

Valuation Techniques

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of cross-currency interest rate swaps and foreign exchange contracts are calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of other receivables considers estimated future cash flows, current market interest rates and non-performance risk; and
- The fair value of contingent consideration is calculated based on estimates of future revenue performance.

Offsetting Financial Assets and Financial Liabilities

The Company is subject to master netting arrangements with certain counterparties. Certain of these arrangements allow for the netting of assets and liabilities in the ordinary course of business and are reflected on a net basis in the consolidated statement of financial position. In other circumstances, netting is permitted only in the event of bankruptcy or default of either party to the agreement, and such amounts are not netted in the consolidated statement of financial position. The following table sets forth balances that are subject to master netting arrangements, however there were no offsetting amounts as of December 31, 2023 or 2022.

Financial assets	Gross Financial Assets	Gross Financial Liabilities Netted Against Assets	Net Financial Assets in the Consolidated Statement of Financial Position	Related Financial Liabilities Not Netted	Net Amount
Derivative financial assets	123	-	123 ⁽¹⁾	-	123
Cash and cash equivalents	63	-	63 ⁽²⁾	-	63
December 31, 2023	186	-	186	-	186
Derivative financial assets	388	-	388 ⁽¹⁾	-	388
Cash and cash equivalents	21	-	21 ⁽²⁾	-	21
December 31, 2022	409	-	409	-	409

Financial liabilities	Gross Financial Liabilities	Gross Financial Assets Netted Against Liabilities	Net Financial Liabilities in the Consolidated Statement of Financial Position	Related Financial Assets Not Netted	Net Amount
Derivative financial liabilities	32	-	32 ⁽³⁾	-	32
December 31, 2023	32	-	32	-	32
Derivative financial liabilities	37	-	37 ⁽³⁾	-	37
December 31, 2022	37	-	37	-	37

(1) Included within "Other financial assets", current or long-term as appropriate, in the consolidated statement of financial position.

(2) Included within "Cash and cash equivalents" in the consolidated statement of financial position.

(3) Included within "Other financial liabilities", current or long-term as appropriate, in the consolidated statement of financial position.