Sensitivity Analysis. The December 31, 2022 pension funded status and 2023 expense are affected by year-end 2022 assumptions. Sensitivities to these assumptions may be asymmetric and are specific to the time periods noted. The effects of changes in the factors that generally have the largest impact on year-end funded status and pension expense are discussed below.

Discount rates and interest rates have the largest impact on our obligations and fixed income assets. The table below estimates the effect on our funded status of an increase/decrease in discount rates and interest rates (in millions):

		Increase/(Decrease) in December 31, 2022 Funded Status	
Factor	**Basis Point Change**	**U.S. Plans**	**Non-U.S. Plans**
Discount rate - obligation	+/- 100 bps	$2,700/$(3,200)	$2,500/$(3,100)
Interest rate - fixed income assets	+/- 100	(2,600)/3,100	(1,700)/2,000
Net impact on funded status		$100/$(100)	$800/$(1,100)

The fixed income asset sensitivity shown excludes other fixed income return components (e.g., changes in credit spreads, bond coupon and active management excess returns), and growth asset returns. Other factors that affect net funded status (e.g., contributions) are not reflected.

Interest rates and the expected long-term rate of return on assets have the largest effect on pension expense. These assumptions are generally set at each year-end for expense recorded throughout the following year. The table below estimates the effect on pension expense of a higher/lower assumption for these factors (in millions):

		Increase/(Decrease) in 2023 Pension Expense	
Factor	**Basis Point Change**	**U.S. Plans**	**Non-U.S. Plans**
Interest rate - service cost and interest cost	+/- 25 bps	$25/$(25)	$10/$(10)
Expected long-term rate of return on assets	+/- 25	(80)/80	(50)/50

The effect of changing multiple factors simultaneously cannot be calculated by combining the individual sensitivities. The sensitivity of pension expense to a change in discount rate assumptions may not be linear.

Other Postretirement Employee Benefits

Effect of Actual Results. The weighted average discount rate used to determine the benefit obligation for worldwide OPEB plans at December 31, 2022 was 5.48%, compared with 2.97% at December 31, 2021, resulting in a worldwide net remeasurement gain of $1.3 billion, which has been recognized within net periodic benefit cost and reported as a special item.

Sensitivity Analysis. Discount rates and interest rates have the largest effect on our OPEB obligation and expense. The table below estimates the effect on 2023 OPEB expense of higher/lower assumptions for these factors (in millions):

		Worldwide OPEB	
Factor	**Basis Point Change**	**(Increase)/Decrease 2022 YE Obligation**	**Increase/(Decrease) 2023 Expense**
Discount rate - obligation	+/- 100 bps	$415/$(495)	N/A
Interest rate - service cost and interest cost	+/- 25	N/A	$5/$(5)

Income Taxes

Nature of Estimates Required. We must make estimates and apply judgment in determining the provision for income taxes for financial reporting purposes. We make these estimates and judgments primarily in the following areas: (i) the calculation of tax credits, (ii) the calculation of differences in the timing of recognition of revenue and expense for tax reporting and financial statement purposes, as well as (iii) the calculation of interest and penalties related to uncertain tax positions. Changes in these estimates and judgments may result in a material increase or decrease to our tax provision, which would be recorded in the period in which the change occurs.