

Risk Factors Comparison 2025-02-25 to 2024-02-27 Form: 10-K

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

The Company is subject to risks and uncertainties, including, but not limited to, the following: RISKS RELATED TO MACROECONOMIC CONDITIONS The Company's international operations may be negatively affected by political events, wars or terrorism, economic conditions and regulatory changes, related to either a specific country or a larger region. These potential political, currency and economic disruptions, as well as foreign currency exchange rate fluctuations, could have a material adverse effect on the Company's results of operations or financial condition. Approximately **68 % and 69 % and 70 %** of the Company's net sales in **2024 and 2023 and 2022**, respectively, were outside of the United States and were primarily denominated in foreign currencies. In addition, the Company has considerable manufacturing operations in Ireland and the U. K., as well as significant subcontractors located in Singapore. As a result, a significant portion of the Company's sales and operations are subject to certain risks, including adverse developments in the political, regulatory and economic environment, in particular, uncertainty regarding possible changes to foreign and domestic trade policy; **the effect trade protection measures, including embargoes, sanctions and tariffs; impact and costs of terrorism or war, in particular the U. K.'s exit from the European Union as well as a result of the ongoing conflict between Russia and Ukraine and in the Middle East, and the possibility of further escalation resulting in new geopolitical and regulatory instability;** the financial difficulties and debt burden experienced by a number of European countries; ~~impact and costs of terrorism or war, in particular as a result of the ongoing conflict between Russia and Ukraine and in the Middle East, and the possibility of further escalation resulting in new geopolitical and regulatory instability; the instability and possible dissolution of the euro as a single currency;~~ sudden movements in a country's foreign exchange rates due to a change in a country's sovereign risk profile or foreign exchange regulatory practices ; ~~trade protection measures including embargoes, sanctions and tariffs;~~ differing tax laws and changes in those laws; restrictions on investments and / or limitations regarding foreign ownership; nationalization of private enterprises which may result in the confiscation of assets; credit risk and uncertainties regarding the collectability of accounts receivable; the impact of global health **crises, pandemics and epidemics ; such as COVID-19;** changes in inflation and interest rates; instability in the global banking industry; rising energy prices and potential energy shortages; difficulties in protecting intellectual property; difficulties in staffing and managing foreign operations; and associated adverse operational, contractual and tax consequences. In **2023-2024**, the Company generated \$ **441-397** million of total net sales from China, down from \$ 565 million in 2022. This significant ~~22-30~~ % reduction in sales from China resulted from lower customer demand for our products across all customer classes, driven by various factors. Such factors include a decline in the economic conditions in China, trade tensions and tariffs between the U. S. and China and their impact on our **business and particularly** customers' purchasing decisions, increased competition from local and international competitors in China, the Chinese government's ongoing tightening of restrictions on procurement by government- funded customers and other regulatory and compliance challenges and uncertainties in the Chinese market, all of which had, and may continue to have, an adverse effect on our business and operations in China . **For example, in March 2024, the Company had a reduction in workforce that impacted approximately 2 % of its employees, primarily in China due to the significant decline in sales resulting from lower customer demand.** In particular, China's government continues to play a significant role in regulating industry development by imposing sector- specific policies, and it maintains control over China's economic growth through setting monetary policy and determining treatment of particular industries or companies. The U. S. government has called for substantial changes to foreign trade policy with China and has recently raised, and has proposed to further raise in the future, tariffs on several Chinese goods. China has retaliated with increased tariffs on U. S. goods, which may increase our cost of doing business in China. Any further changes in U. S. trade policy could trigger retaliatory actions by affected countries, including China, resulting in trade wars and increased costs for goods imported into the U. S. and impacting our ability to sell our products in China and other affected countries. Accordingly, our financial position or results of operations can be adversely influenced by political, economic, legal, compliance, social and business conditions in China generally. Additionally, the U. S. dollar value of the Company's net sales, cost of sales, operating expenses, interest, taxes and net income varies with foreign currency exchange rate fluctuations. Significant increases or decreases in the value of the U. S. dollar relative to certain foreign currencies, particularly the euro, Japanese yen, British pound and Chinese renminbi, could have a material adverse effect or benefit on the Company's results of operations or financial condition. From time to time, the Company enters into certain foreign currency exchange contracts that are intended to offset some of the market risk associated with sales denominated in foreign currencies. We cannot predict the effectiveness of these transactions or their impact upon our future operating results, and from time to time they may negatively affect our quarterly earnings. Global economic conditions may have an adverse effect on the demand for, and supply of, the Company's products and harm the Company's financial results. The Company is a global business that may be adversely affected by changes in global economic conditions such as changes in the rate of inflation (including the cost of raw materials, commodities and supplies) and interest rates. Both our domestic and international markets experience varying degrees of inflationary and interest rate pressures. These changes in global economic conditions may affect the demand for, and supply of, the Company's products and services. This may result in a decline in sales in the future, increased rate of order cancellations or delays, increased risk of excess or obsolete inventories, longer sales cycles and potential difficulty in collecting sales proceeds. There can be no assurance regarding demand for the Company's products and services in the future. Disruption in worldwide financial markets could adversely impact the Company's access to capital and financial condition. Financial markets in the U. S., Europe and Asia have experienced times of extreme disruption, including, among other things, sharp

increases in the cost of new capital, credit rating downgrades and bailouts, severely diminished capital availability and severely reduced liquidity in money markets. Financial and banking institutions have also experienced disruptions, resulting in large asset write-downs, higher costs of capital, rating downgrades and reduced desire to lend money. There can be no assurance that there will not be future deterioration or prolonged disruption in financial markets or financial institutions. Any future deterioration or prolonged disruption in financial markets or financial institutions in which the Company participates may impair the Company's ability to access its existing cash, utilize its existing syndicated bank credit facility funded by such financial institutions or access sources of new capital, which it may need to meet its capital needs. The cost to the Company of any new capital raised and interest expense would increase if this were to occur. Public health crises, epidemics or pandemics, such as the COVID-19 pandemic have had, and could in the future have, a negative impact on the Company's business and operations. Public health crises, epidemics or pandemics have had, and could in the future have, a negative impact on our business and operations, including Company sales and cash flow. Such public health crises, epidemics and pandemics have the potential to create significant volatility, uncertainty and worldwide economic disruption, resulting in an economic slowdown of potentially extended duration, as seen with the COVID-19 pandemic from 2020 to 2022. The Company's global operations expose it to risks associated with such public health crises, epidemics and pandemics, which could have an adverse effect on its business, results of operations and financial condition. The degree to which such public health crisis, epidemics or pandemics ultimately affects the Company's business, results of operations and financial condition is highly uncertain and cannot be predicted.

17 RISKS RELATED TO OUR BUSINESS The Company's financial results are subject to changes in customer demand, which may decrease for a number of reasons, many beyond the Company's control. The demand for the Company's products is dependent upon the size of the markets for its LC, LC-MS, light scattering, thermal analysis, rheometry and calorimetry products; the timing and level of capital spending and expenditures of the Company's customers; changes in governmental regulations, particularly those affecting drug, food and drinking water testing; funding available to academic, governmental and research institutions; **15 health policy; export controls;** general economic conditions and the rate of economic growth in the Company's major markets; and competitive considerations. **. Policy, regulatory and enforcement changes introduced by the new presidential administration and regulatory leadership in the United States may impact the business and capital expenditure strategies of the Company's customers, which in turn could adversely impact the Company's results of operations or financial condition.** The Company typically experiences seasonality in its orders that is reflected as an increase in sales in its fourth quarter as a result of purchasing habits for capital goods by customers that tend to exhaust their spending budgets by calendar year-end. However, there can be no assurance that the Company will effectively forecast customer demand and appropriately allocate research and development expenditures to products with high growth and high margin prospects. Additionally, there can be no assurance that the Company's results of operations or financial condition will not be adversely impacted by a change in any of the factors listed above or the continuation of uncertain global economic conditions. The analytical instrument market may also, from time to time, experience low sales growth. Approximately **58 % and 57 % and 59 %** of the Company's net sales in **2024 and 2023 and 2022**, respectively, were to worldwide pharmaceutical accounts, which are periodically subject to unfavorable market conditions and consolidations. Unfavorable industry conditions could have a material adverse effect on the Company's results of operations or financial condition. Competitors may introduce more effective or less expensive products than the Company's, which could result in decreased sales. The competitive landscape may transform as a result of potential changes in ownership, mergers and continued consolidations among the Company's competitors, which could harm the Company's business. The analytical instrument market, and, in particular, the portion related to the Company's HPLC, UPLC, LC-MS, light scattering, thermal analysis, rheometry and calorimetry product lines, is highly competitive. The Company encounters competition from several international instrument suppliers and other companies in both domestic and foreign markets. Some competitors have instrument businesses that are generally more diversified than the Company's business, but are typically less focused on the Company's chosen markets. Over the years, some competitors have merged with other competitors for various reasons, including increasing product line offerings, improving market share and reducing costs. There can be no assurance that the Company's competitors will not introduce new, disruptive technologies that displace the Company's existing technologies or more effective and less costly products than those of the Company or that the Company will be able to increase its sales and profitability from new product introductions. There can be no assurance that the Company's sales and marketing forces will compete successfully against the Company's competitors in the future. Strategies for organic growth require developing new technologies and bringing these new technologies to market, which could negatively impact the Company's financial results. The Company's corporate strategy is fundamentally based on winning through organic innovation and deep application expertise. The Company is in the process of developing new products with recently acquired technologies. The future development of these new products will require a significant amount of spending over the next few years before any significant, robust sales will be realized. Furthermore, these new products will be sold into both the non-clinical and clinical markets, and any new products requiring FDA clearance may take longer to bring to market. There can be no assurance given as to the timing of these new product launches and the ultimate realization of sales and profitability in the future. In addition, the Company's products are subject to rapid changes in technology. Rapidly changing technology could make some or all of our product lines obsolete unless the Company is able to continually improve our existing products and develop new products. If the Company fails to develop and introduce products **18** in a timely manner in response to changing technology, market demands or the requirements of our customers, the Company's product sales may decline, and we could experience an adverse effect on our results of operations or financial condition. **. 16 Issues and uncertainties related to the development, deployment and use of artificial intelligence in the Company's business operations and products may result in harm to the Company's reputation, regulatory action or legal liability. The Company is beginning to integrate artificial intelligence ("AI") into its business operations and products and continues to research further uses and opportunities for AI development. As AI is a rapidly developing technology that is still in the early stages of being**

researched and understood, the development, deployment and use of AI presents novel risks and challenges that have the potential to adversely impact the Company's business. The premature use of inadequate AI or the use of deficient AI, including flawed or biased algorithms, could harm the Company's brand, reputation or competitive advantage or result in regulatory penalties or legal liability. Failures in AI functionality could result in delays in new product offerings and services and have an adverse impact on other business activities. Delays or disruptions in successfully developing and implementing AI as part of the Company's business activities, products or services could have a negative impact on the Company's competitiveness, particularly if competitors are successful in making and leveraging such advancements, and the development of adequate AI technology will require significant investment. Due to the novelty of AI technology, the Company may also experience additional risks that cannot yet be predicted. Laws and regulations arising from the use and development of AI technology present additional uncertainties and risks to the Company. In particular, the use and development of AI implicates risks related to intellectual property, data protection and privacy laws and regulations. Due to the rapid developments being made in AI technology, the legal and regulatory landscape related to AI is constantly evolving. Complying with developing laws, regulations and standards could significantly burden the Company, and failures to comply could result in legal liability, regulatory action or reputational harm.

The Company may face risks associated with previous or future acquisitions, strategic investments, joint ventures and divestitures. In the normal course of business, the Company may engage in discussions with third parties relating to possible acquisitions, strategic investments, joint ventures and divestitures. The Company may pursue transactions that complement or augment its existing products and services, such as the Wyatt acquisition that was completed in May 2023. Such transactions involve numerous risks, including difficulties in integrating the acquired operations, technologies and products; diversion of management's attention from other business concerns; inability to predict financial results; potential departures of key employees of the acquired company; and difficulties in effectively transferring divested businesses and liabilities. If the Company successfully identifies acquisitions in the future, completing such acquisitions may result in new issuances of the Company's stock that may be dilutive to current owners; increases in the Company's debt and contingent liabilities; and additional amortization expense related to intangible assets. For example, the Company financed the Wyatt acquisition, in part, through borrowings under its revolving credit facility, resulting in a significant increase in the Company's outstanding debt. Acquired businesses may also expose the Company to new risks and new markets, and the Company may have difficulty addressing these risks in a cost-effective and timely manner. Any of these transaction-related risks could have a material adverse effect on the Company's profitability. In addition, the Company may not be able to identify, successfully complete, or integrate potential acquisitions in the future. Even if the Company can do so, it cannot be sure that these acquisitions will have a positive impact on the Company's business or operating results. The Company's software or hardware may contain coding or manufacturing errors that could impact their function, performance and security, and result in other negative consequences. Despite testing prior to the release and throughout the lifecycle of a product or service, the detection and correction of any errors in released software or hardware can be time consuming and costly. This could delay the development or release of new products or services, or new versions of products or services, create security vulnerabilities in the Company's products or services, and adversely affect market acceptance of products or services. If the Company experiences errors or delays in releasing its software or hardware, or new versions thereof, its sales could be affected, and revenues could decline. Errors in software or hardware could expose the Company to product liability, performance and warranty claims as well as harm to brand and reputation, which could impact future sales.

17 A successful product liability claim brought against the Company in excess of, or outside the coverage of, the Company's insurance coverage could have a material adverse effect on our business, financial condition and results of operations. The Company may not be able to maintain product liability insurance on acceptable terms, if at all, and insurance may not provide adequate coverage against potential liabilities. Disruption of operations, including at the Company's manufacturing facilities could harm, or disruption or failure of the Company's key technology systems could have a material impact on the Company's business, results of operations and financial condition. The Company manufactures LC instruments at facilities in Milford, Massachusetts and through a subcontractor in Singapore; precision chemistry separation columns at its facilities in Taunton, Massachusetts and Wexford, Ireland; MS products at its facilities in Wilmslow, England, Solihull, Birmingham, England and Wexford, Ireland; thermal analysis and rheometry products at its facilities in New Castle, Delaware; and other instruments and consumables at various other locations as a result of the Company's acquisitions. Any prolonged disruption to the operations at any of these facilities, whether due to labor difficulties, destruction of or damage to any facility, power interruptions, cybersecurity incidents, failure of key technology systems, weather events or natural disasters (including the potential impacts of climate change) or other reasons, could harm our customer relationships, impede our ability to generate sales and have a material adverse effect on the Company's results of operations or financial condition.

19 Our worldwide enterprise resource planning ("ERP") system is integral to our ability to accurately and efficiently maintain our books and records, record transactions, coordinate resource allocation between our manufacturing facilities across the globe, provide critical information to our management, and prepare our financial statements. In December 2024, the Company's Board of Directors approved the implementation of a new worldwide ERP system, which is expected to provide enhanced operating efficiencies, process alignment, information sharing, and scalability compared to the Company's existing ERP system. While implementation of the new ERP system is currently underway, the full transition to the new ERP system is expected to be a multi-year process. Transitioning from the existing ERP system to the new ERP system has required and will continue to require significant investment of human and financial resources, and we may experience significant increases to inherent costs and risks associated with such a transition, including capital expenditures, additional operating expenses, demands on management time and other risks and costs of delays or potential challenges, such as the cost of training personnel, migration of data, the potential instability of the new ERP system and cost overruns. A significant disruption or deficiency in the design or implementation of the new ERP system

may adversely affect our ability to process orders, ship product, send invoices and track payments, fulfil contractual obligations, maintain effective disclosure controls and internal control over financial reporting or otherwise operate our business and, as a result, may have an adverse and material adverse effect on our results of operations or financial condition.

Failure to adequately protect intellectual property could have materially adverse effects on the Company's results of operations or financial condition. Our success depends on our ability to obtain, maintain, and enforce patents on our technology, maintain our trademarks, and protect our trade secrets. There can be no assurance that any patents held by the Company will not be challenged, invalidated or circumvented or that the rights granted thereunder will provide competitive advantages to the Company. Additionally, there could be successful claims against the Company by third- party patent holders with respect to certain Company products that may infringe the intellectual property rights of such third parties. In the event that a claim relating to intellectual property is asserted against the Company, or third parties hold pending or issued patents that relate to the Company's products or technology, the Company may seek licenses to such intellectual property or challenge those patents. However, the Company may be unable to obtain these licenses on commercially reasonable terms, if at all, and the challenge of the patents may be unsuccessful. The Company's failure to obtain the necessary licenses or other rights could impact the sale, manufacture, or distribution of its products and, therefore, could have a material adverse effect on its results of operations and financial condition. The Company's patents, including those licensed from others, expire on various dates. **18** The Company also depends in part on its trademarks and the strength of its proprietary brands, which the Company considers important to its business. The Company's inability to protect or preserve the value of its intellectual property rights for any reason, including the Company's inability to successfully defend against counterfeit, knock- offs, grey- market, infringing or otherwise unauthorized products, could damage the Company's brand and reputation and harm its business. The Company also relies on trade secrets and proprietary know- how with which it seeks to protect its products, in part, by confidentiality agreements with its collaborators, employees and consultants. These agreements may not adequately protect the Company's trade secrets and other proprietary rights. These agreements may be breached, and the Company may not have adequate remedies for any breach. In addition, the Company's trade secrets may otherwise become known or be independently developed by its competitors. If the Company is unable to protect its intellectual property rights, it could have an adverse and material effect on the Company's results of operations or financial condition. The Company's business would suffer if the Company were unable to acquire adequate sources of supply. Most of the raw materials, components and supplies purchased by the Company are available from a number of different suppliers; however, a number of items are purchased from limited or single sources of supply. Consolidation among such suppliers could also result in other limited or sole- source suppliers for the Company in the future. Disruption of these sources could have, at a minimum, a temporary adverse effect on shipments and the financial results of the Company. In addition, price increases from these suppliers, **including as a result of any imposed tariffs,** could have an adverse effect on the Company's margins. A prolonged inability to obtain certain materials or **components or a sustained material cost increase to source such materials and** components could have an adverse effect on the Company's financial condition or results of operations and could result in damage to its relationships with its customers and, accordingly, adversely affect the Company's business. The Company's sales would deteriorate if the Company's outside contractors fail to provide necessary components or modules. Certain components or modules of the Company's LC and MS instruments are manufactured by outside contractors, including the manufacturing of LC instrument systems and related components by contract manufacturing firms in Singapore. The ability of these contractors to perform their obligations is largely outside of the Company's control. Failure by these outside contractors to perform their obligations in a timely manner or at satisfactory quality levels could have an adverse effect on the supply chain and the financial results of the Company. In addition, if one or more of such contractors experience significant disruption in services or institute a significant price increase, the Company may have to seek alternative providers, its costs could increase and the delivery of its products could be prevented or delayed. A prolonged inability to obtain these components or modules could have an adverse effect on the Company's financial condition or results of operations. **20** The Company's business could be harmed by actions of third- party sales intermediaries and other third parties that sell our products. The Company sells some products through third parties, including third- party sales intermediaries and value- added resellers. This exposes us to various risks, including competitive pressure, concentration of sales volumes, credit risks and compliance risks. We may rely on one or a few key third- party sales intermediaries for a product or market and the loss of these third- party sales intermediaries could reduce our revenue or net earnings. Third- party sales intermediaries may also face financial difficulties, including bankruptcy, which could harm our collection of accounts receivable. Moreover, violations of the U. S. Foreign Corrupt Practices Act ("FCPA"), the U. K. Bribery Act or similar anti- bribery laws by distributors or other third- party intermediaries could materially and adversely impact our business, reputation and results of operations. Risks related to our use of third- party sales intermediaries and other third parties may reduce sales, increase expenses and weaken our competitive position. **19** The Company is subject to laws and regulations governing government contracts, and failure to address these laws and regulations or comply with government contracts could harm its business by leading to a reduction in revenues associated with these customers. The Company derives a portion of its revenue from direct and indirect sales to U. S. federal, state and local as well as foreign governments and their respective agencies, and, as a result, it is subject to various statutes and regulations that apply to companies doing business with the government. The laws governing government contracts differ from the laws governing private contracts and government contracts may contain pricing terms and conditions that are not applicable to private contracts. The Company is also subject to investigation for compliance with the regulations governing government contracts. A failure to comply with these regulations could result in suspension of these contracts, criminal, civil and administrative penalties or debarment, which could negatively impact the Company's business and operations. If the Company's government contracts are terminated, if it is suspended from government work or if its ability to compete for new contracts is adversely affected, the Company's business could be negatively impacted. The Company's financial results are subject to unexpected shifts in pre- tax income between tax jurisdictions, changing application

of tax law and tax audit examinations. The Company is subject to rates of income tax that range from 0 % up to 34 % in various jurisdictions in which it conducts business. In addition, the Company typically generates a substantial portion of its income in the fourth quarter of each fiscal year. Geographical shifts in income from previous quarters' projections caused by factors including, but not limited to, changes in volume and product mix and fluctuations in foreign currency translation rates, could therefore have potentially significant favorable or unfavorable effects on the Company' s income tax expense, effective tax rate and results of operations. Governments in the jurisdictions in which the Company operates implement changes to tax laws and regulations from time to time. **From Starting in 2024**, various foreign jurisdictions are beginning to implement aspects of the guidance issued by the Organization for Economic Co- operation and Development related to the new Pillar Two system of global minimum tax rules. These new tax laws and regulations, and any changes in corporate income tax rates or regulations regarding transfer pricing or repatriation of dividends or capital, as well as changes in the interpretation of existing tax laws and regulations, could adversely affect the Company' s cash flow and lead to increases in its overall tax burden, which would negatively affect the Company' s profitability. **These Company continues to monitor changes in tax law did not have a material impact on the adoption Company' s financial position, results of operations and cash flows in 2024. As of the date of this Annual Report, the Company does not anticipate that the Pillar Two tax rules in additional jurisdictions will have a material impact on future periods.** The Company entered into a new Development and Expansion Incentive in Singapore that provides a concessionary income tax rate of 5 % on certain types of income for the period April 1, 2021 through March 31, 2026. Prior to April 1, 2021, the Company had a tax exemption in Singapore on certain types of income, based upon the achievement and continued satisfaction of certain operational and financial milestones, which the Company met as of December 31, 2020 and maintained through March 2021. The Company had determined that it was more likely than not to realize the tax exemption in Singapore and, accordingly, did not recognize any reserves for unrecognized tax benefits on its balance sheet related to this tax exemption. If any of the milestone targets were not met, the Company would not have been entitled to the tax exemption on income earned in Singapore dating back to the start date of the agreement (April 1, 2016), and all the tax benefits previously **21** recognized would be reversed, resulting in the recognition of income tax expense equal to the statutory tax of 17 % on income earned during that period. As a global business, the Company is subject to tax audit examinations in various jurisdictions throughout the world. The Company must manage the cost and disruption of responding to governmental audits, investigations and proceedings. In addition, the impact of the settlement of pending or future tax audit examination could have an unfavorable effect on the Company' s income tax expense, effective tax rate and results of operations. **20** The Company may be required to recognize impairment charges for our goodwill and other intangible assets. As of December 31, **2023-2024**, the net carrying value of the Company' s goodwill and other intangible assets totaled approximately \$ 1. 9 billion. The Wyatt acquisition significantly increased the carrying value of the Company' s goodwill and other intangible assets, which could lead to potential impairments if Wyatt' s financial results are significantly less than anticipated in the future. In accordance with generally accepted accounting principles, the Company periodically assesses these assets to determine if they are impaired. Significant negative industry or economic trends, disruptions to the Company' s 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 the Company' s goodwill and other intangible assets. Any charges relating to such impairments adversely affect the Company' s financial statements in the periods recognized.

RISKS RELATED TO HUMAN CAPITAL MANAGEMENT

We may not be able to attract and retain qualified employees. Our future success depends upon the continued service of our executive officers and other key management and technical personnel, and on our ability to continue to identify, attract, retain and motivate them. Implementing our business strategy requires specialized engineering and other talent, as our revenues are highly dependent on technological and product innovations. The market for employees in our industry is extremely competitive, and competitors for talent, particularly engineering talent, increasingly attempt to hire, and to varying degrees have been successful in hiring, our employees. A number of such competitors for talent are significantly larger than us and are able to offer compensation in excess of what we are able to offer. Additionally, macroeconomic conditions, including wage inflation, could have a material impact on our ability to attract and retain talent, our turnover rate and the cost of operating our business. **In July During 2024 and 2023**, the Company made organizational changes to better align its resources with its growth and innovation strategies, resulting in a worldwide workforce reduction that impacted approximately 5 % of the Company' s employees. These workforce reductions may not have the desired impact on our cost- saving initiatives, as they could adversely affect our productivity, morale, customer relationships, product quality, innovation capabilities and ability to execute our strategic plans. Moreover, these workforce reductions could expose us to potential litigation, severance costs, reputational damage and loss of key personnel. If we are unable to manage the effects of these workforce reductions or achieve the expected benefits from them, our business, financial condition and results of operations could be materially and adversely affected. Further, existing immigration laws make it more difficult for us to recruit and retain highly skilled foreign national graduates of universities in the United States, making the pool of available talent even smaller. If we are unable to attract and retain qualified employees, our business may be harmed. The loss of key members of management and the risks inherent in succession planning could adversely affect the Company' s results of operations or financial condition. The operation of the Company requires managerial and operational expertise. None of the Company' s key management employees, with the exception of the Chief Executive Officer and Chief Financial Officer, have an employment contract with the Company and there can be no assurance that such individuals will remain with the Company. If, for any reason, other key personnel do not continue to be active in management, the Company' s results of operations or financial condition could be adversely affected. The Company' s success also depends on its ability to execute leadership succession plans. The inability to successfully transition key management roles could have a material adverse effect on the Company' s operating results. **22**

RISKS RELATED TO CYBERSECURITY AND DATA PRIVACY

Disruption, cyber- attack or unforeseen problems with the security, maintenance or upgrade of the Company' s

information and web- based systems could have an adverse effect on the Company' s business strategy, results of operations and financial condition. The Company relies on its technology infrastructure and that of its third- party partners, including its software and banking partners, among other functions, to interact with suppliers, sell products and services, fulfill contract **21** obligations, ship products, collect and make electronic wire and check based payments and otherwise conduct business. The Company' s technology infrastructure and that of its third- party partners has been, and may in the future be, vulnerable to damage or interruption from, but not limited to, natural disasters, power loss, telecommunication failures, terrorist attacks, computer viruses, ransomware, unauthorized access to customer or employee data, unauthorized access to and funds transfers from Company bank accounts and other attempts to harm the Company' s systems . **The risk of damage or interruption to technology infrastructure as a result of cyber- attacks has generally increased as the number, intensity and sophistication of attempted attacks from around the world have increased, including through state- sponsored actors and / or the use of artificial intelligence** . In the event of such an incident, the Company has in the past, and may in the future, suffer interruptions in service, loss of assets or data or reduced functionality. The Company attempts to mitigate cybersecurity risks by employing a number of proactive measures, including mandatory ongoing employee training and awareness, technical security controls, enhanced data protection and maintenance of backup and protective systems. Despite these mitigation measures, the Company' s systems and those of its partners remain potentially vulnerable to cybersecurity threats, any of which could have a material adverse effect on the Company' s business. To date, cybersecurity incidents have not resulted in a material adverse impact to the Company' s business strategy, results of operations, or financial condition, but future incidents could have such an impact. Additionally, the Company must maintain and periodically upgrade its information and web- based systems, which has caused and will in the future cause temporary interruptions to its technology infrastructure. Any prolonged disruption to the Company' s technology infrastructure, at any of its facilities, could have a material adverse effect on the Company' s business strategy, results of operations or financial condition. While the Company maintains cyber insurance, this insurance may not, however, be sufficient to cover the financial, legal, business or reputational losses that may result from an interruption or breach of its systems. If the Company' s security measures are compromised or fail to adequately protect its technology infrastructure, research and development efforts or manufacturing operations, the Company' s products and services may be perceived as vulnerable or unreliable, the information protected by the Company' s controls and processes may be subject to unauthorized access, acquisition or modification, the Company' s brand and reputation could be damaged, the services that the Company provides to its customers could be disrupted, and customers may stop using the Company' s products and services, all of which could reduce the Company' s revenue and earnings, increase its expenses and expose it to legal claims and regulatory actions. The Company is in the business of designing, manufacturing, selling and servicing analytical instruments to life science, pharmaceutical, biochemical, industrial, nutritional safety and environmental, academic and governmental customers working in research and development, quality assurance and other laboratory applications, and the Company is also a developer and supplier of software and software- based products that support instrument systems. Many of the Company' s customers are in highly regulated industries. While the Company has invested time and resources implementing measures designed to protect the integrity and security of its technology infrastructure, research and development processes, manufacturing operations, products and services, and the internal and external data managed by the Company, there is a risk these measures will be defeated or compromised or that they are otherwise insufficient to protect against existing or emerging threats. The Company also has acquired companies, products, services and technologies over time and may face inherent risk when integrating these acquisitions into the Company. In addition, at times, the Company faces attempts by third parties to defeat its security measures or exploit vulnerabilities in its systems. These risks will increase as the Company continues to grow and expand geographically, and its systems, products and services become increasingly digital and sensor- and web- based. The Company could suffer significant damage to its brand and reputation if a security incident resulted in unauthorized access to, acquisition of, or modification to the Company' s technology infrastructure, research and development processes, manufacturing operations, its products and services as well as the internal and external **23**-data managed by the Company. Such an incident could disrupt the Company' s operations and customers could lose confidence in the Company' s ability to deliver quality and reliable products or services. This could negatively impact sales and could increase costs related to fixing and addressing these incidents and any **22** vulnerabilities exposed by them, as well as to lawsuits, regulatory investigations, claims or legal liability including contractual liability, costs and expenses owed to customers and business partners. **The Company is subject to varying data privacy laws and regulations, and a violation of such laws and regulations could have a negative impact on the Company' s business, results of operations and financial condition. The Company is subject to varying data privacy laws and regulations related to the collection, storage and transmission of personal data in jurisdictions including the United States, the European Union and the United Kingdom, among others. The legal and regulatory landscape relating to data privacy is continuously changing, and there has been an increased emphasis on developing and enforcing privacy and data protection laws. In addition to regulatory consequences, any failure to protect personal data may damage the Company' s reputation or relationships with its customers, employees and partners. Safeguarding personal data and complying with related laws and regulations creates significant costs for the Company, and a failure to comply could result in legal liability, regulatory action or reputational harm, which could adversely affect the Company' s business, results of operations and financial condition.** RISKS RELATED TO COMPLIANCE, REGULATORY OR LEGAL MATTERS Changes in governmental regulations and compliance failures could harm the Company' s business. The Company is subject to regulation by various federal, state and foreign governments and agencies in areas including, among others, health and safety, import / export, privacy and data protection, FCPA and environmental laws and regulations. A portion of the Company' s operations are subject to regulation by the FDA and similar foreign regulatory agencies. **Regulations govern an array of product activities, including design, development, labeling, manufacturing, promotion, sales and distribution.** These regulations are complex , **and** can change frequently (**and govern an array of product activities, including design as a result of**

changes in interpretation of existing regulations). In particular, development significant political shifts in any of the countries in which the Company conducts business, labeling including the United States, manufacturing, promotion, sales may result in regulatory uncertainty and distribution substantial changes in the regulatory regimes to which the Company is subject. For example, the new presidential administration and regulatory leadership in the United States may propose, enact or pursue policy, regulatory and enforcement changes that create additional uncertainty for our business. Any failure by the Company to comply with applicable governmental regulations could result in product recalls, the imposition of fines, restrictions on the Company's ability to conduct or expand its operations or the cessation of all or a portion of its operations. Additionally, the Company develops, configures and markets its products and services to meet customer needs created by these regulations, and any significant change in regulations could reduce demand for its products, increase its expenses or otherwise materially impact its financial position and results of operations. Regulators globally are increasingly imposing greater fines and penalties for privacy and data protection violations, and the European Union, as an example, has enacted a broad data protection regulation with fines based on a percentage of global revenues. Changes in laws or regulations associated with enhanced protection of certain sensitive types of personal information, such as information related to health, could greatly increase the cost of compliance and the cost of providing the Company's products or services. Any failure, or perceived failure, by the Company to comply with laws and regulations on privacy, data security or consumer protection, or other policies, public perception, standards, self-regulatory requirements or legal obligations, could result in lost or restricted business, proceedings, actions or fines brought against the Company or levied by governmental entities or others, or could otherwise adversely affect the business and harm the Company's reputation. Some of the Company's operations are subject to domestic and international laws and regulations with respect to the manufacturing, handling, use or sale of toxic or hazardous substances. This requires the Company to devote substantial resources to maintain compliance with those applicable laws and regulations. If the Company fails to comply with such requirements in the manufacturing or distribution of its products, it could face civil and / or criminal penalties and potentially be prohibited from distributing or selling such products until they are compliant. ²³ Some of the Company's products are also subject to the rules of certain industrial standards bodies, such as the International Standards Organization. The Company must comply with these rules, as well as those of other agencies, such as the United States Occupational Safety and Health Administration. Failure to comply with such rules could result in the loss of certification and / or the imposition of fines and penalties, which could have a material adverse effect on the Company's operations. As a publicly-traded company, the Company is subject to the rules of the SEC and the New York Stock Exchange. In addition, the Company must comply with the Sarbanes-Oxley regulations, which require the Company to establish and maintain adequate internal control over financial reporting. The Company's efforts to comply with such laws and regulations are time consuming and costly. While we continue to enhance our controls, we cannot be certain that we will be able to prevent future significant deficiencies or material weaknesses. Failure to comply with such regulations or having inadequate internal controls could have a material adverse effect on the Company's financial condition and operations, which could cause investors to lose confidence in our reported financial information and could have a negative effect on the trading price of our stock and our access to capital. ²⁴ The Company is subject to the rules of the SEC under the Dodd-Frank Wall Street Reform and Consumer Protection Act, which require disclosure as to whether certain materials (tantalum, tin, gold and tungsten), known as conflict minerals, which may be contained in the Company's products, are mined from the Democratic Republic of the Congo and adjoining countries. In 2022-2023, the Company was not able to determine with certainty the country of origin of some of the conflict minerals in its manufactured products. However, the Company does not have knowledge that any of its conflict minerals originated from the Democratic Republic of the Congo or adjoining countries. The Company is in the process of evaluating its 2023-2024 supply chain, and the Company plans to file its 2023-2024 Form SD with the SEC in May 2024-2025. The results of this and future evaluations may impose additional costs and may introduce new risks related to the Company's ability to verify the origin of any conflict minerals contained in its products. The Company may be harmed by improper conduct of any of our employees, agents or business partners. We cannot provide assurance that our internal controls and compliance systems will always protect the Company from acts committed by employees, agents or business partners that would violate domestic and international laws, including laws governing payments to government officials, bribery, fraud, kickbacks and false claims, pricing, sales and marketing practices, conflicts of interest, competition, export and import compliance, money laundering and data privacy. In particular, the FCPA, the U. K. Bribery Act and similar anti-bribery laws generally prohibit companies and their intermediaries from making improper payments to government officials for the purpose of obtaining or retaining business, and we operate in many parts of the world that have experienced governmental corruption to some degree. Any such improper actions or allegations of such acts could damage our reputation and subject us to civil or criminal investigations in the U. S. and in other jurisdictions and related shareholder lawsuits, could lead to substantial civil and criminal, monetary and non-monetary penalties and could cause us to incur significant legal and investigatory fees. In addition, the government may seek to hold us liable as a successor for violations committed by companies in which we invest or that we acquire. We also rely on our suppliers to adhere to our supplier standards of conduct and material violations of such standards of conduct could occur that could have a material effect on our business, reputation and financial statements. In addition, any allegations of issues resulting from the misuse of our products could, even if untrue, adversely affect our reputation and our customers' willingness to purchase products from us. Any such allegations could cause us to lose customers and divert our resources from other tasks, which could materially and adversely affect our business and operating results. Environmental, social and corporate governance ("ESG") issues, including those related to climate change and sustainability, may have an adverse effect on our business, financial condition and results of operations and damage our reputation. There is an increasing focus from certain investors, customers, consumers, employees and other stakeholders concerning ESG matters. Additionally, public interest and legislative pressure related to public companies' ESG ²⁴ practices continue to grow. If our ESG practices fail to meet regulatory requirements or investor, customer, consumer, employee or other stakeholders' evolving expectations and

standards for responsible corporate citizenship in areas including environmental stewardship and sustainability, support for local communities, director and employee diversity, human capital management, employee health and safety practices, product quality, supply chain management, corporate governance and transparency, our reputation, brand and employee retention may be negatively impacted, and our customers and suppliers may be unwilling to continue to conduct business with us. Customers, consumers, investors and other stakeholders are increasingly focusing on environmental issues, including climate change, energy and water use, plastic waste and other sustainability concerns. Concern over climate change or plastics and packaging materials, in particular, may result in new or increased legal and regulatory requirements to reduce or mitigate impacts to the environment. Changing customer and consumer preferences or increased regulatory requirements may result in increased demands or requirements regarding plastics and packaging materials, including single- use and non- recyclable plastic products and packaging, other components of our products and their environmental impact on sustainability, or increased customer and 25 consumer concerns or perceptions (whether accurate or inaccurate) regarding the effects of substances present in certain of our products. Complying with these demands or requirements could cause us and companies in our supply chain to incur additional manufacturing, operating or product development costs. If we do not adapt to or comply with new regulations, or fail to meet evolving investor, industry or stakeholder expectations and concerns regarding ESG issues, investors may reconsider their capital investment in our Company, and customers and consumers may choose to stop purchasing our products, which could have a material adverse effect on our reputation, business or financial condition. The Company is subject to or otherwise responsible for a variety of litigation and other legal and regulatory proceedings in the ordinary course of business that can adversely affect our business, results of operations and financial condition. From time to time, the Company and its subsidiaries are subject to or otherwise responsible for a variety of litigation and other legal and regulatory proceedings in the ordinary course of business, as well as regulatory subpoenas, requests for information, investigations and enforcement. Defending or otherwise responding to these matters can divert the Company's management's attention and may cause it to incur significant expenses. The Company believes it has meritorious arguments in its current litigation matters and believes any outcome, either individually or in the aggregate, will not be material to the Company's financial position or results of operations. However, each of these matters is subject to uncertainties, and it is possible that some of these matters may be resolved unfavorably to the Company.

GENERAL RISK FACTORS The effects of climate change could harm the Company's business. The Company's manufacturing processes for certain of its products involve the use of chemicals and other substances that are regulated under various international, federal, state and local laws governing the environment. In the event that any future climate change legislation would require that stricter standards be imposed by domestic or international environmental regulatory authorities with respect to the use and / or levels of possible emissions from such chemicals and / or other substances, the Company may be required to make certain changes and adaptations to its manufacturing processes. Any such changes could have a material adverse effect on the financial statements of the Company. Another potential effect of climate change is an increase in the severity of global weather conditions. The Company's manufacturing facilities are located in the U. S., U. K., Ireland and Germany. In addition, the Company manufactures a growing percentage of its HPLC, UPLC and MS products in both Singapore and Ireland. Severe weather and geological conditions or events, including earthquakes, hurricanes and / or tsunamis, could potentially cause significant damage to the Company's manufacturing facilities in each of these countries. The effects of such damage and the resulting disruption of manufacturing operations and the impact of lost sales could have a material adverse impact on the financial results of the Company. 25

Estimates and assumptions made in accounting for the Company's results from operations are dependent on future results, which involve significant judgments and may be imprecise and may differ materially from actual results. The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent liabilities at the dates of the financial statements. These estimates and assumptions must be made due to certain information used in preparation of our financial statements which is dependent on future events, cannot be calculated with a high degree of precision from data available or is not capable of being readily calculated based on generally accepted methodologies. The Company believes that the accounting related to revenue recognition, goodwill and intangible assets, income taxes, uncertain tax positions, litigation, business combinations and asset acquisitions and inventory valuation involves **significant judgments and estimates. Actual results for all estimates could differ materially from the estimates and assumptions used, which could have a material adverse effect on our financial condition and results of operations. The Company's financial condition and results of operations could be adversely affected by changes to the Company's retirement plans or retirement plan assets. The Company sponsors various retirement plans, both inside and outside the United States. Any changes in regulations made by governments in countries in which the Company sponsors retirement plans could adversely impact the Company's cash flows or results of operations. In connection with these retirement plans, the Company is exposed to market risks associated with changes in the various capital markets. For example, changes in long- term interest rates affect the discount rate that is used to measure the Company's retirement plan obligations and related expense. In addition, changes in the market value of investments held by the retirement plans could materially impact the funded status of the retirement plans and affect the related pension expense and level and timing of contributions required under applicable laws. The Company's financial condition and results of operations could be adversely affected if the Company is unable to maintain a sufficient level of cash flow. The Company had \$ 1. 6 billion in debt and \$ 325 million in cash, cash equivalents and investments as of December 31, 2024. As of December 31, 2024, the Company also had the ability to borrow an additional \$ 1. 6 billion from its existing, committed credit facility. All but a small portion of the Company's debt was in the U. S. There is a substantial cash requirement in the United States to fund operations and capital expenditures, service debt interest obligations, finance potential United States acquisitions and continue authorized stock repurchase programs. As such, the Company's financial condition and results of operations could be adversely impacted if the Company is unable to**

generate and maintain a sufficient level of cash flow to address these requirements through (1) cash from operations, (2) the Company's ability to access its existing cash and revolving credit facility, (3) the ability to expand the Company's borrowing capacity and (4) other sources of capital obtained at an acceptable cost. Debt covenants, and the Company's failure to comply with them, could negatively impact the Company's capital and financial results. The Company's existing debt is, and future debt may be, subject to restrictive debt covenants that limit the Company's ability to engage in certain activities that could otherwise benefit the Company. These debt covenants include restrictions on the Company's ability to enter into certain contracts or agreements, which may limit the Company's ability to make dividend or other payments, secure other indebtedness, enter into transactions with affiliates and consolidate, merge or transfer all or substantially all of the Company's assets. The Company is also required to meet specified financial ratios under the terms of the Company's debt agreements. The Company's ability to comply with these financial restrictions and all other covenants is dependent on the Company's future performance, which is subject to, but not limited to, prevailing economic conditions and other factors, including factors that are beyond the Company's control, such as foreign exchange rates, interest rates, changes in technology and changes in the level of competition. Failure to comply with restrictive debt covenants that are not waived or cured could result in an event of default under the applicable debt instrument, which could permit acceleration of the applicable debt and require the Company to prepay the debt before its scheduled due date. 26