

Interest Rate Risk. Our financial instruments subject to interest rate risk include fixed- and floating-rate long-term debt obligations. On December 31, 2020, we had \$12.5 billion par value of fixed-rate debt and \$500 of floating-rate notes. Our fixed-rate debt obligations are not putable, and we do not trade these securities in the market. A 10% unfavorable interest rate movement would not have a material impact on the fair value of our fixed-rate debt. As described in Note K to the Consolidated Financial Statements in Item 8, we entered into derivative financial instruments, specifically interest rate swap contracts, to eliminate our floating-rate interest risk.

Investment Risk. Our investment policy allows for purchases of fixed-income securities with an investment-grade rating and a maximum maturity of up to five years. On December 31, 2020 and 2019, we held \$2.8 billion and \$902 in cash and equivalents, respectively, but held no marketable securities other than those held in trust to meet some of our obligations under workers' compensation and non-qualified pension plans. On December 31, 2020 and 2019, we held marketable securities in trust of \$211 and \$207, respectively. These marketable securities are reflected at fair value on the Consolidated Balance Sheet in other current and noncurrent assets.