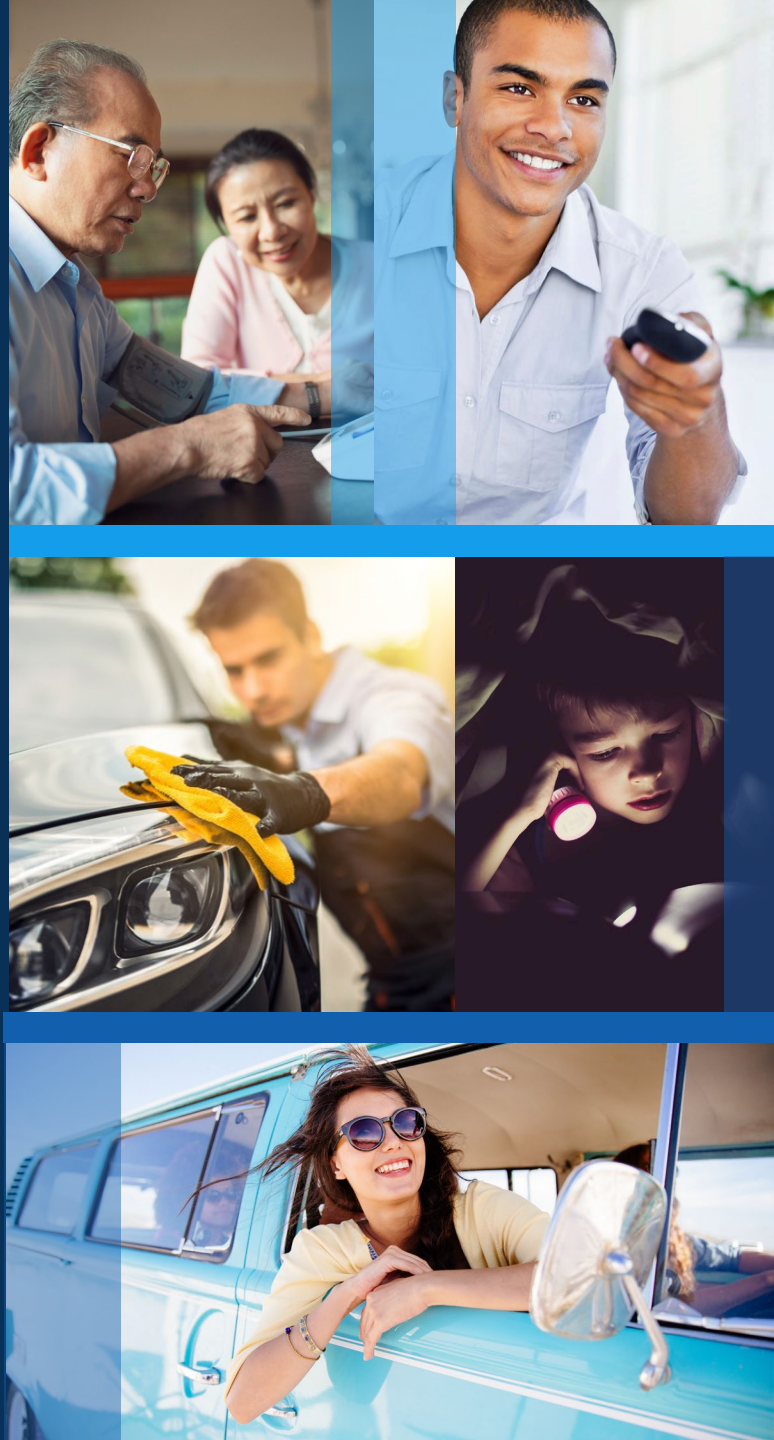
Fiscal 2022 Q4 & Full Year Earnings and Fiscal 2023 Outlook

November 15, 2022



Forward-Looking Statements and Non-GAAP Financial Measures

This document contains both historical and forward-looking statements. Forward-looking statements are not based on historical facts but instead reflect our expectations, estimates or projections concerning future results or events, including, without limitation, the future sales, gross margins, costs, earnings, cash flows, tax rates and performance of the Company. These statements generally can be identified by the use of forward-looking words or phrases such as "believe," "expect," "expectation," "anticipate," "may," "could," "intend," "belief," "estimate," "plan," "target," "predict," "likely," "should," "forecast," "outlook," or other similar words or phrases. These statements are not guarantees of performance and are inherently subject to known and unknown risks, uncertainties and assumptions that are difficult to predict and could cause our actual results to differ materially from those indicated by those statements. We cannot assure you that any of our expectations, estimates or projections will be achieved. The forward-looking statements included in this document are only made as of the date of this document and we disclaim any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances.

Numerous factors could cause our actual results and events to differ materially from those expressed or implied by forward-looking statements, including, without limitation: (1) Global economic and financial market conditions, including the conditions resulting from the ongoing conflict between Russia and Ukraine as well as the COVID-19 pandemic, and actions taken by our customers, suppliers, other business partners and governments in markets in which we compete might materially and negatively impact us; (2) Competition in our product categories might hinder our ability to execute our business strategy, achieve profitability, or maintain relationships with existing customers. (3) Changes in the retail environment and consumer preferences could adversely affect our business, financial condition and results of operations. (4) We must successfully manage the demand, supply, and operational challenges brought about by the COVID-19 pandemic and any other disease outbreak, including epidemics, pandemics, or similar widespread public health concerns. (5) Loss or impairment of the reputation of our Company or our leading brands or failure of our marketing plans could have an adverse effect on our business. (6) Loss of any of our principal customers could significantly decrease our sales and profitability. (7) Our ability to meet our growth targets depends on successful product, marketing and operations innovation and successful responses to competitive innovation and changing consumer habits. (8) We are subject to risks related to our international operations, including currency fluctuations, which could adversely affect our results of operations. (9) If we fail to protect our intellectual property rights, competitors may manufacture and market similar products, which could adversely affect our market share and results of operations. (10) Our reliance on certain significant suppliers subjects us to numerous risks, including possible interruptions in supply, which could adversely affect our business. (11) Our business is vulnerable to the availability of raw materials, our ability to forecast customer demand and our ability to manage production capacity. (12) Changes in production costs, including raw material prices, freight and labor, have adversely affected, and in the future could erode, our profit margins and negatively impact operating results. (13) The manufacturing facilities, supply channels or other business operations of the Company and our suppliers may be subject to disruption from events beyond our control. (14) We may be unable to generate anticipated cost savings (including from our restructuring programs), successfully implement our strategies, or efficiently manage our supply chain and manufacturing processes, and our profitability and cash flow could suffer as a result. (15) Sales of certain of our products are seasonal and adverse weather conditions during our peak selling seasons for certain auto care products could have a material adverse effect. (16) A failure of a key information technology system could adversely impact our ability to conduct business. (17) We rely significantly on information technology and any inadequacy, interruption, theft or loss of data, malicious attack, integration failure, failure to maintain the security, confidentiality or privacy of sensitive data residing on our systems or other security failure of that technology could harm our ability to effectively operate our business and damage the reputation of our brands. (18) We have significant debt obligations that could adversely affect our business and our ability to meet our obligations. (19) We may experience losses or be subject to increased funding and expenses related to our pension plans. (20) The estimates and assumptions on which our financial projections are based may prove to be inaccurate, which may cause our actual results to materially differ from our projections, which may adversely affect our future profitability, cash flows and stock price. (21) If we pursue strategic acquisitions, divestitures or joint ventures, we might experience operating difficulties, dilution, and other consequences that may harm our business, financial condition, and operating results, and we may not be able to successfully consummate favorable transactions or successfully integrate acquired businesses. (22) The 2019 auto care and battery acquisitions may have liabilities that are not known to us and the acquisition agreements may not provide us with sufficient indemnification with respect to such liabilities. (23) Our business involves the potential for claims of product liability, labeling claims, commercial claims and other legal claims against us, which could affect our results of operations and financial condition and result in product recalls or withdrawals. (24) Our business is subject to increasing regulation in the U.S. and abroad, the uncertainty and cost of future compliance and consequence of non-compliance with which may have a material adverse effect on our business. (25) Increased focus by governmental and non-governmental organizations, customers, consumers and shareholders on sustainability issues, including those related to climate change, may have an adverse effect on our business, financial condition and results of operations and damage our reputation. (26) We are subject to environmental laws and regulations that may expose us to significant liabilities and have a material adverse effect on our results of operations and financial condition. (27) We cannot guarantee that any share repurchase program will be fully consummated or that any share repurchase program will enhance long-term stockholder value, and share repurchases could increase the volatility of the price of our stock and diminish our cash reserves.

In addition, other risks and uncertainties not presently known to us or that we consider immaterial could affect the accuracy of any such forward-looking statements. The list of factors above is illustrative, but by no means exhaustive. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. Additional risks and uncertainties include those detailed from time to time in our publicly filed documents, including those described under the heading “Risk Factors” in our Form 10-K filed with the Securities and Exchange Commission on November 16, 2021 and in our Form 10-Q filed August 8, 2022.

Forward-Looking Statements and Non-GAAP Financial Measures

The information contained herein is preliminary and based on Company data available at the time of the earnings presentation. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made.

The Company reports its financial results in accordance with accounting principles generally accepted in the U.S. ("GAAP"). However, management believes that certain non-GAAP financial measures provide users with additional meaningful comparisons to the corresponding historical or future period. These non-GAAP financial measures exclude items that are not reflective of the Company's on-going operating performance, such as impairment of goodwill and intangible assets, acquisition and integration costs, restructuring costs, an acquisition earn out, the costs of the May 2022 flooding of our Brazilian manufacturing facility, the costs of exiting the Russian market and the gain on finance lease termination. In addition, these measures help investors to analyze year over year comparability when excluding currency fluctuations as well as other company initiatives that are not on-going. We believe these non-GAAP financial measures are an enhancement to assist investors in understanding our business and in performing analysis consistent with financial models developed by research analysts. Investors should consider non-GAAP measures in addition to, not as a substitute for, or superior to, the comparable GAAP measures. In addition, these non-GAAP measures may not be the same as similar measures used by other companies due to possible differences in method and in the items being adjusted.

A reconciliation of all non-GAAP financial metrics used herein can be found in the Appendix of this presentation:

- Organic revenue is the non-GAAP financial measurement of the change in revenue that excludes or otherwise adjusts for the change in operations in Russia and Argentina, and the impact of currency from the changes in foreign currency exchange rates.

- Adjusted Gross Margin excludes any charges related to the costs of exiting the Russian market, the costs of the flooding of our manufacturing facility in Brazil and acquisition and integration costs.

- Free Cash Flow is defined as net cash provided by operating activities reduced by capital expenditures, net of the proceeds from asset sales.

- Net Debt. Net Debt is defined as total Company debt, less cash and cash equivalents.

- EBITDA is defined as net earnings before income tax provision, interest, depreciation and amortization. Adjusted EBITDA further excludes the impact of the costs related to acquisition and integration, restructuring costs, acquisition earn out, the costs of the flooding of our manufacturing facility in Brazil, the costs of exiting the Russian market, the gain on finance lease termination, impairment of goodwill and other intangible assets, and share-based payments.

- Adjusted Net Earnings Per Common Share (EPS) excludes the impact of the impairment of goodwill and intangible assets, costs related to acquisition and integration, restructuring costs, an acquisition earn out, the costs of the flooding of our manufacturing facility in Brazil, the costs of exiting the Russian market and the gain on finance lease termination.

References to specific quarters and years pertain to our fiscal years.

Financial Results

Fourth Quarter 2022

Key Metrics – Fourth Quarter

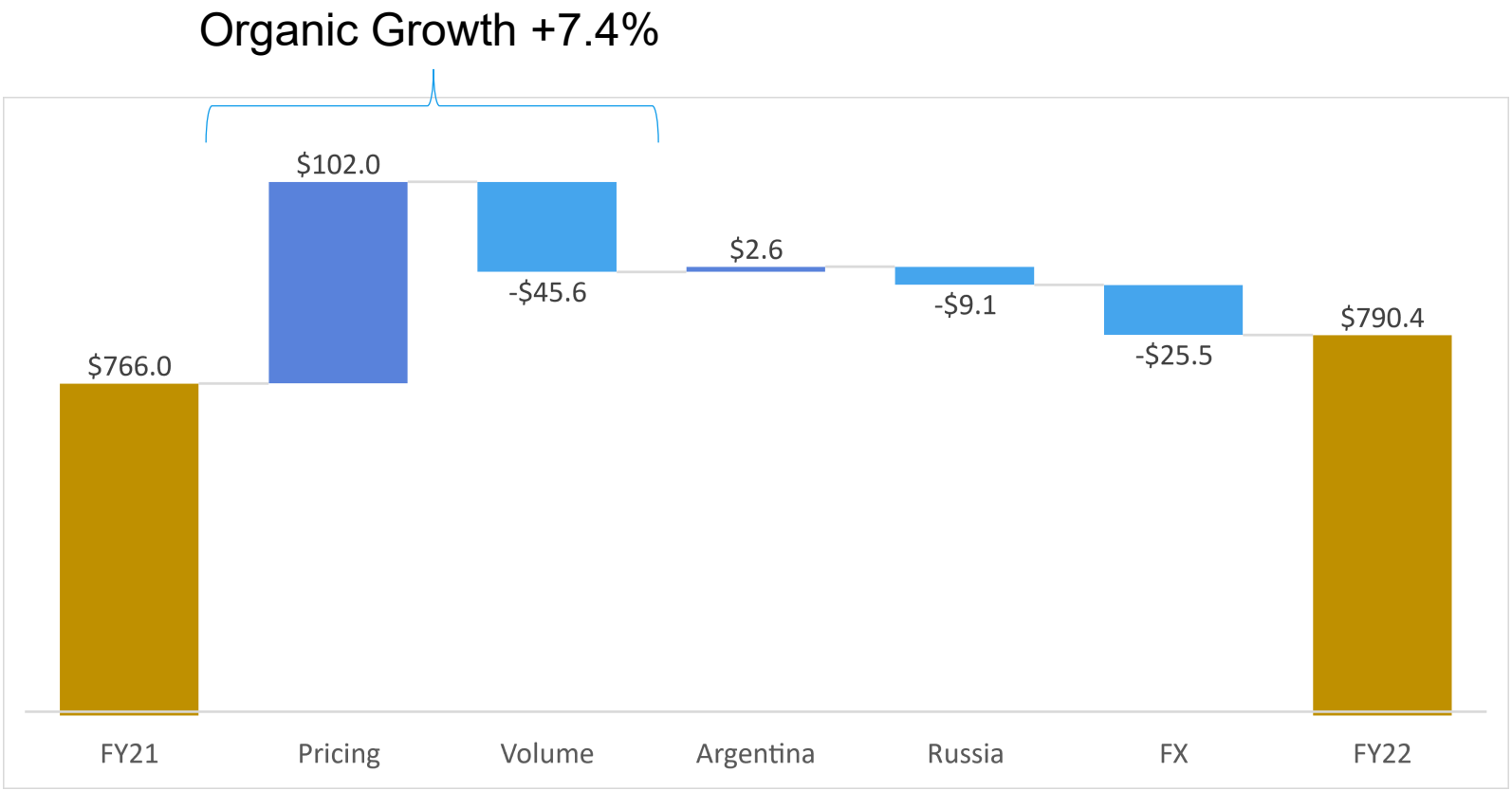
METRIC	Fourth Quarter 2022
Net Sales*	Fourth quarter Net sales on a reported basis of **$790.4 million,** up 3.2% • Organic net sales up 7.4%
Adjusted Gross Margin*	Adjusted Gross margin**,** excluding acquisition and integration costs, Brazil flood costs and Russia exit costs was **36.2%**(1), down 150 bps • Pricing actions (+730 bps) continue to close the gap on increased product costs (-780 bps)
Free Cash Flow*	Fourth Quarter free cash flow of **$95.3 million**, **or 12% of net sales**(2) • Strong operating cash flows and a return to more normalized inventory and working capital balances
Adjusted EBITDA*	Fourth Quarter **$146.0 million**(3), margin 18.5% of net sales • Unfavorable currency had a negative impact of $9.7 million
Net Debt*	Net debt to Adjusted EBITDA of **5.8 times** as of September 30, 2022 • Debt paydown in the 4th quarter was $58.3 million • Net debt decreased by $106.2 million

All comparisons are to Fiscal 2021 comparable reported results.
* See non-GAAP reconciliations in the Appendix.

(1) GAAP gross margin of 36.1%
(2) Operating cash flow of $107.2 million
(3) Net loss of ($362.9 million) includes impairment on goodwill and intangibles

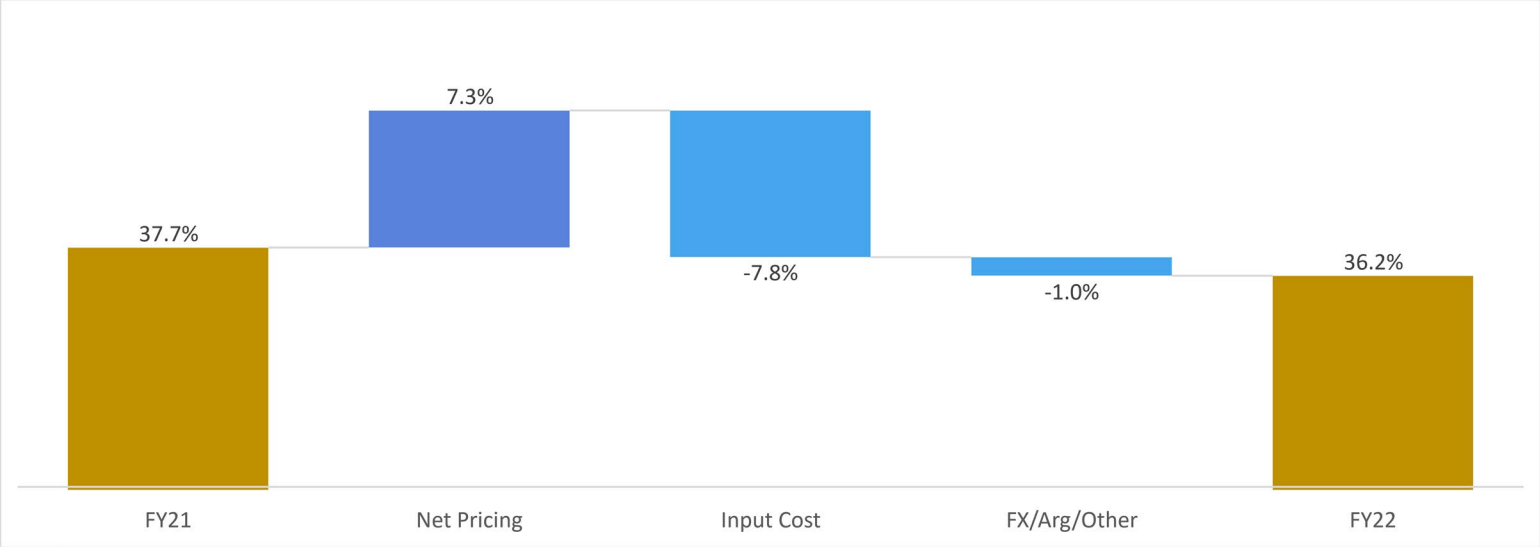
Energizer Holdings, Inc.

Q4 FY22 organic sales growth of 7.4%



* See non-GAAP reconciliations in the Appendix.

Higher Product Input Costs Impacted Q4 Adjusted Gross Margin*



The Gross margin decrease for the quarter was driven by higher operating costs, including transportation, material and labor costs. The quarter was further impacted by operating inefficiencies related to reduced production volumes as we lowered overall inventory levels on hand. Partially offsetting these margin impacts was the positive impact of executed price increases in battery and auto care.

* See non-GAAP reconciliations in the Appendix.

Financial Results

Fiscal Year 2022

Key Metrics – Fiscal Year 2022

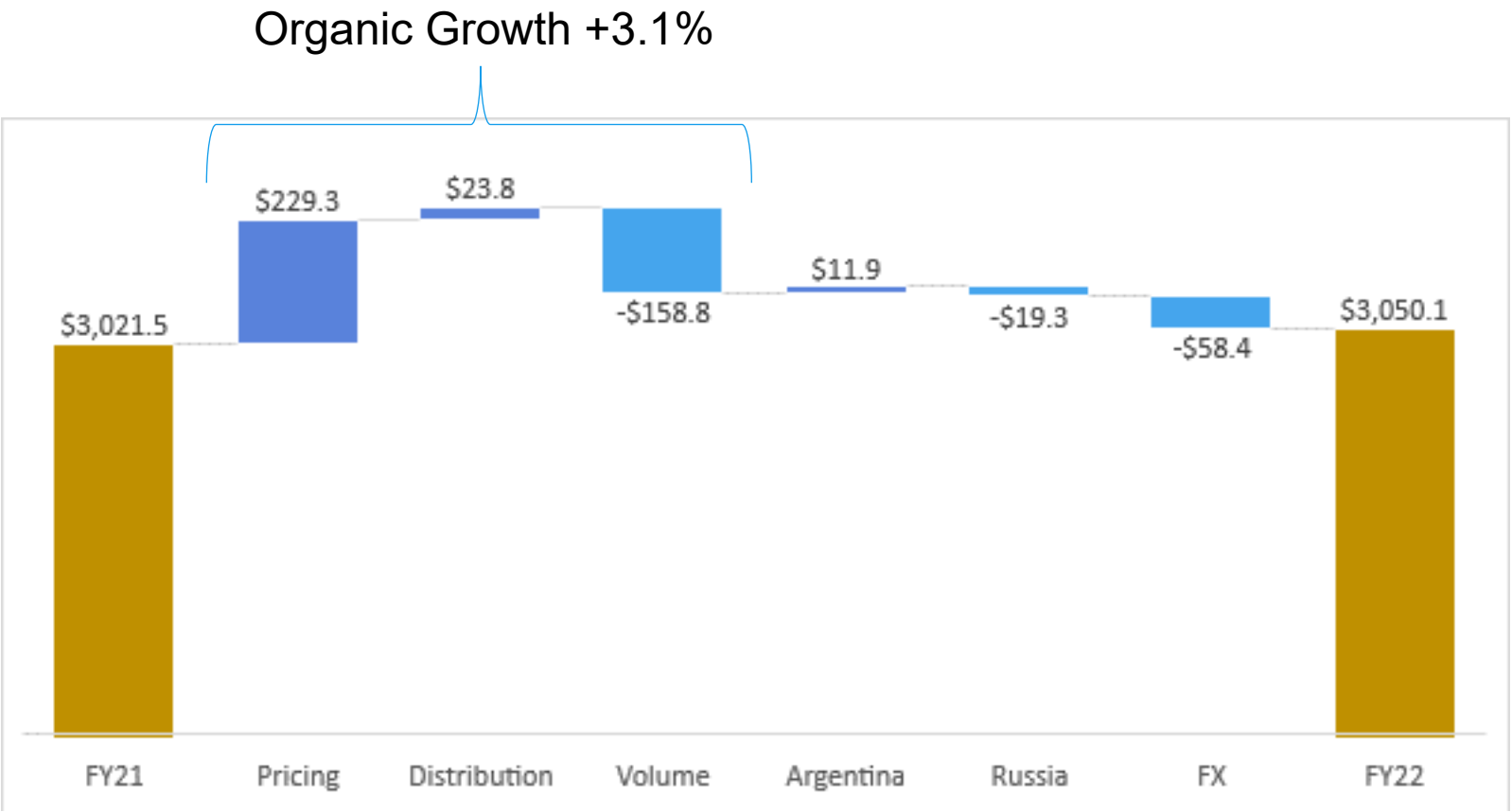
METRIC	Fiscal Year 2022
Net Sales*	Fiscal Net sales on a reported basis of **$3,050.1 million,** up 0.9% • Organic net sales up 3.1%
Adjusted Gross Margin*	Adjusted Gross margin, excluding acquisition and integration costs, Brazil flood costs and Russia exit costs was **37.3%**(1), down 230 bps • Input costs were a headwind for the full year (-580 bps) with full pricing benefits coming on throughout the year (+430 bps)
Adjusted EBITDA*	Fiscal year **$567.9 million**(2), margin 18.6% of net sales • Unfavorable currency had a negative impact of $25.9 million
Adjusted EPS*	Adjusted EPS of **$3.08**(2) • Unfavorable currency had a negative impact of $0.29 per share

All comparisons are to Fiscal 2021 comparable reported results.
* See non-GAAP reconciliations in the Appendix.

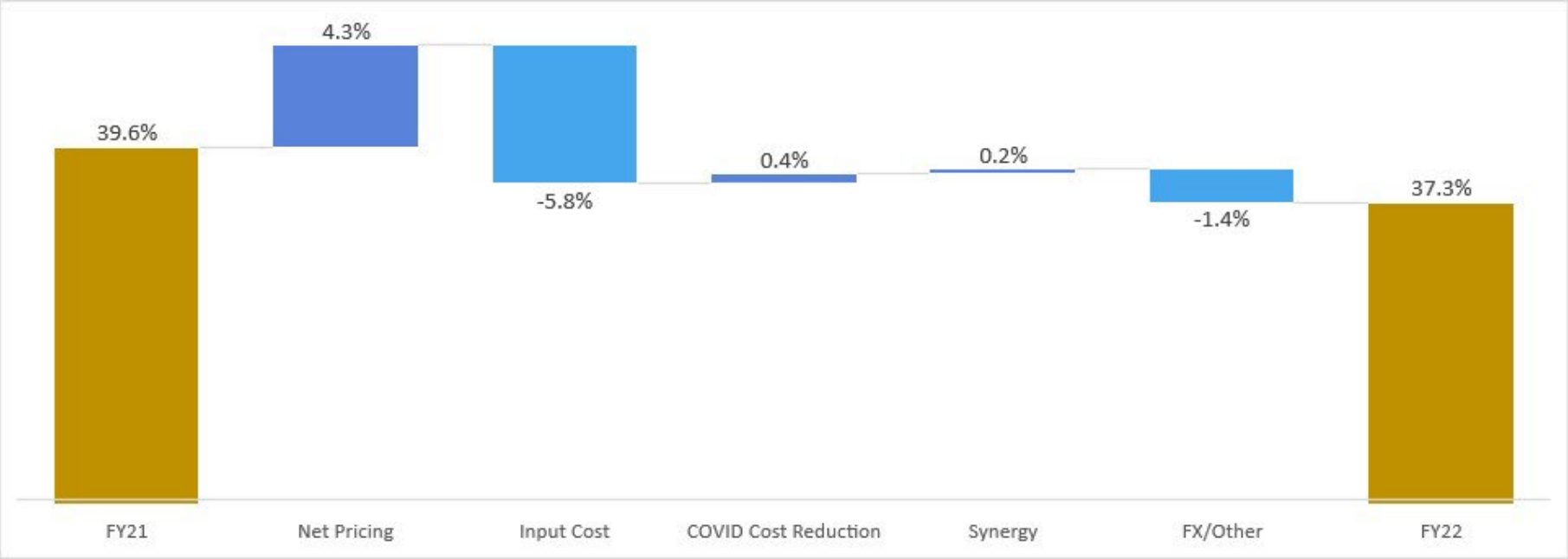
(1) GAAP gross margin of 36.7%
(2) Net loss of ($362.9 million) and loss per share of ($5.09) includes impairment on goodwill and intangibles

Energizer Holdings, Inc.

FY22 organic sales growth of 3.1%



September YTD Gross Margin Bridge
vs PY



Outlook

Fiscal 2023

Fiscal 2023 Outlook
Key Financial Metrics

METRIC	Fiscal 2023 Outlook
Net Sales	Reported net sales expected to decline low single digits • Organic Net sales to increase low single digits compared to FY22 as pricing actions continue to drive value • Negative currency headwinds of approximately $90 million at current rates are anticipated to offset the organic growth
Adjusted EBITDA*	**$585 to $615 million** • Currency is expected to impact net earnings by $27 million • Adjusted EBITDA is expected to be up approximately 10% on a currency-neutral basis at the mid-point
Adjusted EPS *	**$3.00 to $3.30** • Currency is expected to impact net earnings by $0.30 per share • Adjusted EPS is expected to be up approximately 12% on a currency-neutral basis at the mid-point
Project Momentum	Fiscal 2023 and 2024 program focused on operational and distribution network efficiencies, procurement savings and SG&A reduction See detailed financials on the next slide.

All comparisons are to Fiscal 2022 comparable reported results.

* See non-GAAP reconciliations in the Appendix.

Energizer Holdings, Inc.

Project Momentum by the numbers

Two Year Program

$80 to $100 MILLION

In Run Rate Benefits

anticipated to be achieved by end of FY24

$30 to $40 million expected in FY23

$100 MILLION

In Working Capital Improvements

$40 to $50 MILLION

One-time Cash Pre-tax Expense ~50% of Savings

Energizer Holdings, Inc.

Appendix Materials

Non-GAAP Reconciliation: Consolidated Net Sales
(in millions)

	Fourth Quarter	% Chg	Full Fiscal Year	% Chg
Net Sales - FY'21	$ 766.0		$ 3,021.5	
Organic	56.4	7.4 %	94.4	3.1 %
Change in Russia	(9.1)	(1.2)%	(19.3)	(0.6)%
Change in Argentina operations	2.6	0.3 %	11.9	0.4 %
Impact of currency	(25.5)	(3.3)%	(58.4)	(2.0)%
Net Sales - FY'22	$ 790.4	3.2 %	$ 3,050.1	0.9 %

Organic revenues is the non-GAAP financial measurement of the change in revenue or segment profit that excludes or otherwise adjusts for the change in Russia and Argentina operations and impact of currency from the changes in foreign currency exchange rates as defined below:

- Change in Russia Operations. The Company exited the Russian market in the second quarter of fiscal 2022 due to the increased global and economic and political uncertainty resulting from the ongoing conflict between Russia and Ukraine. This adjusts for the change in Russian sales and segment profit from the prior year post exit.

- Change in Argentina Operations. The Company is presenting separately all changes in sales and segment profit from our Argentina affiliate due to the designation of the economy as highly inflationary as of July 1, 2018.

- Impact of currency. The Company evaluates the operating performance of our Company on a currency neutral basis. The impact of currency is the difference between the value of current year foreign operations at the current period ending USD exchange rate, compared to the value of the current year foreign operations at the prior period ending USD exchange rate, as well as the impact of hedging on the currency fluctuation.

Energizer Holdings, Inc.

Non-GAAP Reconciliation: Adjusted Gross Margin
(in millions)

Gross Profit	Q1'22	Q2'22	Q3'22	Q4'22	Q1'21	Q2'21	Q3'21	Q4'21	2022	2021
Net Sales	$846.3	$685.4	$728.0	$790.4	$848.6	$685.1	$721.8	$766.0	$3,050.1	$3,021.5
Cost of products sold - adjusted	528.7	446.3	434.1	504.5	503.0	407.3	438.9	477.2	1,913.6	1,826.4
Adjusted Gross Profit	**$317.6**	**$239.1**	**$293.9**	**$285.9**	**$345.6**	**$277.8**	**$282.9**	**$288.8**	**$1,136.5**	**$1,195.1**
Adjusted Gross Margin	**37.5%**	**34.9%**	**40.4%**	**36.2%**	**40.7%**	**40.5%**	**39.2%**	**37.7%**	**37.3%**	**39.6%**
Acquisition and integration costs	6.0	—	—	—	7.7	7.3	9.6	9.1	6.0	33.7
Exit of Russian market	—	0.7	—	0.6	—	—	—	—	1.3	—
Brazil flood damage, net of insurance proceeds	—	—	9.9	(0.2)	—	—	—	—	9.7	—
Reported Cost of products sold	534.7	447.0	444.0	504.9	510.7	414.6	448.5	486.3	1,930.6	1,860.1
Reported Gross Profit	**$311.6**	**$238.4**	**$284.0**	**$285.5**	**$337.9**	**$270.5**	**$273.3**	**$279.7**	**$1,119.5**	**$1,161.4**
Reported Gross Margin	**36.8%**	**34.8%**	**39.0%**	**36.1%**	**39.8%**	**39.5%**	**37.9%**	**36.5%**	**36.7%**	**38.4%**

Adjusted gross margin as a percent of sales excludes any charges related to the costs of exiting the Russian market, the costs of the flooding of our manufacturing facility in Brazil and acquisition and integration costs.

Energizer Holdings, Inc.

Non-GAAP Reconciliation: Free Cash Flow
(in millions)

Free Cash Flow		
Net cash from operating activities for the twelve months ended September 30, 2022	$	1.0
Net cash from operating activities for the nine months ended June 30, 2022		(106.2)
Net cash from operating activities for the three months ended September 30, 2022	**$**	**107.2**
Capital expenditures for the twelve months ended September 30, 2022	$	77.8
Capital expenditures for the nine months ended June 30, 2022		65.8
Capital expenditures for the three months ended September 30, 2022	**$**	**12.0**
Proceeds from sale of assets for the twelve months ended September 30, 2022	$	0.6
Proceeds from sale of assets for the nine months ended June 30, 2022		0.5
Proceeds from sale of assets for the three months ended September 30, 2022	**$**	**0.1**
Free Cash Flow for the three months ended September 30, 2022	**$**	**95.3**

Free Cash Flow is defined as net cash provided by operating activities reduced by capital expenditures, net of the proceeds from asset sales.

Energizer Holdings, Inc.

Non-GAAP Reconciliation: Adjusted EBITDA
(in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	FY 2022
Net earnings/(loss)	$ 60.0	$ 19.0	$ 52.4	$ (362.9)	$ (231.5)
Income tax provision/(benefit)	16.5	9.0	12.7	(112.2)	(74.0)
Earnings/(loss) before income taxes	**76.5**	**28.0**	**65.1**	**(475.1)**	**(305.5)**
Interest expense	37.0	38.3	41.1	42.0	158.4
Loss on extinguishment of debt	—	—	—	—	—
Depreciation & Amortization	29.4	29.2	30.4	32.6	121.6
EBITDA	**142.9**	**95.5**	**136.6**	**(400.5)**	**(25.5)**
Adjustments:					
Acquisition and integration costs	16.5	—	—	—	16.5
Project Momentum Restructuring costs	—	—	—	0.9	0.9
Exit of Russian market	—	14.0	—	0.6	14.6
Gain on finance lease termination	—	—	(4.5)	—	(4.5)
Brazil flood damage, net of insurance proceeds	—	—	9.9	(0.2)	9.7
Acquisition earn out	1.1	—	—	—	1.1
Impairment of goodwill & intangible assets	—	—	—	541.9	541.9
Share-based payments	1.3	5.1	3.5	3.3	13.2
Adjusted EBITDA	**$ 161.8**	**$ 114.6**	**$ 145.5**	**$ 146.0**	**$ 567.9**

EBITDA is defined as net earnings before income tax provision, interest, depreciation and amortization. Adjusted EBITDA further excludes the impact of the costs related to acquisition and integration, restructuring costs, acquisition earn out, the costs of the flooding of our manufacturing facility in Brazil, the costs of exiting the Russian market, the gain on finance lease termination, impairment of goodwill and other intangible assets, and share-based payments.

Energizer Holdings, Inc.

Non-GAAP Reconciliation: Net Debt
(in millions)

Net Debt	9/30/2022	6/30/2022
Current maturities of long-term debt	$ 12.0	$ 12.0
Current portion of finance leases	0.4	0.6
Notes payable	6.4	61.4
Long-term debt	3,499.4	3,544.6
Total debt per the balance sheet	$ 3,518.2	$ 3,618.6
Cash and cash equivalents	205.3	199.5
Net Debt	**$ 3,312.9**	**$ 3,419.1**

Net Debt is defined as total Company debt, less cash and cash equivalents.

Energizer Holdings, Inc.

Non-GAAP Reconciliation: Adjusted EPS
(in millions)

	For the Twelve Months Ended September 30,	
	2022	2021
Net (loss)/earnings attributable to common shareholders	$ (235.5)	$ 144.7
Mandatory preferred stock dividends	(4.0)	(16.2)
Net (loss)/earnings	(231.5)	160.9
Pre-tax adjustments		
Acquisition and integration	$ 16.5	$ 68.9
Acquisition earn out	1.1	3.4
Impairment of goodwill & intangible assets	541.9	—
Loss on extinguishment of debt	—	103.3
Project Momentum Restructuring costs	0.9	—
Exit of Russian market	14.6	—
Gain on finance lease termination	(4.5)	—
Brazil flood damage, net of insurance proceeds	9.7	—
Total adjustments, pre-tax	$ 580.2	$ 175.6
Total adjustments, after tax	$ 452.6	$ 94.5
Adjusted net earnings (1)	**$ 221.1**	**$ 255.4**
Diluted net earnings per common share	$ (3.37)	$ 2.11
Adjustments		
Acquisition and integration	0.17	0.79
Acquisition earn out	0.01	0.03
Impairment of goodwill & intangible assets	5.86	—
Loss on extinguishment of debt	—	1.11
Project Momentum Restructuring costs	0.01	—
Exit of Russian market	0.17	—
Gain on finance lease termination	(0.05)	—
Brazil flood damage, net of insurance proceeds	0.14	—
Tax structuring	—	(0.56)
Impact for diluted share calculation (2)	0.14	—
Adjusted diluted net earnings per diluted common share (2)	$ 3.08	$ 3.48
Weighted average shares of common stock - Diluted	69.9	68.7
Adjusted Weighted average shares of common stock - Diluted (2)	71.7	68.7

(1) The Effective tax rate for the Adjusted - Non-GAAP Net Earnings and Diluted EPS for the twelve months ended September 30, 2022, and 2021 was 19.5% and 22.6%, respectively, as calculated utilizing the statutory rate for where the costs were incurred.

(2) For the twelve months ended September 30, 2022, the Adjusted Weighted average shares of common stock - Diluted includes the dilutive impact of our outstanding performance shares and restricted stock as they are dilutive to the calculation. During the year ended September 30, 2022, the mandatory convertible preferred shares were converted to approximately 4.7 million common stock. The full conversion was dilutive and the mandatory preferred stock dividends are excluded from net earnings in the Adjusted dilution calculation.

For the year ended September 30, 2021, the Adjusted Weighted average shares of common stock - Diluted includes the dilutive impact of our outstanding performance shares and restricted stock as they are dilutive to the calculation.

Energizer Holdings, Inc.

Non-GAAP Reconciliation: FY 2023 Outlook
(in millions)

Fiscal 2023 Outlook Reconciliation - Adjusted earnings and Adjusted diluted net earnings per common share (EPS)

(in millions, except per share data)	Net earnings			EPS		
Fiscal 2023 - GAAP Outlook	$201	to	$226	$2.79	to	$3.14
Impacts:						
Project Momentum Restructuring costs	15		12	0.21		0.16
Fiscal 2023 - Adjusted Outlook	$216	to	$238	$3.00	to	$3.30

Fiscal 2023 Outlook Reconciliation - Adjusted EBITDA

(in millions, except per share data)			
Net earnings	$201	to	$226
Income tax provision	32	to	62
Earnings before income taxes	$233	to	$288
Interest expense	172	to	168
Amortization	65	to	60
Depreciation	70	to	64
EBITDA	**$540**	**to**	**$580**
Adjustments:			
Project Momentum Restructuring costs	20	to	15
Share-based payments	25	to	20
Adjusted EBITDA	**$585**	**to**	**$615**

Energizer Holdings, Inc.