 2022. These various disruptions are expected to persist, at least in the near-term. To help mitigate the negative impact of inflation to the operating performance of its businesses, the Company has secured selective pricing increases, accelerated productivity initiatives and deployed overhead cost containment efforts.

Consumer demand patterns. During the quarantine phase of the pandemic in 2020, consumer purchasing behavior strongly shifted to certain focused categories. At that time, certain of the Company's product categories benefited from this shift, primarily in Food, Commercial and Home Appliances. Some of the Company's other businesses were negatively impacted but experienced a surge in demand post lockdowns, in particular Writing, Baby and Home Fragrance. While the seasonality of the Company's businesses reverted back to historical trends in 2021, uncertainty still remains over the volatility and direction of future consumer demand patterns as certain of its businesses are lapping a prior-year surge in demand.

The Company believes the extent of the impact of the COVID-19 pandemic on the Company's future sales, operating results, cash flows, liquidity and financial condition will continue to be driven by numerous evolving factors that the Company cannot accurately predict and which will vary by jurisdiction and market. The Company continues to monitor for any future developments regarding COVID-19, including government requirements and recommendations at the national, state, and local level on whether to reinstate and/or extend certain initiatives previously implemented to help contain the spread of the virus. The Company has mandated vaccinations for its U.S. professional and office-based employees.

Russia-Ukraine Conflict

The global economy has been negatively impacted by the military conflict between Russia and Ukraine. While the Company does not expect the conflict to have a material impact on its results of operations, it has experienced shortages in raw materials and increased costs for transportation, energy, and commodities due in part to the negative impact of the Russia-Ukraine military conflict on the global economy. Further escalation of geopolitical tensions related to the conflict, including increased trade barriers and restrictions on global trade could result in, among other things, supply disruptions, lower consumer demand, and changes to foreign exchange rates and financial markets, any of which may adversely affect our business and supply chain. Additionally, if the military conflict escalates beyond its current scope, the Company could be negatively impacted by economic recessions in certain neighboring European countries or globally.

Share Repurchase Program

On February 6, 2022, the Company's Board of Directors authorized a $375 million Share Repurchase Program (“SRP”), effective immediately through the end of 2022. Under the SRP, the Company may purchase its common shares in the open market, in negotiated transactions or in other manners, as permitted by federal securities laws and other legal requirements. On February 25, 2022, the Company repurchased $275 million of its shares of common stock beneficially owned by Carl C. Icahn and certain of his affiliates (collectively, “Icahn Enterprises”), at a purchase price of $25.86 per share, the closing price of the Company's common shares on February 18, 2022. During the three months ended June 30, 2022, the Company repurchased approximately $50 million of its shares of common stock at an average purchase price of $22.01 per share. At June 30, 2022, the Company has remaining authority to repurchase approximately $50 million of its shares of common stock under the SRP.

Results of Operations

Three Months Ended June 30, 2022 vs. Three Months Ended June 30, 2021

Consolidated Operating Results

	Three Months Ended June 30,			
(in millions)	2022	2021	$ Change	% Change
Net sales	$ 2,534	$ 2,709	$ (175)	(6.5)%
Gross profit	825	882	(57)	(6.5)%
Gross margin	*32.6 %*	*32.6 %*		
Operating income	317	305	12	3.9%
Operating margin	*12.5 %*	*11.3 %*		
Interest expense, net	55	65	(10)	(15.4)%
Other (income) expense, net	8	(3)	11	NM
Income before income taxes	254	243	11	4.5%
Income tax provision	50	46	4	8.7%
Income tax rate	*19.7 %*	*18.9 %*		
Net income	**$ 204**	**$ 197**	**$ 7**	**3.6%**
Diluted earnings per share attributable to common shareholders	$ 0.49	$ 0.46		

NM - NOT MEANINGFUL

Net sales for the three months ended June 30, 2022 decreased 6%, as pricing actions by the Company were more than offset by a negative impact on sales of approximately 3% due to the sale of the CH&S business at the end of the first quarter of 2022, softening demand in certain categories in the U.S., primarily in the Home Appliances and Home Solutions segments, which lapped elevated levels of demand, and certain category exits in Home Appliances and Outdoor and Recreation segments. In addition, net sales for the Outdoor and Recreation segment reflected a shift in customer orders placed during the first quarter of the year as a result of supply chain constraints. Changes in foreign currency unfavorably impacted net sales by $80 million, or 3%.

Gross profit decreased 6% and gross margin remained flat at 32.6%. Gross margin performance reflected favorable net pricing and gross productivity, offset by significant input cost inflation for commodities, primarily metals, sourced finished goods, transportation and labor, which had a negative high-single-digit-percentage impact to costs of products sold. The gross profit decline also reflected the sale of the CH&S business. Changes in foreign currency exchange rates unfavorably impacted gross profit by $29 million or 3%.

In addition to the change in gross profit noted above, notable items impacting operating income for the three months ended June 30, 2022 and 2021 are as follows:

	Three Months Ended June 30,		
	2022	2021	$ Change
Restructuring (See *Footnote 4*) and restructuring-related costs [(a)]	$ 6	$ 8	$ (2)
Transactions and other costs [(b)]	4	9	(5)

(a) Restructuring-related costs reported in cost of goods sold and selling, general and administrative expenses ("SG&A") for the three months ended June 30, 2022 were $2 million, net and primarily related to facility closures. For the three months ended June 30, 2021, restructuring-related costs reported in cost of sales and SG&A were $2 million and $1 million, respectively, and primarily relate to facility closures. Restructuring costs were $4

million and $5 million for the three months ended June 30, 2022 and 2021, respectively.
(b) Transactions and other costs for the three months ended June 30, 2022 and 2021 primarily relate to completed divestitures and fees for certain legal proceedings.

Operating income increased to $317 million as compared to $305 million in the prior year period. The increase in operating income reflects lower incentive compensation expense and lower overhead spending, partially offset by the impact of lower gross profit. Operating income was also negatively impacted by the sale of the CH&S business.

Interest expense, net decreased primarily due to lower debt levels. The weighted average interest rates for the three months ended June 30, 2022 and 2021 were approximately 4.2% and 4.7%, respectively. See *Footnote 9 of the Notes to the Unaudited Condensed Consolidated Financial Statements* for further information.

Other (income) expense, net for three months ended June 30, 2022 and 2021 includes the following items:

	Three Months Ended June 30,	
	2022	**2021**
Foreign exchange losses, net	$ 10	$ 2
Fair value equity adjustments (See *Footnote 15*)	(1)	—
(Gain) loss on disposition of businesses (See *Footnote 2*)	(3)	2
Other (gains) losses, net	2	(7)
	$ 8	**$ (3)**

Income tax provision for the three months ended June 30, 2022 was $50 million as compared to $46 million for the three months ended June 30, 2021. The effective tax rate for the three months ended June 30, 2022 was 19.7% as compared to 18.9% for the three months ended June 30, 2021. The change in effective tax provision was impacted by a variety of factors, primarily resulting from certain discrete items. The income tax provision for the three months ended June 30, 2022 included a discrete benefit of $11 million associated with the reduction in valuation allowance related to the integration of certain Brazilian operations The income tax provision for the three months ended June 30, 2021 included a discrete benefit of $13 million associated with a reduction in valuation allowance related to the integration of certain U.K. operations and $9 million related to a statute of limitation expiration in France.

See *Footnote 12 of the Notes to the Unaudited Condensed Consolidated Financial Statements* for information regarding income taxes, including the inherent uncertainty associated with the Company's position on recently enacted U.S. Treasury Regulations.

Business Segment Operating Results

Commercial Solutions

	Three Months Ended June 30,			
(in millions)	**2022**	**2021**	**$ Change**	**% Change**
Net sales	$ 429	$ 493	$ (64)	(13.0)%
Operating income	43	43	—	—%
Operating margin	*10.0 %*	*8.7 %*		

Commercial Solutions net sales for the three months ended June 30, 2022 decreased 13%, primarily due to the sale of the CH&S business at the end of the first quarter of 2022, which unfavorably impacted net sales by approximately 19%, partially offset by growth in the Commercial business unit driven primarily by pricing actions and increased demand in certain categories. Changes in foreign currency unfavorably impacted net sales by $13 million, or 3%.

Operating income for the three months ended June 30, 2022 was flat as compared to the prior year period. This performance reflected gross profit leverage and gross productivity, offset by significant input cost inflation for sourced finished goods, transportation and labor. Operating income was also negatively impacted by the CH&S sale.

Home Appliances

(in millions)	Three Months Ended June 30, 2022	2021	$ Change	% Change
Net sales	$ 346	$ 394	$ (48)	(12.2)%
Operating income	15	13	2	15.4%
Operating margin	*4.3 %*	*3.3 %*		

Home Appliances net sales for the three months ended June 30, 2022 decreased 12%, which reflects certain category exits and softening demand in the U.S. due to higher customer inventory levels and the lapping of elevated levels of demand, partially offset by pricing actions. Changes in foreign currency unfavorably impacted net sales by $6 million, or 2%.

Operating income for the three months ended June 30, 2022 was $15 million as compared to $13 million in the prior year period. The increase in operating income was due to favorable net pricing, gross productivity and lower incentive compensation expense, partially offset by significant input cost inflation associated with transportation costs and sourced finished goods.

Home Solutions

(in millions)	Three Months Ended June 30, 2022	2021	$ Change	% Change
Net sales	$ 467	$ 525	$ (58)	(11.0)%
Operating income	5	53	(48)	(90.6)%
Operating margin	*1.1 %*	*10.1 %*		

Home Solutions net sales for the three months ended June 30, 2022 decreased 11%, reflecting decreases in both the Food and Home Fragrance business units. The Food business unit decline reflects the softening demand in certain categories in the U.S., as the business lapped elevated levels of demand, partially offset by pricing actions. The decline in Home Fragrance business unit sales reflects softening global demand, as the business lapped elevated levels of demand, as well as the exit of approximately 42 underperforming Yankee Candle retail stores during the year. Changes in foreign currency unfavorably impacted net sales by $10 million, or 2%.

Operating income for the three months ended June 30, 2022 decreased to $5 million as compared to $53 million in the prior year period. The decrease in operating income is primarily due to lower gross profit leverage and significant input cost inflation for commodities, primarily metals and wax, transportation, labor and sourced finished goods. This decrease was partially offset by gross productivity and lower incentive compensation expense.

Learning and Development

(in millions)	Three Months Ended June 30, 2022	2021	$ Change	% Change
Net sales	$ 865	$ 844	$ 21	2.5%
Operating income	247	217	30	13.8%
Operating margin	*28.6 %*	*25.7 %*		

Learning and Development net sales for the three months ended June 30, 2022 increased 2% due to growth in the Writing business unit, partially offset by a slight decline in the Baby business unit. The Writing business unit performance reflected pricing actions and improved return to in-person learning and gradual reopening of more offices, partially offset by logistical constraints and supply chain shortages, particularly in labelling. Pricing actions in the Baby business unit were largely offset by softening demand in certain categories in the U.S., as the business lapped elevated levels of demand. Changes in foreign currency unfavorably impacted net sales by $26 million, or 3%.

Operating income for the three months ended June 30, 2022 increased to $247 million as compared to $217 million in the prior-year period. The increase in operating income is due to gross productivity and lower compensation costs, partially offset by input cost inflation for sourced finished goods, transportation and labor.

Outdoor and Recreation

(in millions)	Three Months Ended June 30, 2022	2021	$ Change	% Change
Net sales	$ 427	$ 453	$ (26)	(5.7)%
Operating income	46	48	(2)	(4.2)%
Operating margin	*10.8 %*	*10.6 %*		

Outdoor and Recreation net sales for the three months ended June 30, 2022 decreased 6% primarily due to the impact of prior-quarter order timing ahead of the outdoor season, certain category exits and softening demand in certain categories in the U.S. reflecting higher customer inventory levels, mostly offset by pricing actions. Changes in foreign currency unfavorably impacted net sales by $25 million or 6%.

Operating income for the three months ended June 30, 2022 was $46 million as compared to $48 million in the prior-year period. The decline was due to lower gross profit leverage, significant input cost inflation for sourced finished goods and transportation, and higher advertising and promotion costs, partially offset by gross productivity and lower overhead spend.

Six Months Ended June 30, 2022 vs. Six Months Ended June 30, 2021

Consolidated Operating Results

	Six Months Ended June 30,			
(in millions)	**2022**	**2021**	**$ Change**	**% Change**
Net sales	$ 4,922	$ 4,997	$ (75)	(1.5)%
Gross profit	1,565	1,613	(48)	(3.0)%
Gross margin	*31.8 %*	*32.3 %*		
Operating income	534	497	37	7.4%
Operating margin	*10.8 %*	*9.9 %*		
Interest expense, net	114	132	(18)	(13.6)%
Other income, net	(116)	(4)	(112)	NM
Income before income taxes	536	369	167	45.3%
Income tax provision	98	83	15	18.1%
Income tax rate	*18.3 %*	*22.5 %*		
Net income	**$ 438**	**$ 286**	**$ 152**	**53.1%**
Diluted earnings per share attributable to common shareholders	$ 1.04	$ 0.67		

NM - NOT MEANINGFUL

Net sales decreased 2%, as pricing actions by the Company were more than offset by the impact of the sale of the CH&S business at the end of the first quarter of 2022, which negatively impacted net sales by approximately 2%, softening demand in certain categories in the U.S., primarily within the Home Appliances and Home Solutions segments, which lapped elevated levels of demand, and certain category exits in the Home Appliances and Outdoor and Recreation segments. In addition, net sales were favorably impacted by early order timing ahead of the back to school season and Project Ovid go-live. Changes in foreign currency unfavorably impacted net sales by $121 million, or 2%.

Gross profit decreased slightly compared to prior year. Gross profit margin declined to 31.8% as compared with 32.3% in the prior year period. The decrease in gross margin was driven by significant input cost inflation for commodities, primarily resin and metals, sourced finished goods, transportation and labor, which had a negative high-single-digit-percentage impact to costs of products sold. The gross margin decline was partially offset by favorable net pricing and gross productivity. The gross profit decline also reflected the impact of the sale of CH&S. Changes in foreign currency exchange rates unfavorably impacted gross profit by $45 million, or 3%.

In addition to the change in gross profit noted above, notable items impacting operating income for the six months ended June 30, 2022 and 2021 are as follows:

	Six Months Ended June 30,		
	2022	**2021**	**$ Change**
Restructuring (See *Footnote 4*) and restructuring-related costs [(a)]	$ 17	$ 21	$ (4)
Transactions and other costs [(b)]	12	13	(1)

(a) Restructuring-related costs reported in cost of goods sold for the six months ended June 30, 2022 was $8 million and primarily relate to facility closures. For the six months ended June 30, 2021, restructuring-related costs reported in cost of sales and SG&A were $7 million and $4 million, respectively, and primarily relate to facility closures. Restructuring costs were $9 million and $10 million for the six months ended June 30, 2022 and 2021, respectively.

(b) Transactions and other costs for the six months ended June 30, 2022 and 2021 primarily relate to completed divestitures and fees for certain legal proceedings.

Operating income increased to $534 million as compared to $497 million in the prior year period. The improvement reflects lower compensation expense, gross productivity and lower overhead spending, partially offset by lower gross profit and the impact of the CH&S sale.

Interest expense, net decreased primarily due to lower long-term debt levels and higher interest income. The weighted average interest rates for the six months ended June 30, 2022 and 2021 were approximately 4.3% and 4.8%, respectively. See *Footnote 9 of the Notes to the Unaudited Condensed Consolidated Financial Statements* for further information.

Other income, net for six months ended June 30, 2022 and 2021 includes the following items:

	Six Months Ended June 30,	
	2022	2021
Foreign exchange losses, net	$ 16	$ 2
Fair value equity adjustments (See *Footnote 15*)	(1)	—
(Gain) loss on disposition of business (See *Footnote 2*)	(133)	2
Other (gains) losses, net	2	(8)
	$ (116)	**$ (4)**

The income tax provision for the six months ended June 30, 2022 was $98 million as compared to an income tax provision for the six months ended June 30, 2021 of $83 million. The effective tax rate for the six months ended June 30, 2022 was 18.3% as compared to 22.5% for the six months ended June 30, 2021. The income tax provision for the six months ended June 30, 2022 included discrete benefits of $4 million associated with the approval of certain state tax credits and $11 million associated with the reduction in valuation allowance related to the integration of certain Brazilian operations, offset by $15 million of income tax expense related to the divestiture of the CH&S business unit. The six months ended June 30, 2021 included a discrete benefit of $13 million associated with a reduction in valuation allowance related to the integration of certain U.K. operations and $9 million related to a statute of limitation expiration in France.

See *Footnote 12 of the Notes to the Unaudited Condensed Consolidated Financial Statements* for information regarding income taxes, including the inherent uncertainty associated with the Company's position on recently enacted U.S. Treasury Regulations.

Business Segment Operating Results

Commercial Solutions

	Six Months Ended June 30,			
(in millions)	2022	2021	$ Change	% Change
Net sales	$ 939	$ 964	$ (25)	(2.6)%
Operating income	98	93	5	5.4%
Operating margin	*10.4 %*	*9.6 %*		

Commercial Solutions net sales for the six months ended June 30, 2022 decreased 3%, which primarily reflected the sale of the CH&S business at the end of the first quarter of 2022, which unfavorably impacted net sales by approximately 10%, partially offset by growth in the Commercial business unit primarily driven by pricing actions and increased demand in certain categories. Changes in foreign currency unfavorably impacted net sales by $21 million, or 2%.

Operating income for the six months ended June 30, 2022 was $98 million as compared to $93 million in the prior year. The increase in operating income is due to gross productivity and lower advertising and promotion costs and overhead spending, partially offset by significant input cost inflation, primarily resin and metals, sourced finished goods, transportation and labor, as well as the impact of the CH&S sale.

Home Appliances

(in millions)	Six Months Ended June 30, 2022	2021	$ Change	% Change
Net sales	$ 686	$ 754	$ (68)	(9.0)%
Operating income (loss)	(3)	16	(19)	NM
Operating margin	*(0.4)%*	*2.1 %*		

NM - NOT MEANINGFUL

Home Appliances net sales for the six months ended June 30, 2022 decreased approximately 9%, which reflects softening demand in the U.S. due to higher customer inventory levels and the lapping of elevated levels of demand in the prior-year, and certain category exits, partially offset by pricing actions and increased demand in Latin America. Changes in foreign currency unfavorably impacted net sales by $11 million, or 1%.

Operating loss for the six months ended June 30, 2022 was $3 million as compared to an operating income of $16 million in the prior year period. The decline in operating result is primarily due to lower gross profit leverage, higher advertising and promotional costs, and input cost inflation, particularly for sourced finished goods and transportation.

Home Solutions

(in millions)	Six Months Ended June 30, 2022	2021	$ Change	% Change
Net sales	$ 967	$ 1,029	$ (62)	(6.0)%
Operating income	66	114	(48)	(42.1)%
Operating margin	*6.8 %*	*11.1 %*		

Home Solutions net sales for the six months ended June 30, 2022 decreased 6%. An increase in sales in the Food business unit was more than offset by the decline in the Home Fragrance business unit. The increase in Food business unit sales primarily reflected pricing actions, partially offset by softening demand in certain categories in the U.S., as the business lapped elevated levels of demand in the prior-year. The decline in Home Fragrance business unit sales reflected softening global demand, as the business lapped elevated levels of demand in the prior year, as well as the exit of approximately 42 underperforming Yankee Candle retail stores during the first half of 2022. Changes in foreign currency unfavorably impacted net sales by $14 million, or 1%.

Operating income for the six months ended June 30, 2022 was $66 million as compared to $114 million in the prior year period. The decrease in operating income is primarily due to lower gross profit leverage and significant input cost inflation for commodities, primarily metals and wax, transportation, labor and sourced finished goods. This decrease was partially offset by gross productivity and lower overhead spend.

Learning and Development

(in millions)	Six Months Ended June 30, 2022	2021	$ Change	% Change
Net sales	$ 1,515	$ 1,461	$ 54	3.7%
Operating income	377	327	50	15.3%
Operating margin	*24.9 %*	*22.4 %*		

Learning and Development net sales for the six months ended June 30, 2022 increased 4% due to sales growth in the Writing and Baby business units. The modest growth in the Baby business unit sales reflected the impact of pricing actions, partially offset by softening demand in certain categories in the U.S. and product availability constraints. The Writing unit performance reflected pricing actions, early order timing ahead of the back to school season, improved return to in-person learning and gradual reopening of more offices, partially offset by supply chain shortages, particularly in labeling, and logistical constraints. Changes in foreign currency unfavorably impacted net sales by $37 million, or 3%.

Operating income for the six months ended June 30, 2022 increased to $377 million as compared to $327 million in the prior-year period. The increase in operating income is primarily due to gross profit leverage, gross productivity, and lower compensation costs, partially offset by significant input cost inflation for sourced finished goods, transportation and labor.

Outdoor and Recreation

(in millions)	Six Months Ended June 30, 2022	2021	$ Change	% Change
Net sales	$ 815	$ 789	$ 26	3.3%
Operating income	91	63	28	44.4%
Operating margin	*11.2 %*	*8.0 %*		

NM - NOT MEANINGFUL

Outdoor and Recreation net sales for the six months ended June 30, 2022 increased 3% primarily due to pricing actions and improved product availability, partially offset by certain category exits and softening demand in certain categories in the U.S. reflecting higher customer inventory levels and the lapping of elevated levels of demand in the prior year. Changes in foreign currency unfavorably impacted net sales by $38 million or 5%.

Operating income for the six months ended June 30, 2022 was $91 million as compared to $63 million in the prior-year period. This improvement was primarily due to gross profit leverage and lower overhead spending, partially offset by input cost inflation for commodities, primarily resin, sourced finished goods and transportation, and higher advertising and promotional costs.

Liquidity and Capital Resources

Liquidity

The Company believes that its cash generating capability, together with its borrowing capacity and available cash and cash equivalents, provide continued financial viability and adequate liquidity to fund its operations, support its growth platforms, pay down debt and debt maturities as they come due and execute its ongoing business initiatives. The Company regularly assesses its cash requirements and the available sources to fund these needs. At June 30, 2022, the Company had cash and cash equivalents of approximately $323 million, of which approximately $285 million was held by the Company's non-U.S. subsidiaries.

The Company believes the extent of the impact of the COVID-19 pandemic and indirect impact of the Russia-Ukraine conflict to its future sales, operating results, cash flows, liquidity and financial condition will continue to be driven by numerous evolving factors that the Company is not able to accurately predict and which will vary. For further information regarding the impact of COVID-19 on the Company, refer to *Risk Factors in Part I - Item 1A and Recent Developments in Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* of the Company's most recent Annual Report on Form 10-K, filed on February 14, 2022.

Cash, cash equivalents and restricted cash increased (decreased) as follows for the six months ended June 30, 2022 and 2021 (in millions):

	2022	2021	Increase (Decrease)
Cash provided by (used in) operating activities	$ (450)	$ 76	$ (526)
Cash provided by (used in) investing activities	499	(105)	604
Cash used in financing activities	(185)	(338)	153
Exchange rate effect on cash, cash equivalents and restricted cash	(3)	(6)	3
Decrease in cash, cash equivalents and restricted cash	**$ (139)**	**$ (373)**	**$ 234**

The Company tends to generate the majority of its operating cash flow in the third and fourth quarters of the year due to seasonal variations in operating results, the timing of annual performance-based compensation payments, customer program payments, working capital requirements and credit terms provided to customers.

Cash Flows from Operating Activities

The change in net cash used in operating activities reflects inventory build to support sales and the Project Ovid go-live, the timing of customer collections and vendor payments and higher annual incentive compensation payments. See *Capital Resources* for further information.

Cash Flows from Investing Activities

The change in cash provided by investing activities was primarily due to proceeds from the sale of CH&S and sale of property, plant and equipment, partially offset by higher capital expenditures, primarily associated with Project Ovid.

Cash Flows from Financing Activities

The change in net cash used in financing activities was primarily due to the period-over-period change in debt, offset by repurchase of shares of the Company's common stock in the current-year. See *Footnotes 1, 9 and 14 of the Notes to the Unaudited Condensed Consolidated Financial Statements* for further information.

Capital Resources

The Company has the ability to borrow under its existing $1.25 billion revolving credit facility that matures in December 2023 (the "Credit Revolver") and its Accounts Receivable Securitization Facility (the "Securitization Facility"). Under the Company's Credit Revolver, the interest rate is London Interbank Offered Rate ("LIBOR") rate plus 105.0 basis points. The Credit Revolver provides for the issuance of up to $100 million of letters of credit, so long as there is a sufficient amount available for borrowing under the Credit Revolver. At June 30, 2022 there were approximately $22 million of outstanding standby letters of credit issued against the Credit Revolver, with a net availability of approximately $1.1 billion. There were no borrowings outstanding under the Credit Revolver and $112 million commercial paper borrowings at June 30, 2022.

The Credit Revolver requires the maintenance of certain financial covenants. A failure to maintain our financial covenants would impair our ability to borrow under the Credit Revolver. In addition, if economic conditions caused by the COVID-19 pandemic or the indirect macroeconomic impact of the Russia-Ukraine conflict do not improve or otherwise worsen, our earnings and operating cash flows could be negatively impacted, which could impact our ability to maintain compliance with our financial covenants and require us to seek amendments to the Credit Revolver. The Company was in compliance with all of its debt covenants at June 30, 2022.

Factored receivables at the end of the second quarter of 2022 associated with the existing factoring agreement (the "Customer Receivables Purchase Agreement") were approximately $545 million, an increase of approximately $45 million from December 31, 2021. During the second quarter of 2022, the Company amended the Customer Receivables Purchase Agreement to (1) increase the amount of certain customer receivables that may be sold under the agreement, (2) add new customers to the agreement and (3) change the reference rate from LIBOR to Secured Overnight Financing Rate ("SOFR"). Transactions under this agreement are accounted for as sales of accounts receivable, and the receivables sold are removed from the Condensed Consolidated Balance Sheet at the time of the sales transaction. The Company classifies the proceeds received from the sales of accounts receivable as an operating cash flow in the Condensed Consolidated Statement of Cash Flows. The Company records the discount as other (income) expense, net in the Condensed Consolidated Statement of Operations and collections of accounts receivables not yet submitted to the financial institution as a financing cash flow.

During the second quarter of 2022, the Company amended the Securitization Facility. This amendment (1) reduced the aggregate commitment under the Securitization Facility to $375 million from $600 million, (2) extended its maturity by one year to October 2023 and (3) changed the reference rate under the Securitization Facility from LIBOR to SOFR. The Securitization Facility bears interest at a margin over a variable interest rate. The maximum availability under the Securitization Facility fluctuates based on eligible accounts receivable balances. At June 30, 2022, the Company has $260 million outstanding under the Securitization Facility.

Risk Management

From time to time, the Company enters into derivative transactions to hedge its exposures to interest rate, foreign currency rate and commodity price fluctuations. The Company does not enter into derivative transactions for trading purposes.

Interest Rate Contracts

The Company manages its fixed and floating rate debt mix using interest rate swaps. The Company may use fixed and floating rate swaps to alter its exposure to the impact of changing interest rates on its consolidated results of operations and future cash outflows for interest. Floating rate swaps would be used, depending on market conditions, to convert the fixed rates of long-term debt into short-term variable rates. Fixed rate swaps would be used to reduce the Company's risk of the possibility of increased interest costs. The cash paid and received from the settlement of interest rate swaps is included in interest expense.

Fair Value Hedges

At June 30, 2022, the Company had approximately $100 million notional amount of interest rate swaps that exchange a fixed rate of interest for a variable rate (LIBOR) of interest plus a weighted average spread. These floating rate swaps are designated as fair value hedges against $100 million of principal on the 4.00% senior notes due 2024 for the remaining life of the note. The effective portion of the fair value gains or losses on these swaps is offset by fair value adjustments in the underlying debt.

Cross-Currency Contracts

The Company uses cross-currency swaps to hedge foreign currency risk on certain financing arrangements. The Company previously entered into three cross-currency swaps, maturing in January 2025, February 2025 and September 2027, respectively, with an aggregate notional amount of $1.3 billion. Each of these cross-currency swaps were designated as net investment hedges of the Company's foreign currency exposure of its net investment in certain Euro-functional currency subsidiaries with Euro-denominated net assets, and the Company pays a fixed rate of Euro-based interest and receives a fixed rate of U.S. dollar interest. The Company has elected the spot method for assessing the effectiveness of these contracts. During the three months ended June 30, 2022 and 2021, the Company recognized income of $6 million and $3 million, respectively, and income of $11 million and $7 million for the six months ended June 30, 2022 and 2021, respectively, in interest expense, net, related to the portion of cross-currency swaps excluded from hedge effectiveness testing.

Foreign Currency Contracts

The Company uses forward foreign currency contracts to mitigate the foreign currency exchange rate exposure on the cash flows related to forecasted inventory purchases and sales with maturity dates through March 2023. The derivatives used to hedge these forecasted transactions that meet the criteria for hedge accounting are accounted for as cash flow hedges. The effective portion of the gains or losses on these derivatives is deferred as a component of AOCL until it is recognized in earnings at the same time that the hedged item affects earnings and is included in the same caption in the statements of operations as the underlying hedged item. At June 30, 2022, the Company had approximately $375 million notional amount outstanding of forward foreign currency contracts that are designated as cash flow hedges of forecasted inventory purchases and sales.

The Company also uses foreign currency contracts, primarily forward foreign currency contracts, to mitigate the foreign currency exposure of certain other foreign currency transactions. At June 30, 2022, the Company had approximately $1.5 billion notional amount outstanding of these foreign currency contracts that are not designated as effective hedges for accounting purposes and have maturity dates through May 2023. Fair market value gains or losses are included in the results of operations and are classified in other (income) expense, net in the Company's Condensed Consolidated Statement of Operations.

The following table presents the net fair value of derivative financial instruments (in millions):

	June 30, 2022 Asset (Liability)
Derivatives designated as effective hedges:	
Cash flow hedges:	
Foreign currency contracts	$ 12
Fair value hedges:	
Interest rate swaps	(2)
Net investment hedges:	
Cross-currency swaps	59
Derivatives not designated as effective hedges:	
Foreign currency contracts	(5)
Total	**$ 64**

Significant Accounting Policies and Critical Estimates

Goodwill and Indefinite-Lived Intangibles

Goodwill and indefinite-lived intangibles are tested and reviewed for impairment annually during the fourth quarter (on December 1), or more frequently if facts and circumstances warrant.

Goodwill

Goodwill is tested for impairment at a reporting unit level, and all of the Company's goodwill is assigned to its reporting units. Reporting units are determined based upon the Company's organizational structure in place at the date of the goodwill impairment testing and generally one level below the operating segment level. The Company's operations are comprised of seven reporting units, within its five primary operating segments.

The quantitative goodwill impairment testing requires significant use of judgment and assumptions, such as the identification of reporting units; the assignment of assets and liabilities to reporting units; and the estimation of future cash flows, business growth rates, terminal values, discount rates and total enterprise value. The income approach used is the discounted cash flow methodology and is based on five-year cash flow projections. The cash flows projected are analyzed on a debt-free basis (before cash payments to equity and interest-bearing debt investors) in order to develop an enterprise value from operations for the reporting unit. A provision is made, based on these projections, for the value of the reporting unit at the end of the forecast period, or terminal value. The present value of the finite-period cash flows and the terminal value are determined using a selected discount rate. The Company estimated the fair values of its reporting units based on discounted cash flow methodology reflecting its latest projections which included, among other things, the impact of significant input cost inflation for commodities, primarily resin, sourced finished goods, transportation and labor on its operations at the time the Company performed its impairment testing.

See *Footnotes 1 and 7* of the Notes to Unaudited Condensed Consolidated Financial Statements for further information.

Indefinite-lived intangibles

The testing of indefinite-lived intangibles (primarily trademarks and tradenames) under established guidelines for impairment also requires significant use of judgment and assumptions (such as cash flow projections, royalty rates, terminal values and discount rates). An indefinite-lived intangible asset is impaired by the amount its carrying value exceeds its estimated fair value. For impairment testing purposes, the fair value of indefinite-lived intangibles is determined using either the relief from royalty method or the excess earnings method. The relief from royalty method estimates the value of a tradename by discounting the hypothetical avoided royalty payments to their present value over the economic life of the asset. The excess earnings method estimates the value of the intangible asset by quantifying the residual (or excess) cash flows generated by the asset and discounts those cash flows to the present. The excess earnings methodology requires the application of contributory asset charges. Contributory asset charges typically include assumed payments for the use of working capital, tangible assets and other intangible assets. Changes in forecasted operations and other assumptions could materially affect the estimated fair values. Changes in business conditions could potentially require adjustments to these asset valuations.

The Company believes the circumstances and global disruption caused by COVID-19 and the indirect macroeconomic impact of the Russia-Ukraine conflict may continue to affect its businesses, future operating results, cash flows and financial condition. In addition, some of the other inherent estimates and assumptions used in determining fair value of the reporting units are outside the control of management, including interest rates, cost of capital, tax rates, industry growth, credit ratings and foreign exchange rates. Given the uncertainty of these factors as discussed further in *Footnote 1* of the Notes to the Unaudited Condensed Consolidated Financial Statements and *Recent Developments*, there can be no assurance that the Company's estimates and assumptions will prove to be accurate predictions of the future.

Although management has made its best estimates based upon current information, actual results could materially differ and may require future changes to such estimates and assumptions. If so, the Company may be subject to future incremental impairment charges as well as changes to recorded reserves and valuations.

See *Footnotes 1 and 7* of the Notes to the Unaudited Condensed Consolidated Financial Statements for further information.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

There have been no material changes from the information previously reported under Part II, Item 7A. in the Company’s Annual Report on Form 10-K for the fiscal year ended.

Item 4. Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to provide reasonable assurance that information, which is required to be disclosed by the issuer in the reports that it files or submits under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating such controls and procedures, the Company recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

As required by Rule 13a-15(b) of the Exchange Act, the Company’s management, including the Company’s Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the Company’s disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Based on that evaluation, the Company’s Chief Executive Officer and Chief Financial Officer have concluded that the Company’s disclosure controls and procedures were effective as of June 30, 2022.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the quarter ended June 30, 2022, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Information required under this Item is contained above in Part I. Financial Information, Item 1 and is incorporated herein by reference.

Item 1A. Risk Factors

There have been no material changes in our risk factors from those disclosed in Part I, Item 1A. of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The following table provides information about the Company's purchases of equity securities during the three months ended June 30, 2022:

Calendar Month	Total Number of Shares Purchased (2)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (1)
April	2,273,600	$ 22.01	2,273,600	$ 50,000,231
May	3,790	22.79	—	$ 50,000,231
June	3,706	22.48	—	$ 50,000,231
Total	**2,281,096**	**$ 22.01**	**2,273,600**	

(1) On February 6, 2022, the Company's Board of Directors authorized a $375 million Share Repurchase Program ("SRP"), effective immediately through the end of 2022. The Company's common shares may be purchased by the Company in the open market, in negotiated transactions or in other manners, as permitted by federal securities laws and other legal requirements See *Footnote 14* of the Notes to the Unaudited Condensed Consolidated Financial Statements for further information on shares repurchased during the three and six months ended June 30, 2022.

(2) Shares purchased during the three months ended June 30, 2022, includes both the number of shares purchased as part of the publicly announced SRP as well as shares acquired to satisfy employees' tax withholding and payment obligations in connection with the vesting of awards of restricted stock units and were purchased by the Company based on their fair market value on the vesting date.

Item 6. Exhibits

Exhibit Number	Description of Exhibit
10.1*	Ninth Omnibus Amendment, dated as of May 26, 2022 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 2, 2022, File No. 001-09608).
10.2*	Newell Brands Inc. 2022 Incentive Plan, (incorporated by reference to Appendix B to the Company's Proxy Statement dated March 23, 2022, File No. 001-09608).
10.3*†	Amendment No. 2, dated June 7, 2022, to the Newell Brands Supplemental Employee Savings Plan, (effective January 1, 2018, and amended by the First Amendment effective January 1, 2020).
10.4*†	Amendment No. 3, dated June 7, 2022, to the Newell Brands Employee Savings Plan, (effective January 1, 2018, and most recently amended by the Second Amendment effective January 1, 2022).
10.5*	2022 Restricted Stock Unit Award Agreement under the 2022 Incentive Plan (incorporated by reference to 10.1 of the Company's Current Report on Form 8-K dated May 6, 2022, File No. 001-09608).
10.6*	2022 Non-Qualified Stock Option Agreement under the 2022 Incentive Plan (incorporated by reference to 10.2 of the Company's Current Report on Form 8-K dated May 6, 2022, File No. 001-09609).
10.7*†	Form of 2022 Restricted Stock Unit Award Agreement under the Newell Brands Inc. 2022 Incentive Plan for Non-Employee Director.
31.1†	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2†	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1†	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2†	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

† Filed herewith.
* Represents management contracts and compensatory plans and arrangements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NEWELL BRANDS INC.
Registrant

Date: July 29, 2022	/s/ Christopher H. Peterson Christopher H. Peterson President and Chief Financial Officer
Date: July 29, 2022	/s/ Jeffrey M. Sesplankis Jeffrey M. Sesplankis Chief Accounting Officer

NEWELL BRANDS SUPPLEMENTAL EMPLOYEE SAVINGS PLAN

AMENDMENT NO. 2

THIS AMENDMENT NO. 2 is made by Newell Operating Company, a Delaware corporation, **("NOC")** to the Newell Brands Supplemental Employee Savings Plan (the **"Plan"),** which was established effective January 1, 2018, and most recently amended effective January 1, 2020.

WITNESSETH:

WHEREAS, NOC sponsors and maintains the Plan for the exclusive benefit of eligible employees of NOC and of certain of its affiliates who are participating employers; and

WHEREAS, under Section 8.1 of the Plan, the Plan may be amended by resolution or written instn1ment approved by the Board of Directors of NOC (the **"Board");** and

WHEREAS, the Board has determined that it is appropriate to amend the Plan, effective March 1, 2022, to reflect the Board's reorganization of the committees responsible for the administration of the Plan and delegation of duties to the Benefits Administration Committee and the Benefits Investment Committee;

NOW, THEREFORE, the Board hereby amends the Plan as follows, to be effective as of March 1, 2022.

1. Section 1.20 is deleted in its entirety and the following new Section 1.11 inserted in lieu thereof:

> **"1.20** **"Committee"** means either the BAC and/or BIC, subject to their respective **charters."**

2. Section 1.32 is deleted in its entirety and the following new Section 1.28 inserted in lieu thereof:

"1.32 "[Reserved]"

3. Section 7.1 is deleted in its entirety and the following new Section 7.1 inserted in lieu thereof:

"7.1 Company Responsibility and Delegation to the BAC and the BIC.

(a) The Company. The Company shall be responsible for and shall control and manage the operation and administration of the Plan. The Company shall have sole responsibility for crediting contributions or requiring Participating Employers to credit contributions provided under the Plan, determining the amount of contributions, establishing the Committees, appointing and removing members of the Committees, and an1ending or terminating the Plan. Any action by the Company under this Plan shall be made by resolution of its Board of Directors, or by any person or Committee duly authorized by resolution of the Board of Directors to take such action.

(b) [.Reserved].

(c) U.S. Benefits Administration Committee. The Benefits Administration Committee, known as the **"BAC,"** has been established and authorized to act as the agent of the Company in performing the duties of administering and operating the Plan. The BAC shall be subject to service of process on behalf of the Plan. The members of the BAC may be officers, directors or Employees of the Company or any other individuals. Any member of the BAC may resign by delivering a written resignation to the Company and to the BAC. Vacancies in the BAC arising by resignation, death, removal or otherwise, shall be filled by the Board or their delegates.

(d) U.S. Benefits Investment Committee. The Benefits Investment Committee, known as the **"BIC,"** has been established and authorized to act as the agent of the Company to administer the investment aspects of the Plan. The members of the BIC may be officers, directors, or Employees of the Company or any other individuals. Any member of the BIC may resign by delivering a written resignation to the Company and to the BIC. Vacancies in the BIC arising by resignation, death, removal or otherwise, shall be filled by the Board or their delegates."

4. Except as specifically amended above, the Plan shall remain unchanged and, as amended herein, shall continue in full force and effect.

5. This Amendment No. 2 to the Plan is effective March 1, 2022.

EXHIBIT 10.3

IN WITNESS WHEREOF, NOC has caused this Amendment No. 2 to the Plan to be executed by its duly authorized representative.

Newell Operating Company

Dated: June 7, 2022 /s/ Bradford R. Turner

Chief Legal and Administrative Officer and Corporate Secretary

NEWELL BRANDS EMPLOYEE SAVINGS PLAN

AMENDMENT NO. 3

THIS AMENDMENT NO. 3 is made by Newell Operating Company, a Delaware corporation, **("NOC")** to the Newell Brands Employee Savings Plan (the **"Plan"),** which was amended and restated effective January 1**,** 2018, and most recently amended by the Second Amendment effective January 1, 2022.

WITNESSETH:

WHEREAS, NOC sponsors and maintains the Plan for the exclusive benefit of eligible employees of NOC and of certain of its affiliates who are participating employers; and

WHEREAS, under Section 14.1 of the Plan, the Plan may be amended by resolution or written instrument approved by the Board of Directors of NOC (the **"Board");** and

WHEREAS, the Board has determined that it is appropriate to amend the Plan, effective March 1, 2022, to reflect the Board's reorganization of the committees responsible for the administration of the Plan and delegation of duties to the Benefits Administration Committee and the Benefits Investment Committee;

NOW, THEREFORE, the Board hereby amends the Plan as follows, to be effective as of March 1, 2022.

1. Section 1.11 is deleted in its entirety and the following new Section 1.11 inserted in lieu thereof:

"1.11 **<u>"Committee"</u>** means either the BAC and/or BIC, subject to their respective **charters."**

2. Section 1.28 is deleted in its entirety and the following new Section 1.28 inserted in lieu thereof:

"1.28 <u>"[Reserved]"</u>

3. Section 13.1 is deleted in its entirety and the following new Section 13.1 inserted in lieu thereof:

"13.1 <u>Company Responsibility and Delegation to the BAC and the BIC.</u>

(a) <u>The Company</u>. The Company shall be responsible for and shall control and manage the operation and administration of the Plan. The Company shall have sole responsibility for making contributions or requiring Participating Employers to make contributions provided under the Plan, determining the amount of contributions, establishing the Committees, appointing and removing members of the Committees, and amending or terminating the Plan and Trust Agreement. Any action by the Company under this Plan shall be made by resolution of its Board of Directors, or by any person or Committee duly authorized by resolution of the Board of Directors to take such action.

(b) <u>[Reserved]</u>.

(c) <u>U.S</u>. <u>Benefits</u> <u>Administration</u> <u>Committee.</u> The Benefits Administration Committee, known as the **"BAC,"** has been established and authorized to act as the agent of the Company in performing the duties of administering and operating the Plan. The BAC shall be the **"Plan Administrator"** for purposes of ERlSA and shall be subject to service of process on behalf of the Plan. Furthermore, for purposes of ERJSA, the BAC shall be a **"Named Fiduciary"** with respect to the administrative aspects of the Plan. The members of the BAC may be officers, directors or Employees of the Company or any other individuals. Any member of the BAC may resign by delivering his written resignation to the Company and to the BAC. Vacancies in the BAC arising by resignation, death, removal or otherwise, shall be filled by the Board or their delegates. The Company shall advise the Trustee in writing of the names of the members of the BAC and of changes in membership from time to time.

(d) <u>U.S. Benefits</u> <u>Investment</u> <u>Committee.</u> The Benefits Investment Committee, known as the **"BIC,"** has been established and authorized to act as the agent of the Company to administer the investment aspects of the Plan. The BIC shall be a **"Named Fiduciary"** for purposes of ERJSA with respect to the investment aspects of the Plan. The members of the BIC may be officers, directors, or Employees of the Company or any other individuals. Any member of the BIC may resign by delivering his written resignation to the Company and to the BIC. Vacancies in the BIC arising by resignation, death, removal or otherwise, shall be filled by the Board or their delegates. The Company shall advise the Trustee in writing of the names of the members of the BIC and of changes in membership from time to time."

4. Section 17.6 is deleted in its entirety and the following new Section 17.6 inserted in lieu thereof:

"17.6 <u>No Guarantee.</u> None of the Employer, Trustee, BIC or BAC in any way guarantees the Trust Fund from loss or depreciation or the payment of any benefits that may be or become due to any person from the Trust Fund. No Participant or other person shall have any recourse against the Employer, Trustee, BIC or BAC if the Trust Fund is insufficient to provide Plan benefits in full. Nothing herein contained shall be deemed to give any Participant, former Participant, or Beneficiary an interest in any specific part of the Trust Fund or any other interest except the right to receive benefits out of the Trust Fund in accordance with the provisions of the Plan and Trust."

5. Except as specifically amended above, the Plan shall remain unchanged and, as amended herein, shall continue in full force and effect.

6. This Amendment No. 3 to the Plan is effective March 1, 2022.

IN WITNESS WHEREOF, NOC has caused this Amendment No. 3 to the Plan to be executed by its duly authorized representative.

Newell Operating Company

Dated June 7, 2022 /s/ Bradford R. Turner

Chief Legal and Administrative Officer and Corporate Secretary

NEWELL BRANDS INC. 2022 INCENTIVE PLAN

NON-EMPLOYEE DIRECTOR RESTRICTED STOCK UNIT AWARD AGREEMENT

A Restricted Stock Unit ("**RSU**") Award (the "**Award**") granted by Newell Brands Inc. , a Delaware corporation (the "**Company**"), to the non-employee director (the "**Grantee**") named in the Award letter provided to the Grantee (the "**Award Letter**") relating to the common stock, par value $1.00 per share (the "**Common Stock**"), of the Company, shall be subject to the following terms and conditions and the provisions of the Newell Brands Inc. 2022 Incentive Plan, a copy of which is provided to the Grantee and the terms of which are hereby incorporated by reference (the "**Plan**"). Unless otherwise provided herein, capitalized terms of this Agreement shall have the same meanings ascribed to them in the Plan.

1. Grant of RSUs. The Company hereby grants to the Grantee the Award of RSUs, as set forth in the Award letter. An RSU is the right, subject to the terms and conditions of the Plan and this Agreement, to receive payment of a share of Common Stock for each RSU as described in Section 5 of this Agreement.

2. RSU Account. The Company shall maintain an account ("RSU Account") on its books in the name of the Grantee which shall reflect the number of RSUs awarded to the Grantee.

3. Dividend Equivalents. Upon the payment of any dividend on Common Stock whose record date occurs during the period preceding the earlier of the date of vesting of the Grantee's Award or the date the Grantee's Award is forfeited as described with Section 4, the Company shall credit the Grantee's RSU Account with an amount equal in value to the dividends that the Grantee would have received had the Grantee been the actual owner of the number of shares of Common Stock represented by the RSUs in the Grantee's RSU Account on that record date. Such amounts shall be paid to the Grantee at the time and in the form of payment specified in Section 5. Any such dividend equivalents relating to RSUs that are forfeited shall also be forfeited. Any such payment shall be payments of dividend equivalents and shall not constitute the payments of dividends to the Grantee that would violate the provisions of Section 7 of this Agreement.

4. Vesting.

(a) Except as described in (b) below, the Grantee shall become vested in his Award upon the earlier of: (i) the first anniversary of the date of the grant of the Award (the "**Award Date**"); or (ii) the date immediately preceding the date of the Company's annual meeting of shareholders in the calendar year following the calendar year of the Award Date, provided he remains in continuous service on the Board until such date.

(b) If the Grantee's service on the Board terminates prior to the vesting date of the Award specified in (a) above due to his death, disability or retirement, the Grantee shall become fully vested in his Award. For this purpose (i) "disability" means (as determined by the Committee in its sole discretion) the inability of the Grantee to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which is expected to result in death or which can be expected to last for a continuous period of not less than 12 months; and (ii) "retirement" means the Grantee's retirement in accordance with the Company's retirement policy for Directors.

(c) If the Grantee's service on the Board terminates prior to the vesting date of the Award specified in (a) above for any reason other than death, disability or retirement, the then- unvested portion of the Award shall be forfeited to the Company, and no portion of the Award shall thereafter vest.

5. Settlement of Award. If a Grantee becomes vested in the Award in accordance with Section 4, the Company shall pay to the Grantee, or the Grantee's personal representative, beneficiary or estate, as applicable, a number of shares of Common Stock equal to the number of vested RSUs and an amount in cash equal to all dividend equivalents credited to the Grantee's RSU Account. Such shares and cash shall be delivered/paid within thirty (30) days following the date of vesting as defined in Section 4; provided that in the event of a vesting upon retirement pursuant to (b) above, such shares and cash shall be delivered/paid within thirty (30) days following the date specified in Section 4(a) above.

6. Withholding Taxes. If applicable, the Company shall withhold from any distribution made to the Grantee an amount sufficient to satisfy all minimum Federal, state and local withholding tax requirements. Payment of such taxes may be made by a method specified in the Plan and approved by the Committee.

7. Rights as Stockholder. The Grantee shall not be entitled to any of the rights of a stockholder of the Company with respect to the Award, including the right to vote and to receive dividends and other distributions, until and to the extent the Award is settled in shares of Common Stock.

8. Share Delivery. Delivery of any shares in connection with settlement of the Award will be by book-entry credit to an account in the Grantee's name established by the Company with the Company's transfer agent, or upon written request from the Grantee (or his personal representative, beneficiary or estate, as the case may be), in certificates in the name of the Grantee (or his personal representative, beneficiary or estate).

9. Award Not Transferable. The Award may not be transferred other than by will or the applicable laws of descent or distribution or pursuant to a qualified domestic relations order. The Award shall not otherwise be assigned, transferred, or pledged for any purpose whatsoever and is not subject, in whole or in part, to attachment, execution or levy of any kind. Any attempted assignment, transfer, pledge, or encumbrance of the Award, other than in accordance with its terms, shall be void and of no effect.

10. Administration. The Award shall be administered in accordance with such regulations as the Compensation and Human Capital Committee of the Board of Directors of the Company (or any successor committee) and/or any subcommittee thereof that is duly appointed to administer awards under the Plan (the "Committee") shall from time to time adopt.

11. Governing Law. This Agreement, and the Award, shall be construed, administered and governed in all respects under and by the laws of the State of Delaware.

NEWELL BRANDS INC.

By: /s/ Bradford R. Turner
Title: Chief Legal & Administrative Officer and Corporate Secretary

EXHIBIT 31.1

CERTIFICATION

I, Ravichandra K. Saligram, certify that:

1. I have reviewed this quarterly report on Form 10-Q for Newell Brands Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2022

/s/ Ravichandra K. Saligram

Ravichandra K. Saligram
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Christopher H. Peterson, certify that:

1. I have reviewed this quarterly report on Form 10-Q for Newell Brands Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2022

/s/ Christopher H. Peterson

Christopher H. Peterson

President and Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Newell Brands Inc. (the “Company”) on Form 10-Q for the period ended June 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Ravichandra K. Saligram, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Ravichandra K. Saligram

Ravichandra K. Saligram
Chief Executive Officer
July 29, 2022

EXHIBIT 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Newell Brands Inc. (the "Company") on Form 10-Q for the period ended June 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher H. Peterson, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Christopher H. Peterson
Christopher H. Peterson
President and Chief Financial Officer

July 29, 2022