

Risk Factors Comparison 2025-02-19 to 2024-02-23 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

The following risk factors as well as the other information included in this Form 10-K, including “ Management ’ s Discussion and Analysis of Financial Condition and Results of Operations ” and our consolidated financial statements and related notes thereto should be carefully considered. Any of the following risks could materially and adversely affect our business, financial condition or results of operations. The selected risks described below, however, are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. Risks Related to Our Business We have exposure to the risks associated with instability in the global economy and financial markets, which may negatively impact our revenues, liquidity, suppliers and customers. Our financial performance depends, in large part, on conditions in the markets we serve and on the general condition of the global economy, which impacts these markets. Any sustained weakness in demand for our products and services resulting from a contraction or uncertainty in the global economy could adversely impact our revenues and profitability. In addition, we believe that many of our suppliers and customers access global credit markets to provide liquidity, and in some cases, utilize external financing to purchase products or finance operations. If our customers are unable to access credit markets or lack liquidity, ~~it may impact~~ customer demand for our products and services **may be impacted**. Furthermore, our products are sold in many industries, some of which are cyclical and may experience periodic contractions. Cyclical weakness in the industries that we serve could adversely affect demand for our products and affect our profitability and financial performance. ~~Information systems failure or disruption, due to cyber terrorism or other actions, may adversely impact our business and result in financial loss to the Company or liability to our customers. Our business is highly dependent on financial, accounting and other data- processing systems and other communications and information systems, including our enterprise resource planning tools. We process a large number of transactions on a daily basis and rely upon the proper functioning of computer systems. If any of these systems fail, whether caused by fire, other natural disaster, power or telecommunications failure, acts of cyber terrorism, war, ransomware or otherwise, or they do not function correctly, we could suffer financial loss, business disruption, liability to our customers, regulatory intervention or damage to our reputation. If our systems are unable to accommodate an increasing volume of transactions, our ability to grow could be limited. Although we have backup systems, procedures and capabilities in place, they may also fail or be inadequate. Further, to the extent that we may have customer information in our databases or access to customer systems through connected devices, any unauthorized disclosure of, or access to, such information, databases or systems could result in an adverse impact to us or our customer including claims under data protection laws and regulations. If any of these risks materialize, our reputation and our ability to conduct our business may be materially adversely affected.~~ More than half of our sales and operations are in non- U. S. jurisdictions and we are subject to the economic, political, regulatory and other risks of international operations. For the year ended December 31, ~~2023~~ **2024**, ~~58~~ **57** % of our revenues were from customers in countries outside of the United States. We have manufacturing facilities in Germany, the United Kingdom, China, Italy, India and other countries. We intend to continue to expand our international operations to the extent that suitable opportunities become available. Non- U. S. operations and United States export sales could be adversely affected as a result of: political or economic instability in certain countries; differences in foreign laws, including increased difficulties in protecting intellectual property and uncertainty in enforcement of contract rights; credit risks; currency fluctuations, in particular, changes in currency exchange rates between the U. S. dollar, Euro, British Pound and the Chinese Renminbi; exchange controls; changes in and uncertainties with respect to tariffs and import / export trade restrictions (including changes in United States trade policy toward other countries, such as the imposition of tariffs and the resulting consequences), as well as other changes in political policy in the United States, China, the U. K. and certain European countries (including the impacts of the U. K. ’ s withdrawal from the European Union); royalty and tax increases; nationalization of private enterprises, especially in China where we have material operations, supply chain dependencies and hold material cash balances; civil unrest and protests, strikes, acts of terrorism, war or other armed conflict (including the Russia- Ukraine war and the Israel- Hamas conflict); shipping products during times of crisis or war; and other factors inherent in foreign operations. In addition, our expansion into new countries may require significant resources and the efforts and attention of our management and other personnel, which will divert resources from our existing business operations. As we expand our business globally, our success will depend, in large part, on our ability to anticipate and effectively manage these risks associated with our international operations. ~~A~~ **Information systems failure or disruption, due to cyber terrorism or other actions, may adversely impact our business and result in financial loss to the Company or liability to our customers. Our business is highly dependent on financial, accounting and other data- processing systems and other communications and information systems, including our enterprise resource planning tools. We process a large number of transactions on a daily basis and rely upon the proper functioning of computer systems. If any of these systems fail, whether caused by fire, other** natural disaster, **power** catastrophe, pandemic, geopolitical tensions or other event **telecommunications failure, acts of cyber terrorism, war, ransomware or otherwise, or they do not function correctly, we** could adversely affect **suffer financial loss, business disruption, liability to our customers, regulatory intervention** our ~~or~~ operations. Some of our operations involve risks of, among other things, property damage ~~to~~ ; which could curtail our operations. For example, if one or ~~our~~ more of ~~reputation~~. ~~If~~ **our systems** manufacturing facilities are **unable to accommodate** damaged by severe weather or any ~~an~~ other disaster **increasing volume of transactions**, accident, catastrophe or **our ability to grow** event, our operations could be significantly interrupted impacting our ability to produce products and sell products to customers. These interruptions might

involve significant damage to, among other things, property, and repairs might take from a week or less for a minor incident to many months for a major interruption. In addition, disruptions in our supply chain due to natural disasters (including but not limited to, **Although we have backup systems, procedures and capabilities in place, they may also fail or be inadequate. Further, to those-- the as a result of climate change) extent that we may have customer information in our databases or access to customer systems through connected devices**, catastrophes **any unauthorized disclosure of**, pandemics **(or access to, such information, databases as COVID-19) or other events could reduce our-- or systems** ability to produce products and satisfy customer demand. Similar interruptions could result **in** from damage to production or other facilities that provide supplies or other raw materials to our plants. Interruptions to our operations and **an** supply chain could also result from pandemic which could adversely **-- adverse** impact our workforce or that of our suppliers, causing disruption to **the manufacturing process or our supply chain..... materials**. In addition, we use **us** single sources of supply for **or** certain iron castings, motors **our customer including claims under data protection laws** and **regulations. If any of** other select engineered components that are critical in the **these risks** manufacturing of our products. We have experienced disruptions to our supply deliveries for raw materials and component parts due to reasons related to the pandemic and other recent economic conditions and may experience further supply disruptions. Any such disruption could have a material **materialize** adverse effect on, **our reputation and** our ability to **conduct** timely meet our **business** commitments to customers and, therefore, our operating results. We face competition in the markets we serve, which could materially and adversely affect our operating results. We actively compete with many **may** companies producing similar products. Depending on....., our sales and operating results could be materially and adversely affected, **Shareholder, customer and regulatory agency....., results of operations and cash flows**. Acquisitions, including integrating such acquisitions, and dispositions create certain risks and may affect our operating results. We have acquired multiple businesses in recent years and will continue to pursue acquisition of businesses or assets in the future. The acquisition and integration of businesses or assets involves a number of risks. The core risks are valuation (negotiating a fair price for the business), integration (managing the process of integrating the acquired company's people, products, technology and other assets to extract the value and synergies projected to be realized in connection with the acquisition), regulation (obtaining necessary regulatory or other government approvals that may be necessary to complete acquisitions) and diligence (identifying undisclosed or unknown liabilities or restrictions that will be assumed in the acquisition). In addition, acquisitions outside of the United States often involve additional or increased risks including, for example: • managing geographically separated organizations, systems and facilities; • integrating personnel with diverse business backgrounds and organizational cultures; • complying with non- U. S. regulatory requirements; • fluctuations in currency exchange rates; • enforcement of intellectual property rights in some non- U. S. countries; • difficulty entering new non- U. S. markets due to, among other things, consumer acceptance and business knowledge of these new markets; and • general economic and political conditions. The process of integrating operations could cause an interruption of, or loss of momentum in, the activities of one or more of our combined businesses and the possible loss of key personnel. The diversion of management's attention and any delays or difficulties encountered in connection with acquisitions and the integration of an acquired company's operations could have an adverse effect on our business, results of operations, financial condition or prospects. Dispositions involve a number of risks and present financial, managerial and operational challenges, including diversion of management attention from running our core businesses, increased expense associated with the dispositions, potential disputes with the customers or suppliers of the disposed businesses, potential disputes with the acquirers of the disposed businesses and a potential dilutive effect on our earnings per share. If dispositions are not completed in a timely manner, there may be a negative effect on our cash flows and / or our ability to execute our strategy. In addition, we may not realize some or all of the anticipated benefits of our dispositions. companies producing similar products. Depending on the particular product and application, we experience competition based on a number of factors, including price, quality, performance and availability. We compete against many companies, including divisions of larger companies with greater financial resources than we possess. As a result, these competitors may be both domestically and internationally better able to withstand a change in conditions within the markets in which we compete and throughout the global economy as a whole. In addition, our ability to compete effectively depends on how successfully we anticipate and respond to various competitive factors, including new competitors entering our markets, new products and services that may be introduced by competitors, changes in customer preferences, pricing pressures and new government regulations. If we are unable to anticipate our competitors' development of new products and services, identify customer needs and preferences on a timely basis, or successfully introduce new products and services or modify existing products and service offerings in response to such competitive factors, we could lose customers to competitors. If we cannot compete successfully, our sales and operating results could Our results of operations are subject to exchange rate and other currency risks. A significant movement in exchange rates could adversely impact our results of operations and cash flows. We conduct our business in many different currencies. A significant portion of our revenue, 55 % for the year ended December 31, **2023-2024**, is denominated in currencies other than the U. S. dollar. Accordingly, currency exchange rates, and in particular unfavorable movement in the exchange rates between U. S. dollars and Euros, British Pounds and Chinese Renminbi, affect our operating results. The effects of exchange rate fluctuations on our future operating results are unpredictable because of the number of currencies in which we do business and the potential volatility of exchange rates. We are also subject to the risks of currency controls and devaluations. Although historically not significant, if currency controls were enacted in countries where the Company generates significant cash balances, these controls may limit our ability to convert currencies into U. S. dollars or other currencies, as needed, or to pay dividends or make other payments from funds held by subsidiaries in the countries imposing such controls, which could adversely affect our liquidity. Currency devaluations could also negatively affect our operating margins and cash flows. If we are unable to develop new products and technologies, our competitive position may be impaired, which could materially and adversely affect our sales and market share. The markets in which we operate are characterized by changing technologies and introductions of new products and services. Our ability to

develop new products based on technological innovation, including those that incorporate artificial intelligence (“ AI ”) or drive sustainability, energy reduction and the reduction and / or recycling of water in our customers’ processes, can affect our competitive position and often requires the investment of significant resources. Difficulties or delays in research, development or production of new products and technologies, or failure to gain market acceptance of new products and technologies, may significantly reduce future revenues and materially and adversely affect our competitive position. We may not have sufficient resources to continue to make the investment required to maintain or increase our market share or that our investments will be successful. If we do not compete successfully, our business, financial condition, results of operations and cash flows could be materially adversely affected. Shareholder, customer and regulatory agency emphasis on environmental, social, and governance responsibility may impose additional costs on us or expose us to new risks. Our Certain of our shareholders, customers and employees and regulators in certain countries continue to expect a more comprehensive proactive response to environmental, social, and governance (“ ESG ”) matters. Regulatory agencies may determine that we are not in compliance with environmental laws or regulations. We may incur increased costs and may be exposed to new risks responding to these higher expectations and requirements, including the European Union’s Corporate Sustainability Reporting Directive. The Company has emphasized its commitment to making a positive impact on our environment shared planet with the announcement of environmental goals with respect to greenhouse gas emissions, renewable energy, water usage and landfill waste. We may face reputational challenges in the event that we are unable to achieve these goals or our ESG standards do not meet those set by certain constituencies. These reputational challenges could have a material adverse effect on our business, financial condition, results of operations and cash flows. Our business could suffer if we experience employee work stoppages, union and work council campaigns or other labor difficulties. As of December 31, 2023-2024, we had over 18-21,000 employees of which approximately 6, 200-300 were located in the United States. Of those employees located outside of the United States, a significant portion are represented by works councils and labor unions, and of those employees located in the United States, approximately 390-380 are represented by labor unions. Although we believe that our relations with employees are satisfactory and have not experienced any material work stoppages, work stoppages have occurred, and may in the future occur, and we may not be successful in negotiating new collective bargaining agreements. In addition, negotiations with our union employees may (1) result in significant increases in our cost of labor, (2) divert management’s attention away from operating our business or (3) break down and result in the disruption of our operations. The occurrence of any of the preceding conditions could impair our ability to manufacture our products and result in increased costs and / or decreased operating results. Changes in tax or other laws, and regulations, or adverse determinations by taxing or other governmental authorities could increase our effective tax rate and cash taxes paid or otherwise affect our financial condition or operating results. In 2017, the U. S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (“ Tax Act ”). The Tax Act makes broad and complex changes to the U. S. tax code that affected 2017 and 2018, including, but not limited to (1) requiring a one- time transition tax on certain unrepatriated earnings of foreign subsidiaries that is payable over eight years and (2) bonus depreciation that will allow for full expensing of qualified property. The Tax Act also established new tax laws that significantly affected recent and future tax years. The Organization for Economic Co- operation and Development (“ OECD ”) has a framework to implement a global minimum corporate tax of 15 % for companies with global revenues and profits above certain thresholds (referred to as Pillar 2), with certain aspects of Pillar 2 effective January 1, 2024 and other aspects effective January 1, 2025. While it is uncertain whether the U. S. will enact legislation to adopt Pillar 2, certain countries in which we operate have adopted legislation, and other countries are in the process of introducing legislation to implement Pillar 2. We do not expect Pillar 2 to have a material impact but we continue to monitor the tax law changes surrounding Pillar 2. While we monitor proposals and other developments that would materially impact our tax burden and / or effective tax rate and investigate our options, we could still be subject to increased taxation on a going forward basis no matter what action we undertake if certain legislative proposals or regulatory changes are enacted, certain tax treaties are amended and / or our interpretation of applicable tax or other laws is challenged and determined to be incorrect. The inability to realize any anticipated tax benefits related to our operations and corporate structure could have a material adverse impact on our results of operations, financial condition and cash flows. See Note 1 “ Summary of Significant Accounting Policies ” and Note 16-17 “ Income Taxes ” to our audited consolidated financial statements included elsewhere in this Form 10- K for additional information related to our accounting for income tax matters. Further, the specific future impacts of the Tax Act and Pillar 2 on holders of our common shares are uncertain and could in certain instances be adverse. We urge our stockholders to consult with their legal and tax advisors with respect to any such legislation and the potential tax consequences of investing in our common stock. Our success depends on our ability to attract, retain and develop key personnel and other talent throughout the Company. Our future success depends on the skills, experience and efforts of our executive management and other key personnel and their ability to provide us with uninterrupted leadership and direction. The failure to retain our executive officers and other key personnel or a failure to provide adequate succession plans could have an adverse impact. Our future success also depends on our ability to attract, retain and develop qualified personnel at all levels of the organization, including skilled labor. The availability of skilled labor needed for the design and production of our products and delivery of services is limited in a number of locations in which we operate, and the competition for talent is robust. A failure to attract, retain and develop new qualified personnel throughout the organization could have an adverse effect on our operations and implementation of our strategic plan. The risk of non-compliance with U. S. and foreign laws and regulations applicable to our international operations could have a significant impact on our results of operations, financial condition or strategic objectives. Our global operations subject us to regulation by U. S. federal and state laws and multiple foreign laws, regulations and policies, which could result in conflicting legal requirements. These laws and regulations are complex, change frequently, have become more stringent over time and increase our cost of doing business. These laws and regulations include import and export control, environmental, health and safety regulations, data privacy requirements, international labor laws and work councils and anti- corruption and bribery laws such as

the U. S. Foreign Corrupt Practices Act, the U. K. Bribery Act, the U. N. Convention Against Bribery and local laws prohibiting corrupt payments to government officials. We are subject to the risk that we, our employees, our affiliated entities, contractors, agents or their respective officers, directors, employees and agents may take actions determined to be in violation of any of these laws, for which we might be held responsible, particularly as we expand our operations geographically through organic growth and acquisitions. An actual or alleged violation could result in substantial fines, sanctions, civil or criminal penalties, debarment from government contracts, curtailment of operations in certain jurisdictions, competitive or reputational harm, litigation or regulatory action and other consequences that might adversely affect our results of operations, financial condition or strategic objectives. Third parties may infringe upon our intellectual property or may claim we have infringed their intellectual property, and we may expend significant resources enforcing or defending our rights or suffer competitive injury. Our success depends in part on the creation, maintenance and protection of our proprietary technology and intellectual property rights. We rely on a combination of patents, tradenames, trade secrets, copyrights, confidentiality provisions, contractual restrictions and licensing arrangements to establish and protect our proprietary rights. Our nondisclosure agreements and confidentiality agreements may not effectively prevent disclosure of our proprietary information, technologies and processes, and may not provide an adequate remedy in the event of breach of such agreements or unauthorized disclosure of such information, and if a competitor lawfully obtains or independently develops our trade secrets, we would have no right to prevent such competitor from using such technology or information to compete with us, either of which could harm our competitive position. Our applications for patent and tradename protection may not be granted, or the claims or scope of such issued patents or registered tradenames may not be sufficiently broad to protect our products. In addition, effective patent, copyright, tradename and trade secret protection may be unavailable or limited for some of our tradenames and patents in some foreign countries. We may be required to spend significant resources to monitor and police our intellectual property rights, and we cannot guarantee that such efforts will be successful in preventing infringement or misappropriation. If we fail to successfully enforce these intellectual property rights, our competitive position could suffer, which could harm our operating results. Although we make a significant effort to avoid infringing known proprietary rights of third parties, the steps we take to prevent misappropriation, infringement or other violation of the intellectual property of others may not be successful and from time to time we may receive notice that a third party believes that our products may be infringing certain patents, tradenames or other proprietary rights of such third party. Responding to and defending such claims, regardless of their merit, can be costly and time-consuming, can divert management's attention and other resources, and we may not prevail. Depending on the resolution of such claims, we may be barred from using a specific technology or other rights, may be required to redesign or re-engineer a product which may require significant resources, may be required to enter into licensing arrangements from the third party claiming infringement (which may not be available on commercially reasonable terms, or at all), or may become liable for significant damages. If any of the foregoing occurs, our ability to compete could be affected or our business, financial condition and results of operations may be materially adversely affected. The loss of, or disruption in, our distribution network could have a negative impact on our abilities to ship products, meet customer demand and otherwise operate our business. We sell a significant portion of our products through independent distributors and sales representatives. We rely in large part on the orderly operation of this distribution network, which depends on adherence to shipping schedules and effective management. We conduct all of our shipping through independent third parties. Although we believe that our receiving, shipping and distribution process is efficient and well-positioned to support our operations and strategic plans, we cannot provide assurance that we have anticipated all issues or that events beyond our control, such as natural disasters or other catastrophic events, labor disagreements, acquisition of distributors by a competitor, consolidation within our distributor network or shipping problems, will not disrupt our distribution network. If complications arise within a segment of our distribution network, the remaining network may not be able to support the resulting additional distribution demands. Any of these disruptions or complications could negatively impact our revenues and costs. Our ongoing and expected restructuring plans and other cost savings initiatives may not be as effective as we anticipate, and we may fail to realize the cost savings and increased efficiencies that we expect to result from these actions. Our operating results could be negatively affected by our inability to effectively implement such restructuring plans and other cost savings initiatives. We continually seek ways to simplify or improve processes, eliminate excess capacity and reduce costs in all areas of our operations, which from time to time includes restructuring activities. We have implemented significant restructuring activities across our global manufacturing, sales and distribution footprint, which include workforce reductions and facility consolidations. We incurred restructuring charges of \$ **31.2 million and \$ 19.9 million** and \$ **29.3 million** in the years ended December 31, **2024 and 2023** and **2022**, respectively. Costs of future initiatives may be material and the savings associated with them are subject to a variety of risks, including our inability to effectively eliminate duplicative back office overhead and overlapping sales personnel, rationalize manufacturing capacity, synchronize information technology systems, consolidate warehousing and distribution facilities and shift production to more economical facilities. As a result, the contemplated costs to effect these initiatives may materially exceed estimates. The initiatives we are contemplating may require consultation with various employees, labor representatives or regulators, and such consultations may influence the timing, costs and extent of expected savings and may result in the loss of skilled employees in connection with the initiatives. Although we have considered the impact of local regulations, negotiations with employee representatives and the related costs associated with our restructuring activities, factors beyond the control of management may affect the timing of these projects and therefore affect when savings will be achieved under the plans. There can be no assurance that we will be able to successfully implement these cost savings initiatives in the time frames contemplated (or at all) or that we will realize the projected benefits of these and other restructuring and cost savings initiatives. If we are unable to implement our cost savings initiatives, our business may be adversely affected. Moreover, our continued implementation of cost savings initiatives may have a material adverse effect on our business, results of operations and financial condition. In addition, as we consolidate facilities and relocate manufacturing processes to lower-cost regions, our success will depend on our ability to continue to meet

customer demand and maintain a high level of quality throughout the transition. Failure to adequately meet customer demand or maintain a high level of quality could have a material adverse effect on our business, results of operations and financial condition. Cost overruns, delays, penalties or liquidated damages could negatively impact our results, particularly with respect to fixed-price contracts for custom engineered products. A portion of our revenues and earnings is generated through fixed-price contracts for custom engineered products. Certain of these contracts provide for penalties or liquidated damages for failure to timely perform our obligations under the contract, or require that we, at our expense, correct and remedy to the satisfaction of the other party certain defects. Because substantially all of our custom engineered product contracts are at a fixed price, we face the risk that cost overruns, delays, penalties or liquidated damages may exceed, erode or eliminate our expected profit margin, or cause us to record a loss on our projects. Our operating results could be adversely affected by a loss or reduction of business with key customers or consolidation or the vertical integration of our customer base. The loss or reduction of significant contracts with any of our key customers could result in a material decrease of our future profitability and cash flows. In addition, the consolidation or vertical integration of key customers may result in the loss of certain customer contracts or impact demand or competition for our products, **especially in our life sciences and aerospace end markets**. Any changes in such customers' purchasing practices, or decline in such customers' financial condition, may have a material adverse impact on our business, results of operations and financial condition. Some of our customers are significantly larger than we are, have greater financial and other resources and also have the ability to purchase products from our competitors. As a result of their size and position in the marketplace, some of our customers have significant purchasing leverage and could cause us to materially reduce the price of our products, which could have a material adverse effect on our revenue and profitability. We are unable to predict what effect consolidation in our customers' industries could have on prices, capital spending by customers, selling strategies, competitive position, our ability to retain customers or our ability to negotiate favorable agreements with customers. Credit and counterparty risks could harm our business. The financial condition of our customers could affect our ability to market our products or collect receivables. In addition, financial difficulties faced by our customers as a result of an adverse economic event or other market factors may lead to cancellation or delay of orders. Our customers may suffer financial difficulties that make them unable to pay for a product or solution when payments become due, or they may decide not to pay us, either as a matter of corporate decision-making or in response to changes in local laws and regulations. Although historically not material, we cannot be certain that, in the future, expenses or losses for uncollectible amounts will not have a material adverse effect on our revenues, earnings and cash flows. ~~We are a defendant in certain asbestos and silica-related personal injury lawsuits, which could adversely affect our financial condition. We have been named as a defendant in many asbestos and silica-related personal injury lawsuits. The plaintiffs in these suits allege exposure to asbestos or silica from multiple sources, and typically we are one of approximately 25 or more named defendants. We believe that, given our financial reserves and anticipated insurance recoveries, the pending and potential future lawsuits are not likely to have a material adverse effect on our consolidated financial position, results of operations or liquidity. However, future developments, including, without limitation, potential insolvencies of insurance companies or other defendants, an adverse determination in the Adams County Case, or other inability to collect from our historical insurers or indemnitors, could cause a different outcome. In addition, even if any damages payable by us in any individual lawsuit are not material, the aggregate damages and related defense costs could be material and could materially adversely affect our financial condition if we were to receive an adverse judgment in a number of these lawsuits. Accordingly, the resolution of pending or future lawsuits may have a material adverse effect on our consolidated financial position, results of operations or liquidity. See Note 21 "Contingencies" to our audited consolidated financial statements included elsewhere in this Form 10-K. The nature of our products creates the possibility of significant product liability and warranty claims, which could harm our business. Customers use some of our products in potentially hazardous applications that can cause injury or loss of life and damage to property, equipment or the environment. In addition, our products are integral to the production process for some end-users and any failure of our products could result in a suspension of operations. Although we maintain quality controls and procedures, we cannot be certain that our products will be completely free from defects. We maintain amounts and types of insurance coverage that we believe are currently adequate and consistent with normal industry practice for a company of our relative size, and we limit our liability by contract wherever possible. However, we cannot guarantee that insurance will be available or adequate to cover all liabilities incurred. We also may not be able to maintain insurance in the future at levels we believe are necessary and at rates we consider reasonable. We may be named as a defendant in product liability or other lawsuits asserting potentially large claims if an accident occurs at a location where our equipment and services have been or are being used.~~A significant portion of our assets consists of goodwill and other intangible assets, the value of which may be reduced if we determine that those assets are impaired. We have substantial goodwill as a result of past acquisitions. As of December 31, ~~2023~~ **2024**, the net carrying value of goodwill and other intangible assets, net represented \$ ~~10-12~~ **2-5** billion, or ~~66-70~~ **66-70**%, of our total assets. Goodwill and indefinite-lived intangible assets are evaluated for impairment annually, or more frequently if circumstances indicate impairment may have occurred. **Significant negative industry or economic trends, disruptions to our business, inability to effectively integrate acquired businesses, unexpected significant changes or planned changes in use of our assets, changes in the structure of our business, divestitures, market capitalization declines, or increases in associated discount rates can impair our goodwill and other intangible assets.** Impairments, if any, could have a material adverse effect to our consolidated financial position or results of operations. See Note 9 "Goodwill and Other Intangible Assets" to our audited consolidated financial statements included elsewhere in this Form 10-K for additional information related to impairment testing for goodwill and other intangible assets and the associated charges taken. Environmental compliance costs and liabilities could adversely affect our financial condition. Our operations and properties are subject to increasingly stringent domestic and foreign laws and regulations relating to environmental protection, including laws and regulations governing air emissions, water discharges, waste management and workplace safety. Under such laws and regulations, we can be subject to substantial fines and sanctions for violations and be required to install costly pollution control equipment or put into effect

operational changes to limit pollution emissions or decrease the likelihood of accidental hazardous substance releases. We use and generate hazardous substances and waste in our manufacturing operations. In addition, many of our current and former properties are, or have been, used for industrial purposes. We have been identified as a potentially responsible party with respect to several sites designated for cleanup under U. S. federal “ Superfund ” or similar state laws that may impose joint and several liability for cleanup of certain waste sites and for related natural resource damages. A liability on our balance sheet reflects costs that are probable and estimable for our projected financial obligations relating to these matters. If we have underestimated our remaining financial obligations, we may face greater exposure that could have an adverse effect on our financial condition, results of operations or liquidity. We have experienced, and expect to continue to experience, operating costs to comply with environmental laws and regulations. In addition, new laws and regulations, stricter enforcement of existing laws and regulations, the discovery of previously unknown contamination or the imposition of new cleanup requirements could require us to incur costs or become the basis for new or increased liabilities that could have a material adverse effect on our business, financial condition, results of operations or liquidity. We face risks associated with our pension and other postretirement benefit obligations. We have both funded and unfunded pension and other postretirement benefit plans worldwide. As of December 31, ~~2023~~ **2024**, our projected benefit obligations under our pension and other postretirement benefit plans exceeded the fair value of plan assets by \$ ~~150.139.80~~ million (“ unfunded status ”). Estimates for the amount and timing of the future funding obligations of these benefit plans are based on various assumptions. These assumptions include discount rates, rates of compensation increases, expected long- term rates of return on plan assets and expected healthcare cost trend rates. If our assumptions prove incorrect, our funding obligations may increase, which may have a material adverse effect on our financial results. We have invested the plan assets of our funded benefit plans in various equity and debt securities. A deterioration in the value of plan assets could cause the unfunded status of these benefit plans to increase, thereby increasing our obligation to make additional contributions to these plans. An obligation to make contributions to our benefit plans could reduce the cash available for working capital and other corporate uses, and may have an adverse impact on our operations, financial condition and liquidity.

Risks Related to Our Indebtedness Our indebtedness could have important adverse consequences and adversely affect our financial condition. We have a significant amount of indebtedness. As of December 31, ~~2023~~ **2024**, we had total indebtedness of \$ ~~2.4, 723.757.65~~ million, and we had availability **of \$ 2, 600 million** under **each of the New Revolving Credit Facility and Commercial Paper Program** of \$ 2, 000 million. Our level of debt could have adverse consequences, including: making it more difficult for us to satisfy our obligations with respect to our debt; limiting our ability to obtain additional financing to fund future working capital, capital expenditures, investments or acquisitions, or other general corporate requirements; requiring a substantial portion of our cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, investments or acquisitions and other general corporate purposes; increasing our vulnerability to adverse changes in general economic, industry and competitive conditions; exposing us to the risk of increased interest rates as certain of our borrowings, including borrowings under the **New Revolving Credit Facility and portions of our Senior Secured Credit Facilities, are at Notes which have been swapped to** variable rates of interest; limiting our flexibility in planning for and reacting to changes in the industries in which we compete; placing us at a disadvantage compared to other, less leveraged competitors; increasing our cost of borrowing; and hampering our ability to execute on our growth strategy. For a complete description of the Company’ s **debt credit facilities and Senior Notes** and definitions of capitalized terms used in this section, see Note ~~11-12~~ **11-12** “ Debt ” to our audited consolidated financial statements included elsewhere in this Form 10- K. We may not be able to generate sufficient cash to service all of our indebtedness, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful. Our ability to make scheduled payments on, or refinance, our debt obligations depends on our financial condition and operating performance, which are subject to prevailing economic, industry and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond our control (as well as and including those factors discussed under “ Risks Related to Our Business ” above). We may be unable to maintain a level of cash flow from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness. If our cash flow and capital resources are insufficient to fund our debt service obligations, we could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital, or restructure or refinance our indebtedness. We may not be able to implement any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternative actions may not allow us to meet our scheduled debt service obligations. If we cannot make scheduled payments on our debt, we will be in default and the lenders under the **New Revolving Credit Facility** could terminate their commitments to loan money, and our secured lenders (including the lenders under the **Senior Secured Credit Facilities**) could foreclose against the assets securing their borrowings and we could be forced into bankruptcy or liquidation. Despite our level of indebtedness, we and our subsidiaries may still be able to incur substantially more debt, including off- balance sheet financing, contractual obligations and general and commercial liabilities. This could further exacerbate the risks to our financial condition. We and our subsidiaries may be able to incur significant additional indebtedness in the future, including off- balance sheet financings, contractual obligations and general and commercial liabilities. Although the credit agreement governing the **Senior Secured New Revolving Credit Facilities Facility** contains restrictions on the incurrence of **certain** additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the additional indebtedness incurred in compliance with these restrictions could be substantial. **In addition For example**, we can increase the borrowing availability under the **New Senior Secured Credit Facilities** by up to \$ 1, 600. 0 million in the form of additional commitments under the Revolving Credit Facility and / or incremental term loans plus an **by up to \$ 1, 000. 0 million in the form of** additional **commitments in compliance with** amount so long as we do not exceed a specified senior secured leverage ratio. We also can incur additional secured indebtedness under the **Senior Secured New Revolving Credit Facilities Facility** if certain specified conditions are met under the credit agreement governing the Senior

Secured Credit Facilities. If new debt is added to our current debt levels, the related risks that we now face could intensify. For a complete description of the Company's credit facilities and definitions of capitalized terms used in this section, see Note ~~11~~ **12** "Debt" to our audited consolidated financial statements included elsewhere in this Form 10-K. **Our fixed rate** The terms of the credit agreement governing the Senior Secured Credit Facilities (as amended, the "Credit Agreement") may restrict our current and future operations, particularly our ability to **floating rate swap contracts subject** respond to changes or to take certain actions. The credit agreement governing the Senior Secured Credit Facilities contains a number of restrictive covenants that impose significant operating and financial restrictions on us and may limit our ability to **risks** engage in acts that may be in our best interest, including restrictions on our ability to: incur additional indebtedness and guarantee indebtedness; pay dividends, make other distributions in respect of, or repurchase or redeem capital stock; prepay, redeem or repurchase certain debt; make loans, investments and other restricted payments; sell or otherwise dispose of assets; incur liens; enter into transactions with affiliates; enter into agreements restricting our subsidiaries' ability to pay dividends; consolidate, merge or sell all or substantially all of our assets; make needed capital expenditures; make strategic acquisitions, investments or enter into joint ventures; plan for or react to market conditions or otherwise execute our business strategies; and engage in business activities, including future opportunities, that may be in our interest. A breach of the covenants under the credit agreement governing the Senior Secured Credit Facilities could result in an event of default under the applicable indebtedness. Such a default may allow the creditors to accelerate the related debt principal and /or related interest payments and may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. In addition, an event of default under the credit agreement governing our Senior Secured Credit Facilities would permit the lenders under our Revolving Credit Facility to terminate all commitments to extend further credit under that facility. Furthermore, if we were unable to repay the amounts due and payable under our Senior Secured Credit Facilities, those lenders could proceed against the collateral granted to them to secure that indebtedness. In the event our lenders or noteholders accelerate the repayment of our borrowings and /or interest, we and our subsidiaries may not have sufficient assets to repay that indebtedness. Our variable rate indebtedness subjects us to interest rate risk, **counterparty** which could cause our debt service obligations to increase significantly. Borrowings under our Senior Secured Credit **credit** Facilities are at variable **worthiness and non-performance on these instruments. Our fixed rates- rate** of interest and **to floating rate swap contracts** expose us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate **indebtedness** will increase **even though the amount borrowed will remain the same**, and our net income and cash flows, including cash available for servicing our indebtedness, will correspondingly decrease. **Additionally**, We utilize derivative financial instruments to reduce our exposure to market risks from changes in interest rates on our variable rate indebtedness and we will be exposed to risks related to counterparty credit **worthiness or non-performance** of these instruments. We may enter into **pay-fixed interest rate swap instruments from time to time** to limit our exposure to changes in variable interest rates. Such instruments will result in economic losses should interest rates not rise above the **pay-fixed interest rate in the derivative contracts**. We will be exposed to credit-related losses which could impact the results of operations in the event of fluctuations in the fair value of the interest rate swaps due to a change in the credit **worthiness or non-performance** by the counterparties to the interest rate swaps. See Note ~~19-20~~ **19-20** "Hedging Activities, Derivative Instruments and Credit Risk" to our audited consolidated financial statements included elsewhere in this Form 10-K. If the **syndicate of** financial institutions **that which** are **parties to part of the syndicate of our New** Revolving Credit Facility (as defined herein) fail to extend credit under our **New** Revolving Credit Facility, our liquidity and results of operations may be adversely affected. We have access to capital through our **New** Revolving Credit Facility, **which is part of our Senior Secured Credit Facilities**. Each financial institution which is part of the syndicate for our **New** Revolving Credit Facility is responsible on a several, but not joint, basis for providing a portion of the loans to be made under our facility. If any participant or group of participants with a significant portion of the commitments in our **New** Revolving Credit Facility fails to satisfy its or their respective obligations to extend credit under the facility and we are unable to find a replacement for such participant or participants on a timely basis (if at all), our liquidity may be adversely affected.