

Risk Factors Comparison 2025-02-26 to 2024-02-23 Form: 10-K

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Demand for most of our products and services depends on the level of new capital investment and planned maintenance expenditures by our customers. The level of capital expenditures by our customers fluctuates based on planned expansions, new builds and repairs, commodity prices, general economic conditions, availability of credit, and expectations of future market behavior. Although no one customer accounted for more than 10 % of our consolidated revenues, many of our businesses derive revenues from large projects or key customer relationships and any of the aforementioned factors, whether individually or in the aggregate, could have a material adverse effect on our customers and, in turn, our business, financial condition, results of operations and cash flows. Our customers have been and could be impacted by commodity availability and prices. A number of factors outside our control, including fluctuating commodity prices, impact the demand for our products. Increased commodity prices, including as a result of new or increased tariffs or the impact of new trade laws, may increase our customers' cost of doing business, thus causing them to delay or cancel large capital projects. On the other hand, declining commodity prices may cause our customers to delay or cancel projects relating to the production of such commodities. Reduced demand for , or increased costs of, our products and services could result in the delay or cancellation of existing or future orders , or lead to excess manufacturing capacity, which unfavorably impacts our absorption of fixed manufacturing costs. Reduced demand may also erode average selling prices in the relevant market. We operate in highly competitive markets. Our failure to compete effectively could harm our business. We sell our products in highly competitive markets, which could result in pressure on our profit margins and limit our ability to maintain or increase the market share of our products. We compete on a number of fronts, including on the basis of service, product performance, technical innovation and price. We have a number of competitors with substantial technological and financial resources, brand recognition and established relationships with global service providers. Some of our competitors have lower cost structures, support from local governments, or both. In addition, new competitors may enter the markets in which we participate. Competitors may be able to offer lower prices, additional products or services or a more attractive mix of products or services, or services or other incentives that we cannot or will not match. These competitors may be in a stronger position to respond quickly to new or emerging technologies and may be able to undertake more extensive marketing campaigns and make more attractive offers to potential customers, employees and strategic partners. In addition, competitive environments in slow- growth markets, to which some of our businesses have exposure, have been inherently more influenced by pricing and domestic and global economic conditions. To remain competitive, we need to invest in manufacturing, marketing, customer service and support, and our distribution networks. No assurances can be made that we will 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. Our business with various governments is subject to government contracting risks. Our business with government agencies, including sales to prime contractors that supply these agencies, is subject to government contracting risks. U. S. and other government contracts are subject to termination by the government, either for the convenience of the government or for default as a result of our failure to perform under the applicable contract. If terminated by the government as a result of our default, we could be liable for additional costs the government incurs in acquiring undelivered goods or services from another source and any other damages it suffers. In addition, if we or one of our divisions were charged with wrongdoing with respect to a U. S. government contract, the U. S. government could suspend us from bidding on or receiving awards of new government contracts pending the completion of legal proceedings. If convicted or found liable, the U. S. government could subject us to fines, penalties, repayments and treble and other damages, and / or bar us from bidding on or receiving new awards of U. S. government contracts and void any contracts found to be tainted by fraud. The U. S. government also reserves the right to debar a contractor from receiving new government contracts for fraudulent, criminal or other seriously improper conduct.

Risks Related to our Suppliers and Vendors The price and availability of raw materials and components has and may adversely affect our business. We are exposed to a variety of risks relating to the price and availability of raw materials and components. In recent years, we have faced volatility in the prices of many key raw materials (e. g., steel and oil) and key components (e. g., circuit boards), including price increases in response to trade laws and tariffs and shortages related to supply chain disruptions, including as a result of public health crises, geopolitical events or other factors. Increases in the prices of raw materials and components, including as a result of new or increased tariffs or the impact of new trade laws, or shortages or allocations of materials and components may have a material adverse effect on our financial position, results of operations or cash flows, as there may be delays in our ability, or we may not be able, to pass cost increases on to our customers, or our sales may be reduced. We are subject to, or may enter into, long- term supplier contracts that may increase our exposure to pricing fluctuations. The fact that we outsource various elements of the products and services we sell subjects us to the business risks of our suppliers and subcontractors, which could have a material adverse impact on our operations. In areas where we depend on third- party suppliers and subcontractors for outsourced products, components or services, we are subject to the risk of customer dissatisfaction with the quality or performance of the products or services we sell due to supplier or subcontractor failure. In addition, business difficulties experienced by a third- party supplier or subcontractor can lead to the interruption of our ability to obtain outsourced products or services and ultimately our inability to supply products or services to our customers. Third- party supplier and subcontractor business interruptions can include, but are not limited to, work stoppages, union negotiations and other labor disputes. Current Prevailing economic conditions could also impact the ability of suppliers and subcontractors to access credit and, thus, impair their ability to provide us quality products or services in a timely manner, or at all. **Risks Related**

to Our Manufacturing and Operations Cost overruns, inflation, delays and other risks could significantly impact our results, particularly with respect to fixed- price contracts. A portion of our revenues and earnings is generated through fixed- price contracts. We recognize revenues for certain of these contracts over time whereby revenues and expenses, and thereby profit, in a given period are determined based on our estimates as to the project status and the costs remaining to complete a particular project. Estimates of total revenues and cost at completion are subject to many variables, including the length of time to complete a contract. In addition, contract delays may negatively impact these estimates and our revenues and earnings results for affected periods. To the extent that we underestimate the remaining cost to complete a project, we may overstate the revenues and profit in a particular period. Further, 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 certain defects to the satisfaction of the other party. Because some of our contracts are at a fixed price, we face the risk that cost overruns or inflation may exceed, erode or eliminate our expected profit margin, or cause us to record a loss on our projects. Our operations are at risk of damage, destruction or disruption by natural disasters and other unexpected events. The loss of, or substantial damage to, one or more of our facilities, our information system infrastructure or the facilities of our suppliers could make it difficult to manufacture our products and fulfill customer orders. Severe weather events (such as flooding, tornadoes or hurricanes), earthquakes, tsunamis, fires, explosions, acts of war, terrorism, civil unrest, or outbreaks, epidemics or pandemics of infectious diseases (such as the recent COVID- 19 pandemic) could adversely impact our operations. Risks Related to Acquisitions and Dispositions Acquisitions involve a number of risks and present financial, managerial and operational challenges. Our recent and future acquisitions involve a number of risks and may present financial, managerial and operational challenges, including: • Adverse effects on our reported operating results due to charges to earnings, including potential impairment charges associated with goodwill and other ~~intangibles~~ **intangible assets**; • Diversion of management attention from core business operations; • Integration of technology, operations, personnel and financial and other systems; • Increased expenses; • Increased foreign operations, often with unique issues relating to corporate culture, compliance with legal and regulatory requirements and other challenges; • Assumption of known and unknown liabilities and exposure to litigation; • Increased levels of debt or dilution to existing stockholders; • Potential disputes with the sellers of acquired businesses; and • Potential cybersecurity risks, as acquired systems may not possess the appropriate security measures. We conduct operational, financial, tax, systems, and legal due diligence on all acquisitions; however, we cannot assure that all potential risks or liabilities are adequately discovered, disclosed, or understood in each instance. In addition, internal controls over financial reporting of acquired companies may not be compliant with required standards. Issues may exist that could rise to the level of significant deficiencies or, in some cases, material weaknesses, particularly with respect to foreign companies or non- public U. S. companies. Our integration activities may place substantial demands on our management, operational resources and financial and internal control systems. Customer dissatisfaction or performance problems with an acquired business, technology, service or product could also have a material adverse effect on our reputation and business. Our failure to successfully complete acquisitions could negatively affect us. We may not be able to consummate desired acquisitions, which could materially impact our growth rate, results of operations, future cash flows and stock price. Our ability to achieve our goals depends upon, among other things, our ability to identify and successfully acquire companies, businesses and product lines, to effectively integrate them and to achieve cost savings. We may also be unable to raise additional funds necessary to consummate these acquisitions. In addition, decreases in our stock price may adversely affect our ability to consummate acquisitions. Competition for acquisitions in our business areas may be significant and result in higher prices for businesses, including businesses that we may target, which may also affect our acquisition rate or benefits achieved from our acquisitions. We may not achieve the expected cost savings and other benefits of our acquisitions. We strive for and expect to achieve cost savings in connection with our acquisitions, including: (i) manufacturing process and supply chain rationalization, (ii) streamlining redundant administrative overhead and support activities, (iii) restructuring and repositioning sales and marketing organizations to eliminate redundancies, and (iv) achieving anticipated revenue synergies. Cost savings expectations are estimates that are inherently difficult to predict and are necessarily speculative in nature, and we cannot assure you that we will achieve expected, or any, cost savings in connection with an acquisition. In addition, we cannot assure you that unforeseen factors will not offset the estimated cost savings or other benefits from our acquisitions. As a result, anticipated benefits could be delayed, differ significantly from our estimates and the other information contained in this report, or not be realized. Dispositions or liabilities retained in connection with dispositions could negatively affect us. Our 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. See “ Business, ” “ MD & A- Results of Discontinued Operations, ” and Note 4 to our consolidated financial statements for the status of our divestitures. We have divested a number of businesses, including the Spin- Off in 2015. With respect to some of these former businesses, we have contractually agreed to indemnify the counterparties against, or otherwise retain, certain liabilities, including certain lawsuits, tax liabilities, product liability claims, and environmental matters. Even without ongoing contractual indemnification obligations, we could be exposed to liabilities arising out of the businesses for certain activities prior to the divestitures. In addition, certain of the counterparties to those divestitures and / or the divested businesses have agreed to indemnify us or assume certain liabilities relating to those divestitures. However, there can be no assurance that the indemnity or assumption of liability by the counterparties or divested businesses will be sufficient to protect us against the full amount of these liabilities, or that a counterparty or divested business will be able to fully satisfy its obligations. Third parties also could seek to hold us responsible for any of the liabilities that a counterparty or divested business agreed to assume. Even if we ultimately succeed in recovering any amounts for which we

were initially held liable, we may be temporarily required to bear these losses ourselves. Risks Related to Macro- Economic, Domestic and World Events Governmental laws and regulations could negatively affect our business. Changes in laws and regulations to which we are or may become subject could have a significant negative impact on our business. In addition, we could face material costs and risks if it is determined that we have failed to comply with relevant laws and regulations. We are subject to U. S. Customs and Export Regulations, including U. S. International Traffic and Arms Regulations and similar laws, which collectively control import, export and sale of technologies by companies and various other aspects of the operation of our business; the Foreign Corrupt Practices Act and similar anti- bribery laws, which prohibit companies from making improper payments to government officials for the purposes of obtaining or retaining business; the California Transparency in Supply Chain Act and similar laws and regulations, which relate to human trafficking and anti- slavery and impose new compliance requirements on our businesses and their suppliers; and the California Consumer Privacy Act of 2018 and the European General Data Protection Regulation, which establish data management requirements for the protection of personal information of individuals. While our policies and procedures mandate compliance with such laws and regulations, there can be no assurance that our employees and agents will always act in strict compliance. Failure to comply with such laws and regulations may result in civil and criminal enforcement, including monetary fines and possible injunctions against shipment of product or other of our activities, which could have a material adverse impact on our results of operations and financial condition. Several of our businesses are reliant on or may be directly impacted by government regulations. Changes to these regulations may have a significant negative impact on these businesses. For example, (i) a reduction of Federal Aviation Administration regulations mandating lighting of towers and buildings at height; (ii) increases in Department of Energy regulations on energy efficiency requirements for heating, and (iii) a reduction in regulations requiring 811 calls to be made before the commencement of a digging project, could have a significant negative impact on these businesses. While we monitor these regulations and our businesses' plan for potential changes, there can be no assurance that we will be able to adapt in each circumstance. Failure to adapt if regulations change could have a material adverse impact on our results of operations and financial condition. Difficulties presented by domestic economic, political, legal, accounting and business factors could negatively affect our business. In 2023-2024, approximately 84-83% of our revenues were generated inside the United States. Our reliance on U. S. revenues and U. S. manufacturing bases exposes us to a number of risks, including:

- Government embargoes or foreign trade restrictions such as antidumping duties, as well as the imposition of trade sanctions by the United States against a class of products imported from or sold and exported to, or the loss of “ normal trade relations ” status with, countries in which we conduct business, could significantly increase our cost of products imported into or exported from the United States or reduce our sales and harm our business and the relaxation of embargoes and foreign trade restrictions by the United States could adversely affect the market for our products in the United States;
- Customs and tariffs may make it difficult or impossible for us to move our products or assets across borders in a cost- effective manner, **may increase the price of our products which may lead to lost business,** and may increase the cost of our raw materials, including raw materials sourced domestically;
- Transportation and shipping expenses may add additional cost to our products;
- Complications related to shipping, including delays due to weather, labor action, or customs, may impact our profit margins or lead to lost business;
- Environmental and other laws and regulations could increase our costs or limit our ability to run our business; and
- Our ability to obtain supplies from foreign vendors and ship products internationally may be impaired during times of crisis or otherwise. Any of the above factors or other factors affecting the movement of people and products into and from various countries to North America could have a significant negative effect on our operations. In addition, our concentration on U. S. business may make it difficult to enter new markets, making it more difficult for our businesses to grow. Worldwide economic conditions could negatively impact our businesses. Many of our customers historically have tended to delay capital projects, including expensive maintenance and upgrades, during economic downturns. Poor macroeconomic conditions could negatively impact our businesses by adversely affecting, among other things, our: • Revenues; • Margins; • Profits; • Cash flows; • Customers' orders, including order cancellation activity or delays on existing orders; • Customers' ability to access credit; • Customers' ability to pay amounts due to us; and • Suppliers' and distributors' ability to perform and the availability and costs of materials and subcontracted services. Downturns in global economies could negatively impact our results of operations and prospects. In addition, economic instabilities resulting from geopolitical activities, including instabilities associated with ~~the armed conflict~~ **conflicts in Ukraine**, and the imposition of governmental sanctions in response thereto, and any conflict or threat of conflict that may affect Taiwan or any other nations, could negatively impact our results of operations and prospects. Our non- U. S. revenues and operations expose us to numerous risks that may negatively impact our business. To the extent we generate revenues outside of the United States, non- U. S. revenues and non- U. S. manufacturing bases expose us to a number of risks, including: • **Customs, tariffs and trade restrictions may make it difficult or impossible for us to move our products or assets across borders in a cost- effective manner, may increase the price of our products which may lead to lost business, and may increase the cost of our raw materials, including raw materials sourced domestically;** • Significant competition could come from local or long- term participants in non- U. S. markets who may have significantly greater market knowledge and substantially greater resources than we do; • Local customers may have a preference for locally- produced products; • Credit risk or financial condition of local customers and distributors could affect our ability to market our products or collect receivables; • Regulatory or political systems or barriers may make it difficult or impossible to enter or remain in new markets. In addition, these barriers may impact our existing businesses, including making it more difficult for them to grow; • Local political, economic and social conditions, including the possibility of hyperinflationary conditions, political instability, **and** nationalization of private enterprises, ~~or;~~ • ~~unexpected~~ **Unexpected** changes relating to currency **exchange rates** could adversely impact our **operations,** revenues and ~~operations-~~ **operating profit;** • ~~Customs, tariffs and~~ **cash flows** ~~trade restrictions may make it difficult or impossible for us to move our products or assets across borders in a cost- effective manner;~~ • Local, regional or worldwide hostilities, including armed conflicts, could impact our operations; • Distance and language and

cultural differences may make it more difficult to manage our business and employees and to effectively market our products and services; and • Public health crises, including the outbreak of a pandemic or other contagious disease. Any of the above factors or other factors affecting social and economic activity in the United Kingdom, **Canada**, and China or affecting the movement of people and products into and from these countries to our major markets, could have a significant negative effect on our operations. Climate change and legal or regulatory responses thereto may have an adverse impact on our business and results of operations. There is growing concern that increases in global average temperatures as a result of increased concentration of carbon dioxide and other greenhouse gases in the atmosphere will cause significant adverse long- term climate changes, as well as more near- term changes in weather patterns that could adversely impact our operations. Moreover, growing concern over climate change may result in additional legal or regulatory requirements to disclose levels of carbon dioxide and other greenhouse gas emissions or that are designed to reduce or mitigate the effects of carbon dioxide and other greenhouse gas emissions on the environment. Many of our manufacturing plants and the products we manufacture, particularly in the HVAC reportable segment, use significant amounts of electricity generated by burning fossil fuels, which releases carbon dioxide. Additionally, many of the products we manufacture in the HVAC reportable segment use natural gas or oil as a fuel source and may be subject to increasing regulatory restrictions aimed at “ de- carbonization ” or the elimination of such fuel sources. Increased energy or compliance costs and expenses as a result of increased legal or regulatory requirements may cause disruptions in, or an increase in the costs associated with, the manufacturing and distribution of our products and we may be required to develop product improvements to satisfy developing energy- efficiency targets in order to remain competitive. **The** ~~In addition, the~~ impacts of climate change and legal or regulatory initiatives to address climate change could have a long- term adverse impact on our business and results of operations. If we fail to achieve or improperly report on our progress on environmental and sustainability programs and initiatives or fail to develop product improvements to satisfy developing energy- efficiency targets, the results could have an adverse impact on our business, results of operations and financial condition. **In addition, under recently implemented governmental requirements, we will incur additional costs in complying with climate- related reporting mandates. Under laws enacted in California, we, and other companies doing business in California that exceed requisite financial thresholds, will be subject to extensive climate- related reporting. The reporting requirements of the California laws and related regulations will result in increased compliance costs and could result in regulatory reporting risks. Failure to comply with laws and regulations can have adverse consequences, including civil, administrative, and criminal penalties as well as a negative impact on the Company’ s reputation, business, results of operations and cash flows.** Failure to meet evolving expectations for **other** reporting on **environmental, sustainability and social responsibility**, and governance (“ ESG ”) matters could adversely affect our sales and results of operations. Expectations from investors, customers, team members, **certain** government agencies and other third parties **for concerning ESG reporting on sustainability and social responsibility matters** have increased, and our ability to meet those expectations is dependent on a variety of factors, including cooperation from sourcing vendors and other third parties and having access to consistent and reliable data. Negative customer perceptions regarding the safety and sourcing of the products we sell and the sufficiency and transparency of our reporting on such matters and events that give rise to actual, potential, or perceived sustainability, social responsibility and similar concerns could hurt our reputation, result in lost sales, cause our customers to seek alternative sources for their needs and make it difficult and costly for us to regain the confidence of our customers . ~~Furthermore, costs associated with responding to ESG related laws, regulations, or customer requirements may have an adverse impact on our business, financial condition and results of operations and cash flows.~~ Risks Related to Information, Technology and Cybersecurity If we are unable to protect our information systems and networks against data corruption, cyber- based attacks or network security breaches, our operations could be disrupted. We are increasingly dependent on cloud- based and other information technology (“ IT ”) systems and networks, some of which are managed by third parties, to process, transmit, and store electronic information. We depend on such IT infrastructure for electronic communications among our locations around the world and between our personnel and suppliers and customers. In addition, we rely on these IT systems to record, process, summarize, transmit, and store electronic information, and to manage or support a variety of business processes and activities, including, among other things, our accounting and financial reporting processes; our manufacturing and supply chain processes; our sales and marketing efforts; and the data related to our research and development efforts. The failure of our IT systems or those of our business partners or third- party service providers to perform properly, or difficulties encountered in the development of new systems or the upgrade of existing systems, could disrupt our business and harm our reputation, which may result in decreased sales, increased ~~overhead~~ costs, excess or obsolete inventory, and product shortages, causing our business, reputation, financial condition, and operating results to suffer. Upon expiration or termination of any of our agreements with third- party vendors, we may not be able to replace the services provided to us in a timely manner or on terms and conditions, including service levels and cost, that are favorable to us, and a transition from one vendor to another vendor could subject us to operational delays and inefficiencies until the transition is complete. IT security threats are increasing in frequency and sophistication. We have experienced, and expect to continue to experience, cyber- attacks on our IT systems and networks. Cyber- attacks may be random, coordinated, or targeted, including sophisticated computer crime threats. These threats pose a risk to the security of our systems and networks, and those of our business partners and third- party service providers, and to the confidentiality, availability, and integrity of our data. Despite our implementation of security measures, cybersecurity threats, such as malicious software, ransomware, phishing attacks, computer viruses, and attempts to gain unauthorized access, cannot be completely mitigated **and may become more virulent due to further development through the application of artificial intelligence** . Our business, reputation, operating results, and financial condition could be materially adversely affected if, as a result of a significant cyber event or otherwise, our operations or industrial processes are disrupted or shutdown; our confidential, proprietary information is stolen or disclosed; the performance or security of our cloud- based product offerings is impacted; our intranet and internet sites are compromised; data is manipulated or destroyed; we incur costs or are required to

pay fines in connection with stolen customer, employee, or other confidential information; we must dedicate significant resources to system repairs or increase cyber security protection; or we otherwise incur significant litigation or other costs. In addition, newer generations of certain of our products include IT systems, including systems that are cloud- based and / or interconnect through the internet. These systems are subject to the same cybersecurity threats described above and the failure of these systems, including by cyber- attack, could disrupt our customers' business, leading to potential exposure for us. Operation on multiple Enterprise Resource Planning (" ERP ") information systems and other applications may negatively impact our operations and internal control environment. We are highly dependent on our information systems infrastructure to prepare customer quotes, process orders, purchase materials, track inventory, ship products in a timely manner, prepare invoices to our customers, maintain internal controls, produce financial data, and otherwise carry on our businesses in the ordinary course. From time to time we also undertake projects to implement new, or update existing, ERP systems and other applications. While we believe we have the experience, skill and management abilities, as well as access to the necessary experts and consultants, to plan and execute these projects without significant disruption to our businesses, ERP and other application implementations and updates are ~~very~~ complex and inherently subject to risks and uncertainty. There is no assurance that the projects will succeed or that failures in the design, programming, software or implementation of these projects will not cause significant disruption to our businesses. Such a disruption could cause project cost overruns, which may be significant, losses in revenue, increases in operating costs, and reduced customer satisfaction, all of which would lead to a decline in profitability over the short term and possibly the long term. In addition, as the Company continues to pursue inorganic growth opportunities through acquisitions, our inability to properly assess the acquired ERP systems and other applications and, where necessary, implement upgrades or replacements, may prevent us from maximizing the value and realizing the synergies of those newly acquired businesses and ensuring the operating effectiveness of our internal control processes. Our technology is important to our success, and failure to develop new products or make the appropriate investment in technology advancements may result in the loss of any sustainable competitive advantage in products, services and processes. We believe the development of our intellectual property rights is critical to the success of our business. In order to maintain our market positions and margins, we need to regularly develop and introduce high- quality, technologically advanced and cost- effective products on a timely basis, in many cases in multiple jurisdictions around the world. Information technology systems, platforms and products are critical to our operating environment, product offerings and competitive position. Certain digitalization initiatives important to our long- term success may require capital investment, have significant risks associated with their execution, and could take several years to implement. If we do not accurately predict, prepare and respond to new technology innovations, market developments and changing customer needs, our revenues, profitability and long- term competitiveness could be materially adversely affected. Failure to protect or unauthorized use of our intellectual property may harm our business. Despite our efforts to protect our proprietary rights, unauthorized parties or competitors may copy or otherwise obtain and use our products or technology. The steps we have taken may not prevent unauthorized use of our technology or knowledge, particularly in foreign countries where the laws may not protect our proprietary rights to the same extent as in the United States. Costs incurred to defend our rights may be material.

Risks Related to Contingent Liabilities Our current and planned products may contain defects or errors that are detected only after delivery to customers. If that occurs, our reputation may be harmed and we may face additional costs. We cannot assure you that our product development, manufacturing and integration testing will be adequate to detect all defects, errors, failures and quality issues that could impact customer satisfaction or result in claims against us with regard to our products. As a result, we may have, and from time to time have had, to replace certain components and / or provide remediation in response to the discovery of defects in products that are shipped. The occurrence of any defects, errors, failures or quality issues could result in cancellation of orders, product returns, diversion of our resources, legal actions by our customers or our customers' end users and other losses to us or to any of our customers or end users, and could also result in the loss of or delay in market acceptance of our products and loss of sales, which would harm our business and adversely affect our revenues, profitability and cash flows. We are subject to potential liability relating to claims, complaints and proceedings, including those relating environmental, product liability and other matters. We are subject to various laws, ordinances, regulations and other requirements of government authorities in the United States and other nations. Additionally, changes in laws, ordinances, regulations, or other governmental policies may significantly increase our expenses and liabilities. Certain claims, complaints, and proceedings arising in the ordinary course of business have been asserted or are pending against us or certain of our subsidiaries (collectively, " claims "). These claims relate to litigation matters, environmental matters, product liability matters, and other risk management matters (e. g., general liability, automobile, and workers' compensation claims). Periodically, claims, complaints and proceedings arising other than in the ordinary course of business have been asserted or are pending against us or certain of our subsidiaries (e. g. patent infringement), including claims with respect to businesses that we have acquired for matters arising before the relevant date of the acquisition. From time to time, we face actions by governmental authorities, both in and outside the United States. Additionally, we may become subject to other claims of which we are currently unaware, which may be significant, or the claims of which we are aware may result in our incurring significantly greater loss than we anticipate. Our insurance may be insufficient or unavailable (e. g., because of insurer insolvency) to protect us against potential loss exposures. We face environmental exposures including, for example, those relating to discharges from and materials handled as part of our operations, the remediation of soil and groundwater contaminated by petroleum products or hazardous substances or wastes, and the health and safety of our employees. We may be liable for the costs of investigation, removal, or remediation of hazardous substances or petroleum products on, under, or in our current or formerly owned or leased properties, or from third- party disposal facilities that we may have used, without regard to whether we knew of, or caused, the presence of the contaminants. The presence of, or failure to properly remediate, these substances may have adverse effects, including, for example, substantial investigative or remedial obligations and limitations on the ability to sell or rent affected property or to borrow funds using affected property as collateral. New or existing environmental matters or changes in environmental laws or policies could lead to

material costs for environmental compliance or cleanup. In addition, environmentally related product regulations are growing globally in number and complexity and could contribute to increased costs with respect to disclosure requirements, product sales and distribution related costs, and post- sale recycling and disposal costs. There can be no assurance that these liabilities and costs will not have a material adverse effect on our financial position, results of operations, or cash flows. See “ MD & A- Critical Accounting Estimates- Contingent Liabilities ” and Note 15 to our consolidated financial statements for further discussion.

Risks Related to Human Capital Resources The loss of key personnel and an inability to attract and retain qualified employees could have a material adverse effect on our operations. We are dependent on the continued services of our leadership teams. The loss of these personnel without adequate replacement could have a material adverse effect on our operations. Additionally, we need qualified managers and skilled employees with technical and manufacturing industry experience in many locations in order to operate our business successfully. From time to time, there may be a shortage of qualified managers or skilled labor, which may make it more difficult and expensive for us to attract and retain qualified employees. If we were unable to attract and retain sufficient numbers of qualified individuals or our costs to do so were to increase significantly, our operations could be materially adversely affected. We are subject to work stoppages, union negotiations, labor disputes and other matters associated with our labor force, which may adversely impact our operations and cause us to incur incremental costs. At December 31, ~~2023~~ **2024**, we had six domestic collective bargaining agreements covering approximately 460 of our ~~over~~ **over** ~~approximately 4,100~~ **300** employees. ~~Four~~ **None** of these collective bargaining agreements **will** expire in ~~2024~~ **2025** ~~and or~~ are scheduled for negotiation and renewal. We also have various collective labor arrangements covering certain non- U. S. employee groups. We are subject to potential union campaigns, work stoppages, union negotiations and other potential labor disputes. Further, we may be subject to work stoppages, which are beyond our control, at our suppliers or customers.

Risks Related to Financial Matters We may not be able to finance future needs or adapt our business plan to react to changes in economic or business conditions because of restrictions placed on us by our senior credit facilities and any existing or future instruments governing our other indebtedness. Our senior credit facilities and agreements governing our other indebtedness contain, or future or revised instruments may contain, various restrictions and covenants that limit our ability to incur additional indebtedness, grant liens, and make investments unless certain financial tests or other criteria are satisfied. We also must comply with certain specified financial ratios and tests. Our subsidiaries may also be subject to restrictions on their ability to make distributions to us. In addition, our senior credit facilities and agreements governing our other indebtedness contain or may contain additional affirmative and negative covenants. Material existing restrictions are described more fully in the “ MD & A- Liquidity and Financial Condition- Senior Credit Facilities ” and Note 13 to our consolidated financial statements. Each of these restrictions could affect our ability to operate our business and may limit our ability to take advantage of potential business opportunities, such as acquisitions. If we do not comply with the covenants and restrictions contained in our senior credit facilities and agreements governing our other indebtedness, we could default under those agreements, and the debt, together with accrued interest, could be declared due and payable. If we default under our senior credit facilities, the lenders could cause all our outstanding debt obligations under our senior credit facilities to become due and payable or require us to repay the indebtedness under these facilities. If our debt is accelerated, we may not be able to repay or refinance our debt. In addition, any default under our senior credit facilities or agreements governing our other indebtedness could lead to an acceleration of debt under other debt instruments that contain cross- acceleration or cross- default provisions. If the indebtedness under our senior credit facilities is accelerated, we may not have sufficient assets to repay amounts due under our senior credit facilities or other debt securities then outstanding. Our ability to comply with these provisions of our senior credit facilities and agreements governing our other indebtedness will be affected by changes in the economic or business conditions or other events beyond our control. Complying with our covenants may also cause us to take actions that are not favorable to us and may make it more difficult for us to successfully execute our business strategy and compete, including against companies that are not subject to such restrictions. A significant portion of our debt accrues interest at variable rates and increases in applicable benchmark interest rates could adversely affect our results of operations and cash flows. Our profitability and cash flows may be adversely affected during any periods of unexpected or rapid increases in interest rates. We maintain a credit agreement with both term loan facilities and a revolving credit facility. Borrowings under these facilities accrue interest at either an alternate base rate or Term Secured Overnight Financing Rate (“ SOFR ”) plus, in each case, an applicable margin based on our consolidated leverage ratio as defined in the credit agreement. A significant increase in Term SOFR or the other benchmark rates used in determining the alternative base rate would significantly increase our cost of borrowings. Further, any changes in regulatory standards or industry practices, such as the discontinuation of the use of Term SOFR and / or the transition to alternative benchmark rates may result in the usage of higher interest rates under the credit agreement, and our current or future indebtedness may be adversely affected. We are also exposed to risks if the U. S. Federal Reserve raises its benchmark interest rate, which may reduce the availability of, and increase the cost of, obtaining new debt and refinancing existing indebtedness. For additional information related to this risk, see Item 7A “ Quantitative and Qualitative Disclosures About Market Risk. ”

Currency conversion risk could have a material impact on our reported results of business operations. Our operating results are presented in U. S. dollars for reporting purposes. The strengthening or weakening of the U. S. dollar against other currencies in which we conduct business could result in unfavorable translation effects as the results of transactions in foreign countries are translated into U. S. dollars. Increased strength of the U. S. dollar will increase the effective price of our products sold in U. S. dollars into other countries, ~~including countries utilizing the Euro~~, which may have a material adverse effect on sales or require us to lower our prices, and also decrease our reported revenues or margins related to sales conducted in foreign currencies to the extent we are unable or determine not to increase local currency prices. Likewise, the increased strength of the U. S. dollar could allow competitors with foreign- based manufacturing costs to sell their products in the U. S. at lower prices. Alternatively, decreased strength of the U. S. dollar could have a material adverse effect on the cost of materials and products purchased overseas. Similarly, increased or decreased strength of the currencies of non- U. S. countries in which we manufacture will have a

comparable effect against the currencies of other jurisdictions in which we sell. For example, our Radiodetection business manufactures a number of detection instruments in the United Kingdom and sells to customers in other countries, therefore increased strength of the British pound sterling will increase the effective price of these products sold in British pound sterling into other countries; and decreased strength of British pound sterling could have a material adverse effect on the cost of materials and products purchased outside of the United Kingdom. Credit and counterparty risks could harm our business. The financial condition of our customers and distributors could affect our ability to market our products or collect receivables. In addition, financial difficulties faced by our customers may lead to cancellations or delays of orders. Our customers may suffer financial difficulties that make them unable to pay for a project when completed, or they may decide not to, or be unable to, pay us, either as a matter of corporate decision-making or in response to changes in local laws and regulations. We cannot assure you that expenses or losses for uncollectible amounts will not have a material adverse effect on our earnings and cash flows.

~~Commodity, currency~~ **Currency** and interest rate hedging activities may adversely impact our financial performance as a result of changes in relevant ~~commodity prices,~~ interest rates and currency rates. We use derivative financial instruments in order to reduce the substantial effects of currency and ~~commodity fluctuations and~~ interest rate exposure on our cash flow and financial condition. These instruments may include foreign currency ~~and commodity forward contracts,~~ currency swap agreements and currency option contracts, as well as interest rate swap agreements. We have entered into, and may continue to enter into, ~~such these or other~~ hedging arrangements. By utilizing hedging instruments, we may forgo benefits that might result from fluctuations in currency exchange, ~~commodity~~ and interest rates. We are also exposed to the risk that counterparties to hedging contracts will default on their obligations. A default by such counterparties in performing their obligations under these hedging instruments could have an adverse effect on us. Changes in tax laws and regulations or other factors could cause our income tax obligations to increase, potentially reducing our net income and adversely affecting our cash flows. We are subject to taxation in various jurisdictions around the world. In preparing our financial statements, we provide for income taxes based on current tax laws and regulations and the estimated taxable income within each of these jurisdictions. Our income tax obligations, however, may be higher due to numerous factors, including changes in tax laws or regulations and the outcome of audits and examinations of our tax returns. Officials in some of the jurisdictions in which we do business have proposed, or announced that they are reviewing, tax changes that could potentially increase taxes, and other revenue-raising laws and regulations, including those that may be enacted as a result of various OECD projects. Changes in applicable U. S. or foreign tax laws and regulations, or their interpretation and application, could have a material impact on our financial position, results of operations, and cash flows. As indicated in Note 12 to our consolidated financial statements, ~~certain of our~~ **we regularly have various** income tax returns ~~are currently~~ under **examination or** audit. In connection with these and any future **examinations or** audits, there is a risk that we could be challenged by tax authorities on certain of the tax positions we have taken, or will take, on our tax returns. Although we believe that current tax laws and regulations support our positions, there can be no assurance that tax authorities will agree with our positions. In the event tax authorities were to challenge one or more of our tax positions, an unfavorable outcome could have a material adverse impact on our financial position, results of operations, and cash flows. If the fair value of any of our reporting units is insufficient to recover the carrying value of the goodwill and other intangible assets of the respective reporting unit, a material non-cash charge to earnings could result. At December 31, ~~2023-2024~~, we had goodwill and other intangible assets, net, of \$ 1, ~~385-537~~ **6-5**. We conduct annual impairment testing to determine if we will be able to recover all or a portion of the carrying value of goodwill and indefinite-lived intangible assets. In addition, we review goodwill and indefinite-lived intangible assets for impairment more frequently if impairment indicators arise. If the fair value is insufficient to recover the carrying value of our goodwill and indefinite-lived intangible assets, we may be required to record a material non-cash charge to earnings. The fair values of our reporting units generally are based on discounted cash flow projections that are believed to be reasonable under current and forecasted circumstances, the results of which form the basis for making judgments about carrying values of the reported net assets of our reporting units. Other considerations are also incorporated, including comparable price multiples. Many of our businesses closely follow changes in the industries and end markets that they serve. Accordingly, we consider estimates and judgments that affect the future cash flow projections, including principal methods of competition such as volume, price, service, product performance and technical innovations and estimates associated with cost reduction initiatives, capacity utilization, and assumptions for inflation and foreign currency changes. We monitor impairment indicators across all of our businesses. Significant changes in market conditions and estimates or judgments used to determine expected future cash flows that indicate a reduction in carrying value may give, and have given, rise to impairments in the period that the change becomes known. Cost reduction actions may affect our business. Cost reduction actions often result in charges against earnings. These charges can vary significantly from period to period and, as a result, we may experience fluctuations in our reported net income and earnings per share due to the timing of cost reduction actions. Changes in key estimates and assumptions related to our defined benefit pension and postretirement plans, such as discount rates, assumed long-term return on assets, assumed long-term trends of future cost, and accounting and legislative changes, as well as actual investment returns on our pension plan assets and other actuarial factors, could affect our results of operations and cash flows. We have defined benefit pension and postretirement plans, including both qualified and non-qualified plans, which cover a portion of our salaried and hourly employees and retirees, including a portion of our employees and retirees in foreign countries. As of December 31, ~~2023-2024~~, our net liability to these plans was \$ ~~100-96~~ **1-8**. The determination of funding requirements and pension expense or income associated with these plans involves significant judgment, particularly with respect to discount rates, long-term trends of future costs and other actuarial assumptions. If our assumptions change significantly due to changes in economic, legislative and / or demographic experience or circumstances, our pension and other benefit plans' expense, funded status and our required cash contributions to such plans could be negatively impacted. In addition, returns on plan assets could have a material impact on our pension plans' expense, funded status and our required contributions to the plans. Changes in regulations or law could also significantly impact our obligations. For example, see "MD & A- Critical

Accounting Estimates” for the impact that changes in certain assumptions used in the calculation of our costs and obligations associated with these plans could have on our results of operations and financial position. Our incurrence of additional indebtedness may affect our business and may restrict our operating flexibility. At December 31, ~~2023~~ **2024**, we had \$ ~~558~~ **614** . ~~3~~ **7** in total indebtedness. On that same date, we had \$ ~~489~~ **909** . ~~2~~ **0** of available borrowing capacity under our revolving credit facilities, after giving effect to **borrowings under the domestic revolving loan facilities of \$ ~~10~~ **80** . ~~8~~ **0** and \$ ~~11~~ **0**** reserved for outstanding letters of credit. In addition, at December 31, ~~2023~~ **2024**, we had \$ ~~13~~ **8** . ~~4~~ **0** of available issuance capacity under our foreign credit instrument facilities after giving effect to \$ ~~11~~ **17** . ~~6~~ **0** reserved for outstanding letters of credit. At December 31, ~~2023~~ **2024**, our cash and equivalents balance was \$ ~~104~~ **161** . ~~9~~ **4**. See “ MD & A- Liquidity and Financial Condition- Borrowings ” and Note 13 to our consolidated financial statements for further discussion. We may incur additional indebtedness in the future, including indebtedness incurred to finance, or assumed in connection with, acquisitions. We may renegotiate or refinance our senior credit facilities or other debt facilities, or enter into additional agreements that have different or more stringent terms. Increases in the level of our indebtedness relative to our cash balances could: • Impact our ability to obtain new, or refinance existing, indebtedness, on favorable terms or at all; • Limit our ability to obtain, or obtain on favorable terms, additional debt financing for working capital, capital expenditures or acquisitions; • Limit our flexibility in reacting to competitive and other changes in the industry and economic conditions; • Limit our ability to pay dividends on our common stock in the future; • Coupled with a substantial decrease in net operating cash flows due to economic developments or adverse developments in our business, make it difficult to meet debt service requirements; and • Expose us to interest rate fluctuations to the extent existing borrowings are, and any new borrowings may be, at variable rates of interest, which could result in higher interest expense and interest payments in the event of increases in interest rates. Our ability to make scheduled payments of principal or pay interest on, or to refinance, our indebtedness and to satisfy our other debt obligations will depend upon our future operating performance, which may be affected by general economic, financial, competitive, legislative, regulatory, business and other factors beyond our control. In addition, we cannot assure you that future borrowings or equity financing will be available for the payment or refinancing of our indebtedness. If we are unable to service our indebtedness, whether in the ordinary course of business or upon an acceleration of such indebtedness, we may pursue one or more alternative strategies, such as restructuring or refinancing our indebtedness, selling assets, reducing or delaying capital expenditures, revising implementation of or delaying strategic plans or seeking additional equity capital. Any of these actions could have a material adverse effect on our business, financial condition, results of operations and stock price. In addition, we cannot assure that we would be able to take any of these actions, that these actions would enable us to continue to satisfy our capital requirements, or that these actions would be permitted under the terms of our various debt agreements. Numerous banks in many countries are syndicate members in our credit facility. Failure of one or more of our larger lenders, or several of our smaller lenders, could significantly reduce availability of our credit, which could harm our liquidity. Failure of our internal control over financial reporting could adversely affect our business and financial results. Our management is responsible for establishing and maintaining effective internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of financial reporting for external purposes in accordance with accounting principles generally accepted in the United States (“ GAAP ”). Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that we would prevent or detect a misstatement of our financial statements or fraud. Any failure to maintain an effective system of internal control over financial reporting could limit our ability to report our financial results accurately and timely or to detect and prevent fraud. Risks Related to Ownership of Our Common Stock Provisions in our corporate documents and Delaware law may delay or prevent a change in control of our company, and accordingly, we may not consummate a transaction that our stockholders consider favorable. Provisions of our Certificate of Incorporation and By- laws may inhibit changes in control of our company not approved by our Board. These provisions include, for example: a classified board of directors with directors serving staggered three- year terms; a prohibition on stockholder action by written consent; a requirement that special stockholder meetings be called only by our Chairman, President or Board; advance notice requirements for stockholder proposals and nominations; limitations on stockholders’ ability to amend, alter or repeal the By- laws; enhanced voting requirements for certain business combinations involving substantial stockholders; the authority of our Board to issue, without stockholder approval, preferred stock with terms determined in its discretion; and limitations on stockholders’ ability to remove directors. In addition, we are afforded the protections of Section 203 of the Delaware General Corporation Law, which could have similar effects. In general, Section 203 prohibits us from engaging in a “ business combination ” with an “ interested stockholder ” (each as defined in Section 203) for at least three years after the time the person became an interested stockholder unless certain conditions are met. These protective provisions could result in our not consummating a transaction that our stockholders consider favorable or discourage entities from attempting to acquire us, potentially at a significant premium to our then- existing stock price. Increases in the number of shares of our outstanding common stock could adversely affect our common stock price or dilute our earnings per share. Sales of a substantial number of shares of common stock into the public market, or the perception that these sales could occur, could have a material adverse effect on our stock price. As of December 31, ~~2023~~ **2024**, we had the ability to issue up to an additional ~~3~~ **597** ~~409~~ shares as restricted stock units, performance stock units, or stock options under our 2019 Stock Compensation Plan. We also may issue a significant number of additional shares, in connection with acquisitions, through a registration statement, or otherwise. Additional shares issued would have a dilutive effect on our earnings per share.