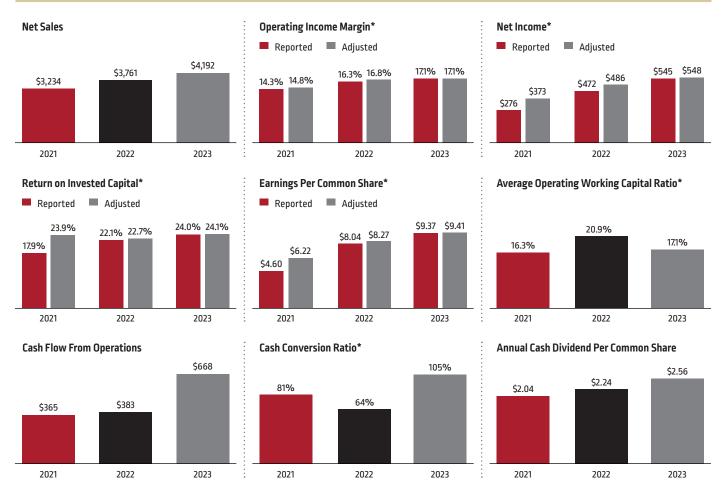




Years ended December 31 (dollars in millions, except per share)



^{*}Please see Appendix A for definitions and reconciliation of adjusted results to the most comparable reported results.

Sustainability Highlights



Safety

2025 Goal: 52% Reduction

38% TRCR Reduction (2023 vs 2018)



GHG Emissions

2025 Goal: 10% Reduction

16% Reduction (2023 vs 2018)



Energy Intensity

2025 Goal: 16% Reduction

10% Reduction (2023 vs 2018)



Recycling

2025 Goal: 80% Rate

76.5% in 2023



Landfill Avoidance

2025 Goal: 97% Rate

94% in 2023



Water Use

2025 Goal: 14% Reduction

25% Reduction (2023 vs 2018)

















Dear Lincoln Electric Shareholders,

I am pleased to report record 2023 performance across key metrics demonstrating the power of our people, products, and processes to successfully serve our customers and generate superior value for all stakeholders.

2023 Financial Highlights

- Record Net Sales: +11% to \$4.2 billion with 4% organic sales growth
- Record Adjusted operating margin: +30bps to 17.1%
- Record Adjusted earnings per share: +14% to \$9.41
- Record cash flow generation: +74% to \$668 million
- Record Adjusted ROIC: 24.1%
- Returned \$347 million to shareholders (dividends & share repurchases)

In 2023, we remained focused on helping customers drive higher productivity in their operations using our technology. Our expertise in metallurgy, automation, power electronics, and software – combined with the industry's leading technical engineering sales force and automation team, continued to deliver a winning portfolio of solutions that customers value. We achieved solid organic growth in our equipment and automation solutions, which reinforces the value of our digital, data-driven solutions – whether manual, semi-automatic or fully automated to help address customer's evolving technical fabrication needs.

Innovation, along with diverse end market exposure, continuous improvement initiatives and diligent price/cost management offset inflationary headwinds and challenging regional conditions this past year. We achieved record profitability, earnings, cash generation, and return on invested capital. We pursued a balanced capital allocation strategy and returned 60% of our free

cash flow to shareholders through our dividend program and share repurchases, while investing in growth. We maintain a strong balance sheet profile that supports a balanced capital allocation strategy through the cycle.

Solid Execution of Our Higher Standard 2025 Strategy

Our record performance demonstrates our organization's strong execution of our Higher Standard 2025 strategic initiatives. Our strategy focuses on accelerating sales growth and improving our average adjusted operating income margin by 200 basis points versus the prior cycle. In 2023, we advanced all metrics towards their 2025 targets. We delivered record profit and earnings performance as a result of operating leverage, combined with benefits from enterprise-wide initiatives to streamline core business processes, leverage shared services, improve safety and environmental performance, and drive continuous improvement.

As a leader at the forefront of industry transformation, our global automation portfolio outperformed expectations with a net sales increase of 53% to \$941 million from strong demand for our broad portfolio of solutions. Heading into 2024, automation's strong backlog and high quoting activity positions the team to exceed its \$1 billion net sales 2025 target ahead of schedule. In addition, the team's integration of Fori Automation LLC and operational benefits from our Lincoln Business System, which standardizes and optimizes operations, generated improved profit performance to a low-teens percent adjusted EBIT margin, as they progress to a mid-teens percent profit margin target in 2025.

Higher Standard 2025 Strategy Metric	2025 Goal	2020-2023 Progress
Sales CAGR (Volume, 2% Price & Acquisitions)	High single-digit to Low double-digit percent CAGR	12% CAGR
Average Adjusted Operating Income Margin	Average 16% (+/- 150 bps)	Average 15.3%
Americas Welding Adj. EBIT margin	17% to 19%	Average 17.6%
International Welding Adj. EBIT margin	12% to 14%	Average 10.4%
Harris Products Group Adj. EBIT margin	13% to 15%	Average 14.1%
Adjusted EPS CAGR	High-teens to Low-20% CAGR	31% CAGR
Average Adjusted ROIC	18% to 20% (top quartile)	Average 22.1%
Average operating working capital to sales ratio	15.0% in 2025	17.1% in 2023

The Year Ahead

The organization has tremendous momentum heading into 2024. Employee engagement is at record levels and there is clear alignment around our core values and delivering solutions that serve the needs of our customers as we accelerate sales, profitability, and earnings growth.

As I embark on my first year as CEO, I am focused on five priorities: Safety, Growth, Productivity, Teamwork, and Talent. These are all critical drivers of achieving our Higher Standard 2025 Strategy targets and will build upon our success to date.

Innovation will continue to be a core focus – to ensure we have the right products and solutions for customers' needs and to support long-term growth initiatives, including the early-commercialization of our Velion $^{\mathsf{TM}}$ DC fast charger for electric vehicles and the rising

interest in our large-scale, 3D metal printing/additive technology from defense and energy sector customers.

We are operating from a position of strength, and I am grateful to Chris Mapes for his tremendous leadership and mentorship. I would also like to thank the entire Lincoln Electric organization who continues to deliver exceptional work and has positioned the Company to win in the years to come.

On behalf of the entire organization and our Board of Directors, thank you for your support and helping us achieve our purpose to Build a Better World.

Steven B. Hedlund

President and Chief Executive Officer

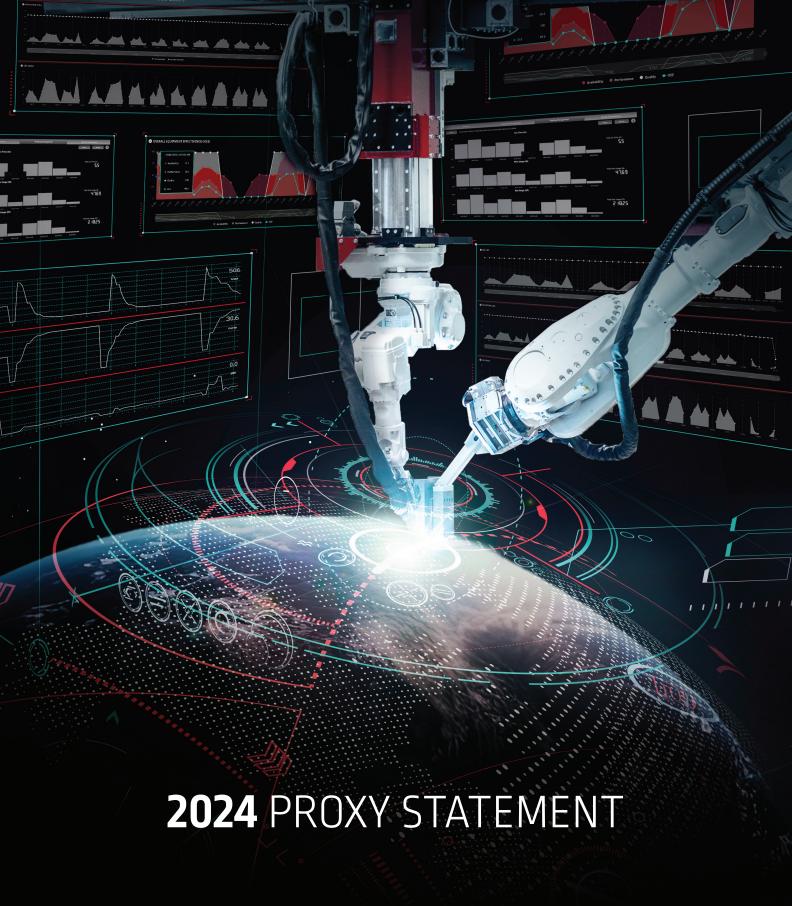
A Special Thank You

2023 marked my last year as CEO and I am honored to have led Lincoln Electric for the past eleven years. I am proud of how the company has led such positive change in our industry to help our customers and communities build a better world. My goal in the transition of the CEO role has been to ensure that Lincoln Electric continues to excel in the years ahead. I could not be more confident in the strength of leadership, our strategy, and the team's ability to capture the many growth opportunities ahead. Steve Hedlund is the right leader to build upon our successes and accelerate our wins.

I would like to extend my thanks to our shareholders for your tremendous support during my tenure as CEO. I have valued engaging with the investment community and sharing the team's accomplishments as we have worked to transform the business into an unparalleled industry leader for the future.

Christoper L. Mapes

Executive Chair







LINCOLN ELECTRIC

Notice of Annual Meeting of Shareholders

Items to be Voted on

- To elect 12 Director Nominees named in this Proxy Statement to hold office until the 2025 Annual Meeting or until their successors are duly elected and qualified
- To ratify the appointment of Ernst & Young LLP as Lincoln Electric's independent registered public accounting firm for the year ending December 31, 2024
- To approve, on an advisory basis, the compensation of our named executive officers (NEOs)

By Order of the Board of Directors,

Shareholders of record at the closing of business on February 29, 2024, the record date, are entitled to vote at the Annual Meeting.

Your vote is very important! Please vote your shares promptly. We appreciate your continued confidence in Lincoln Electric!









Aushrug

Jennifer I. Ansberry
Executive Vice President,
General Counsel and Secretary

Meeting Details



DATE & TIME

Friday, April 19, 2024 11:00 AM ET



PLACE

Online at www.virtualshareholder meeting.com/LECO2024



ACCESS & PARTICIPATION

Online at www.virtual shareholdermeeting.com/
LECO2024. You must have your 16-digit control number which is printed on your proxy card.

Submit pre-meeting questions online by visiting www.proxyvote.com before Monday, April 15, 2024 at 5:00 pm

Important

We will begin mailing this proxy statement on or about March 18, 2024.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to Be Held on April 19, 2024:

This Proxy Statement and the related form of proxy, along with our 2023 Annual Report on Form 10-K, are available free of charge at www.lincolnelectric.com/proxymaterials.



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Proxy Summary



This section provides an overview of important items related to this Proxy Statement and the 2024 Annual Meeting. We encourage you to read the entire Proxy Statement for more information before voting.

Meeting Details



DATE

Friday, April 19, 2024



PLACE

Online at www.virtualshareholder meeting.com/LECO2024



TIME

11:00 AM Eastern Time



RECORD DATE

Shareholders of record at the close of business on February 29, 2024 are entitled to vote at the 2024 Annual Meeting.

How to Cast Your Vote



BY PHONE

Call 1-800-690-6903 by April 18, 2024



BY TABLET OR SMARTPHONE

Scan this QR code to vote with your mobile device by April 18, 2024





BY MAIL

Sign, date and return your proxy card or voting instruction form by April 18, 2024



BY INTERNET

Using your computer visit proxyvote.com until April 18, 2024 or vote online on April 19, 2024 during the Annual Meeting at: www.virtualshareholdermeeting.com/LECO2024

Voting Recommendation

Proj	posals	Board Recommendation	Page
1	To elect 12 Director Nominees named in this Proxy Statement to hold office until the 2025 Annual Meeting or until their successors are duly elected and qualified	FOR each Director	20
2	To ratify the appointment of Ernst & Young LLP as Lincoln Electric's independent registered public accounting firm for the year ending December 31, 2024	FOR	105
3	To approve, on an advisory basis, the compensation of our named executive officers (NEOs)	FOR	107

Business Overview

Our Purpose:

OPERATING BY A HIGHER STANDARD TO BUILD A BETTER WORLD

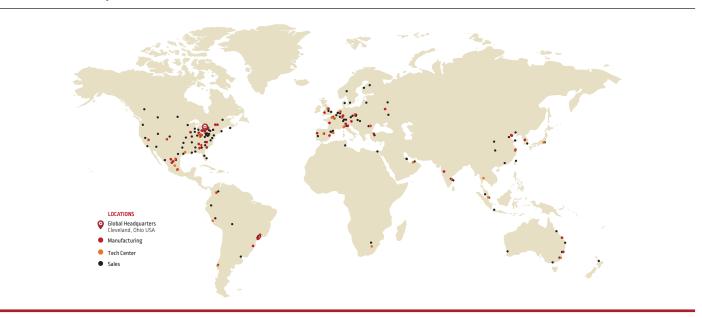
Lincoln Electric is the world leader in the design, development and manufacture of arc welding solutions, automated joining, assembly and cutting systems, plasma and oxyfuel cutting equipment, and has a leading global position in brazing and soldering alloys.

We are recognized as The Welding Experts® for our leading materials science, software development, automation engineering, and application expertise, which advance customers' fabrication capabilities to help them build a better world. We leverage these strengths, our global presence and a broad distribution network to serve an array of customers across various end markets including general metal fabrication, energy, structural steel construction and infrastructure (commercial buildings and bridges), heavy industries (agricultural, mining, construction, rail equipment, and shipbuilding), as well as automotive/transportation.

Headquartered in Cleveland, Ohio, U.S.A., we operate 71 manufacturing and automation system integration facilities, as well as operations and joint ventures across 21 countries. Our solutions are distributed to customers in over 160 countries. In 2023, we generated a record \$4.2 billion in sales.

FAST FACTS Employees LECO Founded Worldwide NASDAO 1895 12,000 LISTED Manufacturing & Country **Automation System** Corporate Footprint/ Integration Headquarters Distribution Facilities CLEVELAND, OH 21/160+ Broadest SOLUTIONS 2023 Revenue \$4.2B **PORTFOLIO GLOBALLY World Wide** Largest New Product¹ **COMMERCIAL &** Vitality Index 42% **TECHNICAL TEAM** Vitality index represents the percentage of 2023 sales from new products launched in the last five years. Excludes customized automation sales.

Our Global Footprint



Business Overview (Continued)

Our Guiding Principle: The Golden Rule

TREAT OTHERS AS YOU WOULD LIKE TO BE TREATED

For nearly 130 years, we have achieved success through innovation and business practices that seek to align and generate superior value for all our stakeholders. Our long-term strategic initiatives and investments drive alignment by providing:

- Customers with market-leading solutions that are manufactured responsibly, operate safely and efficiently, and are supported by our superior technical application capabilities;
- Employees with an incentive and results-driven culture where engagement and professional growth and development is a priority;
- Suppliers with a shared commitment to responsible operations that are safe, compliant and efficient;
- Communities with a responsible and engaged partner who is focused on helping neighbors thrive; and
- Shareholders with above-market returns.

Our Higher Standard 2025 Strategy



We are executing on our long-term strategy, the "Higher Standard 2025 Strategy" ("2025 Strategy"), which focuses on accelerating sales growth, profitability and earnings performance from 2020 to 2025 by putting customers' needs first, enhancing employee development and engagement, further differentiating ourselves with innovative solutions, and advancing operational excellence. Our 2025 Sustainability strategy is integrated into each of these four key strategic areas of the business, which are highlighted below:



CUSTOMER FOCUSED:

Enhance our value proposition and the ease of doing business with us by leveraging our CRM system and investments in industry-segment market-facing teams, product portfolios and application resource centers.

EMPLOYEE DEVELOPMENT:

Improve opportunities for our employees to learn and grow through new development programs, resource groups, engagement initiatives, and enhanced HR systems and tools.

SOLUTIONS & VALUE:

Develop solutions that improve customers' ability to make their products better, safer and easier. Key initiatives include accelerating growth in automated solutions and additive services, enhanced software [IoT and AI], and designing greater efficiency and sustainability into new products.

OPERATIONAL EXCELLENCE:

Improve our quality, costs and processes by maximizing continuous improvement through our Lincoln Business System, further digitization of our operations and processes, and achievement of our sustainability goals.

Business Overview (Continued)

All of the 2025 Strategy's key financial targets are integrated into the Company's key short-term and long-term compensation metrics and are incorporated into the Chief Executive Officer (CEO) and executive leadership's individual annual compensation goals and further cascaded through the organization.

Key Financial Metrics	2025 Goal (2020 Baseline)	Short-Term Compensation Metrics	Long-Term Compensation Metrics
Sales CAGR (Volume, 2% price & acquisitions)	High single-digit to Low double-digit percent	√ ¹	
Average Adjusted Operating Income Margin	16% (+/- 150 bps)	✓¹ (Representative of EBITB)	
Adjusted Earnings per share CAGR	High-teens to Low 20%		✓¹ (Three-Year Cumulative Growth of Adjusted Net Income for Compensation Purposes)
Average Operating Working Capital Ratio	15% in 2025	√ ¹	
Average Adjusted Return on Invested Capital	18% to 20% (Top quartile performance vs. proxy peers)		√ ¹

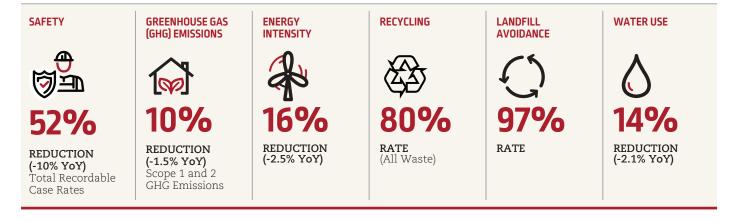
1 Performance measures used in the design of the executive compensation program are defined in Appendix A

Our 2025 sustainability goals and initiatives are aligned across each peak of our 2025 Strategy and are incorporated in annual individual performance goals. Our sustainability initiatives focus on reducing our operational footprint through reduced emissions, lower energy intensity, greater conservation of natural resources, strong governance, increased diversity, equity and inclusion, enhanced employee development and engagement programming, and maintaining strong community partnerships.

Additionally, we are focused on advancing sustainability in our customers' operations and designing solutions to support decarbonization across the end markets we serve. Our product stewardship initiatives focus on improving the design, manufacture, packaging, and transportation of our products to improve customer safety, increase recyclability, and reduce our products' overall carbon footprint. Our application expertise and proprietary solutions are also at the forefront of supporting the expansion of clean technology by enabling the fabrication of renewable energy infrastructure and power generation, as well as the electrification of the transportation sector.

2025 Strategy Sustainability Goals

Goals reflect targeted 2025 performance versus our 2018 baseline:



2023 Performance Highlights

In 2023, we achieved record performance across key financial metrics including sales, adjusted operating income margin, adjusted earnings per share, cash flow from operations, and our adjusted return on invested capital. By focusing on employee safety and training, following our "customer-first" approach, operational excellence, and diligent cost management, we executed well and made strong progress towards our 2025 Strategy goals while delivering superior shareholder value.

Our industry-leading automation portfolio grew 53% in 2023 to \$941 million in revenue and we are pacing to exceed our 2025 \$1 billion revenue target on an accelerated timeline. The portfolio will continue to increase its profitability to achieve corporate average margin performance as we complete the integration of our 2022 acquisition of Fori Automation, LLC, and realize operational efficiencies from our Lincoln Business System.

We continued to invest in innovation for long-term growth and maintained a 57% vitality index among our standard equipment products and launched over 50 new product families in 2023. This included the development and launch of our new Velion™ DC fast charger for electric vehicles. Velion expands our portfolio of proprietary solutions that supports increased investments in clean tech products supporting the electrification of transportation and renewable energy infrastructure.

We made notable progress towards our 2025 Strategy sustainability targets. We achieved record safety, recycling, energy intensity, and water conservation performance in 2023, and continue to outperform our 2025 GHG emission reduction target. Our progress reflects our commitment to employee and community health and wellness and operational excellence across our manufacturing and automation assembly facilities worldwide.

These achievements were driven by the commitment, passion, and engagement of our 12,000 employees and their focus on achieving our strategic goals. Our 2023 global employee engagement survey reported record level engagement across our global organization and identified new initiatives that will help us reinforce our goal of being the employer of choice in our industry worldwide.

Our success demonstrates the effectiveness of our 2025 Strategy and a strong and aligned culture, which has resulted in an improved long-term competitive position and superior shareholder returns through the cycle.

2023 Financial Highlights

We achieved record performance in 2023 despite uneven end market demand trends, reflecting slow industrial activity in select international regions and a challenged U.S. residential sector. Strong momentum in capital spending and contributions from acquisitions resulted in an 11% increase in sales to a record \$4.2 billion. We achieved strong operating income performance with an 80 basis point increase in our operating income margin to a record 17.1% versus the prior year. Operating leverage from 2% volume growth, effective cost management and benefits from our Lincoln Business System's operational initiatives generated our record profitability. We achieved a 74% increase in Cash flows from operations to a record \$668 million and a 105% cash conversion ratio, reflecting increased profitability and working capital efficiencies as we began to normalize inventory levels. We also reported record Adjusted return on invested capital (ROIC) of 24.1%, demonstrating the effectiveness of our 2025 Strategy and our disciplined capital allocation approach.

	NET SALES		OPERATING IN(DILUTED EPS	
	Reported	Organic Sales			Reported	Adjusted
\$4.2B	+11%	+4%	17.	1%	\$9.37	\$9.41
(Record)	vs. 2022	vs. 2022	Reported +80 bps vs. 2022 (Record)	Adjusted +30 bps vs. 2022 (Record)	+17% vs. 2022 (Record)	+14% vs. 2022 (Record)

OPERATIONS

\$668M

+74% vs. 2022 (Record) AVERAGE OPERATING WORKING CAPITAL TO NET SALES RATIO

17.1%

380 bps improvement

RETURN ON INVESTED CAPITAL

Reported 24.0%

(Record)

Adjusted **24.1%**

28th CONSECUTIVE DIVIDEND INCREASE

+11%

NEW PRODUCT VITALITY INDEX

42%

See Appendix A for definitions and/or reconciliation of these metrics to results reported in accordance with GAAP. Performance measures used in the design of the executive compensation program are presented within the Compensation Discussion and Analysis section.

Our 2023 performance advances our progress towards our 2025 Strategy financial targets, with several metrics pacing at or above their 2025 target:

Key Financial Metrics	2025 Goal (vs. 2020 Baseline)	2020 to 2023 Progress
Sales CAGR (Volume, 2% price & acquisitions)	High single-digit to Low double-digit percent	12%
Average Adjusted Operating Income Margin	16% (+/- 150 bps)	15.3%
Adjusted Earnings per share CAGR	High-teens to Low 20%	31%
Average Operating Working Capital Ratio	15% in 2025	17.1% at 12/31/2023
Average Adjusted Return on Invested Capital	18% to 20% (Top quartile performance vs. proxy peers)	22.1%

2023 Shareholder Returns

We generated record cash flows in 2023 and returned \$347 million to shareholders through our dividend program and share repurchases, while continuing to invest in internal growth initiatives and an acquisition. In addition, the Board approved the Company's 28th consecutive dividend increase, raising the dividend rate by 11%.

\$347M

Returned to

Shareholders

in 2023



\$148M



\$199M

In Dividends

In Share Repurchases

TOTAL SHAREHOLDER **RETURN**

+53%

1-Year

3-Year

+96% +202%

5-Year

Sustainability Highlights 2023 Safety and Environmental Highlights

Safety, operational excellence and sustainability are a priority at Lincoln Electric and we strive to improve our performance annually to achieve our 2025 goals across these key safety and environmental metrics: our total recordable case rate safety metric, carbon emissions, energy intensity, recycling, and water use. Our performance to goal demonstrates continued structural improvements achieved in the business through our 2025 Strategy and our commitment to best-in-class performance.

	2025 Goal (vs. 2018 Baseline)	2023 Performance (vs. 2018 Baseline)
Safety (TRCR)	52% Reduction	38% Reduction
Greenhouse Gas Emissions (Absolute)	10% Reduction	16% Reduction
Energy Intensity (Gigajoules used/Hours worked)	16% Reduction	10% Reduction
Recycling (All Waste)	80% Rate	+310 bps to 76.5% Rate
Water Use (Absolute)	14% Reduction	25% Reduction

In 2023, Lincoln Electric was not only named among The Wall Street Journal's Management Top 250 ranking, but was also recognized by other awards for our leading ethical, environmental, social and governance practices, which align with our 2025 Strategy.













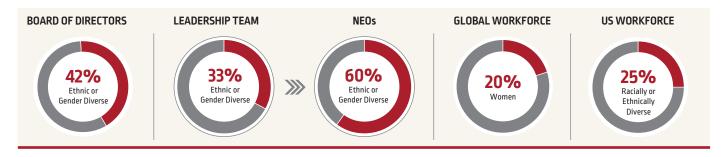


2023 Global Workforce Highlights

In executing our 2025 Strategy, we place a priority on social matters through:

- Global Workforce and Diversity and Inclusion Programs
- Employee Development & Training
- Community Engagement

Diversity Highlights



Employee Development & Training

One of the four peaks of our 2025 Strategy is focused directly on our employees' engagement and professional development because a highly-engaged workforce drives innovation, productivity and improved bottom-line results. One key area of engagement is our investment in training and development to ensure a strong succession pipeline and ample development opportunities to advance skills, knowledge and expertise to prepare our employees for future career opportunities.

Community Engagement

In 2023, we maintained our employee assistance program, supported our internal employee resource group initiatives and community engagement through our Lincoln Electric Foundation grants, our U.S. employee matching program for donations and volunteerism, in-kind gifts, sponsorship of key events, and the hosting of community and academic events at our facilities.

Corporate Governance Highlights

Lincoln Electric has a solid track record of integrity and corporate governance practices that promote thoughtful management by its officers and Board of Directors, facilitating profitable growth while strategically balancing risk to maximize shareholder value. The tables below summarize select Board and governance information and highlight certain information about the 12 Director Nominees that shareholders are being asked to elect at the 2024 Annual Meeting.

BOARD COMPOSITION AND PRACTICES			
Size of Board	12	Independent Directors meet without management	✓
Number of independent Directors	10	Director attendance at Board and committee	>75%
Average age of Director Nominees	60	meetings	<i>>737</i> 0
Ethnically diverse Director Nominees	3	Mandatory retirement age (75)	\checkmark
Number of Female Director Nominees	3*	Stock ownership guidelines for Directors	\checkmark
Board meetings held in 2023	5	Annual Board and committee self-assessments	\checkmark
New Directors in the last 5 years	5	Code of Conduct for Directors, officers &	✓
Average tenure (years) of Director Nominees	8	employees	
Annual election of Directors	✓	Succession planning and implementation process	\checkmark
Majority voting policy for Directors	\checkmark	Strategy, ESG and risk management oversight	√
Lead Independent Director	√	Corporate culture, D&I oversight	
Number of fully independent Board committees	4	Gorporate Cartaire, Dar Oversight	•

^{*} The percentage of female Directors has been over 30% in recent years but will dip slightly below this year due to a director retirement and changes to the Board made to ensure the needs of the Company are met during an important period of leadership transition.

SHAREHOLDER PROTECTIONS	
One share, One vote standard	✓
Dual-class common stock or Poison pill	×
Cumulative voting	×
Vote standard for Code of Regulations amendment	67%
Shareholder right to call a special meeting	√ **
Annual election of Directors	✓
Majority voting policy for Directors	✓
Lead Independent Director	✓
Executive sessions without management present	✓

^{**} Special meetings can be called by shareholders holding at least 25% of the voting power

COMPENSATION PRACTICES	
Pay for Performance	✓
Annual Say-on-Pay Advisory Vote	✓
Compensation aligned with strategic goals and individual performance	✓
Incentive plans do not encourage excessive risk taking	✓
No excessive perquisites	✓
Robust stock ownership guidelines for NEOs	✓
Clawback policy	✓
Double-trigger change-in-control policy	✓
Anti-hedging/pledging policy	✓
CEO Pay Ratio	200:1

Corporate Governance Highlights (Continued)

Board oversight of ESG	\checkmark
Compensation and Executive Development Committee oversight of human capital policies and practices, including corporate culture, and D&I	✓
Audit Committee oversight of environmental, health & safety matters	✓
Audit Committee oversight of information security and cybersecurity matters	✓
ESG performance incorporated into CEO's annual performance goals and compensation metrics (and other executives)	✓
Global Code of Conduct	✓
Human Rights Policy	✓
No-Harassment Policy	✓
Anti-Corruption Policy	✓
Supplier and Channel Partner Codes of Conduct	✓
Environmental, Health, Safety & Quality Policy	✓
Environment management system	✓
Long-term safety and environmental goals	✓
Aligned with select UN Sustainable Development Goals (SDGs)	✓
Sustainability Accounting Standards Board (SASB) Index	✓
CDP Submission	✓
Sustainability Report	✓

Director Nominees and Board Summary

PROPOSAL 1 | ELECTION OF 12 DIRECTORS TO SERVE UNTIL 2025 ANNUAL MEETING OR UNTIL THEIR SUCCESSORS ARE DULY ELECTED AND QUALIFIED



THE BOARD RECOMMENDS A VOTE "FOR" ALL DIRECTOR NOMINEES. OUR NOMINATING AND CORPORATE GOVERNANCE COMMITTEE AND OUR BOARD OF DIRECTORS HAVE DETERMINED THAT EACH OF THE DIRECTOR NOMINEES POSSESSES THE RIGHT SKILLS, QUALIFICATIONS AND EXPERIENCE TO EFFECTIVELY OVERSEE LINCOLN ELECTRIC'S LONG-TERM BUSINESS STRATEGY

See "Proposal 1 – Election of Directors" beginning on page 20 of this Proxy Statement.

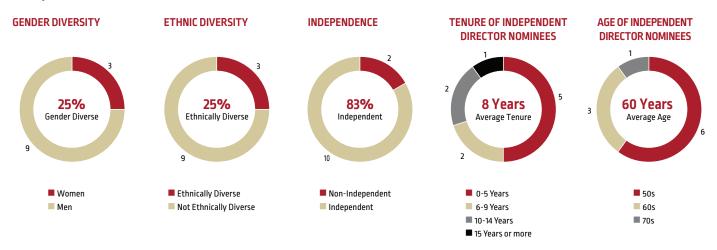
You are being asked to vote on the election of twelve Director Nominees. Selected biographical information of each Director Nominee, as well as committee membership and committee chair information is listed below. Additional information can be found in the Director biographies under Proposal 1.

Name	Age	Director Since	Independent	Audit	Compensation & Executive Development	Nominating & Corporate Governance	Finance	Other Public Company Boards
Brian D. Chambers Chair, President and CEO, Owens Corning	57	2022	✓	•			•	1
Curtis E. Espeland [Lead Independent Director] Retired Executive Vice President and CFO, Eastman Chemical Company	59	2012	√	•			•	1
Bonnie J. Fetch President – Distribution Business, Cummins Inc.	53	2023	√	•			•	-
Patrick P. Goris Senior Vice President and CFO, Carrier Global Corporation	52	2018	✓	•		•		_
Steven B. Hedlund President and CEO, Lincoln Electric Holdings, Inc.	57	2024						-
Michael F. Hilton Retired President and CEO, Nordson Corporation	69	2015	✓		•	•		3
Marc A. Howze Former Senior Advisor, Office of the Chairman, Deere & Company	60	2023	✓		•		•	1
Kathryn Jo Lincoln Chair and CIO, Lincoln Institute of Land Policy	69	1995	✓		•	•		_
Christopher L. Mapes [Chair] Executive Chair, Lincoln Electric Holdings, Inc.	62	2010						3
Phillip J. Mason Retired President, EMEA Sector of Ecolab, Inc.	73	2013	✓		•		•	-
Ben P. Patel Chief Innovation and Science Officer, WestRock Company	56	2018	✓	•		•	•	_
Kellye L. Walker Executive Vice President and Chief Legal Counsel, Eastman Chemical Company	57	2020	√		•	•		-

Name	Age	Director Since	Independent	Audit	Compensation & Executive Development	Nominating & Corporate Governance	Finance	Other Public Company Boards
RETIRING DIRECTOR								
Hellene S. Runtagh Retired President and CEO, Berwind Group	75	2001	√		•	•		-

[•] Committee Member

Composition of Director Nominees



Ratification of Independent Registered Public Accounting Firm Summary

PROPOSAL 2 | RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM



THE BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL. OUR BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS LINCOLN ELECTRIC'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE YEAR ENDING DECEMBER 31, 2024.

See "Proposal 2—Ratification of Independent Registered Public Accounting Firm" beginning on page 105 of this Proxy Statement.

Committee Chair

Executive Compensation Program Highlights

PROPOSAL 3 | APPROVAL, ON AN ADVISORY BASIS, OF NEO COMPENSATION



THE BOARD RECOMMENDS A VOTE FOR THIS PROPOSAL. OUR BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE APPROVAL, ON AN ADVISORY BASIS, OF THE COMPENSATION OF OUR NEOS.

See "Proposal 3—Approval, on an advisory basis, of NEO compensation" beginning on page 107 of this Proxy Statement and "Compensation Discussion and Analysis" beginning on page 51 of this Proxy Statement.

We have a long history of driving an incentive management culture, emphasizing **pay for performance** to align compensation with the achievement of enterprise, segment and individual goals.

We believe our compensation program and practices provide an appropriate **balance** between profitability, cash flow and returns, on the one hand, and suitable levels of risk-taking, on the other. This balance, in turn, aligns compensation strategies with shareholder interests, as reflected by the consistently high level of shareholders voting for the compensation of our NEOs.

During 2023, the Company announced the planned retirement of Christopher L. Mapes as the Company's President and Chief Executive Officer, effective December 31, 2023, and the election of Steven B. Hedlund as President and Chief Executive Officer effective January 1, 2024.

2023 NAMED EXECUTIVE OFFICERS

The Compensation Discussion and Analysis (CD&A) provides information regarding our executive compensation program for the following NEOs in 2023:



Steven B. Hedlund

President and Chief Executive Officer (since January 1, 2024) Executive Vice President, Chief Operating Officer (through December 31, 2023)



Christopher L. Mapes

Executive Chair (since January 1, 2024) President and Chief Executive Officer (through December 31, 2023)



Gabriel Bruno

Executive Vice President, Chief Financial Officer and Treasurer



Jennifer I. Ansberry

Executive Vice President, General Counsel and Secretary



Michele R. Kuhrt

Executive Vice President, Chief Human Resources Officer

2023 EXECUTIVE COMPENSATION PRACTICES

What We Do		What We Don't Do	
We have long-term compensation programs focused on profitability, net income growth, ROIC and total shareholder returns	✓	We do not allow hedging or pledging of our shares	×
We use targeted performance metrics to align pay with performance	✓	We do not reprice stock options and do not issue discounted stock options without shareholder approval	×
We maintain stock ownership guidelines (5x base salary for CEO; 3x base salary for other NEOs)	✓	We do not provide excessive perquisites	x
We have a shareholder-approved equity incentive plan	✓		
We have a compliant clawback policy	✓	We do not have multi-year guarantees for compensation increases	×
We have a double-trigger change in control policy	✓		

2023 ELEMENTS OF EXECUTIVE COMPENSATION

Туре	Component	Competitive Target
Fixed Compensation	Base Pay	Generally targeted at the 45th percentile of market (below market) to place stronger emphasis on incentive compensation
Incentive-Based Compensation	Target Total Cash Compensation with Annual Bonus (EMIP)	Generally targeted above the competitive market, so that target total cash compensation (base pay and annual bonus which incorporates financial targets and individual performance goals) is set at 65th percentile of market
	Long-Term Incentive Compensation	Generally targeted at the 50th percentile of market (at market)

We use the following key performance measures in our short-term and long-term compensation programs.

Key Performance Metrics Tied to Executive Compensation						
Metric	Short-Term Compensation (Annual Bonus)	Long-Term Incentive Compensation Program (3-yr Performance Cycle)				
Adjusted Revenue ¹	✓					
EBITB ^{1,2} (Adjusted earnings before interest, taxes and bonus)	✓					
Average Operating Working Capital to Sales ¹ ratio	✓					
Individual performance (includes ESG-related metrics) ³	✓					
Adjusted Net Income¹ growth		✓				
Return on Invested Capital (ROIC) ¹		✓				

- 1 Both consolidated and segment financial performance measures are used in the design of the executive compensation program and are defined in Appendix A. Adjusted Revenue for Compensation Purposes, EBITB, Average Operating Working Capital to Sales for Compensation Purposes, Adjusted Net Income for Compensation Purposes, and Return on Investment Capital for Compensation Purposes have discrete definitions relative to our executive compensation program.
- 2 EBITB is an internal measure that tracks our adjusted operating income.
- 3 Individual performance goals are set annually and a significant portion of our executive officers' individual performance goals are tied to one or more aspects of our 2025 Strategy including human capital and other ESG related matters.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS:

This Proxy Statement contains forward-looking statements, including statements regarding Lincoln Electric's strategy and current expectations as well as sustainability and other ESG-related strategies, commitments, targets and goals, within the meaning of applicable federal securities laws and regulations. These statements reflect management's current expectations and involve a number of risks and uncertainties. Forward-looking statements generally can be identified by the use of words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "forecast," "guidance," "goal," "target" or words of similar meaning. Actual results (including the Company's performance with respect to any sustainability or other ESG-related targets and goals) may differ materially from such statements due to a variety of factors that could adversely affect the Company's operating results and ability to achieve its targets and goals. The factors include, but are not limited to: general economic, financial and market conditions; the effectiveness of operating initiatives; completion of planned divestitures; interest rates; disruptions, uncertainty or volatility in the credit markets that may limit our access to capital; currency exchange rates and devaluations; adverse outcome of pending or potential litigation; actual costs of the Company's rationalization plans; possible acquisitions, including the Company's ability to successfully integrate acquisitions; market risks and price fluctuations related to the purchase of commodities and energy; global regulatory complexity; the effects of changes in tax law; tariff rates in the countries where the Company conducts business; the Company's ability to achieve its sustainability and other ESG-related targets and goals for a variety of reasons, including, among others, (i) technical and operating factors, (ii) assumptions not being realized, (iii) the outcome of current and future scientific research efforts and technological developments, and (iv) evolving sustainability strategies and best practices, and the possible effects of events beyond our control, such as the impact of the Russia-Ukraine conflict, political unrest, acts of terror, natural disasters and pandemics, on the Company or its customers, suppliers and the economy in general. For additional discussion, see "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023. These forward-looking statements speak only as of the date on which such statements were made, and we undertake no obligation to update these statements except as required by federal securities law. Forward-looking and other statements in this Proxy Statement regarding our sustainability and other ESG-related strategies, commitments, targets and goals are not an indication that these statements are necessarily material to investors or required to be disclosed in our filings with the Securities and Exchange Commission (SEC).





Election of Directors



DIRECTOR NOMINEES

Brian D. Chambers
Curtis E. Espeland
Bonnie J. Fetch
Patrick P. Goris
Steven B. Hedlund
Michael F. Hilton
Marc A. Howze
Kathryn Jo Lincoln
Christopher L. Mapes
Phillip J. Mason
Ben P. Patel
Kellye L. Walker

Our shareholders are being asked to **ELECT 12 DIRECTORS** to serve until the 2025 Annual Meeting or until their successors are duly elected and qualified. All of the Director Nominees, other than Ms. Fetch, who was appointed to the Board on July 20, 2023, Mr. Howze, who was appointed to the Board on October 17, 2023, and Mr. Hedlund, who was appointed to the Board effective January 1, 2024, have been previously elected by our shareholders. Each of the Director Nominees has agreed to stand for re-election. The biographies of our Director Nominees can be found in this section.

If any Director Nominee is unable to stand for election, the Board may provide for a lesser number of nominees or designate a substitute. In the latter event, shares represented by proxies solicited by the Directors may be voted for the substitute. We have no reason to believe that any of the nominees will be unable to stand for election.

Pursuant to the retirement policy contained in our Governance Guidelines, Ms. Runtagh is not being nominated for re-election and will retire as a Director effective as of the expiration of her term at the time of this year's Annual Meeting. We thank Ms. Runtagh for her many years of service to the Company.

HOW WE SELECT DIRECTOR NOMINEES

In evaluating Director candidates, including persons nominated by shareholders, the Nominating and Corporate Governance Committee expects that any candidate must have these minimum qualifications:

- Demonstrates character, integrity and judgment
- High-level managerial experience or experience dealing with complex business matters
- Ability to work effectively with others
- Sufficient time to devote to the affairs of Lincoln Electric
- Specialized experience and background that will add to the depth and breadth of the Board
- Independence as defined by the Nasdaq listing standards (for non-employee Directors)
- Financial literacy

We are also committed to having Director candidates that can provide perspective on the industry challenges that we face and our long-term commitment to a pay for performance culture. The Nominating and Corporate Governance Committee's process for identifying and evaluating nominees for Director includes annually discussing prospective Director specifications, which serve as the baseline to evaluate candidates. When recruiting new Director candidates, we may involve a recognized search firm, and the CEO and/or a member of the Nominating and Corporate Governance Committee (usually, the Chair) will contact the prospective director to gauge his or her interest and availability. The candidate will then meet with several members of the Board, including our Lead Independent Director. At the same time, references for the prospect will be contacted. A background check is generally completed before a final recommendation is made to the Board to elect a candidate to the Board.

During 2023, the Nominating and Corporate Governance Committee retained the search firm of Heidrick & Struggles to help identify director prospects, perform candidate outreach, assist in reference and background checks and provide other related services. The Board also used its own network of contacts in its search. For the director search in 2023, the Board targeted candidates who were active senior executives of public companies with diverse leadership experience in managing global businesses and operational excellence. Heidrick & Struggles recommended Ms. Fetch as a director candidate, and the Board determined that Ms. Fetch would provide the Board with executive operational and supply chain experience, among other attributes. A non-employee director recommended Mr. Howze as a director candidate, and the Board determined that Mr. Howze would provide the Board with operational, governance and organizational leadership experience, among other attributes. Both have extensive executive experience at large, global organizations. As an experienced executive officer of the Company, Mr. Hedlund understands the manufacturing industry and provides valuable insight as to our Company's global operations, people, products, markets, and strategic direction. The Board determined that Ms. Fetch, Mr. Howze and Mr. Hedlund possessed the desired capabilities and management experience, and each was appointed to the Board on July 20, 2023, October 17, 2023 and January 1, 2024, respectively.

Shareholders may nominate one or more persons for election as Director of Lincoln Electric. The process for doing so is set forth in the FAQs section of this Proxy Statement. Director candidates recommended by our shareholders will be considered by the Nominating and Corporate Governance Committee in accordance with the criteria outlined above. For this year, the window for such nominations closed on January 20, 2024.

Director Nominees' Skills, Experience and Background

Throughout 2023, the Nominating and Corporate Governance Committee reviewed the skills, qualifications and experience of each Director Nominee to ensure that each can effectively oversee our long-term business strategy. In addition, during 2023 the Nominating and Corporate Governance Committee thoroughly reviewed and refined the identified skills, experience and background desired of our Director Nominees. Through this process, the below skills are listed in order of priority, and have been thoughtfully defined in a manner that results in identifying Directors with more significant experience to help our stakeholders understand where the deeper experience lies. As shown below, our Director Nominees have a mix of skills and experience that we believe are relevant to the Company's long-term strategy and success.



Senior Leadership

This is a foundational expectation of all directors. Includes all directors who are current or former officers of public companies and larger private companies who were top management of the organization. Included directors should have comparable management responsibilities and experience.



Strategy and M&A

Includes all directors who have experience in strategic planning or M&A.



Risk Oversight and Management

Includes directors who are current or former CEOs, senior leadership or top management, who oversaw enterprise risk management (ERM) in such roles. Also includes directors who are current or former public company board members with delegated responsibilities over risk oversight (e.g., service on audit or risk committees, or service as a board chair or lead director).

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Organizational Development and Culture

Includes directors who are current or former senior leaders whose role had a particular focus on organizational development and culture. Also includes current or former leaders with oversight responsibility for human resource matters. Also includes directors who are current or former public company board members with delegated responsibilities over human capital policies and practices.



Public Company and Corporate Governance

Includes directors who have experience as public company directors, are current or former general counsels or who have served as external governance advisors to boards and management, including as a chair of a board, institution or committee of a public company board.



Manufacturing and Industry

Includes all directors who have experience or expertise in manufacturing or dealing with LECO's end markets.



Financial and Accounting

Includes all directors who would qualify as financial experts for purposes of service on the Audit Committee, whether through education and experience as a CFO, CAO, controller, public accountant or auditor or similar functions, or experience actively supervising such persons.



Global Operations and Supply Chain

Includes directors with operational experience across different jurisdictions or operational experience with global supply chains.



Technology and Innovation

Includes directors who have leadership experience (current or within the past 5 years) at companies where technological innovation is a key component of the business strategy and where such director directly participated in or oversaw R&D strategies, as well as directors with specific technical expertise.

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Sustainability

Includes directors with experience overseeing sustainability matters on a company board or who have experience overseeing sustainability matters at companies where such matters are integrated into the business strategy.

Board Diversity

The Nominating and Corporate Governance Committee believes that having a diverse Board enhances overall corporate governance. The Nominating and Corporate Governance Committee considers diversity to include differences in race, gender, national origin, as well as professional background and capabilities, knowledge of specific industries, and geographic experience. To complement Board diversity, the Nominating and Corporate Governance Committee instructs any search firm engaged for each director candidate search to include individuals that represent diverse characteristics, whether by race, gender or other diverse qualities.

Nasdaq Board Diversity Matrix

In accordance with Nasdaq's Board Diversity Rules, the following Board Diversity Matrix highlights the composition of our Board members as of February 15, 2024, which is based on voluntary self-identification. Each of the categories listed in the table has the meaning provided in Nasdaq Rule 5605(f).

Board Diversity Matrix (As of February 15, 2024)*

Total Number of Directors		13					
	Female	Male	Non-Binary	Did Not Disclose Gender			
Part I: Gender Identity							
Directors	4	9	0	0			
Part II: Demographic Background							
African American or Black	1	1	0	0			
Alaskan Native or Native American	0	0	0	0			
Asian	0	1	0	0			
Hispanic or Latinx	0	0	0	0			
Native Hawaiian or Pacific Islander	0	0	0	0			
White	3	7	0	0			
Two or More Races or Ethnicities	0	0	0	0			
LGBTQ+		0					
Did Not Disclose Demographic Background		0					

^{*} Includes information disclosed by all current Directors



YOUR BOARD RECOMMENDS A VOTE "FOR" EACH DIRECTOR NOMINEE

Director Nominees



Brian D. Chambers

Director since 2022
COMMITTEES:
Audit
Finance
AGE: 57
OTHER PUBLIC COMPANY
DIRECTORSHIPS:
Owens Corning (NYSE: OC)

since 2019

CAREER HIGHLIGHTS

Mr. Chambers has served as the Chair, President and Chief Executive Officer of Owens Corning, a global building and construction materials company, since 2020, and as President and Chief Executive Officer since 2019. During his over twenty-year tenure with Owens Corning, Mr. Chambers has served in various leadership positions including Chief Operating Officer from 2018 to 2019, and President of the Roofing Division from 2014 to 2018. Mr. Chambers has also held several commercial and operational roles at Saint-Gobain, Honeywell, and BOC Gases.

KEY QUALIFICATIONS, EXPERIENCE AND SKILLS

- As a current CEO and Chair of a global, publicly traded company engaged in manufacturing operations, Mr. Chambers provides valuable insights across a range of matters, including risk oversight and management, business strategy development, and brings a global perspective, strategic and innovative mindset, and a focus on sustainability matters.
- The Board has determined that Mr. Chambers' extensive accounting and financial experience qualifies him as an "audit committee financial expert."
- Valuable knowledge of key governance matters, including sustainability matters, gained through executive leadership of various publicly traded companies and as a director of Owens Corning and Lincoln Electric.



Curtis E. Espeland

Director since 2012
Lead Independent Director since 2018
COMMITTEES:
Audit Finance
AGE: 59

OTHER PUBLIC COMPANY DIRECTORSHIPS: Huntsman Corporation (NYSE: HUN) since 2022

CAREER HIGHLIGHTS

Mr. Espeland is the former Executive Vice President and Chief Financial Officer of Eastman Chemical Company, an advanced materials and specialty additives manufacturer, a position he held from 2014 until his retirement in 2020. Mr. Espeland joined Eastman Chemical Company in 1996 and, during his tenure, he also served as Vice President, Finance and Chief Accounting Officer from 2005 to 2008, and Senior Vice President and Chief Financial Officer from 2008 to 2014.

- With broad-based finance, accounting, and executive level experience, ultimately as
 the Chief Financial Officer of a large publicly traded company, Mr. Espeland brings
 robust experience related to enterprise risk management, including information
 technology and cybersecurity, capital allocation, internal controls and financial
 reporting, and corporate strategy and M&A.
- The Board has determined that Mr. Espeland's extensive accounting and financial experience qualifies him as an "audit committee financial expert."
- Valuable knowledge of key governance matters gained through his various directorships, including as a director of Lincoln Electric.



Bonnie J. Fetch

Director since 2023

COMMITTEES:
Audit
Finance

AGE: 53

OTHER PUBLIC COMPANY
DIRECTORSHIPS:

CAREER HIGHLIGHTS

Ms. Fetch serves as President – Distribution Business, for Cummins Inc., a global power technology solution leader, a position she has held since January 2024. Ms. Fetch joined Cummins Inc. in 2018 and during her tenure she has served as VP, Global Supply Chain and Manufacturing from January 2022 to December 2023, VP – Global Distribution SC Services from January 2020 to January 2022, and Executive Director, Global Distribution Business Supply Chain from July 2018 to January 2020. Prior to joining Cummins Inc., Ms. Fetch held numerous leadership roles during her 20 years at Caterpillar, Inc., including Human Resources Director and Chief Learning Officer and several General Manager roles.

KEY QUALIFICATIONS, EXPERIENCE AND SKILLS

- As a current senior executive for a publicly traded company engaged in manufacturing operations, Ms. Fetch provides valuable insights relating to advancing operational excellence in global supply chain and operational initiatives in the industrials machinery sectors.
- Running multibillion-dollar businesses has provided Ms. Fetch with a depth of
 experience related to strategic planning, logistics and manufacturing operations,
 business development, engineering, human resources, and advanced technology like
 artificial intelligence and machine learning to advance supply chain strategies.
- Valuable knowledge of key governance matters, including sustainability matters, gained through executive leadership of various publicly traded companies.



Patrick P. Goris

Director since 2018

COMMITTEES:
Audit (Chair)
Nominating and Corporate
Governance

AGE: 52
OTHER PUBLIC COMPANY
DIRECTORSHIPS:

doverni

None

CAREER HIGHLIGHTS

Mr. Goris has served as the Senior Vice President and Chief Financial Officer of Carrier Global Corporation, the global leader in intelligent climate and energy solutions since November 2020. Prior to joining Carrier, he served as Senior Vice President and Chief Financial Officer of Rockwell Automation, a global industrial automation and information solutions provider, from February 2017 to November 2020.

- As a current Chief Financial Officer of a publicly-traded multinational organization,
 Mr. Goris has extensive experience in accounting, financial planning and analysis,
 investor relations, mergers and acquisitions and strategic planning, and his
 experience with a global industrial automation and information solutions company
 provides him with broad exposure to digital operations and "smart" manufacturing
 solutions using data and analytics, which enhances operational intelligence,
 productivity and risk management in manufacturing processes.
- The Board has determined that Mr. Goris' extensive accounting and financial experience qualifies him as an "audit committee financial expert."
- Valuable knowledge of key governance matters gained as a director of Lincoln Electric.



Steven B. Hedlund

Director since 2024
COMMITTEES: None
AGE: 57
OTHER PUBLIC COMPANY
DIRECTORSHIPS:
None

CAREER HIGHLIGHTS

Mr. Hedlund was named the President and Chief Executive Officer of Lincoln Electric effective January 2024. In his over 15-year career with Lincoln Electric, Mr. Hedlund has served in a variety of operational leadership roles, including the Chief Operating Officer from May 2022 to December 2023, the President, Americas and International Welding from October 2020 to May 2022, the President, International Welding from June 2017 to October 2020, the President, Global Automation and Vice President, Strategy and Business Development. Prior to Lincoln Electric, Mr. Hedlund held various executive leadership roles at Fortune Brands, Inc. and served as principal with the management consulting firm Booz Allen & Hamilton.

KEY QUALIFICATIONS. EXPERIENCE AND SKILLS

- Mr. Hedlund's extensive experience as an executive-level leader of our company brings to the Board knowledge and valuable insight as to our company's global operations and a thorough understanding of our people, products, markets, and strategic direction.
- With his diverse experience within our organization, Mr. Hedlund has an extensive understanding of our strategic, operational, and organizational initiatives to accelerate growth, improve margins and enhance returns on investment.
- Valuable knowledge of key governance matters gained through executive leadership at Lincoln Electric.



Michael F. Hilton

Director since 2015
COMMITTEES:
Compensation and Executive
Development (Chair)
Nominating and Corporate
Governance

AGE: 69
OTHER PUBLIC COMPANY
DIRECTORSHIPS:
Ryder Systems, Inc.
[NYSE: R] since 2012
Regal Rexnord Corporation
[NYSE: RBC] since 2019
Jeld-Wen [NYSE: JELD] since
August 2023
Nordson Corporation
[NASDAQ: NDSN] through 2019

CAREER HIGHLIGHTS

Mr. Hilton is the former President and Chief Executive Officer of Nordson Corporation, a company that engineers, manufactures and markets differentiated products and systems used for precision dispensing of adhesives, coatings, sealants, biomaterials, polymers, plastics and other materials, fluid management, test inspection, UV curing and plasma surface treatment, a position he held from 2010 until his retirement in 2019. During his tenure at Nordson Corporation, Mr. Hilton also served as a director. Mr. Hilton has been a member of the board of directors of Ryder Systems since 2012 and Regal Rexnord Corporation since 2019 and joined the board of directors of Jeld-Wen in August 2023.

- With over 30 years of global manufacturing experience, Mr. Hilton brings to the Board an intimate understanding of management leadership, and provides valuable insights relative to strategy development, product line management, new product technology, talent development, distribution and other sales channels, business processes and global markets expertise.
- The Board has determined that Mr. Hilton's extensive accounting and financial experience qualifies him as an "audit committee financial expert."
- Valuable knowledge of key governance matters gained through his various directorships, including as a director of Lincoln Electric.



Marc A. Howze

Director since 2023

COMMITTEES: Compensation and Executive Development Finance

AGE: 60
OTHER PUBLIC COMPANY
DIRECTORSHIPS:
Dover Corporation (NYSE: DOV)
since November 2023

CAREER HIGHLIGHTS

Mr. Howze is the former Senior Advisor, Office of the Chairman, at Deere & Company, a global leader in the delivery of agricultural, turf, construction, and forestry equipment, a position he held from 2022 until his retirement in 2023. During his more than two-decade tenure at Deere, Mr. Howze held numerous leadership roles, including Group President, Lifecycle Solutions and Chief Administrative Officer from 2020 to 2022 and Senior Vice President and Chief Administrative Officer from 2016 to 2020. Mr. Howze also served as Vice President of Global Human Resources and Employee Communication, as well as Associate General Counsel and Corporate Secretary for the company. Prior to joining Deere, Mr. Howze served as an officer in the U.S. Army, attaining the rank of major. Mr. Howze has been a member of the board of directors of Nationwide Mutual Insurance Company since 2018 and joined the board of directors of Dover Corporation in November 2023.

- As an accomplished, versatile, and highly collaborative senior executive of a global, publicly traded company engaged in manufacturing operations, Mr. Howze provides valuable insights across a range of matters, including corporate governance, strategic planning, and risk management.
- Through leading a variety of globally diverse businesses and cross-functional teams, Mr. Howze provides valuable insights on manufacturing, supply management and logistics, and human resources.
- Valuable knowledge of key governance matters, gained through executive leadership at Deere and through various directorships.



Kathryn Jo Lincoln

Director since 1995

COMMITTEES:

Compensation and Executive Development Nominating and Corporate Governance

AGE: 69

OTHER PUBLIC COMPANY DIRECTORSHIPS:

CAREER HIGHLIGHTS

Ms. Lincoln has served as the Board Chair and Chief Investment Officer of the Lincoln Institute of Land Policy, an independent, global foundation focused on addressing significant policy issues through innovative land use and taxation methods, since 1996. As Chief Investment Officer, Ms. Lincoln manages and directs all aspects of the Institute's endowment, including strategic asset allocation and policy development, which have contributed to its current \$800 million asset base. In her role as Chair, she plays a crucial role in strategic direction and planning, with ongoing involvement in the development of education programs, demonstration projects and impact measurement. Ms. Lincoln is a member of the board of directors of HonorHealth Network and Claremont Lincoln University, and she is also the Co-Chair of the International Center for Land Policy Studies and Training in Taiwan and was appointed as a director for The Hope Effect, a non-profit entity.

- With extensive leadership experience and global mindset, Ms. Lincoln brings robust experience related to strategic planning, asset allocation matters and corporate governance, and as a Lincoln family member and long-standing director of the company, Ms. Lincoln has a keen sense of knowledge about Lincoln Electric, its culture, and its founding principles.
- As the world focuses increasingly on sustainability and environmental issues,
 Ms. Lincoln's knowledge and experience in these areas bring valuable insights to the
 Board, and she demonstrates a lasting commitment to board and corporate
 governance excellence, being named as a Board Leadership Fellow of the National
 Association of Corporate Director, and as one of 2019's most influential corporate
 directors by WomenInc.
- Valuable knowledge of key governance matters gained through her various directorships, including as a director of Lincoln Electric.



Christopher L. Mapes

Director since 2010 Chair since 2013 **COMMITTEES: None**

AGE: 62

OTHER PUBLIC COMPANY **DIRECTORSHIPS:** The Timken Company (NYSE: TKR) since 2014

A.O. Smith (NYSE: AOS) since 2023 Nordson Corporation (NASDAQ): NDSN since January 2024

CAREER HIGHLIGHTS

Mr. Mapes is the current Executive Chair of Lincoln Electric, a position he has held since January 2024. Prior to his retirement, Mr. Mapes served as the Chair, President and Chief Executive Officer of Lincoln Electric from December 2013 to December 2023, and as President and Chief Executive Officer from December 2012 to December 2013. From September 2011 to December 2012, Mr. Mapes served as the Chief Operating Officer. From 2004 to August 2011, Mr. Mapes served as an Executive Vice President of A.O. Smith Corporation, a global manufacturer with a water heading and water treatment technologies business, which has residential, commercial, industrial and consumer applications, and the President of its former Electrical Products unit. Mr. Mapes started his career with General Motors and has held various roles in industrial manufacturing for over 35 years. Mr. Mapes has served as a director of The Timken Company since 2014 and A.O. Smith since 2023 and joined the board of directors of Nordson in January 2024.

KEY QUALIFICATIONS. EXPERIENCE AND SKILLS

- As the current Chair, and former President and Chief Executive Officer of Lincoln Electric, Mr. Mapes provides valuable insights across a range of matters, including strategic planning, risk management, corporate governance, and organizational culture.
- Mr. Mapes has a keen understanding of the manufacturing industry, and the challenges organizations face growing globally.
- · Valuable knowledge of key governance matters, including sustainability matters, gained as a director of Lincoln Electric, and his various other directorships.



Phillip J. Mason

Director since 2013 **COMMITTEES:** Compensation and Executive Development Finance (Chair)

AGE: 73

OTHER PUBLIC COMPANY DIRECTORSHIPS: GCP Applied Technologies (NYSE: GCP) through 2020

CAREER HIGHLIGHTS

Mr. Mason is the former President of the Europe, Middle East & Africa Sector (EMEA Sector) of Ecolab, Inc., a leading provider of food safety, public health and infection prevention products and services, a position he held from 2010 until his retirement in 2012. Prior to leading Ecolab's EMEA Sector, Mr. Mason had responsibility for Ecolab's Asia Pacific and Latin America businesses as President of Ecolab's International Sector from 2005 to 2010 and as Senior Vice President, Strategic Planning in 2004. In addition, Mr. Mason has public company board experience, previously serving as a director of GCP Applied Technologies from 2016 to May 2020.

- With broad executive leadership experience in an international business unit for a large publicly traded company, Mr. Mason brings to the board extensive insight on international business operations, business-to-business and industrial sector matters, strategic planning, and M&A and integration matters.
- Leading international business units has provided Mr. Mason with a depth of experience starting, developing, and growing businesses abroad, in both mature and emerging markets.
- Valuable knowledge of key governance matters gained through various directorships, including as a director of Lincoln Electric.



Ben P. Patel

Director since 2018

COMMITTEES:
Audit
Finance
Nominating and
Corporate Governance

AGE: 56

OTHER PUBLIC COMPANY
DIRECTORSHIPS:
None

CAREER HIGHLIGHTS

Dr. Patel has served as the Chief Innovation and Science Officer at WestRock Company, a global manufacturer of innovative, sustainable, fiber-based packaging solutions for the consumer and corrugated packaging markets since April 2023. In this role, Dr. Patel leads WestRock's research and development efforts, and helps to drive innovation to enhance current products and develop new sustainable packaging solutions. Prior to joining WestRock, he served as Senior Vice President, Chief Technology Officer of Cooper Tire & Rubber Company, a global manufacturer of specialized passenger car, light truck, medium truck, motorcycle, and racing tires from November 2019 until July 2021, and as Senior Vice President and Chief Technology Officer of Tenneco, Inc., a manufacturer of automotive emission control and ride control products and systems from 2011 until 2019. During his tenure at Tenneco, he held roles leading regional advanced technology development and establishing a global research and development organization. Prior to joining Tenneco, Dr. Patel held numerous positions with increasing responsibility, including senior scientist, at the General Electric Company during his thirteen-year tenure with the organization.

- With over 20 years of experience serving with publicly traded, global products and technology companies, Dr. Patel brings to the board broad expertise in material scient, automation and "smart" systems, as well as extensive research and development experience and insights on sustainability matters.
- Dr. Patel has been a leader in global innovation and research initiatives, which lends tremendous support to our focus on being an innovation leader in our industry and our advanced manufacturing growth strategy, which helps customers identify value and efficiencies in their welding and cutting operations.
- Valuable knowledge of key governance matters gained as a director of Lincoln Electric.



Kellye L. Walker

Director since 2020
COMMITTEES:
Compensation and Executive
Development
Nominating and Corporate
Governance (Chair)

AGE: 57
OTHER PUBLIC COMPANY
DIRECTORSHIPS:
None

CAREER HIGHLIGHTS

Ms. Walker has served as the Executive Vice President and Chief Legal Officer of Eastman Chemical Company, an advanced materials and specialty additives manufacturer since April 2020. In this role, Ms. Walker has overall leadership and responsibility for Eastman's legal organization. She also served as Executive Vice President and Chief Legal Officer of Huntington Ingalls Industries, Inc., America's largest military shipbuilder, from 2015 to 2020. Prior to joining Huntington Ingalls, Ms. Walker served as Senior Vice President, General Counsel and Secretary at American Water Works Company, Inc. Ms. Walker is a member of the board of directors of T. Rowe Price Funds, a position she has held since October 2021.

KEY QUALIFICATIONS, EXPERIENCE AND SKILLS

- As a seasoned senior executive with over 25 years of experience with publicly traded companies, Ms. Walker provides valuable insights on increasing organizational value through forward thinking and strategic discipline, focusing on continuous improvement, and has extensive experience in corporate governance, compliance, litigation management, government affairs, strategy development, product stewardship, regulatory affairs, and health, safety, environment, and security matters.
- In her executive leadership, Ms. Walker has also served as Chief Administrative Officer, leading human resources, information technology, government affairs and corporate communications functions.
- Valuable knowledge of key governance matters gained through executive experience and as a director of Lincoln Electric.

Retiring Director



Hellene S. Runtagh

Director since 2001

COMMITTEES:

Compensation and Executive

Development

Nominating and Corporate

Governance

AGE: 75
OTHER PUBLIC COMPANY
DIRECTORSHIPS:
None

CAREER HIGHLIGHTS

Ms. Runtagh is the former President and Chief Executive Officer of the Berwind Group, a diversified pharmaceutical services, industrial manufacturing and real estate company, a position she held in 2001. From 1997 to 2001, Ms. Runtagh was Executive Vice President of Universal Studios, a media and entertainment company. Prior to joining Universal Studios, Ms. Runtagh spent 27 years at General Electric Company, a diversified industrial company, in a variety of leadership positions. In addition, Ms. Runtagh has extensive board experience, previously serving as a director of Harman International Industries from 2008 to 2017, NeuStar, Inc. from 2006 to 2017, and several other publicly traded companies.

- With over 30 years of executive level experience with technology focused global companies, Ms. Runtagh provides valuable insights on a range of matters, including marketing and sales, finance, engineering, and manufacturing.
- Ms. Runtagh provides valuable insights on corporate governance matters, through her diverse management experience and extensive experience as a director of publicly traded companies.
- Valuable knowledge of key governance matters gained as a director of Lincoln Electric and several other publicly traded companies.



Corporate Governance

Governance Framework

We are committed to effective corporate governance and high ethical standards. We adhere to our ethical commitments in every aspect of our business, including our commitments to each other, in the marketplace and in the global, governmental and political arenas. These commitments are spelled out in our Code of Conduct, which applies to all of our employees (including our CEO and our other NEOs) and Directors.

We encourage you to visit our website at www.lincolnelectric.com, where you can find detailed information about our corporate governance programs/policies including:

- Code of Conduct
- Governance Guidelines

- Charters for our Board Committees
- Director Independence Standards

Corporate Governance Highlights

BOARD OF DIRECTORS

- Our Board held five meetings in 2023
- During 2023, each of our Directors attended at least 75% of the total full Board meetings and meetings of committees on which he or she served during the time he or she served as a Director
- Size of Board: 12 members in 2024
- Plurality vote with director resignation policy for failures to receive a majority vote in uncontested director elections
- Lead Independent Director
- All Directors are expected to attend the Annual Meeting

BOARD COMPOSITION

- Number of independent Directors: 10 in 2024
- Diverse Board including a complementary mix of backgrounds, experiences and expertise, as well as balanced mix of ages, tenure of service and gender
- Several current and former CEOs
- Global experience
- Audit Committee has multiple financial experts

BOARD PROCESSES

- Independent Directors meet without management present, with Lead Independent Director presiding over such meetings
- Annual Board and Committee self-evaluations
- Board orientation program

- Governance Guidelines approved by Board
- Board has an active role in risk oversight
- Full Board review of succession planning annually
- Full Board oversight of ESG

BOARD ALIGNMENT WITH SHAREHOLDERS

- Annual equity grants align interests of Directors and officers with shareholders
- Annual advisory approval of named executive officer compensation
- No poison pill
- Stock ownership guidelines for Directors and officers

COMPENSATION

- No employment agreements
- Executive compensation is tied to performance: 87% of CEO target pay and 75% of all of our other NEO target pay is performance-based (at risk)
- Anti-hedging and anti-pledging policies for Directors and officers
- Recoupment/clawback policy

INTEGRITY AND COMPLIANCE

- Code of Conduct for employees, officers and Directors
- Environmental, health and safety guidelines and goals, including long-term sustainability goals
- Annual compliance training relative to ethical behavior
- Enterprise risk management program with Board oversight

OUR BOARD OF DIRECTORS

Our Board oversees management of the long-term interest of Lincoln Electric and our stakeholders. The Board's major responsibilities include:

- Overseeing the conduct of our business
- Reviewing and approving key financial objectives, strategic and operating plans and other significant actions
- Evaluating CEO and senior management performance and determining executive compensation
- Planning for CEO succession and monitoring management's succession planning for other key executives
- Establishing an appropriate governance structure, including appropriate Board composition and succession planning
- Overseeing enterprise risk management and cybersecurity
- Overseeing the ethics and compliance program
- Overseeing ESG and D&I matters

DIRECTOR INDEPENDENCE

Each of our non-employee Directors meets the independence standards set forth in the Nasdaq listing standards, which are reflected in our Director Independence Standards. To be considered independent, the Nominating and Corporate Governance Committee must affirmatively determine that the Director has no material relationship with Lincoln Electric. In addition to outlining the independence standards set forth in the Nasdaq listing standards, the Director Independence Standards outline specific relationships that are deemed to be categorically immaterial for purposes of director independence. The Director Independence Standards are available on our website at www.lincolnelectric.com.

During 2023, the independent Directors met in regularly scheduled Executive Sessions in conjunction with each of the regular Board meetings. The Lead Independent Director presided over these sessions.

BOARD LEADERSHIP STRUCTURE

- · Executive Chair of the Board: Christopher L. Mapes
- Lead Independent Director: Curtis E. Espeland
- All four Board committees are composed of independent Directors
- Independent Directors met in Executive Session at each of the regular 2023 Board meetings

The Board periodically evaluates its leadership structure to ensure independent and effective oversight of management and our business. The Board believes that the current leadership structure – comprised of a Lead Independent Director and an Executive Chair – best serves the needs of the Company, as it strengthens independence in Board leadership while bolstering experience and knowledge of the Company's strategic priorities and operations. As a part of our current Board leadership structure and to assist with the transition of our CEO, Mr. Mapes, our former President and CEO, serves as Executive Chair of the Board. Our Board believes that having Mr. Mapes' serve as our Executive Chair while Mr. Hedlund transitions into the CEO position allows us to leverage Mr. Mapes' working knowledge of our day-to-day business to provide the Board direction and insight on the Company's strategic plans and priorities. The Board also believes the current Board leadership structure is consistent with good corporate governance practices because the Executive Chair role is complemented by a Lead Independent Director, who has a strong working relationship with our non-management, independent Directors. As Executive Chair, Mr. Mapes is responsible for coordinating the development and execution of our corporate strategy, policies, goals and objectives. In his role, Mr. Mapes has the following duties, responsibilities and expectations:

- works closely with our CEO and senior management to develop our strategic plan;
- works with our CEO and senior management on transactional matters;
- promotes and monitors the Board's fulfillment of its oversight and governance responsibilities;
- encourages the Board to set and implement our goals and strategies;
- establishes procedures to govern our Board's work;

- works closely with our CEO to assists in his successful transition into the role;
- makes available to all members of our Board opportunities to acquire sufficient knowledge and understanding of our business to enable them to make informed judgments;
- · presides over meetings of our shareholders; and
- sets the agenda (in conjunction with the Lead Independent Director) and presides over Board meetings.

LEAD INDEPENDENT DIRECTOR

To complement our Executive Chair of the Board, the Board has a strong Lead Independent Director, which we believe appropriately addresses the need for independent leadership and an organizational structure for our independent Directors. Our Lead Independent Director focuses on overseeing the Board's processes and prioritizing the right areas of focus. Our Lead Independent Director is appointed each year by the independent Directors and serves as a liaison between the Chair of the Board and the independent Directors.



Mr. Curtis Espeland currently serves as our Lead Independent Director, a position he has held since 2018.

Mr. Espeland was elected to our Board in February 2012. During his tenure on our Board, he has developed strong working relationships with his fellow Directors and assists with the onboarding of newly elected Directors.

In addition to the duties of all Directors, the Lead Independent Director has the following duties, responsibilities, and expectations:

- Collaborates with the Executive Chair, the President and Chief Executive Officer, the Secretary and senior management on the format and adequacy of the information that Directors receive and on the effectiveness of the Board meeting process.
- Acts independently of the Executive Chair to review and approve Board meeting agendas and schedules.
- Acts as a sounding board to the Executive Chair on key aspects of the business and assists in promoting sound corporate governance practices.
- Calls meetings of the independent Directors as he sees fit, presiding over such meetings.

- Coordinates, sets agendas and presides over executive sessions of the independent Directors.
- Actively participates in the CEO evaluation process and in interviewing candidates for the Board.
- Actively participates in the Board and committee evaluation process.
- Speaks on behalf of Lincoln Electric, as the Board determines necessary.

The Board will continue to periodically review the Board leadership structure, taking into consideration evolving market practices, feedback from shareholders and the corporate governance community and, most importantly, what the Board believes is in the best interests of our Company and its shareholders.

Our Board Committees

We have separately designated standing Audit, Compensation and Executive Development, and Nominating and Corporate Governance Committees established in accordance with applicable provisions of the Securities Exchange Act of 1934 (the "Exchange Act") and SEC and Nasdaq rules. The Board also has designated a standing Finance Committee.

Each Committee has a charter, which details all of the Committee's roles and responsibilities. The following summaries set forth the principal responsibilities of each of our Committees, as well as other information regarding their makeup and operations. A copy of each Committee's charter may be found on our website at www.lincolnelectric.com.

Audit Committee



Patrick P. Goris



Brian D. Chambers



Bonnie J. Fetch*



Curtis E. Espeland



Ben P. Patel

5 meetings held in 2023

KEY RESPONSIBILITIES

- Independent auditor engagement
- Reviews financial statements and disclosures, interim financial reports and earnings press releases
- Reviews significant litigation and legal matters
- Reviews enterprise risk management policies and process
- Oversees ethics and compliance programs and risk assessment and mitigation processes for environmental, health and safety matters
- Reviews effectiveness of information technology security environment and oversees risk assessment and mitigation process for cybersecurity
- Reviews and evaluates the scope and performance of the internal audit function
- Reviews internal control over financial reporting

Each member of our Audit Committee meets the independence standards set forth in the Nasdaq listing standards and has likewise been determined by the Board to have the financial competency required by the Nasdaq listing standards. In addition, because of the professional training and past employment experience of Messrs. Chambers, Espeland and Goris, the Board has determined that they are financially sophisticated Audit Committee members under the Nasdaq listing standards and qualify as "audit committee financial experts" in accordance with SEC rules. Shareholders should understand that the designation of Messrs. Chambers, Espeland and Goris as "audit committee financial experts" is a disclosure requirement and that it does not impose upon them any duties, obligations or liabilities that are greater than those generally imposed on them as members of the Audit Committee and the Board.

^{*}Appointed July 20, 2023

Compensation and Executive Development Committee



Michael F. Hilton CHAIR



Marc A. Howze*



Kathryn Jo Lincoln



Phillip J. Mason



Hellene S. Runtagh



Kellye L. Walker

5 meetings held in 2023

KEY RESPONSIBILITIES

- Reviews and recommends to the Board total compensation of our CEO, and reviews and establishes total compensation of our other executive officers
- Evaluates performance (along with the full Board) of our CEO and other executive officers
- Monitors development, selection process and succession planning of key management
- Reviews and recommends to the Board, in conjunction with the Nominating and Corporate Governance Committee, the appointment and removal of elected officers
- Oversees executive compensation policies, practices and programs, as further described in the CD&A
- Reviews and recommends to the Board new or amended executive compensation plans for our executive officers
- Oversees the implementation and effectiveness of the Company's human capital policies and practices, including D&I programming
- Reviews initiatives and strategies related to employee recruitment, promotion, retention and attrition, employee engagement and diversity, equity and inclusion matters

Each member of our Compensation and Executive Development Committee meets the independence standards set forth in the Nasdaq listing standards and each is deemed to be a "non-employee director" within the meaning of Rule 16b-3 of the Exchange Act. The Compensation and Executive Development Committee may, in its discretion, delegate specific duties, responsibilities and authority to a subcommittee, one or more Committee members or one or more executive officers, to the extent permitted by applicable law, equity plan provisions and stock exchange rules and regulations.

^{*}Appointed October 17, 2023

Nominating and Corporate Governance Committee



Kellye L. Walker CHAIR



Patrick P. Goris



Michael F. Hilton



Kathryn Jo Lincoln



Ben P. Patel



Hellene S. Runtagh

6 meetings held in 2023

KEY RESPONSIBILITIES

- Reviews our corporate governance framework including external developments related to corporate governance matters
- Reviews and recommends guidelines with respect to size, composition and practices of the Board, identifies Board candidates and recommends Director nominees
- Reviews shareholder proposals and related shareholder engagement
- Reviews non-employee Director compensation program in light of best practices and makes recommendations to the Board
- Reviews and determines Director independence
- Oversees the self-evaluation process of the Board and its Committees
- Oversees the overall corporate governance of the Company, including compliance with stock exchange listing rules and other applicable legal or regulatory requirements and practices pertaining to corporate governance

Each member of our Nominating and Corporate Governance Committee meets the independence standards set forth in the Nasdaq listing standards.

Finance Committee



Phillip J. Mason CHAIR



Brian D. Chambers



Curtis E. Espeland



Bonnie J. Fetch*



Marc A. Howze**



Ben P. Patel

- *Appointed July 20, 2023
- **Appointed October 17, 2023

5 meetings held in 2023

KEY RESPONSIBILITIES

- Reviews financial performance, including comparing financial performance to budgets and goals
- Reviews capital allocation, dividend and share repurchasing strategies
- Reviews operating budgets
- Reviews capital expenditures
- Reviews M&A activity and integration performance
- Oversees strategic planning and financial policy matters

Each member of our Finance Committee meets the independence standards set forth in the Nasdaq listing standards. All of our Directors typically attend the Finance Committee meetings, a practice that has been in place for the past several years.

SHAREHOLDER ENGAGEMENT

We seek constructive discussions with shareholders and maintain an active investor relations program to nurture long-term relationships with the investment community. During 2023, we met with over 180 investment firms and engaged with shareholders representing over 57% of our outstanding common shares. As part of our investor outreach, we also proactively invited shareholders representing over 50% of outstanding common shares to discuss ESG matters.

Our Investor Relations program also includes: • Participation at investor conferences In 2023, we engaged with • 1:1 and group meetings and tours hosted at our facilities 57% shareholders representing • An accessible, "open door" IR program throughout the year over 57% of LECO's Nondeal roadshows outstanding shares. Tradeshow tours

As part of our shareholder engagement, we provide broad access to company representatives beyond our Executive Chair, CEO, CFO, and IRO, including our Lead Independent Director, General Counsel and Secretary, members of our executive leadership team, our Vice President of Environmental, Health, Safety & Sustainability, as well as product development and application experts from various departments.

We discuss a variety of topics including business performance, strategic initiatives, innovation, corporate governance practices, corporate sustainability initiatives, executive compensation, and other matters of shareholder interest. Specific ESG topics discussed in 2023 included:

Governance Topics	Environmental & Social Topics	Clean Tech
 Alignment of our 2025 Strategy with our Sustainability goals and executive compensation metrics Board composition CEO leadership transition Board risk oversight Expanded ESG governance Cybersecurity 	 Human capital topics including safety performance, staffing levels, and engagement GHG emissions Reporting frameworks 	 Core solutions supporting energy transition and electrification Opportunities to reduce our products' carbon footprint Automation strategy Development of a DC fast charger for electric vehicles

The discussions yielded supportive feedback on the design and execution of our 2025 Strategy, our quarterly performance, and of our CEO transition. We also received positive feedback on these ESG-related matters:

- our annual compensation incentive program
- the alignment of our strategic plan with our sustainability goals, compensation and risk management program
- expanded Board oversight and governance structure to advance sustainability initiatives and regulatory disclosures
- the inclusion of a SASB index and our initiatives to complete a materiality assessment and submit to CDP as part of our efforts to align with TCFD reporting standards.

The Board values an active investor relations program as it believes that shareholder input strengthens its role as an informed and engaged fiduciary. Investment community feedback is shared regularly with the full Board of Directors and Lincoln Electric's leadership team and is considered as we progress our disclosures and strategic initiatives.

ANNUAL BOARD AND COMMITTEE EVALUATION PROCESS

The Board recognizes that a robust and constructive performance evaluation process is an essential component of Board effectiveness. Our Governance Guidelines require annual evaluation of the performance of the Board. The Nominating and Corporate Governance Committee, with the assistance of the Lead Independent Director, oversees the annual evaluation process. As part of this process, each Board member completes an evaluation relative to Committee and Board matters. The Lead Independent Director often holds one-on-one calls with each Board member as well. A summary of the results of this process is presented to the Nominating and Corporate Governance Committee. The results are then reported to the full Board by the Lead Independent Director, which considers the results and ways in which Board processes and effectiveness may be enhanced.

Majority Voting Policy

The Director Nominees receiving the greatest number of votes will be elected (plurality standard). However, our majority voting policy states that any Director who fails to receive a majority of the votes cast in an uncontested director election in his/her favor is required to submit his/her resignation to the Board. The Nominating and Corporate Governance Committee would then consider each resignation and determine whether to accept or reject it, with full Board approval of such decision. Abstentions and broker non-votes will have no effect on the election of a Director and are not counted under our majority voting policy. Holders of common stock do not have cumulative voting rights with respect to the election of a Director.

Annual Meeting Attendance; No Special Arrangements

Directors are expected to attend each annual meeting. The Director Nominees plan to attend this year's virtual Annual Meeting. All of our then-current Director Nominees attended our 2023 Annual Meeting.

None of the Director Nominees has any special arrangement or understanding with any other person pursuant to which the Director Nominee was or is to be selected as a Director or Director Nominee. There are no family relationships, as defined by SEC rules, among any of our Directors or executive officers. SEC rules define the term "family relationship" to mean any relationship by blood, marriage or adoption, not more remote than first cousin.

Oversight of Our Company

BOARD OVERSIGHT OF STRATEGY

One of the Board's key responsibilities is overseeing the Company's strategic planning process, including reviewing the steps taken to develop strategic plans and approving the final plans. In 2023, this included receiving periodic updates regarding the Company's execution and performance as we continue to implement our 2025 Strategy. Our Board regularly discusses the key priorities of our Company, taking into consideration global economic, consumer and other significant trends. The Company's long-term strategic plan is reviewed regularly with the Board, along with its annual operating plan, capital structure and sustainability performance.

BOARD OVERSIGHT OF ENTERPRISE RISK MANAGEMENT

In the ordinary course of business, we face various strategic, operating, compliance and financial risks. Our enterprise risk management process seeks to identify and address material risks to the organization, and the Board provides oversight as to how management is addressing these risks. The Company maintains an enterprise risk management review process where risk is assessed throughout our entire organization, and is reported to our internal corporate enterprise risk committee, comprised of members of our business units and various functional leaders (e.g., IT, Finance, Legal), led by our Vice President of Enterprise Risk Management. Critical risks facing the organization are identified each year and are assigned to either the full Board or various Board Committees for further review, analysis and development of appropriate plans for management and mitigation.

Our Board oversees the management of these risks on an enterprise-wide basis, and the Lead Independent Director promotes our Board's engagement in this process. A fundamental part of the process is to understand the Company's risks, and to provide oversight as to how management is addressing these risks. The Board, or Board designated committee, reviews with management its process for enterprise risk management and actively engages with

management to understand and oversee our most critical risks. The Audit Committee oversees the Company's risk assessment and management process each year, including ensuring that management has instituted processes to identify critical risks and has developed plans to manage such risks.

BOARD OVERSIGHT OF INFORMATION SECURITY AND CYBERSECURITY

Cybersecurity has been identified as a critical risk and the Audit Committee receives updates at each regularly scheduled meeting on both cybersecurity and information security matters. The Company maintains insurance coverage with respect to cybersecurity and has undergone several simulation, preparedness and response exercises. The Company has not experienced a reportable information security breach within the last three years and is tested externally on its information security environment annually. In addition, the Company has a Chief Information Officer, an information security training program, training all computer-based employees two times per year, through various employee training modules relative to information security matters, and simulates phishing events with employees to raise cybersecurity awareness on a monthly basis.

BOARD OVERSIGHT OF ESG AND SUSTAINABILITY MATTERS

Our ESG programs include a range of initiatives around corporate responsibility and sustainability, while reflecting our Board's recognition of the importance of achieving our goals responsibly and aligning with our key stakeholders to drive long-term value creation. Issues that we focus on include workplace health and safety, reduction of our operational footprint through reduced emissions, lower energy intensity, and greater conservation of natural resources, human capital management, diversity, equity and inclusion, employee development and engagement, corporate governance, business ethics and compliance, cybersecurity, and strong community partnerships.

THE BOARD HAS BROAD OVERSIGHT RESPONSIBILITY FOR ESG AND SUSTAINABILITY MATTERS

The Board receives a formal annual update on corporate governance matters, including ESG developments and pending considerations.

The Board reviews sustainability initiatives and progress made towards our long-term safety and sustainability metrics.

THE BOARD'S VARIOUS COMMITTEES ASSIST WITH THE OVERSIGHT ON THESE IMPORTANT ISSUES:

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Oversees corporate governance matters, monitoring new issues, regulatory changes and trends in corporate governance, environmental and social responsibility matters.

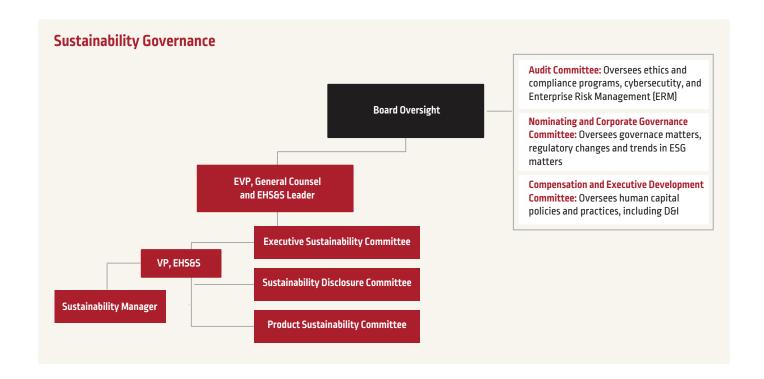
AUDIT COMMITTEE

Oversees our ethics and compliance programs and cybersecurity, and reviews our Enterprise Risk Management policies and processes.

COMPENSATION AND EXECUTIVE DEVELOPMENT COMMITTEE

Oversees the implementation and effectiveness of the Company's human capital policies and practices, and reviews initiatives and strategies related to employee recruitment, promotion, retention and attrition, employee engagement and diversity, equity and inclusion.

Our Company has clear responsibilities and a robust governance structure related to ESG and sustainability matters. The Board's oversight responsibility for ESG matters is reflected in our Governance Guidelines. Additionally, sustainability metrics are incorporated into the annual individual goals of our CEO and other executives. Our Executive Vice President, General Counsel (GC), oversees corporate environmental, health, safety & sustainability (EHS&S) initiatives and global reporting, as well as an Executive Sustainability Committee. The GC also works closely with our Vice President of EHS&S, business unit leadership and local facilities to implement, monitor and measure our EHS&S results. EHS&S also oversees an internal Product Sustainability Committee that was established in 2020 with a primary focus on enhancing product stewardship with sustainable solutions and now oversees a multi-disciplinary Sustainability Disclosure Committee, which was established in 2022.



The following policies and business practices exemplify our commitment to ESG matters:

- Our Code of Conduct;
- Our Human Rights Policy;
- Our Supplier Code of Conduct;
- Our Channel Partner Code of Conduct;
- Health, safety and wellness initiatives for our employees, customers and communities;
- Equal employment opportunities, along with our pledge to treat employees fairly, with dignity, and without discrimination in any form;
- Focus on improving safety and environmental performance, including long-term ESG goals and performance reporting, and incorporating product stewardship and innovations to advance clean tech at Lincoln Electric and in the industries we serve:
- Training and development programs to attract and retain high performing employees to help them reach their full potential;

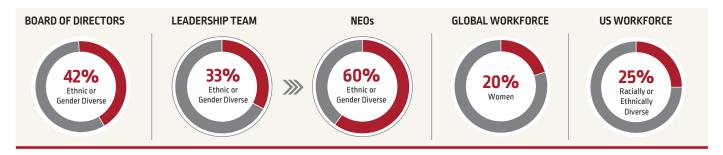
- Community engagement through employee-led fundraisers, grants provided by The Lincoln Electric Foundation, scholarships, in-kind gifts, and an employee matching and "Dollars for Doers" program to support volunteerism;
- Positively impacting manufacturing and industry by promoting the art and science of welding among students and young professionals through our business initiatives, partnerships with schools and associations, and programming at the J.F. Lincoln Foundation; and
- Enhancing D&I through employee resource groups including our Diversity Councils, Veterans, Women in Lincoln Leadership, and our Young Professionals organizations.

Global Workforce, Employee Engagement and Diversity and Inclusion

In executing our 2025 Strategy, we continue to focus on the importance of employee development, engagement and building a culture to develop and foster the vast talents of our employees. Our CEO and Chief Human Resources Officer lead our diversity and inclusion (D&I) initiatives, and report on the Company's D&I programs, talent attraction and retention, and succession planning to the Board twice annually and our Compensation and Executive Development Committee is briefed at every committee meeting on D&I matters throughout the year. Our D&I programs focus on:

- Internal D&I education and training programs
- Employee development programs to cultivate, grow and promote talent from within
- Intentional recruiting efforts to increase our diverse talent pool
- · Supporting expansion of activities within employee resource groups, including Diversity Councils
- Maintaining Advisory Boards where department representatives meet regularly with management to raise key topics
- Partnering with diverse customers, suppliers and community organizations

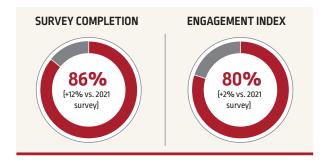
Diversity Highlights



In 2023, we expanded initiatives to further build, acquire and foster increased diversity, engagement and connectedness among our global organization. Highlights include:

- The launch of the 2023 Engagement Survey, our global biennial employee engagement survey. The survey was concluded in November 2023 and yielded both record employee participation and engagement scores.
- Continual touchpoints with our various global employee populations through pulse surveys, small group listening sessions, and local town hall meetings. These actions guide both short term actions and longer term planning opportunities for our global leaders.

2023 Employee Engagement Highlights



The goal of the engagement survey is to strengthen the Company's culture and employee experience. The Engagement Index is a measurement of how much an employee is committed to helping the Company achieve its goals. Based on the feedback received from the survey, managers and team members will work together in 2024 to develop action plans to identify further opportunities to take action in building an inspiring workplace. As a testament to how our global employees view our Company, the most frequently used words to describe our culture were: Respect, Quality, Safety and Commitment.

Employee Development & Training

One of the four peaks of our 2025 Strategy is focused directly on our employees' engagement and professional development because a highly-engaged workforce drives innovation, productivity and improved bottom-line results. One key area of engagement is our investment in training and development to ensure a strong succession pipeline and ample development opportunities to advance skills, knowledge and expertise to prepare our employees for future career opportunities.

In addition to formal leadership, management and professional development programs, we provide a bold initiative to repay up to \$125,000 towards each of our U.S. employees' student loan debt obligations. This program has been enthusiastically welcomed by both our existing talent and at recruiting events on university campuses across the country.

We also continue to provide tuition reimbursement for external accredited programs, mentoring, self-guided online courses, instructor-led programs, and special project and rotational assignments that can lead to extensive global exposure and talent development.

In addition to our career development programs, our annual talent and succession planning process reviews 100% of our global professional staff. This ensures all high potential employees have an active individual development plan to guide their career aspirations. This process also helps to ensure we have an appropriate talent pipeline for critical roles in general management, engineering and operations. These talent reviews include our CEO and all segment and functional leaders who use this process to identify and support high potential and diverse talent in succession planning for the next generation of Lincoln Electric's leaders.

Community Engagement

In 2023, we maintained our employee assistance program, supported our internal employee resource group initiatives and community engagement through our Lincoln Electric Foundation grants, our U.S. employee matching program for donations and volunteerism, in-kind gifts, sponsorship of key events, and the hosting of community and academic events at our facilities. In addition, we maintained our community educational/career programming among secondary and high school students to address the skills gap in industry and expand awareness of attractive career pathways in manufacturing. This programming, along with our continued support of regional youth programs, welding competitions and serving as the global welding sponsor of WorldSkills® are foundational to our efforts to promote the trades and the science of welding.

Compensation-Related Risk

We regularly assess risks related to our compensation and benefit programs, including our executive compensation program, and our Compensation and Executive Development Committee is actively involved in those assessments. In addition, Willis Towers Watson (WTW), an independent executive compensation consultant, has provided a risk assessment of our executive compensation program in the past. Although we have a long history of pay for performance and incentive-based compensation, we believe our compensation programs contain many mitigating factors to ensure that our employees are not encouraged to take unnecessary risks.

As a result of all these efforts, we do not believe the risks arising from our executive compensation policies and practices are reasonably likely to have a material adverse effect on Lincoln Electric.

Related-Party Transactions

The Board has adopted a policy regarding the review and approval of transactions between the Company and its subsidiaries and certain related parties that are required to be disclosed in proxy statements, which are referred to as "related-party transactions." Related parties include our Directors, Director Nominees, executive officers, persons controlling 5% or more of our common shares, and the immediate family members of these individuals. Pursuant to the policy, the Audit Committee is responsible for reviewing and approving related-party transactions and will consider information it deems appropriate, including, but not limited to, whether the terms of the transaction are no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances, the approximate dollar value of the transaction, and the nature and extent of the related party's interest in the transaction. No Director will participate in any discussion or approval of a related-party transaction for which he or she is a related party, other than to provide material information concerning the transaction.

We define "related-party transactions" generally as transactions collectively over \$120,000 in any calendar year, in which any related party had, has or will have a direct or indirect material interest. We have a monitoring and reporting program, which includes requirements to report all actual or potential related-party transactions during the year and information regarding all relationships with entities involving a related party.

The Company did not have any related-party transactions that required Audit Committee approval in 2023.

Director Compensation

OUR BOARD COMPENSATION PROGRAM

Based upon the recommendations of the Nominating and Corporate Governance Committee, the Board determines our non-employee Director compensation. The Nominating and Corporate Governance Committee periodically reviews all elements of Board compensation in relation to our proxy peer group (as identified in the CD&A), trends in Board compensation and other factors it deems appropriate. In October 2023, the Nominating and Corporate Governance Committee reviewed the non-employee Director compensation program, with WTW as independent advisor, and determined the cash and equity retainers were positioned below the peer median. The objectives of our non-employee Director compensation program are to help attract highly qualified and diverse individuals to serve on our Board and to align their interests with those of our shareholders. As a result, the Nominating and Corporate Governance Committee recommended changes to the non-employee Director compensation program to the Board. The Board approved the following adjustments to our non-employee Director compensation program:

- Effective with the December 2023 award, an increase in the approximate value of the annual restricted stock unit award (and the initial equity award for any newly-elected director) from \$145,000 to \$155,000 per year.
- Effective January 2024, the following retainer adjustments:
 - O An increase in the annual Board retainer from \$85,000 to \$95,000;
 - O An increase in the Lead Independent Director retainer from \$28,000 to \$35,000;
 - O An increase in the Audit Committee Chair retainer from \$20,000 to \$30,000 and the remaining Committee retainers each from \$15,000 to \$20,000.

An employee of Lincoln Electric who also serves as a Director does not receive any additional compensation for serving as a Director.

All non-employee Directors receive cash retainers and an annual stock-based award for serving on our Board. Stock-based compensation is provided under our 2023 Stock Plan for Non-Employee Directors.

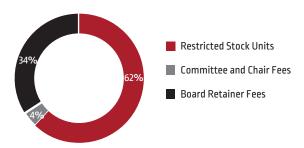
GOOD GOVERNANCE PRACTICES

Lincoln Electric seeks to attract and retain highly qualified individuals to serve on the Board. To that end, Lincoln Electric maintains the philosophy of paying non-employee Directors fairly and reasonably, considering external market factors, consistent with good governance practices. With respect to our non-employee Director compensation program, our governance practices include:

What We Do		What We Don't Do	
Reasonable limits on non-employee Directors' annual equity awards included in 2023 Stock Plan for Non-Employee Directors	✓	No Hedging or Pledging of Lincoln Electric Common Shares	×
Total compensation is generally positioned at the peer median	✓	No Paravisitos	
Non-employee Director compensation approved by full Board	✓	No Perquisites	
Full-value equity award granted at a fixed-value	✓		
Double Trigger Provisions for Change in Control	✓	No Figure Constitution Deliaboration	4.5
Stock Ownership Guidelines	✓	No Excise Tax Gross-Ups or Tax Reimbursements	X
Independent Advisor	✓		

The following is a summary of our current Director compensation program:

DIRECTOR COMPENSATION MIX



		Board Level	Lead Independent Director	Committee Chairs
Cash	Retainer ¹	\$95,000	Additional \$35,000	Additional \$30,000 for Audit, and \$20,000 for Compensation and Executive Development, Finance and Nominating and Corporate Governance
	Meeting Fees ²	_	_	_
Fauity	Annual Restricted Stock Unit (RSU) Award³	Approx. \$155,000	_	_
Equity	Initial RSU Award ^{3,4}	Approx. \$155,000	_	_

- 1 Directors have the ability to defer annual cash compensation under the Non-Employee Directors' Deferred Compensation Plan.
- We do not have separate meeting fees, except if there are more than eight full Board or Committee meetings in any given year, Directors will receive \$1,500 for each full Board meeting in excess of eight meetings and Committee members will receive \$1,000 for each Committee meeting in excess of eight meetings in total.
- 3 Directors have the ability to defer RSUs under the Non-Employee Directors' Deferred Compensation Plan.
- 4 The initial award will be pro-rated based on the Director's length of service during the twelve-month period preceding the next regularly scheduled annual equity grant, which normally occurs in the fourth quarter of each year.

2023 Director Compensation Table

Name	Fees Earned or Paid in Cash (S)	Stock Awards¹ (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	Total (S)
Brian D. Chambers	85,000 ³	154,996	94	240,005
Curtis E. Espeland	113,000	154,996	0	267,996
Bonnie J. Fetch ²	37,880	210,446	0	248,327
Patrick P. Goris	105,000 ³	154,996	3,448 ⁴	263,444
Michael F. Hilton	100,000	154,996	173 ⁴	255,169
Marc A. Howze ²	17,323 ³	175,139	0	192,462
Kathryn Jo Lincoln	85,000 ³	154,996	152 ⁴	240,148
Phillip J. Mason	100,000	154,996	0	254,996
Ben P. Patel	85,000	154,996	152 ⁴	240,148
Hellene S. Runtagh	92,500	154,996	0	247,496
Kellye L. Walker	92,500	154,996	0	247,496

¹ On December 7, 2023, 757 RSUs were granted to each then-serving non-employee Director under our 2023 Stock Plan for Non-Employee Directors. For Ms. Fetch, 264 RSUs were also granted to her in July 2023 upon her initial appointment to the Board. For Mr. Howze, 107 RSUs were also granted to him in October 2023 upon his initial appointment to the Board.

The Stock Awards column represents the grant date fair value under FASB Accounting Standards Codification (ASC) Topic No. 718 based on a closing price of \$204.75 per share on December 7, 2023, and, with respect to the award granted to Ms. Fetch, a closing price of \$210.04 per share on July 20, 2023, and for Mr. Howze, a closing price of \$188.25 per share on October 17, 2023. Assumptions used in the calculation of these amounts are included in footnote 10 to our audited financial statements for the fiscal year ended December 31, 2023 included in our Annual Report on Form 10-K filed with the SEC on February 27, 2024.

As of December 31, 2023, the number of RSUs held by each non-employee Director was 757, except for Ms. Fetch, who held 1,021 RSUs and Mr. Howze who held 864 RSUs. Each of Messrs. Chambers, Goris, Hilton, Howze, and Patel and Mses. Fetch, Lincoln and Walker elected to defer receipt of the RSUs that were granted in 2023 under our Non- Employee Directors' Deferred Compensation Plan.

- 2 Ms. Fetch was appointed to the Board on July 20, 2023 and Mr. Howze was appointed to the Board on October 17, 2023.
- 3 All of Messrs. Chambers', Goris', and Howze's, and Ms. Lincoln's Board fees were deferred under our Non-Employee Directors' Deferred Compensation Plan.
- 4 The amount shown for 2023 represents above-market non-qualified deferred compensation earnings calculated as the difference in earnings under the Moody's Corporate Bond Index fund in our Non-Employee Directors' Deferred Compensation Plan and a hypothetical rate.

OTHER ARRANGEMENTS

We reimburse Directors for reasonable out-of-pocket expenses incurred in connection with attendance at Board meetings, or when traveling in connection with the performance of their services for Lincoln Electric.

CONTINUING EDUCATION

Directors are generally reimbursed up to \$5,000 for continuing education expenses (inclusive of travel expenses) for programs each Director may elect to attend. We also incorporate continuing education topics for Directors into our Board meetings from time to time.

STOCK OWNERSHIP GUIDELINES

In keeping with the philosophy that Directors' interests should be aligned with the shareholders' interest and as part of the Board's continued focus on corporate governance, all of our non-employee Directors must adhere to our stock ownership guidelines. RSUs, including any RSUs that have been deferred under the Non-Employee Directors' Deferred Compensation Plan, count toward the stock ownership amount; shares held in another person's name (including a relative) do not.

The stock ownership guidelines can be met by satisfying one of the two thresholds noted in the chart below. Directors have five years from the date of election to the Board to satisfy the stock ownership guidelines. As of December 31, 2023, all of our non-employee Directors had satisfied the stock ownership guidelines, except for Ms. Fetch and Mr. Howze who were appointed to the Board in 2023.

Retainer Multiple		Number of Shares
Shares valued at 5x annual Board retainer (total of \$475,000)	OR	2,185*

Represents shares equal to \$475,000 based on the closing price of Lincoln Electric stock as of December 29, 2023 (the last trading day of that calendar year) of \$217.46.

The Nominating and Corporate Governance Committee reviews the guidelines at least every two-and-a-half years to ensure that the components and values are appropriate. A review was conducted during 2023, with the assistance of Willis Towers Watson, and it was determined that no changes to the guidelines were necessary, other than the share floor amount being reset as of December 31, 2023 and reflecting the modified Board retainer of \$95,000, as the five times annual retainer guideline is consistent with the peer group median. The revised stock ownership guidelines became effective in 2024. The next review is anticipated to occur in 2025.

EQUITY AWARDS

The non-employee Directors' RSUs awards are granted under the 2023 Stock Plan for Non-Employee Directors. Under the terms of the awards, RSUs generally vest in full one year after the date of grant. In addition, the awards vest in full in the event of a change in control of Lincoln Electric if the Director's service is terminated or if the award is not assumed upon the change in control. The awards also vest in full upon the death or disability of the Director, or vest prorata, based on length of service, upon the retirement of the Director. Dividend equivalents are sequestered until the shares underlying the RSUs are distributed, at which time the dividend equivalents are paid in cash.

DEFERRED COMPENSATION PLAN

The Non-Employee Directors' Deferred Compensation Plan allows the non-employee Directors to defer payment of all or a portion of their annual cash compensation and RSUs granted to them. This plan allows each participating non-employee Director to elect to begin payment of the deferred amounts as of the earlier of termination of services as a Director, death or a date not less than one full calendar year after the year the fees are initially deferred.

The investment elections available under the plan for cash compensation deferred are the same as those available to executives under our Top Hat Plan, which is discussed in the executive compensation narrative under 2023 Deferred Compensation Benefits. RSU deferrals are deemed invested solely in a Lincoln Electric Stock fund, and no other plan deferrals are eligible for investment into that fund.



Executive Compensation

Our long-term strategy is focused on key actions and initiatives that generate long-term profitable growth within our targeted markets through value-added solutions and operational excellence. We believe this approach engages our business team in creating a long-term value proposition for shareholders that generates above-market returns through an economic cycle while maintaining a short-term focus on improving profitability and driving operating excellence. More information on our business and strategy can be found in the "Business Overview" section at the beginning of this Proxy Statement.

The Compensation Discussion and Analysis (CD&A) describes our executive compensation programs and how they apply to our NEOs. For purposes of this CD&A, when referring to CEO, we are referring to Mr. Mapes, as the CEO for 2023, unless otherwise specified. The CD&A contains statements regarding future performance targets and goals. These targets and goals are disclosed in the context of our compensation programs and should not be understood to be statements of management's expectations or estimates of results or other guidance. We caution investors not to apply these statements in other contexts.

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Steven B. Hedlund

President and Chief Executive Officer (since January 1, 2024) Executive Vice President, Chief Operating Officer (through December 31, 2023)



Christopher L. Mapes

Executive Chair (since January 1, 2024) President and Chief Executive Officer (through December 31, 2023)



Gabriel Bruno

Executive Vice President, Chief Financial Officer and Treasurer



Jennifer I. Ansberry

Executive Vice President, General Counsel and Secretary



Michele R. Kuhrt

Executive Vice President, Chief Human Resources Officer

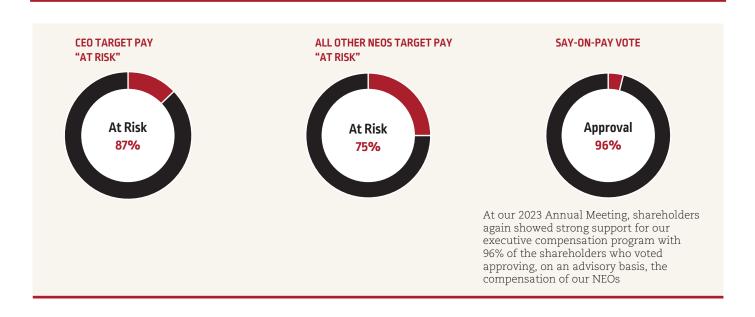
Compensation Discussion and Analysis

EXECUTIVE SUMMARY

Our approach to executive compensation is generally the same as our approach to employee-wide compensation, with a strong belief in pay for performance and a long-standing commitment to incentive-based compensation.

While maintaining our performance-driven culture, our executive compensation program is designed to achieve the following objectives:

Align Interests Incentivize Management Support Long-Term Strategy Align the interests of management Design compensation elements to Define performance drivers which (and employees) with long-term incentivize management to deliver support key financial and strategic interests of our shareholders and above-market financial results business objectives other stakeholders Good Governance Practices Retention & Succession Planning Pay for Performance Help ensure we are following good Reinforce executive retention to Link incentive-based compensation governance practices in the design enable achievement of annual and to the company's short-term and and operation of our executive long-term business goals through a long-term financial and operational compensation program, including stable management team performance consideration of the risks associated with those practices



KEY FINANCIAL PERFORMANCE

We have a strong track record of delivering increased value to our shareholders and we have typically delivered above-market performance across various financial metrics over many economic cycles. Our long-term strategy seeks to achieve profitable sales growth both organically and through acquisitions by emphasizing value-added solutions and differentiated technologies. We anticipate this strategy will yield improved profit margins and returns and will generate best-in-class financial performance measured against our peer group.

In 2023, we achieved record performance across key financial metrics including sales, adjusted operating income margin, adjusted earnings per share, cash flow from operations, and our adjusted return on invested capital. By focusing on employee safety and training, operational excellence, diligent cost management, and a "customer-first" approach, we executed well and advanced towards our 2025 Strategy goals.

2023 Net sales increased 11.4% to a record \$4.2 billion. Organic sales increased 4.0% from 2.3% higher volumes and a 1.7% increase in price. We achieved organic growth across all regions and in our three product categories, led by equipment and automation, reflecting strong capital spending to support customers' growth initiatives and need for increased productivity. Acquisitions contributed 7.4% of sales growth, primarily from our 2022 Fori Automation LLC acquisition. Strong momentum in automation demand from both our legacy automation portfolio and from acquisitions resulted in record automation portfolio sales of \$941 million in 2023. Our performance in automation positions us well to exceed our \$1 billion automation sales objective ahead of our 2025 target.

We also remained focused on innovation to drive long-term growth. In 2023, we launched over 50 new product families, including Velion™, our new DC fast charger for electric vehicles. This innovation among a strong pipeline of product development in our core welding and cutting offerings, resulted in a 57% vitality index mix of our standard equipment sales. Our industry segment teams were also highly engaged with customers to ensure Lincoln Electric has the leading solutions to support their current and planned energy and civil infrastructure investments, as well as platform expansions to support long-term electrification transition in the transportation sector. These efforts have positioned the organization with a strong growth profile within our core portfolio and have developed emerging growth opportunities in close adjacencies such as our additive 3D printing solution and our newly developed Velion™ DC fast charger.

Operationally, we continued to optimize business processes in our global automation portfolio and in The Harris Products Group segment. These initiatives, as well as an enterprise-wide focus on diligent cost management, shared services, and continuous improvement programs focused on safety, enhanced productivity, and resource conservation, resulted in a record 17.1% operating income margin with a 20% adjusted operating income incremental margin. This marked the first year that all three reportable segments achieved profit margin performance within their 2025 Strategy target ranges – helping to advance us within our long-term targets.

Net income increased 16% to a record \$545.2 million in 2023, and 13% to \$547.9 million on an adjusted basis. Earnings per share increased 17% to a record \$9.37, and 14% to a record \$9.41 on an adjusted basis.

We achieved a 74% increase in Cash flows from operations to a record \$668 million with a 105% cash conversion ratio, reflecting increased profitability and working capital efficiencies as we began to normalize inventory levels. This was demonstrated in the 380-basis point improvement in our average operating working capital to sales performance to 17.1%. This top quartile performance versus our peer group accelerates our progress towards our 2025 target of 15.0%. We also reported record Return on invested capital (ROIC) and Adjusted ROIC at 24.0% and 24.1%, respectively – demonstrating the effectiveness of our 2025 Strategy and our disciplined capital allocation approach.

NET SALES

Reported

+11%

vs. 2022

Organic Sales

+4%

vs. 2022

OPERATING INCOME MARGIN (Reported & Adjusted)

17.1%

Reported +80 bps vs. 2022 (Record) Adjusted +30 bps vs. 2022 (Record)

DILUTED EPS

Reported

\$9.37

+17% bps vs. 2022 (Record) Adjusted

\$9.41

+14% vs. 2022 (Record)

CASH FLOW FROM OPERATIONS

\$4.2B

(Record)

\$668M

+74% vs. 2022 (Record)

AVERAGE OPERATING WORKING CAPITAL TO NET SALES RATIO

17.1%

380 bps improvement

RETURN ON INVESTED CAPITAL

Reported

24.0%

(Record)

Adjusted

24.1%

(Record)

28th CONSECUTIVE DIVIDEND INCREASE

>

+11%

NEW PRODUCT VITALITY INDEX

42%

See Appendix A for definitions and/or reconciliation of these metrics to results reported in accordance with GAAP. Performance measures used in the design of the executive compensation program are presented within the Compensation Discussion and Analysis section.

We are committed to generate long-term value for our shareholders through a disciplined and balanced capital allocation strategy through the cycle. In 2023, we deployed approximately \$91 million towards capital projects focused primarily on growth and operational efficiency and invested \$33 million in a small bolt-on automation acquisition in Brazil (following our largest acquisition in our history in December 2022). We returned approximately \$347 million of cash to shareholders through our dividend program and \$199 million of share repurchases. In the last five years, we have returned approximately \$1.6 billion to shareholders through an aggregate amount of \$951 million in shares and have increased the dividend rate by 51%, including the 2023 increase in the payout rate by 11%, marking 28 years of consecutive dividend increases.

\$347M

Returned to Shareholders in 2023



\$148M

In Dividends



\$199M

In Share Repurchases

TOTAL SHAREHOLDER RETURN (TSR)

In 2023, the combined value of our dividend program and the appreciation of our stock price resulted in favorable total shareholder return (TSR) performance versus peers and top quartile performance versus select indices on a 1, 3 and 5-year basis. We believe that TSR is an important measure to demonstrate the Company's value creation for shareholders and is important to our executives over the long-term. For 2023, approximately 69% of our CEO's and 48% of our other NEO's compensation was tied to equity-based compensation, which can be favorably impacted when the TSR increases. In this case, the value of the compensation paid to our NEOs increases in line with the appreciation received by our shareholders.

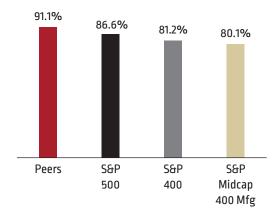
TOTAL SHAREHOLDER **RFTURN**

+96% +202%

The following 3-Year (2021–2023) TSR Performance Percentile Rank chart illustrates our TSR performance compared to our peer group, the S&P Composite 500 Stock Index (S&P 500), the S&P 400, and a S&P 400 Midcap Manufacturing Index. The TSR percentile rankings show the position of our TSR performance compared to the particular group, with a 50th percentile ranking indicating median (or market) performance. Percentiles below 50 indicate below-market performance, while percentiles above 50 indicate above-market performance.

Total Shareholder Returns (TSR)¹

3-Year (2021-2023) TSR Performance Percentile Rank to Peers and Select Indices



See Appendix A for definition for TSR

FINANCIAL MEASURES USED FOR COMPENSATION PURPOSES

We consider various types of widely reported financial metrics to apply to our executive compensation program. Some of these financial metrics directly impact our executive compensation program, while in some cases we use the closest approximations for the metrics that we use in our compensation programs. We believe that all of these financial metrics are critical to the short-term and long-term growth and performance of our organization.

Financial metrics used to evaluate operational performance and used in our short-term annual bonus (EMIP) and our long-term incentive plan designs are:



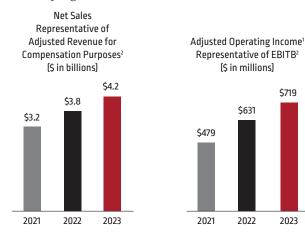
Short-Term Metrics:	Long-Term Metrics:
Adjusted Revenue for Compensation Purposes (Adjusted Revenue¹), weighted at 25%	Growth of Adjusted Net Income for Compensation Purposes (over a three-year cycle), weighted at 50%
Adjusted earnings before interest, taxes, and bonus (EBITB), weighted at 50%	Three-year Average Return on Invested Capital (ROIC) for Compensation Purposes indexed to peer performance, weighted at 50%
Average operating working capital to net sales ratio (AOWC/Sales) for Compensation Purposes, weighted at 25%	

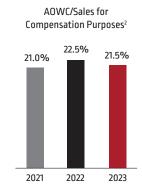
¹ Adjusted Revenue for compensation purposes focuses on organic sales growth by emphasizing volume growth and placing a collar on price contributions to revenue.

PERFORMANCE OF FINANCIAL MEASURES USED FOR COMPENSATION PURPOSES

Short-Term Compensation Program Financial Metric Performance

The following charts demonstrate our performance over the last three years in financial metrics incorporated in our short-term compensation program.



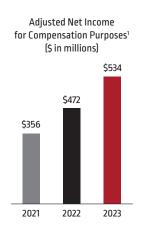


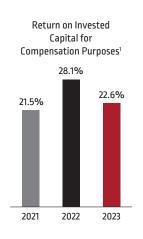
- Excluding special items where applicable. Definitions and reconciliation of non-GAAP results to our most closely comparable GAAP results are included in Appendix A.
- 2 See Appendix A for definitions.

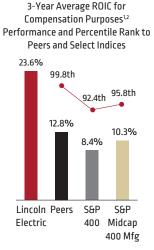
Long-Term Compensation Program Financial Metric Performance

The following charts demonstrate our performance over the last three years relative to the financial metrics incorporated into our long-term compensation program: Adjusted Net Income for Compensation Purposes and ROIC for Compensation Purposes.

The results for ROIC for Compensation Purposes are compared to our peer group, the S&P 400 Midcap Index (S&P 400), in which we participate, and the S&P 400 Midcap Manufacturing Index. The ROIC for Compensation Purposes percentile rankings show the position of our financial results compared to the particular group, with a 50th percentile ranking indicating median (or market) performance. Percentiles below the 50th indicate below-market performance, while percentiles above the 50th indicate above-market performance. Information is based on the most recently available public information (as accumulated by an independent third party), as of January 2024 when the analysis was performed. In our long-term incentive plan design, ROIC for Compensation Purposes is a relative measure and payout is determined based on our average performance over 3-years as compared to our peers.







- 1 Excluding certain items as approved by the Compensation and Executive Development Committee where applicable. See discussion and definitions on page A-1 in the Performance Shares Financial Metrics section and in Appendix A.
- 2 As of September 30, 2023.

PAY FOR PERFORMANCE, OBJECTIVES AND PROCESS

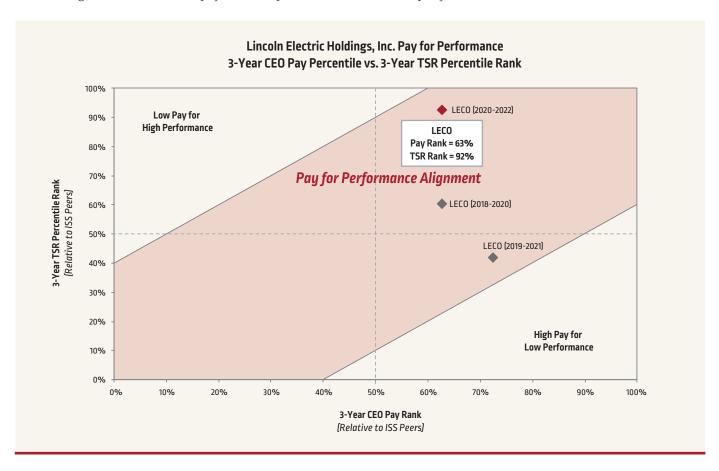
In designing our executive compensation program, a core philosophy is that our executives should be rewarded when they deliver financial results that provide value to our shareholders. Therefore, we have established a program that ties executive compensation to superior financial performance.

To assess pay for performance, we evaluate the relationship between CEO realizable pay and TSR performance using essentially the ISS methodology. This allows us to understand the relative degree of alignment over a three-year period between the pay opportunity delivered to the CEO and the performance achieved by shareholders relative to our peer group. This analysis is performed by management and reviewed by management's compensation consultant, WTW and the Compensation and Executive Development Committee (the "Committee"). This analysis was performed for the 2020 to 2022 period, which is the period for which both compensation and performance data was readily available for our peers.

In evaluating pay and performance alignment, the analysis focuses on CEO pay primarily as reflected in the Summary Compensation Table, with the exception of valuing equity-based awards. All stock-based awards (both time and performance-vesting) are calculated by multiplying the number of underlying shares by the closing stock price on the grant date, and option awards are calculated using the ISS Black-Scholes option pricing model. This means that for us, the CEO is evaluated based on the following compensation elements for the applicable three-year period:

- Base pay;
- Annual bonus (EMIP);
- The value of restricted stock units (RSUs) granted (based on the closing price of our common stock as of the grant date);
- The value at target of performance shares granted (based on the closing price of our common stock as of the grant date);
- The value of stock options granted (based on the ISS Black-Scholes pricing model as of the grant date);
- Actual nonqualified deferred compensation earnings; and
- All other compensation for the applicable three-year period.

The shaded area in the chart below highlights the area in which ISS has a low overall concern level. As shown in the chart below, our ranking for TSR performance and our ranking for CEO pay falls within the shaded area and demonstrates an overall alignment between pay and performance. Based on this analysis, the Committee is satisfied with the alignment of our CEO's pay with the performance of the Company.



While we consider the ISS methodology in assessing pay for performance, we view it as one of the variables for evaluating pay for performance alignment. We have provided the ISS analysis in assessing pay for performance for investors that might be utilizing it in evaluating pay for performance.

2023 EXECUTIVE COMPENSATION ACTIONS

During 2023, the Committee reviewed the design of our executive compensation program to help ensure consistency with our pay for performance philosophy. Each year, the Committee monitors our executive compensation program and how it relates to our corporate performance and shareholder interests. At our 2023 Annual Meeting, we received 96% approval, based on the total votes cast, for our annual advisory say-on-pay vote to approve the compensation of our NEOs. The Committee considered this result, in connection with its review of the overall design of our executive compensation program, particularly in light of the 2025 Strategy. The Committee believes the voting results demonstrate significant support for our executive compensation program, and the Committee chose not to make any substantial changes to the existing program previously approved for 2023 specifically in response to the 2023 say-on-pay voting results. The Committee expects, however, to continue to work with its compensation consultant to monitor changes in executive compensation trends to keep our executive compensation program aligned with best practices in our competitive market.

CHIEF EXECUTIVE OFFICER TRANSITION

During 2023, the Company announced the planned retirement of Christopher L. Mapes as the Company's President and Chief Executive Officer, effective December 31, 2023, and the election of Steven B. Hedlund as President and Chief Executive Officer effective January 1, 2024. For purposes of this CD&A, when referring to CEO, we are referring to Mr. Mapes, as the CEO for 2023, unless otherwise specified.

GOOD GOVERNANCE PRACTICES

In addition to our emphasis on above-market financial performance and pay for performance, we design our executive compensation program to be current with best practices and good corporate governance. We also consider the risks associated with any particular program, design or compensation decision. We believe these assessments result in sustained, long-term shareholder value. Some of those governance practices are described in the Compensation-Related Risk section in this Proxy Statement.

The following table highlights certain of our good governance practices relative to our executive compensation program:

What We Do		What We Don't Do	
Pay for Performance Focus (Compensation programs weighted heavily toward variable, "at risk," compensation; perform annual reviews of market competitiveness and the relationship of compensation to financial performance)	✓	No Guaranteed Pay Increases (No multi-year guarantees for compensation increases, including base pay, and no guaranteed bonuses)	×
Balanced Compensation (Compensation opportunities linked to both short-term and long-term periods of time, while aligning compensation with several financial performance metrics that are critical to achievement of sustained growth and shareholder value creation)	√	No Repricing or Replacement of Underwater Stock Options without Prior Shareholder Approval	×
Double-Trigger Provisions for Change in Control	✓	No Payment of Dividends on Unvested Equity	×
Stock Ownership Guidelines for all Executive Officers	✓	No Excessive Perquisites	×
Clawback Policy	✓	No Excise Tax Gross-Ups or Tax Reimbursements	×
Independent Compensation Committee and Consultant	✓	No Hedging or Pledging of Lincoln Electric Stock	×

OUR COMPENSATION PHILOSOPHY

Core Principles

Our compensation program is designed to attract and retain exceptional employees, while maintaining our strong pay for performance culture. We design our compensation system to reflect current best practices and our performance-driven culture, including setting base pay below the competitive market for each position, targeting incentive-based cash compensation above the competitive market and targeting long-term incentive compensation at the market median. We believe these practices result in sustained, long-term shareholder value and promote quality corporate governance in compensation decisions.

The primary components of our executive compensation program, summarized below, help ensure that we maintain our performance-driven culture:

Туре	Component and Competitive Target	Philosophy and Objective
Fixed Compensation	Base Pay	Generally targeted at the 45th percentile of market (below market) to place stronger emphasis on incentive compensation
		 Provide market-competitive fixed pay reflective of an executive officer's role, responsibilities and individual performance in order to attract and retain top talent
		Generally targeted above the competitive market, so that target total cash compensation (base pay and annual bonus which incorporates financial targets and individual performance goals) is set at 65th percentile of market
Incentive-Based Compensation	Target Total Cash Compensation with Annual 65th Percentile	 Drive financial performance, including revenue, adjusted EBITB and average operating working capital to net sales ratio
	Bonus (EMIP)	Deliver individual performance against specific business objectives, including executing on our 2025 Strategy, increasing our customer satisfaction, developing and engaging a diverse and talented workforce, driving sustainable innovation and improving operating efficiencies
		Generally targeted at the 50th percentile of market (at market)
	Long-Term Incentive Compensation	Divided equally among 3 programs: (1) stock options; (2) RSUs; and (3) Performance Shares, to drive long-term financial performance, with metrics related to Adjusted Net Income for Compensation Purposes and Return on Invested Capital for Compensation Purposes
		Incentivize achievement of long-term value creation through financial performance objectives weighted more heavily toward rewards for share price appreciation and long-term profitability

In addition to the primary components of our executive compensation program, we provide benefits and perquisites that we believe, taken as a whole, are at the market median.

Average Mix of Key Compensation Components

Individual performance also plays a key role in determining the amount of compensation delivered to an individual, with our philosophy being that the best performers should receive the greatest rewards. The following charts present the mix of 2023 target direct compensation for our CEO and all of our other NEOs (on an average basis), as established in the beginning of 2023. As shown below, 87% of the CEO's compensation mix was "at risk" and 75% of our other NEOs' compensation mix, on average, was "at risk," with the actual amounts realized based on annual and long-term performance as well as our stock price.



THE ROLES OF THE COMMITTEE, EXTERNAL ADVISORS AND MANAGEMENT

The Committee, which consists solely of non-employee Directors, has primary responsibility for reviewing, establishing and monitoring all elements of our executive compensation program. The Committee is advised by its independent executive compensation consultant, WTW, and independent legal counsel as it deems appropriate. Management provides recommendations and analysis to the Committee.

ROLE OF THE COMMITTEE

Compensation-Related Tasks	Organizational Tasks
Reviews, approves and administers all of our executive compensation plans, including our equity plans	Evaluates the performance of the CEO, including consideration of tone and embodiment of core values, with input from all non-employee Directors
Establishes performance objectives under our short-term and long-term incentive compensation programs ¹	Reviews the performance capabilities of the other executive officers, including consideration of tone and embodiment of core values, based on input from the CEO
Determines the attainment of performance objectives and the awards to be made to our executive officers under our short-term and long-term incentive compensation programs ¹	Reviews succession planning for officer positions, including the position of the CEO
Determines the compensation for our executive officers, including base pay and short-term and long-term incentive compensation opportunities ¹	Reviews proposed organization or responsibility changes at the officer level
Reviews compensation practices relating to key employees to confirm that these practices remain equitable and competitive	Reviews our practices for the recruitment and development of a diverse talent pool
Reviews employee benefit plans that relate to executive officers and/ or key employees	Retains the services of independent legal counsel from time to time to provide input on various matters

¹ The independent members of the Board take such action with respect to the CEO.

ROLE OF EXTERNAL ADVISORS

WILLIS TOWERS WATSON

- Independent executive compensation consultant for the Committee
- Advises on matters including competitive compensation analysis, executive compensation trends and plan design, peer group company configuration, competitive financial performance and financial target setting
- Performs data analysis on competitive compensation, competitive financial performance and financial target setting
- Reviews analysis and data collected by management (particularly the CEO, the CFO and the Chief Human Resources Officer)
- Reports directly to the Chairperson of the Committee

- Meets with the Committee in executive session without the participation of management
- Discusses the CEO's recommendations with the Committee to help ensure the compensation recommendations are in line with stated compensation philosophies and are reasonable when compared to the competitive market
- The Committee is not bound by WTW's recommendation
- Considering all relevant factors (as required by compensation consultant independence standards set forth in applicable SEC rules and Nasdaq listing standards), we have assessed WTW's independence, and are not aware of any conflict of interest that has been raised by the work performed by WTW

ROLE OF CEO AND MANAGEMENT

- Provide compensation-related recommendations to the Committee
- The CEO recommends the compensation for other executive management positions and provides the Committee with assessments of their individual performance (both of which are subject to Committee review)
- Perform individual performance assessments based on achievement of various financial and leadership objectives set by the CEO
- Receive suggestions from the Committee for modifications to financial and leadership objectives where warranted

Our Methodologies

SELECTION OF COMPENSATION ELEMENTS

As part of its annual review, the Committee evaluates whether changes in the philosophy or structure are warranted in light of emerging trends, business needs and/or financial performance. The Committee then uses competitive market data, performance assessments, and independent executive compensation consultants and management recommendations to set the pay components along the targets described above (for example, 45th percentile for base pay). Actual pay for executive management will generally fall within a range of these targets (plus or minus 20%). Absent significant increases due to promotion, increases for break-through individual performance or significant changes in the competitive market data, pay increases are considered generally in line with national trends.

MARKET COMPARISON DATA

We collect competitive market compensation data from multiple nationally published surveys and from proxy data for a peer group of companies. Nationally published survey market compensation data is statistically determined (through regression analysis) to approximate our revenue size and aged to approximate more current data. The Company did not select the companies that comprise any of these survey groups. The Company generally blends 50% survey and 50% peer data for benchmarking executive compensation for our NEOs.

PEER GROUP

We use a peer group of publicly traded industrial companies that are headquartered in the U.S. that serve a number of different market segments and that have significant foreign operations. These are companies with which Lincoln Electric competes for talent and shareholder investment. In addition, we only select companies with solid historical financial results (removing companies from the peer group when their financial performance has consistently fallen below a reasonable level) and companies with sales that are within 2.5 times that of Lincoln Electric sales. The Committee conducts an annual review of our peer group, with the assistance of WTW as an independent advisor. In July 2022, the Committee modified its peer group to be used for 2023 compensation matters, by including ESAB Corporation, the industrial business which was spun-off from Colfax Corporation (now Enovis Corporation).

For 2023, our peer group consisted of the following 18 publicly traded industrial corporations:

Ametek Inc.	Flowserve Corporation	Nordson Corporation	The Toro Company
Carlisle Companies Inc.	Graco Inc.	Regal Rexnord Corporation	Woodward Inc.
ESAB Corporation	IDEX Corporation	Snap-On, Inc.	Xylem Corporation
Crane Co.	ITT Inc.	Terex Corporation	
Donaldson Company, Inc.	Kennametal Inc	The Timken Company	

In July 2023, the Committee reviewed its peer group and determined no changes were needed for the 2024 compensation planning cycle.

EXECUTIVE COMPENSATION STRUCTURE

In evaluating our executive compensation structure, the Committee considers three primary elements: (1) business needs (2) individual performance and (3) pay for performance review.

Business Needs	Individual Performance	Pay for Performance Review
Independent compensation consultant (WTW) provides information about emerging trends in executive compensation, along with Committee members' own reading and study	Individual performance is a significant factor in determining annual changes (up or down) to pay components	The Committee conducts an annual assessment of our financial performance and pay for performance, in determining whether changes will be made to the existing philosophy or structure and before setting compensation levels for the upcoming year
Trends considered in light of our compensation philosophies and various business needs	Annual bonus (the Executive Management Incentive Plan, or EMIP) includes an individual performance component in determining the percentage of target bonus to be paid (described below)	The annual assessments are used to evaluate whether executive compensation is properly aligned with our financial performance
Business needs that are evaluated can include: talent attraction or retention strategies, growth expectations, strategic programs, cost-containment initiatives, management development needs and our company culture	Individual performance is generally measured against how well an executive demonstrates proficiency in key leadership competencies, as well as the executive's achievement against objectives established for him or her at the beginning of the year	
No single factor guides whether changes will be made, as the Committee uses a holistic approach, considering a variety of factors	The Committee reviews the overall performance of each NEO during the year and assigns Individual Performance Factors	

The following chart highlights the process and timing of compensation determinations and payouts:

Prior Year Fourth Ouarter

- Committee reviews our compensation program and philosophy, including determining if our compensation levels are competitive with our peer group and if any changes should be made to the program for the next year
- Committee determines the principal components of compensation for the NEOs for the next year
- Compensation consultant (WTW) provides a competitive market assessment of pay levels for the executive officers, including the NEOs

Current Year First Quarter

- Committee determines the individual performance goals of the CEO (with Board approval) and sets the performance goals for each corporate-based (financial) component for the current year
- CEO sets individual performance goals for the current year for each of the other NEOs, which are reviewed by the Committee
- Individual performance goals of CEO and the other NEOs are designed to drive our corporate goals and our 2025 Strategy
- Base pay, annual bonus targets and long-term incentive awards are set at a regularly scheduled Committee meeting
- Payout amounts for the annual bonus (EMIP) and Performance Shares earned as of the end of the prior year are determined at the first available Committee meeting (normally in February) or a subsequent special meeting (normally in March), once financial results are available

Throughout Current Year

- Committee meets regularly throughout the year, with management and in executive session
- Ongoing review of Company performance against performance goals

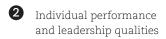
Key Elements of Executive Compensation

Each compensation component for our NEOs is described below, with specific actions that were taken during 2023 noted. For 2023 compensation amounts, please refer to the Summary Compensation Table and other accompanying tables.

BASE PAY

Base salary is provided to our executives to compensate them for their time and proficiency in their positions, as well as the value of their job relative to other positions at Lincoln Electric. Base salaries are set based on a subjective evaluation of the executive's experience, expertise, level of responsibility, leadership qualities, individual accomplishments and other factors.









We aim to set base salaries at approximately the 45th percentile of the market (slightly below market) in keeping with our philosophy that greater emphasis should be placed on variable compensation.

2023 AND 2024 BASE PAY

Ahead of 2023, the Committee reviewed officer pay, including all NEOs, as compared to the market. The Committee approved certain increases in NEO base salaries as detailed below, bringing the base pay within the competitive benchmark, while the base pay of the NEOs remains, on average, slightly below the 45th percentile.

NEO	Increase %	Increase % 2023 Base Salary ¹		
Christopher L. Mapes	4.0%	\$ 1,107,600		
Gabriel Bruno	8.0%	\$ 540,000		
Steven B. Hedlund	8.0%	\$ 648,000		
Jennifer I. Ansberry	8.2%	\$ 468,000		
Michele R. Kuhrt	3.0%	\$ 451,000		

1 Base salaries effective as of January 1, 2023.

For 2023, Mr. Mapes base pay increased 4.0%. Mr. Hedlund received an 8.0% base pay increase, which was to continue to progress compensation within the competitive benchmark for his recently promoted role in 2022. In August 2023, in connection with the announced CEO transition plan, the Committee approved a further increase for Mr. Hedlund in connection with his pending appointment as President and Chief Executive Officer, establishing his new base salary at \$1,010,000, which would remain his base salary for 2024. Mr. Bruno and Ms. Ansberry received an 8.0% and 8.2% base pay increase, respectively, which was to progress compensation and remain competitive within the benchmarks for their roles. Ms. Kuhrt's base compensation increased 3.0% from her base pay received in 2022. The base pay for the NEOs falls within the competitive benchmark and the NEOs remain, on average, slightly below the 45th percentile for base compensation.

For 2024, Mr. Mapes base compensation was reduced to \$553,800 for his role as Executive Chair. Mr. Hedlund's base compensation was approved in August 2023 as discussed above. Mr. Bruno and Ms. Ansberry received 7.4% and 7.9% base pay increase, respectively, which was to progress compensation and remain competitive within the benchmarks for their roles. Ms. Kuhrt's base compensation increased 3.8% from her 2023 compensation. The base pay for the NEOs falls within the competitive benchmark and the NEOs remain, on average, slightly below the 45th percentile for base compensation.

ANNUAL BONUS (EMIP) AND TOTAL CASH COMPENSATION

The EMIP provides executive officers, including the NEOs, with an opportunity to receive an annual cash bonus. We believe that, given base pay is below market, annual cash bonus opportunities should be above average to balance some of the risk associated with greater variable compensation. However, we also believe that above-market pay should be linked to financial and individual performance. Therefore, we target total cash compensation (base pay and target annual bonus) at the 65th percentile of the market, but use a structure that provides payments of above-average bonuses only where the performance of the consolidated company and the performance of an NEO's particular segment or business unit, warrant it. We also consider the impact of an officer's individual performance during the year.

ANNUAL BONUS (EMIP) FORMULA

With respect to 2023, the formula to determine each NEOs annual bonus (EMIP Bonus Payout) multiplies an individual's Target Bonus Amount by the Financial Performance Factor and the Individual Performance Factor. The Financial Performance Factor considers the financial performance of specific financial metrics of the consolidated Company and for operations roles, the segment or business units they support. If the financial performance target is not met on any specific financial metric, the EMIP Bonus Payout will be reduced, with the potential that no bonus will be paid if performance across all metrics is below threshold. If financial performance exceeds expectations on any of the specific financial metrics, the percentage of annual bonus paid can be above the Target Bonus Amount. Once financial performance is calculated, an Individual Performance Factor is considered to determine the final EMIP Bonus Payout. The maximum EMIP Bonus Payout, considering financial and individual performance, will not exceed 200% of an individual's annual Target Bonus Amount.

2023 EMIP BONUS CALCULATION



The Committee has discretion to approve EMIP payments outside of the strict application of this calculation, although no discretion was used for calculation of the 2023 annual bonuses. EMIP payout determinations for the 2023 performance period were made in the first quarter of 2024.

ANNUAL BONUS (EMIP) FINANCIAL METRICS

A portion of the EMIP Financial Performance Factor is based upon achievement of company consolidated financial performance against budget and another portion may be attributable to segment financial performance against budget, depending upon the individual's scope of responsibility. By varying the financial metrics used based upon areas of responsibility, it is possible that certain participants will receive a higher percentage of target bonus while others will receive a lower percentage of target where the segment performance for one participant is better than the segment performance for the other. This is a key component of our pay for performance and incentive-based philosophies. In 2023 each of our NEOs' Financial Performance Factor was based on the Company's Consolidated results.

The Financial Performance factor calculation utilizes the achievement results of three metrics weighted as follows:

- 25% Adjusted Revenue for Compensation Purposes (Adjusted Revenue);
- 50% Adjusted EBITB; and
- 25% AOWC/Sales for Compensation Purposes.

Actual results are measured against budget at budgeted exchange rates and adjusted for the results of businesses acquired during the year. Budgets are set aggressively (based on the local and global economic climate), at the beginning of the year, are reviewed by the Finance Committee and are approved by the full Board. For 2023 a price collar was

embedded in the budgeted goals that restricts the impact of pricing on Adjusted Revenue results. For 2023, Management was responsible for +/-2% on pricing that impacted actual revenue results as compared to pricing in the budget. Each financial metric is calculated and interpolated on a financial payout curve to determine the Financial Performance Factor. The financial payout curves, considering threshold and maximum opportunities, are set at the beginning of the year and are approved by the Committee.

The following table illustrates the opportunity for achievement of the Financial Performance Factor based on actual performance against target across each financial metric and the 2023 target amounts set during the budget process.

		Achievement of Actual Results vs. Budget			2023 Target (Budget)
Financial Metric	Weightings	Threshold	Target (Budget)	Maximum	Lincoln Electric Holdings
Adjusted Revenue	25%	93%	100%	105%	\$4.167 billion
EBITB	50%	80%	100%	115%	\$857 million
AOWC to Sales	25%	85%	100%	110%	22.3%
Financial Payout Curves		50%	100%	200%	

ANNUAL BONUS (EMIP) INDIVIDUAL PERFORMANCE GOALS

Individual performance goals are set annually. A significant portion of our executive officers' individual performance goals is tied to one or more aspects of our 2025 Strategy.

The following table highlights the material 2023 individual performance goals for our CEO. The Committee chair, supported by the Lead Independent Director, leads the review and evaluation process to establish the CEO's performance goals for each year, which were approved by the Board at the beginning of 2023. These 2023 performance goals were cascaded throughout the organization and many are also in the individual performance goals for our other NEOs.

Individual Performance Goals	CEO
Execution of the 2025 Strategy	√
Human capital management, including D&I, employee engagement and development initiatives	$\overline{\hspace{1cm}}$
Cybersecurity and enterprise risk management	$\overline{\hspace{1cm}}$
Sustainability, including environmental, health and safety metrics	\checkmark
Financial and operating targets	√
Operational optimization and expansion, and M&A integration	√
Commence development of new long-term strategy	✓

In defining the individual performance goals, the Committee considered the goals to be strategically important to the Company and its 2025 Strategy. The goals for 2023 were particularly aimed at operational optimization and M&A integration, employee engagement, D&I, cybersecurity and achieving our EHS and Sustainability metrics. The CEO's individual performance rating is determined based on an evaluation of performance against the underlying goals with the final rating being approved by the independent Directors of the Board. In assessing the individual performance of our NEOs, the Committee reviews the performance rating recommended by the CEO with respect to each of the other NEOs and recommends revisions, as needed, prior to the Committee approval of such rating.

2023 ANNUAL BONUS (EMIP) AND TOTAL CASH COMPENSATION

The 2023 EMIP annual bonus targets for the NEOs were established and approved by the Committee in February 2023 according to the principles discussed above. As established at the beginning of 2023, Mr. Hedlund, Mr. Bruno and Ms. Ansberry received an 8.6%, 16.1% and 28.7% target bonus increase, respectively, which was to continue to progress target compensation within the competitive benchmark for their roles. In August 2023, in connection with the announced CEO transition plan, the Committee approved a further increase for Mr. Hedlund in connection with his pending appointment as President and Chief Executive Officer, establishing his new target bonus at \$1,464,500 effective August 1, 2023, which would remain his target bonus for 2024. Mr. Mapes' 2023 target bonus increased 4.0% while Ms. Kuhrt's 2023 target bonus remained flat. The bonus targets fall within the competitive benchmark and the NEOs remain, on average, at the 65th percentile on targeted total cash compensation.

In approving the 2023 EMIP payouts, the Committee assessed our Adjusted Revenue for Compensation Purposes performance, EBITB performance and AOWC/Sales for Compensation Purposes performance against budget for consolidated and segments, as applicable. On average, 2023 EMIP payments for the NEOs were 170% above their 2023 target amounts, driven primarily by strong EBITB performance and achievement of individual objectives.

The following table illustrates actual results versus budget and the interpolated Financial Performance Factor for each financial metric to arrive at the Weighted Financial Payout Factor that drives actual bonus payouts.

	Lincoln Electric Holdings						
	Actual vs. Budget	Interpolated Financial Performance Factor	Weighting	Weighted Financial Payout factor			
Adjusted Revenue	100.1%	101.2%	25%				
Adjusted EBITB	107.6%	150.7%	50%	135.1%			
AOWC/Sales	103.8%	138.0%	25%				

Note: The Adjusted EBITB performance results were adjusted for the same types of special items that impact Adjusted Operating Income and Adjusted Net Income as disclosed in Appendix A.

The actual bonus payout to the NEO's considers the impact of individual performance. The Committee assessed the performance of each NEO against their Individual Performance Goals and assigned a rating that impacts the annual bonus calculation as illustrated above. For the current year, individual performance ratings for the annual bonus for officers ranged from 100 to 128.

The following chart illustrates the actual calculated bonus considering both the financial and individual performance. On average, 2023 EMIP payments for the NEOs, excluding Mr. Hedlund, were 2% higher than the 2022 EMIP payments, driven by record financial performance.

NEO	Target Award Opportunity	Target Award Opportunity as a % of 2023 Base Salary	Maximum Award Opportunity Based on Matrix	Actual Award	Actual Award as a % of Target
Christopher L. Mapes	\$ 1,606,000	145%	\$ 3,212,000	\$ 2,777,943	173%
Gabriel Bruno	\$ 566,000	105%	\$ 1,132,000	\$ 979,026	173%
Steven B. Hedlund	\$ 1,093,064	137%	\$ 2,186,128	\$ 1,890,704	173%
Jennifer I. Ansberry	\$ 440,000	94%	\$ 880,000	\$ 731,351	166%
Michele R. Kuhrt	\$ 415,000	92%	\$ 830,000	\$ 689,797	166%

2024 ANNUAL BONUS (EMIP) AND TOTAL CASH COMPENSATION

The 2024 EMIP target award for Mr. Mapes was reduced to \$803,000 for his role as Executive Chair. Mr. Hedlund's 2024 EMIP target award was increased to \$1,464,500 in August of 2023 as previously discussed. The 2024 EMIP targets for the remaining NEO's were approved in the first quarter of 2024 and were established by the Committee in consultation with WTW, based on our compensation philosophies as well as competitive market data as discussed above. On average, the remaining NEO's target award increased 3.2% for 2024. The bonus targets fall within the competitive benchmark and the NEOs are on average at the 65th percentile on targeted total cash compensation.

LONG-TERM INCENTIVE COMPENSATION

We believe that long-term incentive compensation should be provided to focus rewards on factors that deliver long-term sustainability and should be established at the median (or 50th percentile) of the market. We have targeted the median of the market, in keeping with our pay for performance philosophy, because we believe that superior long-term financial growth itself should be the main driver of above-market long-term incentive compensation.

For 2023, our long-term incentive compensation program consists of three components: (1) stock options, (2) RSUs and (3) Performance Shares. The value of each is weighted equally. This provides an even balance with respect to the different attributes and timing associated with each type of award. Annual awards of all three components are made to EMIP participants, including the NEOs.

The following is a summary of the three components of our long-term incentive compensation program as in effect for 2023:

	Standard Vesting Provision	Accelerated Vesting Provisions	Total Employees Receiving Grant in 2023
Stock Options	Vest ratably over 3 years	 Full vesting upon death or disability. Full vesting upon retirement for awards granted since 2021. Pro-rata vesting upon retirement, for awards granted prior to 2021. Full vesting in the event of a change in control, if (i) replacement awards are not provided or (ii) replacement awards are provided and there is a subsequent qualifying termination. 	17 employees, including NEOs, all EMIP participants and other senior leaders
Restricted Stock Units (RSUs)	Vest in full after 3 years	 Full vesting upon death or disability. Full vesting upon retirement for awards granted since 2021. Pro-rata vesting upon retirement, for awards granted prior to 2021. Full vesting in the event of a change in control, if (i) replacement awards are not provided or (ii) replacement awards are provided and there is a subsequent qualifying termination. 	586 employees, including NEOs, all EMIP participants, other senior leaders, managers and significant contributors, regardless of their position within Lincoln Electric
Performance Shares	Vest based on performance during the applicable 3-year performance period	 Vest at target upon death or disability. Full vesting upon retirement, based on actual performance for the applicable 3-year performance period, for awards granted since 2021. Pro-rata vesting upon retirement, based on actual performance for the applicable 3-year performance period, for awards granted prior to 2021. Vest at target in the event of a change in control, if (i) replacement awards are not provided or (ii) replacement awards are provided and there is a subsequent qualifying termination for awards granted since 2020. 	11 employees, including NEOs and all EMIP participants

PERFORMANCE SHARES

Our long-term incentive compensation program includes grants of Performance Shares, which are designed to offer award opportunities aligned with the long-term performance of Lincoln Electric. Target share amounts are set each year at the beginning of a three-year performance cycle based on a 7-day historical average of the stock price, up to and including the grant date. Because awards are made each year and because each award relates to a three-year performance cycle, three different cycles will be running at any point in time. The percentage of the target shares actually paid at the end of the applicable three-year cycle will be based upon achievement of three-year company performance as interpolated against pre-established performance thresholds. Each plan has performance thresholds with percentage payouts attributable to those thresholds ranging from 0% to 200% of target. The Committee retains discretion to modify payments to any participant, to modify targets and/or to modify the performance thresholds (up or down).

PERFORMANCE SHARES FINANCIAL METRICS

The Committee annually reviews and approves the performance metrics that are tied to the Performance Shares. For the open performance cycles, the Performance Shares' two financial metrics are as follows:

Weighting	Performance Metric	Measurement					
50%	Adjusted Net Income	 Absolute metric based on the growth in Adjusted Net Income for Compensation Purposes over the 3-year performance period versus goals set at the beginning of the performance cycle. For the 2021 to 2023 performance cycle the target is based on growth above \$238,130,000 (which was the Adjusted Net Income for Compensation Purposes for 2020, when the 2021 to 2023 performance cycle was set). For the 2021 to 2023 performance cycle, to pay 100% of target, Adjusted Net Income for Compensation Purposes over the 3-year cycle must be at or above 140% of \$238,130,000 (or \$333,382,000). 					
50%	Return on Invested Capital	 Relative metric that is derived based on our 3-year average ROIC for Compensation Purposes relative to our proxy peer group. For the 2021 to 2023 performance cycle the target is based on achieving the 65th percentile in 3-Year Average ROIC for Compensation Purposes relative to our peers. 					

From time to time, the Committee has considered and approved certain limited adjustments to reported net income (both positive and negative) in determining achievement of performance against the thresholds. Each adjustment is reviewed in detail before it is made. The types of adjustments the Committee has considered include: rationalization charges, certain asset impairment charges, the gains and losses on certain transactions including the disposal of certain assets and other special items, which generally align with the special items disclosed in the Adjusted Net Income table in Appendix A. To the extent an adjustment relates to restructuring or rationalization charges that are intended to improve organizational efficiency, a corresponding charge (equal to the adjustment) is amortized against future years' adjusted net income until that adjustment is fully offset against the intended savings (generally this amortization occurs over a three-year period).

In 2022, the Committee approved excluding the impact of the acquisition of Fori, which was acquired December 1, 2022, from the 2022 ROIC calculation and related comparisons to our proxy peer group. The acquisition of Fori included the closure of a \$400 million senior secured term loan to assist in funding the acquisition.

PERFORMANCE THRESHOLDS

In setting the performance ranges for a new three-year period (including the 2023 to 2025 performance cycle), the Committee considers various factors, including historical performance against established ranges, to try to achieve a 50% probability of attaining the target for any cycle. For the 2021 to 2023 Plan, the Committee did not make any modifications to the three-year adjusted net income growth performance ranges or the three-year average ROIC relative to peer ranges.

TIMING FOR SETTING PERFORMANCE METRIC GOALS

Performance targets are set at the beginning of the first fiscal year in the cycle. This timing allows the Committee to see our final financial results for the prior year and allows for more current macro-economic projections to be used.

Historical Performance Shares. The following is a summary of the historical combined Performance Shares results for the last five completed Performance Shares cycles, including the most recently completed cycle (2021 to 2023):

Historical LTIP to Budget (Results for the last five completed Performance Shares cycles)				
	Results			
Average	144.4%			
Highest Level	200.0%			
Lowest Level	94.1%			

2021 to 2023 Performance Shares. For the 2021 to 2023 Performance Shares cycle, the maximum performance level for both Adjusted Net Income for Compensation Purposes and ROIC for Compensation Purposes were exceeded, resulting in payouts being made at 200.0% of target. As noted above, the current plan cycle contains two metrics, each with a 50% weighting.



The following is a summary of each of the performance metric goals and results for the most recently completed Performance Shares cycle (2021 to 2023):

3-Year Growth in Adjusted Net Income for Compensation Purposes

The potential payout levels as a percentage of target based on actual performance are summarized below (results are interpolated between individual levels):

Performance Level	3-Year Growth in Adjusted Net I for Compensation Purpose		ut as a % Target
Threshold	10%	2	25%
	25%	Ţ.	50%
Target	40%	1	.00%
	50%	1	.50%
Maximum	60%	2	200%
2023 Actual	124.3% \$	34,208 20	00.0%

Lincoln Electric's Adjusted Net Income for Compensation Purposes over the three-year period increased 124.3% to \$534 million, which generated a 100% of target payout for this metric after accounting for the weighting of the financial metric.



3-Year Average ROIC for Compensation Purposes Relative to LECO Peer Group

The potential payout levels as a percentage of target based on actual performance are summarized below (results are interpolated between individual levels):

		3-Year Average ROIC for Compensation Purposes Relative to LECO Peer Group			
Performance Level	%ile Rank in Peer Group	ROIC Result	Payout as a % of Target		
Threshold	40 th %ile	11.9%	25%		
	50 th %ile	12.9%	50%		
Target	65 th %ile	15.5%	100%		
	70 th %ile	15.6%	150%		
Maximum	80 th %ile	17.6%	200%		
2023 Actual	94 th %ile	24.1%	200%		

Lincoln Electric's three-year average ROIC for Compensation Purposes, as compared to its peer group, was at the 89th percentile, which generated a 100% of target payout for this metric after accounting for the weighting of the financial metric.



The following chart shows the target and maximum number of shares of common stock that may be issued for the 2021 to 2023 Performance Shares based on actual performance. Combining the payouts for both metrics, the resulting final payout for the 2021 to 2023 Performance Shares was 200.0% of the target award opportunity.

NEO	Target Award Opportunity (# of shares)	Maximum Award Opportunity Based on Thresholds (# of shares)	Actual Performance Share Payout %	Actual Award (# of shares)
Christopher L. Mapes	15,243	30,486	200.0%	30,486
Gabriel Bruno	3,271	6,542	200.0%	6,542
Steven B. Hedlund	2,606	5,212	200.0%	5,212
Jennifer I. Ansberry	1,995	3,990	200.0%	3,990
Michele R. Kuhrt	1,378	2,756	200.0%	2,756

2023-2025 PERFORMANCE SHARES

In evaluating 2023 long-term incentive compensation (at the beginning of 2023), the Committee reviewed 2022 compensation versus the competitive benchmarks. The Committee concluded that overall the long-term incentive compensation program for the NEOs remained on average above the 50th percentile target but still within the competitive framework. In order to maintain similar positioning within the competitive framework, the NEO's received the following increases in annual LTI targets; 12.8% for Mr. Mapes, 10.8% for Mr. Hedlund, 10.8% for Mr. Bruno, 11.7% for Ms. Ansberry and 12.4% for Ms. Kuhrt. All of these awards are subject to our Recovery of Funds Policy, which is discussed below. The Performance Shares financial metrics for the 2023 to 2025 performance cycle remained consistent with prior years: 50% is based on the growth in Adjusted Net Income for Compensation Purposes over the 3-year performance period and 50% is based on our 3-year average ROIC for Compensation Purposes relative to our proxy peer group. Additionally, the performance ranges for the 2023 to 2025 performance cycle align with the ranges outlined above in analysis of the actual Performance Share payout for the 2021 to 2023 Performance Share cycle. For more information about the quantities of the 2023 stock option, RSU and Performance Share awards actually granted to the NEOs, see the 2023 Grants of Plan-Based Awards table and the Outstanding Equity Awards at 2023 Fiscal Year-End table (and their related narrative disclosure) below.

2023 PROMOTION RSU AND STOCK OPTION AWARDS

In August 2023, in connection with the announced CEO transition plan, the Committee approved an award of \$500,000 in RSUs that in general will vest in full after three years and \$500,000 in stock options that in general vest ratably over 3 years. The grants were designed to compensate Mr. Hedlund for his assumption of additional duties in anticipation of his new position.

2024 LONG-TERM INCENTIVE ARRANGEMENTS

In August 2023, in conjunction with the announced CEO transition plan, the 2024 EMIP target award for Mr. Mapes was reduced to \$5,643,200 for his role as Executive Chair and the 2024 EMIP target award for Mr. Hedlund was increased to \$4,787,100 for his role as CEO effective January 1, 2024. In evaluating 2024 long-term incentive compensation (at the beginning of 2024), the Committee reviewed 2023 compensation versus the competitive benchmarks. The Committee concluded that overall the long-term incentive compensation program for the NEOs remained on average above the 50th percentile target but still within the competitive framework. Excluding Mr. Mapes and Mr. Hedlund, the Committee adjusted 2024 long-term incentive compensation opportunities for the NEOs on average 4.2%, placing their LTI targets above the 50th percentile, however still within the competitive framework.

Valuation of Equity Awards. We use standard valuation methods to convert long-term incentive compensation values to shares upon the grant date. These methods consider a 7-day historical average of our stock price, up to and including the grant date, for RSUs and Performance Shares and the grant date Black-Scholes valuation for stock options.

Normal Cycle and Out-of-Cycle Equity Awards. The Committee has discretion in awarding grants to EMIP participants and does not delegate its authority to management, nor does management select or influence the award dates. Occasionally, the Committee may approve limited, out-of-cycle special awards for specific business purposes or in connection with executive promotions or the hiring of new executive employees. However, the date used for normal cycle awards to all EMIP participants, including the NEOs, is the date of a regularly scheduled Committee meeting, which is fixed well in advance and generally occurs at the same time each year.

The Committee has approved delegated authority to the CEO to designate awards through 2024 to certain employees under our equity plan, subject to specific limits established. The CEO can only grant RSU awards and cannot grant awards to any executive officers, Section 16 officers or greater-than-10% beneficial owners of the Company, and such awards must be granted per the agreements and vesting terms already approved by the Committee.

Other Arrangements, Policies and Practices

OVERVIEW OF BENEFITS

We intend to provide a competitive group of benefits for all of our employees targeted at the 50th percentile of the market. Some aspects of our benefit programs are considered non-traditional due to their relationship with our pay for performance and incentive-based philosophies. For example, the premiums for Lincoln Electric-provided medical coverage are primarily paid by employees, including the NEOs, on a pre-tax basis. Premiums for dental coverage, which is a voluntary benefit, are 100% paid by employees. Life insurance coverage paid fully by Lincoln Electric is set at \$50,000 per employee, including the NEOs, although employees may purchase additional insurance at their own cost. The NEOs participate in this same cost-sharing approach. We attempt to balance our various non-traditional programs (such as those with a significant portion of the cost borne by the employee) with more traditional programs.

We also provide accidental death and dismemberment benefits to officers, due to the significant amount of travel required in their jobs. Under this program, the premiums of which are paid by the Company, a participant's beneficiary would receive a payment of five times annual total cash compensation up to a maximum of \$3,000,000 for executive officers and \$2,000,000 for other officers upon an officer's accidental death. The policy also provides dismemberment benefits of up to 100% of the death benefit in the event an officer is permanently and totally disabled as a result of an accident, and it provides for medical evacuation coverage in the event of an accident.

PERQUISITES

Consistent with our pay for performance philosophy, we offer limited perquisites. We pay for an annual physical for officers and other senior management to preserve our investment in them by encouraging them to maintain healthy lifestyles and be proactive in preventative care. We also make available financial planning services to certain officers, enabling them to concentrate on business matters rather than on personal financial planning. However, the cost of these financial planning services is included in the income of the participants. We also pay the cost of certain club dues for some officers to encourage social interaction with peers from other companies, local leadership in the community and to provide the ability to hold business meetings at a convenient offsite location. All personal expenses are borne entirely by the executive and the club dues are included in the income of the participants. Different perquisites are provided from time to time to non-U.S. based executives; however, they are customary and reasonable in nature and amount relative to local market practices (for example, a car lease). Company-paid travel expenses are primarily for business purposes, but occasionally spouses or other guests may accompany our executive officers on business trips. The aggregate incremental cost of such personal travel is attributed to the applicable NEO.

RETIREMENT PROGRAMS

Retirement benefits are provided to our NEOs through the following programs:

The Lincoln Electric Company Employee Savings Plan (401(K) Plan)

- Each eligible employee of The Lincoln Electric Company and certain affiliate companies is eligible to receive up to 6% of annual compensation in Company contributions through:
 - matching employer contributions equal to 100% of before-tax contributions made to the 401(k) Plan, but not in excess of 3% of annual compensation; and
 - automatic employer contributions equal to 3% of annual compensation;
- Matching and automatic contributions are 100% vested when made;
- Certain employees affected by the cessation of accruals under the defined benefit pension plan that we previously maintained are also eligible to receive employer contributions equal to 6% of annual compensation for a minimum period of five years, up to the end of the year in which they complete 30 years of service; and
- All of the NEOs deferred amounts under the 401(k) Plan in 2023.

Restoration Plan

- Created effective January 1, 2017, this unfunded plan is maintained primarily for the purpose of providing deferred compensation for eligible employees whose annual compensation is expected to be in excess of the Internal Revenue Code limit on compensation (Code Limit) applicable to the 401(k) Plan;
- Each participant's account is credited each year with deferred amounts generally as follows:
 - matching employer contributions equal to 3% of annual compensation in excess of the Code Limit; and
 - non-elective employer contributions equal to 3% of annual compensation in excess of the Code Limit;
- All amounts deferred are fully vested at all times;
- Certain employees affected by the cessation of accruals under the defined benefit pension plan that we previously maintained are also eligible to receive employer contributions equal to 6% of annual compensation in excess of the Code Limit for a minimum period of five years, up to the end of the year in which they complete 30 years of service;
- Upon a separation from service prior to age 55, distribution of the account will be made in a single lump sum on the first business day of the seventh month immediately following the separation from service;
- Upon a separation from service on or after age 55, distribution of the account will be made or commence on the first business day of the seventh month immediately following the separation from service in the form of (1) a single lump sum payment; or (2) substantially equal annual installments over a period of at least two but not more than 15 years, as elected; and
- All NEOs participated in the Restoration Plan in 2023.

Amended and Restated 2005 Deferred Compensation Plan for Executives (Top Hat Plan)

- Participants can defer current income on a pre-tax basis, receiving tax-deferred returns on those deferrals
 - Up to 80% of base salary and/or annual bonus can be deferred; and
 - Up to 100% of RSUs or Performance Shares can be deferred;
- For cash deferrals, 27 total investment options available, 26 of which mirror the funds available under the 401(k) Plan, plus the Moody's Corporate Bond Average Index (which provides "above market" earnings as reported in the Summary Compensation Table);
- RSUs and Performance Shares that are deferred are deemed invested in a Lincoln Electric Stock fund; these deferrals can be reallocated to other investment options on the later of 6 months after the date on which the amounts are allocated to the participant's account or the date the participant has satisfied his or her stock ownership guidelines;
- Plan includes a recovery of funds provision consistent with the requirements of Dodd-Frank;
- Distributions are permitted in the event of a separation from service, disability, death, change in control or unforeseeable emergency;
- Distributions can also be made at a specified time or under a fixed schedule;
- Distributions may be made in a lump-sum, or by payment in five, ten or fifteen annual installments; and
- As of December 31, 2023, there were 19 active employees eligible to participate in the Top Hat Plan.

More information on these programs can be found in the 2023 Deferred Compensation Benefits section.

CHANGE IN CONTROL ARRANGEMENTS

We have entered into change in control agreements with all of our NEOs. The agreements are designed generally to help assure continued management in the event of a change in control of Lincoln Electric.

The change in control agreements are operative only if a change in control occurs and payments are made if the officer's employment is terminated under certain circumstances (or if the officer terminates employment due to certain adverse employment changes). The agreements provide our NEOs with the potential for continued employment

following a change in control, which helps to retain these executives and provide for management continuity in the event of an actual or threatened change in control of Lincoln Electric. They also help ensure that our executives' interests remain aligned with shareholders' interests during a time when their continued employment may be in jeopardy. For a more detailed discussion of our change in control agreements, see Termination and Change in Control Arrangements below. Outside of these change in control agreements, we do not maintain written employment or other severance agreements for U.S.-based employees.

RECOVERY OF FUNDS POLICIES

We maintained a historical clawback policy, called the Recovery of Funds Policy, during 2023. We adopted a new Clawback Policy, effective October 2, 2023, to comply with the requirements of new SEC regulations and Nasdaq listing standards. We also amended, restated and continued the Recovery of Funds Policy (and re-named it the Supplemental Recovery of Funds Policy), effective October 2, 2023, to work in tandem with and as a supplement to the Clawback Policy. Our Clawback Policy and the Recovery of Funds Policy are applicable to all of our executive officers, including our NEOs.

The Clawback Policy provides for the reasonably prompt recovery (or clawback) of certain excess incentive-based compensation received during an applicable three-year recovery period by current or former executive officers in the event we are required to prepare an accounting restatement due to our material noncompliance with any financial reporting requirement under the securities laws. Triggering events include accounting restatements to correct an error in previously issued financial statements that is material to such previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period. Excess incentive-based compensation for these purposes generally means the amount of incentive-based compensation received (on or after October 2, 2023) by such executive officer that exceeds the amount of incentive-based compensation that would have been received by such executive officer had it been determined based on the restated amounts, without regard to any taxes paid. Incentive-based compensation potentially subject to recovery under the mandatory accounting restatement provisions of the Clawback Policy is generally limited to any compensation granted, earned or vested based wholly or in part on the attainment of one or more financial reporting measures.

In general, we may utilize a broad range of recoupment methods under the Clawback Policy for mandatory accounting restatement clawbacks. The Clawback Policy does not condition such clawback on the fault of the executive officer, but we are not required to clawback amounts in limited circumstances where the Compensation and Executive Development Committee has made a determination that recovery would be impracticable and (1) we have already attempted to recover such amounts but the direct expense paid to a third party in an effort to enforce the Clawback Policy would exceed the amount to be recovered, (2) the recovery of amounts would violate applicable home country law, or (3) the recovery would likely cause the non-compliance of a tax-qualified retirement plan under the Internal Revenue Code of 1986, as amended, and applicable regulations. Operation of the mandatory accounting restatement provisions of the Clawback Policy is subject to a brief phase-in process during the first few years after its effectiveness. We may not indemnify any such executive officer against the loss of such recovered compensation in the event of a mandatory accounting restatement.

We also continue to maintain the Supplemental Recovery of Funds Policy, which in general provides for compensation recovery on terms substantially similar to the Clawback Policy, but specifically for compensation that is not covered by or subject to the Clawback Policy (for example, that pre-dates the scope or effectiveness of the Clawback Policy). The Supplemental Recovery of Funds Policy is also triggered if we are required to prepare an accounting restatement due to our material noncompliance with any financial reporting requirement under the securities laws, and applies to our current or former executive officers and their incentive-based compensation (as described above) received during an applicable three-year recovery period.

ANTI-HEDGING/PLEDGING POLICY

Consistent with our philosophy to encourage long-term investment in our common stock, our Directors, executive officers and certain other employees are prohibited from engaging in any speculative transactions involving our securities, including buying or selling puts or calls, or engaging in any derivative or hedging transaction that has the effect of limiting or hedging economic exposure with respect to such person's position in our securities, short sales and margin purchases. In addition, our insider trading policy prohibits future pledging of Lincoln Electric securities by our Directors, executive officers and certain other employees. There are no pledges of our common stock in place for any of our Directors or executive officers.

STOCK OWNERSHIP GUIDELINES

In keeping with our philosophy that officers should maintain an equity interest in Lincoln Electric, we have stock ownership guidelines for officers. The guidelines were reviewed in 2021 and no changes were recommended based on a review of our peer group. Under the current guidelines, our officers are required to own and hold a certain number of our common shares, currently at the levels set forth in the table below:

Executive Group	Ownership Guideline
Chief Executive Officer ¹	5 times base salary
Executive Vice Presidents ²	3 times base salary
Senior Vice Presidents and all other Executive Officers ³	2 times base salary

- Mr. Hedlund (for 2024) and Mr. Mapes (for 2023).
- Includes Mr. Bruno, Mr. Hedlund (for 2023), Ms. Ansberry, Ms. Kuhrt and one other EMIP participant.
- Includes Mr. Mapes (for 2024) and other EMIP participants.

Each officer has five years to satisfy his or her applicable stock ownership guideline. An officer must satisfy the applicable stock owner- ship guideline before he or she is permitted to sell shares, including shares issued as a result of RSUs vesting or Performance Shares vesting (other than shares withheld to cover taxes) and shares obtained from the exercise of stock options (other than shares withheld to cover exercise cost and taxes). Unless an officer is promoted into a higher guideline level, the stock ownership guideline will reset every 5 years utilizing updated base pay and stock price information. RSU awards count towards an officer's stock ownership amount, however common shares underlying stock options, Performance Shares and shares held in another person's name (including a relative) do not. As of December 31, 2023, all of our NEOs met the applicable stock ownership guidelines.

DEDUCTIBILITY OF COMPENSATION

Our general philosophy has historically been to qualify future compensation for tax deductibility wherever applicable and appropriate. Although a portion of the amount we recorded as compensation to our NEOs in 2023 was non-deductible, this did not have a significant impact to our income tax position.

As part of the 2017 Tax Cuts and Jobs Act (the "Tax Reform Act"), the ability to rely on the performance-based compensation exception under Section 162(m) of the U.S. Internal Revenue Code ("Section 162(m)") was generally eliminated, and the limitation on deductibility generally was expanded to include all NEOs (as well as certain former officers). As a result of the Tax Reform Act, after 2017 and subject to certain grandfathered provisions, we are no longer able to deduct any compensation paid to our NEOs in excess of \$1 million.

COMPENSATION COMMITTEE REPORT

The Compensation and Executive Development Committee has reviewed and discussed the Compensation Discussion and Analysis contained in this Proxy Statement with our management and, based on this review and discussion, recommends that it be included in our Annual Report on Form 10-K for the year ended December 31, 2023 and this Proxy Statement.

By the Compensation and Executive Development Committee:



Michael F. Hilton



Marc A. Howze



Kathryn Jo Lincoln



Phillip J. Mason



Hellene S. Runtagh



Kellye L. Walker



Executive Compensation Tables

SUMMARY OF 2023 COMPENSATION ELEMENTS

		Purpose	Competitive Target	Financial Metrics Used	When the 2023 Amount Was Set	The Period to Which the Amount Relates	Where Reported in the SCT ¹
Short-Term	Base Pay	Rewards responsibility, experience and individual performance	Below Market	_	Beginning of 2023	2023	Salary column
	Annual Bonus (EMIP)	Rewards strong annual financial results and individual performance	Above Market (target total cash compensation)	Adjusted Revenue ² , EBITB ² and AOWC/Sales ²	Beginning of 2023	2023 Performance	Non-Equity Incentive Plan Compensation column
Long-Term RSUs	Stock Options	Rewards the creation of shareholder value		_	Beginning of 2023	2023 Based Award	Option Awards column
	RSUs	Rewards the creation of shareholder value and strong long-term financial results	At Market	_	Beginning of 2023	2023 Based Award	Stock Awards column
	Performance Shares	Rewards the creation of long-term growth and the efficient use of capital		Adjusted Net Income ² Growth and ROIC ²	Beginning of 2023	2023 through 2025 Performance	Stock Awards column
Both	Benefits other than Pension	Includes 401(k) contributions, Restoration Plan contributions, insurance and standard expatriate benefits		_	Various	2023	All Other Compensation column
	Pension Benefits	Includes above-market earnings in the Top Hat Plan	At Market	_	Various	For above-market earnings, shows 2023 amounts	Change in Pension Value and Nonqualified Deferred Compensation Earnings column
	Perquisites	Meets specific business needs—includes financial planning, annual physical and certain club dues		_	Various	2023	All Other Compensation column

Summary Compensation Table.

Financial metrics used for compensation purposes are defined in Appendix A.

2023 SUMMARY COMPENSATION TABLE

This table details total compensation for our NEOs for 2023, 2022 and 2021.

Name and Principal Position	Year	Salary (S)	Stock Awards (\$)¹	Option Awards (\$)¹	Non-Equity Incentive Plan Compensation (\$) ²	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) ³	All Other Compensation (\$) ⁴	Total (\$)
Christopher L. Mapes	2023	1,107,600	4,196,532	2,068,853	2,777,943	138,395	320,347	10,609,670
Chair, President and Chief Executive Officer	2022	1,065,000	3,672,156	1,833,338	3,088,500	185,377	252,107	10,096,478
(through December 31, 2023)	2021	1,030,000	3,483,636	1,766,662	2,569,567	157,838	206,117	9,213,820
Gabriel Bruno	2023	540,000	852,046	420,001	979,026	678	197,964	2,989,715
Executive Vice President, Chief Financial Officer	2022	500,000	759,474	379,178	975,000	643	159,464	2,773,759
and Treasurer	2021	445,000	747,554	379,164	698,528	364	119,322	2,389,932
Steven B. Hedlund	2023	798,833	1,469,165	980,006	1,890,704	_	194,930	5,333,638
Executive Vice President, Chief Operating Officer	2022	564,584	962,817	340,000	1,317,851	_	186,452	3,371,704
(through December 31, 2023)	2021	440,000	595,576	302,086	659,373	_	225,282	2,222,317
Jennifer I. Ansberry	2023	468,000	524,038	258,324	731,351	_	158,939	2,140,652
Executive Vice President, General	2022	432,500	463,212	231,242	684,000	_	130,901	1,941,855
Counsel and Secretary	2021	424,000	455,938	231,257	530,871	_	114,018	1,756,084
Michele R. Kuhrt	2023	451,000	380,096	187,330	689,797	_	170,874	1,879,097
Executive Vice President, Chief Human Resources	2022	438,000	333,902	166,665	830,000	_	131,282	1,899,849
Officer	2021	413,000	314,928	159,669	546,773	_	109,640	1,544,010

The amounts reported for 2023 reflect the grant date fair value under FASB ASC Topic 718 for the RSU, Performance Share and stock option awards in 2023. The grant date fair value disclosed for Performance Share awards is based on target performance. Assumptions used in the calculation of these amounts are included in footnote 10 to our audited financial statements for the fiscal year ended December 31, 2023 included in our Annual Report on Form 10-K filed with the SEC on February 27, 2024.

The amounts shown for stock awards for 2023 represent RSU awards as follows: Mr. Mapes \$2,098,266, Mr. Hedlund \$982,256, Mr. Bruno \$426,023, Ms. Ansberry \$262,019, and Ms. Kuhrt, \$190,048. The amounts shown also include Performance Shares at target as follows: Mr. Mapes \$2,098,266, Mr. Hedlund \$486,909, Mr. Bruno \$426,023, Ms. Ansberry \$262,019, and Ms. Kuhrt, \$190,048.

The maximum Performance Share award amount with respect to each of the NEOs for 2023 is shown in the table below. The amounts reported reflect the grant date fair value under FASB ASC Topic 718 for the Performance Share awards based on maximum performance.

Name	Year	Maximum Payout (# of Performance Shares)	Maximum Grant Date Fair Value Payout
Christopher L. Mapes	2023	23,848	\$4,196,532
Gabriel Bruno	2023	4,842	\$ 852,046
Steven B. Hedlund	2023	5,534	\$ 973,818
Jennifer I. Ansberry	2023	2,978	\$ 524,038
Michele R. Kuhrt	2023	2,160	\$ 380,096

² The amounts shown for 2023 represent payments under our annual bonus (EMIP).

3 The amounts shown for 2023 represent the difference in earnings under the Moody's Corporate Bond Index fund in our Top Hat Plan and a hypothetical rate.

2023 INCREASE IN PENSION VALUE & PREFERENTIAL EARNINGS (TOP HAT PLAN)

Name	Difference in 2023 Earnings Credited in the Top Hat Plan (\$)	Moody's Corporate Bond Index Earnings (\$)	Hypothetical Market Rate (\$)*
Christopher L. Mapes	138,395	1,149,566	1,011,171
Gabriel Bruno	678	5,610	4,932
Steven B. Hedlund	_	_	_
Jennifer I. Ansberry	_	_	_
Michele R. Kuhrt	_	_	_

^{*} This rate is specified by the SEC rules for proxy disclosure purposes and is based on 120% of the applicable federal long-term rate, compounded monthly for 2023.

4 The amounts shown for 2023 are comprised of the following:

2023 ALL OTHER COMPENSATION

				Other Benefits ar	nd Perquisite	s*		
Name	Company Retirement Contributions (\$)ª	Travel Insurance Premiums (\$)	Financial Planning (\$)	Physical Examination (\$)	Club Dues (\$)	Travel and Other Personal Benefits (\$) ^b	Standard Expatriate Benefits (\$)°	Total All Other Compensation (\$)
Christopher L. Mapes	251,766	454	15,052	2,051	37,236	13,788	_	320,347
Gabriel Bruno	181,800	454	12,885	2,825	_	_	_	197,964
Steven B. Hedlund	127,001	454	12,733	_	35,702	913	18,127	194,930
Jennifer I. Ansberry	138,240	454	15,750	4,495	_	_	_	158,939
Michele R. Kuhrt	153,720	454	12,943	3,757	_	_	_	170,874

^{*} The methodology for computing the aggregate incremental cost for the amounts is below:

a Includes amounts contributed to both the 401(k) Plan and the Restoration Plan

 $b \qquad \text{Includes the aggregate incremental cost of personal travel expenses attributable to the NEOs.} \\$

c The expatriate benefits shown relate to Mr. Hedlund's previous international assignment and are provided to all U.S. employees who take an international assignment. Amounts are converted to U.S. dollars on a monthly basis based on a month-end conversion price, in local currency, as reported by Bloomberg. The conversion price for Pound Sterling was between £1.24 to \$1.00 during the period in 2023 that Mr. Hedlund was receiving tax services associated with his previous expatriate assignment under our standard expatriate package for all employees.

2023 GRANT OF PLAN-BASED AWARDS

The following table provides information relating to plan-based awards granted in 2023 to our NEOs.

			Estimated Possible Payouts Under Non-Equity Incentive Plan Awards ¹				Jnder Equi	ure Payouts ty Incentive an Awards ²	All Other Stock Awards: Number of Shares	All Other Option Awards: Number of Securities	Exercise or Base Price of	Fair Value of Stock
Name	Grant Type	Grant Date	Threshold [\$]	Target [\$]	Maximum [\$]	Threshold [#]	Target [#]	Maximum [#]	of Stock or Units (#)³	Underlying Options (#) ⁴	Option Awards (\$/Sh)	and Option Awards (\$)⁵
Christopher	EMIP	2/15/2023	0	1,606,000	3,212,000							
L. Mapes	Options	2/15/2023								44,761	\$175.97	2,068,853
	RSUs	2/15/2023							11,924			2,098,266
	PSUs	2/15/2023				0	11,924	23,848				2,098,266
Gabriel	EMIP	2/15/2023	0	566,000	1,132,000							
Bruno	Options	2/15/2023								9,087	\$175.97	420,001
	RSUs	2/15/2023							2,421			426,023
	PSUs	2/15/2023				0	2,421	4,842				426,023
Steven B.	EMIP	2/15/2023	0	1,093,064	2,186,128							
Hedlund	Options	2/15/2023								10,385	\$175.97	479,995
	RSUs	2/15/2023							2,767			486,909
	PSUs	2/15/2023				0	2,767	5,534				486,909
	Options	8/1/2023								9,227	\$200.14	500,011
	RSUs	8/1/2023							2,475			495,347
Jennifer I.	EMIP	2/15/2023	0	440,000	880,000							
Ansberry	Options	2/15/2023								5,589	\$175.97	258,324
	RSUs	2/15/2023							1,489			262,019
	PSUs	2/15/2023				0	1,489	2,978				262,019
Michele R.	EMIP	2/15/2023	0	415,000	830,000							
Kuhrt	Options	2/15/2023								4,053	\$175.97	187,330
	RSUs	2/15/2023							1,080			190,048
	PSUs	2/15/2023				0	1,080	2,160				190,048

- The performance-based amounts shown represent the range of cash payouts (from zero to the maximum amount listed) for 2023 under the EMIP. Payments are based on the achievement of company financial performance and the NEO's individual performance. Target awards are set by the Committee in the first quarter each year. Actual payment amounts are determined by the Committee in the first quarter of the following year. The targets shown above are pursuant to the Annual Bonus (EMIP) Formula described in the CD&A (which allows for potential payouts of up to 200% of target).
- These columns show the potential number of shares of our common stock to be paid out to our NEOs under our Performance Shares (PSUs) at threshold, target and maximum performance. The measures and potential payouts are described in more detail in the CD&A. The grant date fair value, based on target performance for PSUs, is included in the "Stock Awards" column of the Summary Compensation Table. The PSUs generally vest based on performance during the applicable performance period. Dividend equivalents are sequestered by us until the shares underlying the PSUs are distributed, at which time the dividend equivalents are paid in cash. The dividend rate for dividend equivalents paid on the PSUs to the NEOs is the same as for all other shareholders (in other words, it is not preferential). Recipients of PSUs who participate in our EMIP bonus program (which includes all of the NEOs) are eligible to elect to defer all or a portion of their PSUs under our Top Hat Plan see the 2023 Nonqualified Deferred Compensation section for a description of this plan.
- The RSUs generally vest upon the recipient remaining in continuous employment for three years from the date of grant and are paid out in our common stock. Dividend equivalents are sequestered by us until the shares underlying the RSUs are distributed, at which time the dividend equivalents are paid in cash. The dividend rate for dividend equivalents paid on the RSUs to the NEOs is the same as for all other shareholders (in other words, it is not preferential). Recipients of RSUs who participate in

our EMIP bonus program (which includes all of the NEOs) are eligible to elect to defer all or a portion of their RSUs under our Top Hat Plan - see the 2023 Nonqualified Deferred Compensation section for a description of this plan. With respect to the award of RSUs to Mr. Hedlund on August 1, 2023, this represents an additional award approved by the Committee equal in value to \$500,000 in connection with his pending appointment as President and Chief Executive Officer.

- The stock options were granted at the closing price of our common shares on the date of the grant. All stock options are non-qualified for tax purposes. We value stock options using the Black-Scholes valuation method. The stock options generally vest over a three-year period (in equal annual increments). All stock options have 10-year terms. With respect to the award of stock options to Mr. Hedlund on August 1, 2023, this represents an additional award approved by the Committee equal in value to \$500,000 in connection with his pending appointment as President and Chief Executive Officer.
- The amounts shown represent the fair value of the RSU awards, the stock option grants and the PSU awards (at target) calculated in accordance with FASB ASC Topic 718 as of the date of the grant. The actual amount, if any, realized upon the exercise of stock options will depend upon the market price of our common shares relative to the exercise price per share of the stock option at the time of exercise. The actual amount realized upon vesting of RSUs will depend upon the market price of our common shares at the time of vesting. The actual number and value of PSUs earned will be based upon our actual performance during the three-year long-term incentive plan cycle and the market price at time of vesting. There is no assurance that the hypothetical full values of the awards reflected in this table will actually be realized.

NARRATIVE DISCLOSURE REGARDING 2023 SUMMARY COMPENSATION TABLE AND 2023 GRANTS OF PLAN-BASED AWARD TABLE

The following highlights the salary and annual bonus percentages of total compensation reported in the 2023 Summary Compensation Table, based on the value of 2023 base salary and 2023 actual annual bonus (EMIP) for each of our NEOs:

Name	% of Base Salary and Annual Bonus To Total Compensation
Christopher L. Mapes	36.6%
Gabriel Bruno	50.8%
Steven B. Hedlund	50.4%
Jennifer I. Ansberry	56.0%
Michele R. Kuhrt	60.7%

The above percentages were based, in each case, on the value of the executive's 2023 base salary and 2023 actual EMIP (or annual bonus). For information regarding the amount of salary and annual bonus compensation in proportion to total compensation, see the "Our Compensation Philosophy" section of the CD&A. Further, the grants made in 2023 to the NEOs are described more fully in the CD&A, and information about the change in control severance agreements and the amounts payable to the NEOs pursuant to those arrangements is provided under the section titled "Termination and Change in Control Arrangements" in this Proxy Statement.

Holdings of Equity-Related Interests

The following provides information relating to exercisable and unexercisable stock options, RSUs and Performance Shares at December 31, 2023.

OUTSTANDING EQUITY AWARDS AT 2023 FISCAL YEAR-END

			Option Av	ards .			St	ock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable ¹	Number of Securities Underlying Unexercised Options (#) Unexercisable ¹	Option Exercise Price (\$/sh)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested [#] ²	Market Value of Shares or Units of Stock That Have Not Vested (\$) ³	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that Have Not Vested [#] ⁴	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units, or Other Rights That Have Not Vested (\$)³
Christopher L.	2/21/2018	65,894	_	90.70	2/21/2028	_	_	_	_
Mapes	2/18/2019	76,365	_	88.44	2/18/2029	_	_	_	_
	2/19/2020	83,490	_	89.63	2/19/2030	_	_	_	_
	2/17/2021	54,274	27,139	114.27	2/17/2031	15,243	3,314,743	_	_
	2/16/2022	22,352	44,705	128.03	2/16/2032	14,341	3,118,594	28,682	6,237,188
	2/15/2023	_	44,761	175.97	2/15/2033	11,924	2,592,993	23,848	5,185,986
Gabriel	4/24/2013	_	_	_	_	2,879	626,067	_	_
Bruno	2/22/2017	6,670	_	85.30	2/22/2027	_	_	_	_
	2/21/2018	6,150	_	90.70	2/21/2028	_	_	_	_
	2/18/2019	6,682	_	88.44	2/18/2029	_	_	_	_
	2/19/2020	7,305	_	89.63	2/19/2030	_	_	_	
	2/17/2021	11,648	5,825	114.27	2/17/2031	3,271	711,312	_	_
	2/16/2022	4,623	9,246	128.03	2/16/2032	2,966	644,986	5,932	1,289,973
	2/15/2023		9,087	175.97	2/15/2033	2,421	526,471	4,842	1,052,941
Steven B.	4/24/2013	_	_	_	_	3,663	796,556	_	_
Hedlund	2/21/2018	9,313	_	90.70	2/21/2028			_	_
	2/18/2019	11,741	_	88.44	2/18/2029	_	_	_	_
	2/19/2020	12,837	_	89.63	2/19/2030	_	_	_	_
	2/17/2021	9,280	4,641	114.27	2/17/2031	2,606	566,701	_	_
	2/16/2022	4,145	8,291	128.03	2/16/2032	2,660	578,444	5,320	1,156,887
	5/9/2022	_		_	_	2,061	448,185	_	
	2/15/2023	_	10,385	175.97	2/15/2033	2,767	601,712	5,534	1,203,424
	8/1/2023	_	9,227	200.14	8/1/2033	2,475	538,214	_	
Jennifer I.	2/19/2020	11,124	_	89.63	2/19/2030			_	_
Ansberry	2/17/2021	7,104	3,553	114.27	2/17/2031	1,995	433,833	_	_
	2/16/2022	2,819	5,639	128.03	2/16/2032	1,809	393,385	3,618	786,770
	2/15/2023		5,589	175.97	2/15/2033	1,489	323,798	2,978	647,596
Michele R.	2/21/2018	3,954		90.70	2/21/2028				_
Kuhrt	2/18/2019	5,514	_	88.44	2/18/2029	_	_		
	2/19/2020	7,118	_	89.63	2/19/2030	_	_	_	_
	2/17/2021	4,904	2,454	114.27	2/17/2031	1,378	299,660		_
	2/16/2022	2,032	4,064	128.03	2/16/2032	1,304	283,568	2,608	567,136
	2/15/2023	_,	4,053	175.97	2/15/2023	1,080	234,857	2,160	469,714

¹ Stock options generally vest in three equal annual installments, commencing on the first anniversary of the date of the grant.

² Amounts shown in this column represent RSU awards. The RSU awards generally vest in full three years from the date of grant. The RSU awards granted to Mr. Bruno and Mr. Hedlund in 2013 vests over seven years following each of their attainment of age 55.

The amounts shown in these columns represent the value of RSU and Performance Share awards granted pursuant to our 2006 Equity and Performance Incentive Plan, and our 2015 and 2023 Equity and Incentive Compensation Plans. Value is calculated using the close price of our common stock on the last trading day of 2023.

The 2022 and 2023 Performance Shares are shown at maximum payout (200% of the target award) because the target performance level would be exceeded based on performance through December 31, 2023. The payout can range from 0 to 200% of the target and is based upon performance during the three-year cycle ending on December 31 of the second year following the year in which the Performance Shares were granted, as determined by the Committee. Earned Performance Shares are generally settled in shares in the early part of the following year. See the CD&A on how Performance Share payouts are determined.

2023 OPTION EXERCISES AND STOCK VESTED TABLE

The following table provides information on stock options exercised, as well as RSUs and Performance Shares that vested during 2023.

	Option Aw	ards ¹	Stock Awards ²			
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)		
Christopher L. Mapes	157,640	20,470,981	44,897	10,576,643		
Gabriel Bruno	_	_	12,406	2,724,346		
Steven B. Hedlund	21,115	2,392,439	10,348	2,308,526		
Jennifer I. Ansberry	8,962	981,955	5,910	1,390,460		
Michele R. Kuhrt	7,795	812,530	5,336	1,189,473		

- The number of shares acquired on exercise reflects the gross number of shares acquired, without considering any shares that were withheld to pay the option exercise price and/or to satisfy tax withholding requirements. The value realized on exercise represents the gross number of shares acquired on exercise multiplied by the market price of our common stock on the exercise date, less the per share exercise price.
- The number of shares acquired on vesting reflects the gross number of shares acquired, without considering any shares that were withheld to satisfy tax withholding requirements. The value realized on vesting for RSUs represents the gross number of shares acquired, multiplied by the closing price of our common stock on each applicable vesting date, plus the value of dividend equivalents. The value realized on vesting for Performance Shares represents the gross number of shares acquired, relative to the 2021-2023 performance cycle that was considered earned as of December 31, 2023 but paid out in March 2024, multiplied by the closing price of our common stock on such date, plus the value of dividend equivalents. Amounts are not reduced to reflect any elections by our NEOs to defer receipt of RSUs or Performance Shares award payouts into our Top Hat Plan: Mr. Mapes, 14,411 RSUs and \$92,086 in dividend equivalents deferred; and Mr. Bruno, 6,542 Performance Shares and \$41,803 in dividend equivalents deferred. For more information about this deferral program, see the CD&A in the "Overview of Benefits" section.

2023 DEFERRED COMPENSATION BENEFITS

We maintain two nonqualified deferred compensation plans in which our NEOs are eligible to participate.

Deferred Compensation Plan (Top Hat Plan)

Our Amended and Restated 2005 Deferred Compensation Plan for Executives (Top Hat Plan) is designed to be a "top-hat" plan that complies with Section 409A of the Internal Revenue Code. Participation is limited to management and highly compensated employees as approved by the Committee. A summary of the Top Hat Plan is provided in the CD&A in the "Other Arrangements, Policies and Practices" section.

Restoration Plan

Our Restoration Plan is designed to provide deferred compensation for eligible employees whose annual compensation is expected to be in excess of the Internal Revenue Code limit on compensation (Code Limit) applicable to the 401(k) Plan. A summary of the Restoration Plan is provided in the CD&A in the "Other Arrangements, Policies and Practices" section

2023 NONQUALIFIED DEFERRED COMPENSATION TABLE

The following table reflects any NEO contributions and Company contributions for 2023 to our nonqualified deferred compensation plans.

Name	Plan Name	Executive Contributions in Last Fiscal Year (S)	Registrant Contributions in Last Fiscal Year (\$)¹	Aggregate Earnings in Last Fiscal Year (\$)	Aggregate Withdrawals/ Distributions (\$)	Aggregate Balance at Last Fiscal Year-End (\$) ²
Christopher L. Mapes	Top Hat Plan	_	2,632,601 ³	7,044,056 ⁴	_	40,943,385
	Restoration Plan	_	231,966	254,437	_	1,611,334
Gabriel Bruno	Top Hat Plan	_	410,732 ⁵	634,413 ⁶	_	2,123,927
	Restoration Plan	_	142,200	75,134	_	627,064
Steven B. Hedlund	Top Hat Plan	_	_	9,051	_	61,686
	Restoration Plan	_	107,201	66,716	_	421,587
Jennifer I. Ansberry	Top Hat Plan	_	_	_	_	_
	Restoration Plan	_	98,640	108,235	_	595,789
Michele R. Kuhrt	Top Hat Plan	_	_	_	_	_
	Restoration Plan	_	114,120	59,782	_	514,821

- 1 Amounts reported with respect to the Restoration Plan are included in compensation for 2023 in the "All Other Compensation" column of the Summary Compensation Table above and are described in its footnotes.
- 2 The portions of the amount reported that relate to deferral contributions in prior years have all been reported in the Summary Compensation Table in those years to the extent the individual was a NEO for those years.
- 3 Represents 14,411 RSUs and \$92,086 in cash attributable to dividend equivalents that vested during 2023 and were deferred into the Top Hat Plan.
- 4 Of the amount reported, \$138,395 is included as compensation for 2023 in the "Change in Pension Value and Nonqualified Deferred Compensation Earnings" column of the Summary Compensation Table and is described in its footnotes.
- 5 Represents 2,284 Performance Shares and \$14,595 in cash attributable to dividend equivalents that vested during 2023 and were deferred into the Top Hat Plan.
- 6 Of the amount reported, \$678 is included as compensation for 2023 in the "Change in Pension Value and Nonqualified Deferred Compensation Earnings" column of the Summary Compensation Table and is described in its footnotes.

Termination and Change in Control Arrangements

The Key Compensation Programs table below highlights the standard benefits and payments available to NEOs in the event of a termination of employment and/or a change in control. The Termination and Change in Control Table below reflects the estimated additional amounts of compensation each NEO would receive in the event of a termination of employment and/or a change in control. Termination events include: a voluntary termination by the executive; normal retirement of the executive; an involuntary, not-for-cause termination by Lincoln Electric; a for-cause termination by Lincoln Electric; a termination upon a change in control; and a termination due to death or disability. In addition, estimated additional compensation amounts are shown in the event of a change in control without termination of employment. The amounts shown assume that each event occurred on December 29, 2023, the last business day of the calendar year.

TERMINATION OF EMPLOYMENT

No written agreements exist that provide additional payments to a NEO in the event of a voluntary termination of employment with Lincoln Electric or a termination of employment initiated by Lincoln Electric (whether for cause or not). We do not have employment agreements or severance agreements, except for our change in control severance agreements described below.

Pursuant to our standard employment policies, upon termination of employment, a NEO would be entitled to receive the same benefits and payments that are generally available to salaried employees:

- Earned but unpaid base pay, up to the date of termination:
- Earned and unused paid time off, up to the date of termination:
- Vested amounts held in the executive's account. under our 401(k) Plan;
- Amounts held in the executive's account under our Top Hat Plan (based on the executive's election); and
- Amounts held in the executive's account under our Restoration Plan

CHANGE IN CONTROL

We have entered into change in control severance agreements with our NEOs. Pursuant to our change in control severance agreements, in the event of a "change in control," if the NEO's employment is terminated without "cause" (as defined in the change in control severance agreement) or the NEO terminates employment for "good reason" (as defined in the change in control severance agreement) during the severance period (as described below) (or for certain other employment terminations prior to and related to the change in control, as described in the change in control severance agreement), we will make severance payments and provide certain benefits as indicated in the Key Compensation Programs table below.

The severance period commences on the date of the first occurrence of a change in control and ends on the earlier of (a) the second anniversary of the change in control, or (b) the executive's death. Our NEOs are required to abide by certain restrictive covenants and execute a release of claims in order to receive certain severance payments and benefits under the change in control severance agreements.

The following events in general would constitute a change in control:

- Any individual, entity or group is or becomes the beneficial owner of 30% or more of the combined voting power of the then- outstanding voting stock of Lincoln Electric:
- A majority of the Board ceases to be comprised of incumbent Directors;
- Certain reorganizations, mergers or consolidations, or the sale or other disposition of all or substantially all of the assets of Lincoln Electric, or certain other corporate transactions are consummated; or
- Approval by the shareholders of a complete liquidation or dissolution of Lincoln Electric.

KEY COMPENSATION PROGRAMS

	Voluntary Termination/ Termination with Cause	Involuntary Termination/ Termination without Cause	Normal Retirement ¹	Change in Control (with Termination) ²	Change in Control (No Termination)	Death or Disability
Severance	None	Company has discretion	None	Lump-sum payment equal to the sum of base pay and bonus as described in the severance agreement times three for the CEO and times two for other NEOs	None	None
Annual Bonus (EMIP)	Forfeited	Forfeited	Pro-rata portion of EMIP ³	Pro-rata portion of EMIP payment equal to the greater of the actual or target amount	Pro-rata EMIP payment equal to the greater of the actual or target amount	Pro-rata portion of EMIP ³
Long-Term Incentive Plan (Performance Shares)	Forfeited	Forfeited	Full vesting of Performance Shares, based on actual performance	Accelerated vesting of Performance Shares at target, if replacement award provided and subsequent qualifying termination	No accelerated vesting if replacement award provided and continued employment Accelerated vesting of Performance Shares granted prior to the change in control at target, if no replacement award provided	Accelerated vesting of Performance Shares at target
Stock Options	Unvested stock options forfeited Entitled to exercise vested stock options for a period of three months after termination ^{4,5}	Unvested stock options forfeited Entitled to exercise vested stock options for a period of three months after termination ^{4,5}	Accelerated vesting of any unvested stock options with right to exercise such vested options for the remaining period of the original 10-year term ⁵	Accelerated vesting of unvested stock options, if replacement award provided and subsequent qualifying termination Entitled to exercise vested stock options for the remaining period of the original 10-year term ⁵	No accelerated vesting if replacement award provided and continued employment Accelerated vesting of unvested stock options granted prior to change in control, if no replacement award provided	Accelerated vesting of unvested stock options Entitled to exercise stock options for a period of three years after death or disability ^{4,5}

	Voluntary Termination/ Termination with Cause	Involuntary Termination/ Termination without Cause	Normal Retirement ¹	Change in Control (with Termination) ²	Change in Control (No Termination)	Death or Disability
RSUs	Forfeited	Forfeited	Accelerated vesting of RSU awards	Accelerated vesting of RSU awards, if replacement award provided and subsequent qualifying termination	No accelerated vesting if replacement award provided and continued employment Accelerated vesting of RSU awards granted prior to change in control, if no replacement award provided	Accelerated vesting of RSU awards
Outplacement	None	None	None	Maximum of \$100,000 for CEO and \$50,000 for the other NEOs	None	None
280G Treatment	N/A	N/A	N/A	6	N/A	N/A
Other	Continuing medical and/ or dental coverage under COBRA, for which the executive would pay 102% of the applicable premium	Continuing medical and/ or dental coverage under COBRA, for which the executive would pay 102% of the applicable premium	Continuing medical and/or dental coverage under COBRA, for which the executive would pay 102% of the applicable premium	Continuing medical insurance (102% of the premium paid by the executive) and life insurance for a period of three years following the NEO's termination date ⁷	7	Continuing medical and/or dental coverage with 102% of the premium paid by the executive (or his or her surviving dependents)

- 1 Subject to any 409A deferred payment requirements. For purposes of the Annual Bonus (EMIP), Normal Retirement is defined as termination at or after age 60 and 5 years of service or at or after age 55 and 25 years of service. For purposes of Performance Shares, stock options and RSUs, commencing with awards granted in 2021, Normal Retirement is defined as termination at or after age 60 and 5 years of service or at or after age 55 and 15 years of service.
- 2 Provision applicable in the event of a termination without Cause or termination for Good Reason in connection with a Change in Control. With respect to Performance Shares, stock options and RSUs, such termination without Cause or termination for Good Reason must occur within a period of two years after the Change in Control (or in certain employment terminations prior to and related to the change in control) to receive the accelerated vesting treatment.
- 3 Based on the executive's period of employment during the calendar year, subject to achievement of the applicable personal and financial goals.
- 4 After which time the vested stock options would expire.
- 5 Vested stock options canceled if the executive is terminated for cause or the executive engaged in competitive conduct within six months of termination.
- 6 Severance payments reduced to the 280G (excess parachute payment) safe harbor limit, unless the executive would achieve a better after-tax result paying the excise tax imposed on excess parachute payments. No payment, net of taxes, to compensate for any excise tax imposed.
- 7 Amounts and/or shares (from vested RSUs or Performance Shares) held in executives' accounts under the Top Hat Plan automatically paid out.

TERMINATION AND CHANGE IN CONTROL TABLE

The following table sets forth estimates of the potential incremental payments to each of our NEOs upon the specified termination events and upon a change in control, both with and without a qualified termination, assuming that each such event took place on the last business day of 2023.

The table does not quantify benefits under plans that are generally available to salaried employees that do not discriminate in favor of NEOs, including the 401(k) Plan, the health care plan and the life insurance plan.

The Annual Bonus (EMIP) amounts represent the difference between target EMIP and actual EMIP payments (as disclosed in the Non-Equity Incentive Plan Compensation column of the 2023 Summary Compensation Table) if target EMIP exceeds actual EMIP in connection with a hypothetical change in control as of the last business day of 2023. The LTIP (Performance Shares) amounts include amounts for the 2022-2024 and 2023-2025 cycles, represented by the target amounts for the two cycles that were open as of the last business day of 2023. There is no amount included for the 2021-2023 cycle because actual performance exceeded target performance.

The following table assumes, in the event of a change in control, replacement awards are provided pursuant to the 2015 and 2023 Equity and Incentive Compensation Plan's respective Stock Option Agreement, Restricted Stock Unit Agreement, and Performance Share Agreement ("Agreements"). Pursuant to the Agreements, if the respective equity awards are not replaced, all outstanding equity awards will accelerate as of the closing date of the change in control. In the event of a change in control where no replacement awards are provided, the accelerated equity values are consistent with the accelerated equity values under Change in Control (Replacement Awards; Qualified Termination).

In addition, the table includes all equity that is accelerated as a result of termination but does not include the value of outstanding equity awards that have previously vested, such as stock options, which awards are set forth above in the Outstanding Equity Awards at December 31, 2023 table. For descriptions of the compensation plans and agreements that provide for the payments set forth in the following table, including our change in control agreements, see the "Elements of Executive Compensation" discussion contained in the CD&A.

Under the normal retirement scenario, the retirement definition is either at or after age 60 and 5 years of service or at or after age 55 and 15 years of service, and, as of December 29, 2023, four NEOs were eligible for normal retirement under the equity awards. The Annual Bonus (EMIP) has a retirement definition of either at or after age 55 and 25 years of service or at or after age 60 and 5 years of service, under which three NEOs were eligible for normal retirement as of December 29, 2023. There are no amounts included in the retirement scenario below for the EMIP bonus as (due to calculation on the last business day of the year) it was deemed and assumed to have been fully earned. The amounts shown for the Performance Shares assumes performance at target, although actual payout upon retirement would be based on actual performance determined in the normal course.

	Christopher L. Mapes	Gabriel Bruno	Steven B. Hedlund	Jennifer I. Ansberry	Michele R. Kuhrt
Involuntary Termination/Termination without Cause before Normal Retirement:	N/A	N/A	N/A	N/A	N/A
Normal Retirement:	\$23,705,331	\$4,924,253	\$5,795,990	Not Eligible	\$2,149,494
Performance Shares—Accelerated Vesting	\$ 5,813,935	\$ 1,192,506	\$1,200,600	N/A	\$ 527,720
Stock Options—Accelerated Vesting	\$ 8,655,408	\$ 1,804,902	\$1,810,956	N/A	\$ 784,693
RSUs-Accelerated Vesting	\$ 9,235,988	\$ 1,926,845	\$2,784,434	N/A	\$ 837,081

	Christo	opher L. Mapes		Gabriel Bruno		Steven B. Hedlund		Jennifer I. Ansberry		Michele R. Kuhrt
Change in Control (Replacement Awards; Qualified Termination):	\$35,6	15,232	\$7,6	503,101	\$1	10,175,853	\$5,	211,575	\$4	,478,267
Severance	\$ 11,8	09,901	\$ 2,	753,528	\$	4,949,000	\$ 2	,150,871	\$:	2,278,773
Annual Bonus (EMIP)	\$	0	\$	0	\$	0	\$	0	\$	0
Performance Shares—Accelerated Vesting	\$ 5,8	13,935	\$ 1,	192,506	\$	1,200,600	\$	730,054	\$	527,720
Stock Options—Accelerated Vesting	\$ 8,6	55,408	\$ 1,	804,902	\$	1,810,956	\$ 1	,102,719	\$	784,693
RSUs-Accelerated Vesting	\$ 9,2	35,988	\$ 2,	604,946	\$	3,647,122	\$ 1	,177,931	\$	837,081
Outplacement Estimate	\$ 1	.00,000	\$	50,000	\$	50,000	\$	50,000	\$	50,000
280G Cutback	\$	0	\$ (802,781)	\$	(1,481,825)	\$	0	\$	0
Change in Control (Replacement Awards; No Termination):	\$	0	\$	0	\$	0	\$	0	\$	0
Annual Bonus (EMIP)	\$	0	\$	0	\$	0	\$	0	\$	0
Performance Shares—Accelerated Vesting	\$	0	\$	0	\$	0	\$	0	\$	0
Stock Options—Accelerated Vesting	\$	0	\$	0	\$	0	\$	0	\$	0
RSUs-Accelerated Vesting	\$	0	\$	0	\$	0	\$	0	\$	0
Death or Disability:	\$23,7	05,331	\$5,6	02,354	\$	6,658,678	\$3,	010,704	\$2	,149,494
Performance Shares–Accelerated Vesting	\$ 5,8	13,935	\$ 1,	192,506	\$	1,200,600	\$	730,054	\$	527,720
Stock Options—Accelerated Vesting	\$ 8,6	55,408	\$ 1,	804,902	\$	1,810,956	\$ 1	,102,719	\$	784,693
RSUs-Accelerated Vesting	\$ 9,2	35,988	\$ 2,	604,946	\$	3,647,122	\$ 1	,177,931	\$	837,081

CEO Pay Ratio

For 2023, we estimate that the ratio of the annual total compensation of our CEO (\$10,609,670 which is the same amount reported for Mr. Mapes in the 2023 Summary Compensation Table) to the annual total compensation of our median employee (\$52,942) is 200:1. We note that, due to our permitted use of reasonable estimates and assumptions in preparing this pay ratio disclosure, the disclosure may involve a degree of imprecision, and thus this ratio disclosure is a reasonable estimate calculated in a manner consistent with Item 402(u) of Regulation S-K using the data and assumptions described below.

In accordance with Item 402(u) of Regulation S-K, in calculating our CEO pay ratio for 2023, we determined our median employee based on total cash and equity compensation paid to our active employees as of October 1, 2023 for the period beginning on January 1, 2023. We included all full time, part time, seasonal and temporary employees, whether employed domestically or overseas and whether employed directly or by a consolidated subsidiary. Compensation for employees hired during 2023 was annualized for all employees other than temporary or seasonal employees (and full-time equivalencies were not created).

Annual total compensation for the median employee for 2023 was calculated using the same methodology used for our NEOs as set forth in the 2023 Summary Compensation Table. Of the employees that were identified as potential median employees, we selected an employee based in the U.S. that was representative of the largest portion of our workforce. Given the different methodologies that various public companies will use to determine an estimate of their pay ratio, the estimated ratio reported above should not be used as a basis for comparison between companies.



Pay Versus Performance

In accordance with Securities and Exchange Commission rules, we provide the following disclosure regarding executive compensation for our principal executive officer ("PEO") and non-PEO named executive officers ("non-PEO NEOs") and certain measures of Company performance for the fiscal years listed below. The Committee did not consider the pay versus performance disclosure below in making its pay decisions for any of the years shown.

			Average	Average Compensation		e of Initial Fixed ment Based on:4		
Year	Summary Compensation Table (SCT) Total for PEO ¹ (\$)	Compensation Actually Paid to PEO ^{1,2,3} (\$)	SCT Total for Non-PEO NEOs ¹ (\$)	for Non-PEO Non-PEO NEOs ¹ NEOs ^{1,2,3}		Peer Group TSR (\$)	Net Income (\$ Millions)	ROIC for Compensation Purposes ⁵
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
2023	10,609,670	27,971,976	3,085,776	5,933,007	241.00	143.54	545	22.6%
2022	10,096,478	14,415,143	2,496,792	3,176,483	157.95	123.28	472	28.1%
2021	9,213,820	17,818,888	1,978,086	3,241,658	149.83	141.80	276	21.5%
2020	7,077,536	11,078,312	1,936,038	1,600,715	122.93	113.66	206	13.7%

1 Christopher Mapes was our PEO for each year presented. The individuals comprising the non-PEO NEOs for each year presented are listed below.

2023	2022	2021	2020
Gabriel Bruno	Gabriel Bruno	Gabriel Bruno	Gabriel Bruno
Steven Hedlund	Steven Hedlund	Steven Hedlund	Steven Hedlund
Jennifer Ansberry	Jennifer Ansberry	Jennifer Ansberry	Jennifer Ansberry
Michele Kuhrt	Michele Kuhrt	Michele Kuhrt	Michele Kuhrt
			George Blankenship
			Vincent Petrella

- The amounts shown for Compensation Actually Paid have been calculated in accordance with Item 402(v) of Regulation S-K and may not necessarily reflect compensation actually earned, realized, or received by the Company's PEO and non-PEO NEOs. These amounts reflect the Summary Compensation Table Total with certain adjustments as described in footnote 3 below. Please note that, while similar adjustment information was provided in our 2023 proxy statement for years 2020, 2021 and 2022, under applicable SEC guidance, repeating such adjustment information is not required in this Proxy Statement because in our view it is not material to our shareholders' understanding of the information reported in the table above for 2023 or the related disclosures provided below.
- 3 Compensation Actually Paid for 2023 (the most recent year included in the table above) reflects the exclusions and inclusions of certain amounts for the PEO and the non-PEO NEOs as set forth below. Equity values are calculated in accordance with FASB ASC Topic 718. Amounts in the Exclusion of Stock Awards and Option Awards column are the totals from the Stock Awards and Option Awards columns set forth in the Summary Compensation Table. Amounts in the Exclusion of Change in Pension Value column reflect the amounts attributable to the Change in Pension Value reported in the Summary Compensation Table.

Year	Summary Compensation Table Total for PEO (\$)	Exclusion of Change in Pension Value (\$)	Exclusion of Stock Awards and Option Awards (\$)	Inclusion of Pension Service Cost (\$)	Inclusion of Equity Values (\$)	Compensation Actually Paid to PEO (\$)
2023	10,609,670	_	(6,265,385)	_	23,627,691	27,971,976
Year	Average Summary Compensation Table Total for Non-PEO NEOs (\$)	Exclusion of Change in Pension Value (\$)	Exclusion of Stock Awards and Option Awards (\$)	Inclusion of Pension Service Cost (\$)	Inclusion of Equity Values (\$)	Compensation Actually Paid to Non-PEO NEOs (\$)
2023	3,085,776	_	(1,267,752)	_	4,114,983	5,933,007

The amounts in the Inclusion of Equity Values in the tables above are derived from the amounts set forth in the following tables:

Year	Year-End Fair Value of Equity Awards Granted During Year That Remained Unvested as of Last Day of Year for PEO (\$)	Change in Fair Value from Last Day of Prior Year to Last Day of Year of Unvested Equity Awards Granted in Prior Years for PEO (\$)	Vesting Date Fair Value of Equity Awards Granted During Year that Vested During Year for PEO (\$)	Change in Fair Value from Last Day of Prior Year to Vesting Date of Unvested Equity Awards Granted in Prior Years that Vested During Year for PEO (\$)	Fair Value at Last Day of Prior Year of Equity Awards Forfeited During Year for PEO (\$)	Total - Inclusion of Equity Values for PEO (\$)
2023	9,660,547	10,846,923	_	3,120,221	_	23,627,691
Year	Average Year-End Fair Value of Equity Awards Granted During Year That Remained Unvested as of Last Day of Year for Non-PEO NEOs (\$)	Average Change in Fair Value from Last Day of Prior Year to Last Day of Year of Unvested Equity Awards Granted in Prior Years for Non-PEO NEOS	Average Vesting Date Fair Value of Equity Awards Granted During Year that Vested During Year for Non-PEO NEOS (\$)	Average Change in Fair Value from Last Day of Prior Year to Vesting Date of Un- vested Equity Awards Granted in Prior Years that Vested During Year for Non-PEO NEOs (\$)	Average Fair Value at Last Day of Prior Year of Equity Awards Forfeited During Year for Non- PEO NEOs (\$)	Total - Average Inclusion of Equity Values for Non-PEO NEOs (\$)
2023	1,849,541	1,810,353	_	455,089	_	4,114,983

⁴ The Peer Group Total Shareholder Return ("TSR") set forth in this table utilizes the S&P 400 Index, which we also utilize in the stock performance graph required by Item 201(e) of Regulation S-K included in our Annual Report for the year ended December 31, 2023. The comparison assumes \$100 was invested for the period starting December 31, 2019, through the end of the listed year in the Company and in the S&P 400 Index, respectively. Historical stock performance is not necessarily indicative of future stock performance.

We determined ROIC for Compensation Purposes to be the most important financial performance measure used to link Company performance to Compensation Actually Paid to our PEO and non-PEO NEOs in 2023. More information on ROIC for Compensation Purposes can be found in Appendix A. This performance measure may not have been the most important financial performance measure for prior years and we may determine a different financial performance measure to be the most important financial performance measure in future years.

RELATIONSHIP BETWEEN PEO AND NON-PEO NEO COMPENSATION ACTUALLY PAID AND COMPANY AND PEER GROUP TOTAL SHAREHOLDER RETURN ("TSR")

The following chart sets forth the relationship between Compensation Actually Paid to our PEO, the average of Compensation Actually Paid to our non-PEO NEOs, the Company's cumulative TSR over the four most recently completed fiscal years, and the cumulative TSR of the S&P 400 Index over the same period assuming initial investment of \$100 on December 31, 2019.

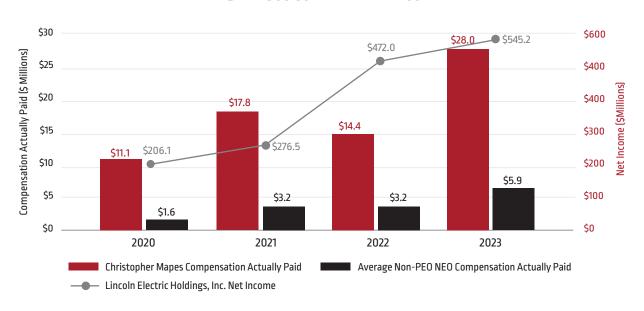
PEO AND AVERAGE NON-PEO NEO COMPENSATION ACTUALLY PAID VERSUS COMPANY TSR



RELATIONSHIP BETWEEN PEO AND NON-PEO NEO COMPENSATION ACTUALLY PAID AND COMPANY NET INCOME

The following chart sets forth the relationship between Compensation Actually Paid to our PEO, the average of Compensation Actually Paid to our non-PEO NEOs, and our GAAP Net income during the four most recently completed fiscal years.

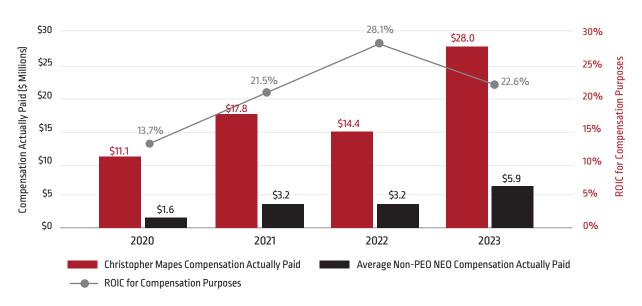
PEO AND AVERAGE NON-PEO NEO COMPENSATION ACTUALLY PAID VERSUS COMPANY NET INCOME



RELATIONSHIP BETWEEN PEO AND NON-PEO NEO COMPENSATION ACTUALLY PAID AND COMPANY ROIC FOR COMPENSATION PURPOSES

The following chart sets forth the relationship between Compensation Actually Paid to our PEO, the average of Compensation Actually Paid to our non-PEO NEOs, and Company ROIC for Compensation Purposes (annual results) during the four most recently completed fiscal years.

PEO AND AVERAGE NON-PEO NEO COMPENSATION ACTUALLY PAID VERSUS COMPANY ROIC FOR COMPENSATION PURPOSES



TABULAR LIST OF MOST IMPORTANT FINANCIAL PERFORMANCE MEASURES

The following table presents the financial performance measures that the Company considers to have been the most important in linking Compensation Actually Paid to our PEO and our Non-PEO NEOs for 2023 to Company performance. The measures in this table are not ranked.

Return on Invested Capital (ROIC) for Compensation Purposes
Adjusted earnings before interest, taxes and bonus (EBITB)
Adjusted Revenue for Compensation Purposes (Adjusted Revenue)
Average operating working capital to net sales ratio (AOWC/Sales) for Compensation Purposes
Adjusted Net Income for Compensation Purposes



Management Ownership of Shares

The following table sets forth certain information regarding ownership of shares of common stock of Lincoln Electric as of December 31, 2023 (except as otherwise indicated) by each of our Directors and NEOs, as well as our Directors and executive officers as a group. Except as otherwise indicated, voting and investment power with respect to shares reported in this table are not shared with others.

RSUs and Performance Shares are generally not reflected in the table as there is no ability to acquire the shares attributable to them within 60 days of December 31, 2023. In addition, any vested RSUs and Performance Shares that are deferred into the Top Hat Plan or the Non-Employee Directors' Deferred Compensation Plan are generally not reflected in the table as there is no ability to acquire the shares attributable to them within 60 days of December 31, 2023. The table includes shares that would be received upon the vesting of RSUs within 60 days of December 31, 2023.

BENEFICIAL OWNERSHIP TABLE

	Number of Shares of Lincoln Electric Common Stock Beneficially Owned ¹	Percent of Class
Directors		
Brian D. Chambers	2	*
Curtis E. Espeland	16,667	*
Bonnie J. Fetch	3	
Patrick P. Goris	592 ²	*
Michael F. Hilton	6,294 ²	*
Marc A. Howze	3	
Kathryn Jo Lincoln	727,630 ^{2,4}	1.28 %
Phillip J. Mason	7,047 ⁵	*
Ben P. Patel	1,113 ²	*
Hellene S. Runtagh	28,978	*
Kellye L. Walker	2,379 ²	*
NEOs		
Christopher L. Mapes	427,216 ⁶	*
Gabriel Bruno	60,418 ⁷	*
Steven B. Hedlund	84,177 ⁸	*
Jennifer I. Ansberry	45,554 ⁹	*
Michele R. Kuhrt	43,954 ¹⁰	*
All Directors and Executive Officers as a group (21 persons)	1,513,637 ¹¹	2.629%

^{*} Indicates less than 1%

- 1 Reported in compliance with the beneficial ownership rules of the SEC, under which a person is deemed to be the beneficial owner of a security, for these purposes, if he or she has, or shares, voting power or investment power over the security or has the right to acquire the security within 60 days of December 31, 2023. With respect to the NEOs and executive officers, the amounts reported do not include any Performance Shares that vested and paid out in March 2024, as the number of Performance Shares to be received by each executive officer was unknown within 60 days of December 31, 2023.
- The following Directors had amounts deferred under the Non-Employee Directors' Deferred Compensation Plan which is not reflected in the table above: Mr. Chambers 1,908 shares; Mr. Goris 6,124 shares
- Ms. Fetch was elected to the Board on July 20, 2023. In connection with Ms. Fetch's election, she received an initial grant of 264 RSUs that will vest on the first anniversary of the date of grant. Mr. Howze was elected to the Board on October 17, 2023. In connection with Mr. Howze's election, he received an initial grant of 107 RSUs that will vest on the first anniversary of the date of grant.
- 4 Of the shares reported, 27,353 shares were held of record by a trust established by Ms. Lincoln, under which she has sole investment and voting power. The remaining 700,277 shares were held of record by The Lincoln Institute of Land Policy, of which Ms. Lincoln is the Chair, as to which shares Ms. Lincoln disclaims beneficial ownership. Ms. Lincoln has shared voting and shared investment power on these 700,277 shares.
- 5 The amount reported does not include 12,005 shares which were held of record by Mr. Mason's spouse in the Paula J. Mason Trust, as to which shares Mr. Mason does not have beneficial ownership.
- 6 Of the shares reported, Mr. Mapes held of record 45,189 shares. Mr. Mapes has or had the right to acquire 15,243 shares upon the vesting of RSUs within 60 days of December 31, 2023. Mr. Mapes has or had the right to acquire 366,784 shares upon the exercise of stock options within 60 days of December 31, 2023. Mr. Mapes had 27,923 RSUs deferred under the Top Hat Plan which are not reflected in the above table.
- 7 Of the shares reported, Mr. Bruno held of record 592 shares, of which 277 shares are held jointly with spouse. Mr. Bruno has or had the right to acquire 3,271 shares upon the vesting of RSUs within 60 days of December 31, 2023. Mr. Bruno has or had the right to acquire 56,555 shares upon the exercise of stock options within 60 days of December 31, 2023. Mr. Bruno had 9,220 Performance Shares deferred under the Top Hat Plan which are not reflected in the above table.
- Of the shares reported, Mr. Hedlund held 26,287 shares of record, 688 shares of which are held in the Stock Purchase Plan, and 2,397 shares of which are held in the 401(k) Plan. Mr. Hedlund has or had the right to acquire 2,606 shares upon the vesting of RSUs within 60 days of December 31, 2023. Mr. Hedlund has or had the right to acquire 55,284 shares upon the exercise of stock options within 60 days of December 31, 2023.
- 9 Of the shares reported, Ms. Ansberry held of record 14,277 shares, 20 shares of which are held jointly with her spouse. Ms. Ansberry has the right to acquire 1,995 shares upon the vesting of RSUs within 60 days of December 31, 2023. Ms. Ansberry has or had the right to acquire 29,282 shares upon the exercise of stock options within 60 days of December 31, 2023.
- 10 Of the shares reported, Ms. Kuhrt held 13,219 shares of record, 321 shares of which are held in the 401(k) Plan. Ms. Kuhrt has the right to acquire 1,378 shares upon the vesting of RSUs within 60 days of December 31, 2023. Ms. Kuhrt has or had the right to acquire 29,357 shares upon the exercise of stock options within 60 days of December 31, 2023.
- 11 Includes 27,661 shares that are RSUs held by all executive officers, as a group, that vest within 60 days of December 31, 2023 and 579,554 shares which all executive officers, as a group, have or had the right to acquire upon the exercise of stock options within 60 days of December 31, 2023.

In addition to the above management holdings, as of December 31, 2023, the 401(k) Plan held 846,329 shares of our common stock, or approximately 1.49% of the shares of our common stock outstanding.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides information regarding outstanding Stock Options, RSUs and Performance Shares and shares reserved for issuance under our equity compensation plans as of December 31, 2023:

Plan category	Number of Securities to Be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a) ¹	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b) ²	Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected In Column (a))
Equity compensation plans approved by security holders	1,428,753	\$108.85	2,192,720
Equity compensation plans not approved by security holders ⁴	_	_	_
Total	1,428,753	_	2,192,720

- The amount shown in column (a) includes the following: 919,619 Nonqualified Stock Options; 87,604 deferred RSUs and deferred Performance Shares; 164,178 Performance Shares (assuming payout levels at maximum-as a result, this aggregate reported number may overstate actual dilution); and 257,352 RSUs.
- The weighted average exercise price in column (b) includes nonqualified stock options only.
- The amount shown in column (c) represents common shares remaining available under the 2023 Equity and Incentive Compensation Plan ("Employee Plan") and the 2023 Stock Plan for Non-Employee Directors ("Director Plan"). The Employee Plan provides for the granting of options, appreciation rights, restricted shares, RSUs and performance-based awards. The Director Plan provides for the granting of options, restricted shares and RSUs. Under the Employee Plan, one common share is subtracted from the maximum number of common shares available under the Employee Plan for every common share granted. The amount in the table assumes payout levels at maximum for Performance Shares. Under the Director Plan only one common share is subtracted from the maximum number of common shares available for every common share granted.
- The Company does not maintain equity compensation plans that have not been approved by its shareholders.



Other Ownership of Shares

Set forth below is information about the number of shares held by any person (including any "group" as that term is used in Section 13(d)(3) of the Exchange Act) known to us to be an owner of more than 5% of the shares of our common stock as of December 31, 2023.

Name and Address of Beneficial Owner	Number of Shares and Nature of Beneficial Ownership	Percent of Class
The Vanguard Group 100 Vanguard Boulevard Malvern, Pennsylvania 19355	5,694,253 ¹	9.99%
BlackRock, Inc. 50 Hudson Yards New York, New York 10001	5,334,191²	9.36%

- According to its Schedule 13G/A filed on February 13, 2024, The Vanguard Group has sole voting power over 0 shares, shared voting power over 24,243 shares, sole dispositive power over 5,615,507 shares and shared dispositive power over 78,746 shares. In its Schedule 13G/A filing, The Vanguard Group states that the shares of our common stock reported in the filing were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired in connection with or as a participant in any transaction having that purpose or effect, other than activities solely in connection with a nomination under §240.14a-11.
- 2 According to its Schedule 13G/A filed on January 24, 2024, BlackRock, Inc. has sole voting power over 5,223,316 shares and sole dispositive power over 5,334,191 shares. In its Schedule 13G/A filing, BlackRock states that the securities referred to in the filing were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.



Compensation Committee Interlocks and Insider Participation

During 2023, each of Messrs. Hilton, Howze and Mason and Ms. Lincoln, Ms. Runtagh and Ms. Walker served on the Compensation and Executive Development Committee. No Compensation and Executive Development Committee member was an employee of Lincoln Electric or any of its subsidiaries, and there were no reportable business relationships between Lincoln Electric and the Compensation and Executive Development Committee members. None of our executive officers serves as a member of the board of directors or compensation committee of any entity that has one or more of its executive officers serving as a member of our Compensation and Executive Development Committee. In addition, none of our executive officers serves as a member of the compensation committee of any entity that has one or more of its executive officers serving as a member of our Board.



Annual Meeting Proposals



See "Proposal 1—Election of Directors" beginning on page 20 of this Proxy Statement for additional information.



Our Board of Directors recommends that shareholders vote "FOR" the ratification of the appointment of Ernst & Young LLP as Lincoln Electric's independent registered public accounting firm for the year ending December 31, 2024.

Fees for professional services provided by Ernst & Young LLP as our independent auditors in each of the last two fiscal years, in each of the following categories are:

	2023	2022
Audit Fees	\$2,780,000	\$2,482,000
Audit-Related Fees	_	246,000
Tax Fees	43,000	479,000
All Other Fees	_	_
Total Fees	\$2,823,000	\$3,207,000

Audit Fees include fees associated with the annual integrated audit of the financial statements and internal control over financial reporting in 2023 and 2022, the reviews of our quarterly reports on Form 10-Q, certain statutory audits required for our international subsidiaries and services provided in connection with regulatory filings with the SEC. Audit-Related Fees for 2022 primarily relate to audit-related services associated with acquisitions. Tax Fees include tax compliance, transfer pricing and tax advisory services.

AUDIT COMMITTEE PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee has established a policy regarding pre-approval of all audit and non-audit services performed by our independent auditors, including the scope of and fees for such services. Generally, requests for audit, audit-related and tax services, each as defined in the policy, must be presented for approval prior to the performance of such services, to the extent known at that time. For 2023, the Audit Committee has resolved that four specific categories of services, namely audit services, audit-related services, tax advisory services, and tax compliance services, are permissible without itemized pre-approval in an amount not to exceed for each service:

Pre-Approval Amount	Services
\$2,804,000	Audit, and Audit-Related services for acquisitions, new accounting pronouncements and other international statutory requirements
\$800,000	Tax Advisory and Tax Compliance services

Itemized detail of all such services performed is subsequently provided to the Audit Committee. In addition, our independent auditors are prohibited from providing certain services described in the policy as prohibited services. All of the fees included in Audit Fees, Audit- Related Fees and Tax Fees shown above were pre-approved by the Audit Committee (or included in the pre-approved fee limits, as applicable, for certain services as detailed above).

Generally, requests for independent auditor services are submitted to the Audit Committee by our Executive Vice President, CFO and Treasurer (or other member of our senior financial management) and our independent auditors for consideration at the Audit Committee's regularly scheduled meetings. Requests for additional services in the categories mentioned above may be approved at subsequent Audit Committee meetings to the extent that none of such services is performed prior to its approval (unless such services are included in the categories of services that fall within the dollar limits detailed above). The Chair of the Audit Committee is also delegated the authority to approve independent auditor services requests under certain dollar thresholds provided that the pre-approval is reported at the next meeting of the Audit Committee. All requests for independent auditor services must include a description of the services to be provided and the fees for such services.

Representatives of Ernst & Young LLP are expected to be available at the Annual Meeting, will have an opportunity to make a statement if they so desire and are expected to be available to respond to appropriate shareholder questions. Although ratification of the appointment of the independent auditors is not required by law, the Audit Committee and the Board believe that shareholders should be given the opportunity to express their views on the subject. While not binding on the Audit Committee or the Board, the failure of the shareholders to ratify the appointment of Ernst & Young LLP as our independent auditors would be considered by the Board in determining whether or not to continue the engagement of Ernst & Young LLP. Ultimately, the Audit Committee retains full discretion and will make all determinations with respect to the appointment of independent auditors, whether or not our shareholders ratify the appointment.

MAJORITY VOTE NEEDED

Ratification requires the affirmative vote of the majority of the shares of our common stock present or represented and entitled to vote on the matter at the Annual Meeting. Unless otherwise directed, shares represented by proxy will be voted FOR ratification of the appointment of Ernst & Young LLP. Abstentions will have the same effect as a vote "against" the proposal.



YOUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM



Our Board recommends that shareholders vote "FOR" the approval, on an advisory basis, of the compensation of our NEOs.

Say-on-Pay Vote at 2023 Annual Meeting



96%

of shareholders who voted on the "say-on-pay" proposal voted FOR the approval of the compensation of our NEOs.

The Compensation and Executive Development Committee believes that the historically positive say-on-pay shareholder votes reinforce the philosophy and objectives of our executive compensation program. We conduct annual say-on-pay votes. Our next say-on-pay vote will be held at the 2025 Annual Meeting.

Our compensation philosophy is to pay for performance, a philosophy that has been rooted in our history and tradition for almost 130 years. Our compensation program consists of elements designed to complement one another and focus on both short-term and long-term performance. The Compensation and Executive Development Committee regularly reviews peer group data and best practices and trends related to executive compensation to help ensure that our programs are properly aligned with our business strategy and philosophy, as well as promote shareholder value. The Committee receives advice from independent consultants. In addition to the information provided earlier in the CD&A section, we believe shareholders should consider the following in determining whether to approve this proposal:

OUR CULTURE AND PERFORMANCE

To maintain a performance-driven culture, we:

- Expect our executives to deliver above-market financial results;
- Provide systems that tie executive compensation to superior financial performance;
- Take action when needed to address specific business challenges; and
- Maintain good governance practices in the design and operation of our executive compensation programs.

We have a long track record of delivering increased value to our shareholders.

PAY FOR PERFORMANCE

In designing our executive compensation programs, a core philosophy is that our executives should be rewarded when they deliver financial results that provide value to our shareholders. Therefore, we have established a program that ties executive compensation to superior financial performance.

We have a balanced pay mix between short-term and long-term incentives:

- Base Salaries. Base salaries for our NEOs are generally targeted at the 45th percentile of benchmark data (below market median). For 2023, the average base salary increase for the NEOs, excluding Mr. Hedlund in light of his recent promotion and mid-year adjustment, was 5.8%, which included the progression of pay within the competitive benchmark for recently promoted executives.
- Annual Bonus Awards Are Aligned with Our Performance and Contain a Balanced Mix of Metrics. The total cash compensation for our NEOs, which includes base pay and the annual bonus (EMIP), is targeted at the 65th percentile of benchmark data (above market median). The EMIP is based on a balance of metrics—both financial and personal—with the financial components based on Adjusted Revenue for Compensation Purposes, EBITB and AOWC/ Sales for Compensation Purposes and with a mix of consolidated and, if applicable, segment performance. For 2023, annual bonus payments for the NEOs, excluding Mr. Hedlund, increased 2%.
- Performance Share Payouts Were At Maximum. For the 2021-2023 performance cycle, the Performance Shares paid out at maximum, as a result of the maximum performance level for both ROIC for Compensation Purposes and Adjusted Net Income for Compensation Purposes being exceeded.
- Long-Term Incentives Are Aligned with the Interests of Our Shareholders. We believe that incentives should be based on factors that deliver long-term sustainability for Lincoln Electric. Therefore, the NEOs receive three types of long-term incentives. The three components are: (1) stock options, (2) RSUs and (3) Performance Shares. Total awards are targeted at the 50th percentile of benchmark data (at market median).

GOOD GOVERNANCE PRACTICES

In addition to our emphasis on pay for performance, we design our programs to be current with best practices and good corporate governance. We also consider the risks associated with any particular program, design or compensation decision. We believe these assessments result in sustained, long-term shareholder value. Some of the governance practices include:

- Officers Are Subject to Stock Ownership Guidelines
- Compensation and Executive Development Committee Receives Regular Updates
- Compensation and Executive Development Committee Retains Independent Advisors
- No Compensation Consultant Conflicts of Interest
- No Multi-Year Guarantees on Compensation
- No Dividends on Unvested RSUs or Performance Shares

- Compliant Clawback Policy
- Change in Control Agreements Require a Double-Trigger
- No Tax Gross-Ups
- No Hedging or Pledging of Lincoln Electric Stock by Officers
- Limited Perquisites

As illustrated above, the Compensation and Executive Development Committee has and will continue to take action to structure our executive compensation program in a manner that is performance-based, current with best practices and good corporate governance and aimed at sustaining long-term shareholder value. The Board believes that the executive compensation disclosed in the CD&A section, tabular disclosures (including the 2023 Summary Compensation Table) and other narrative disclosures in this Proxy Statement aligns with our peer group pay practices and compensation philosophy.

As required under the Dodd-Frank Wall Street Reform and Consumer Protection Act and Section 14A of the Exchange Act, we are asking you to cast an advisory (non-binding) vote to approve the following resolution at the Annual Meeting:

RESOLVED, that the compensation awarded to our NEOs, as disclosed pursuant to Item 402 of Regulation S-K in the Compensation Discussion and Analysis and the tabular disclosure (together with the accompanying narrative disclosure) in this Proxy Statement, as required by the rules of the Securities and Exchange Commission, is hereby approved on an advisory basis.

YOUR VOTE MATTERS TO US

As an advisory vote, this proposal is not binding on us. However, the Compensation and Executive Development Committee, which is responsible for designing and administering our executive compensation programs, values the opinions expressed by shareholders in their vote on this proposal and expects to consider the outcome of the vote when making future compensation decisions for NEOs.

MAJORITY VOTE NEEDED

A favorable vote of a majority of the shares of our common stock present or represented by proxy and entitled to vote on the matter is necessary for approval of the proposal. Abstentions will have the same effect as a vote "against" the proposal and broker non-votes will not be counted for determining whether the proposal is approved.



YOUR BOARD OF DIRECTORS RECOMMENDS A VOTE, FOR APPROVAL, ON AN ADVISORY BASIS, OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS



Audit Committee Report

The Audit Committee consists solely of independent Directors within the meaning of the Nasdaq listing standards. The Audit Committee oversees our financial reporting process on behalf of the Board of Directors. Management has the primary responsibility for the financial statements and the reporting process, including the systems of internal control over financial reporting. In fulfilling its oversight responsibilities, the Committee reviewed and discussed with management the audited financial statements in the Annual Report, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements.

The Audit Committee discussed with the independent auditors, who are responsible for expressing an opinion on the conformity of those audited financial statements with U.S. generally accepted accounting principles, their judgments as to the quality, not just the acceptability, of our accounting principles and such other matters as are required to be discussed with the Audit Committee by the applicable requirements of the Public Company Accounting Oversight Board (the "PCAOB") and the SEC. In addition, the Audit Committee has received and has discussed with the independent auditors written disclosures regarding their independence as required by PCAOB Ethics and Independence Rule 3526, Communication with Audit Committees Concerning Independence.

The Audit Committee discussed with our internal and independent auditors the overall scope and plan for their respective audits. The Audit Committee met with the internal and independent auditors, with and without management present, to discuss the results of their examinations, their evaluations of our internal controls, and the overall quality of our financial reporting.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors (and the Board approved) that the audited financial statements be included in the Annual Report on Form 10-K for the year ended December 31, 2023 for filing with the SEC. The Audit Committee and the Board have also recommended the selection of Ernst & Young LLP as our independent auditors for the year ending December 31, 2024 and the ratification thereof by the shareholders.

By the Audit Committee:



Patrick P. Goris CHAIR



Brian D. Chambers



Curtis E. Espeland



Bonnie J. Fetch



Ben P. Patel



FAQS

WHO IS SOLICITING PROXIES AND WHY? WHO IS PAYING FOR THE COST OF THIS PROXY SOLICITATION?

The Board solicits the proxy and the Company pays the solicitation cost. Certain officers and employees may also solicit proxies, but do not receive compensation for these activities. We also reimburse custodians, nominees and fiduciaries for reasonable expenses incurred to forward and obtain proxy materials from beneficial holders.

HOW DO WE DISTRIBUTE PROXY MATERIALS TO SHAREHOLDERS SHARING THE SAME ADDRESS?

We use "householding" rules to deliver only one set of voting materials (Annual Report and Proxy Statement) to shareholders who share the same address, unless we receive contrary instructions from one or more shareholders at that address. Each shareholder receives a separate proxy card. We will promptly deliver upon request a separate set of proxy materials.

HOW DO I OBTAIN A SEPARATE SET OF PROXY MATERIALS AT NO COST?

Send a written notice to the Corporate Secretary at Lincoln Electric Holdings, Inc., 22801 St. Clair Avenue, Cleveland, Ohio 44117-1199.

WHO MAY VOTE AT THE ANNUAL MEETING?

Record holders as of the close of business on February 29, 2024 (the record date) are entitled to vote at the Annual Meeting. As of the record date, 56,825,265 shares of our common stock were outstanding and each share is entitled to one vote per proposal brought before the meeting.

WHAT IS REQUIRED FOR THERE TO BE A QUORUM AT THE ANNUAL MEETING?

Holders of at least a majority of the shares of our common stock issued and outstanding on the record date (February 29, 2024) must be present, in person or by proxy, to constitute a quorum.

HOW DO I ATTEND AND PARTICIPATE IN THE ANNUAL MEETING?

Any shareholder of record as of the record date (February 29, 2024) can attend the Annual Meeting online at www.virtualshareholdermeeting.com/LECO2024. The webcast will start at 11:00 a.m. ET on April 19, 2024. Shareholders may submit pre-meeting questions online by visiting www.proxyvote.com. Questions must be submitted by Monday, April 15, 2024 at 5:00 p.m. ET. You will need your 16-digit control number that is printed on your proxy card or on the instructions that accompanied your proxy materials to access the meeting. Instructions on how to attend the Annual Meeting are posted at www.virtualshareholdermeeting.com/LECO2024. We encourage you to access the meeting prior to the start time to allow ample time to complete the online check-in process.

If you encounter any technical difficulties accessing the virtual meeting during check-in or meeting time, please call the technical support number that will be posted on the Virtual Shareholder Meeting log in page.

WHY IS THE ANNUAL MEETING A VIRTUAL, ONLINE MEETING?

We believe that hosting a virtual meeting will facilitate shareholder attendance and participation by enabling shareholders to participate from any location around the world and improves our ability to communicate more effectively with our shareholders. We have designed the virtual meeting to provide substantially the same opportunities to participate as you would have at an in-person meeting. We are providing opportunities for shareholders to submit questions prior to the meeting to enable us to address appropriate questions at the Annual Meeting.

WHAT IS THE DIFFERENCE BETWEEN HOLDING SHARES AS A REGISTERED SHAREHOLDER OR AS A BENEFICIAL HOLDER?

- Registered Shareholders: If your shares are directly registered in your name with our transfer agent/registrar, you are considered the registered shareholder, or shareholder of record. Proxy materials will be sent directly to you and you may vote during the meeting at www.virtualshareholdermeeting.com/LECO2024, or by telephone, by Internet or by mail in the envelope provided.
- Beneficial Holders: You are a beneficial holder if your shares are held indirectly in a brokerage account, by a trustee, or by another nominee. These entities are considered the shareholder of record and the shares are considered held in "street name." Proxy materials are sent to the entity and they forward a voting instruction card to you, the beneficial holder. As a beneficial holder, you have the right to direct the entity on how to vote your shares and you may also attend the Annual Meeting. Since you are not the shareholder of record, you may not vote during the meeting unless you obtain a legal proxy from the entity that holds your shares. Please refer to the information your broker, trustee or nominee provided to see what voting options are available to you. If you have not heard from your broker, trustee or nominee, please contact them.

WHAT SHARES ARE INCLUDED ON THE PROXY CARD?

Shareholder type:	Registered Shareholder & participant in The Lincoln Electric Company Employee Savings Plan (401(k) Plan)	Beneficial Holder with shares held by a broker, trustee or nominee	Both a Registered Shareholder and a Beneficial Holder of shares
Shares included on the proxy card:	All shares registered in your name will be represented (including 401(k) plan shares) Note: If you do not have identical names on your accounts, we cannot consolidate your share information.	You will receive a voting instruction form from your broker, trustee or nominee instructing you on how to vote.	You will receive a proxy card from us and a voting instruction form from your broker, trustee or nominee instructing you on how to vote.

WHAT IS A BROKER NON-VOTE AND WHAT EFFECT DOES IT HAVE?

A broker non-vote occurs when a broker or other nominee does not receive voting instructions from the beneficial holder and is then unable to vote the shares. If you hold your shares beneficially through a broker, trustee or nominee, you must communicate your voting instructions to them to have your shares voted. Please note that your nominee cannot vote on your behalf on the election of Directors (Proposal 1), or the approval, on an advisory basis, of NEO compensation (Proposal 3), unless you provide specific voting instructions to them by following the instructions provided to you.

Broker non-votes, as well as abstentions, will be counted to determine whether a quorum is present at the Annual Meeting. Broker non-votes will not be counted when determining votes for a particular proposal (i.e., it will not be considered a vote "cast").

HOW DO I VOTE AT THE ANNUAL MEETING?

REGISTERED SHAREHOLDERS

Vote during the meeting at www.virtualshareholdermeeting.com/LECO2024 or by proxy in any one of four ways outlined in the Proxy Summary section of this Proxy Statement.

PARTICIPANTS IN THE 401(K) PLAN

The 401(k) Plan's independent Trustee, Fidelity Management Trust Company, will vote your 401(k) Plan shares according to your voting directions, which you can provide by Internet, telephone or mail. As 401(k) Plan shares are held in a qualified plan, you are not able to vote 401(k) Plan shares during the Annual Meeting. If you do not vote, the Trustee will not vote your plan shares.

BENEFICIAL HOLDERS

If your shares are held by a bank, broker, trustee or some other nominee (in street name), that entity will give you separate voting instructions.

WHAT HAPPENS IF I SIGN, DATE AND RETURN MY PROXY BUT DO NOT SPECIFY HOW I WANT MY SHARES VOTED ON THE PROPOSALS?

Registered Shareholders: Your shares will be voted **FOR** the election of all of the Director nominees, **FOR** the ratification of the appointment of our independent registered public accounting firm, and **FOR** the approval, on an advisory basis, of the compensation of our NEOs.

Beneficial Holders: Your nominee cannot vote your uninstructed shares on non-routine matters such as Proposal 1 (election of Directors), or Proposal 3 (approval, on an advisory basis, of NEO compensation). Your nominee can vote your uninstructed shares on routine matters such as Proposal 2 (ratification of the appointment of our independent registered public accounting firm).

MAY I REVOKE MY PROXY OR CHANGE MY VOTE?

Registered Shareholders: Yes, you may change or revoke your proxy prior to the closing of the polls in any one of the following FOUR ways:

- 1. Send a written notice to our Corporate Secretary stating that you want to revoke your proxy;
- 2. Mail a completed and signed proxy card with a later date, but prior to the cut-off dates prior to the Annual Meeting (which will automatically revoke the earlier proxy);
- 3. Vote by telephone or Internet at a later date, but prior to the cut-off dates prior to the Annual Meeting (which will automatically revoke the earlier proxy); or
- 4. Vote during the Annual Meeting at www.virtualshareholdermeeting.com/LECO2024. Because 401(k) plan shares are held in a qualified plan, you are not able to revoke or change your vote on 401(k) plan shares at the Annual Meeting.

Beneficial Holders: Check with your broker, trustee or nominee to determine how to change your vote.

WHO COUNTS THE VOTES?

Broadridge Financial Solutions, Inc. is the independent agent who receives and tabulates the votes. They are also our inspector of elections at the Annual Meeting.

MAY I RECEIVE FUTURE SHAREHOLDER COMMUNICATIONS OVER THE INTERNET?

Registered Shareholders: Yes. Please mark the appropriate box on your proxy card, or follow the prompts if voting by telephone or Internet.

Beneficial Holders: Refer to the information provided by your nominee on how to select future shareholder communications by Internet.

WHEN ARE SHAREHOLDER PROPOSALS DUE TO BE CONSIDERED FOR INCLUSION IN NEXT YEAR'S ANNUAL MEETING IN 2025?

In order to have a shareholder proposal included in our proxy materials for the 2025 Annual Meeting, a shareholder proposal must be received in writing by the Corporate Secretary at Lincoln Electric Holdings, Inc., 22801 St. Clair Avenue, Cleveland, Ohio 44117-1199 on or before November 18, 2024.

If shareholders want to present proposals at our 2025 Annual Meeting that are not included in Lincoln Electric's proxy materials, they must comply with the requirements in our Amended and Restated Code of Regulations. These include providing a written notice containing certain information, and such notice must be received no earlier than

December 20, 2024 and no later than January 19, 2025. If the Board of Directors chooses to present any information submitted after the applicable deadlines at the 2025 Annual Meeting, then the persons named in proxies solicited by the Board for the 2025 Annual Meeting may exercise discretionary voting power with respect to such information.

MAY I SUBMIT A NOMINATION FOR DIRECTOR?

Yes. To submit a Director nomination, a shareholder must send a written notice to the Corporate Secretary at Lincoln Electric Holdings, Inc., 22801 St. Clair Avenue, Cleveland, Ohio 44117-1199. The notice must include information required by our Amended and Restated Code of Regulations, including, among other things, information about the shareholder and the person he or she intends to nominate, as well as a representation that the shareholder intends to solicit proxies in support of nominees other than the nominees of the Board. For the 2025 Annual Meeting, nominations must be received in the Corporate Secretary's Office no earlier than December 20, 2024 and no later than January 19, 2025.

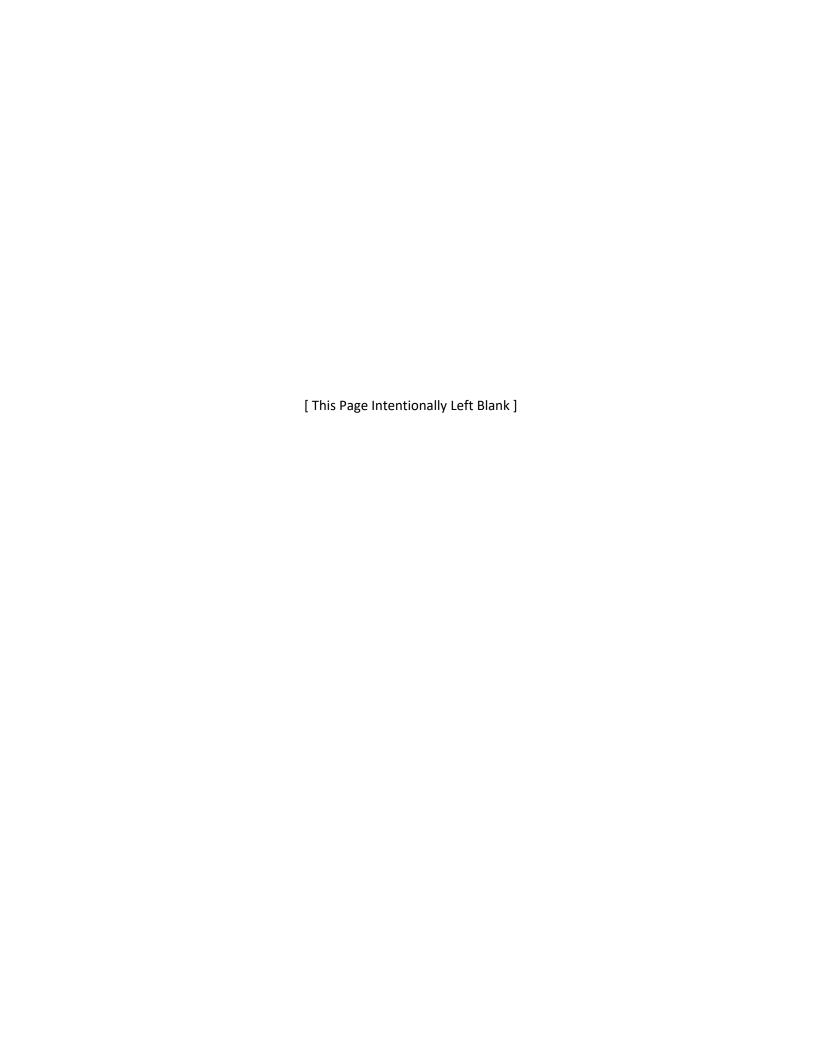
For the 2024 Annual Meeting, nominations must have been received by the Corporate Secretary's Office no earlier than December 21, 2023 and no later than the close of business on January 20, 2024.

HOW DO I CONTACT LINCOLN ELECTRIC?

FOR GENERAL INFORMATION:	TO CONTACT THE DIRECTORS:
Lincoln Electric Holdings, Inc. 22801 St. Clair Avenue Cleveland, Ohio 44117-1199 Attention: Amanda Butler,	Lincoln Electric Holdings, Inc. 22801 St. Clair Avenue Cleveland, Ohio 44117-1199 Attention: Corporate Secretary
Vice President, Investor Relations & Communications	Please name any specific intended Board recipient(s) in the communication. Prior to forwarding any correspondence, the Corporate Secretary will review the correspondence and, at his or her discretion, may not forward certain items if they are deemed of a frivolous nature or otherwise inappropriate for the Board's consideration. In such cases, some of that correspondence may be forwarded elsewhere within Lincoln Electric for review and possible response.



PLEASE VISIT OUR WEBSITE AT WWW.LINCOLNELECTRIC.COM FOR CURRENT DEVELOPMENTS AT LINCOLN ELECTRIC. THE INFORMATION ON OUR WEBSITE IS NOT INCORPORATED BY REFERENCE INTO THIS PROXY STATEMENT OR ANY OF OUR PERIODIC REPORTS.





Appendix A—Definitions and Non-Gaap **Financial Measures**

The discussion of our results in the CD&A and other sections of this Proxy Statement includes reference to our EBIT, EBITB, Adjusted net income, Adjusted diluted earnings per share, Adjusted EBIT, Adjusted operating income, Adjusted operating income margin, Adjusted effective tax rate, Adjusted Return on Invested Capital (Adjusted ROIC), Average Operating Working Capital to Sales (AOWC/Sales), Total Shareholder Return (TSR), Organic Sales, Cash Conversion and Free Cash Flow (FCF) performance. Some of these metrics are considered Non-GAAP financial measures, as management uses various GAAP and non-GAAP financial measures in assessing and evaluating our underlying operating performance. Non-GAAP financial measures exclude the impact of special items on our reported financial results. Non-GAAP financial measures should be read in conjunction with the generally accepted accounting principles in the United States ("GAAP"), as non-GAAP measures are a supplement to, and not a replacement for, GAAP financial measures. The following defines the financial and non-GAAP financial measures discussed in the CD&A and other sections of this Proxy Statement. Certain reclassifications have been made to prior year financial statements and financial measures to conform to current year classifications.

ADJUSTED DILUTED EARNINGS PER SHARE

Adjusted Diluted Earnings Per Share is defined as reported Diluted Earnings Per Share excluding certain disclosed special items.

ADJUSTED EBIT

Adjusted EBIT is defined as reported EBIT excluding certain disclosed special items.

ADJUSTED EFFECTIVE TAX RATE

Adjusted Effective Tax Rate is defined as reported Effective Tax Rate excluding the tax effect of certain disclosed special items.

ADJUSTED NET INCOME

Adjusted Net Income is defined as reported Net Income excluding certain disclosed special items.

ADJUSTED NET INCOME FOR COMPENSATION PURPOSES

Adjusted Net Income for Compensation Purposes is defined as reported Net Income excluding certain disclosed special items and other adjustments as approved by the Compensation and Executive Development Committee.

ADJUSTED OPERATING INCOME

Adjusted Operating Income is defined as reported Operating Income excluding certain disclosed special items.

ADJUSTED OPERATING INCOME INCREMENTAL MARGIN

Adjusted Operating Income Incremental Margin is defined as the change in Adjusted Operating Income between two periods divided by the change in Net sales between the same two periods.

ADJUSTED OPERATING INCOME MARGIN

Adjusted Operating Income Margin is defined as Adjusted Operating Income divided by Net sales.

ADJUSTED RETURN ON INVESTED CAPITAL (ADJUSTED ROIC)

Adjusted ROIC is defined as rolling 12 months of Adjusted net income excluding tax-effected interest income and expense divided by invested capital.

ADJUSTED REVENUE FOR COMPENSATION PURPOSES (ADJUSTED REVENUE)

Adjusted Revenue for Compensation Purposes is defined as Net sales calculated at budgeted exchange rates and adjusted for the results of businesses acquired during the year. Additionally, a price collar may be approved by the Committee to limit the impact of pricing on the metric, resulting in growth of the metric focusing primarily on organic sales volumes. For 2023, a +/- 2% price collar was approved by the Compensation and Executive Development Committee for use when calculating this metric. The price collar limits the impact of either price increases or decreases to 2%. Net sales is a representative measure of Adjusted Revenue for Compensation Purposes.

AVERAGE OPERATING WORKING CAPITAL TO SALES (AOWC/SALES)

Average operating working capital to Net Sales (AOWC/Sales) is defined as the sum of Accounts receivable, Inventories and contract assets less Trade accounts payable and contract liabilities as of a period end divided by annualized rolling three months of Net sales.

AVERAGE OPERATING WORKING CAPITAL TO SALES FOR COMPENSATION PURPOSES (AOWC/SALES FOR COMPENSATION PURPOSES)

Average operating working capital to Net Sales for Compensation Purposes (AOWC/Sales for Compensation Purposes) is defined as the sum of Accounts receivable, Inventories (excluding LIFO inventory reserves) and contract assets less Trade accounts payable and contract liabilities as of a period end divided by annualized rolling three months of Net sales.

CASH CONVERSION

Cash Conversion is defined as Free Cash Flow divided by Adjusted Net Income.

EBIT

EBIT is an amount equal to earnings before interest and tax defined as operating income plus Other income (expense).

EBITB

EBITB is an amount equal to earnings before interest, tax and bonus, calculated at budgeted exchange rates and adjusted for special items as determined by management. The adjustments for special items include such items as rationalization charges, certain asset impairment charges, the gains and losses on certain transactions including the disposal of assets and the results of businesses acquired during the year. Adjusted Operating Income is a representative measure of EBITB.

FREE CASH FLOW (FCF)

Free Cash Flow is defined as Net cash provided by operating activities less Capital expenditures.

ORGANIC SALES

Organic Sales is defined as sales excluding the effects of foreign currency and acquisitions.

RETURN ON INVESTED CAPITAL (ROIC)

Return on invested capital (ROIC) is defined as rolling 12 months of Net income excluding tax-effected interest income and expense divided by invested capital.

RETURN ON INVESTED CAPITAL (ROIC) FOR COMPENSATION PURPOSES

ROIC for Compensation Purposes is calculated by an independent third-party and is adjusted for certain transactions as approved by the Compensation and Executive Development Committee.

TOTAL SHAREHOLDER RETURN (TSR)

TSR is an amount equal to the net stock price change for our common stock plus the reinvestment of dividends paid over the prescribed period of time.

ADJUSTED OPERATING INCOME

The following table presents a reconciliation of Operating income as reported to Adjusted operating income for the years ended December 31, 2021 to 2023:

(\$ in thousand)		Year Ended December 31,		
	2023	2022	2021	
Operating income (as reported)	\$717,849	\$612,336	\$461,669	
Special items (pre-tax):				
Rationalization and asset impairment charges	(11,314)	11,788	9,827	
Acquisition transaction costs	0	6,003	1,923	
Amortization of step up in value of acquired inventories	12,252	1,106	5,804	
Adjusted operating income	\$718,787	\$631,233	\$479,223	
Adjusted operating income margin	17.1%	16.8%	14.8%	

ADJUSTED NET INCOME AND ADJUSTED DILUTED EARNINGS PER SHARE

The following table presents reconciliations of Net income and Diluted earnings per share as reported to Adjusted net income and Adjusted diluted earnings per share for the years ended December 31, 2021 to 2023:

(\$ in thousands except per share amounts)	,	Year Ended December 31,		
	2023	2022	2021	
Net income (as reported)	\$545,248	\$472,224	\$276,466	
Special items:				
Rationalization and asset impairment charges	(11,314)	11,788	9,827	
Pension settlement net charges	845	(4,273)	126,502	
Acquisition transaction costs	0	6,003	1,923	
Amortization of step up in value of acquired inventories	12,252	1,106	5,804	
Tax effect of Special items	2,537	(1,192)	(47,188)	
Adjusted net income	\$547,922	\$485,656	\$373,334	
Diluted earnings per share (as reported)	\$ 9.37	\$ 8.04	\$ 4.60	
Special items per share	0.04	0.23	1.62	
Adjusted diluted earnings per share	\$ 9.41	\$ 8.27	\$ 6.22	

RETURN ON INVESTED CAPITAL (ROIC)

The following table presents calculations of Reported and Adjusted ROIC for the years ended December 31, 2021 to 2023:

(\$ in thousands)		Year Ended December 31,		
	2023	2022	2021	
Net income [as reported]	\$545,248	\$472,224	\$276,466	
Plus: Interest expense (after-tax)	38,050	23,276	17,794	
Less: Interest income (after-tax)	5,033	1,202	1,172	
Net operating profit after taxes	\$578,265	\$494,298	\$293,088	
Special Items:				
Rationalization and asset impairment charges	(11,314)	11,788	9,827	
Acquisition transaction costs	0	6,003	1,923	
Pension settlement net charges	845	(4,273)	126,502	
Amortization of step up in value of acquired inventories	12,252	1,106	5,804	
Gains on asset disposals	(1,646)	0	0	
Tax effect of Special Items	2,537	(1,192)	(47,188)	
Adjusted net operating profit after taxes	\$580,939	\$507,730	\$389,956	

Invested Capital	December 31, 2023	December 31, 2022	December 31, 2021
Short-term debt	\$ 2,439	\$ 93,483	\$ 52,730
Long-term debt, less current portion	1,102,771	1,110,396	717,089
Total debt	1,105,210	1,203,879	769,819
Total equity	1,308,852	1,034,041	863,909
Invested capital	\$2,414,062	\$2,237,920	\$1,633,728
ROIC as reported	24.0%	22.1%	17.9%
Adjusted ROIC	24.1%	22.7%	23.9%

CASH CONVERSION

The following table presents calculations of Cash Conversion for the years ended December 31, 2021 to 2023:

(\$ in thousands)	١	ear Ended December 3	1,
	2023	2022	2021
Net cash provided by operating activities	\$667,542	\$383,386	\$365,063
Less: Capital expenditures	90,987	71,883	62,531
Free Cash Flow	\$576,555	\$311,503	\$302,532
Adjusted net income	\$547,922	\$485,656	\$373,334
Cash Conversion	105%	64%	81%



FORM 10-K



UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549

FORM 10-K

		ON 13 OR 15(d) OF THE fiscal year ended December	E SECURITIES EXCHANGE ACT OF 1934 ber 31, 2023	
☐ TRANSITION REPO	For the transition	or CTION 13 OR 15(d) OF T period from Commission file number 0-2		
		LECTRIC HO ne of registrant as specified	OLDINGS, INC.	
	Ohio		34-1860551	
	or other jurisdiction of oration or organization)		(I.R.S. Employer Identification No.)	_
22801 St. Cla	air Avenue, Cleveland, Ohio		44117	
(Address of	principal executive offices)		(Zip Code)	
	(Registrar	(216) 481-8100 nt's telephone number, includin	ling area code)	
Securities registered pursu	ant to Section 12(b) of the	Act:		
Title of each cla	ass	Trading Symbol	Name of each exchange on which registered	
Common Shares, withou	ıt par value	LECO	The NASDAQ Stock Market LLC	
Securities registered pursu	ant to Section 12(g) of the	Act: None		
Indicate by check mark if th	e registrant is a well-known	seasoned issuer, as defined in	in Rule 405 of the Securities Act. Yes \boxtimes No \square	
Indicate by check mark if th	e registrant is not required to	o file reports pursuant to Sect	ction 13 or Section 15(d) of the Act. Yes □ No ⊠	
Indicate by check mark when 1934 during the preceding 12 filing requirements for the p	2 months (or for such shorter	ed all reports required to be fil period that the registrant was i	filed by Section 13 or 15(d) of the Securities Exchange Act s required to file such reports), and (2) has been subject to such	of ch
Indicate by check mark whet of Regulation S-T (§ 232.40 such files). Yes ⊠ No □	her the registrant has submit 5 of this chapter) during the	ted electronically every Interact preceding 12 months (or for s	active Data File required to be submitted pursuant to Rule 4 such shorter period that the registrant was required to subm	05 nit
Indicate by check mark whe or an emerging growth comp growth company" in Rule 1	pany. See the definitions of '	accelerated filer, an accelerate "large accelerated filer," "acc	ted filer, a non-accelerated filer, a smaller reporting compare ecclerated filer," "smaller reporting company" and "emerging	ıy, ng
Large accelerated filer	\boxtimes	Accelerated filer		
Non-accelerated filer		Smaller reporting Emerging growth		
		of the registrant has elected not bursuant to Section 13(a) of the	ot to use the extended transition period for complying with at the Exchange Act. \square	ny
	ing under Section 404(b) of		ts management's assessment of the effectiveness of its intern U.S.C. 7262(c)) by the registered public accounting firm the	
		e Act, indicate by check mark issued financial statements.	k whether the financial statements of the registrant included \Box	in
			required a recovery analysis of incentive-based compensation of pursuant to $\$240.10D-1(b)$. \square	on
Indicate by check mark whe	ther the registrant is a shell	company (as defined in Rule	e 12b-2 of the Exchange Act). Yes □ No ⊠	
The aggregate market value been deemed to be Directors	of the common shares held be and Executive Officers of t	by non-affiliates as of June 30, the Company and certain significant	0, 2023 was \$11,222,091,898 (affiliates, for this purpose, hanificant shareholders).	ve
The number of shares outsta	nding of the registrant's con	nmon shares as of January 31.	1, 2024 was 56,822,805.	

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Annual Report on Form 10-K incorporates by reference certain information from the registrant's definitive proxy statement with respect to the registrant's 2024 Annual Meeting of Shareholders.

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PART I

ITEM 1. BUSINESS

General

As used in this Annual Report on Form 10-K, the term "Company," except as otherwise indicated by the context, means Lincoln Electric Holdings, Inc. and its wholly-owned and majority-owned subsidiaries for which it has a controlling interest. The Lincoln Electric Company began operations in 1895 and was incorporated under the laws of the State of Ohio in 1906. During 1998, The Lincoln Electric Company reorganized into a holding company structure, and Lincoln Electric Holdings, Inc. became the publicly-held parent of Lincoln Electric subsidiaries worldwide, including The Lincoln Electric Company.

The Company is one of only a few worldwide broad-line manufacturers of welding, cutting and brazing products. The Company is the world leader in the design, development and manufacture of arc welding products, automated joining, assembly and cutting systems, plasma and oxy-fuel cutting equipment. The Company also has a leading global position in brazing and soldering alloys.

The Company's products include arc welding, brazing and soldering filler metals (consumables), arc welding equipment, plasma and oxyfuel cutting systems, wire feeding systems, fume control equipment, welding accessories, specialty gas regulators, and education solutions; as well as a comprehensive portfolio of automated solutions for joining, cutting, material handling, module assembly, and end of line testing.

The arc welding power sources and wire feeding systems manufactured by the Company range in technology from basic units used for light manufacturing and maintenance to highly sophisticated robotic applications for high volume production welding and fabrication. Three primary types of arc welding consumables are produced: (1) coated manual or stick electrodes; (2) solid wire produced in coil, reel or drum forms for continuous feeding in mechanized welding; and (3) cored wire produced in coil form for continuous feeding in mechanized welding.

The Company has, through wholly-owned subsidiaries, manufacturing facilities located in the United States, Australia, Austria, Brazil, Canada, China, Colombia, France, Germany, India, Italy, Mexico, Poland, Portugal, Romania, Russia, South Korea, Spain, Turkey and the United Kingdom.

The Company's business units are aligned into three operating segments. The operating segments consist of Americas Welding, International Welding and The Harris Products Group. The Americas Welding segment includes welding operations in North and South America. The International Welding segment includes welding operations in Europe, Africa, Asia and Australia. The Harris Products Group includes the Company's global cutting, soldering and brazing businesses, specialty gas equipment, as well as the retail business in the United States.

Customers

The Company's products are sold in both domestic and international markets. In the Americas, products are sold principally through industrial distributors, retailers and also directly to users of welding products (OEMs, manufacturers and integrators). Outside of the Americas, the Company has an international sales organization comprised of Company employees and agents who sell products from the Company's various manufacturing sites to distributors and product users.

The Company's major end-user markets include:

- general fabrication,
- energy (oil and gas, power generation and process industries),
- heavy industries (heavy fabrication, ship building and maintenance and repair),
- automotive and transportation, and
- construction and infrastructure.

The Company is not dependent on a single customer or a few customers and no individual customer currently accounts for more than ten percent of total Net sales. However, the loss of a large customer could have an adverse effect on the Company's business. The Company's operating results are sensitive to changes in general economic conditions, including an increase in interest rates, inflationary pressures and fluctuations in foreign currency rates. The arc welding and cutting industry is generally a mature industry in developed markets such as North America and Western Europe and is cyclical in nature. Overall demand for arc welding and cutting products is largely determined by economic cycles and the level of capital spending in manufacturing and other industrial sectors. The Company experiences some variability in reported period-to-period results as historical demand for the Company's products is mildly seasonal with generally higher demand in the second and third quarters. See "Item 1A. Risk Factors" for further discussion regarding risks associated with customers, general economic conditions and demand.

Competition

Conditions in the arc welding and cutting industry are highly competitive. The Company believes it is the world's largest manufacturer of consumables and equipment with relatively few major broad-line competitors worldwide, but numerous smaller competitors in specific geographic markets. The Company continues to pursue strategies to heighten its competitiveness in domestic and international markets, which includes positioning low cost manufacturing facilities in most geographical markets. Competition in the arc welding and cutting industry is based on brand preference, product quality, price, performance, warranty, delivery, service and technical support. The Company believes its performance against these factors has contributed to the Company's position as the leader in the industry.

Most of the Company's products may be classified as standard commercial articles and are manufactured for stock. The Company believes it has a competitive advantage in the marketplace because of its highly trained technical sales force and the support of its welding research and development staff to assist customers in optimizing their welding applications. This allows the Company to introduce its products to new users and to establish and maintain close relationships with its customers. This close relationship between the technical sales force and the direct customers, together with its supportive relationship with its distributors, who are particularly interested in handling the broad range of the Company's products, is an important element of the Company's market success and a valuable asset of the Company.

Raw Materials

The principal raw materials essential to the Company's business are steel, electronic components, engines, brass, copper, silver, aluminum alloys, robotic components and various chemicals, all of which are normally available for purchase in the open market.

Patents and Trademarks

The Company holds many valuable patents, primarily in arc welding, and actively protects its innovations as research and development has progressed in both the United States and major international jurisdictions. The Company believes its trademarks are an important asset and aggressively pursues brand management.

Environmental Regulations

The Company's facilities are subject to environmental regulations. To date, compliance with these environmental regulations has not had a material adverse effect on the Company's earnings. The Company is ISO 14001 certified at most significant manufacturing facilities in North America and Europe and is progressing towards certification at its remaining facilities worldwide. In addition, the Company is ISO 9001 certified at 46 facilities worldwide.

The Company ensures compliance as well as the continuous improvement of the environmental performance of its products and operations through its global Environmental, Health, Safety and Quality ("EHS&Q") systems. The Company's systems are guided by Corporate EHS&Q Policy, global directives and corporate standards that establish consistent guidelines for the management, measurement and reporting of environmental, health and safety activities, as well as quality across the Company's global platform. The Company's products support our customers' sustainability initiatives through enhanced worker safety, reduced emissions, improved energy efficiency, reduced waste and regulatory compliance.

International Operations

The Company conducts a significant amount of its business and has a number of operating facilities in countries outside the United States. As a result, the Company is subject to business risks inherent to non-U.S. activities, including political uncertainty, import and export limitations, environmental regulation, exchange controls and currency fluctuations.

Human Capital Management

Employee Profile

The Company's employees are its most valuable asset as they represent the foundation of the Company and its future success. The number of persons employed by the Company worldwide at December 31, 2023 was approximately 12,000.

Employee Engagement

The Company strongly believes that employee engagement drives better business results and that a highly engaged workforce can increase innovation, productivity and bottom-line performance while reducing costs. The Company engages employees through individual, small group and town hall meetings, its Advisory Board, global intranet, employee surveys, resource groups, health and safety communications and initiatives, training and development, employee wellness programs, and an ethics hotline, among other vehicles.

Talent Management and Development

In order to ensure the competitiveness of our workforce as well as a strong succession pipeline, the Company provides development opportunities to advance skills, knowledge and expertise. The Company's programs include formal leadership, management and professional development programs, tuition reimbursement for external accredited programs, mentoring, self-guided online courses, instructor-led programs and special project and rotational assignments that can lead to extensive global exposure.

Diversity and Inclusion

The Company has a longstanding commitment to equal opportunity in all aspects of employment—including employee compensation, job placement and promotion regardless of gender, race or other personal characteristics. The Company's culture is underpinned by its core values, including the guiding principles championed by James F. and John C. Lincoln when they founded Lincoln Electric over 125 years ago – The Golden Rule: Treat Others How You Would Like to Be Treated. The Company has implemented several measures that focus on accountability for making progress in diversity.

The CEO and other senior leaders have diversity and inclusion objectives as part of their annual performance goals. The Company focuses on diverse talent sourcing strategies and partners with external organizations that develop and supply diverse talent. The Company reviews and updates its human resources processes and benchmarks roles and compensation externally on a regular basis to help prevent bias and promote a diverse and inclusive workplace.

Compensation

The Company's compensation program is designed to attract and retain exceptional employees and to maintain a strong pay for performance culture. The Company has designed its compensation system to reflect current best practices, including setting base pay below the competitive market for each position, targeting incentive-based cash compensation above the competitive market and promoting quality corporate governance in compensation decisions.

The Company's annual talent and succession planning process reviews 100% of its global professional staff worldwide to support the development of a talent pipeline for critical roles in general management, engineering and operations. This evaluation includes the Company's CEO, as well as segment business and functional leaders who focus on high potential and diverse talent, as well as planning succession within the Company's most critical roles.

The Company believes that the practices outlined above result in sustained increases in shareholder value and reflect its compensation philosophy of aligning long-term pay and performance.

Health and Safety

Health and safety is a priority for the Company, and its vision is an accident-free workplace with zero safety incidents. The Company follows a rigorous health and safety program that adheres to stringent safety standards and best practices to ensure its manufacturing operations, related processes and products do not negatively impact the health and welfare of its employees, customers and neighbors.

In addition to Company-led programs and employee engagement in behavior-based safety and wellness committees, the Company actively engages in health and safety standard development committees at key industry organizations such as the American Welding Society, the International Institute of Welding and across various International Standards Organization committees to ensure best practices for its employees and end users.

The Company's standard health and safety programs adhere to stringent safety standards and best practices to ensure that its operations, related processes and products do not negatively impact the health and welfare of its employees, customers or community.

Community Engagement

The Company is an active member in the communities in which it operates and where its employees live. The Company participates in community meetings, local business associations, offers plant visits, provides grants to nonprofit organizations and donates resources and time through in-kind gifts, employee volunteerism and non-profit board service. The Company's partnership with academia includes executive-led lectures and donations of equipment and engineering expertise to support lab and research initiatives. In addition, the Company supports community educational / career programming among secondary and high school students in order to address skills gaps in the industry and maintain awareness of attractive career pathways in manufacturing.

See "Part I, Item 1D" for information regarding the Company's executive officers, which is incorporated herein by reference.

Website Access

The Company's website, www.lincolnelectric.com, is used as a channel for routine dissemination of important information, including news releases and financial information. The Company posts its filings as soon as reasonably practicable after they are electronically filed with, or furnished to, the Securities and Exchange Commission ("SEC"), including annual, quarterly and current reports on Forms 10-K, 10-Q and 8-K, respectively; proxy statements; and any amendments to those reports or statements. The Company also posts its Code of Corporate Conduct and Ethics on its website. All such postings and filings are available on the Company's website free of charge. In addition, this website allows investors and other interested persons to sign up to automatically receive e-mail alerts when news releases and financial information is posted on the website. The SEC also maintains a website, www.sec.gov, that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. The content on any website referred to in this Annual Report on Form 10-K is not incorporated by reference into this Annual Report unless expressly noted.

ITEM 1A. RISK FACTORS

From time to time, information we provide, statements by our employees or information included in our filings with the SEC may contain forward-looking statements that are not historical facts. Those statements are "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "forecast," "guidance" or words of similar meaning. Actual results may differ materially from such statements due to a variety of factors that could adversely affect the Company's operating results. Forward-looking statements, and our future performance, operating results, financial position and liquidity, are subject to a variety of factors that could materially affect results, including those risks described below. Forward-looking statements made in this report speak only as of the date of the statement, and, except as required by law, we undertake no obligation to update those statements. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

In the ordinary course of our business, we face various strategic, operating, compliance and financial risks. These risks could have a material impact on our business, financial condition, operating results and cash flows. Our Enterprise Risk Management ("ERM") process seeks to identify and address significant risks. Our ERM process is a company-wide initiative that is designed with the intent of prioritizing risks and allocating appropriate resources to address such risks. We use the integrated risk framework of the Committee of Sponsoring Organizations to assess, manage and monitor risks

Management has identified and prioritized critical risks based on the severity and likelihood of each risk and assigned an executive to address each major identified risk area and lead action plans to monitor and mitigate risks, where possible. Our Board of Directors provides oversight of the ERM process and systematically reviews identified critical risks. The Audit Committee also reviews major financial risk exposures and the steps management has taken to monitor and control them.

Our goal is to proactively manage risks in a structured approach and in conjunction with the strategic planning process, with the intent to preserve and enhance shareholder value. However, these and other risks and uncertainties could cause our results to vary materially from recent results or from our anticipated future results. The risk factors and uncertainties described below, together with information incorporated by reference or otherwise included elsewhere in this Annual Report on Form 10-K, should be carefully considered. Although the risks are organized by headings, and each risk is discussed separately, many are interrelated. Additional risks and uncertainties of which we are currently unaware or that we currently believe to be immaterial may also adversely affect our business. Readers should not interpret the disclosure of any risk factor to imply that the risk has not yet already materialized.

Risks Related to Economic Conditions

General economic, financial and market conditions may adversely affect our financial condition, results of operations and access to capital markets.

Our operating results are sensitive to changes in general economic conditions. Recessionary economic cycles, global supply chain disruptions, higher logistics costs, higher interest rates, inflation, higher raw materials costs, higher labor costs, trade barriers in the world markets, financial turmoil related to sovereign debt and changes in tax laws or trade laws or other economic factors affecting the countries and industries in which we do business could adversely affect demand for our products. An adverse change in demand could impact our results of operations, collection of accounts receivable and our expected cash flow generation from current and acquired businesses, which may adversely affect our financial condition, results of operations and access to capital markets.

In March 2022, in response to Russia's invasion of Ukraine, the Company announced it had ceased operations in Russia and implemented plans to support its Russian employees. Although the Company's Net sales and Total assets in Russia were less than 1% of consolidated Net sales and Total assets for the year ended December 31, 2023 and 2022, the Russia-Ukraine conflict and sanctions imposed globally may result in economic and supply chain disruptions, the ultimate financial impact of which cannot be reasonably estimated at this time. The Company continues to monitor the Russia-Ukraine conflict and its potential impacts.

We conduct our sales and distribution operations on a worldwide basis and maintain manufacturing facilities in a number of foreign countries, which subjects us to risks associated with doing business outside the United States.

As a growing global enterprise, the share of sales and profits we derive from our international operations and exports from the United States is significant. This trend increases our exposure to the performance of many developing economies in addition to the developed economies outside of the United States. If international economies were to experience significant slowdowns, it could adversely affect our financial condition, results of operations and cash flows. There are a number of risks in doing business internationally, which may impede our ability to achieve our strategic objectives relating to our foreign operations, including:

- Political and economic uncertainty and social turmoil;
- Corporate governance and management challenges in consideration of the numerous U.S. and foreign laws and
 regulations, including regulations relating to import-export control, technology transfer restrictions, repatriation
 of earnings and funds, exchange controls, labor regulations, nationalization, tariffs, data protection and privacy
 requirements, anti-boycott provisions and anti-bribery laws (such as the Foreign Corrupt Practices Act and the
 Organization for Economic Cooperation and Development Convention);
- International terrorism and hostilities;
- Changes in the global regulatory environment, including revised or newly created laws, regulations or standards relating to the Company, our products or the markets in which we operate; and
- Significant fluctuations in relative currency values; in particular, an increase in the value of the U.S. dollar against foreign currencies could have an adverse effect on our profitability and financial condition, as well as the imposition of exchange controls, currency devaluations and hyperinflation.

The cyclical nature and maturity of the arc welding and cutting industry in developed markets may adversely affect our performance.

The arc welding and cutting industry is generally a mature industry in developed markets such as North America and Western Europe and is cyclical in nature. Overall demand for arc welding and cutting products is largely determined by the level of capital spending in manufacturing and other industrial sectors, and the welding industry has historically

experienced contraction during periods of slowing industrial activity. If economic, business and industry conditions deteriorate, capital spending in those sectors may be substantially decreased, which could reduce demand for our products and have an adverse effect on our revenues and results of operations.

Risks Related to Manufacturing and Operations

Economic and supply disruptions associated with events beyond our control, such as war, acts of terror, political unrest, pandemic, labor disputes, natural disasters could adversely affect our supply chain and distribution channels or result in loss of sales and customers.

Our facilities and operations, and the facilities and operations of our suppliers and customers, could be disrupted by events beyond our control, such as war, political unrest, pandemics, labor disputes and natural disasters, including events caused by climate change. Any such disruption could cause delays in the production and distribution of our products and the loss of sales and customers. Insurance proceeds may not adequately compensate the Company for the losses.

Availability of and volatility in energy costs or raw material prices may adversely affect our performance.

In the normal course of business, we are exposed to market risks related to the availability of and price fluctuations in the purchase of energy and commodities used in the manufacture of our products (primarily steel, brass, copper, silver, aluminum alloys, electronic components, electricity and natural gas). The availability and prices for energy costs and raw materials, including steel, nonferrous metals and chemicals, are subject to volatility and are influenced by worldwide economic conditions. They are also influenced by import duties and tariffs speculative action, world supply and demand balances, inventory levels, availability of substitute materials, currency exchange rates, anticipated or perceived shortages, government trade practices and regulations and other factors.

Increases in the cost of raw materials and components may adversely affect our profitability if we are unable to pass along to our customers these cost increases in the form of price increases or otherwise reduce our cost of goods sold. Although most of the raw materials and components used in our products are commercially available from a number of sources and in adequate supply, any disruption in the availability of such raw materials and components, our inability to timely or otherwise obtain substitutes for such items, or any deterioration in our relationships with or the financial viability of our suppliers could adversely affect our business.

We are subject to risks relating to our information systems and data.

The conduct and management of our business relies extensively on information systems, which contain confidential information related to our customers, suppliers and employees and other proprietary business information. We maintain some of these systems and are also dependent on a number of critical information technology and other infrastructure services provided by third parties relating to, among other things, human resources, electronic communication services and finance functions. Like many companies, our information systems and those of third parties who provide products or services to us may be subject to cybersecurity threats and cybersecurity incidents. To date, no such cybersecurity incidents have had a material impact on our business or operations. However, cybersecurity threats or cybersecurity incidents involving our systems or those of our third party service providers could interrupt our ability to manage and operate the business, impact data, and adversely affect our results of operations and financial condition. The Company continues to invest in cybersecurity, including measures intended to maintain and enhance cybersecurity resilience, and the Company's cybersecurity risks are regularly monitored by the Audit Committee of our Board of Directors. Nevertheless, due to the nature of cybersecurity threats, there can be no assurance that our preventive efforts can fully mitigate the risks of all cybersecurity threats and cybersecurity incidents, and a significant cybersecurity incident could result in financial loss, unfavorable publicity, damage to our reputation, loss of data, including our trade secrets and other competitive information, allegations by our customers and business partners that we have not performed our contractual obligations, litigation by affected parties, governmental investigations, and related monetary damages, injunctive requirements, and fines or other sanctions. Any of these events could have an adverse effect on our results of operations and financial condition.

Risks Related to Human Capital

Our operations depend on maintaining a skilled workforce, and any interruption in our workforce could negatively impact our results of operations and financial condition.

Our success depends in part on the efforts and abilities of our management team and key employees. Their skills, experience and industry knowledge significantly benefit our operations and performance. Our future success will also depend on our ability to identify, attract and retain highly qualified managerial and technical (including research and development) personnel. Competition for these individuals is intense and compensation rates are increasing due to lower labor availability. Under these conditions, we may not succeed in identifying, attracting or retaining qualified personnel. With our strategy to expand internationally into developing markets, we may incur additional risks as some developing economies lack a sufficiently trained labor pool.

Any interruption of our workforce, including rationalization efforts related to the integration of acquired businesses, interruptions due to unionization efforts, changes in labor relations or shortages of appropriately skilled individuals could impact our results of operations and financial condition.

Risks Related to Business Strategy

We may not be able to complete our acquisition or divestiture strategies, successfully integrate acquired businesses and in certain cases we may be required to retain liabilities for certain matters.

Part of our business strategy is to pursue targeted business acquisition opportunities, including foreign investment opportunities. We cannot be certain that we will be successful in pursuing potential acquisition candidates or that the consequences of any acquisition would be beneficial to us. Future acquisitions may expose us to unexpected liabilities and involve the expenditure of significant funds and management time. Further, we may not be able to successfully integrate an acquired business with our existing businesses or recognize the expected benefits from any completed acquisition. Integration efforts may include significant rationalization activities that could be disruptive to the business. Our current operational cash flow is sufficient to fund our acquisition plans, but a significant acquisition could require access to the capital markets.

Additionally, from time to time we may identify assets for strategic divestitures that would increase capital resources available for other activities and create organizational and operational efficiencies. Various factors could materially affect our ability to dispose of such assets or complete announced divestitures, including the receipt of approvals of governmental agencies or third parties and the availability of purchasers willing to acquire the interests or purchase the assets on terms and at prices acceptable to us.

Sellers typically retain certain liabilities or indemnify buyers for certain matters. The magnitude of any such retained liability or indemnification obligation may be difficult to quantify at the time of the transaction and ultimately may be material. Also, as is typical in divestitures, third parties may be unwilling to release us from guarantees or other credit support provided prior to the sale of the divested assets. As a result, after a divestiture, we may remain secondarily liable for the obligations guaranteed or supported to the extent that the buyer of the assets fails to perform these obligations.

If we cannot continue to develop, manufacture and market products that meet customer demands, continue to enforce the intellectual property rights on which our business depends or if third parties assert that we violate their intellectual property rights, our revenues, gross margins and results of operations may suffer.

Our continued success depends, in part, on our ability to continue to meet our customers' needs for welding and cutting products through the introduction of innovative new products and the enhancement of existing product design and performance characteristics. We must remain committed to product research and development and customer service in order to remain competitive. We cannot be assured that new products or product improvements, once developed, will meet with customer acceptance and contribute positively to our operating results, or that we will be able to continue our

product development efforts at a pace to sustain future growth. Further, we may lose customers to our competitors if they demonstrate product design, development or manufacturing capabilities superior to ours.

We rely upon patent, trademark, copyright and trade secret laws in the United States and similar laws in foreign countries, as well as agreements with our employees, customers, suppliers and other third parties, to establish and maintain our intellectual property rights. However, any of our intellectual property rights could be challenged, invalidated or circumvented, or our intellectual property rights may not be sufficient to provide a competitive advantage. Further, the laws and their application in certain foreign countries do not protect our proprietary rights to the same extent as U.S. laws. Accordingly, in certain countries, we may be unable to protect our proprietary rights against unauthorized third-party copying or use, which could impact our competitive position.

Further, third parties may claim that we or our customers are infringing upon their intellectual property rights. Even if we believe that those claims are without merit, defending those claims and contesting the validity of patents can be time consuming and costly. Claims of intellectual property infringement also might require us to redesign affected products, enter into costly settlements or license agreements, pay costly damage awards or face a temporary or permanent injunction prohibiting us from manufacturing, marketing or selling certain of our products.

The competitive pressures we face could harm our revenue, results of operations and prospects.

We operate in a highly competitive global environment and compete in each of our businesses with other broad-line manufacturers and numerous smaller competitors specializing in particular products. We compete primarily on the basis of brand, product quality, price, performance, warranty, delivery, service and technical support. We have previously initiated, and may in the future initiate significant rationalization activities to align our business with market conditions and improve our overall competitiveness, including with respect to the integration of acquired businesses. Such rationalization activities could fail to deliver the desired competitive cost structure and could result in disruptions in customer service. If our products, services, support and cost structure do not enable us to compete successfully based on any of the criteria listed above, our revenue, results of operations and prospects could suffer.

Further, in the past decade, the arc welding industry in the United States and other developed countries has been subject to increased levels of foreign competition as low cost imports have become more readily available. Our competitive position could be harmed if new or emerging competitors become more active in the arc welding business. For example, while steel manufacturers traditionally have not been significant competitors in the domestic arc welding industry, some foreign integrated steel producers manufacture selected consumable arc welding products and robotic arm manufacturers compete in the automated welding and cutting space. In addition, in certain markets of the world, distributors manufacture and sell arc welding products. Our sales and results of operations, as well as our plans to expand in some foreign countries, could be adversely affected by this practice.

We may incur additional restructuring charges as we continue to contemplate rationalization actions in an effort to optimize our cost structure and may not achieve the anticipated savings and benefits of these actions.

We may take additional actions in the future to further optimize our cost structure and improve the efficiency of our operations, which will reduce our profitability in the periods incurred. As a result of these actions, we will likely continue to incur charges, which may include but are not limited to asset impairments, employee severance costs, charges for pension and other postretirement contractual benefits and pension settlements, any of which could be significant, and could adversely affect our financial condition and results of operations. In addition, we may not realize anticipated savings or benefits from past or future rationalization plans in full or in part or within the time periods we expect. Failure to realize anticipated savings or benefits from our cost reduction actions could have a material adverse effect on our business, financial condition, liquidity, results of operations and cash flows. For more information regarding rationalization plans, refer to the rationalization and asset impairment related disclosure under Note 7 to the Company's consolidated financial statements.

Risks Related to Legal, Compliance and Regulatory Matters

We are a co-defendant in litigation alleging asbestos induced illness. Liabilities relating to such litigation could reduce our profitability and impair our financial condition.

As of December 31, 2023, we were a co-defendant in cases alleging asbestos induced illness involving claims by approximately 1,387 plaintiffs. In each instance, we are one of a large number of defendants. The asbestos claimants allege that exposure to asbestos contained in welding consumables caused the plaintiffs to develop adverse pulmonary diseases, including mesothelioma and other lung cancers.

Since January 1, 1995, we have been a co-defendant in asbestos cases that have been resolved as follows: 56,986 of those claims were dismissed, 23 were tried to defense verdicts, 7 were tried to plaintiff verdicts (which were reversed or resolved after appeal), 1 was resolved by agreement for an immaterial amount and 1,015 were decided in favor of the Company following summary judgment motions.

The long-term impact of the asbestos loss contingency, in the aggregate, on operating results, operating cash flows and access to capital markets is difficult to assess, particularly since claims are in many different stages of development and we benefit significantly from cost-sharing with co-defendants and insurance carriers. While we intend to contest these lawsuits vigorously, and believe we have applicable insurance relating to these claims, there are several risks and uncertainties that may affect our liability for personal injury claims relating to exposure to asbestos, including the future impact of changing cost sharing arrangements or a change in our overall trial experience.

Asbestos use in welding consumables in the U.S. ceased in 1981.

We may incur material losses and costs as a result of product liability claims that may be brought against us or failure to meet contractual performance commitments.

Our business exposes us to potential product liability risks that are inherent in the design, manufacture, sale and application of our products and the products of third-party suppliers that we utilize or resell. Our products are used in a variety of applications, including infrastructure projects such as oil and gas pipelines and platforms, buildings, bridges and power generation facilities, the manufacture of transportation and heavy equipment and machinery and various other construction projects. We face risk of exposure to product liability claims in the event that accidents or failures on these projects result, or are alleged to result, in bodily injury or property damage. Further, our products are designed for use in specific applications, and if a product is used inappropriately, personal injury or property damage may result. In certain cases, we design automated welding systems for use in a customer's production facilities (including automotive production facilities), which could expose us to financial losses or professional liability.

The occurrence of defects in or failures of our products, or the misuse of our products in specific applications, could cause termination of customer contracts, increased costs and losses to us, our customers and other end users. We cannot be assured that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend those claims. Further, we cannot be assured that our product liability insurance coverage will be adequate for any liabilities that we may ultimately incur or that product liability insurance will continue to be available on terms acceptable to us. Even if we are successful defending such claims or product liability coverage is adequate, claims of this nature could cause customers to lose confidence in our products and our Company. Warranty claims are not generally covered by insurance and we may incur significant warranty costs in the future for which we would not be reimbursed.

We may incur losses if we do not achieve contractual commitments, including project performance requirements or project schedules. Project performance can be affected by a number of factors, including but not limited to, availability of materials, changes in the project scope of services, environmental conditions or labor disruptions. In addition, our backlog consists of the expected revenue from projects for which we have an executed contract or commitment with a customer. Project cancellations, scope adjustments, deferrals or changes in cost estimates may reduce the dollar amount of revenue and profits that we actually earn.

Changes in tax rates or exposure to additional income tax liabilities could affect profitability.

Our business is subject to income taxes in the United States and various foreign jurisdictions. Domestic and international tax liabilities are subject to the allocation of income among various tax jurisdictions. Our effective tax rate could be adversely affected by changes in the mix among earnings in countries with differing statutory tax rates, changes in the valuation allowances of deferred tax assets or changes in tax laws. There can be no assurance that changes in tax laws or regulations, both within the United States and the various foreign jurisdictions in which we operate, such as the proposed 15% global minimum tax under the Organisation for Economic Co-operation and Development (the "OECD") Pillar Two, Global Anti-Base Erosion Rules (The "Pillar Two Rules"), will not materially and adversely affect our effective tax rate, tax payments, financial condition and results of operations.

The amount of income taxes paid is subject to ongoing audits by the United States federal, state and local tax authorities and by foreign tax authorities. If these audits result in assessments different from amounts reserved, future financial results may include unfavorable adjustments which could have a material adverse effect on our results of operations.

Evolving international laws and enforcement relating to data privacy could adversely affect our operations.

Our business is also subject to increasingly complex and changing laws and regulations enacted to protect business and personal information in the United States and other jurisdictions regarding privacy, data protection and data security, including those related to the collection, storage, use, transmission and protection of personal information and other customer, vendor or employee data. Laws and regulations addressing personal information, including with respect to the European Union's General Data Protection Regulation ("GDPR"), and the interpretation and enforcement of these and similar laws and regulations, are continuously evolving and there is significant uncertainty with respect to how compliance with these laws and regulations may develop and the costs and complexity of future compliance. In addition, as a result of existing or new data protection requirements, we incur and expect to continue to incur ongoing costs as part of our efforts to comply with applicable law. Any failure, or perceived failure, to comply with data protection or privacy-related legal obligations may result in governmental enforcement actions, litigation, or negative publicity, and could have an adverse effect on our operations and financial condition.

Our global operations are subject to increasingly complex environmental regulatory requirements.

We are subject to increasingly complex environmental regulations affecting international manufacturers, including those related to air and water emissions, waste management and climate change. Some environmental laws impose strict, retroactive and joint and several liability for the remediation of the release of hazardous substances, even for conduct that was lawful at the time it occurred, or for the conduct of or conditions caused by prior operators, predecessors or third parties. Failure to comply with environmental laws could expose us to penalties or clean-up costs, civil or criminal liability and sanctions on certain of our activities, as well as damage to property or natural resources. These liabilities, sanctions, damages and remediation efforts related to any non-compliance with such laws and regulations could negatively impact our ability to conduct our operations and our financial condition and results of operations. In addition, there can be no assurances that we will not be adversely affected by costs, liabilities or claims with respect to existing or subsequently acquired operations or under present laws and regulations or those that may be adopted or imposed in the future.

Changes in environmental laws or regulations could result in higher expenses and payments, and uncertainty relating to environmental laws or regulations may also affect how we conduct our operations and structure our investments and could limit our ability to enforce our rights. Changes in environmental and climate change laws or regulations, including laws relating to greenhouse gas emissions, could subject us to additional costs and restrictions, including increased energy and raw material costs. If environmental laws or regulations are either changed or adopted and impose significant operational restrictions and compliance requirements upon us or our products, they could negatively impact our business, capital expenditures, results of operations, financial condition and competitive position.

It is our policy to apply strict standards for environmental protection to all of our operations inside and outside of the United States, even when we are not subject to local government regulations. We may incur substantial costs, including

cleanup costs, fines and civil or criminal sanctions, liabilities resulting from third-party property damage or personal injury claims, or our products could be prohibited from entering certain jurisdictions, if we were to violate or become liable under environmental laws, if our products become non-compliant with environmental laws or if we were to undertake environmental protection actions voluntarily.

We also face increasing complexity in our products design and procurement operations as we adjust to new and future requirements relating to the design, production and labeling of our products that are sold worldwide in multiple jurisdictions. The ultimate costs under environmental laws and the timing of these costs are difficult to predict.

We may be exposed to certain regulatory and financial risks related to climate change.

A number of governments and agencies in the U.S. and in foreign jurisdictions have proposed and may continue to introduce regulatory changes to address climate change, including regulations related to greenhouse gas emissions. We may be subject to additional regulations or restrictions in jurisdictions where we operate, including charges to fund additional energy-efficient activities, assessments or fees, and operational restrictions such as reduced emission allowances. Compliance with climate change regulations and restrictions may result in additional costs, including increased production costs and taxes, which could adversely impact our financial position. In addition, climate change regulations and related operating restrictions may unfavorably affect our competitive position with companies who may not be subject to equivalent requirements in their jurisdictions. In addition, negative publicity or public perception of climate change issues associated with us or our industry may cause reputational damage and financial harm to the Company.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

Our cybersecurity risk management process is integrated into our Enterprise Risk Management "ERM" process as described in Item 1A. Risk Factors. Cybersecurity has been identified as a critical risk.

To identify, assess, and manage material cybersecurity risks, we regularly evaluate and take steps to enhance our cybersecurity protocols to protect against or mitigate cyber threats. We conduct third-party and internal assessments of our environments, including system penetration testing, test our recovery and response processes, and we consider industry standards when developing our information security program. The Company has an information security training program, which calls for training all computer-based employees twice per year, through various employee training modules relative to information security matters and phishing simulation events with employees to raise cybersecurity awareness.

From time to time, we engage third-party assessors, consultants, auditors and others to assist us with evaluating, enhancing, implementing and monitoring our cybersecurity risk-management programs. We maintain processes to oversee and identify cybersecurity risks associated with our use of third-party service providers such as vigilant contract and vendor due diligence review, as well as annual review of the service providers' independent audit report where applicable.

Like many companies, our systems and those of our third party providers who provide us with services and products may be subject to cybersecurity threats and cybersecurity incidents. To date, no such cybersecurity incidents have had a material impact on our business or operations. However, if as a result of any future incidents or our systems are significantly damaged, cease to function properly or are subject to a significant cybersecurity incident, we may suffer an interruption in our ability to manage and operate the business, and our results of operations and financial condition could be adversely affected. The Company maintains an insurance policy with respect to cybersecurity and has

undergone several simulation, preparedness and response exercises. See "Risks Related to Manufacturing and Operations" in Item 1A. Risk Factors.

Governance

Our Board oversees the management of our risks, including risks from cybersecurity threats, on an enterprise-wide basis, and the Lead Independent Director promotes our Board's engagement in this process. Our Board has delegated oversight of the risk assessment and mitigation process with respect to cybersecurity to the Audit Committee of our Board. The Audit Committee regularly monitors the Company's cybersecurity risks and receives updates from the Chief Information Officer ("CIO") at each meeting. In addition, the Audit Committee regularly reviews the overall effectiveness of the information technology security environment. The CIO reports to the full Board about cybersecurity on an annual basis.

Lisa Dietrich is our CIO. Ms. Dietrich has 25 years of experience in the Information Technology ("IT") and cybersecurity industry. In her role as CIO, Ms. Dietrich is responsible for assessing and managing material risks from cybersecurity threats, including monitoring the prevention, detection, mitigation and remediation of cybersecurity incidents. On at least a quarterly basis, Ms. Dietrich chairs the IT Governance Committee, which includes the executive management team. The purpose of this committee is to inform and make strategic decisions on IT related matters, including the prevention, detection, mitigation and remediation of cybersecurity incidents. In addition, Ms. Dietrich regularly reviews key cybersecurity risk metrics and reporting designed to measure the effectiveness of related processes and procedures. Ms. Dietrich utilizes this information in her reporting to the Board and Audit Committee of the Board.

ITEM 1D. INFORMATION ABOUT OUR EXECUTIVE OFFICERS

EXECUTIVE OFFICERS OF THE REGISTRANT

Name	Age	Position
Christopher L. Mapes	62	Executive Chairman of the Board since January 1, 2024; Chairman of the Board from December 21, 2013 to December 31, 2023; President and Chief Executive Officer from December 31, 2012 to December 31, 2023; Chief Operating Officer from September 1, 2011 to December 31, 2012; Director since February 2010.
Steven B. Hedlund	57	President and Chief Executive Officer since January 1, 2024; Executive Vice President, Chief Operating Officer from May 9, 2022 to December 31, 2023; Executive Vice President and President, Americas and International Welding from October 21, 2020 to May 9, 2022; Executive Vice President and President, International Welding from June 1, 2017 to October 21, 2020; Senior Vice President and President, Global Automation from January 22, 2015 to June 1, 2017; Senior Vice President, Strategy & Business Development from February 19, 2014 to January 22, 2015; Vice President, Strategy and Business Development from September 15, 2008 to February 19, 2014.
Gabriel Bruno	56	Executive Vice President, Chief Financial Officer and Treasurer since April 22, 2020; Executive Vice President, Finance from January 1, 2019 to April 22, 2020; Executive Vice President, Chief Human Resources Officer from July 1, 2016 to January 1, 2019; Executive Vice President, Chief Human Resources Officer and Chief Information Officer from February 18, 2016 to July 1, 2016; Executive Vice President, Chief Information Officer and Interim Chief Human Resources Officer from March 7, 2015 to February 18, 2016; Executive Vice President, Chief Information Officer from February 19, 2014 to March 7, 2015; Vice President, Chief Information Officer from May 1, 2012 to February 19, 2014; Vice President, Corporate Controller from 2005 to May 1, 2012.
Jennifer I. Ansberry	50	Executive Vice President, General Counsel and Secretary since April 20, 2017; Vice President, Deputy General Counsel from August 1, 2014 to April 20, 2017; Deputy General Counsel from 2004 to August 1, 2014.
Michele R. Kuhrt	57	Executive Vice President, Chief Human Resources Officer since February 25, 2019; Executive Vice President, Chief Information Officer from July 1, 2016 to February 25, 2019; Senior Vice President, Tax from 2006 to July 1, 2016.
Lisa A. Dietrich	51	Executive Vice President, Chief Information Officer since May 9, 2022. Senior Vice President and Chief Information Officer, American Greetings Corporation (a global leader in the large and enduring Celebrations marketplace) from March 2018 until April 2022; Vice President of Business Transformation and Executive Director, American Greetings Corporation from January 2011 to March 2018.
Geoffrey P. Allman	53	Senior Vice President, Strategy and Business Development since January 1, 2019; Senior Vice President, Corporate Controller from January 14, 2014 to January 1, 2019; Corporate Controller from July 1, 2012 to January 14, 2014; Director, Regional Finance North America from October 1, 2009 to July 1, 2012.

Michael J. Whitehead	50	Senior Vice President, President, Global Automation, Cutting and Additive Businesses since January 1, 2019; Senior Vice President, Strategy and Business Development from August 1, 2016 to January 1, 2019; President, Lincoln Canada from January 1, 2015 to August 1, 2016; Director, New Product Development, Consumables R&D from January 1, 2012 to January 1, 2015.		
Peter M. Pletcher	50	Senior Vice President, President, Americas Welding since January 1, 2024; Senior Vice President, President International from August 1, 2022 to December 31, 2023; Senior Vice President, President, International Welding from December 10, 2020 to August 1, 2022; Vice President, President, Europe Welding from April 1, 2019 to December 10, 2020; Vice President, President, Global Automation from January 1, 2018 to April 1, 2019; Director, Business Development, Cutting Products from January 1, 2016 to January 1, 2018.		
Gregory Doria	47	Senior Vice President, President, Harris Products Group and Asia Pacific Welding since January 1, 2024; Senior Vice President, President, Harris Products Group from October 1, 2021 to December 31, 2023; Senior Vice President, Chief Operating Officer, Harris Products Group from April 21, 2021 to September 30, 2021; Vice President, Marketing from July 1, 2019 to April 20, 2021; Director, Global Industry Segments from March 1, 2017 to June 30, 2019; Regional Sales Manager, West Region from October 6, 2014 to February 28, 2017.		

The Company has been advised that there is no arrangement or understanding among any one of the officers listed and any other persons pursuant to which he or she was elected as an officer. The executive officers are elected by the Board of Directors normally for a term of one year and/or until the election of their successors.

ITEM 2. PROPERTIES

The Company's corporate headquarters and principal United States manufacturing facilities are located in the Cleveland, Ohio area. Total Cleveland area property consists of 244 acres, of which present manufacturing facilities comprise an area of approximately 3,017,090 square feet.

The Company has 71 manufacturing and automation system integration facilities, including operations and joint ventures across 21 countries, the significant locations (grouped by operating segment) of which are as follows:

Americas Welding:

i initiality is a reality.				
United States	Cleveland, Columbus, Coldwater, Fort Loramie, and Orrville, Ohio; Reno, Nevada; Ladson, South Carolina; Chattanooga, Tennessee; Detroit, Michigan; Fort Collins, Colorado; Bettendorf, Iowa; Churubusco, Indiana.			
Brazil	Atibaia; Guarulhos; Sao Paulo; Caxias do Sul.			
Canada	Toronto; Mississauga; Hamilton; Montreal; Vankleek Hill.			
Colombia	Bogota.			
Chile	Santiago.			
Mexico	Mexico City; Torreon; Saltillo.			
International Welding:				
Australia	Newcastle; Gladstone.			
Austria	Scheifling.			
China	Tangshan; Shanghai; Beijing.			
France	Grand-Quevilly; Partheny.			
Germany	Essen; Eisenberg; Frankfurt; Merzig.			
India	Chennai; Pune.			
Italy	Corsalone.			
Poland	Bielawa; Dzierzoniow.			
Romania	Buzau.			
Russia	Mtsensk.			
South Korea	Siheung-si.			
Spain	Valencia; Zaragoza.			
Turkey	Istanbul.			
United Kingdom	Sheffield, England; Port Talbot, Wales.			
The Harris Products Group:				
United States	Mason, Ohio; Gainesville, Georgia; Winston Salem, North Carolina; Gordonsville, Carthage, Tennessee; Florence, Alabama.			
Brazil	Maua.			
Italy	Verona.			
Mexico	Guadalupe.			
Poland	Dzierzoniow.			
Portugal	Albergaria-a-Velha.			

All properties relating to the Company's Cleveland, Ohio headquarters and manufacturing facilities are owned by the Company. Most of the Company's foreign subsidiaries own manufacturing facilities in the country where they are located. The Company believes that its existing properties are in good condition and are suitable for the conduct of its business. In March 2022, in response to Russia's invasion of Ukraine, the Company ceased operations in Russia.

In addition, the Company maintains operating leases for some manufacturing facilities, distribution centers and sales offices throughout the world. Refer to Note 17 to the consolidated financial statements for information regarding the Company's lease commitments.

ITEM 3. LEGAL PROCEEDINGS

The Company is subject, from time to time, to a variety of civil and administrative proceedings arising out of its normal operations, including, without limitation, product liability claims, regulatory claims and health, safety and environmental claims. Among such proceedings are the cases described below.

As of December 31, 2023, the Company was a co-defendant in cases alleging asbestos induced illness involving claims by approximately 1,387 plaintiffs, which is a net decrease of 22 claims from those previously reported. In each instance, the Company is one of a large number of defendants. The asbestos claimants seek compensatory and punitive damages, in most cases for unspecified sums. Since January 1, 1995, the Company has been a co-defendant in other similar cases that have been resolved as follows: 56,986 of those claims were dismissed, 23 were tried to defense verdicts, 7 were tried to plaintiff verdicts (which were reversed or resolved after appeal), 1 was resolved by agreement for an immaterial amount and 1,015 were decided in favor of the Company following summary judgment motions.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

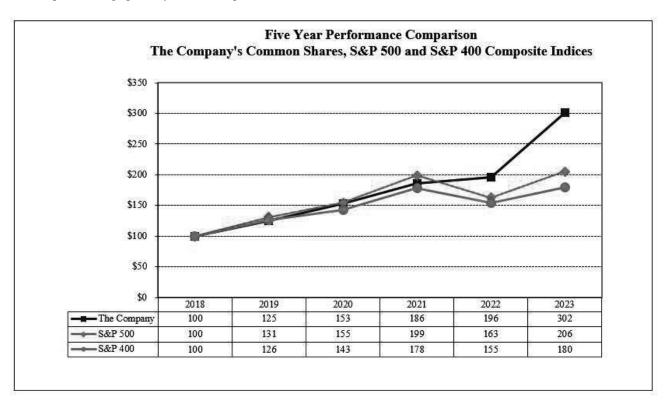
The Company's common shares are traded on The NASDAQ Global Select Market under the symbol "LECO." The number of record holders of common shares at December 31, 2023 was 2,214.

Issuer purchases of equity securities for the fourth quarter 2023 were:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs (2)
October 1 - 31, 2023	100,749 (1)\$ 179.12	98,253	8,107,766
November 1 - 30, 2023	132,659 (1	188.51	132,617	7,975,149
December 1 - 31, 2023 Total	120,132 ⁽¹ 353,540	209.13 192.84	116,629 347,499	7,858,520

- (1) The above share repurchases include the surrender of the Company's common shares in connection with the vesting of restricted awards.
- (2) On February 12, 2020, the Company's Board of Directors authorized a share repurchase program for up to 10 million shares of the Company's common stock. Total shares purchased through the share repurchase program were 2.1 million shares at a total cost of \$334.9 million for a weighted average cost of \$156.37 per share through December 31, 2023.

The following line graph compares the yearly percentage change in the cumulative total shareholder return on the Company's common stock against the cumulative total return of the S&P Composite 500 Stock Index ("S&P 500") and the S&P 400 MidCap Index ("S&P 400") for the five-year calendar period commencing January 1, 2019 and ending December 31, 2023. This graph assumes that \$100 was invested on December 31, 2018 in each of the Company's common shares, the S&P 500 and the S&P 400. A peer-group index for the welding industry, in general, is not readily available because the industry is comprised of a large number of privately held competitors and competitors that are smaller parts of large publicly traded companies.



ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Dollars in thousands, except per share amounts)

This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read together with the Company's consolidated financial statements and other financial information included elsewhere in this Annual Report on Form 10-K. This Annual Report on Form 10-K contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those indicated in the forward-looking statements. See "Item 1A. Risk Factors" for more information regarding forward-looking statements.

General

The Company is the world's largest designer and manufacturer of arc welding and cutting products, manufacturing a broad line of arc welding equipment, consumable welding products and other welding and cutting products.

The Company is one of only a few worldwide broad-line manufacturers of welding, cutting and brazing products. The Company is the world leader in the design, development and manufacture of arc welding products, automated joining, assembly and cutting systems, plasma and oxy-fuel cutting equipment. The Company also has a leading global position in brazing and soldering alloys.

The Company's products include arc welding, brazing and soldering filler metals (consumables), arc welding equipment, plasma and oxyfuel cutting systems, wire feeding systems, fume control equipment, welding accessories, specialty gas regulators, and education solutions; as well as a comprehensive portfolio of automated solutions for joining, cutting, material handling, module assembly, and end of line testing.

The Company invests in the research and development of arc welding products in order to continue its market leading product offering and improve the quality and productivity of welding applications. In addition, the Company actively protects its innovations with patents and trade secrets globally. The Company believes its significant investment in research and development, its highly trained technical sales force and its extensive distributor network provide a competitive advantage in the marketplace.

The Company's products are sold globally. In the Americas, products are sold principally through industrial distributors, retailers and also directly to users of welding products. Outside of the Americas, the Company has an international sales organization comprised of Company employees and agents who sell products from the Company's various manufacturing sites to distributors and product users.

The Company's major end-user markets include:

- general fabrication,
- energy (oil and gas, power generation and process industries),
- heavy industries (heavy fabrication, ship building and maintenance and repair),
- automotive and transportation, and
- construction and infrastructure.

The Company has, through wholly-owned subsidiaries, manufacturing facilities located in the United States, Australia, Austria, Brazil, Canada, China, Colombia, France, Germany, India, Italy, Mexico, Poland, Portugal, Romania, Russia, South Korea, Spain, Turkey and the United Kingdom.

The principal raw materials essential to the Company's business are steel, electronic components, engines, brass, copper, silver, aluminum alloys, robotic components and various chemicals, all of which are normally available for purchase in the open market.

The Company's facilities are subject to environmental regulations. To date, compliance with these environmental regulations has not had a material adverse effect on the Company's earnings. The Company is ISO 14001 certified at most significant manufacturing facilities in North America and Europe and is progressing towards certification at its remaining facilities worldwide. In addition, the Company is ISO 9001 certified at 46 facilities worldwide.

The Company ensures compliance and the continuous improvement of the environmental performance of its products and operations through its global Environmental, Health, Safety and Quality ("EHS&Q") systems. The Company's systems are guided by Corporate EHS&Q Policy, global directives and corporate standards that establish consistent guidelines for the management, measurement and reporting of environmental, health and safety activities, as well as quality across the Company's global platform. The Company's products support our customers' sustainable operations through enhanced worker safety, reduced emissions, improved energy efficiency, reduced waste and regulatory compliance.

Key Indicators

Key economic measures relevant to the Company include industrial production trends, steel consumption, purchasing manager indices, capacity utilization within durable goods manufacturers and consumer confidence indicators. Key industries which provide a relative indication of demand drivers to the Company include steel, farm machinery and equipment, construction and transportation, fabricated metals, electrical equipment, ship and boat building, defense, truck manufacturing, energy and railroad equipment. Although these measures provide key information on trends relevant to the Company, the Company does not have available a more direct correlation of leading indicators which can provide a forward-looking view of demand levels in the markets which ultimately use the Company's welding products.

Key operating measures utilized by the operating units to manage the Company include orders, backlog, sales, inventory and fill-rates, all of which provide key indicators of business trends. These measures are reported on various cycles including daily, weekly and monthly depending on the needs established by operating management.

Key financial measures utilized by the Company's executive management and operating units in order to evaluate the results of its business and in understanding key variables impacting the current and future results of the Company include: sales; gross profit; selling, general and administrative expenses; operating income; earnings before interest and taxes; earnings before interest, taxes and bonus; net income; adjusted operating income; adjusted earnings before interest and income taxes; adjusted earnings before interest, taxes and bonus; adjusted net income; adjusted diluted earnings per share; operating cash flows; and capital expenditures, as well as applicable ratios such as return on invested capital, adjusted return on invested capital and average operating working capital to sales. These measures are reviewed at monthly, quarterly and annual intervals and are compared with historical periods, as well as objectives established by the Board of Directors of the Company.

The discussion that follows includes a comparison of our results of operations, liquidity and capital resources for fiscal years ended December 31, 2023 and 2022. For a comparison of the Company's results of operations, liquidity and capital resources for the fiscal years ended December 31, 2022 and 2021, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the SEC on February 21, 2023.

Results of Operations

The following table shows the Company's results of operations:

		,	Year Ended Dece	mber 31,		
	2023 2022				Favorable (Unf 2023 vs. 2	,
	Amount	% of Sales	Amount	% of Sales	\$	%
Net sales	\$ 4,191,636	•	\$ 3,761,211		\$ 430,425	11.4 %
Cost of goods sold	2,726,191		2,480,451		(245,740)	(9.9)%
Gross profit	1,465,445	35.0 %	1,280,760	34.1 %	184,685	14.4 %
Selling, general & administrative						
expenses	758,910	18.1 %	656,636	17.5 %	(102,274)	(15.6)%
Rationalization and asset impairment						
charges	(11,314)	(0.3)%	11,788	0.3 %	23,102	196.0 %
Operating income	717,849	17.1 %	612,336	16.3 %	105,513	17.2 %
Interest expense, net	44,371		29,500		(14,871)	(50.4)%
Other income	13,388		9,991		3,397	34.0 %
Income before income taxes	686,866	16.4 %	592,827	15.8 %	94,039	15.9 %
Income taxes	141,618		120,603		(21,015)	(17.4)%
Effective tax rate	20.6 %)	20.3 %		(0.3)%	
Net income	\$ 545,248	13.0 %	\$ 472,224	12.6 %	\$ 73,024	15.5 %
Diluted earnings per share	\$ 9.37		\$ 8.04		\$ 1.33	16.5 %

Net Sales:

The following table summarizes the impacts of volume, acquisitions, price and foreign currency exchange rates on Net sales for the twelve months ended December 31, 2023 on a consolidated basis:

		Change in Net Sales due to:							
	Net Sales 2022	Volume	Acquisitions	Price	Foreign Exchange	Net Sales 2023			
Lincoln Electric Holdings, Inc.	\$ 3,761,211	\$ 85,686	\$ 276,571	\$ 64,146	\$ 4,022	\$ 4,191,636			
% Change									
Lincoln Electric Holdings, Inc.		2.3 9	% 7.4 %	1.7 %	0.1 %	6 11.4 %			

Net sales increased primarily due to the benefit of acquisitions, higher demand levels and increased product pricing as a result of higher input costs.

Gross Profit:

Gross profit increased for the year ended December 31, 2023 primarily due to pricing actions taken to offset higher inputs costs and favorable segment mix, which offset the impact of acquisitions.

Selling, General & Administrative ("SG&A") Expenses:

SG&A expenses increased in 2023 as compared to 2022 primarily due to acquisitions and higher employee-related costs.

Rationalization and asset impairment charges:

In 2023, the Company recorded a gain of \$11,314 primarily related to the sale of a property offset by rationalization and asset impairment charges within International Welding.

Segment Results

Net Sales:

The table below summarizes the impacts of volume, acquisitions, price and foreign currency exchange rates on Net sales for the twelve months ended December 31, 2023:

	Net Sales 2022	Volume (1)	Ac	quisitions (2)	Price (3)	Foreign Exchange	Net Sales 2023
Operating Segments							
Americas Welding	\$ 2,288,934	\$ 109,860	\$	222,493	\$ 37,125	\$ (2,866)	\$ 2,655,546
International Welding	954,281	12,519		54,078	14,691	4,437	1,040,006
The Harris Products Group	517,996	(36,693)			12,330	2,451	496,084
% Change							
Americas Welding		4.8 %	6	9.7 %	6 1.6 9	% (0.1)%	6 16.0 %
International Welding		1.3 %	6	5.7 %	6 1.5 9	% 0.5 %	9.0 %
The Harris Products Group		(7.1)%	6	_	2.4 9	% 0.5 %	6 (4.2)%

- (1) Increase for Americas Welding due to higher volumes in all product groups. Increase for International Welding due to higher equipment volumes. Decrease for the Harris Products Group due to weakness in end markets.
- (2) Increase for Americas Welding and International Welding due to the acquisitions discussed in Note 4 to the consolidated financial statements.
- (3) Increase for all segments reflects increased product pricing to offset higher input costs.

Adjusted Earnings Before Interest and Income Taxes ("Adjusted EBIT"):

Segment performance is measured and resources are allocated based on a number of factors, the primary measure being the Adjusted EBIT profit measure. EBIT is defined as Operating income plus Other income. EBIT is adjusted for special items as determined by management such as the impact of rationalization activities, certain asset impairment charges and gains or losses on disposals of assets.

The following table presents Adjusted EBIT by segment:

	Year Ended D	ecember 31,	_	Favorable (Uni 2023 vs. 2	,
	2023	2022		\$	%
Americas Welding:					
Net sales	\$ 2,655,546	\$ 2,288,934	\$	366,612	16.0 %
Inter-segment sales	127,536	122,019		5,517	4.5 %
Total Sales	\$ 2,783,082	\$ 2,410,953	\$	372,129	15.4 %
Adjusted EBIT (4)	\$ 538,269	\$ 462,819	\$	75,450	16.3 %
As a percent of total sales (1)	19.3 %	19.2 %			0.1 %
International Welding:					
Net sales	\$ 1,040,006	\$ 954,281	\$	85,725	9.0 %
Inter-segment sales	31,498	31,503		(5)	—
Total Sales	\$ 1,071,504	\$ 985,784	\$	85,720	8.7 %
Adjusted EBIT (5)	\$ 136,497	\$ 120,157	\$	16,340	13.6 %
As a percent of total sales (2)	12.7 %	12.2 %			0.5 %
The Harris Products Group:					
Net sales	\$ 496,084	\$ 517,996	\$	(21,912)	(4.2)%
Inter-segment sales	10,641	11,040		(399)	(3.6)%
Total Sales	\$ 506,725	\$ 529,036	\$	(22,311)	(4.2)%
Adjusted EBIT (6)	\$ 74,144	\$ 64,008	\$	10,136	15.8 %
As a percent of total sales (3)	14.6 %	12.1 %			2.5 %
Corporate / Eliminations:					
Inter-segment sales	\$ (169,675)	\$ (164,562)	\$	(5,113)	(3.1)%
Adjusted EBIT (7)	(17,536)	(10,033)		(7,503)	(74.8)%
Consolidated:					
Net sales	\$ 4,191,636	\$ 3,761,211	\$	430,425	11.4 %
Net income	\$ 545,248	\$ 472,224	\$	73,024	15.5 %
As a percent of total sales	13.0 %	12.6 %			0.4 %
Adjusted EBIT (8)	\$ 731,374	\$ 636,951	\$	94,423	14.8 %
As a percent of sales	17.4 %	16.9 %			0.5 %

- (1) Increase for 2023 as compared to 2022 primarily driven by higher volumes and effective cost management, partially offset by the impact of acquisitions.
- (2) Increase for 2023 as compared to 2022 primarily driven by higher volumes and effective cost management.
- (3) Increase for 2023 compared to 2022 primarily reflects effective cost management and operational improvements.
- (4) 2023 excludes the amortization of step up in value of acquired inventories of \$9,390 and Rationalization and asset impairment net charges of \$468.

2022 excludes a favorable adjustment related to the termination of a pension plan of \$3,735, the amortization of step up in value of acquired inventories of \$1,106 and Rationalization and asset impairment gains of \$431 related to severance and gains or losses on the disposal of assets as discussed in Note 7 to the consolidated financial statements.

- (5) 2023 excludes pension settlement charges of \$845, a gain on asset disposal of \$1,646, the amortization of step up in value of acquired inventories of \$2,862 and Rationalization and asset impairment net gains of \$11,782 as discussed in Note 7 to the consolidated financial statements.
 - 2022 excludes Rationalization and asset impairment charges of \$11,681 related to impairment charges as discussed in Note 7 to the consolidated financial statements.
- (6) 2022 excludes the amortization of step up in value of acquired inventories of \$820 related to an acquisition and non-cash pension settlement charges of \$2,965 as discussed in Note 11 to the consolidated financial statements.
- (7) 2022 excludes acquisition transaction and integration costs of \$6,003 as discussed in Note 4 to the consolidated financial statements.
- (8) See non-GAAP Financial Measures for a reconciliation of Net income as reported and Adjusted EBIT.

Non-GAAP Financial Measures

The Company reviews Adjusted operating income, Adjusted EBIT, Adjusted net income, Adjusted effective tax rate, Adjusted diluted earnings per share, Adjusted return on invested capital, and Adjusted net operating profit after taxes, all non-GAAP financial measures, in assessing and evaluating the Company's underlying operating performance. These non-GAAP financial measures exclude the impact of special items on the Company's reported financial results. Non-GAAP financial measures should be read in conjunction with the generally accepted accounting principles in the United States ("GAAP") financial measures, as non-GAAP measures are a supplement to, and not a replacement for, GAAP financial measures. From time to time, management evaluates and discloses to investors the following non-GAAP measures: Free cash flow ("FCF"), defined as Net cash provided by operating activities less Capital expenditures (the Company considers FCF to be a liquidity measure that provides useful information to management and investors about how the amount of cash generated by our business, after the purchase of property and equipment, can be used for debt service, acquisitions, paying dividends and repurchasing our common shares); Cash conversion, defined as FCF divided by Adjusted net income; Organic sales, defined as sales excluding the effects of foreign currency and acquisitions.

The following table presents a reconciliation of Operating income as reported to Adjusted operating income:

	Year Ended December 31,				
	2023		2022		
Operating income as reported	\$ 717,8	§ \$	612,336		
Special items (pre-tax):					
Rationalization and asset impairment charges (1)	(11,	314)	11,788		
Acquisition transaction costs (2)		_	6,003		
Amortization of step up in value of acquired inventories (3)	12,2	252	1,106		
Adjusted operating income	\$ 718,	787 \$	631,233		

- (1) 2023 reflects a gain on the sale of a property of \$36,187, offset by rationalization and asset impairment charges of \$24,873 within International Welding. 2022 charges are primarily related to employee severance, gains or losses on the disposal of assets and other related costs and non-cash asset impairment charges.
- (2) Costs related to acquisitions and included in Selling, general & administrative expenses.
- (3) Costs related to acquisitions and included in Cost of goods sold.

The following table presents the reconciliations of Net income as reported to Adjusted net income and Adjusted EBIT, Effective tax rate as reported to Adjusted effective tax rate and Diluted earnings per share as reported to Adjusted diluted earnings per share:

	Year Ended December 31,				
		2023		2022	
Net income as reported	\$	545,248	\$	472,224	
Special items:					
Rationalization and asset impairment charges (1)		(11,314)		11,788	
Acquisition transaction costs (2)		_		6,003	
Pension settlement net charges (3)		845		(4,273)	
Amortization of step up in value of acquired inventories (4)		12,252		1,106	
Gain on asset disposal (5)		(1,646)			
Tax effect of Special items ⁽⁶⁾		2,537		(1,192)	
Adjusted net income	\$	547,922	\$	485,656	
Interest expense, net		44,371		29,500	
Income taxes as reported		141,618		120,603	
Tax effect of Special items (6)		(2,537)		1,192	
Adjusted EBIT	\$	731,374	\$	636,951	
Effective tax rate as reported		20.6 %		20.3 %	
Net special item tax impact		(0.4)%		(0.2)%	
Adjusted effective tax rate		20.2 %		20.1 %	
Diluted earnings per share as reported	\$	9.37	\$	8.04	
Special items per share		0.04		0.23	
Adjusted diluted earnings per share	\$	9.41	\$	8.27	

- (1) 2023 reflects a gain on the sale of a property of \$36,187, offset by rationalization and asset impairment charges of \$24,873 within International Welding. 2022 charges are primarily related to employee severance, gains or losses on the disposal of assets and other related costs and non-cash asset impairment charges.
- (2) Costs related to acquisitions, as discussed in Note 4 to the consolidated financial statements, and are included in Selling, general & administrative.
- (3) 2023 charges related to pension settlement charges. 2022 net gains primarily related to the final settlement associated with the termination of a pension plan, as discussed in Note 11 to the consolidated financial statements.
- (4) Costs related to acquisitions and included in Cost of goods sold.
- (5) Gain on asset disposal and included in Other income.
- (6) Includes the net tax impact of Special items recorded during the respective periods.

The tax effect of Special items impacting pre-tax income was calculated as the pre-tax amount multiplied by the applicable tax rate. The applicable tax rates reflect the taxable jurisdiction and nature of each Special item.

Liquidity and Capital Resources

The Company's cash flow from operations can be cyclical. Operational cash flow is a key driver of liquidity. In assessing liquidity, the Company reviews working capital measurements to define areas for improvement. Management anticipates the Company will be able to satisfy cash requirements for its ongoing businesses for the foreseeable future primarily with cash generated by operations, existing cash balances, borrowings under its existing credit facilities and raising debt in capital markets.

The Company continues to expand globally and periodically consider acquisitions that would involve significant investments. The Company can fund its global expansion plans with operational cash flow, but a significant acquisition may require access to capital markets, in particular, the long-term debt market, as well as the syndicated bank loan market. The Company's financing strategy is to fund itself at the lowest after-tax cost of funding. Where possible, the Company utilizes operational cash flows and raises capital in the most efficient market, usually the United States, and then lends funds to the specific subsidiary needing or requiring funding. If additional acquisitions providing appropriate financial benefits become available, additional expenditures may be made.

The following table reflects changes in key cash flow measures:

	Year Ended December 31,			
	2023	2022	\$ Change	
Cash provided by operating activities (1)	\$ 667,542	\$ 383,386	\$ 284,156	
Cash used by investing activities (2)	(74,729)	(504,691)	429,962	
Capital expenditures	(90,987)	(71,883)	(19,104)	
Acquisition of businesses, net of cash acquired	(32,685)	(436,298)	403,613	
Proceeds from the sale of property, plant and equipment	49,494	3,331	46,163	
Cash (used by) provided by financing activities (3)	(412,392)	133,725	(546,117)	
(Payments on) proceeds from short-term borrowings	(79,873)	34,351	(114,224)	
(Payments on) proceeds from long-term borrowings	(8,109)	405,444	(413,553)	
Purchase of shares for treasury	(198,765)	(181,293)	(17,472)	
Cash dividends paid to shareholders	(148,010)	(130,724)	(17,286)	
Increase in Cash and cash equivalents (4)	196,637	4,192	192,445	

- (1) Cash provided by operating activities increased for the twelve months ended December 31, 2023 compared with the twelve months ended December 31, 2022 primarily due to increased earnings and improved working capital.
- (2) Cash used by investing activities decreased for the twelve months ended December 31, 2023 compared with the twelve months ended December 31, 2022 primarily due to less acquisition activity in 2023. The Company currently anticipates capital expenditures of \$90,000 to \$110,000 in 2024. Anticipated capital expenditures include investments to increase capacity and improve operational effectiveness. Management critically evaluates all proposed capital expenditures and expects each project to increase efficiency, reduce costs, promote business growth or improve the overall safety and environmental conditions of the Company's facilities.
- (3) Cash used by financing activities increased in the twelve months ended December 31, 2023 compared with the twelve months ended December 31, 2022 primarily due to increased payments on short- and long-term borrowings as compared with the prior year.
- (4) Cash and cash equivalents increased 99.7%, or \$196,637, to \$393,787 during the twelve months ended December 31, 2023, from \$197,150 as of December 31, 2022. The increase was predominantly due to higher cash provided by operating activities in 2023.

The Company paid \$148,010 and \$130,724 in cash dividends to its shareholders in the twelve months ended December 31, 2023 and 2022, respectively. In January 2024, the Company paid a cash dividend of \$0.71 per share, or \$40,453, to shareholders of record on December 31, 2023, which reflects a 11% increase in the Company's dividend payout rate.

Working Capital Ratios

	2023	2022
Average operating working capital to Net sales (1)(2)	17.1 %	20.9 %
Days sales in Inventories (3)	104.6	132.5
Days sales in Accounts receivable	50.0	57.0
Average days in Trade accounts payable	47.6	57.0

- (1) Average operating working capital to Net sales is defined as the sum of Accounts receivable, Inventories and contract assets less Trade accounts payable and contract liabilities as of period end divided by annualized rolling three months of Net sales.
- (2) In 2022, Average operating working capital excluding Fori would have been 18.6% as a percent of Net Sales.
- (3) In order to minimize supply chain disruptions in serving customers due to the impacts of the COVID-19 pandemic, the Company increased inventories relative to expected Net sales resulting in higher Days sales in Inventories in 2022.

Rationalization and Asset Impairments

Refer to Note 7 to the consolidated financial statements for a discussion of the Company's rationalization plans. The Company believes the rationalization actions will positively impact future results of operations and will not have a material effect on liquidity and sources and uses of capital.

Acquisitions

Refer to Note 4 to the consolidated financial statements for a discussion of the Company's recent acquisitions.

Debt

At December 31, 2023 and 2022, the total amount of debt outstanding was \$1,105,210 and \$1,203,879, respectively, while the fair value of long-term debt, including the current portion, was approximately \$1,013,795 and \$1,009,020, respectively, which was determined using available market information and methodologies requiring judgment. The carrying value of this debt at such dates was \$1,102,771 and \$1,121,435, respectively. Since judgment is required in interpreting market information, the fair value of the debt is not necessarily the amount which could be realized in a current market exchange.

Senior Unsecured Notes

On April 1, 2015 and October 20, 2016, the Company entered into separate Note Purchase Agreements pursuant to which it issued senior unsecured notes (the "Notes") through a private placement. The Notes each have an aggregate principal amount of \$350,000. Interest on the Notes are payable semi-annually. The proceeds of the Notes were used for general corporate purposes. The Notes contain certain affirmative and negative covenants. As of December 31, 2023, the Company was in compliance with all of its debt covenants relating to the Notes.

The Company's total weighted average effective interest rate and remaining weighted average term, inclusive of the 2015 Notes and 2016 Notes, is 3.3% and 10.4 years, respectively.

Term Loan

On November 29, 2022, the Company entered into a term loan in the aggregate principal amount of \$400,000 (the "Term Loan"), which was borrowed in full. The Term Loan matures on November 29, 2025. The Term Loan bears an interest at a rate based on Term SOFR, plus a margin ranging from 0.75% to 1.75% based on the Company's consolidated net

leverage ratio. The proceeds of the Term Loan were used to pay a portion of the purchase price in connection with the acquisition of Fori.

The agreement governing the Term Loan (the "Term Loan Credit Agreement") contains representations and warranties, as well as customary affirmative, negative and financial covenants for credit facilities of this type, including limitations on the Company and its subsidiaries with respect to liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. The Term Loan Credit Agreement requires the Company to maintain a minimum consolidated fixed charges coverage ratio and maximum consolidated net leverage ratio. As of December 31, 2023, the Company was in compliance with all of its covenants.

Revolving Credit Agreements

On April 23, 2021, the Company amended and restated the agreement governing its line of credit by entering into the Second Amended and Restated Credit Agreement ("Credit Agreement"). The Credit Agreement has a line of credit totaling \$500,000, has a term of 5 years with a maturity date of April 23, 2026 and may be increased, subject to certain conditions including the consent of its lenders, by an additional amount up to \$150,000. On March 8, 2023, the Credit Agreement was amended to replace the LIBOR rate to a term secured overnight finance rate ("SOFR"); as such, the interest rate on borrowings is based on SOFR plus a spread of 0.85% to 1.85% based on (1) the Company's net leverage ratio and (2) a credit spread adjustment. The Credit Agreement contains customary representations and warranties, as well as customary affirmative, negative and financial covenants for credit facilities of this type (subject to negotiated baskets and exceptions), including limitations on the Company and its subsidiaries with respect to liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. As of December 31, 2023, the Company was in compliance with all of its covenants and had no of outstanding borrowings under the Credit Agreement.

The Company has other lines of credit and debt agreements totaling \$89,145. As of December 31, 2023, the Company was in compliance with all of its covenants and had \$2,435 outstanding at December 31, 2023.

Return on Invested Capital

The Company reviews return on invested capital ("ROIC") in assessing and evaluating the Company's underlying operating performance. Adjusted ROIC is a non-GAAP financial measure that the Company believes is a meaningful metric to investors in evaluating the Company's financial performance and may be different than the method used by other companies to calculate ROIC. Adjusted ROIC is defined as rolling 12 months of Adjusted net income excluding tax-effected interest income and expense divided by invested capital. Invested capital is defined as total debt, which includes Amounts due banks, Current portion of long-term debt and Long-term debt, less current portions, plus Total equity.

The following table presents the reconciliation of ROIC and Adjusted ROIC to net income:

Return on Invested Capital	2023	2022
Net income as reported	\$ 545,248	\$ 472,224
Plus: Interest expense (after-tax)	38,050	23,276
Less: Interest income (after-tax)	5,033	1,202
Net operating profit after taxes	\$ 578,265	\$ 494,298
Special items:		
Rationalization and asset impairment charges	(11,314)	11,788
Acquisition transaction costs	_	6,003
Pension settlement net charges	845	(4,273)
Amortization of step up in value of acquired inventories	12,252	1,106
Gain on asset disposal	(1,646)	_
Tax effect of Special items (1)	2,537	(1,192)
Adjusted net operating profit after taxes	\$ 580,939	\$ 507,730
	-	
Invested Capital		
Short-term debt	\$ 2,439	\$ 93,483
Long-term debt, less current portion	1,102,771	1,110,396
Total debt	1,105,210	1,203,879
Total equity	1,308,852	1,034,041
Invested capital	\$ 2,414,062	\$ 2,237,920
·		
Return on invested capital as reported	24.0 %	22.1 %
Adjusted return on invested capital	24.1 %	22.7 %

(1) Includes the net tax impact of Special items recorded during the respective periods.

The tax effect of Special items impacting pre-tax income was calculated as the pre-tax amount multiplied by the applicable tax rate. The applicable tax rate reflects the taxable jurisdiction and nature of each Special item.

Contractual and Other Obligations

The Company's cash requirements for contractual and other obligations as of December 31, 2023 are as follows:

	Payments Due By Period								
					2025 to		2027 to		2029 and
		Total	2024		2026		2028		Beyond
Long-term debt, including current portion (Note 9)	\$	1,100,009	\$ 4	\$	500,005	\$	100,000	\$	500,000
Interest on long-term debt (Note 9)		258,448	23,135		43,120		39,970		152,223
Amounts due banks (Note 9)		2,435	2,435		_		_		_
Operating leases (Note 17)		61,229	14,574		20,808		11,200		14,647
Purchase commitments (1)		107,903	106,869		1,000		34		_
Transition Tax (2)		5,788			5,788		_		_
Total	\$	1,535,812	\$ 147,017	\$	570,721	\$	151,204	\$	666,870

- (1) Purchase commitments include contractual obligations for raw materials and services.
- (2) Federal income taxes on the Company's transition tax pursuant to the U.S. Tax Act is payable over eight years. Amounts reflect the utilization of 2018 overpayments and foreign tax credits.

As of December 31, 2023, there were \$12,592 of tax liabilities related to unrecognized tax benefits and a \$53,628 liability for deferred compensation. Because of the high degree of uncertainty regarding the timing of future cash outflows associated with these liabilities, the Company is unable to estimate the years in which settlement will occur.

Stock-Based Compensation

On April 19, 2023, the shareholders of the Company approved the 2023 Equity and Incentive Compensation Plan ("2023 Employee Plan"), which replaced the 2015 Equity and Incentive Compensation Plan ("2015 Employee Plan"). The 2023 Employee Plan provides for the granting of options, appreciation rights, restricted shares, restricted stock units and performance-based awards up to an additional 2,025,000 of the Company's common shares. In addition, on April 19, 2023, the shareholders of the Company approved the 2023 Stock Plan for Non-Employee Directors ("2023 Director Plan"), which replaced the 2015 Stock Plan for Non-Employee Directors ("2015 Director Plan"). The 2023 Director Plan provides for the granting of options, restricted shares and restricted stock units up to an additional 200,000 of the Company's common shares. At December 31, 2023, there were 2,192,720 common shares available for future grant under all plans.

Under these plans, the number of options, restricted shares and restricted stock units granted were 241,824 in 2023 and 284,946 in 2022. The Company issued common shares from treasury upon all exercises of stock options, vesting of restricted stock units and the granting of restricted stock awards in 2023 and 2022.

Total stock-based compensation expense recognized in the Consolidated Statements of Income for 2023 and 2022 was \$26,223 and \$25,276, respectively, with a related tax benefit of \$6,711 and \$6,363, respectively. As of December 31, 2023, total unrecognized stock-based compensation expense related to non-vested stock options and restricted stock units was \$17,254, which is expected to be recognized over a weighted average period of approximately one year.

The aggregate intrinsic value of options outstanding and exercisable, which would have been received by the optionees, had all awards been exercised at December 31, 2023 was \$99,884 and \$82,057, respectively. The total intrinsic value of awards exercised during 2023 and 2022 was \$35,414 and \$7,082, respectively.

Product Liability Costs

Product liability costs incurred can be volatile and are largely related to trial activity. The costs associated with these claims are predominantly defense costs which are recognized in the periods incurred.

The long-term impact of product liability contingencies, in the aggregate, on operating results, operating cash flows and access to capital markets is difficult to assess, particularly since claims are in many different stages of development and the Company benefits significantly from cost sharing with co-defendants and insurance carriers. Moreover, the Company has been largely successful to date in its defense of these claims.

Off-Balance Sheet Arrangements

The Company utilizes letters of credit to back certain payment and performance obligations. Letters of credit are subject to limits based on amounts outstanding under the Company's Credit Agreement.

New Accounting Pronouncements

Refer to Note 1 to the consolidated financial statements for a discussion of new accounting pronouncements.

Critical Accounting Policies and Estimates

The Company's consolidated financial statements are based on the selection and application of significant accounting policies, which require management to make estimates and assumptions. These estimates and assumptions are reviewed periodically by management and compared to historical trends to determine the accuracy of estimates and assumptions

used. If warranted, these estimates and assumptions may be changed as current trends are assessed and updated. Historically, the Company's estimates have been determined to be reasonable. No material changes to the Company's accounting policies were made during 2023. The Company believes the following accounting policies are some of the more critical judgment areas affecting its financial condition and results of operations.

Legal and Tax Contingencies

The Company, like other manufacturers, is subject from time to time to a variety of civil and administrative proceedings arising in the ordinary course of business. Such claims and litigation include, without limitation, product liability claims, administrative claims, regulatory claims and health, safety and environmental claims, some of which relate to cases alleging asbestos induced illnesses. The costs associated with these claims are predominantly defense costs, which are recognized in the periods incurred. Insurance reimbursements mitigate these costs and, where reimbursements are probable, they are recognized in the applicable period. With respect to costs other than defense costs (i.e., for liability and/or settlement or other resolution), reserves are recorded when it is probable that the contingencies will have an unfavorable outcome. The Company accrues its best estimate of the probable costs after a review of the facts with management and counsel and taking into account past experience. If an unfavorable outcome is determined to be reasonably possible but not probable, or if the amount of loss cannot be reasonably estimated, disclosure would be provided for material claims or litigation. Many of the current cases are in differing procedural stages and information on the circumstances of each claimant, which forms the basis for judgments as to the validity or ultimate disposition of such actions, varies greatly. Therefore, in many situations a range of possible losses cannot be made. Reserves are adjusted as facts and circumstances change and related management assessments of the underlying merits and the likelihood of outcomes change. Moreover, reserves only cover identified and/or asserted claims. Future claims could, therefore, give rise to increases to such reserves.

The Company is subject to taxation from U.S. federal, state, municipal and international jurisdictions. The calculation of current income tax expense is based on the best information available and involves significant management judgment. The actual income tax liability for each jurisdiction in any year can in some instances be ultimately determined several years after the financial statements are published.

The Company maintains liabilities for unrecognized tax benefits related to uncertain income tax positions in various jurisdictions. The Company uses judgment in determining whether the technical merits of tax positions are more-likely-than-not to be sustained. Judgment is also used in measuring the related amount of tax benefit that qualifies for recognition, including the interpretation of applicable tax law, regulation and tax ruling.

Liabilities are settled primarily through the completion of audits within each individual tax jurisdiction or the closing of the statute of limitations. Liabilities can be affected by changes in applicable tax law, regulations, tax rulings or such other factors, which may cause management to believe a revision of past estimates is appropriate. Management believes that an appropriate liability has been established for uncertain income tax positions; however, actual results may materially differ from these estimates. Refer to Note 13 to the consolidated financial statements for further discussion of uncertain income tax positions.

Deferred Income Taxes

Deferred income taxes are recognized at currently enacted tax rates for temporary differences between the GAAP and income tax basis of assets and liabilities and operating loss and tax credit carry-forwards. The Company will repatriate earnings for certain non-U.S. subsidiaries, which are subject to foreign withholding taxes. The Company considers any remaining earnings and outside basis in all other non-U.S. subsidiaries to be indefinitely reinvested and has not recorded any deferred taxes as such estimate is not practicable.

At December 31, 2023, the Company had approximately \$172,734 of gross deferred tax assets related to deductible temporary differences and tax loss and credit carry-forwards, which may reduce taxable income in future years. In assessing the realizability of deferred tax assets, the Company assesses whether it is more-likely-than-not that a portion or all of the deferred tax assets will not be realized. The Company considers the scheduled reversal of deferred tax

liabilities, tax planning strategies and projected future taxable income in making this assessment. At December 31, 2023, a valuation allowance of \$36,876 was recorded against certain deferred tax assets based on this assessment. The Company believes it is more-likely-than-not that the tax benefit of the remaining net deferred tax assets will be realized. The amount of net deferred tax assets considered realizable could be increased or reduced in the future if the Company's assessment of future taxable income or tax planning strategies changes.

Inventories

Inventories are valued at the lower of cost or net realizable value. Fixed manufacturing overhead costs are allocated to inventory based on normal production capacity and abnormal manufacturing costs are recognized as period costs. Cost for a substantial portion of U.S. inventories is determined on a LIFO basis. LIFO was used for 37% and 38% of total inventories at December 31, 2023 and 2022, respectively. Cost of other inventories is determined by costing methods that approximate a FIFO basis. The valuation of LIFO inventories is made at the end of each year based on inventory levels and costs at that time. Accordingly, interim LIFO calculations are based on management's estimates of expected year-end inventory levels and costs. Actual year-end inventory levels and costs may differ from interim LIFO inventory valuations. The excess of current cost over LIFO cost was \$129,946 at December 31, 2023 and \$133,909 at December 31, 2022.

The Company reviews the net realizable value of inventory on an on-going basis with consideration given to deterioration, obsolescence and other factors. If actual market conditions differ from those projected by management, and the Company's estimates prove to be inaccurate, write-downs of inventory values and adjustments to Cost of goods sold may be required. Historically, the Company's reserves have approximated actual experience.

Long-Lived Assets

The Company periodically evaluates whether current facts or circumstances indicate that the carrying value of its depreciable long-lived assets, including leases and intangible assets that do not have indefinite lives, to be held and used may not be recoverable. If such circumstances are determined to exist, an estimate of undiscounted future cash flows produced by the long-lived asset, or the appropriate grouping of assets, is compared to the carrying value to determine whether impairment exists. If an asset is determined to be impaired, a loss is recognized to the extent that carrying value exceeds fair value. Fair value is measured based on quoted market prices in active markets, if available. If quoted market prices are not available, the estimate of fair value is based on various valuation techniques, including the discounted value of estimated future cash flows.

Goodwill and Intangibles

The Company performs an annual impairment test of goodwill and indefinite-lived intangible assets in the fourth quarter using the same date each year or more frequently if changes in circumstances or the occurrence of events indicate potential impairment.

The fair value of each indefinite-lived intangible asset is compared to its carrying value and an impairment charge is recorded if the carrying value exceeds the fair value. For goodwill, the Company first assesses qualitative factors to determine whether it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount, and whether it is necessary to perform the quantitative goodwill impairment test. The quantitative test is only required if the Company concludes that it is more-likely-than-not that a reporting unit's fair value is less than its carrying amount. The Company may also perform a quantitative test in instances where the more-likely-than-not threshold has not been met, including when general macroeconomic conditions or changes to the reporting unit warrant a refresh of the baseline used in a qualitative test. For quantitative testing, the Company compares the fair value of each reporting unit with its carrying amount. If the carrying amount exceeds the fair value, an impairment charge is recognized for the amount by which the carrying amount exceeds the reporting unit's fair value, not to exceed the total amount of goodwill allocated to that reporting unit.

Fair values are determined using established business valuation techniques and models developed by the Company, estimates of market participant assumptions of future cash flows, future growth rates and discount rates to value estimated cash flows. Changes in economic and operating conditions, actual growth below the assumed market participant assumptions or an increase in the discount rate could result in an impairment charge in a future period.

Acquisitions

Upon acquisition of a business, the Company uses the income, market or cost approach (or a combination thereof) for the valuation as appropriate. The valuation inputs in these models and analyses are based on market participant assumptions. Market participants are considered to be buyers and sellers unrelated to the Company in the principal or most advantageous market for the asset or liability.

Fair value estimates are based on a series of judgments about future events and uncertainties and rely on estimates and assumptions. Management values property, plant and equipment using the cost approach supported where available by observable market data, which includes consideration of obsolescence. Management values acquired intangible assets using the relief from royalty method or excess earnings method, forms of the income approach supported by observable market data for peer companies. The significant assumptions used to estimate the value of the acquired intangible assets include discount rates and certain assumptions that form the basis of future cash flows (such as revenue growth rates, customer attrition rates and royalty rates). Acquired inventories are marked to fair value. For certain items, the preacquisition carrying value is determined to be a reasonable approximation of fair value based on information available to the Company. Refer to Note 4 to the consolidated financial statements for additional details.

Revenue Recognition

Revenue is recognized when obligations under the terms of a contract are satisfied and control is transferred to the customer. Revenue is measured as the amount of consideration the Company expects to be entitled to in exchange for goods or services. Substantially all of the Company's sales arrangements are short-term in nature involving a single performance obligation. The Company recognizes revenue when the performance obligation is satisfied and control of the product is transferred to the customer based upon shipping terms. In addition, certain customized automation performance obligations are accounted for over time. Under this method, revenue recognition is primarily based upon the ratio of costs incurred to date compared with estimated total costs to complete. The cumulative impact of revisions to total estimated costs is reflected in the period of the change, including anticipated losses. Less than 10% of the Company's Net sales are recognized over time.

The Company recognizes any discounts, credits, returns, rebates and incentive programs based on reasonable estimates as a reduction of sales to arrive at Net sales at the same time the related revenue is recorded. Taxes collected by the Company, including sales tax and value added tax, are excluded from Net sales. The Company recognizes freight billed as a component of Net sales and shipping costs as a component of Cost of goods sold when control transfers to the customer. Sales commissions are expensed when incurred because the amortization period is generally one year or less. These costs are recorded within Selling, general and administrative expenses in the Company's Consolidated Statements of Income.

Refer to Note 2 to the consolidated financial statements for additional details.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company's primary financial market risks include fluctuations in currency exchange rates, commodity prices and interest rates. The Company manages these risks by using derivative financial instruments in accordance with established policies and procedures. The Company does not enter into derivatives or other financial instruments for trading or speculative purposes.

Included below is a sensitivity analysis based upon a hypothetical 10% weakening or strengthening in the U.S. dollar compared to foreign currency exchange rates at December 31, 2023, a 10% change in pricing of commodity contracts

and a 100 basis point increase in effective and variable interest rates at December 31, 2023. The derivative, borrowing and investment arrangements in effect at December 31, 2023 were compared to the hypothetical foreign exchange or interest rates in the sensitivity analysis to determine the effect on the Company's current period consolidated financial statements.

Foreign Currency Exchange Risk

The Company enters into forward foreign exchange contracts principally to hedge the currency fluctuations in transactions denominated in foreign currencies, thereby limiting the Company's risk that would otherwise result from changes in exchange rates.

At December 31, 2023, the Company hedged certain third-party and intercompany purchases and sales. The gross notional dollar amount of these foreign exchange contracts at December 31, 2023 was \$84,148. At December 31, 2023, a hypothetical 10% strengthening or weakening in the U.S. dollar would have changed Accumulated other comprehensive income (loss) by \$1,744.

The Company enters into forward foreign exchange contracts to hedge transaction exposures or significant cross-border intercompany loans by either purchasing or selling specified amounts of foreign currency at a specified date. The gross notional dollar amount of these foreign exchange contracts at December 31, 2023 was \$492,600. A hypothetical 10% change in the year-end exchange rates would have resulted in an increase or decrease to Income before income taxes of \$25,267 related to these positions. However, any loss (or gain) resulting from a hypothetical 10% change would be offset by the associated gain (or loss) on the underlying balance sheet exposure and would ultimately not materially affect the Company's financial statements. The Company also has a foreign currency forward contract hedge designated as a net investment hedge with a notional dollar amount of \$119,607 at December 31, 2023. At December 31, 2023, a hypothetical 10% strengthening or weakening in the U.S. dollar would have changed Accumulated other comprehensive income (loss) by \$11,658.

Commodity Price Risk

From time to time, the Company uses various hedging arrangements to manage exposures related to price risk from commodity purchases. These hedging arrangements have the effect of fixing for specified periods the prices the Company will pay for the volume to which the hedge relates. The notional amount of these contracts was 200,000 pounds at December 31, 2023. At December 31, 2023, a hypothetical 10% change in the price would have resulted in an increase or decrease to the value of the contracts by \$74.

Interest Rate Risk

In anticipation of future debt issuance associated with the Notes referenced in Note 9 to the consolidated financial statements, the Company has interest rate forward starting swap agreements to hedge the variability of future changes in interest rates. The gross notional dollar value of these contracts was \$100,000 at December 31, 2023. At December 31, 2023, a hypothetical 100 basis point increase to effective interest rates would have changed Accumulated other comprehensive income (loss) by \$6,054. At December 31, 2023, a hypothetical 100 basis point increase to variable interest rates would have changed Interest expense by approximately \$2,500.

In March 2023, the Company entered into interest rate swap agreements, which were qualified and designated as cash flow hedges, with an aggregate notional amount of \$150,000. At December 31, 2023, a hypothetical 100 basis point increase to effective interest rates would have changed Accumulated other comprehensive income (loss) by \$2,599.

The fair value of the Company's cash and cash equivalents at December 31, 2023 approximated cost due to the short-term duration. These financial instruments are subject to concentrations of credit risk. The Company has minimized this risk by entering into investments with a number of major banks and financial institutions and investing in high-quality instruments. The Company does not expect any counter-parties to fail to meet their obligations.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The response to this item is submitted in a separate section of this Annual Report on Form 10-K following the signature page.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES

None.

ITEM 9A. CONTROLS AND PROCEDURES

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, the Company conducted an evaluation of disclosure controls and procedures, as such term is defined in Rule 13a-15(e) of the Exchange Act. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this Annual Report on Form 10-K.

Management's Report on Internal Control Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, the Company conducted an evaluation of the effectiveness of internal control over financial reporting as of December 31, 2023 based on the 2013 framework in "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the Company's evaluation under such framework, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2023.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2023 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report, which is included elsewhere in this Annual Report on Form 10-K.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting that occurred during the fourth quarter of 2023 that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

During the quarter ended December 31, 2023, none of the Company's directors or officers adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as those terms are defined in Item 408(a) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The Company is expected to file its 2024 proxy statement pursuant to Regulation 14A of the Exchange Act within 120 days after December 31, 2023.

Except for the information set forth within Part I, Item 1D section of this Annual Report on Form 10-K concerning our Executive Officers, the information required by this item is incorporated by reference from the 2024 proxy statement.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference from the 2024 proxy statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item is incorporated by reference from the 2024 proxy statement.

For further information on the Company's equity compensation plans, see Note 1 and Note 10 to the Company's consolidated financial statements.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated by reference from the 2024 proxy statement.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item is incorporated by reference from the 2024 proxy statement.

PART IV

ITEM 15, EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) Financial Statements

The following reports and consolidated financial statements of the Company are included in a separate section of this report following the signature page and certifications:

Report of Independent Registered Public Accounting Firm (PCAOB ID 42)

Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting

Consolidated Statements of Income – Years ended December 31, 2023, 2022 and 2021

Consolidated Statements of Comprehensive Income - Years ended December 31, 2023, 2022 and 2021

Consolidated Balance Sheets – December 31, 2023 and 2022

Consolidated Statements of Equity – Years ended December 31, 2023, 2022 and 2021

Consolidated Statements of Cash Flows - Years ended December 31, 2023, 2022 and 2021

Notes to Consolidated Financial Statements

(a)(2) Financial Statement Schedules

The following consolidated financial statement schedule of the Company is included in a separate section of this report following the signature page:

Schedule II - Valuation and Qualifying Accounts

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange.

Commission are not required under the related instructions or are inapplicable, and therefore, have been omitted.

(a)(3) Exhibits

Exhibit No.	Description
3.1	Amended and Restated Articles of Incorporation of Lincoln Electric Holdings, Inc. (filed as Exhibit 3.1 to Form 8-K of Lincoln Electric Holdings, Inc. filed on September 27, 2011, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
3.2	Amended and Restated Code of Regulations of Lincoln Electric Holdings, Inc., as amended on February 15, 2023 (filed as Exhibit 3.1 to Form 8-K of Lincoln Electric Holdings, Inc. filed on February 17, 2023, SEC File No0-1402, and incorporated herein by reference and made a part hereof).
4.1	Description of Securities Registered Under Section 12 of the Securities Exchange Act of 1934 (filed as Exhibit 4.1 to Form 10-K of Lincoln Electric Holdings, Inc. for the year ended December 31, 2019, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.1	Second Amended and Restated Credit Agreement, dated as of April 23, 2021, by and among Lincoln Electric Holdings, Inc., The Lincoln Electric Company, Lincoln Electric International Holding Company, J.W. Harris Co., Inc., Lincoln Electric Automation, Inc., Lincoln Global, Inc., the Lenders and KeyBank National Association (filed as Exhibit 10.4 to Form 10-Q of Lincoln Electric Holdings, Inc. for the quarter ended March 31, 2021, SEC File No. 0-1402, and incorporated herein by reference
10.2	First Amendment to Second Amendment and Restated Credit Agreement, dated as of March 8, 2023, by and among Lincoln Electric Holdings, Inc., The Lincoln Electric Company, Lincoln Electric International Holding Company, J.W. Harris Co., Inc., Lincoln Electric Automation, Inc., Lincoln Global, Inc., the Lenders and KeyBank National Association (filed as Exhibit 10.1 to Form 10-Q of Lincoln Electric Holdings, Inc. for the quarter ended March 31, 2023, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.3	Credit Agreement, dated as of November 29, 2022, by and among Lincoln Electric Holdings, Inc., The Lincoln Electric Company, Lincoln Electric International Holding Company, J.W. Harris Co., Inc., Lincoln Electric Automation, Inc., Lincoln Global, Inc., the Lenders and PNC Bank, National Association (filed as Exhibit 10.1 to form 8-K of Lincoln Electric Holdings, Inc. filed on December 1, 2022, SEC File No. 0-1402 and incorporated herein by reference and made a part hereof).
10.4	Note Purchase Agreement, dated as of April 1, 2015, by and among Lincoln Electric Holdings, Inc., The Lincoln Electric Company, Lincoln Electric International Holding Company, J.W. Harris Co., Inc., Lincoln Global, Inc., Techalloy, Inc., Wayne Trail Technologies, Inc. and the purchasers party thereto (filed as Exhibit 10.1 to Form 8-K of Lincoln Electric Holdings, Inc. filed on April 2, 2015, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).

10.5	Amendment No. 1 to Note Purchase Agreement, dated as of April 1, 2015, by and among Lincoln Electric Holdings, Inc., The Lincoln Electric Company, Lincoln Electric International Holding Company, J.W. Harris Co., Inc., Lincoln Global, Inc., Techalloy, Inc., Wayne Trail Technologies, Inc. and the purchasers party thereto, dated July 30, 2019 (filed as Exhibit 10.1 to Form 10-Q of Lincoln Electric Holdings, Inc. for the quarter ended September 30, 2019, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.6	Note Purchase Agreement, dated as of October 20, 2016, by and among Lincoln Electric Holdings, Inc., The Lincoln Electric Company, Lincoln Electric International Holding Company, J.W. Harris Co., Inc., Techalloy, Inc. and Wayne Trail Technologies, Inc. and the purchaser party thereto (filed as Exhibit 10.4 to Form 10-K of Lincoln Electric Holdings, Inc. for the year ended December 31, 2016, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.7*	Non-Employee Directors' Deferred Compensation Plan (Amended and Restated as of January 1, 2021) (filed as Exhibit 10.18 to Form 10-K of Lincoln Electric Holdings, Inc. for the year ended December 31, 2020, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.8*	2005 Deferred Compensation Plan for Executives (Amended and Restated as of January 1, 2021) (filed as Exhibit 10.21 to Form 10-K of Lincoln Electric Holdings, Inc. for the year ended December 31, 2020, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.9*	The Lincoln Electric Company Restoration Plan (filed as Exhibit 4.3 to Form S-8 of Lincoln Electric Holdings, Inc. filed on December 19, 2016, SEC File No. 333-215168, and incorporated herein by reference and made a part hereof).
10.10*	Amendment No. 1 to The Lincoln Electric Company Restoration Plan (filed as Exhibit 10.3 to Form 10-Q of Lincoln Electric Holdings, Inc. for the quarter ended September 30, 2020, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.11*	The Lincoln Electric Company Employee Savings Plan As Amended and Restated Effective April 25, 2022 (filed herewith).
10.12*	Amendment No. 1 to The Lincoln Electric Company Employee Savings Plan As Amended and Restated Effective April 25, 2022 (filed herewith).
10.13*	Amendment No. 2 to The Lincoln Electric Company Employee Savings Plan As Amended and Restated Effective April 25, 2022 (filed herewith).
10.14*	Form of Change in Control Severance Agreement (as entered into by the Company and its executive officers) (filed as Exhibit 10.1 to Form 8-K of Lincoln Electric Holdings, Inc. filed on November 21, 2017, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.15*	Amendment No. 1 to Form of Change in Control Severance Agreement (as entered into by the Company and its executive officers) (filed as Exhibit 10.5 to Form 10-Q of Lincoln Electric Holdings, Inc. for the quarter ended September 30, 2020, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.16*	2006 Equity and Performance Incentive Plan (Restated as of March 3, 2011) (filed as Annex A to Lincoln Electric Holdings, Inc. proxy statement filed on March 18, 2011, SEC File No. 0-1402 and incorporated herein by reference and made a part hereof).
10.17*	2015 Equity and Incentive Compensation Plan (filed as Appendix B to Lincoln Electric Holdings, Inc. definitive proxy statement filed on March 18, 2015, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.18*	2015 Stock Plan for Non-Employee Directors (filed as Appendix C to Lincoln Electric Holdings, Inc. definitive proxy statement filed on March 18, 2015, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.19*	Amendment No. 1 to the 2015 Stock Plan for Non-Employee Directors (filed as Appendix C to Lincoln Electric Holdings, Inc. proxy statement dated March 20, 2017, SEC File No. 0-1402, and incorporated by reference and made a part hereof).

10.20*	2023 Equity and Incentive Compensation Plan (filed as Exhibit 10.1 to Form 8-K of Lincoln Electric Holdings, Inc. filed on April 21, 2023, SEC File No. 0-1402, and incorporated herein by reference and
	made a part hereof).
10.21*	2023 Stock Plan for Non-Employee Directors (filed as Exhibit 10.2 to Form 8-K of Lincoln Electric Holdings, Inc. filed on April 21, 2023, SEC File No. 0-1402, and incorporated herein by reference and
	made a part hereof).
10.22*	Form of Restricted Stock Unit Agreement for Non-Employee Directors (filed as Exhibit 10.31 to Form
10.22	10-K of Lincoln Electric Holdings, Inc. for the year ended December 31, 2022, SEC File No. 0-1402,
	and incorporated herein by reference and made a part hereof).
10.23*	Form of Restricted Stock Unit Agreement for Non-Employee Directors under 2023 Stock Plan for Non-
	Employee Directors (filed as Exhibit 10.1 to Form 10-Q of Lincoln Electric Holdings, Inc. for the
	quarter ended June 30, 2023, SEC File No. 0-1402, and incorporated herein by reference and made a
	part hereof).
10.24*	Form of Restricted Stock Unit Agreement for Non-Employee Directors under 2023 Stock Plan for Non-
	Employee Directors (filed herewith).
10.25*	Form of Stock Option Agreement for Executive Officers (filed as Exhibit 10.27 to Form 10-K of
	Lincoln Electric Holdings, Inc. for the year ended December 31, 2017, SEC File No. 0-1402, and
	incorporated herein by reference and made a part hereof).
10.26*	Form of Stock Option Agreement for Executive Officers (filed as Exhibit 10.28 to Form 10-K of
	Lincoln Electric Holdings, Inc. for the year ended December 31, 2017, SEC File No. 0-1402, and
	incorporated herein by reference and made a part hereof).
10.27*	Form of Stock Option Agreement for Executive Officers (filed as Exhibit 10.37 to Form 10-K of
	Lincoln Electric Holdings, Inc. for the year ended December 31, 2018, SEC File No. 0-1402, and
	incorporated herein by reference and made a part hereof).
10.28*	Form of Stock Option Agreement for Executive Officers (filed as Exhibit 10.38 to Form 10-K of
	Lincoln Electric Holdings, Inc. for the year ended December 31, 2019, SEC File No. 0-1402, and
	incorporated herein by reference and made a part hereof).
10.29*	Form of Stock Option Agreement for Executive Officers (filed as Exhibit 10.1 to Form 10-Q of Lincoln
	Electric Holdings, Inc. for the quarter ended March 31, 2021, SEC File No. 0-1402, and incorporated
10.00	herein by reference and made a part hereof).
10.30*	Form of Stock Option Agreement for Executive Officers (filed as Exhibit 10.1 to Form 10-Q of Lincoln
	Electric Holdings, Inc. for the quarter ended March 31, 2022, SEC File No. 0-1402, and incorporated
10.21*	herein by reference and made a part hereof).
10.31*	Form of Stock Option Agreement for Executive Officers (filed as Exhibit 10.2 to Form 10-Q of Lincoln
	Electric Holdings, Inc. for the quarter ended March 31, 2023, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
10.32*	1 /
10.32	Form of Stock Option Agreement for Executive Officers under 2023 Equity and Incentive Compensation Plan (filed as Exhibit 10.2 to Form 10-Q of Lincoln Electric Holdings, Inc. for the
	quarter ended June 30, 2023, SEC File No. 0-1402, and incorporated herein by reference and made a
	part hereof).
10.33*	Form of Restricted Stock Unit Agreement for Executive Officers (filed as Exhibit 10.33 to Form 10-K
10.55	of Lincoln Electric Holdings, Inc. for the year ended December 31, 2013, SEC File No. 0-1402, and
	incorporated herein by reference and made a part hereof).
10.34*	Form of Restricted Stock Unit Agreement for Executive Officers (filed as Exhibit 10.2 to Form 10-Q of
10.51	Lincoln Electric Holdings, Inc. for the quarter ended March 31, 2021, SEC File No. 0-1402, and
	incorporated herein by reference and made a part hereof).
10.35*	Form of Restricted Stock Unit Agreement for Executive Officers (filed as Exhibit 10.2 to Form 10-Q of
	Lincoln Electric Holdings, Inc. for the quarter ended March 31, 2022, SEC File No. 0-1402, and
	incorporated herein by reference and made a part hereof).
10.36*	Form of Restricted Stock Unit Agreement for Executive Officers (filed as Exhibit 10.3 to Form 10-Q of
10.50	Lincoln Electric Holdings, Inc. for the quarter ended March 31, 2023, SEC File No. 0-1402, and
	incorporated herein by reference and made a part hereof).
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10.37*	Horm of Restricted Stock Unit Agreement for Executive Littlears under 7074 Equity and Incentive
	Form of Restricted Stock Unit Agreement for Executive Officers under 2023 Equity and Incentive Compensation Plan (filed as Exhibit 10.3 to Form 10-Q of Lincoln Electric Holdings, Inc. for the
	quarter ended June 30, 2023, SEC File No. 0-1402, and incorporated herein by reference and made a
	part hereof).
10.38*	Form of Performance Share Award Agreement for Executive Officers (filed as Exhibit 10.3 to Form 10-
	Q of Lincoln Electric Holdings, Inc., for the quarter ended March 31, 2021, SEC File No. 0-1402, and
	incorporated herein by reference and made a part hereof).
10.39*	Form of Performance Share Award Agreement for Executive Officers (filed as Exhibit 10.3 to Form 10-
	Q of Lincoln Electric Holdings, Inc., for the quarter ended March 31, 2022, SEC File No. 0-1402, and
10.40*	incorporated herein by reference and made a part hereof).
10.40	Form of Performance Share Award Agreement for Executive Officers (filed as Exhibit 10.4 to Form 10-Q of Lincoln Electric Holdings, Inc., for the quarter ended March 31, 2023, SEC File No. 0-1402, and
	incorporated herein by reference and made a part hereof).
10.41*	Form of Performance Share Award Agreement for Executive Officers under 2023 Equity and Incentive
	Compensation Plan (filed as Exhibit 10.4 to Form 10-Q of Lincoln Electric Holdings, Inc., for the
	quarter ended June 30, 2023, SEC File No. 0-1402, and incorporated herein by reference and made a
	part hereof).
10.42*	Form of Officer Indemnification Agreement (effective February 23, 2012) (filed as Exhibit 10.1 to
	Form 8-K of Lincoln Electric Holdings, Inc. filed on February 29, 2012, SEC File No. 0-1402, and
10.42#	incorporated herein by reference and made a part hereof).
10.43*	Form of Director Indemnification Agreement (effective February 23, 2012) (filed as Exhibit 10.2 to
	Form 8-K of Lincoln Electric Holdings, Inc. filed on February 29, 2012, SEC File No. 0-1402, and incorporated herein by reference and made a part hereof).
21	Subsidiaries of the Registrant (filed herewith).
23	Consent of Independent Registered Public Accounting Firm (filed herewith).
24	Powers of Attorney (filed herewith).
31.1	Certification by the Chairman, President and Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 (filed herewith).
31.2	Certification by the Executive Vice President, Chief Financial Officer and Treasurer pursuant to
22.1	Rule 13a-14(a) of the Securities Exchange Act of 1934 (filed herewith).
32.1	Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith).
97	Lincoln Electric Holdings, Inc. Clawback Policy (Effective October 2, 2023) (filed herewith).
101.IN	Inline XBRL Instance Document
101.SC	Inline XBRL Taxonomy Extension Schema Document
101.CA	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LA	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PR	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DE	Inline XBRL Taxonomy Extension Definition Linkbase Document
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

^{*} Reflects management contract or other compensatory arrangement required to be filed as an exhibit pursuant to Item 15(b) of this report.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LINCOLN ELECTRIC HOLDINGS, INC.

By: /s/ Gabriel Bruno

Gabriel Bruno

Executive Vice President, Chief Financial Officer and

Treasurer

(principal financial and accounting officer)

February 27, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Steven B. Hedlund	/s/ Gabriel Bruno
Steven B. Hedlund,	Gabriel Bruno,
President and Chief Executive Officer	Executive Vice President, Chief Financial Officer and
(principal executive officer)	Treasurer
February 27, 2024	(principal financial and accounting officer)
	February 27, 2024
/s/ Gabriel Bruno	/s/ Gabriel Bruno
Gabriel Bruno as	Gabriel Bruno as
Attorney-in-Fact for	Attorney-in-Fact for
Brian D. Chambers, Director	Curtis E. Espeland, Director
February 27, 2024	February 27, 2024
/s/ Gabriel Bruno	/s/ Gabriel Bruno
Gabriel Bruno as	Gabriel Bruno as
Attorney-in-Fact for	Attorney-in-Fact for
Bonnie J. Fetch, Director	Patrick P. Goris, Director
February 27, 2024	February 27, 2024
/s/ Gabriel Bruno	/s/ Gabriel Bruno
Gabriel Bruno as	Gabriel Bruno as
Attorney-in-Fact for	Attorney-in-Fact for
Michael F. Hilton, Director	Marc A. Howze, Director
February 27, 2024	February 27, 2024
/s/ Gabriel Bruno	/s/ Gabriel Bruno
Gabriel Bruno as	Gabriel Bruno as
Attorney-in-Fact for	Attorney-in-Fact for
Kathryn Jo Lincoln, Director	Christopher L. Mapes, Executive Chairman of the Board
February 27, 2024	February 27, 2024
/s/ Gabriel Bruno	/s/ Gabriel Bruno
Gabriel Bruno as	Gabriel Bruno as
Attorney-in-Fact for	Attorney-in-Fact for
Phillip J. Mason, Director	Ben P. Patel, Director
February 27, 2024	February 27, 2024
/s/ Gabriel Bruno	/s/ Gabriel Bruno
Gabriel Bruno as	Gabriel Bruno as
Attorney-in-Fact for	Attorney-in-Fact for
Hellene S. Runtagh, Director	Kellye L. Walker, Director
February 27, 2024	February 27, 2024

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Lincoln Electric Holdings, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Lincoln Electric Holdings, Inc. (the Company) as of December 31, 2023 and 2022, the related consolidated statements of income, comprehensive income, equity and cash flows for each of the three years in the period ended December 31, 2023, and the related notes and financial statement schedule listed in the Index at Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 27, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosures to which it relates.

Goodwill impairment evaluation - Reporting Unit within Americas Welding Segment

Description of the Matter

As disclosed in Note 5 to the consolidated financial statements, at December 31, 2023, the Company's total goodwill was \$694.5 million, of that, \$497.6 million relates to the Americas Welding segment. As disclosed in Note 1 to the consolidated financial statements, goodwill is tested for impairment in the fourth quarter using the same date each year or more frequently if changes in circumstances or the occurrence of events indicate potential impairment. The Company first assesses qualitative factors to determine whether it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount and whether it is necessary to perform a quantitative goodwill impairment test. The Company may perform a quantitative test in instances where the more-likely-than-not threshold has not been met, including when general macroeconomic conditions or changes to the reporting unit warrant a refresh of the baseline used in a qualitative test. The Company performed a quantitative assessment for a reporting unit within the Americas Welding segment and determined that the fair value of the reporting unit was in excess of the carrying value.

Auditing the annual goodwill impairment test for the aforementioned reporting unit under the quantitative assessment was complex and judgmental due to the significant estimation required in determining the fair value of the reporting unit. In particular, the fair value estimate using the income approach was sensitive to significant assumptions such as the weighted average cost of capital and the terminal period revenue growth rate. Elements of these significant assumptions are forward-looking and could be affected by future economic conditions.

How We Addressed the Matter in Our Audit We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's goodwill impairment evaluation, including controls over the significant assumptions mentioned above.

To test the estimated fair value used in the Company's annual goodwill impairment test for the reporting unit within the Americas Welding segment, our audit procedures included, among others, assessing the valuation methodology, testing the significant assumptions discussed above, and testing the completeness and accuracy of the underlying data used by the Company in its analysis. As it pertains to the terminal period revenue growth rate, we compared the significant assumptions used by management to third party industry data and economic trends, changes to the Company's business model, customer base or product mix, as applicable. We involved valuation specialists to assist with our evaluation of the methodology applied and the reasonableness of certain assumptions selected by management, including, the weighted average cost of capital. Specifically, we evaluated the components of the weighted average cost of capital assumptions used by performing an independent corroborative analysis with involvement of valuation specialists. We performed sensitivity analyses of assumptions to evaluate the changes in the fair value of the reporting unit that would result from changes in the significant assumptions.

/s/ Ernst & Young LLP

We have served as the Company's auditor since at least 1923, but we are unable to determine the specific year.

Cleveland, OH February 27, 2024

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Lincoln Electric Holdings, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Lincoln Electric Holdings, Inc.'s internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Lincoln Electric Holdings, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2023 consolidated financial statements of the Company and our report dated February 27, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Cleveland, Ohio February 27, 2024

LINCOLN ELECTRIC HOLDINGS, INC. CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share amounts)

	Year Ended December 31,					
		2023		2022		2021
Net sales (Note 2)	\$	4,191,636	\$	3,761,211	\$	3,234,180
Cost of goods sold		2,726,191		2,480,451		2,165,575
Gross profit		1,465,445		1,280,760		1,068,605
Selling, general & administrative expenses		758,910		656,636		597,109
Rationalization and asset impairment charges (Note 7)		(11,314)		11,788		9,827
Operating income		717,849		612,336		461,669
Interest expense, net		44,371		29,500		22,214
Other income (expense) (Note 12)		13,388		9,991		(114,457)
Income before income taxes		686,866		592,827	-	324,998
Income taxes (Note 13)		141,618		120,603		48,418
Net income	\$	545,248	\$	472,224	\$	276,580
Basic earnings per share (Note 3)	\$	9.50	\$	8.14	\$	4.66
Diluted earnings per share (Note 3)	\$	9.37	\$	8.04	\$	4.60
Cash dividends declared per share	\$	2.63	\$	2.32	\$	2.09

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In thousands)

	Year Ended December 31,		
	2023	2022	2021
Net income	\$ 545,248	\$ 472,224	\$ 276,580
Other comprehensive income (loss), net of tax:			
Unrealized gain on derivatives designated and qualifying as cash flow			
hedges	2,627	5,815	5,607
Defined pension plan activity	(215)	11,450	88,539
Currency translation adjustment	43,139	(35,084)	(50,514)
Other comprehensive income (loss):	45,551	(17,819)	43,632
Comprehensive income	\$ 590,799	\$ 454,405	\$ 320,212

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

	December 31,			
		2023		2022
ASSETS				
Current Assets				
Cash and cash equivalents	\$	393,787	\$	197,150
Accounts receivable (less allowance for doubtful accounts of \$11,464 in 2023;				
\$12,556 in 2022)		538,830		541,529
Inventories (Note 16)		562,864		665,451
Other current assets		197,630		153,660
Total Current Assets		1,693,111		1,557,790
Property, plant and equipment, net (Note 1)		575,316		544,871
Intangibles, net (Note 5)		186,667		202,706
Goodwill (Note 5)		694,452		665,257
Deferred income taxes (Note 13)		45,176		22,811
Other assets		182,575		187,111
TOTAL ASSETS	\$	3,377,297	\$	3,180,546
LIABILITIES AND EQUITY				
Current Liabilities				
Amounts due banks (Note 9)	\$	2,435	\$	82,444
Trade accounts payable		325,435		352,079
Accrued employee compensation and benefits		112,373		109,369
Dividends payable		40,453		36,879
Other current liabilities		273,910		261,087
Current portion of long-term debt (Note 9)		4		11,039
Total Current Liabilities		754,610	_	852,897
Long-term debt, less current portion (Note 9)		1,102,771		1,110,396
Deferred income taxes (Note 13)		13,146		17,022
Other liabilities		197,918		166,190
Total Liabilities		2,068,445	_	2,146,505
Shareholders' Equity				
Preferred shares, without par value - at stated capital amount; authorized - 5,000,000				
shares; issued and outstanding - none		_		_
Common shares, without par value - at stated capital amount; authorized -				
240,000,000 shares; issued - 98,581,434 shares in 2023 and 2022; outstanding -				
56,975,815 shares in 2023 and 57,623,539 shares in 2022		9,858		9,858
Additional paid-in capital		523,357		481,857
Retained earnings		3,688,038		3,306,500
Accumulated other comprehensive loss (Note 8)		(229,847)		(275,398)
Tracesum shares at east 41 605 610 shares in 2022 and 40 057 905 -1 in 2022		(2 692 554)		(2 400 77()
Treasury shares, at cost - 41,605,619 shares in 2023 and 40,957,895 shares in 2022		(2,682,554)	_	(2,488,776)
Total Equity		1,308,852	_	1,034,041
TOTAL LIABILITIES AND TOTAL EQUITY	\$	3,377,297	\$	3,180,546

CONSOLIDATED STATEMENTS OF EQUITY

(In thousands, except per share amounts)

	Common Shares Outstanding		ommon Shares		dditional Paid-In Capital	Retained Earnings	Co	Other omprehensive come (Loss)	Treasury Shares		Total
Balance at December 31, 2020	59,641	\$	9,858	\$	409,958	\$ 2,821,359	\$	(301,211)	\$ (2,149,714)	\$	790,250
Net income	,		· ·		ĺ	276,580		, , ,	, , , ,		276,580
Unrecognized amounts from defined benefit pension plans, net of tax						,		88,539			88,539
Unrealized gain on derivatives designated and qualifying								5.607			5.607
as cash flow hedges, net of tax								5,607			5,607
Currency translation adjustment						(124.660)		(50,514)			(50,514)
Cash dividends declared – \$2.09 per share	393				20.720	(124,669)			4.200		(124,669)
Stock-based compensation activity					38,720				4,299		43,019
Purchase of shares for treasury	(1,247)				2.500	(2.0(7)			(164,526)		(164,526)
Other				_	2,590	(2,967)	_			_	(377)
Balance at December 31, 2021	58,787		9,858		451,268	2,970,303		(257,579)	(2,309,941)		863,909
Net income						472,224					472,224
Unrecognized amounts from defined benefit pension plans, net of tax								11,450			11,450
Unrealized gain on derivatives designated and qualifying								11,430			11,430
as cash flow hedges, net of tax								5,815			5,815
Currency translation adjustment								(35,084)			(35,084)
Cash dividends declared – \$2.32 per share						(134,931)		(33,064)			(33,084) (134,931)
Stock-based compensation activity	211				29,194	(134,931)			2,458		31,652
Purchase of shares for treasury	(1,374)				29,194				(181,293)		(181,293)
Other	(1,3/4)				1,395	(1,096)			(101,293)		299
Other		_		_	1,393	(1,090)	_			_	299
Balance at December 31, 2022	57,624		9,858		481,857	3,306,500		(275,398)	(2,488,776)	1	,034,041
Net income	,					545,248		, , ,	(, , , ,		545,248
Unrecognized amounts from defined benefit pension plans,											
net of tax								(215)			(215)
Unrealized gain on derivatives designated and qualifying								` ,			
as cash flow hedges, net of tax								2,627			2,627
Currency translation adjustment								43,139			43,139
Cash dividends declared – \$2.63 per share						(151,513)					(151,513)
Stock-based compensation activity	451				43,609				4,987		48,596
Purchase of shares for treasury	(1,098)								(198,765)		(198,765)
Other					(2,109)	(12,197)			· · · · · ·		(14,306)
Balance at December 31, 2023	56,977	\$	9,858	\$	523,357	\$ 3,688,038	\$	(229,847)	\$ (2,682,554)	\$ 1	,308,852

CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)

	Year Ended December 31,			
	2023	2022	2021	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income	\$ 545,248	\$ 472,224	\$ 276,580	
Adjustments to reconcile Net income to Net cash provided by operating activities:				
Rationalization and asset impairment net charges (Note 7)	4,779	8,100	(1,054)	
Depreciation and amortization	86,670	78,059	81,146	
Gain on sale of property	(36,187)	_		
Deferred income taxes (Note 13)	(20,926)	(48,207)	(28,556)	
Stock-based compensation	26,231	25,267	23,787	
Pension settlement net charges	_	_	126,502	
Other, net	(17,464)	11,982	(17,474)	
Changes in operating assets and liabilities, net of effects from acquisitions:				
Decrease (increase) in accounts receivable	14,980	(65,010)	(65,844)	
Decrease (increase) in inventories	122,094	(81,188)	(154,347)	
(Increase) in other current assets	(35,608)	(18,297)	(23,913)	
(Decrease) increase in trade accounts payable	(32,028)	16,852	82,394	
Increase (decrease) in other current liabilities	10,056	(8,199)	68,292	
Net change in other assets and liabilities	(303)	(8,197)	(2,450)	
NET CASH PROVIDED BY OPERATING ACTIVITIES	667,542	383,386	365,063	
CASH FLOWS FROM INVESTING ACTIVITIES				
Capital expenditures	(90,987)	(71,883)	(62,531)	
Acquisition of businesses, net of cash acquired (Note 4)	(32,685)	(436,298)	(156,106)	
Proceeds from sale of property, plant and equipment	49,494	3,331	6,781	
Other investing activities	(551)	159	6,500	
NET CASH USED BY INVESTING ACTIVITIES	(74,729)	(504,691)	(205,356)	
CASH FLOWS FROM FINANCING ACTIVITIES				
(Payments on) proceeds from short-term borrowings	(79,873)	34,351	46,476	
(Payments on) proceeds from long-term borrowings	(8,109)	405,444	(508)	
Proceeds from exercise of stock options	22,365	6,385	19,232	
Purchase of shares for treasury	(198,765)	(181,293)	(164,526)	
Cash dividends paid to shareholders	(148,010)	(130,724)	(121,851)	
Other financing activities		(438)	(763)	
NET CASH (USED BY) PROVIDED BY FINANCING ACTIVITIES	(412,392)	133,725	(221,940)	
Effect of exchange rate changes on Cash and cash equivalents	16,216	(8,228)	(2,088)	
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	196,637	4,192	(64,321)	
Cash and cash equivalents at beginning of period	197,150	192,958	257,279	
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 393,787	\$ 197,150	\$ 192,958	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in thousands, except share and per share amounts)

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Lincoln Electric Holdings, Inc. and its wholly-owned and majority-owned subsidiaries for which it has a controlling interest (the "Company") after elimination of all intercompany accounts, transactions and profits.

Certain reclassifications have been made to the prior period amounts to conform to the current period presentation, none of which are material.

General Information

The Company is the world leader in the design, development and manufacture of arc welding products, automated joining, assembly and cutting systems, plasma and oxy-fuel cutting equipment. The Company also has a leading global position in brazing and soldering alloys.

The Company's products include arc welding, brazing and soldering filler metals (consumables), arc welding equipment, plasma and oxyfuel cutting systems, wire feeding systems, fume control equipment, welding accessories, specialty gas regulators, and education solutions; as well as a comprehensive portfolio of automated solutions for joining, cutting, material handling, module assembly, and end of line testing.

In March 2022, in response to Russia's invasion of Ukraine, the Company announced it was ceasing operations in Russia and implementing plans to support its Russian employees. Although the Company's Net sales and Total assets in Russia are less than 1% of consolidated Net sales and Total assets as of December 31, 2023 and 2022, the Russia-Ukraine conflict and sanctions imposed globally may result in economic and supply chain disruptions, the ultimate financial impact of which cannot be reasonably estimated at this time. The Company continues to monitor the Russia-Ukraine conflict and its potential impacts.

Translation of Foreign Currencies

Asset and liability accounts are translated into U.S. dollars using exchange rates in effect at the dates of the Consolidated Balance Sheets; revenue and expense accounts are translated at average monthly exchange rates. Translation adjustments are reflected as a component of Total equity. For subsidiaries operating in highly inflationary economies, both historical and current exchange rates are used in translating balance sheet accounts and translation adjustments are included in Net income. An economy is considered highly inflationary under GAAP if the cumulative inflation rate for a three-year period meets or exceeds 100 percent. The Turkish economy exceeded the three-year cumulative inflation rate of 100 percent during the second quarter of 2022. As a result, the financial statements of the Company's Turkish operation are reported under highly inflationary accounting rules as of April 1, 2022. Under highly inflationary accounting, the financial statements of the Company's Turkish operation have been remeasured into the Company's reporting currency (U.S. dollar). Beginning April 1, 2022, the exchange gains and losses from the remeasurement of monetary assets and liabilities are reflected in current earnings, rather than "Accumulated other comprehensive loss" on the balance sheet. For the years ended December 31, 2023 and 2022, this impact was not significant to the Company's results.

The translation of assets and liabilities originally denominated in foreign currencies into U.S. dollars is for consolidation purposes, and does not necessarily indicate that the Company could realize or settle the reported value of those assets and liabilities in U.S. dollars. Additionally, such a translation does not necessarily indicate that the Company could return or distribute the reported U.S. dollar value of the net equity of its foreign operations to shareholders.

Foreign currency transaction gains and losses are included in Selling, general & administrative expenses and were losses of \$1,744 in 2023 and gains of \$3,633 and \$1,332 in 2022 and 2021, respectively.

Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Inventories

Inventories are valued at the lower of cost or net realizable value. Fixed manufacturing overhead costs are allocated to inventory based on normal production capacity and abnormal manufacturing costs are recognized as period costs. Cost for a substantial portion of U.S. inventories is determined on a last-in, first-out ("LIFO") basis. At December 31, 2023 and 2022, approximately 37% and 38% of total inventories, respectively, were valued using the LIFO method. Cost of other inventories is determined by costing methods that approximate a first-in, first-out ("FIFO") basis. Refer to Note 16 for additional details.

Reserves are maintained for estimated obsolescence or excess inventory equal to the difference between the cost of inventory and the estimated net realizable value based upon assumptions about future demand and market conditions. The reserve for excess and obsolete inventory was \$31,881 and \$30,164 at December 31, 2023 and 2022, respectively.

Long-lived Assets

Property, Plant and Equipment

Property, plant and equipment are stated at cost and include improvements which significantly increase capacities or extend the useful lives of existing plant and equipment. Depreciation and amortization are computed using a straight-line method over useful lives ranging from 3 years to 20 years for machinery, tools and equipment, and up to 40 years for buildings. Net gains or losses related to asset dispositions are recognized in earnings in the period in which dispositions occur.

Routine maintenance, repairs and replacements are expensed as incurred. The Company capitalizes interest costs associated with long-term construction in progress.

Property, plant and equipment, net in the Consolidated Balance Sheet is comprised of the following components:

	Decei	mber 31,
	2023	2022
Land	\$ 67,949	\$ 71,446
Buildings	445,041	447,098
Machinery and equipment	939,316	916,870
	1,452,306	1,435,414
Less accumulated depreciation	876,990	890,543
Total	\$ 575,316	\$ 544,871
Machinery and equipment Less accumulated depreciation	939,316 1,452,306 876,990	916 1,435 890

Leases

The Company determines if an agreement is a lease at inception. The Company records a right-of-use asset on its Consolidated Balance Sheets to represent its right to use an underlying asset for the lease term. The Company records a lease liability on its Consolidated Balance Sheets to represent its obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of the Company's operating leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on information available at commencement date to present value the lease payments.

The Company has operating leases for sales offices, manufacturing facilities, warehouses and distribution centers, transportation equipment, office equipment and information technology equipment. Some of these leases are noncancelable. Variable or short-term lease costs contained within the Company's operating leases are not material. Most leases include one or more options to renew, which can extend the lease term from 1 to 11 years or more. The exercise of lease renewal options is at the Company's sole discretion. Certain leases also include options to purchase the leased property. Leases with an initial term of 12 months or less are not recorded on the Company's Consolidated Balance sheets. The Company recognizes lease expense for these leases on a straight-line basis over the lease term.

The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Impairments

The Company periodically evaluates whether current facts or circumstances indicate that the carrying value of its depreciable long-lived assets, including right-of-use assets and finite-lived intangible assets, to be held and used may not be recoverable. If such circumstances are determined to exist, an estimate of undiscounted future cash flows produced by the long-lived asset, or the appropriate grouping of assets, is compared to the carrying value to determine whether impairment exists. If an asset is determined to be impaired, a loss is recognized to the extent that carrying value exceeds fair value. Fair value is measured based on quoted market prices in active markets, if available. If quoted market prices are not available, the estimate of fair value is based on various valuation techniques, including the discounted value of estimated future cash flows. Refer to Notes 5, 7 and 17 for additional details.

Goodwill and Intangibles

Goodwill is recorded when the cost of acquired businesses exceeds the fair value of the identifiable net assets acquired. Intangible assets other than goodwill are recorded at fair value at the time acquired or at cost, if applicable. Intangible assets that do not have indefinite lives are amortized in line with the pattern in which the economic benefits of the intangible asset are consumed. If the pattern of economic benefit cannot be reliably determined, the intangible assets are amortized on a straight-line basis over the shorter of the legal or estimated life. These types of assets are assessed for impairment in a manner consistent with long-lived assets described above. Goodwill and indefinite-lived intangible assets are not amortized, but are tested for impairment in the fourth quarter using the same date each year or more frequently if changes in circumstances or the occurrence of events indicate potential impairment.

In performing the annual impairment test, the fair value of each indefinite-lived intangible asset is compared to its carrying value and an impairment charge is recorded if the carrying value exceeds the fair value. For goodwill, the Company first assesses qualitative factors to determine whether it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount, and whether it is necessary to perform the quantitative goodwill impairment test. The quantitative test is only required if the Company concludes that it is more-likely-than-not that a reporting unit's fair value is less than its carrying amount. The Company may also perform a quantitative test in instances where the more-likely-than-not threshold has not been met, including when general macroeconomic conditions or changes to the reporting unit warrant a refresh of the baseline used in a qualitative test. For quantitative testing, the Company compares the fair value of each reporting unit with its carrying amount. If the carrying amount exceeds the fair value, an impairment charge is recognized for the amount by which the carrying amount exceeds the reporting unit's fair value, not to exceed the total amount of goodwill allocated to that reporting unit.

Fair values are determined using established business valuation techniques and models developed by the Company, estimates of market participant assumptions of future cash flows, future growth rates and discount rates to value estimated cash flows. Changes in economic and operating conditions, actual growth below the assumed market participant assumptions or an increase in the discount rate could result in an impairment charge in a future period. Refer to Note 5 for additional details.

Fair Value Measurements

Financial assets and liabilities, such as the Company's defined benefit pension plan assets and derivative contracts, are valued at fair value using the market and income valuation approaches. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The following hierarchy is used to classify the inputs that measure fair value:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability; and
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Refer to Notes 11 and 15 for additional details.

Revenue Recognition

Revenue is recognized when obligations under the terms of a contract are satisfied and control is transferred to the customer. Revenue is measured as the amount of consideration the Company expects to be entitled to in exchange for goods or services. Substantially all of the Company's sales arrangements are short-term in nature involving a single performance obligation. The Company recognizes revenue when the performance obligation is satisfied and control of the product is transferred to the customer generally based upon shipping terms. In addition, certain customized automation performance obligations are accounted for over time. Under this method, revenue recognition is primarily based upon the ratio of costs incurred to date compared with estimated total costs to complete. The cumulative impact of revisions to total estimated costs is reflected in the period of the change, including anticipated losses. Less than 10% of the Company's Net sales are recognized over time.

The Company recognizes any discounts, credits, returns, rebates and incentive programs based on reasonable estimates as a reduction of sales to arrive at Net sales at the same time the related revenue is recorded. Taxes collected by the Company, including sales tax and value added tax, are excluded from Net sales. The Company recognizes freight billed as a component of Net sales and shipping costs as a component of Cost of goods sold when control transfers to the customer. Sales commissions are expensed when incurred because the amortization period is generally one year or less. These costs are recorded within Selling, general and administrative expenses in the Company's Consolidated Statements of Income.

The Company's payment terms vary by the type and location of the customer and the products or services offered. The Company does not offer any payment terms that would meet the requirements for consideration as a financing component under Topic 606.

Refer to Note 2 for additional details.

Distribution Costs

Distribution costs, including warehousing and freight related to product shipments, are included in Cost of goods sold.

Stock-Based Compensation

Expense is recognized for all awards of stock-based compensation by allocating the aggregate grant date fair value over the vesting period. No expense is recognized for any stock options, restricted or deferred shares or restricted stock units ultimately forfeited because the recipients fail to meet vesting requirements.

Common stock issuable upon the exercise of employee stock options is excluded from the calculation of diluted earnings per share when the calculation of option equivalent shares is anti-dilutive. Refer to Note 10 to the consolidated financial statements for additional details.

Financial Instruments

The Company uses derivative instruments to manage exposures to interest rates, commodity prices and currency exchange rate fluctuations on certain purchase and sales transactions, balance sheet and net investment exposures. Derivative contracts to hedge currency and commodity exposures are generally written on a short-term basis, but may cover exposures for up to 3 years while interest rate contracts may cover longer periods consistent with the terms of the underlying debt. The Company does not enter into derivatives for trading or speculative purposes.

All derivatives are recognized at fair value on the Company's Consolidated Balance Sheets. The accounting for gains and losses resulting from changes in fair value depends on the use of the derivative and whether it is designated and qualifies for hedge accounting. The Company formally documents the relationship of the hedge with the hedged item as well as the risk-management strategy for all designated hedges. Both at inception and on an ongoing basis, the hedging instrument is assessed as to its effectiveness, when applicable. If and when a derivative is determined not to be highly effective as a hedge, the underlying hedged transaction is no longer likely to occur, or the derivative is terminated, hedge accounting is discontinued. The cash flows from settled derivative contracts are recognized in Net cash provided by operating activities in the Company's Consolidated Statements of Cash Flows.

The Company is subject to the credit risk of the counterparties to derivative instruments. Counterparties include a number of major banks and financial institutions. The Company manages individual counterparty exposure by monitoring the credit rating of the counterparty and the size of financial commitments and exposures between the Company and the counterparty.

Cash flow hedges

Certain foreign currency forward contracts and commodity contracts are qualified and designated as cash flow hedges. The effective portion of the fair value unrealized gain or loss on cash flow hedges are reported as a component of Accumulated other comprehensive income ("AOCI") with offsetting amounts recorded as Other current assets, Other assets, Other current liabilities or Other liabilities depending on the position and the duration of the contract. At settlement, the realized gain or loss is recorded in Cost of goods sold or Net sales for hedges of purchases and sales, respectively, in the same period or periods during which the hedged transaction affects earnings. The ineffective portion on cash flow hedges is recognized in current earnings.

In anticipation of future debt issuance associated with the Notes referenced in Note 9, the Company has interest rate forward starting swap agreements to hedge the variability of future changes in interest rates. The forward starting swap agreements were qualified and designated as a cash flow hedge. The changes in fair value are recorded as part of AOCI, and upon completion of debt issuance and termination of the swaps, are amortized to interest expense over the life of the underlying debt.

Fair value hedges

Certain interest rate swap agreements were qualified and designated as fair value hedges. The interest rate swap agreements designated as fair value hedges meet the shortcut method requirements under accounting standards for derivatives and hedging. Accordingly, changes in the fair value of these agreements are considered to exactly offset changes in the fair value of the underlying long-term debt. Changes in fair value are recorded in Other assets or Other liabilities with offsetting amounts recorded as a fair value adjustment to the carrying value of Long-term debt, less current portion.

Net investment hedges

For derivative instruments that qualify as a net investment hedge, the effective portion of the fair value gains or losses are recognized in AOCI with offsetting amounts recorded as Other current assets, Other assets, Other current liabilities or Other liabilities depending on the position and the duration of the contract. The gains or losses are subsequently reclassified to Selling, general and administrative expenses, as the underlying hedged investment is liquidated.

Derivatives not designated as hedging instruments

The Company has certain foreign exchange forward contracts which are not designated as hedges. These derivatives are held as hedges of certain balance sheet exposures. The gains or losses on these contracts are recognized in Selling, general and administrative expenses, offsetting the losses or gains on the exposures being hedged.

Refer to Note 14 to the consolidated financial statements for additional details.

Research and Development

Research and development costs are charged to Selling, general & administrative expenses as incurred and totaled \$71,235, \$63,207 and \$55,969 in 2023, 2022 and 2021, respectively.

Bonus

The Company's discretionary employee bonus programs, which for certain U.S.-based employees are net of medical costs, are included in Selling, general & administrative expenses. Bonus costs were \$192,498, \$159,281 and \$120,686 in 2023, 2022 and 2021, respectively.

Income Taxes

Deferred income taxes are recognized at currently enacted tax rates for temporary differences between the GAAP and income tax basis of assets and liabilities and operating loss and tax credit carry-forwards. In assessing the realizability of deferred tax assets, the Company assesses whether it is more-likely-than-not that a portion or all of the deferred tax assets will not be realized.

The Company maintains liabilities for unrecognized tax benefits related to uncertain income tax positions in various jurisdictions. The Company uses judgment in determining whether the technical merits of tax positions are more-likely-than-not to be sustained. Judgment is also used in measuring the related amount of tax benefit that qualifies for recognition, including the interpretation of applicable tax law, regulations and tax rulings.

The Company elects to treat any Global Intangible Low Taxed Income inclusion as a period expense in the year incurred.

Refer to Note 13 for additional details.

Acquisitions

Upon acquisition of a business, the Company uses the income, market or cost approach (or a combination thereof) for the valuation as appropriate. The valuation inputs in these models and analyses are based on market participant assumptions. Market participants are considered to be buyers and sellers unrelated to the Company in the principal or most advantageous market for the asset or liability.

Fair value estimates are based on a series of judgments about future events and uncertainties and rely on estimates and assumptions. Management values property, plant and equipment using the cost approach supported where available by observable market data, which includes consideration of obsolescence. Management values acquired intangible assets using the relief from royalty method or excess earnings method, forms of the income approach supported by observable market data for peer companies. The significant assumptions used to estimate the value of the acquired intangible assets include discount rates and certain assumptions that form the basis of future cash flows (such as revenue growth rates, customer attrition rates, and royalty rates). Acquired inventories are marked to fair value. For certain items, the preacquisition carrying value is determined to be a reasonable approximation of fair value based on information available to the Company. Refer to Note 4 for additional details.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions in certain circumstances that affect the amounts reported in the accompanying consolidated financial statements and notes. Actual results could differ from these estimates.

New Accounting Pronouncements

The following section provides a description of new Accounting Standards Updates ("ASU") issued by the Financial Accounting Standards Board ("FASB") that are applicable to the Company.

The following ASUs were adopted as of January 1, 2023 and did not have a significant financial impact on the Company's consolidated financial statements unless otherwise described within the table below:

Standard

ASU No. 2022-04, *Liabilities-Supplier Finance Programs* (Subtopic 405-50), issued September 2022.

ASU No. 2021-08, Business Combinations (Subtopic 805), issued October 2021.

Description

Requires disclosure about a company's supplier finance program, including key terms, amount outstanding, assets pledged as applicable, and presentation on the balance sheet. Refer to Note 19 for the impacts on the Company's consolidated financial statements.

Requires the acquirer in a business combination to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606. The adoption did not have a material impact on the Company's consolidated financial statements.

The Company is currently evaluating the impact on its financial statements of the following ASUs:

Standard	Description
ASU No. 2023-06, Disclosure Improvements, issued October 2023	Requires amending certain disclosure and presentation requirements for a variety of topics within the ASC. The effective date for each amended topic in the ASC is either the date on which the SEC's removal of the related disclosure requirement from Regulation S-X or S-K becomes effective, or June 30, 2027, if the SEC has not removed the requirements by that date. Early adoption is prohibited.
ASU No. 2023-01, Leases- Common Control Arrangements (Topic 842), issued March 2023	Requires a lessee in a common-control arrangement to amortize leasehold improvements that it owns over the improvements' useful life, regardless of the lease term. The requirement of the ASU is effective January 1, 2024.
ASU No. 2023-07, Segment Reporting (Topic 280), issued November 2023.	Requires enhanced disclosures about significant segment expenses, including significant segment expenses that are regularly provided to the chief operating decision maker ("CODM"), the title and position of the CODM, an amount for other segment items by reportable segment, and disclosures about segment profit or loss and assets on an annual and interim basis. The amendments are effective for annual periods beginning January 1, 2024, and interim periods beginning January 1, 2025. Early adoption is permitted.
ASU No. 2023-09, <i>Income Taxes</i> (<i>Topic 740</i>), issued December 2023.	Requires disclosure of specific categories in rate reconciliation and additional information for reconciling items that meet a quantitative threshold, additional information about income taxes paid, and disclosure of disaggregated income tax information. The amendments are effective January 1, 2025 and early adoption is permitted.
ASU No. 2022-04, <i>Liabilities-Supplier Finance Programs</i> (Subtopic 405-50), issued September 2022.	Requires disclosure about a company's supplier finance programs, including a period-over-period balance roll forward. This requirement of the ASU is effective January 1, 2024 and should be applied prospectively.

NOTE 2 — REVENUE RECOGNITION

The following table presents the Company's Net sales disaggregated by product line:

	Yea	Year Ended December 31,						
	2023	2022	2021					
Consumables	\$ 2,212,314	\$ 2,183,019	\$ 1,856,880					
Equipment	1,979,322	1,578,192	1,377,300					
Net sales	\$ 4,191,636	\$ 3,761,211	\$ 3,234,180					

Consumable sales consist of welding, brazing and soldering filler metals. Equipment sales consist of arc welding equipment, welding accessories, wire feeding systems, fume control equipment, plasma and oxy-fuel cutting systems, specialty gas regulators, and education solutions; as well as a comprehensive portfolio of automated solutions for joining, cutting, material handling, module assembly, and end of line testing. Consumable and Equipment products are sold within each of the Company's operating segments.

Within the Equipment product line, there are certain customer contracts related to automation products that may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative standalone selling price. The Company generally determines the standalone selling price based on the prices charged to customers or using expected cost plus margin. Less than 10% of the Company's Net sales are recognized over time.

At December 31, 2023, the Company recorded \$40,063 related to advance customer payments and \$52,422 related to billings in excess of revenue recognized. These contract liabilities are included in Other current liabilities in the Consolidated Balance Sheets. At December 31, 2022, the balances related to advance customer payments and billings in excess of revenue recognized were \$78,756 and \$34,771, respectively. Substantially all of the Company's contract liabilities are recognized within twelve months based on contract duration. The Company records an asset for contracts where it has recognized revenue, but has not yet invoiced the customer for goods or services. At December 31, 2023 and 2022, \$41,816 and \$35,252, respectively, related to these contract assets which are included in Other current assets in the Consolidated Balance Sheets. Contract asset amounts are expected to be billed within the next twelve months.

NOTE 3 - EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share:

	Year Ended December 31,							
		2023 2022			2021			
Numerator:								
Net income	\$	545,248	\$	472,224	\$	276,580		
Denominator (shares in 000's):								
Basic weighted average shares outstanding		57,364		58,030		59,309		
Effect of dilutive securities - Stock options and awards		857		719		753		
Diluted weighted average shares outstanding		58,221		58,749		60,062		
Basic earnings per share	\$	9.50	\$	8.14	\$	4.66		
Diluted earnings per share	\$	9.37	\$	8.04	\$	4.60		

For the years ended December 31, 2023, 2022 and 2021, common shares subject to equity-based awards of 69,901, 127,358 and 2,949, respectively, were excluded from the computation of diluted earnings per share because the effect of their exercise would be anti-dilutive.

NOTE 4 – ACQUISITIONS

On May 3, 2023, the Company acquired 100% ownership of Powermig Automação e Soldagem Ltda. ("Powermig"), a privately held automation engineering firm headquartered in Caxias do Sul, Rio Grande do Sul, in Brazil. The net purchase price was \$29,572, net of cash acquired, and it was accounted for as a business combination. In 2022, Powermig generated sales of approximately \$15,000 (unaudited). Beginning May 3, 2023, the Company's Consolidated Statement of Income includes the results of Powermig, which were not material for the year ended December 31, 2023. Powermig specializes in designing and engineering industrial welding automation solutions for the heavy industry and transportation sectors. The acquisition broadened the Company's automation portfolio and capabilities.

On December 1, 2022, the Company acquired 100% ownership of Fori Automation, LLC ("Fori") for an agreed upon purchase price of \$427,000, which was adjusted for certain debt like obligations, for total purchase price consideration of \$468,683 or \$416,353 net of cash acquired, before final and customary adjustments. In 2022, the Company recognized \$5,196 in acquisition costs related to Fori and were expensed as incurred and included in "Selling, general, and administrative expenses" in the Consolidated Statements of Income. Fori is a leading designer and manufacturer of complex, multi-armed automated welding systems, with an extensive range of automated assembly systems, automated material handling solutions, automated large-scale, industrial guidance vehicles, and end of line testing systems. The acquisition of Fori extended the Company's market presence within the automotive sector as well as its automation footprint in the International Welding segment. For the twelve months ended December 31, 2023, the Company's Consolidated Statements of Income include the results of Fori, including Net Sales of \$263,203 while net income for the year was not material.

The acquisition of Fori has been accounted for as a business combination, which requires the assets acquired and liabilities assumed be recognized at their respective fair values as of the acquisition date. The process of estimating the fair values of certain tangible assets, identifiable intangible assets and assumed liabilities requires the use of judgment in

determining the appropriate assumptions and estimates. The table below summarizes the final fair values of the assets acquired and liabilities assumed on the acquisition date.

For the twelve months ended December 31, 2023, the adjustments to the preliminary purchase price allocation did not have a material impact on the Consolidated Balance Sheets or Consolidated Statements of Income.

Assets Acquired and Liabilities Assumed	Purchase	Price Allocation
Cash and cash equivalents	\$	52,330
Accounts receivable		64,439
Inventory		67,763
Property, plant and equipment (1)		36,863
Intangible assets (2)		69,350
Accounts payable		17,996
Net other assets and liabilities (3)		195,934
Total purchase price consideration	\$	468,683

- (1) Property, plant and equipment acquired includes a number of manufacturing and distribution sites, including the related facilities, land and leased sites, and machinery and equipment for use in manufacturing operations.
- (2) Intangible asset balances of \$22,000 and \$18,200, respectively, were assigned to trade names and customer relationships (15 year weighted average useful life). Of the remaining amount, \$24,900 was assigned to technology know-how (10 year weighted average useful life) and \$4,250 was assigned to restrictive covenants (4 year weighted average life).
- (3) Consists primarily of goodwill of \$244,325.

Goodwill is calculated as the excess of the consideration transferred over the net assets recognized and represents the anticipated synergies of acquiring Fori. A portion of the goodwill is deductible for tax purposes.

On March 1, 2022, the Company acquired 100% ownership of Kestra Universal Soldas, Industria e Comercio, Imporação e Exportação Ltda. ("Kestra"), a privately held manufacturer headquartered in Atibaia, São Paulo State, Brazil. The net purchase price was \$22,294, net of cash acquired and accounted for as a business combination. In 2022, the Company recognized \$365 in acquisition costs related to Kestra and were expensed as incurred and included in "Selling, general, and administrative expenses" in the Consolidated Statements of Income. Kestra manufactures and provides specialty welding consumables, wear plates and maintenance and repair services for alloy and wear-resistant products commonly used in mining, steel, agricultural and industrial mill applications. The acquisition broadened the Company's specialty alloys portfolio and services.

On July 28, 2021, the Company acquired 100% ownership of Overstreet-Hughes Company, Inc. and Shoals Tubular, Inc. ("FTP"). The net purchase price was \$71,716, net of cash acquired and accounted for as a business combination. The Company recognized \$346 in acquisition transaction costs in 2021 which were expensed as incurred and included in "Selling, general, and administrative expenses" in the Consolidated Statements of Income. FTP manufactures copper and aluminum headers, distributor assemblies and manifolds in the United States and Mexico for the heating, ventilation, and air conditioning sector ("HVAC"). The acquisition further differentiated The Harris Products Group's competitive position serving HVAC original equipment manufacturers with a comprehensive portfolio of solutions for the fabrication of HVAC coils and accelerates growth in this market.

On April 1, 2021, the Company acquired 100% ownership of Zeman Bauelemente Produktionsgesellschaft m.b.H. ("Zeman"), a division of the Zeman Group. The net purchase price was \$84,390, net of cash acquired and accounted for as a business combination. The Company recognized \$1,577 in acquisition transaction costs in 2021, which were expensed as incurred and included in "Selling, general, and administrative expenses" in the Consolidated Statements of Income. Zeman, based in Vienna, Austria, is a leading designer and manufacturer of robotic assembly and arc welding

systems that automate the tacking and welding of steel beams. The acquisition expanded the Company's international automation capabilities to serve customers in the structural steel and infrastructure sectors.

The acquired companies discussed above are not material individually, or in the aggregate, to the actual or pro forma Consolidated Statements of Income or Consolidated Statements of Cash Flows; as such, pro forma information related to these acquisitions have not been presented.

NOTE 5 - GOODWILL AND INTANGIBLES

The changes in the carrying amount of goodwill by reportable segments for the years ended December 31, 2023 and 2022 were as follows:

			The Harris	
	Americas	International	Products	
	Welding	Welding	Group	Consolidated
Balance as of December 31, 2021	\$ 279,983	\$ 107,093	\$ 43,086	\$ 430,162
Additions and adjustments (1)	215,617	31,288	(159)	246,746
Foreign currency translation	(3,413)	(8,462)	224	(11,651)
Balance as of December 31, 2022	492,187	129,919	43,151	665,257
Additions and adjustments (2)	(2,899)	23,111	_	20,212
Foreign currency translation	8,312	449	222	8,983
Balance as of December 31, 2023	\$ 497,600	\$ 153,479	\$ 43,373	\$ 694,452

- (1) Additions to Americas Welding reflect goodwill recognized in the acquisition of Fori and Kestra in 2022. International Welding reflect goodwill recognized in the acquisition of Fori in 2022.
- (2) Adjustments to Americas Welding reflect goodwill recognized in the acquisition of Powermig offset by Fori purchase accounting adjustments in 2023. Additions to International Welding reflect Fori purchase accounting adjustments in 2023.

Gross carrying values and accumulated amortization of intangible assets other than goodwill by asset class were as follows:

	Decembe	er 31, 2023	Decembe	er 31, 2022		
	Gross	Accumulated	Gross	Accumulated		
	Amount	Amortization	Amount	Amortization		
Intangible assets not subject to amortization						
Trademarks and trade names	\$ 16,038		\$ 15,963			
Intangible assets subject to amortization						
Trademarks and trade names	\$ 93,065	\$ 52,510	\$ 93,424	\$ 47,969		
Customer relationships	171,338	102,643	170,231	95,385		
Patents	25,150	15,879	23,603	15,113		
Other	111,816	59,708	112,404	54,452		
Total intangible assets subject to amortization	\$ 401,369	\$ 230,740	\$ 399,662	\$ 212,919		

During 2023, the Company acquired intangible assets either individually or as part of a group of assets, with an initial purchase price allocation and weighted-average as follows:

	Yea	Year Ended December 31, 202				
		chase Price llocation	Weighted Average Life			
Acquired intangible assets subject to amortization						
Trademarks and trade names	\$	2,326	15			
Customer relationships		4,050	10			
Other		2,025	9			
Total acquired intangible assets subject to amortization	\$	8,401				

Aggregate amortization expense was \$25,983, \$21,908 and \$21,155 for 2023, 2022 and 2021, respectively. During 2023 and 2022, the Company determined that for certain intangible assets, the carrying value of the assets exceeded the fair value resulting in an impairment. The Company recognized non-cash impairment charges of \$1,564 and \$1,018 in 2023 and 2022, respectively, which is recorded in Rationalization and asset impairment charges in the Company's Consolidated Statements of Income. During 2023, the Company Estimated annual amortization expense for intangible assets for each of the next five years is \$31,245 in 2024, \$30,322 in 2025, \$28,621 in 2026, \$26,332 in 2027 and \$23,550 in 2028.

NOTE 6 – SEGMENT INFORMATION

The Company's primary business is the design, development and manufacture of arc welding products, automated joining, assembly and cutting systems, plasma and oxy-fuel cutting equipment. The Company also has a leading global position in brazing and soldering alloys.

The Company's products include arc welding, brazing and soldering filler metals (consumables), arc welding equipment, plasma and oxyfuel cutting systems, wire feeding systems, fume control equipment, welding accessories, specialty gas regulators, and education solutions; as well as a comprehensive portfolio of automated solutions for joining, cutting, material handling, module assembly, and end of line testing.

The Company has aligned its organizational and leadership structure into three operating segments to support growth strategies and enhance the utilization of the Company's worldwide resources and global sourcing initiatives. The operating segments consist of Americas Welding, International Welding and The Harris Products Group. The Americas Welding segment includes welding operations in North and South America. The International Welding segment includes welding operations in Europe, Africa, Asia and Australia. The Harris Products Group includes the Company's global cutting, soldering and brazing businesses, specialty gas equipment, as well as its retail business in the United States.

Segment performance is measured and resources are allocated based on a number of factors, the primary measure being the adjusted earnings before interest and income taxes ("Adjusted EBIT") profit measure. EBIT is defined as Operating income plus Other income. Segment EBIT is adjusted for special items as determined by management such as the impact of rationalization activities, certain asset impairment charges and gains or losses on disposals of assets. The accounting principles applied at the operating segment level are generally the same as those applied at the consolidated financial statement level with the exception of LIFO. Segment assets include inventories measured on a FIFO basis while consolidated inventories include inventories reported on a LIFO basis. Segment and consolidated income before interest and income taxes include the effect of inventories reported on a LIFO basis. At December 31, 2023, 2022 and 2021 approximately 37%, 38% and 36%, respectively, of total inventories were valued using the LIFO method. LIFO is used for a substantial portion of U.S. inventories included in Americas Welding. Inter-segment sales are recorded at agreed upon prices that approximate arm's length prices and are eliminated in consolidation. Corporate-level expenses are allocated to the operating segments.

Financial information for the reportable segments follows:

		Americas Welding ⁽¹⁾		ternational Velding ⁽²⁾]	he Harris Products Group ⁽³⁾	orporate / ninations ⁽⁴⁾	Co	onsolidated
For the Year Ended December 31, 2023									
Net sales	\$	2,655,546	\$	1,040,006	\$	496,084	\$ _	\$	4,191,636
Inter-segment sales		127,536		31,498		10,641	(169,675)		_
Total	\$	2,783,082	\$	1,071,504	\$	506,725	\$ (169,675)	\$	4,191,636
Adjusted EBIT	\$	538,269	\$	136,497	\$	74,144	\$ (17,536)	\$	731,374
Special items charge (gain)		9,858		(9,721)		_	_		137
EBIT	\$	528,411	\$	146,218	\$	74,144	\$ (17,536)	\$	731,237
Interest income	_		_						6,762
Interest expense									(51,133)
Income before income taxes								\$	686,866
Total assets	\$	2,365,737	\$	1,046,369	\$	340,463	\$ (375,272)	\$	3,377,297
Capital expenditures		61,752		20,568		8,550	117		90,987
Depreciation and amortization		55,821		22,023		9,611	(785)		86,670
For the Year Ended December 31, 2022									
Net sales	\$	2,288,934	\$	954,281	\$	517,996	\$ _	\$	3,761,211
Inter-segment sales		122,019		31,503		11,040	(164,562)		_
Total	\$	2,410,953	\$	985,784	\$	529,036	\$ (164,562)	\$	3,761,211
Adjusted EBIT	\$	462,819	\$	120,157	\$	64,008	\$ (10,033)	\$	636,951
Special items charge (gain)	_	(3,060)		11,681			 6,003		14,624
EBIT	\$	465,879	\$	108,476	\$	64,008	\$ (16,036)	\$	622,327
Interest income									1,607
Interest expense									(31,107)
Income before income taxes								\$	592,827
Total assets	\$	2,122,729	\$	994,905	\$	361,989	\$ (299,077)	\$	3,180,546
Capital expenditures		43,003		17,955		10,925	_		71,883
Depreciation and amortization		47,291		20,949		9,819	_		78,059
For the Year Ended December 31, 2021									
Net sales	\$	1,824,481	\$	948,125	\$	461,574	\$ _	\$	3,234,180
Inter-segment sales		140,650		26,331		8,096	(175,077)		_
Total	\$	1,965,131	\$	974,456	\$	469,670	\$ (175,077)	\$	3,234,180
Adjusted EBIT	\$	329,016	\$	106,208	\$	68,447	\$ (12,403)	\$	491,268
Special items charge		123,114		15,234		3,785	1,923		144,056
EBIT	\$	205,902	\$	90,974	\$	64,662	\$ (14,326)	\$	347,212
Interest income	_		_						1,567
Interest expense									(23,781)
Income before income taxes								\$	324,998
Total assets	\$	1,521,083	\$	938,061	\$	330,678	\$ (197,515)	\$	2,592,307
Capital expenditures		37,717		16,916		7,898			62,531
Depreciation and amortization		49,510		24,998		6,795	(157)		81,146

^{(1) 2023} special items reflect Rationalization and asset impairment net charges of \$468 and amortization of step up in value of acquired inventories of \$9,390.

²⁰²² special items reflect Rationalization and asset impairment net gains of \$431, final settlement gains related to the termination of a pension plan of \$3,735 and amortization of step up in value of acquired inventories of \$1,106.

²⁰²¹ special items reflect pension settlement charges of \$123,091.

^{(2) 2023} special items reflect Rationalization and asset impairment net gains of \$11,782, amortization of step up in value of acquired inventories of \$2,862, gain on asset disposal of \$1,646, and pension settlement charges of \$845.

²⁰²² special items reflect Rationalization and asset impairment charges of \$11,681.

- 2021 special items reflect Rationalization and asset impairment charges of \$9,804, pension settlement charges of \$446 and amortization of step up in value of acquired inventories of \$4,984.
- (3) 2021 special items reflect pension settlement charges of \$2,965 and amortization of step up in value of acquired inventories of \$820.
- (4) 2022 special items reflect acquisition transaction and integration costs of \$6,003 related acquisitions as discussed in Note 4 to the consolidated financial statements.

2021 special items reflect acquisition transaction and integration costs of \$1,923 related acquisitions as discussed in Note 4 to the consolidated financial statements.

Export sales (excluding inter-company sales) from the United States were \$238,704 in 2023, \$173,033 in 2022 and \$149,110 in 2021. No individual customer comprised more than 10% of the Company's total revenues for any of the three years ended December 31, 2023.

The geographic split of the Company's Net sales, based on the location of the customer, and property, plant and equipment were as follows:

	Year Ended December 31,						
		2023		2022		2021	
Net sales:							
United States	\$	2,398,560	\$	2,128,457	\$	1,726,498	
Foreign countries		1,793,076		1,632,754		1,507,682	
Total	\$	4,191,636	\$	3,761,211	\$	3,234,180	
			De	ecember 31,			
		2023		2022		2021	
Property, plant and equipment, net:							
United States	\$	293,172	\$	267,654	\$	262,247	
Foreign countries		282,144		277,217		249,497	
Total	\$	575,316	\$	544,871	\$	511,744	

NOTE 7 – RATIONALIZATION AND ASSET IMPAIRMENTS

The Company has rationalization plans primarily within the International Welding segment. The plans include headcount restructuring and the consolidation of manufacturing facilities to better align the cost structure with economic conditions and operating needs. At December 31, 2023, liabilities of \$15,086 for International Welding were recognized in Other current liabilities in the Company's Consolidated Balance Sheet. The Company does not anticipate significant additional charges related to the completion of these plans.

The Company recorded rationalization and asset impairment net gain of \$11,314 for the year ended December 31, 2023 and net charges of \$11,788 and \$9,827 for the years ended December 31, 2022 and 2021, respectively, related to these plans. The charges are primarily related to employee severance, asset impairments and gains or losses on the disposal of assets.

The Company believes the rationalization actions will positively impact future results of operations and will not have a material effect on liquidity and sources and uses of capital. The Company continues to evaluate its cost structure and additional rationalization actions may result in charges in future periods.

The following table summarizes the activity related to the rationalization liabilities:

	(Consolidated
Balance at December 31, 2021	\$	2,990
Payments and other adjustments		(4,471)
Charged to expense		3,688
Balance at December 31, 2022	\$	2,207
Payments and other adjustments		(7,215)
Charged to expense		20,094
Balance at December 31, 2023	\$	15,086

NOTE 8 – ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) ("AOCI")

The following tables set forth the total changes in accumulated other comprehensive income (loss) ("AOCI") by component, net of taxes:

	Unrealized gain (loss) on derivatives designated and Def qualifying as cash pe flow hedges				Currency translation adjustment	Total
Balance at December 31, 2021	\$	8,094	\$	(13,231)	\$ (252,442)	\$ (257,579)
Other comprehensive income (loss) before						
reclassification		7,866		13,911	(35,084)	(13,307)
Amounts reclassified from AOCI		(2,051)		(2,461)		(4,512)
Net current-period other comprehensive income (loss)	,	5,815		11,450	(35,084)	(17,819)
Balance at December 31, 2022	\$	13,909	\$	(1,781)	\$ (287,526)	\$ (275,398)
Other comprehensive income (loss) before				· · · · · · · · · · · · · · · · · · ·		
reclassification		7,049		(5,135)	43,139	45,053
Amounts reclassified from AOCI		(4,422)		4,920	_	498
Net current-period other comprehensive income (loss)		2,627		(215)	43,139	45,551
Balance at December 31, 2023	\$	16,536	\$	(1,996)	\$ (244,387)	\$ (229,847)

NOTE 9 – DEBT

At December 31, 2023 and 2022, debt consisted of the following:

	December 31,				
		2023		2022	
Long-term debt					
Senior Unsecured Notes due through 2045, interest at 2.8% to 4.0% (net of debt issuance costs of \$1,270 and \$1,585 at December 31, 2023 and 2022, respectively)	\$	702,766	\$	703,124	
Term Loan due through 2025, interest at SOFR plus a 0.85% margin, swapped \$150,000 to a fixed interest rate of 3.55% plus a 0.85% margin		400,000		400,000	
Other borrowings due through 2030, interest up to 7.97%		9		18,311	
		1,102,775		1,121,435	
Less current portion		4		11,039	
Long-term debt, less current portion		1,102,771		1,110,396	
Short-term debt					
Amounts due banks, weighted average interest at 47.7% in 2023 and 4.0% in 2022		2,435		82,444	
Current portion long-term debt		4		11,039	
Total short-term debt		2,439		93,483	
Total debt	\$	1,105,210	\$	1,203,879	

At December 31, 2023 and 2022, the fair value of long-term debt, including the current portion, was approximately \$1,013,795 and \$1,009,020, respectively, which was determined using available market information and methodologies requiring judgment. The carrying value of this debt at such dates was \$1,102,771 and \$1,121,435, respectively. Since judgment is required in interpreting market information, the fair value of the debt is not necessarily the amount which could be realized in a current market exchange.

Senior Unsecured Notes

On April 1, 2015 and October 20, 2016, the Company entered into separate Note Purchase Agreements pursuant to which it issued senior unsecured notes (the "Notes") through a private placement. Interest on the Notes is paid semi-annually. The proceeds of the Notes were used for general corporate purposes. The Notes contain certain affirmative and negative covenants. As of December 31, 2023, the Company was in compliance with all of its debt covenants relating to the Notes.

The maturity and interest rates of the 2015 Notes and 2016 Notes are as follows:

	Amount Maturity Date		Interest Rate
2015 Notes			
Series A	\$ 100,000	August 20, 2025	3.15 %
Series B	100,000	August 20, 2030	3.35 %
Series C	50,000	April 1, 2035	3.61 %
Series D	100,000	April 1, 2045	4.02 %
2016 Notes			
Series A	\$ 100,000	October 20, 2028	2.75 %
Series B	100,000	October 20, 2033	3.03 %
Series C	100,000	October 20, 2037	3.27 %
Series D	50,000	October 20, 2041	3.52 %

The Company's total weighted average effective interest rate and remaining weighted average term, inclusive of the 2015 Notes and 2016 Notes, is 3.3% and 10.4 years, respectively.

Term Loan

On November 29, 2022, the Company entered into a term loan in the aggregate principal amount of \$400,000 (the "Term Loan"), which was borrowed in full. The Term Loan matures on November 29, 2025. The Term Loan bears an interest at a rate based on SOFR, plus a margin ranging from 0.75% to 1.75% based on the Company's consolidated net leverage ratio. The proceeds of the Term Loan were used to pay a portion of the purchase price in connection with the acquisition of Fori.

The agreement governing the Term Loan (the "Term Loan Credit Agreement") contains representations and warranties, as well as customary affirmative, negative and financial covenants for credit facilities of this type, including limitations on the Company and its subsidiaries with respect to liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. The Term Loan Credit Agreement requires the Company to maintain a minimum consolidated fixed charges coverage ratio and maximum consolidated net leverage ratio. As of December 31, 2023, the Company was in compliance with all of its covenants.

Revolving Credit Agreement

On April 23, 2021, the Company amended and restated the agreement governing its line of credit by entering into the Second Amended and Restated Credit Agreement ("Credit Agreement"). The Credit Agreement has a line of credit totaling \$500,000, has a term of 5 years with a maturity date of April 23, 2026 and may be increased, subject to certain conditions including the consent of its lenders, by an additional amount up to \$150,000. On March 8, 2023, the Credit Agreement was amended to replace the LIBOR rate to a term secured overnight finance rate ("SOFR"); as such, the

interest rate on borrowings is based on SOFR plus a spread of 0.85% to 1.85% based on (1) the Company's net leverage ratio and (2) a credit spread adjustment. The Credit Agreement contains customary representations and warranties, as well as customary affirmative, negative and financial covenants for credit facilities of this type (subject to negotiated baskets and exceptions), including limitations on the Company and its subsidiaries with respect to liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. As of December 31, 2023, the Company was in compliance with all of its covenants and had no outstanding borrowings under the Credit Agreement.

The Company has other lines of credit and debt agreements totaling \$89,145. As of December 31, 2023 the Company was in compliance with all of its covenants and had \$2,435 outstanding at December 31, 2023.

Other

Maturities of long-term debt, including payments for amounts due banks, for the five years succeeding December 31, 2023 are \$2,439 in 2024, \$500,005 in 2025, \$0 in 2026, \$0 in 2027, \$100,000 in 2028 and \$500,000 thereafter. Total interest paid was \$29,340 in 2023, \$23,547 in 2022 and \$23,752 in 2021. The difference between interest paid and interest expense is due to the accrual of interest associated with the Senior Unsecured Notes and interest rate derivative contracts discussed in Note 14.

NOTE 10 - STOCK PLANS

On April 19, 2023, the shareholders of the Company approved the 2023 Equity and Incentive Compensation Plan ("2023 Employee Plan"), which replaced the 2015 Equity and Incentive Compensation Plan ("2015 Employee Plan"). The 2023 Employee Plan provides for the granting of options, appreciation rights, restricted shares, restricted stock units and performance-based awards up to an additional 2,025,000 of the Company's common shares. In addition, on April 19, 2023, the shareholders of the Company approved the 2023 Stock Plan for Non-Employee Directors ("2023 Director Plan"), which replaced the 2015 Stock Plan for Non-Employee Directors ("2015 Director Plan"). The 2023 Director Plan provides for the granting of options, restricted shares and restricted stock units up to an additional 200,000 of the Company's common shares. At December 31, 2023, there were 2,192,720 common shares available for future grant under all plans.

Stock Options

The following table summarizes stock option activity for the year ended December 31, 2023 under all Plans:

	Number of Options	Weighted Average Exercise Price
Balance at beginning of year	1,117,359	\$ 93.31
Options granted	102,292	178.15
Options exercised	(299,682)	118.17
Options canceled	(350)	63.08
Options forfeited	_	_
Balance at end of year	919,619	108.85
Exercisable at end of year	671,164	95.20

Options granted under both the 2015 and 2023 Employee Plans and its predecessor plans may be outstanding for a maximum of 10 years from the date of grant. The majority of options granted vest ratably over a period of 3 years from the grant date. The exercise prices of all options were equal to the quoted market price of the Company's common shares at the date of grant. The Company issued shares of common stock from treasury upon all exercises of stock options in 2023. In 2023, all options issued were under the 2015 and 2023 Employee Plans.

The Company uses the Black-Scholes option pricing model for estimating fair values of options. In estimating the fair value of options granted, the expected option life is based on the Company's historical experience. The expected volatility is based on historical volatility. The weighted average assumptions for each of the three years ended December 31 were as follows:

	2023 2022				2021
Expected volatility	 27.63 %)	27.14 %	о <u> </u>	28.01 %
Dividend yield	1.59 %	6 2.17 %			
Risk-free interest rate	4.04 %)	1.94 %	o o	0.55 %
Expected option life (years)	4.8		4.7		4.7
Weighted average fair value per option granted during the year	\$ 46.94	\$	27.42	\$	21.70

The following table summarizes non-vested stock options for the year ended December 31, 2023:

	Number of Options	Weighted Average Fair Value at Grant Date
Balance at beginning of year	317,006	\$ 13.93
Granted	102,292	46.94
Vested	(170,493)	21.61
Canceled	(350)	18.34
Forfeited	<u> </u>	_
Balance at end of year	248,455	28.36

The aggregate intrinsic value of options outstanding and exercisable which would have been received by the optionees had all awards been exercised at December 31, 2023 was \$99,884 and \$82,057, respectively. The total intrinsic value of awards exercised during 2023, 2022 and 2021 was \$35,414, \$7,082 and \$20,442, respectively. The total fair value of options that vested during 2023, 2022 and 2021 was \$3,684, \$3,086 and \$2,983, respectively.

The following table summarizes information about awards outstanding as of December 31, 2023:

		Outstanding				
	Number of Stock	Weighted Average Exercise	Weighted Average Remaining Life	Number of Stock	Weighted Average Exercise	Weighted Average Remaining Life
Exercise Price Range	Options	Price	(years)	Options	Price	(years)
Under \$49.99	_	\$ —	_	_	\$ —	_
\$50.00 - \$59.99	18,371	58.17	2.11	18,371	58.17	2.11
Over \$60.00	901,248	109.88	6.35	652,793	96.24	5.60
	919,619		6.27	671,164		5.50

Restricted Stock Units ("RSUs") and Performance Share Units ("PSUs")

The following table summarizes RSU and PSU activity for the year ended December 31, 2023 under all Plans:

	Number of Units	Weighted Average Grant Date Fair Value
Balance at beginning of year	391,072	\$ 111.90
Units granted	130,831	180.04
Units vested	(177,048)	95.90
Units forfeited	(5,414)	139.14
Balance at end of year	339,441	140.50

RSUs are valued at the quoted market price on the grant date. The majority of RSUs vest over a period of 3 years. The Company issues shares of common stock from treasury upon the vesting of RSUs and any earned dividend equivalents. Conversion of 28,564 RSUs and PSUs to common shares in 2023 were deferred as part of the 2005 Deferred Compensation Plan for Executives (the "2005 Plan"). As of December 31, 2023, 87,604 RSUs and PSUs, including related dividend equivalents, have been deferred under the 2005 Plan. These units are reflected within dilutive shares in the calculation of earnings per share. In 2023, 85,188 RSUs were issued under the 2015 and 2023 Employee Plan and the 2015 and 2023 Director Plan. The remaining weighted average vesting period of all non-vested RSUs is 1.5 years as of December 31, 2023.

PSUs are valued at the quoted market price on the grant date. PSUs vest over a period of 3 years and are based on the Company's performance relative to pre-established performance goals. The Company issues common stock from treasury upon the vesting of PSUs and any earned dividend equivalents. In 2023, the Company issued 45,643 PSU's and has 82,089 PSUs outstanding under the 2015 Employee Plan at a weighted average fair value of \$136.41 per share. The remaining weighted average vesting period of all non-vested PSUs is 1.8 years as of December 31, 2023.

Stock-Based Compensation Expense

Expense is recognized for all awards of stock-based compensation by allocating the aggregate grant date fair value over the vesting period. No expense is recognized for any stock options, restricted or deferred shares, RSUs or PSUs ultimately forfeited because recipients fail to meet vesting requirements. Total stock-based compensation expense recognized in the Consolidated Statements of Income for 2023, 2022 and 2021 was \$26,223 \$25,276 and \$23,787, respectively. The related tax benefit for 2023, 2022 and 2021 was \$6,711, \$6,363 and \$5,988, respectively. As of December 31, 2023, total unrecognized stock-based compensation expense related to non-vested stock options, RSUs and PSUs was \$17,254, which is expected to be recognized over a weighted average period of approximately 1.0 years.

Lincoln Stock Purchase Plan

The 1995 Lincoln Stock Purchase Plan provides employees the ability to purchase open market shares on a commission-free basis up to a limit of ten thousand dollars annually. Under this plan, 800,000 shares have been authorized to be purchased. There were no shares purchased in 2023 or 2022, and 9,070 shares purchased in 2021.

NOTE 11 – RETIREMENT ANNUITY AND GUARANTEED CONTINUOUS EMPLOYMENT PLANS

The Company maintains a number of defined benefit and defined contribution plans to provide retirement benefits for employees. These plans are maintained and contributions are made in accordance with the Employee Retirement Income Security Act of 1974 ("ERISA"), local statutory law or as determined by the Board of Directors. The plans generally provide benefits based upon years of service and compensation. Pension plans are funded except for a domestic non-

qualified pension plan for certain key employees and certain foreign plans. The Company uses a December 31 measurement date for its plans.

The Company does not have, and does not provide for, any postretirement or postemployment benefits other than pensions and certain non-U.S. statutory termination benefits.

Defined Benefit Plans

Contributions are made in amounts sufficient to fund current service costs on a current basis and to fund past service costs, if any, over various amortization periods.

Obligations and Funded Status

	December 31,							
			23			20		
	U.S	U.S. pension		Non-U.S.		S. pension		Non-U.S.
	_	plans	pens	ion plans		plans	pe	ension plans
Change in benefit obligations								
Benefit obligations at beginning of year	\$	9,374	\$ 1	18,489	\$	10,930	\$	164,005
Service cost		166		955		199		1,077
Interest cost		466		4,867		262		2,644
Plan participants' contributions		_		48		_		54
Acquisitions & other adjustments		(821)		84		2,689		(341)
Actuarial (gain) loss (1)		990		5,633		(4,706)		(30,229)
Benefits paid		_		(7,265)		_		(7,066)
Settlements/curtailments		(1,805)		(1,700)		_		(398)
Currency translation		_		4,919		_	(11,25	
Benefit obligations at end of year	8,370 12		26,030	9,374			118,489	
•								
Change in plan assets								
Fair value of plan assets at beginning of year		_		86,543		68,458		114,557
Actual return on plan assets		_		4,087		59		(16,319)
Employer contributions		_		2,080		_		1,634
Plan participants' contributions		_		48		_		54
Acquisitions & other adjustments		_		_		(68,517)		(195)
Benefits paid		_		(5,120)		_		(4,757)
Settlements		_		(599)		_		_
Currency translation				4,183				(8,431)
Fair value of plan assets at end of year				91,222		_		86,543
Funded status at end of year		(8,370)	(34,808)		(9,374)		(31,946)
Unrecognized actuarial net loss		2,387		3,070		1,734		2,073
Unrecognized prior service cost		_		(56)		_		(73)
Unrecognized transition assets, net		_		24		_		25
Net amount recognized	\$	(5,983)	\$ (31,770)	\$	(7,640)	\$	(29,921)

⁽¹⁾ Actuarial gains in 2022 were primarily the result of an increase in the Company's pension plan discount rates.

The after-tax amounts of unrecognized actuarial net loss, prior service costs and transition assets included in Accumulated other comprehensive loss at December 31, 2023 were \$1,974, \$(39) and \$17, respectively. The actuarial loss represents changes in the estimated obligation not yet recognized in the Consolidated Income Statement.

In March 2020, the Company approved an amendment to terminate the Lincoln Electric Company Retirement Annuity Program ("RAP") plan effective as of December 31, 2020. The Company provided notice to participants of the intent to terminate the plan and applied and received a determination letter. During 2021, pension obligations were distributed through a combination of lump sum payments to eligible plan participants and through the purchase of a group annuity contract in October 2021. The lump sum payments and annuity purchase resulted in pre-tax settlement charges of \$126,056 in the twelve months ended December 31, 2021. The remaining surplus assets of \$68,458 at December 31, 2021 were transferred to a suspense account in January 2022 and are being used to fund employer matching contributions in the Company's Savings Plan. The surplus assets as of December 31, 2023 were \$41,849 and are recorded in Other current assets and Other assets in the Company's Consolidated Balance Sheets.

Amounts Recognized in Consolidated Balance Sheets

	December 31,								
	20	2023 20							
	U.S. pension	Non-U.S.	U.S. pension	Non-U.S.					
	plans	Pension plans	plans	pension plans					
Prepaid pensions (1)	\$ —	\$ 2,891	\$ —	\$ 1,603					
Accrued pension liability, current (2)	(732)	(95)	(2,403)	(523)					
Accrued pension liability, long-term (3)	(7,638)	(37,605)	(6,971)	(33,026)					
Accumulated other comprehensive loss, excluding tax effects	2,387	3,039	1,734	2,025					
Net amount recognized in the balance sheets	\$ (5,983)	\$ (31,770)	\$ (7,640)	\$ (29,921)					

- (1) Included in Other assets.
- (2) Included in Other current liabilities.
- (3) Included in Other liabilities.

Components of Pension Cost for Defined Benefit Plans

	Year Ended December 31,											
		20	023			20		2021				
	U.S.	pension	N	Non-U.S.	U.	S. pension	N	lon-U.S.	U.S.	pension	N	Non-U.S.
	I	olans	per	nsion plans		plans	pen	ision plans	F	olans	per	nsion plans
Service cost	\$	166	\$	955	\$	199	\$	1,077	\$	194	\$	1,413
Interest cost		466		4,867		262		2,644		8,926		2,567
Expected return on plan assets		_		(3,839)		_		(3,525)	(1	3,050))	(3,990)
Other adjustments		_		117		_		_		_		_
Amortization of prior service cost		_		(8)		_		_		_		8
Amortization of net loss		80		(374)		132		299		1,966		882
Settlement and curtailment charges (gains) (1)		256		949		(3,735)		367	12	26,055		(42)
Defined benefit plans	\$	968	\$	2,667	\$	(3,142)	\$	862	\$ 12	24,091	\$	838

(1) Pension settlement net charges resulting from lump sum pension payments and the purchase of a group annuity contract in 2021.

The components of Pension cost for defined benefit plans, other than service cost, are included in Other income (expense) in the Company's Consolidated Statements of Income.

Pension Plans with Accumulated Benefit Obligations in Excess of Plan Assets

	December 31,								
	2023				20	022			
	U.S	S. pension	1	Non-U.S.	U.S	S. pension	N	Non-U.S.	
		plans	pei	nsion plans		plans	pension plan		
Projected benefit obligation	\$	8,326	\$	88,290	\$	9,331	\$	82,378	
Accumulated benefit obligation		8,002		86,317		8,937		80,444	
Fair value of plan assets		_		50,758	— 48,97				

The total accumulated benefit obligation for all plans was \$131,550 as of December 31, 2023 and \$125,031 as of December 31, 2022.

Benefit Payments for Plans

Benefits expected to be paid for the plans are as follows:

	. pension Plans	Non-U.S. nsion plans
Estimated Payments		
2024	\$ 754	\$ 39,045
2025	1,077	7,421
2026	1,099	6,576
2027	1,114	5,888
2028	1,053	6,446
2029 through 2033	5,426	30,724

Assumptions

Weighted average assumptions used to measure the benefit obligation for the Company's significant defined benefit plans as of December 31, 2023 and 2022 were as follows:

		December 31,					
	202	23	2022				
	U.S. pension	Non-U.S. pension	U.S. pension	Non-U.S. pension			
	plans	plans	plans	plans			
Discount Rate	6.0 %	3.9 %	5.8 %	4.2 %			
Rate of increase in compensation	3.0 %	4.8 %	3.0 %	3.7 %			

Weighted average assumptions used to measure the net periodic benefit cost for the Company's significant defined benefit plans for each of the three years ended December 31 were as follows:

			Decembe	er 31,			
	2023	3	2022	2	2021		
	U.S. pension	Non-U.S. pension	U.S. pension	Non-U.S. pension	U.S. pension	Non-U.S. pension	
	plans	plans	plans	plans	plans	plans	
Discount rate	5.8 %	4.2 %	2.5 %	1.8 %	2.2 %	1.3 %	
Rate of increase in compensation	3.0 %	3.7 %	3.0 %	3.1 %	2.5 %	2.7 %	
Expected return on plan assets	_	4.4 %	— %	3.4 %	3.0 %	3.3 %	

To develop the discount rate assumptions, the Company refers to the yield derived from matching projected pension payments with maturities of bonds rated AA or an equivalent quality. The expected long-term rate of return assumption is based on the weighted average expected return of the various asset classes in the plans' portfolio and the targeted allocation of plan assets. The asset class return is developed using historical asset return performance as well as current

market conditions such as inflation, interest rates and equity market performance. The rate of compensation increase is determined by the Company based upon annual reviews.

Pension Plans' Assets

The primary objective of the pension plans' investment policy is to ensure sufficient assets are available to provide benefit obligations when such obligations mature. Investment management practices must comply with ERISA or any other applicable regulations and rulings. The overall investment strategy for the defined benefit pension plans' assets is to achieve a rate of return over a normal business cycle relative to an acceptable level of risk that is consistent with the long-term objectives of the portfolio. Excluding the RAP plan assets, the target allocation for plan assets is 5% to 10% equity securities and 90% to 95% debt and other securities.

The following table sets forth, by level within the fair value hierarchy, the pension plans' assets as of December 31, 2023:

	Pension Plans' Assets at Fair Value as of Decem						r 31,	, 2023
	Quoted Prices in Active Markets for Identical Assets		Significant Other Observable Inputs					
	(Level 1)		(Level 2)	(L	evel 3)		Total
Cash and cash equivalents	\$	22,347	\$	_	\$	_	\$	22,347
Fixed income securities (1)								
Corporate debt and other obligations		_		5,894		_		5,894
Investments measured at NAV (2)								
Common trusts and 103-12 investments (3)		_		_		_		62,981
Total investments at fair value	\$	22,347	\$	5,894	\$		\$	91,222

The following table sets forth, by level within the fair value hierarchy, the pension plans' assets as of December 31, 2022:

	Pension Plans' Assets at Fair Value as of December						er 31,	, 2022
	Quoted Prices in Active Markets for Identical Assets		Significant Other Observable Inputs Significant Inputs			bservable Inputs		
	((Level 1)		(Level 2)	(I	Level 3)		Total
Cash and cash equivalents	\$	16,694	\$	_	\$	_	\$	16,694
Fixed income securities (1)								
Corporate debt and other obligations		_		4,912		_		4,912
Investments measured at NAV (2)								
Common trusts and 103-12 investments (3)		_		_		_		64,937
Total investments at fair value	\$	16,694	\$	4,912	\$		\$	86,543

- (1) Fixed income securities are primarily comprised of governmental and corporate bonds directly held by the plans. Governmental and corporate bonds are valued using both market observable inputs for similar assets that are traded on an active market and the closing price on the active market on which the individual securities are traded.
- (2) Certain assets that are measured at fair value using the net asset value ("NAV") practical expedient have not been classified in the fair value hierarchy.
- (3) Common trusts and 103-12 investments (collectively "Trusts") are comprised of a number of investment funds that invest in a diverse portfolio of assets including equity securities, corporate and governmental bonds, equity and credit indexes and money markets. Trusts are valued at the NAV as determined by their custodian. NAV represents

the accumulation of the unadjusted quoted close prices on the reporting date for the underlying investments divided by the total shares outstanding at the reporting dates.

Supplemental Executive Retirement Plan

The Company maintained a domestic unfunded Supplemental Executive Retirement Plan ("SERP") under which non-qualified supplemental pension benefits are paid to certain employees in addition to amounts received under the Company's terminated qualified retirement plan which was subject to IRS limitations on covered compensation. The annual cost of this program has been included in the determination of total net pension costs shown above and was \$650, \$253 and \$213 in 2023, 2022 and 2021, respectively. The projected benefit obligation associated with this plan is also included in the pension disclosure shown above and was \$5,461, \$7,339 and \$7,947 at December 31, 2023, 2022 and 2021, respectively.

Defined Contribution Plans

Substantially all U.S. employees are covered under defined contribution plans. In October 2016, the Company announced a plan redesign of The Lincoln Electric Company Employee Savings Plan ("Savings Plan") that was effective January 1, 2017. The Savings Plan provides that eligible employees receive up to 6% of employees' annual compensation through Company matching contributions of 100% of the first 3% of employee compensation contributed to the plan, and automatic Company contributions equal to 3% of annual compensation. In addition, certain employees affected by the RAP freeze in 2016 are also eligible to receive employer contributions equal to 6% of annual compensation for a minimum period of five years or to the end of the year in which they complete thirty years of service.

Effective January 1, 2017, the Company created The Lincoln Electric Company Restoration Plan ("Restoration Plan"). The Restoration Plan is a domestic unfunded plan maintained for the purpose of providing certain employees the ability to fully participate in standard employee retirement offerings, which are limited by IRS regulations on covered compensation.

The annual costs recognized for defined contribution plans were \$29,443, \$29,569 and \$26,282 in 2023, 2022 and 2021, respectively.

Other Benefits

The Cleveland, Ohio, area operations have a Guaranteed Continuous Employment Plan covering substantially all local employees which, in general, provides that the Company will provide work for at least 75% of every standard work week (presently 40 hours). This plan does not guarantee employment when the Company's ability to continue normal operations is seriously restricted by events beyond the control of the Company. The Company has reserved the right to terminate this plan effective at the end of a calendar year by giving notice of such termination not less than six months prior to the end of such year.

NOTE 12 — OTHER INCOME (EXPENSE)

The components of Other income (expense) were as follows:

	Year Ended December 31,						
	2023			2022		2021	
Equity earnings in affiliates	\$	556	\$	(153)	\$	499	
Other components of net periodic pension (cost) income (1)		(2,573)		3,556		(123,920)	
Other income (2)		15,405		6,588		8,964	
Total Other income (expense)	\$	13,388	\$	9,991	\$	(114,457)	

(1) Other components of net periodic pension (cost) income includes pension settlements and curtailments as discussed in Note 11.

(2) In 2023, Other income primarily relates to non-recurring items such as royalty and other non-operating gains.

NOTE 13 – INCOME TAXES

The components of income before income taxes were as follows:

	 Year Ended December 31,						
	2023		2022		2021		
U.S.	\$ 508,316	\$	359,760	\$	143,290		
Non-U.S.	178,550		233,067		181,708		
Total	\$ 686,866	\$	592,827	\$	324,998		

The components of income tax expense (benefit) were as follows:

	Year Ended December 31,					
	2023		2022		2021	
Current:						
Federal	\$ 95,514	\$	88,974	\$	23,415	
Non-U.S.	45,830		55,664		44,828	
State and local	24,132		24,423		10,298	
	165,476		169,061		78,541	
Deferred:						
Federal	(13,068)		(38,462)		(21,538)	
Non-U.S.	(7,515)		(3,281)		(4,488)	
State and local	(3,275)		(6,715)		(4,097)	
	(23,858)		(48,458)		(30,123)	
Total	\$ 141,618	\$	120,603	\$	48,418	

The differences between total income tax expense and the amount computed by applying the statutory federal income tax rate to income before income taxes for the three years ended December 31, 2023 were as follows:

	Year Ended December 31,					
		2023		2022		2021
Statutory rate applied to pre-tax income	\$	144,242	\$	124,492	\$	68,250
State and local income taxes, net of federal tax benefit		17,979		12,904		4,005
Excess tax benefits resulting from exercises of stock-based						
compensation		(10,742)		(2,500)		(4,681)
Foreign Derived Intangible Income Deduction		(10,411)		(13,356)		(2,197)
Foreign rate variance		6,854		5,020		2,131
Valuation allowances		(4,135)		(4,547)		(4,209)
Research and development credit		(9,600)		(6,800)		(5,300)
Pension plan termination adjustment				_		(14,711)
U.S. tax cost of foreign source income		1,013		783		3,488
Other		6,418		4,607		1,642
Total	\$	141,618	\$	120,603	\$	48,418
Effective tax rate		20.6 %		20.3 %		14.9 %

The effective tax rate remained consistent in 2023 and 2022.

Total income tax payments, net of refunds, were \$180,512 in 2023, \$151,818 in 2022 and \$87,288 in 2021.

Deferred Taxes

Significant components of deferred tax assets and liabilities at December 31, 2023 and 2022, were as follows:

	December 31,				
		2023		2022	
Deferred tax assets:					
Tax loss and credit carry-forwards	\$	45,319	\$	44,674	
Inventory		2,941		937	
Other accruals		17,984		29,601	
Research and development capitalization		64,836		26,982	
Employee benefits		28,639		26,674	
Pension obligations		7,375		6,218	
Other		5,640		7,344	
Deferred tax assets, gross		172,734	'	142,430	
Valuation allowance		(36,876)		(44,627)	
Deferred tax assets, net		135,858		97,803	
Deferred tax liabilities:					
Property, plant and equipment		43,339		40,198	
Intangible assets		26,624		23,790	
Inventory		4,918		3,846	
Pension and other benefit liabilities		10,545		13,787	
Other		18,402		10,393	
Deferred tax liabilities		103,828		92,014	
Total deferred taxes	\$	32,030	\$	5,789	

At December 31, 2023, certain subsidiaries had net operating loss carry-forwards of approximately \$3,234 that expire in various years from 2024 through 2036, plus \$166,063 for which there is no expiration date.

In assessing the realizability of deferred tax assets, the Company assesses whether it is more-likely-than-not that a portion or all of the deferred tax assets will not be realized. The Company considers the scheduled reversal of deferred tax liabilities, tax planning strategies and projected future taxable income in making this assessment. At December 31, 2023, a valuation allowance of \$36,876 was recorded against certain deferred tax assets based on this assessment. The Company believes it is more-likely-than-not that the tax benefit of the remaining net deferred tax assets will be realized. The amount of net deferred tax assets considered realizable could be increased or reduced in the future if the Company's assessment of future taxable income or tax planning strategies changes.

The Company determined it will repatriate earnings for certain non-U.S. subsidiaries, which are subject to foreign withholding taxes. The Company has estimated the associated tax to be \$76. The Company considers remaining earnings and outside basis in all other non-U.S. subsidiaries to be indefinitely reinvested and has not recorded any deferred taxes as such estimate is not practicable.

Unrecognized Tax Benefits

Liabilities for unrecognized tax benefits related to uncertain tax positions are classified as Other liabilities unless expected to be paid in one year. Additionally, to the extent a position would not result in a cash tax liability, those amounts are generally recorded to Deferred income taxes to offset tax attributes. The Company recognizes interest and penalties related to unrecognized tax benefits in Income taxes. Current income tax expense included expense of \$101 for the year ended December 31, 2023 and benefits of \$486 for the year ended December 31, 2022 for interest and penalties. For those same years, the Company's accrual for interest and penalties related to unrecognized tax benefits totaled \$2,364 and \$2,292, respectively.

The following table summarizes the activity related to unrecognized tax benefits:

	 2023	2022		
Balance at beginning of year	\$ 17,423	\$	18,211	
Increase related to current year tax provisions	1,983		2,263	
(Decrease)/increase related to prior years' tax positions	(1,642)		91	
Decrease related to settlements with taxing authorities	(4,036)		(868)	
Resolution of and other decreases in prior years' tax liabilities	(1,380)		(1,379)	
Other	244		(895)	
Balance at end of year	\$ 12,592	\$	17,423	

The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate was \$10,036 at December 31, 2023 and \$14,504 at December 31, 2022.

The Company files income tax returns in the U.S. and various state, local and foreign jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state and local or non-U.S. income tax examinations by tax authorities for years before 2019. The Company is currently subject to various state audits and non-U.S. income tax audits. The Company is generally not able to precisely estimate the ultimate settlement amounts or timing until after the close of an audit. The Company evaluates its tax positions and establishes liabilities for unrecognized tax benefits related to uncertain tax positions that may be challenged by local authorities and may not be fully sustained.

Unrecognized tax benefits are reviewed on an ongoing basis and are adjusted for changing facts and circumstances, including management's judgment in the interpretation of applicable tax law, regulation or tax ruling, the progress of tax audits and closing of statutes of limitations. Based on information currently available, management believes that additional audit activity could be completed and/or statutes of limitations may close relating to existing unrecognized tax benefits. It is reasonably possible there could be a further reduction of \$1,646 in prior years' unrecognized tax benefits in 2024.

NOTE 14 – DERIVATIVES

The Company uses derivative instruments to manage exposures to currency exchange rates, interest rates and commodity prices arising in the normal course of business. Both at inception and on an ongoing basis, the derivative instruments that qualify for hedge accounting are assessed as to their effectiveness, when applicable. Hedge ineffectiveness was immaterial for each of the three years in the period ended December 31, 2023.

The Company is subject to the credit risk of the counterparties to derivative instruments. Counterparties include a number of major banks and financial institutions. None of the concentrations of risk with any individual counterparty was considered significant at December 31, 2023. The Company does not expect any counterparties to fail to meet their obligations.

Cash flow hedges

Certain foreign currency forward contracts are qualified and designated as cash flow hedges. The dollar equivalent gross notional amount of these short-term contracts was \$84,148 at December 31, 2023 and \$66,296 at December 31, 2022.

The Company has interest rate forward starting swap agreements that are qualified and designated as cash flow hedges. The dollar equivalent gross notional amount of the long-term contracts was \$100,000 at December 31, 2023 and 2022 and have a termination date of August 2025.

The Company has commodity contracts that are qualified and designated as cash flow hedges. The notional amount of these contracts was 200,000 pounds at December 31, 2023 and 875,000 pounds at December 31, 2022.

In March 2023, the Company entered into interest rate swap agreements, which were qualified and designated as cash flow hedges, with an aggregate notional amount of \$150,000. The interest rate swaps will effectively convert the interest rate on \$150,000 of the Term Loan discussed in Note 9 from a variable rate based on one-month SOFR to a fixed rate.

Net investment hedges

The Company has foreign currency forward contracts that qualify and are designated as net investment hedges. The dollar equivalent gross notional amount of these short-term contracts was \$119,607 at December 31, 2023.

Derivatives not designated as hedging instruments

The Company has certain foreign exchange forward contracts which are not designated as hedges. These derivatives are held as hedges of certain balance sheet exposures. The dollar equivalent gross notional amount of these contracts was \$492,600 at December 31, 2023 and \$380,443 at December 31, 2022.

Fair values of derivative instruments in the Company's Consolidated Balance Sheets follow:

		Decembe	er 31, 2023					
Derivatives by hedge designation	Other Current Assets	Other Current Liabilities	Other Assets	Other Liabilities	Other Current Assets	Other Current Liabilities	Other Assets	Other Liabilities
Designated as hedging instruments:								
Foreign exchange contracts	\$ 1,548	\$ 687	\$ —	\$ —	\$ 1,467	\$ 738	\$ —	\$ —
Interest rate swap agreements	_	_	1,460	_	_	_	_	
Forward starting swap agreements	_	_	20,377	_	_	_	19,291	_
Net investment contracts	_	3,351	_	_	_	2,229	_	
Commodity contracts	45	_	_	_	181	33	_	_
Not designated as hedging instruments:								
Foreign exchange contracts	4,063	623		_	2,348	790		
Total derivatives	\$ 5,656	\$ 4,661	\$ 21,837	\$ —	\$ 3,996	\$ 3,790	\$ 19,291	\$

The effects of undesignated derivative instruments on the Company's Consolidated Statements of Income consisted of the following:

	Year Ended December 31,					
Derivatives by hedge designation	Classification of gain		2023		2022	
Not designated as hedges:						
	Selling, general					
Foreign exchange contracts	& administrative expenses	\$	15,990	\$	4,805	

The effects of designated cash flow hedges on AOCI and the Company's Consolidated Statements of Income consisted of the following:

Total gain recognized in AOCI, net of tax	December 31, 2023		Decei	mber 31, 2022
Foreign exchange contracts	\$	\$ 721		627
Interest rate swap agreements		1,085		_
Forward starting swap agreements		14,696		13,191
Net investment contracts		7,136		9,440
Commodity contracts		34		91

The Company expects a gain of \$755 related to existing contracts to be reclassified from AOCI, net of tax, to earnings over the next 12 months as the hedged transactions are realized.

		,	Year Ended	Decen	ıber 31,	
	Gain (loss) recognized in the					
Derivative type	Consolidated Statements of Income:		2023	2022		
Foreign exchange contracts	Net Sales	\$	5,210	\$	962	
	Cost of goods sold		590		1,906	
Commodity contracts	Cost of goods sold		193		(169)	

NOTE 15 – FAIR VALUE

The following table provides a summary of fair value assets and liabilities as of December 31, 2023 measured at fair value on a recurring basis:

Description Assets:	Quoted Prices in Active Markets for Identical Assets or Balance as of December 31, 2023 (Level 1)				gnificant Other servable Inputs (Level 2)	0		
Foreign exchange contracts	\$	5,611	\$	_	\$ 5,611	\$	_	
Interest rate swap agreements		1,460		_	1,460			
Commodity contracts		45		_	45		_	
Forward starting swap agreements		20,377		_	20,377		_	
Pension surplus		41,849	_	41,849				
Total assets	\$	69,342	\$	41,849	\$ 27,493	\$	_	
Liabilities:								
Foreign exchange contracts	\$	1,310	\$	_	\$ 1,310	\$	_	
Net investment contracts		3,351		_	3,351		_	
Deferred compensation		53,628		<u> </u>	53,628		_	
Total liabilities	\$	58,289	\$		\$ 58,289	\$	_	

The following table provides a summary of fair value assets and liabilities as of December 31, 2022 measured at fair value on a recurring basis:

Description Assets:	Balance as of December 31, 2022		Quoted Prices i Active Markets f Identical Assets Liabilities (Level 1)		Significant Other Observable Inputs (Level 2)		Unc	gnificant observable ts (Level 3)
Foreign exchange contracts	\$	3,815	\$		\$	3,815	\$	_
Commodity contracts		181		_		181		_
Forward starting swap agreements		19,291		_		19,291		_
Pension surplus		56,418		56,418		_		_
Total assets	\$	79,705	\$	56,418	\$	23,287	\$	
Liabilities:							,	
Foreign exchange contracts	\$	1,528	\$	_	\$	1,528	\$	_
Net investment contracts		2,229		_		2,229		_
Commodity contracts		33		_		33		_
Deferred compensation		39,090		_		39,090		_
Total liabilities	\$	42,880	\$		\$	42,880	\$	

The fair value of the Company's pension surplus assets are based on quoted market prices in active markets and are included in the Level 1 fair value hierarchy. The pension surplus assets are invested in money market and short-term duration bond funds at December 31, 2023.

The Company's derivative contracts are valued at fair value using the market approach. The Company measures the fair value of foreign exchange contracts, interest rate swap agreements, forward starting swap agreements using Level 2 inputs based on observable spot and forward rates in active markets. During the year ended December 31, 2023, there were no transfers between Levels 1, 2 or 3.

The deferred compensation liability is the Company's obligation under its executive deferred compensation plan. The Company measures the fair value of the liability using the market values of the participants' underlying investment fund elections.

The fair value of Cash and cash equivalents, Marketable securities, Accounts receivable, Short-term debt excluding the current portion of long-term debt and Trade accounts payable approximated book value due to the short-term nature of these instruments at both December 31, 2023 and December 31, 2022. Refer to Note 9 to the consolidated financial statements for the fair value estimate of debt.

The Company has various financial instruments, including cash and cash equivalents, short and long-term debt and forward contracts. While these financial instruments are subject to concentrations of credit risk, the Company has minimized this risk by entering into arrangements with a number of major banks and financial institutions and investing in several high-quality instruments. The Company does not expect any counterparties to fail to meet their obligations.

NOTE 16 – INVENTORY

Inventories in the Consolidated Balance Sheet is comprised of the following components:

	December 31, 2023	December 31, 2022		
Raw materials	\$ 160,809	\$ 181,076		
Work-in-process	125,756	164,778		
Finished goods	276,299	319,597		
Total	\$ 562,864	\$ 665,451		

The valuation of LIFO inventories is made at the end of each year based on inventory levels and costs at that time. Accordingly, interim LIFO calculations are based on management's estimates of expected year-end inventory levels and costs. Actual year-end inventory levels and costs may differ from interim LIFO inventory valuations. At December 31, 2023 and 2022, approximately 37% and 38% of total inventories, respectively, were valued using the LIFO method. The excess of current cost over LIFO cost was \$129,946 at December 31, 2023 and \$133,909 at December 31, 2022, or a benefit of \$3,963 in 2023 as compared with charges of \$19,733 in 2022.

NOTE 17 – LEASES

The table below summarizes the right-of-use assets and lease liabilities in the Company's Consolidated Balance sheets:

Operating Leases	Balance Sheet Classification	Decemb	er 31, 2023	Decemb	er 31, 2022
Right-of-use assets	Other assets	\$ 53,284		\$	44,810
Current liabilities	Other current liabilities	\$	13,104	\$	10,378
Noncurrent liabilities	Other liabilities		41,576		35,945
Total lease liabilities		\$	54,680	\$	46,323

Total lease expense, which is included in Cost of goods sold and Selling, general and administrative expenses in the Company's Consolidated Statements of Income, was \$24,408, \$20,548 and \$21,630 in the years ended December 31, 2023, 2022 and 2021, respectively. Cash paid for amounts included in the measurement of lease liabilities for the years ended December 31, 2023 and 2022 was \$13,450 and \$12,036, respectively, are included in Net cash provided by operating activities in the Company's Consolidated Statements of Cash Flows. Right-of-use assets obtained in exchange for operating lease liabilities during the years ended December 31, 2023 and 2022 were \$9,249 and \$9,332, respectively.

The total future minimum lease payments for noncancelable operating leases were as follows:

	Decem	nber 31, 2023
2024	\$	14,574
2025		11,786
2026		9,022
2027		6,574 4,626
2028		4,626
After 2028		14,647
Total lease payments	\$	61,229 6,549
Less: Imputed interest		6,549
Operating lease liabilities	\$	54,680

As of December 31, 2023 and 2022, the weighted average remaining lease term was 7.0 years and 7.8 years, respectively. As of December 31, 2023 and 2022, the weighted average discount rate used to determine the operating lease liability was 3.50% and 2.96%, respectively.

NOTE 18 – CONTINGENCIES

The Company, like other manufacturers, is subject from time to time to a variety of civil and administrative proceedings arising in the ordinary course of business. Such claims and litigation include, without limitation, product liability claims, regulatory claims, employment-related claims and health, safety and environmental claims, some of which relate to cases alleging asbestos induced illnesses. The claimants in the asbestos cases seek compensatory and punitive damages, in most cases for unspecified amounts. The Company believes it has meritorious defenses to these claims and intends to contest such suits vigorously.

The Company accrues its best estimate of the probable costs, after a review of the facts with management and counsel and taking into account past experience. For claims or litigation that are material, if an unfavorable outcome is determined to be reasonably possible and the amount of loss can be reasonably estimated, or if an unfavorable outcome is determined to be probable and the amount of loss cannot be reasonably estimated, disclosure would be provided. Many of the current cases are in differing procedural stages and information on the circumstances of each claimant, which forms the basis for judgments as to the validity or ultimate disposition of such actions, varies greatly. Therefore, in many situations a range of possible losses cannot be made. Reserves are adjusted as facts and circumstances change and related management assessments of the underlying merits and the likelihood of outcomes change. Moreover, reserves only cover identified and/or asserted claims. Future claims could, therefore, give rise to increases to such reserves.

Based on the Company's historical experience in litigating product liability claims, including a significant number of dismissals, summary judgments and defense verdicts in many cases and immaterial settlement amounts, as well as the Company's current assessment of the underlying merits of the claims and applicable insurance, the Company believes resolution of these claims and proceedings, individually or in the aggregate, will not have a material effect on the Company's consolidated financial statements.

NOTE 19 – SUPPLIER FINANCING PROGRAM

The Company's suppliers, at the supplier's sole discretion, are able to factor receivables due from the Company to a financial institution on terms directly negotiated with the financial institution without affecting the Company's balance sheet classification of the corresponding payable. The Company pays the financial institution the stated amount of the confirmed invoices from its designated suppliers on the original maturity dates of the invoices. Invoices with suppliers have terms between 120 and 180 days. The Company does not provide secured legal assets or other forms of guarantees under the arrangement and has no involvement in establishing the terms or conditions of the arrangement between its suppliers and the financial institution. The amounts due to the financial institution for suppliers that participate in the supplier financing program are included in Trade accounts payable on the Company's Consolidated Balance Sheets, and the associated payments are included in operating activities in the Consolidated Statements of Cash Flows. At December 31, 2023 and December 31, 2022, Trade accounts payable included \$29,111 and \$33,475, respectively, payable to suppliers that have elected to participate in the supplier financing program.

SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS LINCOLN ELECTRIC HOLDINGS, INC.

(In thousands)

			Additions							
	E	Balance at Beginning	Charged to (Credited) Costs and Charged to		harged to				nce at End	
Description	(Of period	<u>E</u>	xpenses	Other	· Accounts (1)	Dec	ductions (2)	0	f Period
Allowance for doubtful accounts:										
Year Ended December 31, 2023	\$	12,556	\$	1,195	\$	(94)	\$	2,193	\$	11,464
Year Ended December 31, 2022		11,105		1,778		598		925		12,556
Year Ended December 31, 2021		14,779		718		(2,491)		1,901		11,105
Deferred tax asset valuation allowance:										
Year Ended December 31, 2023	\$	44,627	\$	4,570	\$	(606)	\$	11,715	\$	36,876
Year Ended December 31, 2022		55,619		2,262		(5,197)		8,057		44,627
Year Ended December 31, 2021		65,413		1,147		(3,873)		7,068		55,619

- (1) Currency translation adjustment, reductions from restructuring and other adjustments.
- (2) For the Allowance for doubtful accounts, deductions relate to uncollectible accounts written-off, net of recoveries. For the Deferred tax asset valuation allowance, deductions relate to the reversal of valuation allowances due to the realization of net operating loss carryforwards.



Corporate Information

BOARD OF DIRECTORS

Brian D. Chambers

Chair, President and Chief Executive Officer Owens Corning

Curtis E. Espeland

Retired Executive Vice President and Chief Financial Officer Eastman Chemical Company

Bonnie J. Fetch

President

Distribution Business Segment

Cummins Inc.

Patrick P. Goris

Senior Vice President and Chief Financial Officer Carrier Global Corporation

Steven B. Hedlund

President and Chief Executive Officer Lincoln Electric Holdings, Inc.

Michael F. Hilton

Retired President and Chief Executive Officer Nordson Corporation

Marc A. Howze

Former Senior Advisor Office of the Chairman Deere & Company

Kathryn Jo Lincoln

Chair and Chief Investment Officer Lincoln Institute of Land Policy

Christopher L. Mapes

Executive Chair

Lincoln Electric Holdings, Inc.

Phillip J. Mason

Retired President Ecolab EMEA Sector of Ecolab, Inc.

Ben P. Patel

Senior Vice President Chief Science and Innovation Officer WestRock Company

Hellene S. Runtagh

Retired President and Chief Executive Officer Berwind Group

Kellye L. Walker

Executive Vice President and Chief Legal Officer Eastman Chemical Company

LEADERSHIP TEAM

Geoffrey P. Allman

Senior Vice President
Strategy and Business Development

Jennifer I. Ansberry

Executive Vice President General Counsel and Secretary

Gabriel Bruno

Executive Vice President Chief Financial Officer

Lisa A. Dietrich

Executive Vice President Chief Information Officer

Gregory D. Doria

Senior Vice President President, Harris Products Group Asia Pacific Welding

J. Ashley Hall

Senior Vice President Global Procurement

Steven B. Hedlund

President and Chief Executive Officer

Michele R. Kuhrt

Executive Vice President
Chief Human Resources Officer

Douglas S. Lance

Senior Vice President President, North America Welding

Christopher L. Mapes

Executive Chair

Peter M. Pletcher

Senior Vice President President, Americas Welding

Michael J. Whitehead

Senior Vice President

President, Global Automation, Cutting & Additive Businesses

CORPORATE INFORMATION

For additional corporate information and copies of Lincoln Electric's 2023 Annual Report an 10-K, and 2024 Proxy Statement, please contact Amanda Butler in Investor Relations at (216) 383-2534; email: Amanda_Butler@lincolnelectric.com; 22801 St. Clair Avenue, Cleveland, OH 44117-1199 USA; or visit www.lincolnelectric.com.

TRANSFER AGENT AND REGISTRAR

Inquires about dividends, shareholder records, share transfers, changes in ownership and changes should be directed to Computershare Inc.:

MAIL

Computershare Attn: Shareholder Services P.O. Box 43078 Providence, RI 02940-3078

COURIER

Computershare Attn: Shareholder Services 150 Royall Street, Ste. 101, Canton, MA 02021

DIRECT

Tel: (800) 736-3001 or (781) 575-3100 Email: webqueries@computershare.com Online: www.computershare.com

SUSTAINABILITY

Visit https://sustainability.lincolnelectric.com to learn about our policies and programs.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP

ANNUAL MEETING

Friday, April 19, 2024 11:00 a.m. Eastern Time Online at:

www.virtualshareholdermeeting.com/LEC02024

STOCK INFORMATION

The Company's stock is listed on the NASDAQ exchange under the ticker symbol LECO.

Number of record holders of common shares at December 31, 2023: 2,214



Lincoln Electric Holdings, Inc.

22801 St. Clair Avenue Cleveland, Ohio 44117-1199 USA

www.lincolnelectric.com