

Long-Term Value Creation Goals & Third Quarter 2021 Earnings Review

FRIDAY, OCTOBER 22, 2021

Cautionary Statement

This document contains forward-looking statements about Whirlpool Corporation and its consolidated subsidiaries ("Whirlpool") that speak only as of this date. Whirlpool disclaims any obligation to update these statements. Forward-looking statements in this document may include, but are not limited to, statements regarding future financial results, long-term value creation goals, restructuring and repurchase expectations, productivity, direct-to-consumer sales growth, raw material prices and the impact of COVID-19 on our operations. Many risks, contingencies and uncertainties could cause actual results to differ materially from Whirlpool's forward-looking statements. Among these factors are: (1) COVID-19 pandemic-related business disruptions and economic uncertainty; (2) intense competition in the home appliance industry reflecting the impact of both new and established global competitors, including Asian and European manufacturers, and the impact of the changing retail environment, including direct-to-consumer sales; (3) Whirlpool's ability to maintain or increase sales to significant trade customers and the ability of these trade customers to maintain or increase market share; (4) Whirlpool's ability to maintain its reputation and brand image; (5) the ability of Whirlpool to achieve its business objectives and leverage its global operating platform, and accelerate the rate of innovation; (6) Whirlpool's ability to understand consumer preferences and successfully develop new products; (7) Whirlpool's ability to obtain and protect intellectual property rights; (8) acquisition and investment-related risks, including risks associated with our past acquisitions, and risks associated with our presence in emerging markets; (9) risks related to our international operations, including changes in foreign regulations, regulatory compliance and disruptions arising from political, legal and economic instability; (10) information technology system failures, data security breaches, data privacy compliance, network disruptions, and cybersecurity attacks; (11) product liability and product recall costs; (12) the ability of suppliers of critical parts, components and manufacturing equipment to deliver sufficient quantities to Whirlpool in a timely and cost-effective manner; (13) our ability to attract, develop and retain executives and other qualified employees; (14) the impact of labor relations; (15) fluctuations in the cost of key materials (including steel, resins, copper and aluminum) and components and the ability of Whirlpool to offset cost increases; (16) Whirlpool's ability to manage foreign currency fluctuations; (17) impacts from goodwill impairment and related charges; (18) triggering events or circumstances impacting the carrying value of our long-lived assets; (19) inventory and other asset risk; (20) health care cost trends, regulatory changes and variations between results and estimates that could increase future funding obligations for pension and postretirement benefit plans; (21) changes in LIBOR, or replacement of LIBOR with an alternative reference rate; (22) litigation, tax, and legal compliance risk and costs, especially if materially different from the amount we expect to incur or have accrued for, and any disruptions caused by the same; (23) the effects and costs of governmental investigations or related actions by third parties; (24) changes in the legal and regulatory environment including environmental, health and safety regulations, and taxes and tariffs; and (25) the uncertain global economy and changes in economic conditions which affect demand for our products.



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FRIDAY, OCTOBER 22, 2021

Global Overview & 2021 Guidance



Jim Peters

EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER



Third-Quarter Results Highlights

PROFITABLE GROWTH

Net Sales	YoY Change
$5.5B	3.7% (2.9% ex-currency)

MARGIN EXPANSION

Ongoing EBIT Margin[1]	YoY Change
11.1%	(0.8) pts

CASH CONVERSION

Adjusted Free Cash Flow[2]	FCF as % of Net Sales
$1,296M	8.0%

- Revenue growth of 4% year-over-year and 8% compared to 2019 driven by sustained consumer demand
- Strong double-digit ongoing EBIT margin[1] of 11.1%, largely offsetting expected raw material inflation of 650 bps
- Adjusted free cash flow[2] of $1.3B, including modest inventory recovery
- Share buyback of $441M and acquired majority interest of Elica PB India*
- Increased full-year ongoing EPS[1] guidance expectation to ~$26.25

*Elica PB India controlling interest acquisition completed September 29th, 2021

Ongoing EBIT Margin[1] Drivers

(Approximate impact)	Q3
2020 Ongoing EBIT Margin[5]	**11.9%**
Price/Mix	+6.00
Net Cost*	+0.50
Raw Material Inflation	-6.50
Marketing & Technology Investments	-0.50
Currency	-0.25
2021 Ongoing EBIT Margin	**11.1%**

*Inclusive of Fixed Cost Takeout, Ongoing Cost Productivity (Including Conversion and Freight & Warehousing), Volume Leveraging and Restructuring Benefits.

2021 Guidance

	PROFITABLE GROWTH		MARGIN EXPANSION		CASH CONVERSION	
Previous LONG-TERM TARGETS	~3% ANNUAL ORGANIC NET SALES GROWTH		~10% ONGOING EARNINGS BEFORE INTEREST AND TAX, % OF NET SALES		6%+ ADJUSTED FREE CASH FLOW AS % OF NET SALES	
2021 GUIDANCE	Net Sales	YoY Change	Ongoing EBIT Margin[1]	YoY Change	Adjusted Free Cash Flow[2]	Adjusted FCF as % of Net Sales
Previous	~$22.5B	~16%	10.5%+	150+ bps	$1.7B	7.5%
Current	$22B	~13%	10.8%	180 bps	$1.7B	7.7%

Increased full-year ongoing EPS guidance expectation to ~$26.25

Full-Year 2021 Ongoing EBIT Margin[(1)] Guidance

(Approximate impact)	Previous	Current	Comments
2020 Ongoing EBIT Margin[(5)]	**9.0%**	**9.0%**	
Price/Mix	+6.00	+6.00	• Previously announced cost-based price increases coupled with the disciplined execution of go-to-market actions • Product launches and positive consumer trends driving price/mix
Net Cost*	+1.75	+2.00	• 2020 cost program carryover, cost reduction initiatives offsetting increased input and distribution costs
Raw Material Inflation	-5.00	-5.00	• Expect ~$1B of RMI, primarily driven by resins and steel
Marketing & Technology Investments	-0.75	-0.75	• Increased brand and product investments
Currency	-0.50	-0.50	• Primarily BRL and ARS
2021 Ongoing EBIT Margin	**10.5%+**	**10.8%**	

*Inclusive of Fixed Cost Takeout, Ongoing Cost Productivity (Including Conversion and Freight & Warehousing), Volume Leveraging and Restructuring Benefits

2021 Capital Allocation Strategy

1. Fund Innovation and Growth	Target/Update
Capital Expenditure	Invest ~3% of net sales
Research and Development	Invest ~3% of net sales
Mergers & Acquisitions	Pursue opportunistic M&A with high ROIC

2. Return to Shareholders	Target/Update
Dividends	~30% of trailing 12-month ongoing net earnings
Share Repurchase	$641M share repurchases to date, expect $300M+ in Q4 Share repurchase authorization of ~$1.9B remaining
Targeted Capital Structure	Maintain investment grade rating and gross debt leverage of 2.0x

Regional Overview

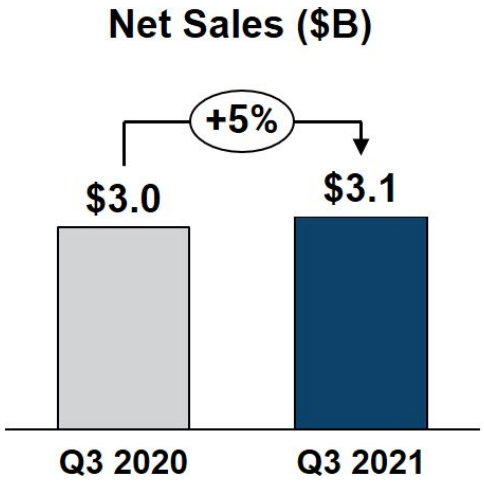


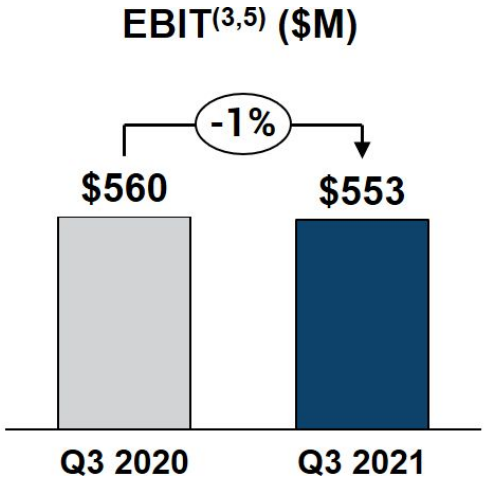
Joe Liotine

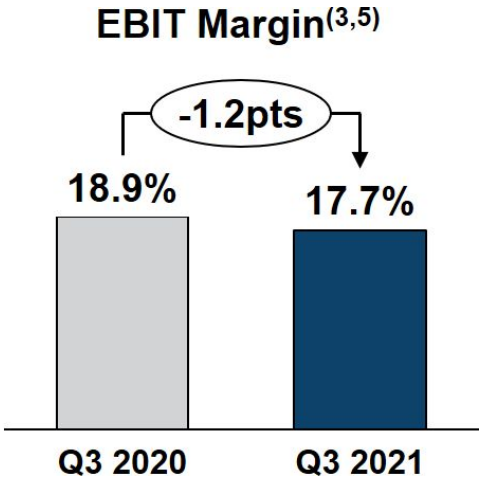
PRESIDENT AND
CHIEF OPERATING OFFICER



North America Third-Quarter Results

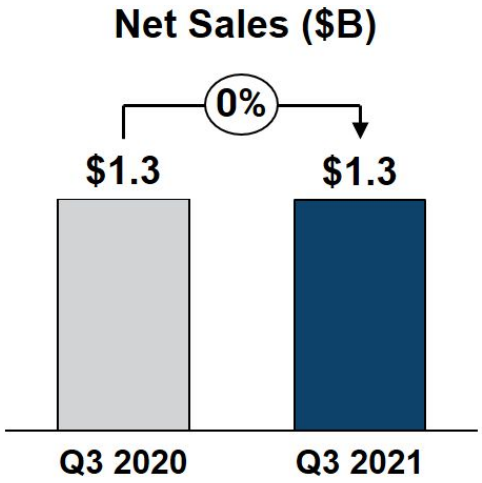


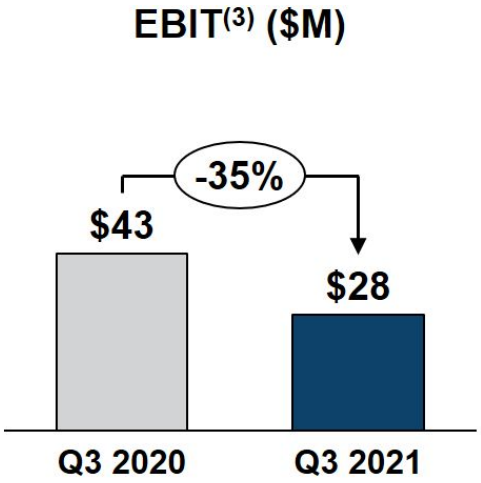


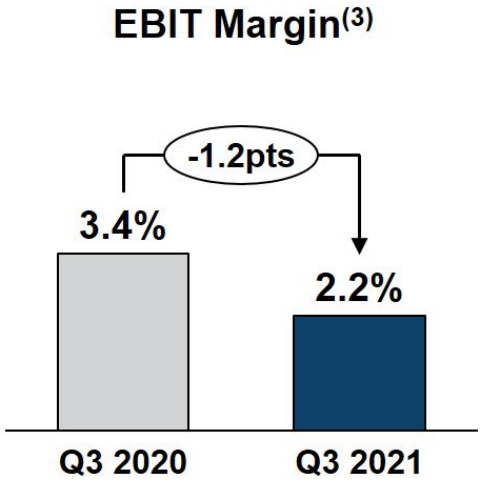


- Top-line growth driven by cost-based price increases and sustained consumer demand
- Strong EBIT performance led by price/mix
- Constraints remain elevated across entire supply chain

EMEA Third-Quarter Results

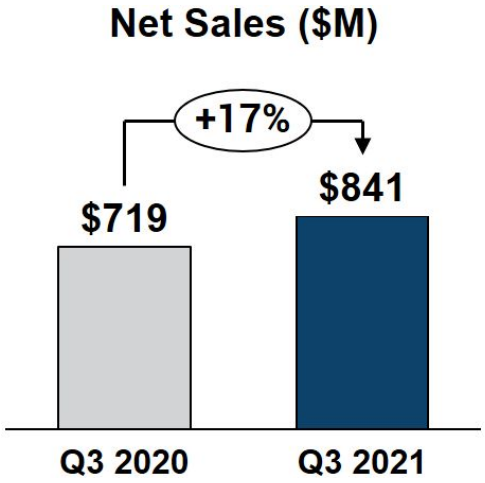


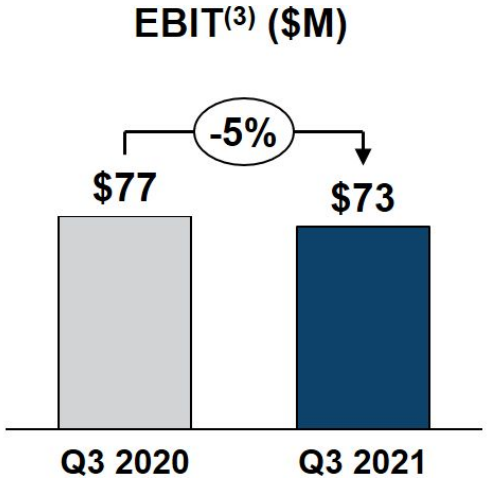


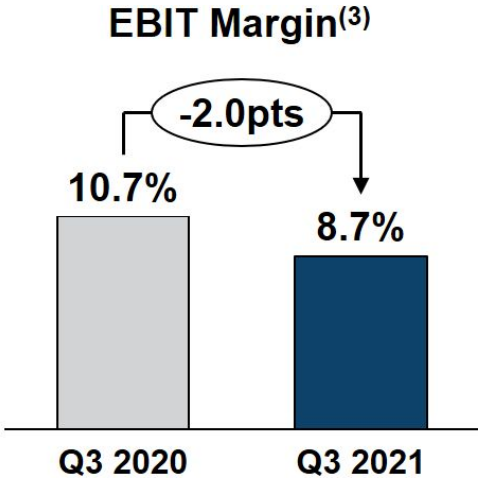


- Stable revenue year-over-year and +15% vs. 2019
- EBIT negatively impacted by inflation partially offset by cost-based price increases
- Long-term turnaround remains on track

Latin America Third-Quarter Results

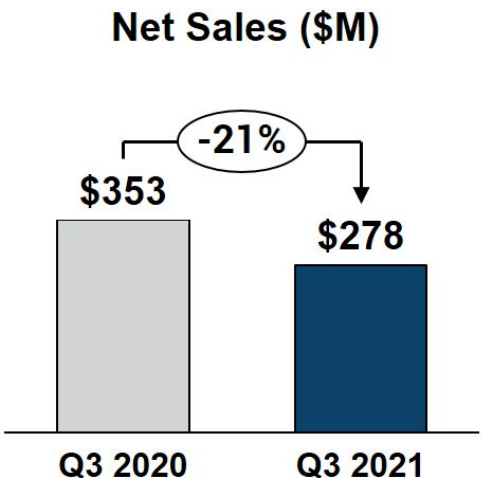


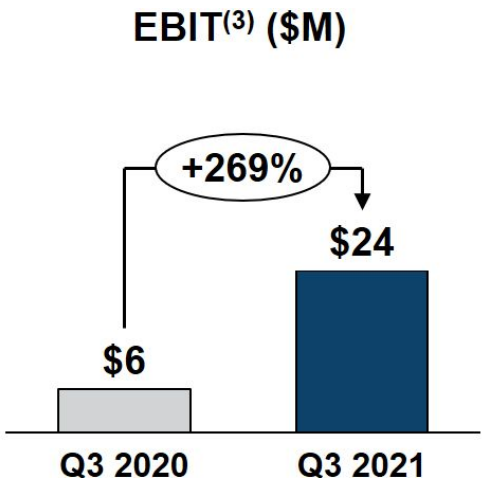


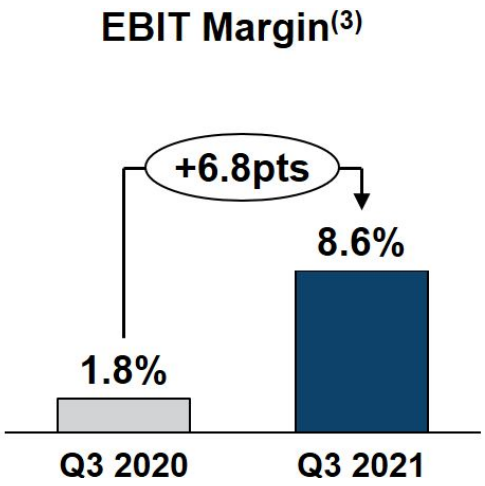


- Very strong revenue growth driven by cost-based price increases and strong industry in Mexico
- EBIT impacted by inflation and supply constraints partially offset by very strong top-line results
- Strong EBIT margin performance despite supply constraints and currency headwinds

Asia Third-Quarter Results







- Revenue decline entirely driven by Whirlpool China* divestiture
- EBIT growth primarily driven by cost-based price increases and Whirlpool China* divestiture
- Successful acquisition of majority interest of Elica PB India**

*Partial tender offer for Whirlpool China closed May 6, 2021
**Elica PB India controlling interest acquisition completed September 29th, 2021

Long-Term Value Creation Goals



Marc Bitzer

CHAIRMAN AND CHIEF EXECUTIVE OFFICER



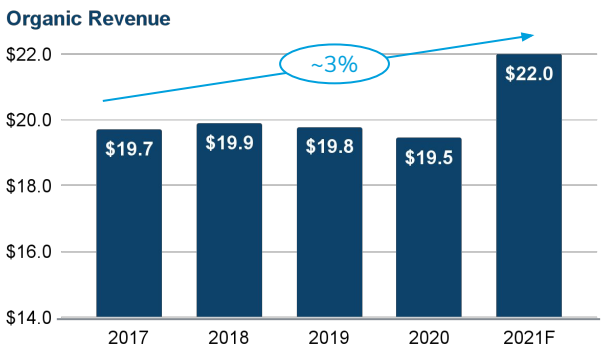
Announcing New Long-Term Value Creation Goals On Strength Of Continued Record Performance

- As expected we continue to operate in a supply constrained and inflationary environment
- Yet, we are on track for another year of record performance, for the fourth year in a row, demonstrating our ability to succeed in a challenging environment
- Increased value creation goals demonstrate confidence in our long-term success
  - Sustained strong consumer demand trends across housing, replacement and consumer habits
  - Value creating go-to-market approach, lower cost base and compelling innovation pipeline
- **New long-term value creation goals reflect a different Whirlpool in this different world**

We Have Exceeded Our Existing Targets

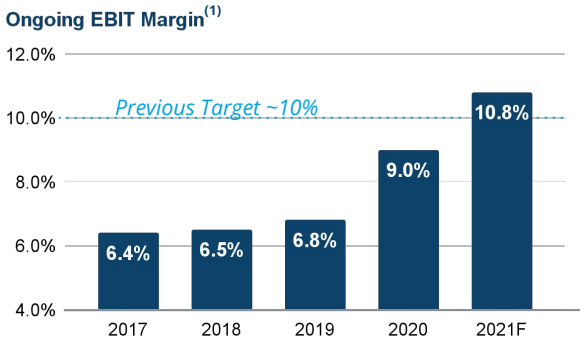
VALUE CREATION GOALS HAVE BEEN IN PLACE SINCE 2017

Revenue Growth on Track

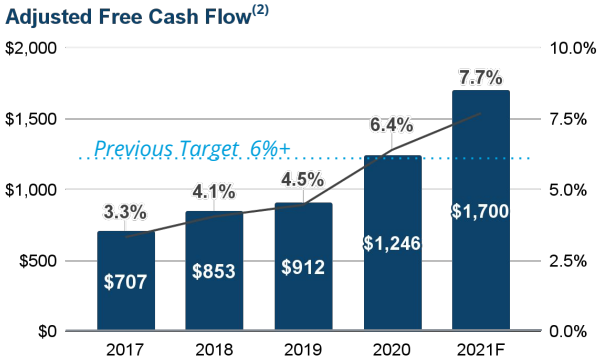


Previous Target ~3% CAGR

EBIT Expansion Delivered



Consistent Cash Generation



Consistently delivering on our long-term targets

Raising Our Long-Term Value Creation Goals

ACHIEVING THESE GOALS WILL CONTINUE TO DRIVE SIGNIFICANT TSR

	Sales (Annual Organic Net Sales Growth Excluding Currency)	**Ongoing EBIT[1]** (Ongoing Earnings Before Interest and Tax, % of Net Sales)	**Adjusted FCF[2]** (Adjusted Free Cash Flow as % of Net Sales)	**ROIC** (Return on Invested Capital)
Updated **Long-Term** (Annual Expectations)	**5-6%**	**11-12%**	**7-8%**	**15-16%**
Previous Long-Term (Annual Expectations)	~3%	~10%	6%+	12-14%

A different world, a different Whirlpool

Why 5-6% Revenue Growth?

STRONG LONG-TERM DEMAND TRENDS

STRONG HOUSING TRENDS

- Aging home inventory below structural requirement
- Pent up demand from largest buying cohort: millennials
- Historically low interest rates

New Construction ~15%

STRONG REPLACEMENT TRENDS

- Replacement trough years (2016-2020) are behind us
- Continued elevated appliance usage (e.g. consumers doubled cooking activities)
- U.S. backlog and share recovery

Replacement ~55%

STRONG DISCRETIONARY TRENDS

- Increased disposable income
- Record home equity levels
- Reorientation to house and home

Discretionary ~30%

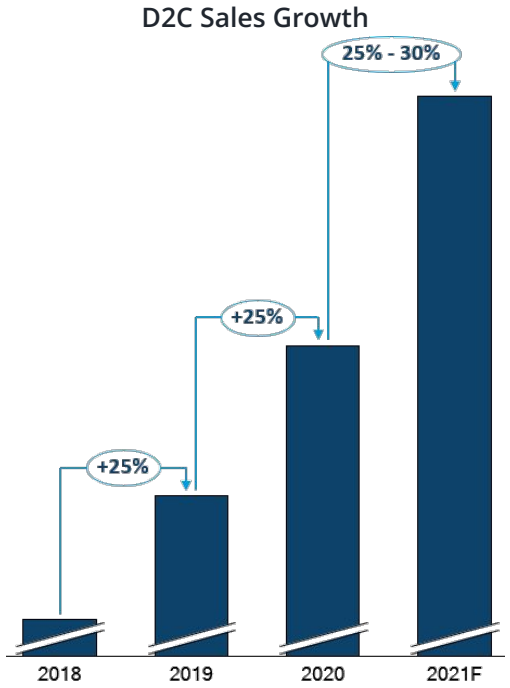
Why 5-6% Revenue Growth?

E-COMMERCE TRENDS AND OUR FAST GROWING D2C BUSINESS

OVERVIEW

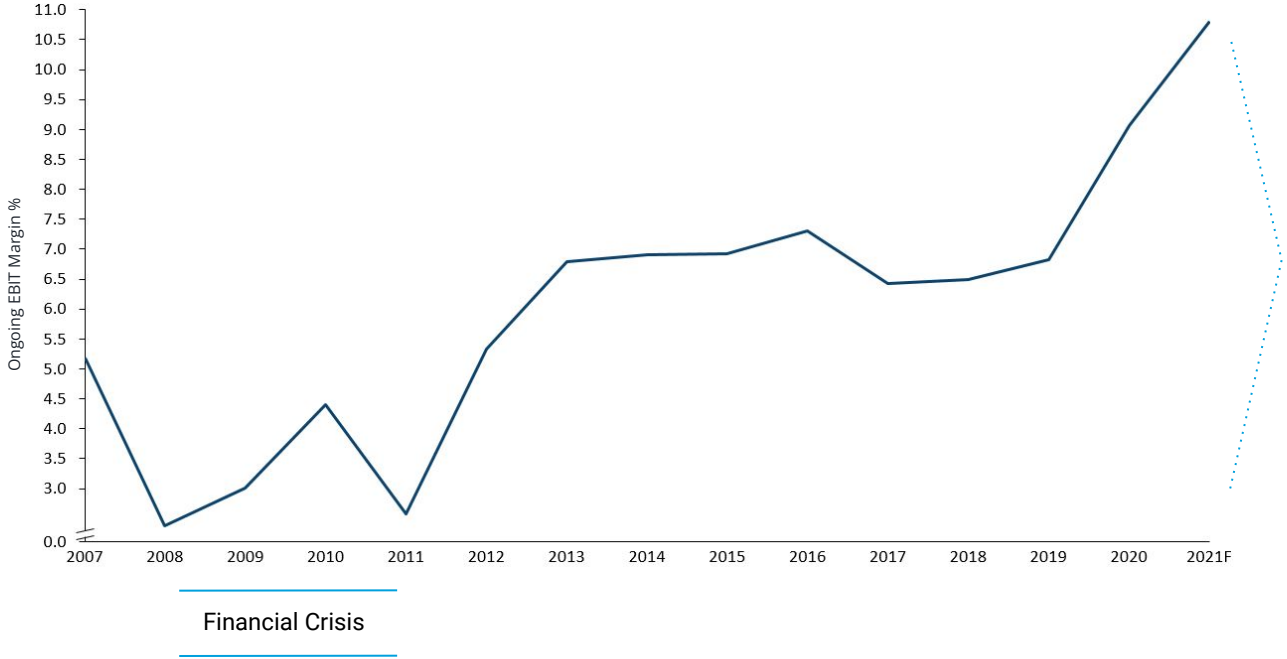
- Global e-commerce business accelerated significantly during Covid and will not drop back to pre-Covid levels
- Previous multi-year investments in Strategic Digital Transformation delivering very strong growth
- New ecosystems with significant revenue generation opportunities

~$1B D2C BUSINESS GROWTH >25% CAGR



Why 11-12% EBIT?

Ongoing EBIT[(1)]



STRUCTURAL EBIT MARGIN EXPANSION

EBIT margin growth fueled by:

- Value creating promotional approach
- Relentless focus on cost and complexity reduction
  - Cost productivity (>$1B 2016 - 2021)
- Continued investment in innovation, capacity, growth and strategic initiatives

Demonstrated agility of different Whirlpool in this different world

Note: 2007-2009 reflect reported GAAP measure

Why Adjusted FCF 7-8% and 15-16% ROIC?

Adjusted Free Cash Flow Conversion

Positioned to capitalize on structural position and drive high cash conversion

- Large acquisition-related items behind us
- Balanced cash generation
- Agile inventory planning to capitalize on sustained demand

Strong and Improving ROIC

Positioned to grow efficiently

- Consistently delivering double-digit ROIC
- M&A focused on high ROIC targets with accretive returns
- Significant asset base reduction (Embraco, China, S. Africa, Turkey)

Executive Summary

- Strong Q3 results again demonstrate our ability to operate in any environment
- Increased ongoing EPS guidance reflects our confidence in our business
- Delivering on our commitment to return cash to shareholders
- **New long-term value creation goals reflect a different Whirlpool in this different world**

Closing Remarks and Q&A



Whirlpool CORPORATION

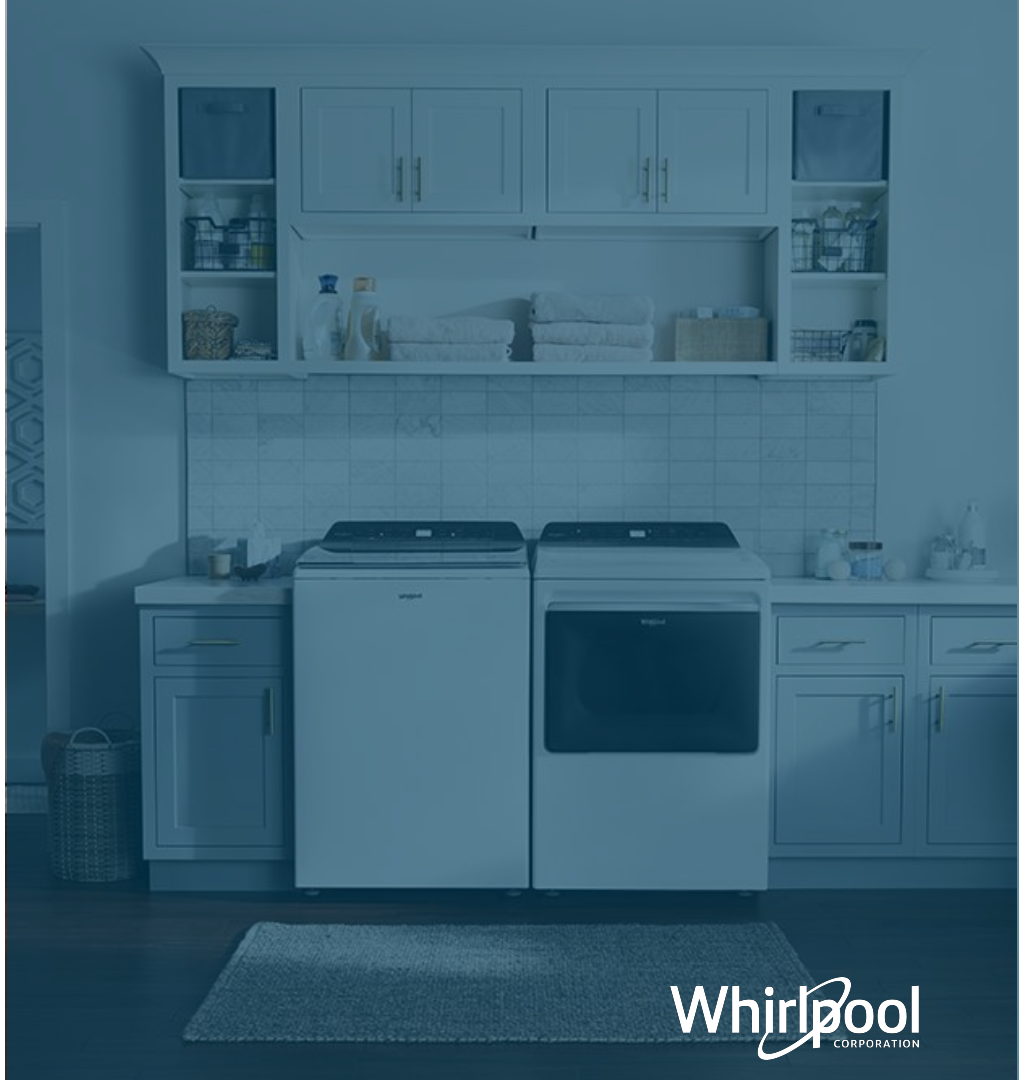
Whirlpool® KitchenAid® MAYTAG® INDESIT Hotpoint* Consul BRASTEMP

AMANA® JENNAIR® Bauknecht acros DIQUA帝度

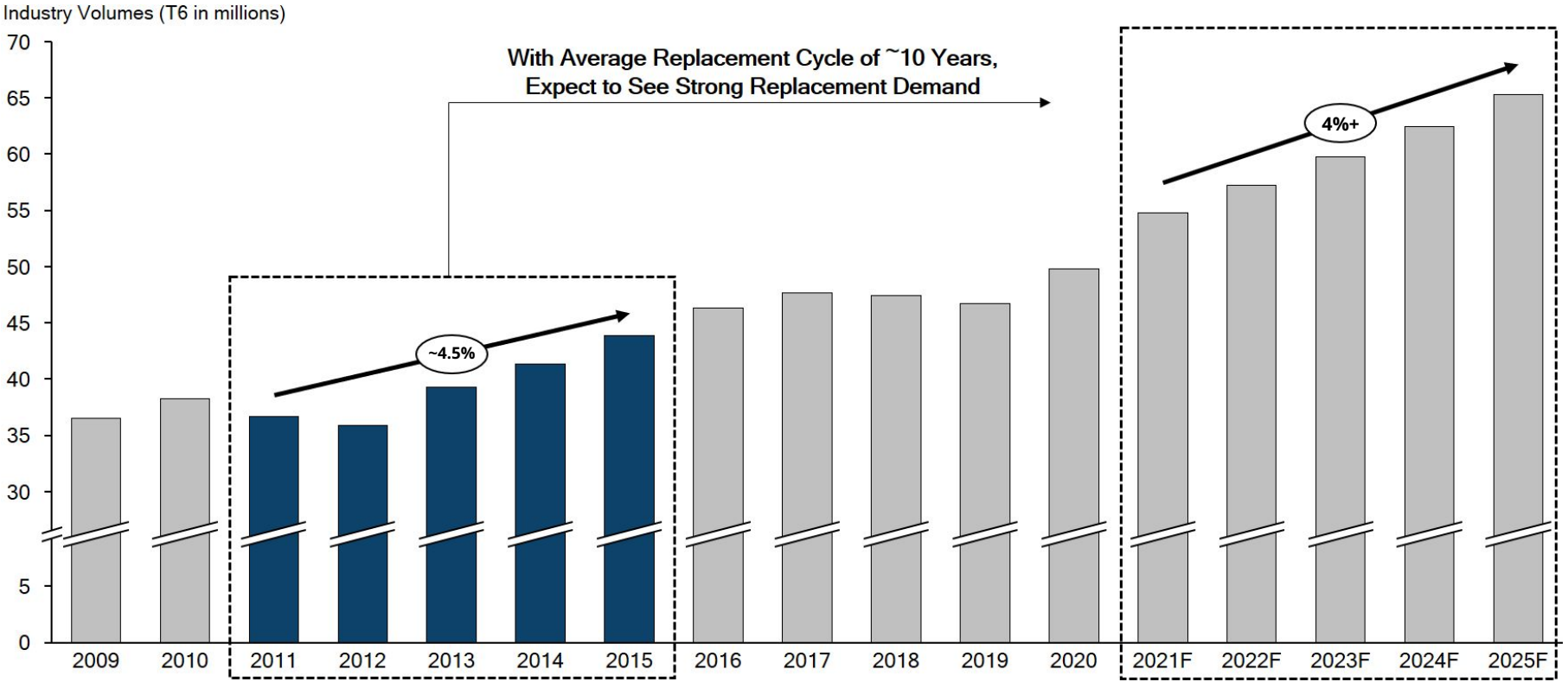
*Whirlpool Corporation ownership of the Hotpoint brand in EMEA and Asia Pacific regions is not affiliated with the Hotpoint brand sold in the Americas.



Appendix



Replacement Cycle Driving Strong U.S. Demand Expectations



2021 Regional Guidance

		Industry		EBIT %	
		Previous	**Current**	**Previous**	**Current**
	North America	10%+	unchanged	~17%	~17.5%
	Europe, Middle East & Africa	2 - 4%	unchanged	2.5%+	unchanged
	Latin America	2 - 4%	unchanged	~8%	unchanged
	Asia*	6 - 8%	unchanged	5%+	unchanged
	Total	**8%+**	**unchanged**	**10.5%+**	**10.8%**

*Partial tender offer for Whirlpool China closed May 6, 2021

2021 Adjusted Free Cash Flow[(2)] Guidance

(Approximate impact in millions)	2020	2021		Comments
		Previous	Current	
Cash Earnings and Other Operating Items	$1,946	$2,450	$2,450	• Driven by increased EBIT growth
Capital Expenditures	$(410)	$(600)	$(600)	• Innovation and digital transformation investments
Working Capital	$(350)	$(275)	$(325)	• Moderate inventory build
Restructuring Cash Outlays	$(196)	$(225)	$(175)	• Driven by 2020 restructuring actions
Sale of Assets/Business	$166	$350	$350	• Driven by the divestitures of Whirlpool China* and our Turkey subsidiary • Details provided on Slide 33 in the appendix
Other Items	$90	-	-	• Details provided on Slide 34 in the appendix
Adjusted Free Cash Flow	**$1,246**	**$1,700**	**$1,700**	

*Partial tender offer for Whirlpool China closed May 6, 2021

Key Assumptions – Guidance

Income Statement	FY2020A	FY2021E
Raw Material (Inflation) / Deflation	$250M	~$(1,000)M
Restructuring Costs	$288M	~$55M
Interest Expense	$189M	~$180M
Adjusted Effective Tax Rate	26.3%	24-26%
Weighted-Average Diluted Shares Outstanding	63.3M	62.7M*

Cash Flow Statement	FY2020A	FY2021E
Capital Expenditures	$410M	~$600M
Dividends Paid	$311M	$253M**
Amount of Stock Repurchased	$121M	$641M**
Restructuring Cash Outlays	$196M	~$175M
Cash Tax Rate	15.7%	15-20%

Note: 2021 tax rate guidance reflects GAAP and adjusted effective tax rate
*Estimated full-year weighted-average diluted shares outstanding inclusive of actual share repurchases as of 9/30/2021
**YTD as of 9/30/2021

Interest and Sundry (Income) Expense

(Approximate impact in millions)	Q3 2020	Q3 2021	Comments
Net Foreign Exchange	$(7)	$(7)	• Includes foreign exchange and hedge (gain)/loss
Interest (Income)/Other	(15)	(70)	• Elica PB India* and LAR tax credit
Interest and Sundry (Income) Expense	**$(22)**	**$(78)**	

Note: Numbers may not reconcile due to rounding
*Elica PB India majority interest acquisition completed September 29th, 2021

Restructuring Cash Outlays

(Approximate impact in millions)	2020	2021	Comments
COVID-19 Related Actions	$115	$75	
Naples Closure	24	70	• Naples, Italy manufacturing facility
Other Initiatives	57	30	• Primarily previous year actions
Total	**$196**	**~$175**	

Sale of Assets/Business

(Approximate impact in millions)	2020	2021	Comments
Real Estate Optimization/Other	$166	$65	• Continuation of real estate optimization strategy
Sale of China Business	-	193	• Sale of majority stake in Whirlpool China
Sale of Turkey Business	-	93	• Sale of Turkish subsidiary
Total	**$166**	**~$350**	

Adjusted Free Cash Flow[(2)] Other Items

(Approximate impact in millions)	2020	2021	Impact	Comments
Claim Settlement	$(60)	-	$60	• Trade customer insolvency claim in EMEA
Washer Recall	(50)	-	50	• EMEA-produced product warranty recall expense
Cash Tax Credits	200	-	(200)	• Primarily cash tax credits gained through the production of energy efficient appliances
Other Items	**$90**	**$0**	**($90)**	

Use of Non-GAAP Financial Measures, GAAP Accounting Changes and Additional Items

This presentation includes certain non-GAAP financial measures, some of which we refer to as "ongoing"[(1)] measures:

Ongoing earnings per diluted share, earnings before interest and taxes (EBIT), EBIT margin, ongoing EBIT, and ongoing EBIT margin

Other non-GAAP financial measures included in this presentation are adjusted free cash flow[(2)], adjusted free cash flow as percentage of sales, net sales (excluding currency), adjusted effective tax rate, net sales (excluding divestitures and currency), which we refer to as organic net sales, gross debt leverage (Gross Debt/Ongoing EBITDA) and ROIC.

Please refer to the supplemental information pack located in the events section of our Investor Relations website at investors.whirlpoolcorp.com for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures. Whirlpool does not provide a Non-GAAP reconciliation for its forward-looking long-term value creation goals, such as organic net sales, EBIT, adjusted free cash flow conversion, ROIC and gross debt/EBITDA, as these long-term management goals are not annual guidance, and the reconciliation of these long-term measures would rely on market factors and certain other conditions and assumptions that are outside of the company's control.

Lastly, 'Installed connected products' are appliances with connected capabilities.

(1) Ongoing measures are non-GAAP measures. See our website for reconciliation information.

(2) Adjusted free cash flow is a non-GAAP measure. The Company defines adjusted free cash flow as cash provided by operating activities less capital expenditures and including proceeds from the sale of assets/businesses, and changes in restricted cash, which is consistent with the previous definition of free cash flow

(3) Segment EBIT represents our consolidated EBIT broken down by the Company's reportable segments and are metrics used by the chief operating decision maker in accordance with ASC 280. Consolidated EBIT also includes corporate "Other/Eliminations" of $(70) million and $(58) million for the third quarters of 2021 and 2020, respectively.

(4) Gross debt leverage represents Gross Debt/Ongoing EBITDA. See our website for reconciliation information.)

(5) As adjusted reporting - effective January 1, 2021, the Company changed its accounting principle for inventory valuation for inventories located in the U.S. from a last-in, first-out ("LIFO") basis to a first-in, first-out ("FIFO") basis. All prior periods presented have been retrospectively adjusted to apply the effects of the change. The information in the tables herein have been updated to reflect the retrospective accounting change. For more information see Notes 1 and 4 to Whirlpool's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021.