

**Total Company**

**Pension Plan Contributions and Strategy.** Our strategy is to reduce the risk of our funded defined benefit pension plans, including minimizing the volatility of the value of our pension assets relative to pension liabilities and the need for unplanned use of capital resources to fund the plans. The strategy reduces balance sheet, cash flow, and income exposures and, in turn, reduces our risk profile. Going forward, we expect to:

- Limit our pension contributions to offset ongoing service cost or meet regulatory requirements, if any;
- Minimize the volatility of the value of our pension assets relative to pension obligations and ensure assets are sufficient to pay plan benefits; and
- Evaluate strategic actions to reduce pension liabilities, such as plan design changes, curtailments, or settlements

	2021	2022	2022 H / (L) 2021
<b>Pension Funded Status (\$B)</b>			
U.S. Plans	\$ 1.0	\$ 0.1	\$ (0.9)
Non-U.S. Plans	(1.3)	(0.3)	1.0
<b>Total Global Pension</b>	<b>\$ (0.3)</b>	<b>\$ (0.2)</b>	<b>\$ 0.1</b>
<b>Year-End Discount Rate (Weighted Average)</b>			
U.S. Plans	2.91 %	5.51 %	2.60 pts
Non-U.S. Plans	1.75 %	4.42 %	2.67 pts
<b>Actual Asset Returns</b>			
U.S. Plans	2.82 %	(21.20)%	(24.02) pts
Non-U.S. Plans	2.69 %	(25.40)%	(28.09) pts
<b>Pension - Funded Plans Only (\$B)</b>			
Funded Status	\$ 5.8	\$ 4.1	\$ (1.7)
Contributions for Funded Plans	0.8	0.6	(0.2)

Worldwide, our defined benefit pension plans were underfunded by \$0.2 billion at December 31, 2022, an improvement of \$0.1 billion from December 31, 2021, primarily reflecting the impact of higher discount rates mostly offset by negative asset performance. Of the \$0.2 billion underfunded status at year-end 2022, our funded plans were \$4.1 billion overfunded and our unfunded plans were \$4.3 billion underfunded. These unfunded plans are "pay as you go" with benefits paid from Company cash and primarily include certain plans in Germany and U.S. defined benefit plans for senior management.

The fixed income mix was 79% in both our U.S. plans and non-U.S. plans at year-end 2022.

In 2022, we contributed \$567 million to our global funded pension plans, a decrease of \$206 million compared with 2021. During 2023, we expect to contribute between \$500 million and \$600 million of cash to our global funded pension plans. We also expect to make about \$400 million of benefit payments to participants in unfunded plans. Based on current assumptions and regulations, we do not expect to have a legal requirement to fund our major U.S. plans in 2023. Our global funded plans remain fully funded in aggregate, demonstrating the effectiveness of our de-risking strategy and our commitment to a strong balance sheet.

For a detailed discussion of our pension plans, refer to the "Critical Accounting Estimates - Pensions and Other Postretirement Employee Benefits" section of Item 7 of Part II of our 2022 Form 10-K Report and Note 17 of the Notes to the Financial Statements.