

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K**

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the fiscal year ended September 30, 2023**

OR

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from ____ to ____**

Commission File No. 001-33794

HILLENBRAND, INC.

(Exact name of registrant as specified in its charter)

IN

(State or other jurisdiction of incorporation or organization)

26-1342272

(I.R.S. Employer Identification No.)

One Batesville Boulevard

Batesville, IN

(Address of principal executive offices)

47006

(Zip Code)

Registrant's telephone number, including area code: **(812) 931-5000**

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, without par value	HI	NYSE

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of capital stock (consisting solely of shares of common stock) held by non-affiliates of the registrant as of March 31, 2023 was \$ 3,252,045,631. As of November 10, 2023, 69,921,378 shares of common stock were outstanding.

Documents Incorporated by Reference

Portions of our definitive proxy statement for the 2024 Annual Meeting of Shareholders are incorporated by reference into Part III of this report. The proxy statement will be filed no later than January 10, 2024.

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(monetary amounts in millions, except per share data)

PART I

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Throughout this Form 10-K, we make a number of “forward-looking statements,” including statements that are within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, and that are intended to be covered by the safe harbor provided under these sections. As the words imply, these are statements about future sales, earnings, cash flow, results of operations, uses of cash, financings, share repurchases, ability to meet deleveraging goals, and other measures of financial performance or potential future plans or events, strategies, objectives, beliefs, prospects, assumptions, expectations, and projected costs or savings or transactions of the Company that might or might not happen in the future, as contrasted with historical information. Forward-looking statements are based on assumptions that we believe are reasonable, but by their very nature are subject to a wide range of risks. If our assumptions prove inaccurate or unknown risks and uncertainties materialize, actual results could vary materially from Hillenbrand’s expectations and projections.

Accordingly, in this Form 10-K, we may say something like,

“We expect that future net revenue will be influenced by order backlog.”

That is a forward-looking statement, as indicated by the word “expect” and by the clear meaning of the sentence.

Other words that could indicate we are making forward-looking statements include the following:

intend	believe	plan	expect	may	goal	would	project	position
become	pursue	estimate	will	forecast	continue	could	anticipate	remain
target	encourage	promise	improve	progress	potential	should	impact	

This is not an exhaustive list, but is intended to give you an idea of how we try to identify forward-looking statements. The absence of any of these words, however, does not mean that the statement is not forward-looking.

Here is the key point: Forward-looking statements are not guarantees of future performance or events, and actual results or events could differ materially from those set forth in any forward-looking statements.

Any number of factors, many of which are beyond our control, could cause our performance to differ significantly from what is described in the forward-looking statements. These factors include, but are not limited to: global market and economic conditions, including those related to the financial markets; the risk of business disruptions associated with information technology, cyber-attacks, or catastrophic losses affecting infrastructure; the impact of disease outbreaks, such as the COVID-19 pandemic, or other health crises; increasing competition for highly skilled and talented workers, as well as labor shortages; uncertainty related to environmental regulation and industry standards, as well as physical risks of climate change; increased costs, poor quality, or unavailability of raw materials or certain outsourced services and supply chain disruptions; uncertainty in United States global trade policy; our level of international sales and operations; the impact of incurring significant amounts of indebtedness and any inability of the Company to respond to changes in its business or make future desirable acquisitions; the ability of the Company to comply with financial or other covenants in debt agreements; negative effects of acquisitions, including the Schenck Process Food and Performance Materials (“FPM”) business and Linxis Group SAS (“Linxis”) acquisitions, on the Company’s business, financial condition, results of operations and financial performance (including the ability of the Company to maintain relationships with its customers, suppliers, and others with whom it does business); the possibility that the anticipated benefits from acquisitions including the FPM and Linxis acquisitions cannot be realized by the Company in full or at all, or may take longer to realize than expected; risks that the integrations of FPM or Linxis or other acquired businesses disrupt current operations or pose potential difficulties in employee retention or otherwise affect financial or operating results; competition in the industries in which we operate, including on price; cyclical demand for industrial capital goods; the ability to recognize the benefits of any acquisition or divestiture, including potential synergies and cost savings or the failure of the Company or any acquired company to achieve its plans and objectives generally; impairment charges to goodwill and other identifiable intangible assets; impacts of decreases in demand or changes in technological advances, laws, or regulation on the net revenues that we derive from the plastics industry; changes in food consumption patterns due to dietary trends, or economic conditions, or other reasons; our reliance upon employees, agents, and business

partners to comply with laws in many countries and jurisdictions; the impact to the Company's effective tax rate of changes in the mix of earnings or in tax laws and certain other tax-related matters; exposure to tax uncertainties and audits; involvement in claims, lawsuits, and governmental proceedings related to operations; uncertainty in the U.S. political and regulatory environment; adverse foreign currency fluctuations; labor disruptions; and the effect of certain provisions of the Company's governing documents and Indiana law that could decrease the trading price of the Company's common stock.

Item 1. BUSINESS

In this section of the Form 10-K, we provide you a general overview of the Company, including a high-level review of our reportable segments and how we operate. We then present our reportable operating segments in greater detail, including the products we manufacture and sell, how those products are distributed and to whom, with whom we compete, the key inputs to production, and an explanation of our business strategies. We also provide you information on any key patents, trademarks, and regulatory matters important to our business. Finally, we provide you a brief background on our executive officers so that you can understand their experience and qualifications.

GENERAL

Hillenbrand (www.Hillenbrand.com) is a global industrial company that provides highly-engineered processing equipment and solutions to customers around the world. Our portfolio is composed of leading industrial brands that serve large, attractive end markets, including durable plastics, food, and recycling. Guided by our Purpose, Shape What Matters For Tomorrow™, we pursue excellence, collaboration, and innovation to shape solutions that best serve our people, our customers, and our communities. Customers choose Hillenbrand due to our reputation for designing, manufacturing, and servicing highly-engineered, mission-critical equipment and solutions that meet their unique and complex processing requirements.

Hillenbrand's portfolio is composed of two reportable operating segments: Advanced Process Solutions and Molding Technology Solutions. Advanced Process Solutions is a leading global provider of highly-engineered process and material handling equipment, systems, and aftermarket parts and services for a variety of industries, including durable plastics, food, and recycling. Key technologies within the Advanced Process Solutions portfolio include compounding, extrusion, material handling, conveying, mixing, ingredient automation, portion process, and screening and separating equipment. Molding Technology Solutions is a global leader in highly-engineered equipment, systems, and aftermarket parts and service for the plastic technology processing industry. Molding Technology Solutions has a comprehensive product portfolio that includes injection molding and extrusion equipment, hot runner systems, process control systems, mold bases and components, and maintenance, repair, and operating ("MRO") supplies. These reportable operating segments are characterized by well-known brands that are recognized for technological capabilities and process expertise that can be shared across the reportable operating segments to serve customers globally. These reportable operating segments address macro trends supported by a growing middle class driving demand for plastics in a variety of applications, such as construction, food safety, and recycling, and demand for more sustainable food sources such as plant-based proteins,

Hillenbrand was incorporated on November 1, 2007, in the state of Indiana and began trading on the New York Stock Exchange under the symbol "HI" on April 1, 2008. "Hillenbrand," "the Company," "we," "us," "our," and similar words refer to Hillenbrand, Inc. and its subsidiaries unless context otherwise requires. Although Hillenbrand has been a publicly traded company since 2008, the brands owned by Hillenbrand have been in operation for many decades.

Over the past several years, we have significantly transformed our business through not only the completion of several strategic acquisitions, but also the divestiture of our legacy death care reportable operating segment, Batesville, as well as the divestiture of certain other non-core brands. The acquisitions provided leading brands, complementary technologies, and enhanced scale in attractive end markets, including food and recycling. These end markets are attractive to Hillenbrand because they have strong, long-term growth characteristics, and allow us to leverage our existing expertise in process technology and systems engineering to provide comprehensive solutions to our customers.

Acquisitions

The following acquisitions were made during the years ended September 30, 2023 and 2022, and are all currently included within our Advanced Process Solutions reportable operating segment:

- On September 1, 2023, the Company completed the acquisition of Schenck Process Food and Performance Materials ("FPM") business;

- On December 1, 2022, the Company completed the acquisition of the Peerless Food Equipment division (“Peerless”) of Illinois Tool Works Inc.;
- On October 6, 2022, the Company completed the acquisition of LINXIS Group SAS (“Linxis”);
- On August 31, 2022, the Company completed the acquisition of Herbold Meckesheim GmbH (“Herbold”); and
- On June 30, 2022, the Company completed the acquisition of Gabler Engineering GmbH and affiliate (“Gabler”).

For further information, see Note 5 to our Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K.

Divestitures

On December 31, 2020, the Company completed the divestiture of Red Valve Company, Inc. (“Red Valve”). The results of operations and cash flows of the Company include Red Valve through December 31, 2020.

On March 10, 2021, the Company completed the divestiture of ABEL GmbH (“ABEL”). The results of operations and cash flows of the Company include ABEL through March 10, 2021.

On October 22, 2021, the Company completed the divestiture of TerraSource Global (“TerraSource”). The results of operations and cash flows of the Company include TerraSource through October 22, 2021.

On February 1, 2023, the Company completed the divestiture of its historical Batesville reportable operating segment. This divestiture represented a strategic shift in Hillenbrand’s business and qualified as a discontinued operation. Accordingly, the operating results and cash flows related to the historical Batesville reportable operating segment have been reflected as discontinued operations in the Consolidated Statements of Operations and the Consolidated Statements of Cash Flows for all periods presented, while the assets and liabilities that were divested were classified within the Consolidated Balance Sheets as held for sale in the periods preceding the divestiture. Unless otherwise noted, discussion within this Form 10-K relates to continuing operations only and excludes the historical Batesville reportable operating segment.

For further information, see Note 4 to our Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K.

Reportable Operating Segments

Advanced Process Solutions

Advanced Process Solutions is a leading global provider of highly-engineered process and material handling equipment, systems, and aftermarket parts and services for a variety of industries, including durable plastics, food, and recycling. Key technologies within the Advanced Process Solutions portfolio include compounding, extrusion, material handling, conveying, mixing, ingredient automation, portion process, and screening and separating equipment.

We believe Advanced Process Solutions has attractive fundamentals including:

- Strong product and technology positions with substantial brand value and recognition;
- Industry-leading applications and engineering expertise;
- Comprehensive solutions capabilities through a differentiated suite of complementary processing technologies;
- A large installed base that supports an aftermarket parts and service business with historically stable revenue and attractive margins;
- A customer base that is highly diversified, including a strong history of long-term relationships with blue-chip end user customers; and
- A strong global footprint for sales, manufacturing, engineering, and service, including established operations in high growth countries such as India and China.

Molding Technology Solutions

Molding Technology Solutions is a global leader in highly-engineered equipment, systems, and aftermarket parts and service for the plastic technology processing industry. Molding Technology Solutions has a comprehensive product portfolio that includes injection molding and extrusion equipment, hot runner systems, process control systems, mold bases and components, and maintenance, repair, and operating (“MRO”) supplies.

We believe Molding Technology Solutions has attractive fundamentals including:

- Strong product and technology positions with substantial brand value and recognition;
- Strong market positions and engineering expertise;

- A large installed base that supports an aftermarket parts and service business with historically stable revenue and attractive margins;
- A customer base that is highly diversified in end markets and applications, with a strong history of long-term customer relationships; and
- Geographic diversification, including established operations in high growth countries such as India and China.

How We Operate

Guided by our Purpose, Shape What Matters for Tomorrow, we strive to provide superior return for our shareholders, exceptional value for our customers, great professional opportunities for our employees, and to be responsible to our communities through the execution of our profitable growth strategy. We aim to deliver sustainable revenue expansion, profit growth, and substantial free cash flow through our world-class products, solutions, and service, drive continuous improvement through the deployment of the Hillenbrand Operating Model (“HOM”), and effectively deploy our cash flow to maximize shareholder value creation.

Driving Growth

Our growth is driven by several key factors, including:

- Our leading positions in large, attractive end markets that are supported by long-term macro demand trends, including the expanding global middle class, the desire for more sustainable products and solutions, and the evolution of the global supply chain;
- Our strong global footprint and large installed base, which supports profitable aftermarket expansion; and
- A disciplined mergers and acquisitions framework that accelerates our growth with a focus on leading brands that enhance our technological capabilities and build scale in key end markets and/or geographies.

The Hillenbrand Operating Model

Our continuous improvement culture is fueled by the HOM. The HOM is a consistent and repeatable framework designed to produce sustainable and predictable results. The HOM describes the Company’s Purpose, mission, vision, values, and mindset as leaders; applies our management practices in Strategy, People, Operational Excellence, and Innovation & Technology; and prescribes four steps (Understand, Focus, Execute, and Grow) designed to make the Company’s businesses deliver sustainable revenue expansion, profit growth, and substantial free cash flow. The Company’s goal is to continue developing Hillenbrand as a world-class global industrial company through the deployment of the HOM to drive product innovation, best-in-class pricing and commercial practices, and margin enhancement through productivity and integration-related synergy realization.

Sustainability

Sustainability is a key component of the HOM. We believe sustainability to be a source of value creation that must be aligned with the core strategy of the Company. We expect to continue developing this part of our strategy as we grow in our sustainability practice. Among other things, we believe climate change will require meaningful action on a global scale, and we expect that further developing our understanding of our energy consumption and emissions will be an important part of examining the challenges posed by climate change. To date, our costs relating to addressing climate change have not been material.

Capital Allocation Framework

Our capital allocation framework is built around three core priorities in the following order:

- Safety and financial sustainability
 - Maintaining adequate liquidity to support and sustain our ongoing operations;
 - Honoring our current dividend policy, which provides an attractive cash return to our shareholders.
- Growing our business
 - Reinvesting in the business organically to drive innovation, growth, and operating efficiency;
 - Enhancing our growth with strategic acquisitions that expand our technological capabilities, accelerate scale in key end markets or geographies, and provide an appropriate return for our shareholders;
 - Maintaining an appropriate capital structure with a net debt to adjusted EBITDA target range of 1.7x to 2.7x.
- Return capital
 - Periodic opportunistic share repurchases to return capital to our shareholders.

Given the acquisitions completed in fiscal year 2023, we intend to continue to prioritize cash flow deployment to pay down debt, invest in organic initiatives for growth and operating efficiencies, as well as integration-related activities.

Human Capital Management

Purpose and Core Values

Purpose remains our clear foundation. It is the “why” behind everything we do. Purpose shapes the actions we take, the business decisions we make, and how we think about our business, including human capital management and sustainability more broadly. Our employees are at the center of everything we do because without them, we can’t move the world forward. They are the designers, engineers, manufacturers, makers, and shapers that bring our products and brands to life and strengthen our communities.

Our Purpose is underpinned by four Core Values: Win As One, Partner With Possibility, Make It Matter, and Drive To Deliver. Purpose champions across the business remain focused on bringing our Purpose and Core Values to life locally through our daily practices. Purpose and Core Values are an important part of our onboarding as we welcome new employees and acquired companies. We connect the new capabilities and experiences of these companies to our shared Purpose. As we continue to grow as a company, living out our Purpose and Core Values empowers us to better serve one another, our communities, and our customers while we continue to pursue exceptional performance and long-term shareholder value.

People

People are a key pillar of the HOM, and our talent management philosophy is to develop and promote internal employees and supplement with external hires where we require new or different skills and capabilities. This approach has yielded a deep understanding among our employee base of our products and our customers, while encouraging new employees to bring innovative ideas in support of our continuous improvement mindset. We believe that our average employee tenure across the globe — 10.1 years as of the end of fiscal 2023 — reflects the high engagement and dedication of our employees. Our talent acquisition team uses internal and external resources to recruit highly skilled and talented employees, and we encourage employee referrals for open positions.

Once employees are hired, performance expectations are established and tracked annually. Additionally, development plans are created and monitored for critical roles to ensure progress is made along established timelines. Development plans also intersect with our mission, helping us increase our commitment to serve the needs of the local communities in which we operate, while simultaneously providing leadership development opportunities for our employees. Effectively managing employee performance and linking pay to performance management is a critical part of our approach.

Workplace Demographics

Hillenbrand is committed to the growth of our employees by developing talent and building a growth-minded culture. We believe our employees give us the strength and skills to compete, and we must in turn help our employees reach their potential.

As of September 30, 2023, we had approximately 10,400 employees worldwide. Approximately 3,200 employees were located within the United States (“U.S.”) and 7,200 employees were located outside of the U.S., primarily throughout Europe and Asia. Approximately 62% of our workforce within the U.S. is composed of manufacturing direct labor, and the remaining population includes all other selling, general, and administrative professional employees.

As of September 30, 2023, approximately 3,300 employees globally work under collective bargaining agreements and works councils. Hillenbrand strives to maintain satisfactory relationships with all its employees, including the unions and works councils representing those employees. As a result, we have not experienced a significant work stoppage due to labor relations in more than 20 years.

Health and Safety

The health and safety of our employees is our highest priority. In fiscal 2023, with both our people and our Core Values in mind, we expanded our focus to driving standardization of health and safety measures across our operations. We restructured our sustainability working groups and created a Global Environment, Health & Safety (EHS) Council to help streamline reporting functions and improve data quality and transparency. This group, made up of EHS representatives from across the

enterprise, leads our safety strategy and provides a forum for collaboration and data collection. The Council captures historic and ongoing safety data from our facilities, which is incorporated into our annual Sustainability Report.

Diversity, Equity and Inclusion

Diversity, Equity, and Inclusion (“DEI”) at Hillenbrand is embedded in how we live and work and is part of our Core Values. By listening and acting with respect, embracing our individuality, and trusting in each other’s strengths, we create an inclusive culture that brings our Purpose to life. We continue to focus on making meaningful progress in our DEI Roadmap established in 2021. In fiscal 2023, we continued to cascade DEI into our talent practices by focusing on qualified diverse slates of candidates for senior leadership positions and assessing the diversity of succession plans for pipeline development. Additionally, leaders at director level and above (excluding leaders from our recent acquisitions) committed to a leadership goal related to Environmental, Social and Governance (“ESG”) progress as part of their annual performance goal setting.

We also engage the diverse perspectives of our employees through Business Resource Groups (“BRGs”). During the year, BRG leaders and members championed celebrations and observances, led personal and professional development sessions, and provided our employees with education and awareness about their communities. As we continue to embed our inclusive mindset across Hillenbrand, we launched a DEI foundation building learning program and a Women of Hillenbrand program in addition to our unconscious bias learning program for leaders.

We also hold ourselves accountable through measurement and transparency, including sharing our DEI progress regularly with our Board of Directors and publicly disclosing our global gender and U.S. ethnically diverse representation in our annual Sustainability Report, which can be found on the “Sustainability” section of our website at www.hillenbrand.com.

Total Rewards

Hillenbrand offers rewards programs focused on supporting employees and their families as they navigate work and life. Hillenbrand’s programs are designed to ensure employees are effectively compensated in terms of base salary, incentive compensation, and other benefits that support the health and wellness of themselves and their families. While specific compensation and benefits vary worldwide and are based on regional practices, we offer market-competitive compensation and benefits to retain and attract top talent. Our compensation programs focus on pay for performance, and we strive to pay within pay ranges developed based on market data and internal pay equity. We focus many benefit programs on employee wellness and have implemented solutions including onsite wellness centers, mental health support, telemedicine, and healthy weight loss programs. We believe that these solutions have helped us successfully manage healthcare and prescription drug costs for our employee population.

Hillenbrand believes in supporting employee’s mental health in addition to physical well-being. Mental health care is a covered service under all U.S. Company medical plans, including inpatient care facility services, inpatient professional services, office visits, and outpatient care.

Hillenbrand recognizes the importance of preparing for retirement. Employees are encouraged to participate in their own retirement savings where available. In the U.S., the majority of employees are eligible to participate in one of several 401(k) savings plans. Features of the plans vary but may include automatic Company contributions, Company matching contributions on employee contributions, and automatic enrollment. The plans provide a wide range of investment choices along with tax-deferred investment growth.

Outside of the U.S., Hillenbrand provides an array of benefits to support employees and their families. These include benefits such as paid leaves of absence, medical insurance, disability coverage and life insurance, among others.

Hillenbrand is committed to attracting, developing, engaging, and retaining the best people from around the world to make our businesses run and grow. In everything we do, we strive to provide great professional opportunities for our people and recognize the critical role our human capital plays in supporting our strategy.

As Hillenbrand acquires companies, it will take time to integrate them into our overall programs. Recently acquired companies are at varying stages of implementation as of September 30, 2023.

Cybersecurity

Our approach to cybersecurity begins with our responsibility for strong governance and controls. Security begins at the top of our organization, where Company leadership consistently communicates the requirements for vigilance and compliance throughout the organization, and then leads by example. The cybersecurity program is led by Hillenbrand's Chief Information Security Officer, who provides quarterly updates to the Audit Committee of our Board of Directors, annual updates to the Board of Directors, and regular reports to the Executive Management Team about the program, including information about cyber risk management governance and the status of ongoing efforts to strengthen cybersecurity effectiveness.

We also educate and share best practices globally with our employees to raise awareness of cybersecurity threats. As part of our onboarding process, we train all new employees on cybersecurity and maintain an annual retraining for all employees on cybersecurity standards, as well as how to recognize and properly respond to phishing and social engineering schemes. Hillenbrand has deployed a phishing detection system to report suspicious emails, which are flagged for further review, as well as an automated monthly process to retrain employees who do not maintain an acceptable pass rate on our phishing recognition training. To round out our robust awareness program, we have specific and regular training for our IT professionals.

REPORTABLE OPERATING SEGMENTS

Advanced Process Solutions

Advanced Process Solutions designs, engineers, manufactures, markets, and services differentiated process and material handling equipment and systems for a wide variety of industries, including plastics, food and pharmaceuticals, chemicals, fertilizers, minerals, energy, recycling, and other general industrials. Advanced Process Solutions uses its strong applications and process engineering expertise to solve problems for customers. Its highly engineered capital equipment and systems offerings require aftermarket service and/or parts replacement, providing an opportunity for ongoing revenue at attractive margins.

Advanced Process Solutions: Products and Services

Advanced Process Solutions' product portfolio has grown through a series of acquisitions and includes products and services for compounding, extrusion, material handling, conveying, mixing, ingredient automation, portion process, and screening and separating equipment. Advanced Process Solutions' product lines are supported by aftermarket parts and services, which represented approximately 28% of Advanced Process Solutions' total net revenue during fiscal 2023. Products are offered under brand names that are recognized as leaders in their respective categories.

- ***Compounding, extrusion, and material handling equipment and equipment system design***
 - Twin screw compounding and extrusion machines range from small laboratory compounding machines to high performance, high throughput extrusion systems. Small and mid-sized compounders are used by customers in engineered plastics, masterbatch, PVC, recycling, biodegradable products, and other applications for the plastics, chemical, food, and pharmaceutical industries. With the acquisition of FPM in 2023, the Company now offers broader application solutions to support these industries. Extrusion systems are sold to customers in multiple industries. These extrusion products are sold under the Coperion® brand.
 - Material handling equipment includes pneumatic and hydraulic conveying equipment for difficult-to-move materials; high-precision feeders that can operate at both very high and very low fill rates; blenders for pellets and powders; and rotary valves, diverter valves, and slide-gate valves used for feeding, dosing, discharge, and distribution during pneumatic conveying. The proprietary equipment is highly engineered and designed to solve the needs of customers for customized solutions. Material handling equipment is sold to a variety of industries, including plastics, food and pharmaceuticals, chemicals, and minerals. With the acquisition of FPM in 2023, the Company offers expanded material handling capabilities in each of these industries. These products are sold under the Coperion®, Coperion K-Tron®, and Herbold® brands.
 - Compounding, extrusion, and material handling equipment can be sold as a complete system, where strong application and process engineering expertise is used to design and create a broad system solution for customers. Systems can range from a single manufacturing line to large scale manufacturing lines and turnkey systems. Larger system sales are generally fulfilled over 18 to 24 months. A considerable portion of revenue for large system sales typically comes from third-party-sourced products that carry only a small up-charge. As a result, margin percentages tend to be lower on these large system sales when compared to the rest of the reportable operating segment. With the acquisition of Herbold in fiscal 2022, the Company now offers complete, innovative recycling solutions leveraging both Coperion and Herbold complementary

technologies. From mechanical processing — shredding, washing, separating, drying, and agglomerating of plastics — to bulk material handling, feeding and extrusion, as well as compounding and pelletizing, our product offering encompasses the complete process chain. With the acquisition of FPM in 2023, the Company offers end-to-end systems and full production line capabilities, as well as broader expertise in food and pet food applications. These products are sold under the Coperion and Herbold brands.

- ***Mixing technology, ingredient automation, and portion process***

- Mixing machines for both solids and liquids range from small laboratory mixers to large industrial equipment. These products are primarily sold under the VMI, Shaffer, Peerless, and Diosna brands. Ingredient automation provides complete systems for bulk ingredient storage, micro automation, liquid handling, and process control. These products are primarily sold under the Shick Esteve brand. Portion process provides processing equipment, portioning, and equipment solutions. These products are primarily sold under Unifiller and BAKON brands. Primary industries served include food, pharmaceutical, and cosmetics.

- ***Screening and separating equipment***

- Screening and separating equipment sorts dry, granular products based on the size of the particles being processed. These products are sold under the Rotex® and BM&M® brands to customers in a variety of industries including proppants, fertilizers, chemicals, agricultural goods, plastics, forest products, and food processing. A majority of the products use a unique technology based on a specific gyratory-reciprocating motion that provides an optimal material distribution on the screens, gentle handling of particles, and accurate separations.

- ***Aftermarket parts and service***

- Aftermarket parts and service are a major component of most of Advanced Process Solutions' product lines. Service engineers and technicians are located around the globe to better respond to customers' machines and systems service needs. Advanced Process Solutions offers its customers services such as installation, consulting, training, maintenance and repairs, spare parts, and modernization solutions.

Advanced Process Solutions: Sales, Distribution, and Operations

Advanced Process Solutions sells equipment and systems throughout the world using a combination of direct sales and a global network of independent sales representatives and distributors. A part of Advanced Process Solutions' sales is made through independent sales representatives who are compensated by commission.

Equipment and systems orders are often for unique, engineered-to-order items. Products are either assembled and tested at an Advanced Process Solutions facility and then shipped to a customer or are assembled at the customer's desired location.

We expect that future net revenue associated with Advanced Process Solutions will be influenced by order backlog because of the lead time involved in fulfilling engineered-to-order equipment and solutions for customers. Backlog represents the amount of net revenue that we expect to realize on contracts awarded to Advanced Process Solutions. Though backlog can be an indicator of future net revenue, it does not include projects and aftermarket orders that are booked and shipped within the same quarter. The timing of order placement, size of order, extent of customization, and customer delivery dates can create fluctuations in backlog and net revenue. Net revenue attributable to backlog may also be affected by foreign exchange fluctuations for orders denominated in currencies other than U.S. dollars or by provisions for cancellation, termination, or suspension at the discretion of the customer.

Advanced Process Solutions: Customers

Advanced Process Solutions has customers in a wide range of industries, including plastics, food and pharmaceuticals, chemicals, fertilizers, minerals, and recycling. These customers range from large, Fortune 500 global companies to regional and local businesses. No one Advanced Process Solutions customer accounted for more than 10% of Hillenbrand's consolidated net revenue during the years ended September 30, 2023, 2022, or 2021. For large or customized orders, customers generally pay a deposit and make progress payments in accordance with the project progress. Often, long-term relationships are established with these customers.

Advanced Process Solutions' net revenue is diversified by end markets, and further penetration of these end markets is an important element of its strategy. Geographically, approximately 37% of Advanced Process Solutions' net revenue in fiscal 2023 came from the Americas, 32% from Asia, and 31% from EMEA (Europe, the Middle East, and Africa).

We believe that long-term growth for this segment is driven by megatrends such as a rapidly growing middle class in China and India and a growing global population, resulting in rising demand for products sold in many of the end markets that Advanced Process Solutions serves, including plastic goods, food, and recycling. These trends include increased use of lightweight plastics in the automotive industry to improve fuel efficiency; more effective packaging in emerging markets to improve food shelf life, freshness, and safety; increased consumption of processed foods in emerging markets; innovation in a variety of applications in the medical space designed to improve safety, drug and therapy delivery, and durability; increased use of engineered plastics in construction that are more durable, lightweight and require little maintenance; increased use of biopolymers to help preserve the environment; and more sustainable food sources such as plant-based proteins. Additionally, we expect Advanced Process Solutions to be able to leverage its technical know-how to win in emerging end markets such as recycling and biodegradable plastics. While overall demand for these products is expected to increase over the long run, we expect short-term periodic fluctuations in demand from time-to-time.

Advanced Process Solutions: Competition

Advanced Process Solutions holds leading positions in key industries and has strong brand name recognition because of its commitment to serving the broad needs of customers through the design and quality of products, extensive application and process engineering expertise, product support services, and its unique ability to provide compounding, extrusion and material handling equipment as a complete system that optimizes output, quality, and energy efficiency to achieve a lower overall cost of ownership for its customers.

Advanced Process Solutions brands face strong competition. Competitors range in size from small, privately-held companies serving narrow market segments or geographical areas to larger, well-known global companies serving national and international markets with multiple product lines. We believe Advanced Process Solutions' diversification into multiple industries and markets, its base of aftermarket business, and its strong worldwide network of suppliers and dealers will allow it to maintain leadership positions even during economic downturns.

Advanced Process Solutions: Raw and Component Materials

The manufacturing of Advanced Process Solutions' products involves the machining and welding of raw materials (primarily sheet metals and steel) and castings that are assembled with other component parts purchased from third-party suppliers that generally require particular specifications or qualifications. Although most of these raw materials and components are generally available from several sources, some of these items are currently purchased from single sources. Volatility in the prices Advanced Process Solutions pays for raw materials used in its products has a direct effect on profitability. Advanced Process Solutions regularly takes steps designed to mitigate the impact of volatility in raw and component material prices, including executing Lean initiatives through the application of HOM and various pricing and sourcing actions. In instances where third-party suppliers are depended upon for outsourced products or components, there is risk of customer dissatisfaction with the quality or performance of the products sold due to supplier failure. Difficulties experienced by third-party suppliers can interrupt Advanced Process Solutions' ability to obtain the outsourced product and ultimately to supply products to customers. While global supply chains have recently suffered from various headwinds, those supporting our products have generally remained intact, providing access to sufficient inventory of the key materials needed for manufacturing. However, Advanced Process Solutions has experienced significant delays of certain raw materials and components, but has largely been able to mitigate the impact on our consolidated results of operations. Advanced Process Solutions continues to identify and qualify alternative sources to mitigate risk associated to single or sole source supply continuity, and has and may continue to purchase certain materials in safety stock where we have supply chain continuity concerns. See Part I, Item 1A of this Form 10-K for a more in-depth discussion of Risk Factors that could impact Advanced Process Solutions' ability to fulfill customer obligations.

Advanced Process Solutions: Strategy

Advanced Process Solutions seeks profitable growth through the following strategic initiatives:

- ***Strengthen leadership positions and build targeted platforms***

- Grow platforms to critical mass to achieve benefits of leadership and scale in attractive end markets organically and through acquisitions.
- Capitalize on emerging trends in end markets such as food, recycling, and biopolymers.
- Leverage global footprint to provide leading aftermarket support to customers.
- ***Drive innovation and new product development***
 - Provide innovative product and service solutions to solve customers' challenges.
 - Extend applications expertise to win in adjacent markets with high growth potential.
 - Develop new products driven by voice of customer input and changing needs.
 - Provide value-added end-to-end solutions from individual components to integrated systems.
- ***Leverage HOM to drive margin expansion and profitable growth***
 - Apply HOM principles and tools, including voice of customer and segmentation, for profitable growth.
 - Drive best-in-class lead times to grow share in aftermarket business.
 - Implement strategic supplier relationships to improve cost and quality.
 - Enhance productivity through process standardization.

Molding Technology Solutions

Molding Technology Solutions is a global leader in highly-engineered equipment, systems, and aftermarket parts and service for the plastic technology processing industry. Molding Technology Solutions has a comprehensive product portfolio that includes injection molding and extrusion equipment, hot runner systems, process control systems, mold bases and components, and maintenance, repair, and operating ("MRO") supplies. The product lines within Molding Technology Solutions have strong brand recognition and an established global footprint, and we believe are well-positioned to benefit from continued robust industry growth in both developed and emerging markets. Molding Technology Solutions' breadth of products, long history, and global reach have resulted in a large installed base of plastic processing equipment and hot runner systems.

Molding Technology Solutions: Products and Services

Molding Technology Solutions has a product portfolio that includes injection molding and extrusion equipment and hot runner systems and process controller technology. Molding Technology Solutions maintains leadership positions across these product lines, as well as leading positions in process control systems, mold bases and components, and MRO supplies. The Molding Technology Solutions product lines are supported by aftermarket parts and services, which represented approximately 28% of Molding Technology Solutions' total net revenue during fiscal 2023. Products are offered under brand names that are recognized as being among the leaders in their respective industries.

- ***Injection molding and extrusion equipment***
 - Molding Technology Solutions designs, manufactures and sells plastic processing equipment and systems, which include injection molding, extrusion and auxiliary systems. This equipment is sold under the Milacron® brand to a diverse set of customers, including companies in the automotive, consumer goods, electronics, construction, medical and packaging end markets.
- ***Hot runner and process control systems***
 - Molding Technology Solutions designs, manufactures and sells highly-engineered, technically advanced hot runner and process control systems. Hot runner and controller systems are sold under the Mold-Masters® brand and designed for each product a customer manufactures on an injection molding machine. Hot runner systems are end product-specific and replaced frequently due to design changes and innovation in customers' end products, with a typical aftermarket cycle of one to five years. Recurring sales are supported by a large installed base of hot runner systems worldwide.
- ***Mold components***

- Molding Technology Solutions designs, manufactures, and sells high-quality mold bases and plates available in various configurations to meet the needs of customers for a variety of applications under the DME® brand. Pre-engineered assemblies, plates and components provide the economic and technical benefits of interchangeability.

- ***Aftermarket parts and service***

- Aftermarket parts and service are a major component of most of the Molding Technology Solutions product lines. Service engineers and technicians are located around the globe to better respond to customers' machines and systems service needs. Molding Technology Solutions offers its customers service, consulting, training, maintenance and repairs, spare parts, and retrofits and rebuilds.

Molding Technology Solutions: Sales, Distribution, and Operations

Molding Technology Solutions sells equipment and systems throughout the world using a combination of direct sales and a global network of independent sales representatives and distributors. A part of Molding Technology Solutions' sales is made through independent sales representatives who are compensated by commission.

Molding Technology Solutions does not typically have long-term supply agreements with customers, and terms are generally negotiated on an individual order basis. Pricing is set at the time of order, typically on a customized basis for each product. Raw materials and component purchases are managed based on order trends and mid-term contracts with strategic vendors, allowing Molding Technology Solutions to partially mitigate the risk of short-term changes in raw material and components pricing. The majority of hot runner and mold base equipment orders are fulfilled within three months. Injection molding and extrusion equipment orders are generally fulfilled within twelve months, but we expect some future net revenue associated with injection molding and extrusion equipment will be influenced by order backlog because of the lead time in fulfilling some engineered-to-order products. Backlog represents the amount of net revenue that we expect to realize on contracts awarded to Molding Technology Solutions. Though backlog can be an indicator of future net revenue, it does not include projects and aftermarket parts orders that are booked and shipped within the same quarter. The timing of order placement, size of order, extent of customization, and customer delivery dates can create fluctuations in backlog and net revenue. Net revenue attributable to backlog may also be affected by foreign exchange fluctuations for orders denominated in currencies other than U.S. dollars, or by provisions for cancellation, termination, or suspension at the discretion of the customer.

Molding Technology Solutions: Customers

Molding Technology Solutions has customers in a wide range of industries, including automotive, medical, consumer goods, packaging, construction and electronics. These customers range from large, Fortune 500 global companies to regional and local businesses, including original equipment manufacturers ("OEMs"), molders and mold-makers. Molding Technology Solutions has long-standing relationships with its largest customers, having served many of them for over 30 years. No one Molding Technology Solutions customer accounted for more than 10% of Hillenbrand's consolidated net revenue during the years ended September 30, 2023, 2022, or 2021. Customers purchasing injection molding or extrusion machines generally pay a deposit and make progress payments prior to shipment.

Molding Technology Solutions' net revenue is further diversified by end markets, and continued expansion into these end markets is an important element of its strategy. Geographically, approximately 58% of Molding Technology Solutions' net revenue in fiscal 2023 came from the Americas, 27% from Asia, and 15% from EMEA (Europe, the Middle East, and Africa).

Global population growth, coupled with continued urbanization, increased purchasing power and improved lifestyle in emerging markets and technical innovation has resulted in greater demand for a broad range of finished plastic products in many segments of the economy, including automotive, medical, construction and consumer products. We believe Molding Technology Solutions' strong global presence positions it well to benefit from this growth. Molding Technology Solutions has made significant investments in China and India in order to capitalize on the projected growth in plastics in these markets and expects to further expand in Mexico as well.

Molding Technology Solutions: Competition

Molding Technology Solutions holds leading positions in key industries because of design and quality of products, extensive application and process engineering expertise, product support services, brand name recognition, and commitment to serving the broad needs of customers.

Molding Technology Solutions brands face strong competition in the markets where they compete. Competitors range in size from small, privately-held companies serving niche industries or geographical areas to larger, well-known global companies serving national and international markets with multiple product lines. We believe Molding Technology Solutions' leading product quality and design inclusion in a number of flagship products, diversification into multiple industries and markets, its base of aftermarket parts business, and its strong worldwide network of suppliers and dealers will allow it to maintain leadership positions even during economic downturns.

Molding Technology Solutions: Raw and Component Materials

Steel, which Molding Technology Solutions sources both directly and indirectly through its component suppliers, is the primary material used in the manufacturing of its products. Molding Technology Solutions does not enter into derivative financial instruments to hedge its commodity price risk but it does have some long-term supply contracts with key suppliers. Molding Technology Solutions has developed a global network of reliable, low-cost suppliers in order to secure its supply needs. Difficulties experienced by third-party suppliers can interrupt Molding Technology Solutions' ability to obtain materials or components and ultimately to supply products to customers. While global supply chains have recently suffered from various headwinds, those supporting Molding Technology Solutions products have generally remained intact, providing access to sufficient inventory of the key materials needed for manufacturing. However, Molding Technology Solutions has experienced significant delays of certain raw materials and components, but has largely been able to mitigate the impact on our consolidated results of operations. Molding Technology Solutions continues to identify and qualify alternative sources to mitigate risk associated to single or sole source supply continuity, and has and may continue to purchase certain materials in safety stock where there are supply chain continuity concerns.

Volatility in the prices Molding Technology Solutions pays for raw materials used in its products, including sheet metals and steel, has a direct effect on profitability. Molding Technology Solutions regularly takes steps designed to mitigate the impact of volatility in raw and component material prices, including executing Lean initiatives and various pricing and sourcing actions. Where possible, Molding Technology Solutions seeks alternative sources and, in some situations, is able to reformulate product with alternative materials without impacting performance, environmental, and health and safety features. We believe that Molding Technology Solutions has taken reasonable steps to mitigate recent increases to these risks. See Part I, Item 1A of this Form 10-K for a more in-depth discussion of Risk Factors that could impact Molding Technology Solutions' ability to source the necessary materials to fulfill customer obligations.

Molding Technology Solutions: Strategy

Molding Technology Solutions seeks to execute its strategy through the following initiatives:

- ***Strengthen leadership positions in global markets***
 - Leverage core technologies and applications expertise to expand presence in current end markets.
 - Leverage Hillenbrand's strong positions across the plastics value chain to cross-sell product lines.
 - Expand product offering in key end markets, including emerging markets and new segments for sustainability such as recycling and biodegradable plastics.
- ***Drive innovation and new product development***
 - Provide innovative product and service solutions to solve customers' challenges, leveraging shared research and development and technology across the enterprise.
 - Develop new products that are focused on solidifying Molding Technology Solutions' current market positions and expanding the market through the introduction of technology that displaces other materials, primarily metal and glass.
 - Provide value-added end-to-end solutions from individual components to integrated systems.
 - Enable the customer to fulfill sustainability requirements (e.g., reduction of virgin resin).
- ***Leverage HOM to drive margin expansion and profitable growth***
 - Apply HOM principles and tools, including voice of customer and segmentation with a goal to drive profitable growth.
 - Leverage Hillenbrand's global footprint and enhance support to customers through the entire lifecycle of their equipment usage to expand sales of aftermarket parts and services.
 - Drive global supply strategy to achieve supply chain and operating efficiencies to improve cost and quality.

- Enhance productivity through process standardization.

HILLENBRAND INTELLECTUAL PROPERTY

We own a number of patents on our products and manufacturing processes and maintain trade secrets related to manufacturing processes. These are important patents and trade secrets, but we do not believe any single patent or trade secret, or related group of patents or trade secrets is of material significance to our business as a whole. We also own a number of trademarks and service marks relating to products and services which are of importance. We believe the marks Coperion, Coperion K-Tron, K-Tron, Rotex, BM&M, Herbold, VMI, Bakon, Shaffer, Peerless, Shick Esteve, Unifiller, and DIOSNA brands are material to our Advanced Process Solutions reportable operating segment. We believe the marks Milacron and Mold-Masters are material to our Molding Technology Solutions reportable operating segment. As our historical Batesville reportable operating segment was divested in early fiscal 2023, the Company no longer owns the trademark Batesville®, and as a result we do not believe it was material for the year ended September 30, 2023.

Coperion, Coperion K-Tron, K-tron, Rotex, BM&M, Herbold, VMI, Bakon, Shaffer, Peerless, Shick Esteve, Unifiller, DIOSNA, Milacron, and Mold-Masters, as well as other registered or common law trade names, trademarks or service marks appearing in this Annual Report on Form 10-K are the property of Hillenbrand or its subsidiaries. Except as set forth above and solely for convenience, the trademarks, trade names or service marks in this Annual Report on Form 10-K are generally referred to without the ™ and ® symbols, but such references should not be construed as any indicator that their respective owners will not assert their rights thereto.

Our ability to compete effectively depends, to an extent, on our ability to maintain the proprietary nature of our intellectual property. In the past, certain of our products have been copied and sold by others and could continue to be. Hillenbrand vigorously seeks to enforce its intellectual property rights. However, we may not be sufficiently protected by our various patents, trademarks, and service marks, and they may be challenged, invalidated, cancelled, narrowed, or circumvented. Beyond that, we may not receive the pending or contemplated patents, trademarks, or service marks for which we have applied or filed.

HILLENBRAND REGULATORY MATTERS

The Advanced Process Solutions and Molding Technology Solutions reportable operating segments are subject to a variety of federal, state, local, and foreign laws and regulations relating to environmental, health, and safety concerns, including relating to the handling, storage, discharge, and disposal of hazardous materials used in or derived from our manufacturing processes. We are committed to operating all our businesses in a manner that protects the environment and makes us good corporate citizens in the communities in which we operate. We have established various cross-functional sustainability working groups, which include top operational leaders and other key team members, to support our sustainability strategy and to facilitate and drive key priorities, including those related to the environment. In addition, we maintain standards for our global suppliers in support of critical environmental policies and other regulatory requirements, and Hillenbrand's Global Supply Management department engages with our suppliers to support compliance with applicable standards and legal requirements. While we believe that continued compliance with current federal, state, local and foreign laws relating to the protection of the environment and supply chain diligence will not have a material effect on our capital expenditures, earnings or competitive position, future events or changes in existing laws and regulations or their interpretation may require us to make additional expenditures in the future. The cost or need for any such additional expenditure is not known.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

Our Board of Directors is responsible for electing the Company's executive officers annually and from time to time as necessary. Executive officers serve in the ensuing year and until their respective successors are elected and qualified. There are no family relationships between any of our executive officers or between any of them and any members of the Board of Directors. The following is a list of our executive officers as of November 15, 2023.

Kimberly K. Ryan, 56, has served as a director and as President and Chief Executive Officer of the Company since December 2021. Prior to becoming Chief Executive Officer, Ms. Ryan was the Company's Executive Vice President, beginning in June 2021. Prior to that role, she served as President of the Company's Coperion business beginning in September 2015, also overseeing Hillenbrand's Rotex business during part of that period. She previously served as President of the Company's historical Batesville reportable operating segment (death care) beginning in April 2011, at which time she was also named a Senior Vice President of Hillenbrand. Ms. Ryan began her career with Batesville in 1989, holding positions of increasing responsibility within Batesville and the Company's former parent in finance, strategy, operations, logistics, and information technology.

From 2014 to 2023, Ms. Ryan served on the Board of Directors of Kimball International, Inc., a public manufacturing company (“Kimball”), including as a member of the Audit Committee. She also served as Kimball’s Board Chair from November 2018 to October 2021, during which time she also served on the Compensation Committee and Governance Committee.

Robert M. VanHimbergen, 47, has been the Company’s Senior Vice President and Chief Financial Officer since April 2022. Mr. VanHimbergen joined the Company as Executive Vice President, Finance for a transition period in March 2022 from Johnson Controls International plc (“Johnson Controls”), a manufacturer of HVAC systems, security solutions, fire protection, and smart building technologies, where he was most recently Vice President, Corporate Controller beginning December 2017. Prior to that he served in various roles of increasing responsibility over approximately 15 years at Johnson Controls, including as Chief Financial Officer of Yangfeng Automotive Interiors in Shanghai, China, where he lived for five years. Prior to Johnson Controls, Mr. VanHimbergen spent nearly a decade at Pricewaterhouse Coopers LLP working with large multinational manufacturing companies. Mr. VanHimbergen also serves as the Chair of Ascension SE Wisconsin Foundation (since October 2015).

Aneesha Arora, 45, has served as the Company’s Senior Vice President and Chief Human Resources Officer since January 2022. She brings to this role more than two decades of diverse experience in human resources across multiple industries. Prior to joining Hillenbrand, Ms. Arora was Vice President of Global HR Services for Honeywell International Inc. (“Honeywell”), a diversified technology and manufacturing company, from October 2019 through December 2021. Prior to that, she served as Vice President, Global Human Resources and Communications, Safety and Productivity Solutions at Honeywell from November 2016 to October 2019. Since September 2020, Ms. Arora has also served on the Board of Advisors of the Michigan State University School of Human Resources and Labor Relations.

Ulrich Bartel, 63, was appointed President of the Company’s Coperion business and Senior Vice President of Hillenbrand in June 2021. Since June 2022, he has also served as President of Advance Process Solutions, in which role he also oversees the Company’s Rotex business. Prior to these roles, Mr. Bartel served as President of Coperion’s Polymer Division from March 2020 to June 2021 and as Coperion’s Vice President of Compounding Machines from October 2013 to February 2020. Mr. Bartel began his career at Coperion in 1990 as a process engineer, holding positions of increasing responsibility within Coperion in sales, service, process technology, engineering, manufacturing, and research.

Nicholas R. Farrell, 44, is the Company’s Senior Vice President, General Counsel, and Secretary. He has served as General Counsel and Secretary since 2015 and also served as the Company’s Chief Compliance Officer from 2016 until March 2023. Mr. Farrell began his career with the Company in 2011 as Corporate and Securities Counsel, and in 2014 was named Vice President, Associate General Counsel and Assistant Secretary. Prior to joining Hillenbrand, Mr. Farrell was in private practice for six years with global law firm Troutman Pepper. Mr. Farrell is also Chair of the Board of Trustees of Cure SMA, an international not-for-profit organization committed to developing a treatment and cure for spinal muscular atrophy, the number one genetic cause of death for infants.

Leo J. Kulmaczewski, Jr., 58, has served as the Company’s Senior Vice President, Operations Center of Excellence and HOM since February 2021. Mr. Kulmaczewski brings more than 20 years of technical and manufacturing experience, serving most recently as Senior Vice President of Operations and Lean Enterprise of Belden Inc., a manufacturer of networking, connectivity, and cable products, from October 2018 through November 2020. Prior to that, he served as Vice President of Operations, Global Supply Chain, and Danaher Business Systems at Leica Biosystems, a research, instrument, and medical device company that is a division of Danaher Corporation, from September 2016 through September 2018. During the time at Leica Biosystems, Mr. Kulmaczewski also served as Senior Director and Vice President of Operations and Site Leader, from May 2014 through September 2016. Mr. Kulmaczewski’s experience before Leica Biosystems included technical and manufacturing roles with generally increasing levels of responsibility at various other public and private manufacturing companies.

Tamara Morytko, 52, was appointed Senior Vice President of Hillenbrand and President, Molding Technology Solutions (MTS) in September 2023. Ms. Morytko has more than two decades of leadership in regional and global business operations. Prior to joining Hillenbrand, she served most recently as President of the Pumps Division at Flowserve Corporation, a manufacturer of pumps, valves, and seals, beginning in September 2020. Prior to that role, she served as Chief Operating Officer of Norsk Titanium, an aerospace-grade components manufacturer, beginning in February 2018, and previously held positions of increasing responsibility in finance, general management, and supply chain leadership, including at Baker Hughes (energy technology) and Pratt & Whitney (aircraft engines). She began her career as an auditor at accounting firm Arthur Andersen LLP. From May 2019 through December 2022, Ms. Morytko served on the board for The Crosby Group (rigging, lifting, and material handling applications), a KKR company. She currently serves on the Board of Directors of EnerSys (stored energy solutions for industrial applications), a position she has held since December 2022, including as a member of its Compensation and Audit Committees.

Carole A. Phillips, 51, became the Company's Senior Vice President, Chief Procurement Officer in January 2023. Ms. Phillips joined the Company as Vice President, Procurement for a transition period beginning September 2022, from Stanley Black & Decker ("Stanley"), a global provider of power and hand tools, mechanical access solutions, and electronic monitoring systems, where she was most recently Vice President, Global Supply Management – M&A, Integrations, and Divestitures (from July 2021). Prior to that role, Ms. Phillips served at Stanley as Vice President, Global Supply Management – Outdoor (from October 2019 to July 2021) and Vice President, Global Supply Management – Industrial Division (from January 2015 to October 2019), as part of more than 25 years of experience in global manufacturing environments, including 17 years with Stanley.

Bhavik N. Soni, 50, was elected Senior Vice President, Chief Information Officer effective January 2023, prior to which he served as Vice President, Chief Information Officer beginning May 2017. Mr. Soni joined the Company from Honda Aircraft Company, a jet airplane manufacturer, where he served as Chief Information Officer – IT & Engineering Systems Division from 2015 to 2017. Prior to that, he served as Chief Information Officer for Artificial Lift, GE Oil & Gas at General Electric Company ("GE"), an energy technology company, from 2013 to 2015, preceded by fifteen years in other information technology related roles of increasing responsibility at GE. Mr. Soni's experience prior to GE included software engineering roles at Rockwell Collins, Inc. (aerospace) and General Dynamics Corporation (aerospace and defense).

J. Michael Whitted, 51, was elected Senior Vice President, Strategy and Corporate Development effective June 2018. Prior to joining the Company, Mr. Whitted served as Vice President, Corporate Development for SPX Corporation and SPX Flow, Inc., diversified global suppliers of infrastructure equipment to various industries, from 2001 to 2015. Prior to that, he served as a Vice President for Bear Stearns (investment banking) from 1998 to 2001, where he led corporate finance and M&A advisory transactions. Mr. Whitted's experience prior to Bear Stearns included corporate finance and M&A advisory roles at CIBC World Markets, Bankers Trust, and First Chicago NBD (investment banks).

Megan A. Walke, 44, was elected Vice President, Chief Accounting Officer in May 2022, after serving in an interim capacity beginning February 2022. Prior to that time, she served as the Company's Director, Financial Reporting since August 2014 and prior to that in roles of increasing responsibility in the Company's finance organization. Ms. Walke began her career with nearly a decade in public accounting at the firm of Ernst and Young LLP. Since 2013, she has also served as a member of the Board of Trustees of Oldenburg Academy, a private high school in Indiana. Ms. Walke also serves on the board of the Ripley County Community Foundation since February 2023.

AVAILABILITY OF REPORTS AND OTHER INFORMATION

Our website is www.hillenbrand.com. We make available on this website, free of charge, access to press releases, conference calls, our annual and quarterly reports, and other documents filed with or furnished to the Securities and Exchange Commission ("SEC") as soon as reasonably practicable after these reports are filed or furnished. We also make available through the "Investors" section of this website information related to the corporate governance of the Company, including position specifications for the Chairperson and each of the members of the Board of Directors, as well as for committee chairpersons; the Corporate Governance Standards of our Board of Directors; the charters of each of the standing committees of the Board of Directors; our Code of Ethical Business Conduct; our Global Anti-Corruption Policy; and our Supply Chain Transparency Policy. All of these documents are also available to shareholders in print upon request.

All reports and documents filed with the SEC are also available via the SEC website, www.sec.gov.

Item 1A. RISK FACTORS

In this section of the Form 10-K, we describe the risks we believe are most important for you to think about when you consider investing in, selling, or owning our securities. This information should be assessed along with the other information we provide you in this Form 10-K and that we file from time to time with the SEC. Like most companies, our business involves risks. The risks described below are not the only risks we face, but these are the ones we currently think have the potential to significantly affect stakeholders in our Company if they were to develop adversely (due to size, volatility, or both). We exclude risks that we believe are inherent in all businesses broadly as a function of simply being "in business." Additional risks not currently known or considered immaterial by us at this time and thus not listed below could also result in adverse effects on our business.

1. Global market and economic conditions, including those related to the financial markets, could have a material adverse effect on our consolidated results of operations, financial condition, and liquidity.

Our business is sensitive to changes in general economic conditions, both inside and outside the U.S. Instability in the global economy and financial markets can adversely affect our business in several ways, including limiting our customers' ability to

obtain sufficient credit or to pay for our products within the terms of sale. Competition could further intensify among the manufacturers and distributors with whom we compete for volume and market share, resulting in lower net revenue due to steeper discounts and product mix-down. In addition, if certain key or sole suppliers were to become capacity constrained or insolvent, it could result in a reduction or interruption in supplies or a significant increase in the price of supplies.

Substantial losses in the equity markets could have an adverse effect on the assets of the Company's pension plans. Volatility of interest rates and negative equity returns could require greater contributions to the defined benefit plans in the future.

2. *The performance of the Company may suffer from business disruptions associated with information technology, cyber-attacks or unauthorized access, or catastrophic losses affecting infrastructure.*

The Company relies heavily on computer systems to manage and operate its businesses and record and process transactions. Computer systems are important to production planning, customer service, and order management, as well as other critical processes.

Despite efforts to prevent such situations and the existence of established risk management practices that partially mitigate these risks, the Company's systems may be affected by damage or interruption from, among other causes, power outages, system failures, or computer viruses. Computer hardware and storage equipment that is integral to efficient operations, such as email, telephone and other functionality, is concentrated in certain physical locations in the various geographies in which the Company operates.

In addition, cybersecurity threats and sophisticated computer crime pose a potential risk to the security of the Company's information technology systems, operational technology systems, networks, and services, as well as the confidentiality and integrity of the Company's data. Cyber-attacks, security breaches, and other cyber incidents could include, among other things, computer viruses, malicious or destructive code, ransomware, social engineering attacks (including phishing and impersonation), hacking, denial-of-service attacks, and other attacks. These risks may be heightened given our employees' increased use of remote working environments. Sensitive information is also stored by our vendors and on the platforms and networks of third-party providers. Cyber-attacks on the Company, our vendors, or our third-party providers of service and software could result in inappropriate access to intellectual property, personally identifiable information of our global workforce, suppliers, or customers, or personal credit card or other payment information of our customers. Potential consequences of a successful cyber-attack or other cybersecurity incident include remediation costs, increased cybersecurity protection costs, lost revenue resulting from the unauthorized use of proprietary information or the failure to retain or attract customers following an attack, litigation and legal risks including governmental or regulatory enforcement actions, increased insurance premiums, reputational damage that adversely affects customer or investor confidence, and damage to the Company's competitiveness, stock price, and long-term shareholder value. The Company has been subject to cyber-attacks and unauthorized access in the past, which it deemed immaterial to its business and operations, and may be subject to cyber-attacks or unauthorized access of its systems in the future. There can be no assurance that any future cyber-attacks or unauthorized access to the Company's information systems will not be material to the Company's business, operations, or financial condition. While we believe that our insurance plan provides appropriate levels of coverage for cyber risks and have taken steps to address these risks by implementing enhanced security technologies, internal controls, and business continuity plans, these measures may not be adequate to cover or prevent all potential losses nor remedy related damage to our reputation.

Regulators globally are increasingly imposing greater fines and penalties for privacy and data protection violations. For example, the European Union and other jurisdictions, including China and some U.S. states, have enacted, and others may enact, new and expanded sets of compliance requirements on companies, like ours, that collect or process personal data. Failure to comply with these or other data protection regulations could expose us to potentially significant liabilities. If the Company suffers a loss or disclosure of protected information due to security breaches or other reasons, and if business continuity plans do not effectively address these issues on a timely basis, the Company may incur fines or penalties, or suffer interruption in its ability to manage operations, as well as reputational, competitive, or business harm, which could have a material adverse effect on our business, financial condition, and consolidated results of operations.

3. *A disease outbreak, such as the COVID-19 pandemic, or other health crisis, could have a material adverse effect on our business and consolidated results of operations, the nature and extent of which are highly uncertain and unpredictable.*

We have global operations, and the COVID-19 pandemic or other widespread pandemic, disease outbreak, or other health crisis, and the various government, industry and consumer actions related thereto, including mandated or voluntary shutdowns, could have negative impacts on our business and have created or could create or intensify adverse conditions described in our other risk factors. These impacts and conditions include, but may not be limited to, potential significant volatility or decreases

in demand for our products, changes in customer behavior and preferences, disruptions in or closures of our manufacturing operations or those of our customers and suppliers, disruptions within our supply chain, limitations on our employees' ability to work and travel, potential increased vulnerability to cybersecurity incidents, including breaches of information systems security that could be due to widespread remote working arrangements or other conditions, potential financial difficulties of customers and suppliers, significant changes in economic or political conditions, including rapidly changing government orders and regulations and our efforts to comply with them, and related financial and commodity volatility, including volatility in raw material and other input costs (including but not limited to oil prices), any of which could last for extended periods. Disruption caused by a pandemic and the Company's response thereto could also increase the Company's exposure to claims from customers, suppliers, financial institutions, regulators, payment card associations, employees and others, and to other workforce related risks, any of which could have a material adverse effect on the Company's financial condition and results of operations.

Despite our efforts to manage through a widespread pandemic, disease outbreak, or other health crisis, the degree to which these events ultimately impact our business, financial position, results of operations, and cash flows may depend on certain factors beyond our control, including the duration, spread, and severity of the event, the actions taken to contain the event and mitigate its public health effects, the impact on the U.S. and global economies and demand for our products, and how quickly and to what extent normal economic and operating conditions resume or become impacted by long-lasting changes. The extent to which a disease outbreak, including COVID-19, or any other health crisis, could impact our business cannot be predicted with certainty.

4. *Increasing competition for highly skilled and talented workers, as well as labor shortages, could adversely affect our business.*

The successful implementation of our business strategy depends, in part, on our ability to attract and retain a skilled and talented workforce. Because of the complex nature of many of our products and services, we are generally dependent on a thoroughly trained and highly skilled workforce, including, for example, our engineers. In many of the geographies where we operate, we face a potential shortage of qualified employees.

A number of factors may adversely affect the labor force available to us or increase labor costs, including high employment levels, and government regulations. Although we have not experienced any material labor shortages to date, the labor market has become increasingly competitive. The increasing competition for highly skilled and talented employees could result in higher compensation costs, difficulties in maintaining a capable workforce, and leadership succession planning challenges. Although we believe we will be able to attract and retain talented personnel and replace key personnel should the need arise, if we are unable to hire and retain employees capable of performing at a high-level, or if mitigation measures we may take to respond to a decrease in labor availability, such as overtime and third-party outsourcing, have unintended negative effects, our business could be adversely affected. A sustained labor shortage, lack of skilled labor, or increased turnover or labor inflation could lead to increased costs, such as increased overtime to meet demand and increased wage rates to attract and retain employees, which could negatively affect our ability to efficiently operate our manufacturing and distribution facilities and overall business and have other material adverse effects on our business, financial condition, and consolidated results of operations.

5. *Increasing environmental regulation and industry standards, as well as physical risks of climate change, could adversely impact the Company's consolidated results of operations, financial condition, and liquidity.*

New environmental-related regulations could require the Company to change its manufacturing processes or obtain substitute materials that may cost more or be less available for its manufacturing operations. For example, various jurisdictions in which the Company does business have implemented, or in the future could implement or amend, a tax on carbon emissions or restrictions of greenhouse gases. Regulations on energy management and material management and other rules and regulations to address climate change and other environmental risks may increase the Company's expenses and adversely affect its consolidated results of operations. In addition, the physical risks of climate change are highly uncertain and may differ in the geographic regions in which the Company operates. These physical risks may impact the availability and cost of materials, sources and supply of energy, or product demand and manufacturing, and could increase insurance and other operating costs. Any future increased worldwide regulatory activity relating to climate change could expand the nature, scope, and complexity of matters that the Company is required to control, assess, and report. If environmental laws or regulations or industry standards are either changed or adopted and impose significant operational restrictions and compliance requirements upon the Company, its suppliers, its customers or its products, or if the Company's operations are disrupted due to physical impacts of climate change, its customers, or its suppliers, the Company's business, results of operations, and financial condition could be adversely impacted. Further, any failure to adequately address stakeholder expectations or to achieve announced initiatives or goals with respect to environmental, social and governance matters may adversely impact our reputation, business, consolidated results of operations, financial condition, and liquidity.

6. *Increased prices for, poor quality of, or extended inability to source raw materials used in our products or associated services, or supply chain disruptions, could adversely affect profitability.*

Our profitability is affected by the prices of the raw materials used in the manufacture of our products. These prices fluctuate based on a number of factors beyond our control, including changes in supply and demand, general economic conditions, labor costs, fuel-related delivery costs, competition, import duties, tariffs, currency exchange rates, and, in some cases, government regulation. Significant increases in the prices of raw materials, similar to the inflationary increases we have experienced recently, that cannot be recovered through increases in the price of our products and services could adversely affect our results of operations and cash flows.

We cannot guarantee that the prices we are paying for raw materials today will continue in the future or that the marketplace will continue to support current prices for our products or that such prices can be adjusted to fully or partially offset raw material price increases in the future. Any increases in prices of these or other commodities or services could adversely affect our profitability. We do not engage in hedging transactions for raw material purchases, but we do enter into some fixed-price supply contracts, in an attempt to delay or suppress the impacts of higher prices in the market.

Our dependency upon regular deliveries of supplies and the quality of those supplies upon delivery from particular suppliers means that interruptions, stoppages, or deterioration of quality in such deliveries could adversely affect our operations until arrangements with alternate suppliers could be made. Some of the raw materials used in the manufacture of our products currently are procured from a single source. In some cases, we also outsource certain services to suppliers, including but not limited to, engineering, assembly, shipping, and commissioning services. If a supplier were unable to deliver these materials or services, or unable to deliver quality materials or services, for an extended period of time as a result of financial difficulties, catastrophic events affecting their facilities, or other factors, including recent supply chain disruptions we have experienced, or if we were unable to negotiate acceptable terms for the supply of materials or services with these suppliers, our business could be adversely affected. We may not be able to find acceptable alternatives, and any such alternatives could result in increased costs. We believe that our supply management and production practices are based on an appropriate balancing of the foreseeable risks and the costs of alternative practices. Nonetheless, reduced availability or interruption in supplies, whether resulting from more stringent regulatory requirements, increases in duties or tariff costs, disruptions in transportation, severe weather, the occurrence or threat of wars or other conflicts, or any other reason, could have an adverse effect on our financial condition, consolidated results of operations, and cash flows. Extended inability to source a necessary raw material or service could cause us to cease manufacturing one or more products for a period of time, which could also lead to loss of customers, as well as reputational, competitive, or business harm, which could have a material adverse effect on our business, financial condition, and consolidated results of operations.

7. *Uncertainty in United States global trade policy could negatively impact our business*

The U.S. government has at times indicated a willingness to significantly change, and has in some cases significantly changed, trade policies and/or agreements. Specific legislative and regulatory developments and proposals that could have a material impact on us involve matters including (but not limited to) changes to existing trade agreements or entry into new trade agreements, sanctions policies, import and export regulations, tariffs, taxes and customs duties, public company reporting requirements, environmental regulation, and antitrust enforcement. In addition, certain countries that are central to our businesses have imposed and/or been subject to imposition or have threatened imposition of retaliatory tariffs in response to tariffs imposed by the U.S. upon various raw materials and finished goods, including steel and others that are important to our businesses. This exposes us to risks of disruption and cost increases in our established patterns for sourcing our raw materials, and creates increased uncertainties in planning our sourcing strategies and forecasting our margins. Changes in U.S. tariffs, quotas, trade relationships or agreements, or tax law could reduce the supply of goods available to us or increase our cost of goods. Although such changes would in many cases have implications across the entire industry, we may fail to effectively adapt to and manage the adjustments in strategy that would be necessary in response to those changes. In addition to the general uncertainty and overall risk from potential changes in U.S. laws and policies, as we make business decisions in the face of uncertainty, we may incorrectly anticipate the outcomes, miss out on business opportunities or fail to effectively adapt our business strategies and manage the adjustments that are necessary in response to those changes. These risks could materially and adversely impact our business, results of operations and financial condition in the periods to come.

8. *International economic, political, legal, and business factors could negatively affect our operating results, cash flows, financial condition, and growth.*

We derived approximately 62%, 67%, and 68% of our net revenue from our operations outside the U.S. for the years ended September 30, 2023, 2022, and 2021, respectively. This net revenue was primarily generated in Europe, the Middle East, Asia, South America, and Canada. In addition, we have manufacturing operations, suppliers, and employees located outside the U.S. Since our growth strategy depends in part on our ability to further penetrate markets outside the U.S., we expect to continue to increase our revenue and presence outside the U.S., including in emerging markets.

Our international business is subject to risks that are often encountered in non-U.S. operations, including:

- interruption in the transportation of materials to us and finished goods to our customers, including conditions where recovery from natural disasters may be delayed due to country-specific infrastructure and resources;
- threat of wars or other conflicts;
- differences in terms of sale, including payment terms;
- local product preferences and product requirements;
- changes in a country's or region's political or economic condition, including with respect to safety and health issues;
- trade protection measures and import or export licensing requirements;
- unexpected changes in laws or regulatory requirements, including unfavorable changes with respect to tax, trade, sanctions compliance, or climate change related matters;
- limitations on ownership and on repatriation of earnings and cash;
- difficulty in staffing and managing widespread operations;
- differing labor regulations;
- difficulties in enforcing contract and property rights under local law;
- difficulties in implementing restructuring actions on a timely or comprehensive basis; and
- differing protection of intellectual property.

Such risks may be more likely or pronounced in emerging markets, where our operations may be subject to greater uncertainty due to increased volatility associated with the developing nature of their economic, legal, and governmental systems.

If we are unable to successfully manage the risks associated with expanding our global business or to adequately manage operational fluctuations, it could adversely affect our business, financial condition, or consolidated results of operations.

9. *We have a significant amount of debt, which could adversely affect the Company and limit our ability to respond to changes in our business or make future desirable acquisitions.*

As of September 30, 2023, our outstanding debt was \$2,010.1, and this amount could increase if additional levels of liquidity are needed. This amount of debt (and additional debt we may incur) has important consequences to our businesses. For example:

- We may be more vulnerable to general adverse economic and industry conditions, because we have lower borrowing capacity.
- We may be required to dedicate a larger portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow for other purposes, including business development efforts and acquisitions, working capital requirements, and capital expenditures.
- We could be exposed to the risk of increased interest rates, because our capital structure target normally includes a component of variable rate debt in addition to fixed rate debt.
- We may be more limited in our flexibility in planning for, or reacting to, changes in our businesses and the industries in which they operate, thereby placing us at a competitive disadvantage compared to competitors that may have less indebtedness.

We may be vulnerable to credit rating downgrades, which could have an impact on our ability to secure future financing on terms commercially acceptable to us, to access the credit and capital markets, or to negotiate favorable covenants in any future amendments to our financial documents or new financings.

10. *If we are unable to comply with the financial and other covenants in our debt agreements, our business, financial condition, and liquidity could be materially adversely affected.*

Our Credit Agreement and the L/G Facility Agreement (each as defined below) contain financial and other restrictive covenants. These covenants could adversely affect us by limiting our financial and operating flexibility as well as our ability to plan for and react to market conditions, including as a result of global financial, socioeconomic, and political uncertainty and

the effect on our business, and to meet our capital needs. Our failure to comply with these covenants could result in events of default which, if not cured or waived, could result in us being required to repay indebtedness before its due date, and we may not have the financial resources or be able to arrange alternative financing to do so. Any event that requires us to repay any of our debt before it is due could require us to borrow additional amounts at unfavorable borrowing terms, cause a significant reduction in our liquidity, and impair our ability to pay amounts due on our indebtedness. Moreover, if we are required to repay any of our debt before it becomes due, we may be unable to borrow or draw additional amounts under the Credit Agreement and L/G Facility Agreement or otherwise obtain the cash necessary to repay that additional debt when due, which could materially adversely affect our business, financial condition, and liquidity. Furthermore, interest rates we pay on our borrowings and our ability to borrow or draw under the Credit Agreement and L/G Facility Agreement or any other credit facility in the future, or pursuant to other available sources, could be adversely affected by matters including market volatility, economic downturns, or other instability or uncertainty. In addition, in light of the impacts to our ability to generate cash from operations during periods of global financial, socioeconomic, and political uncertainty, our results may be further negatively impacted by our payment obligations (including interest) with respect to our outstanding borrowings under the Facility and our other credit agreements (each as defined below).

11. *We may be unable to successfully integrate with the businesses of FPM or Linxis, or other acquired companies, or to realize the anticipated benefits of such acquisitions.*

The successes of these acquisitions will depend, in part, on the Company's ability to successfully combine and integrate these and other acquired businesses and realize the anticipated benefits, including synergies, cost savings, revenue and innovation opportunities, and operational efficiencies, in a manner that does not materially disrupt existing customer, supplier, and employee relations, or result in decreased revenue due to losses of, or decreases in orders by, customers. If the Company is unable to achieve these objectives within the anticipated time frame, or at all, the anticipated benefits may not be realized fully or at all, or may take longer to realize than expected, and the value of the Company's common stock may decline.

The integration of these companies may result in material challenges, including, without limitation:

- the diversion of management's attention from ongoing business concerns, and performance shortfalls as a result of the devotion of management's attention to the integration;
- managing a larger combined business;
- maintaining employee morale and retaining key management and other employees;
- retaining existing business and operational relationships, including customers, suppliers and other counterparties, and attracting new business and operational relationships;
- the possibility of faulty assumptions underlying expectations regarding the integration process;
- consolidating corporate and administrative infrastructures and eliminating duplicative operations;
- coordinating geographically separate organizations; and
- unanticipated issues in integrating information technology, communications and other systems.

As discussed elsewhere in our risk factors, some of these factors are outside of the Company's control, and any one of them could result in delays, increased costs, decreases in the amount of expected revenue or synergies, and diversion of management's time and energy, which could materially affect our financial position, consolidated results of operations, and cash flows.

We have incurred substantial expenses in connection with the completion of the acquisitions of FPM, Linxis, Herbold and Peerless, and we expect to incur further expenses in order to integrate a large number of processes, policies, procedures, operations, technologies, and systems in connection with these acquisitions.

12. *We operate in highly competitive industries, many of which are currently subject to intense price competition, and if we are unable to compete successfully, it could have a material adverse effect on our business, financial condition, and consolidated results of operations.*

Many of the industries in which we operate are highly competitive. Our products may not compete successfully with those of our competitors. The markets for plastic processing equipment and related products, material handling equipment, complete equipment systems, mold components, are highly competitive and include a number of North American, European, and Asian competitors. Principal competitive factors in the plastic processing industry, material handling equipment, and complete equipment systems include price, lead time, product features, technology, total cost of ownership, performance, reliability, quality, delivery, and customer service. Principal competitive factors in the mold components industry include technology, price, quality, performance, and delivery.

Our competitors may be positioned to offer more favorable pricing to customers, resulting in reduced volume and profitability. In certain cases, we have lost business to competitors who offered prices lower than ours. Competition may also limit our ability to pass on the effects of increases in our cost structure. In addition, some of our competitors may have greater financial resources and less debt than we do, which may place us at a competitive disadvantage in the future. These competitors may be better able to withstand and respond to changes in conditions within our industry.

Competition in any of these areas may reduce our sales and adversely affect our earnings or cash flow by resulting in decreased sales volumes, reduced prices, and increased costs of manufacturing, distributing and selling our products.

13. *We operate in cyclical industries.*

As an industrial capital goods supplier, we serve industries that are cyclical and sensitive to changes in general economic conditions, such as packaging, automotive, construction, consumer goods, electronics, chemicals, and plastics industries. The performance of many of our businesses is directly related to the production levels of our customers. In particular, prices for plastic resins used to make plastic products and parts tend to fluctuate to a greater degree than our customers can adjust for in the pricing of their products. When resin prices increase, certain of our customers' profit margins decrease, which may result in lower demand for our products. Therefore, our business is affected by fluctuations in the price of resin, which could have an adverse effect on our business and ability to generate operating cash flows.

During periods of economic expansion, when capital spending normally increases, our businesses generally benefit from greater demand for our products. During periods of economic contraction, when capital spending normally decreases, they generally are adversely affected by declining demand for new equipment orders, and may be subject to increases in uncollectible receivables from customers who become insolvent. There can be no assurance that economic expansion or increased demand will be sustainable, and our financial condition, consolidated results of operations, and cash flows could be materially adversely affected.

14. *A key component of our growth strategy is making significant acquisitions, some of which may be outside the industries in which we currently operate. We may not be able to achieve some or all of the benefits that we expect to achieve from these acquisitions. If an acquisition were to perform unfavorably, it could have an adverse impact on our business and consolidated results of operations.*

All acquisitions, including the FPM, Linxis, Herbold, and Peerless acquisitions, involve inherent uncertainties, which may include, among other things, our ability to:

- successfully identify the most suitable targets for acquisition;
- negotiate reasonable terms;
- properly perform due diligence and determine all the significant risks associated with a particular acquisition;
- successfully achieve the desired performance of the acquired company;
- avoid diversion of Company management's attention from other important business activities; and
- where applicable, implement restructuring activities without an adverse impact to business operations.

We may acquire businesses with unknown liabilities, contingent liabilities, internal control deficiencies, or other risks. We have plans and procedures to review potential acquisition candidates for a variety of due diligence matters, including compliance with applicable regulations and laws prior to acquisition. Despite these efforts, realization of any of these liabilities or deficiencies may increase our expenses, adversely affect our financial position, or cause us to fail to meet our public financial reporting obligations.

We generally seek indemnification from sellers covering these matters; however, the liability of the sellers is often limited, and certain former owners may be unable to meet their indemnification responsibilities. We cannot be assured that these indemnification provisions will fully protect us, and as a result we may face unexpected liabilities that adversely affect our profitability and financial position.

We may not achieve the intended benefits of our acquisitions. Under such circumstances, management could be required to spend significant amounts of time and resources in the transition of the acquired business, and we may not fully realize benefits anticipated from key initiatives, including the application of the HOM. We may also decide to sell previously acquired businesses, or portions thereof, that no longer meet our strategic objectives, potentially resulting in a loss, accounting charge, or other negative impact. As a result of these factors, our business, cash flows, and consolidated results of operations could be materially impacted.

If we acquire a company that operates in an industry that is different from the ones in which we currently operate, our lack of experience with that company's industry could have a material adverse impact on our ability to manage that business and realize the benefits of that acquisition.

- 15. *We have completed several divestitures, including the recent divestiture of our historical Batesville reportable operating segment, and we continually assess the strategic fit of our existing businesses. We may divest or otherwise dispose of businesses that are deemed not to fit with our strategic plan or are not achieving the desired return on investment, and we cannot be certain that our business, consolidated results of operations, and financial condition will not be materially and adversely affected.***

A successful divestiture depends on various factors, including reaching an agreement with potential buyers on terms we deem attractive, as well as our ability to effectively transfer liabilities, contracts, facilities, and employees to any purchaser, identify and separate the intellectual property to be divested from the intellectual property that we wish to retain, reduce fixed costs previously associated with the divested assets or business, and collect the proceeds from any divestitures. These efforts require varying levels of management resources, which may divert our attention from other business operations. If we do not realize the expected benefits of any divestiture transaction or experience unexpected costs or similar risks, our consolidated financial position, results of operations, and cash flows could be negatively impacted. In addition, divestitures of businesses involve a number of risks, including significant costs and expenses, the potential loss of or changes to customer, employee, or supplier relationships, potential adverse impacts to volume-based pricing under existing and future purchasing arrangements, and a decrease in net revenue and earnings associated with the divested business. Furthermore, any divestiture may result in a dilutive impact to our future earnings if we are unable to offset the dilutive impact from the associated loss of revenue, and may also result in significant write-offs, including those related to goodwill and other intangible assets, any of which could have a material adverse effect on our results of operations and financial condition.

In addition, divestitures, in particular the recent divestiture of our historical Batesville reportable operating segment, potentially involve significant post-closing separation and transition activities, which could involve the expenditure of material financial resources and significant employee resources. These activities may require diversion of significant capital and other resources that otherwise could have been used in our business operations. There can be no assurance that divestitures, including the historical Batesville reportable operating segment divestiture, will be ultimately beneficial to us or have a positive effect on shareholder value.

- 16. *Goodwill and other identifiable indefinite-lived intangible assets, which are subject to periodic impairment evaluations, represent a significant portion of our total assets. An impairment charge on these assets could have a material adverse impact on our financial condition and consolidated results of operations.***

We maintain intangible assets related to the acquisitions of Burnaby Machine and Mill Equipment Ltd. ("BM&M"), Coperion, FPM, Gabler, Herbold, K-Tron, Linxis, Milacron, Peerless, and Rotex, portions of which were identified as either goodwill or indefinite-lived assets. We periodically assess these assets to determine if they are impaired. Significant negative industry or economic trends, disruptions to our business, inability to effectively integrate acquired businesses, unexpected significant changes or planned changes in use of the assets, divestitures, and market capitalization declines may impair these assets, and any of these factors may be increasingly impactful during a period of ongoing global supply chain disruption or macroeconomic uncertainty.

As required by applicable accounting standards, we review goodwill and other identifiable intangible assets for impairment either annually or whenever changes in circumstances indicate that the carrying value may not be recoverable. The risk of impairment to goodwill and other indefinite-lived intangible assets is generally higher during the early years following an acquisition, because the fair values of these assets align very closely with what we paid to acquire them. As a result, and especially if the acquired business is a separate reporting unit, the difference between the carrying value of the reporting unit and its fair value (typically referred to as "headroom") is smaller at the time of acquisition. If the acquired business is included in an existing reporting unit, this impact often can be less significant. In any case, until this headroom grows over time, due to business growth or lower carrying value of the reporting unit, a small decline in reporting unit fair value may trigger impairment charges. When impairment charges are triggered, they tend to be material due to the size of the assets involved. Future acquisitions could present these same risks as with the acquisitions we have made to date.

Any charges relating to such impairments could adversely affect our results of operations in the periods recognized.

- 17. *We derive significant revenue from the plastics industry. Decrease in demand for base resin or engineering plastics or equipment used in the production of these products, changes in technological advances, or changes in laws or***

regulations could have a material adverse effect on our business, financial condition, and consolidated results of operations.

The majority of net revenue from our Molding Technology Solutions reportable operating segment is realized from the manufacture, distribution, and service of highly engineered and customized systems within the plastic technology and processing market. Advanced Process Solutions also sells equipment, including highly engineered extruders, feeders, and conveying systems, to the plastics industry for the production of base resins, durable engineering grade plastics, and other compounded plastics (including bioplastics and recycled plastic product). Sales volume is dependent upon the need for equipment used to produce these products, which may be significantly influenced by the demand for plastics, the capital investment needs of companies in the plastics industry, changes in technological advances, or changes in laws or regulations such as, but not limited to, those related to single-use plastics, expanded-polystyrene and polystyrene foams, extended producer responsibility, content requirements for products, recycled content requirements, and reduction mandates. Unfavorable developments in the plastics industry could impact our customers and, as a result, have a material adverse effect on our business, financial condition, and consolidated results of operations.

18. *Changes in food consumption patterns due to dietary trends, economic conditions, or other reasons may adversely affect our business, financial condition, results of operations, and cash flows.*

Dietary trends can positively or negatively impact demand for certain types of food, including, for example, proteins or carbohydrates, or for certain packaging or categories of food products, including, for example, easy to prepare, transportable meals or traditional canned food products. Because demand for different food types, packagings, or categories can quickly fluctuate as a function of dietary, health, convenience, sustainability, or other trends, food processors can be challenged in accurately forecasting their needed manufacturing capacity and the related investment in equipment and services. Rising food and other input costs, as well as recessionary fears, may negatively impact our customers' ability to forecast consumer demand for various food products, including pet food, and as a result negatively impact demand for our goods and services. A demand shift away from protein products or processed foods could have a material adverse effect on our business, financial condition, consolidated results of operations, and cash flows.

19. *We rely upon our employees, agents, and business partners to comply with laws in many different countries and jurisdictions. We establish policies and provide training to assist them in understanding our policies and the regulations most applicable to our business; however, our reputation, ability to do business, and financial results may be impaired by improper conduct by these parties.*

We cannot provide assurance that our internal controls and compliance systems will always protect us from acts committed by our employees, agents, or business partners that would violate U.S. and/or non-U.S. laws, including laws governing payments to government officials, bribery, fraud, anti-kickback, false claims, competition, export and import compliance, including the U.S. Commerce Department's Export Administration Regulations, trade sanctions promulgated by the Office of Foreign Asset Control ("OFAC"), anti-money laundering, and data privacy. In particular, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and similar anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries, including us, from making improper payments to government officials or other parties for the purpose of obtaining or retaining business, and we operate in many parts of the world that have experienced corruption to some degree. Consequently, we are subject to the jurisdiction of various governments and regulatory agencies outside of the U.S., which may bring our personnel into contact with foreign officials responsible for issuing or renewing permits, licenses or approvals or for enforcing other governmental regulations. In addition, some of the international locations in which we operate lack a developed legal system and have elevated levels of corruption. Our global operations expose us to the risk of violating, or being accused of violating, the foregoing or other anti-corruption laws. Any such improper actions could subject us to civil or criminal investigations in the U.S. and in other jurisdictions; could lead to substantial civil and criminal, monetary, and non-monetary penalties, and related shareholder lawsuits; could cause us to incur significant legal fees; and could damage our reputation.

20. *The effective tax rate of the Company may be negatively impacted by changes in the mix of earnings as well as future changes to tax laws in global jurisdictions in which we operate.*

We are subject to income taxes in the U.S. and various other global jurisdictions. Our effective tax rate could be adversely affected by changes in the mix of earnings by jurisdiction and the valuation of deferred tax assets and liabilities. There is a global effort among developed countries to enact international tax reform that would change the way multinational organizations are taxed. If the tax reform proposals are enacted, they could have a material impact on our tax provision and value of deferred tax assets and liabilities. We recognize deferred tax assets and liabilities based on the differences between the consolidated financial statement carrying amounts and the tax basis of assets and liabilities. Significant judgment is required in determining our provision for income taxes. We regularly review our deferred tax assets for recoverability and establish a valuation allowance if it is more likely than not that some portion or all of a deferred tax asset will not be realized. If we are unable to generate sufficient future taxable income, if there is a material change in the actual effective tax rates, or if there is a change to the time period within which the underlying temporary differences become taxable or deductible, we could be required to increase our valuation allowance against our deferred tax assets, which could result in a material increase in our effective tax rate.

Changes in tax laws or tax rulings could have a material impact on our effective tax rate. Many countries in the European Union, as well as several other countries and organizations such as the Organization for Economic Cooperation and Development, are actively considering changes to existing tax laws. Certain proposals could include recommendations that could increase our tax obligations in those countries where we do business. Any changes in the taxation of our activities in such jurisdictions may result in a material increase in our effective tax rate.

21. *We are exposed to a number of different tax uncertainties, which could have a material adverse effect on our consolidated results of operations.*

We are required to pay taxes in multiple jurisdictions. We determine the tax liability we are required to pay based on our interpretation of applicable tax laws and regulations in the jurisdictions in which we operate. We may be subject to unfavorable changes, including retroactive changes, in the tax laws and regulations to which we are subject.

We are subject to tax audits by governmental authorities in the U.S. and numerous non-U.S. jurisdictions, which are inherently uncertain. Negative or unexpected results from one or more such tax audits could adversely affect our results of operations. Tax controls and changes in tax laws or regulations or the interpretation given to them may expose us to negative tax consequences, including interest payments and potential penalties, which could have a material adverse effect on our results of operations.

22. *We are involved from time to time in claims, lawsuits, and governmental proceedings relating to our operations, including environmental, antitrust, patent infringement, business practices, commercial transactions, and other matters. The ultimate outcome of these claims, lawsuits, and governmental proceedings cannot be predicted with certainty but could have a material adverse effect on our financial condition, consolidated results of operations, and cash flows.*

We are also subject to other potential claims, including environmental, antitrust, patent infringement, business practices, commercial transactions, product and general liability, cybersecurity and privacy matters, workers' compensation, auto liability, employment-related, and other matters. While we maintain insurance for certain of these exposures, the policies in place are often high-deductible policies. It is difficult to measure the actual loss that might be incurred related to litigation or other potential claims, and the ultimate outcome of claims, lawsuits, and proceedings could have a material adverse effect on our financial condition, results of operations, and cash flows. For a more detailed discussion of claims, see Note 13 to our Consolidated Financial Statement included in Part II, Item 8, of this Form 10-K.

23. *Uncertainty in the U.S. political and regulatory environment could negatively impact our business*

The political environment, especially in an election year in the U.S., may create uncertainty with respect to, and could result in additional changes in, or potential gridlock hindering legislation, regulation, international relations, and government policy, or could result in possible civil unrest or other disturbances in connection therewith. Additionally, the scope, clarity of guidance from regulators, and uncertain enforcement and implementation times allowed for new regulations in the U.S. and other jurisdictions may result in increased costs or temporarily impact business operations. While it is not possible to predict whether and when any such additional changes or disturbances could occur, any such events, whether at the local, state or federal level, or outside the U.S., could significantly impact our business and the industries in which we compete. To the extent such disturbances or changes in the political or regulatory environment have a negative impact on the Company or the markets in which we operate, it may materially and adversely impact our business, consolidated results of operations, and financial condition in the periods to come.

24. *We are subject to risks arising from currency exchange rate fluctuations, which may adversely affect our consolidated results of operations and financial condition.*

We are subject to currency exchange rate risk to the extent that our costs are denominated in currencies other than those in which we earn revenue. In addition, since our Consolidated Financial Statements are denominated in U.S. dollars, changes in currency exchange rates between the U.S. dollar and other currencies have had, and will continue to have, an impact on our results of operations. The Company's predominant exposures are to the Euro, Canadian dollar, Swiss franc, Mexican peso, Chinese Renminbi, Japanese Yen, Indian Rupee, and British pound sterling (along with others to a lesser degree). In preparing financial statements for foreign operations with functional currencies other than the U.S. dollar, asset and liability accounts are translated at current exchange rates and income and expenses are translated using weighted-average exchange rates. With respect to the effects on translated earnings, if the U.S. dollar strengthens relative to local currencies, as happens from time to time, the Company's earnings could be negatively impacted. Although we address currency risk management through regular operating and financing activities and through the use of derivative financial instruments, those actions may not prove to be fully effective.

25. *The Company could face labor disruptions that would interfere with operations.*

As of September 30, 2023 and 2022, approximately 31% and 30%, respectively, of Hillenbrand's employees work under collective bargaining agreements or works councils. Although we have not experienced any significant work stoppages in the past 20 years as a result of labor disagreements, we will need to negotiate new labor agreements in coming years and cannot ensure that such a stoppage will not occur in the future. Inability to negotiate satisfactory new agreements or a labor disturbance at one or more of our facilities could have a material adverse effect on our operations.

26. *Provisions in our Articles of Incorporation and By-laws and facets of Indiana law may prevent or delay an acquisition of the Company, which could decrease the trading price of our common stock.*

Our Articles of Incorporation and By-laws, as well as Indiana law, contain provisions that could delay or prevent changes in control if our Board of Directors determines that such changes in control are not in the best interests of our shareholders. While these provisions have the effect of encouraging persons seeking to acquire control of our Company to negotiate with our Board of Directors, they could enable our Board of Directors to hinder or frustrate a transaction that the Board of Directors believes is not in the best interests of shareholders, but which some, or a majority, of our shareholders might believe to be in their best interests.

These provisions include, among others:

- the division of our Board of Directors into three classes with staggered terms;
- the inability of our shareholders to act by less than unanimous written consent;
- rules regarding how shareholders may present proposals or nominate directors for election at shareholder meetings;
- the right of our Board of Directors to issue preferred stock without shareholder approval; and
- limitations on the right of shareholders to remove directors.

Indiana law also imposes some restrictions on mergers and other business combinations between the Company and any holder of 10% or more of our outstanding common stock.

We believe these provisions are important for a public company and protect our shareholders from coercive or otherwise potentially unfair takeover tactics by encouraging potential acquirers to negotiate with our Board of Directors and by providing our Board of Directors with appropriate time to assess any acquisition proposal. These provisions are not intended to make our Company immune from takeovers; however, they may apply if the Board of Directors determines that a takeover offer is not in the best interests of our shareholders, even if some shareholders believe the offer to be beneficial.

Item 1B. UNRESOLVED STAFF COMMENTS

We have not received any comments from the staff of the SEC regarding our periodic or current reports that remain unresolved.

Item 2. PROPERTIES

Our corporate headquarters is located in Batesville, Indiana, in a facility that we lease. At September 30, 2023, Advanced Process Solutions operated 16 significant manufacturing facilities located in the U.S. (in Kansas, Missouri, Ohio, and Virginia),

Germany, France, Switzerland, China, Canada, and the United Kingdom. Seven of these facilities are owned and nine are leased. Advanced Process Solutions also leases or owns a number of warehouse distribution centers, service centers, and sales offices located in the U.S., Europe, Asia, Canada, and South America.

At September 30, 2023, Molding Technology Solutions operated nine significant manufacturing facilities located in the U.S. (in Ohio and Kansas), Germany, China, India, Canada, and the Czech Republic. Five of these facilities are owned and four are leased. Molding Technology Solutions also leases or owns a number of warehouse distribution centers, service centers, and sales offices located in the U.S., Mexico, Canada, Europe, Asia, and South America.

Facilities often serve multiple purposes, such as administration, sales, manufacturing, testing, warehousing, and distribution. We believe our current facilities will provide adequate capacity to meet expected demand for the next several years.

Item 3. LEGAL PROCEEDINGS

Like most companies, we are involved from time to time in claims, lawsuits, and government proceedings relating to our operations, including environmental, antitrust, patent infringement, business practices, commercial transactions, product and general liability, cybersecurity and privacy matters, workers' compensation, auto liability, employment-related, and other matters. The ultimate outcome of any claims, lawsuits, and proceedings cannot be predicted with certainty. We carry various forms of commercial, property and casualty, cybersecurity, product liability, and other forms of insurance; however, such insurance may not be applicable or adequate to cover the costs associated with a judgment against us, and in most instances have deductibles and self-funded retentions up to \$0.5 per occurrence or per claim, depending upon the type of coverage and policy period. It is difficult to measure the actual loss that might be incurred related to litigation, and the ultimate outcome of these claims, lawsuits, and proceedings could have a material adverse effect on our financial condition, results of operations, and cash flows.

For more information on various legal proceedings, see Note 13 to our Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K. That information is incorporated into this Item 3 by reference.

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

Hillenbrand common stock is traded on the New York Stock Exchange under the ticker symbol "HI."

As of November 10, 2023, we had approximately 1,502 shareholders of record.

Share Repurchases

On December 2, 2021, our Board of Directors authorized a new share repurchase program of up to \$300.0, which replaced the previous \$200.0 share repurchase program authorized on December 7, 2018. The repurchase program has no expiration date but may be terminated by the Board of Directors at any time. No purchases of our common stock were made during the year ended September 30, 2023.

Dividend Policy

We returned \$61.3 to shareholders in fiscal 2023 in the form of quarterly dividends. We increased our quarterly dividend in fiscal 2023 to \$0.2200 per common share from \$0.2175 per common share paid in fiscal 2022. We currently expect to pay approximately \$15.6 each quarter in fiscal 2024 based on our outstanding common stock at September 30, 2023.

Item 6. Reserved

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

(dollars in millions throughout Management's Discussion and Analysis of Financial Condition and Results of Operations)

(unless otherwise stated, references to years relate to fiscal years)

The following discussion compares our results for the year ended September 30, 2023, to the year ended September 30, 2022. The discussion comparing our results for the year ended September 30, 2022, to the year ended September 30, 2021, is included within Management's Discussion and Analysis of Financial Condition and Results of Operation in our Annual Report on Form 10-K for the year ended September 30, 2022, filed with the SEC on November 16, 2022. We begin the discussion at a consolidated level and then provide separate detail about Advanced Process Solutions and Molding Technology Solutions reportable operating segments, as well as Corporate. These financial results are prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP").

We also provide certain non-GAAP operating performance measures. These non-GAAP measures are referred to as "adjusted" measures and primarily exclude the following items:

- business acquisitions, divestiture, and integration costs;
- restructuring and restructuring-related charges;
- impairment charges;
- inventory step-up costs related to acquisitions;
- gains and losses on divestitures;
- the related income tax impact for all of these items; and
- the revaluation of deferred tax balances resulting from fluctuations in currency exchange rates and non-routine changes in tax rates for certain foreign jurisdictions, and the impact that the Molding Technology Solutions reportable operating segment's loss carryforward attributes have on tax provisions related to the imposition of tax on Global Intangible Low-Taxed Income ("GILTI") earned by certain foreign subsidiaries, the Foreign Derived Intangible Income Deduction ("FDII"), and the Base Erosion and Anti-Abuse Tax ("BEAT").

Non-GAAP information is provided as a supplement to, not as a substitute for, or as superior to, measures of financial performance prepared in accordance with GAAP.

We use this non-GAAP information internally to make operating decisions and believe it is helpful to investors because it allows more meaningful period-to-period comparisons of our ongoing operating results. The information can also be used to perform trend analysis and to better identify operating trends that may otherwise be masked or distorted by items such as the above excluded items. We believe this information provides a higher degree of transparency.

An important non-GAAP measure that we use is adjusted earnings before interest, income tax, depreciation, and amortization ("adjusted EBITDA"). A part of Hillenbrand's strategy is to selectively acquire companies that we believe can benefit from the Hillenbrand Operating Model ("HOM") to spur faster and more profitable growth. Given that strategy, it is a natural consequence to incur related expenses, such as amortization from acquired intangible assets and additional interest expense from debt-funded acquisitions. Accordingly, we use adjusted EBITDA, among other measures, to monitor our business performance. Adjusted EBITDA is not a recognized term under GAAP and therefore does not purport to be an alternative to consolidated net income. Further, the Company's measure of adjusted EBITDA may not be comparable to similarly titled measures of other companies.

We expect that future net revenue associated with our reportable operating segments will be influenced by order backlog because of the lead time involved in fulfilling engineered-to-order equipment and solutions for customers. Although backlog can be an indicator of future net revenue, it does not include projects and aftermarket parts orders that are booked and shipped within the same quarter. The timing of order placement, size, extent of customization, and customer delivery dates can create fluctuations in backlog and net revenue. Net revenue attributable to backlog may also be affected by foreign exchange fluctuations for orders denominated in currencies other than U.S. dollars.

We calculate the foreign currency impact on net revenue, gross profit, operating expenses, consolidated net income and consolidated adjusted EBITDA, in order to better measure the comparability of results between periods. We calculate the foreign currency impact by translating current year results at prior year foreign exchange rates. This information is provided because exchange rates can distort the underlying change in these metrics, either positively or negatively. The cost structures

for Corporate is generally not significantly impacted by the fluctuation in foreign exchange rates, and we do not disclose the foreign currency impact in the Operations Review below where the impact is not significant.

Another important operational measure used is backlog. Backlog is not a term recognized under GAAP; however, it is a common measurement used in industries with extended lead times for order fulfillment (long-term contracts), like those in which our reportable operating segments compete. Backlog represents the amount of net revenue that we expect to realize on contracts awarded to our reportable operating segments. For purposes of calculating backlog, 100% of estimated net revenue attributable to consolidated subsidiaries is included. Backlog includes expected net revenue from large systems and equipment, as well as aftermarket parts, components, and service. The length of time that projects remain in backlog can span from days for aftermarket parts or service to approximately 18 to 24 months for larger system sales within the Advanced Process Solutions reportable operating segment. The majority of the backlog within the Molding Technology Solutions reportable operating segment is expected to be fulfilled within the next twelve months. Backlog includes expected net revenue from the remaining portion of firm orders not yet completed, as well as net revenue from change orders to the extent that they are reasonably expected to be realized. We include in backlog the full contract award, including awards subject to further customer approvals, which we expect to result in net revenue in future periods. In accordance with industry practice, our contracts may include provisions for cancellation, termination, or suspension at the discretion of the customer.

See page 40 for reconciliation of adjusted EBITDA to consolidated net income, the most directly comparable GAAP measure. We use non-GAAP measures in certain other instances and include information reconciling such non-GAAP measures to the respective most directly comparable GAAP measures. Given that backlog is an operational measure and that the Company's methodology for calculating backlog does not meet the definition of a non-GAAP measure, as that term is defined by the SEC, a quantitative reconciliation is not required or provided.

CRITICAL ACCOUNTING ESTIMATES

Our financial results are affected by the selection and application of accounting policies and methods. Significant accounting policies which require management's judgment are discussed below. A detailed description of our accounting policies is included in the Notes to Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K.

Revenue Recognition

Net revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services and is recognized when performance obligations are satisfied under the terms of contracts with customers.

A performance obligation is deemed to be satisfied by the Company when control of the product or service is transferred to the customer. The transaction price of a contract, or the amount the Company expects to receive upon satisfaction of the performance obligation, is determined by reference to the contract's terms and includes adjustments, if applicable, for any variable consideration, such as sales discounts and sales incentives, all of which require us to make estimates for the portion of these allowances that have yet to be credited or paid to our customers. We estimate these allowances using the expected value method, which is based upon historical rates and projections of customer purchases toward contractual rebate or incentive thresholds. If a contract contains more than one distinct performance obligation, the transaction price is allocated to each performance obligation based on the standalone selling price of each performance obligation; however, these situations do not occur frequently and are not material to the Consolidated Financial Statements, as our contracts generally include one performance obligation for the transfer of goods or services.

The timing of revenue recognition for the contract's performance obligation is either over time or at a point in time. We recognize revenue over time for contracts that have an enforceable right to collect payment for performance completed to date upon customer cancellation and provide one or more of the following: (i) service over a period of time, (ii) highly customized equipment, or (iii) parts which are highly engineered and have no alternative use. Net revenue generated from standard equipment and highly customized equipment or parts contracts without an enforceable right to payment for performance completed to date, as well as net revenue from non-specialized parts sales, is recognized at a point in time.

We use the input method of "cost-to-cost" to recognize net revenue over time. Accounting for these contracts involves management judgment in estimating total contract revenue and cost. Contract revenue is largely determined by negotiated contract prices and quantities, modified by our assumptions regarding contract options, change orders, and incentive and award provisions associated with technical performance clauses. Contract costs are incurred over longer periods of time and, accordingly, the estimation of these costs requires judgment. We measure progress based on costs incurred to date relative to total estimated cost at completion. Incurred cost represents work performed, which corresponds with, and we believe thereby best depicts, the transfer of control to the customer. Contract costs include labor, material, and certain overhead expenses. Cost

estimates are based on various assumptions to project the outcome of future events, including labor productivity and availability, the complexity of the work to be performed, the cost of materials, and the performance of suppliers and subcontractors. Significant factors that influence these estimates include inflationary trends, technical and schedule risk, internal and subcontractor performance trends, business volume assumptions, asset utilization, and anticipated labor agreements. Net revenue and cost estimates are regularly monitored and revised based on changes in circumstances. Anticipated losses on long-term manufacturing contracts are recognized immediately when such losses become evident. We maintain financial controls over the customer qualification, contract pricing, and estimation processes designed to reduce the risk of contract losses.

Standalone service net revenue is recognized either over time proportionately over the period of the underlying contract or as invoiced, depending on the terms of the arrangement. Standalone service revenue is not material to the Company.

Retirement Benefit Plans

We sponsor retirement benefit plans covering some of our employees. Expense recognized for the plans is based upon actuarial valuations. Inherent in those valuations are key assumptions including discount rates, expected returns on assets, and projected future salary rates. The actuarial assumptions we use may differ significantly from actual results due to changing economic conditions, participant life span, and withdrawal rates. The discount rates used in the valuation of our retirement benefit plans are evaluated annually based on current market conditions. We use a full yield curve approach in the estimation of the service and interest cost components of our defined benefit retirement plans. Under this approach, we applied discounting using individual spot rates from a yield curve composed of the rates of return on several hundred high-quality, fixed income corporate bonds available at the measurement date. These spot rates align to each of the projected benefit obligations and service cost cash flows. The service cost component relates to the active participants in the plans, so the relevant cash flows on which to apply the yield curve are considerably longer in duration on average than the total projected benefit obligation cash flows, which also include benefit payments to retirees. Interest cost is computed by multiplying each spot rate by the corresponding discounted projected benefit obligation cash flows. The full yield curve approach reduces any actuarial gains and losses based upon interest rate expectations (e.g., built-in gains in interest cost in an upward sloping projected yield curve scenario), or gains and losses merely resulting from the timing and magnitude of cash outflows associated with our benefit obligations.

Our overall expected long-term rate of return on pension assets is based on historical and expected future returns, which are inflation-adjusted and weighted for the expected return for each component of the investment portfolio. Our rate of assumed compensation increase for pension benefits is also based on our specific historical trends of past wage adjustments in recent years and expectations for the future.

Changes in retirement benefit cost and the recognized obligations may occur in the future as a result of a number of factors, including changes to key assumptions such as the expected long-term rate of return on pension assets and the weighted-average discount rate. Our expected long-term rate of return on domestic and international pension plan assets was 4.8% and 4.7% at September 30, 2023 and 2022, respectively. The weighted-average discount rate was 4.9% and 4.6% for the domestic and international defined benefit pension plans at September 30, 2023 and 2022, respectively. A 50 basis-point change in the expected long-term rate of return on domestic and international pension plan assets would change annual net periodic pension cost by \$1.5. A 50 basis-point change in the weighted-average discount rate would change the annual net periodic pension cost by \$0.2. Impacts from assumption changes could be positive or negative depending on the direction of the change in rates.

See Note 8 to our Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K, for key assumptions and other information regarding our retirement and postretirement benefit plans.

Asset Impairment Determinations

Impairment of goodwill and intangible assets

Goodwill and other intangible assets with indefinite lives, primarily tradenames, are tested for impairment at least annually and upon the occurrence of certain triggering events or substantive changes in circumstances that indicate that the fair value may be below carrying value.

Impairment of goodwill is tested at the reporting unit level. A reporting unit is an operating segment or one level below an operating segment if discrete financial information is prepared and regularly reviewed by operating segment management. For the purpose of the goodwill impairment test, the Company can elect to perform a quantitative or qualitative analysis. If the qualitative test is elected, qualitative factors are assessed to determine whether it is more likely than not that the fair values of its reporting units are less than the respective carrying values of those reporting units. Such factors we consider in a qualitative

analysis include, but are not limited to, macroeconomic conditions, industry and market considerations, cost factors, Company-specific events, events affecting the reporting unit, and the overall financial performance of the reporting unit. If after performing the qualitative analysis, the Company determines that it is more likely than not that the fair value of a reporting unit is less than its carrying value, then the Company must perform the quantitative goodwill impairment test.

If we elect to perform or are required to perform a quantitative analysis, we compare the carrying amount of the reporting unit's net assets, including goodwill, to the fair value of the reporting unit. If the fair value exceeds the carrying value, no further evaluation is required, and no impairment loss is recognized. If the carrying value exceeds the fair value, an impairment charge is recognized for the difference between carrying amount and fair value, not to exceed the original amount of goodwill.

In determining the estimated fair value of the reporting units when performing a quantitative analysis, we consider both the market approach and the income approach. For purposes of the goodwill impairment test, weighting is equally attributed to both the market and income approaches in arriving at the fair value of the reporting units.

Under the market approach, we utilize the guideline company method, which involves calculating valuation multiples based on financial data from comparable publicly traded companies. Multiples derived from these companies provide an indication of how much a knowledgeable investor in the marketplace would be willing to pay for a company. These multiples are then applied to the financial data for our reporting units to arrive at an indication of value.

Under the income approach, the fair value of the reporting unit is based on the present value of estimated future cash flows utilizing a market-based weighted-average cost of capital determined separately for each reporting unit.

To determine the reasonableness of the calculated fair values of our reporting units, the Company reviews the assumptions described below to ensure that neither the market approach nor the income approach yields significantly different valuations. We selected these valuation approaches because we believe the combination of these approaches, along with our best judgment regarding underlying assumptions and estimates, provides us with the best estimate of fair value of our reporting units. We believe these valuation approaches are appropriate for the industry and widely accepted by investors.

Determining the fair value of a reporting unit requires us to make significant judgments, estimates, and assumptions. The Company believes these estimates and assumptions are reasonable. However, future changes in the judgments, assumptions and estimates that are used in the impairment testing for goodwill, including discount rates or future cash flow projections, could result in significantly different estimates of the fair values. As a result of these factors and the limited cushion (or headroom, as commonly referred) due to the acquisition of Milacron in fiscal 2020 and the impact of macroeconomic conditions, goodwill for the reporting units within the Molding Technology Solutions reportable operating segment generally are more susceptible to impairment risk.

The key assumptions for the market and income approaches we use to determine fair value of our reporting units are updated at least annually. Those assumptions and estimates include macroeconomic conditions, competitive activities, cost containment, achievement of synergy initiatives, market data and market multiples (6.5-11.0 times adjusted EBITDA), discount rates (12.5-16.0%), and terminal growth rates (2.0%), as well as future levels of revenue growth, adjusted EBITDA, and working capital requirements, which are based upon the Company's strategic plan. Hillenbrand's strategic plan is updated as part of its annual planning process and is reviewed and approved by management and the Board of Directors. The strategic plan may be revised as necessary during a fiscal year, based on changes in market conditions or other changes in the reporting units. The discount rate assumption is based on the overall after-tax rate of return required by a market participant whose weighted-average cost of capital includes both equity and debt, including a risk premium. The discount rates may be impacted by adverse changes in the macroeconomic environment, volatility in the equity and debt markets or other factors. While the Company can implement and has implemented certain strategies to address these events, changes in operating plans or adverse changes in the future could reduce the underlying cash flows used to estimate reporting unit fair values and could result in a further decline in fair value that would trigger a future material impairment charge of the reporting units' goodwill balance.

Although there are always changes in assumptions to reflect changing business and market conditions, our overall valuation methodology and the types of assumptions we use have remained consistent and conservative. While we use the best available information to prepare the cash flow and discount rate assumptions, actual future cash flows or market conditions could differ significantly resulting in future impairment charges related to recorded goodwill balances.

Similar to goodwill, the Company can elect to perform the annual impairment test for indefinite-lived intangibles other than goodwill (primarily trade names) using a qualitative analysis, considering similar factors as outlined in the goodwill discussion in order to determine if it is more likely than not that the fair values of the trade names are less than the respective carrying values. If we elect to perform or are required to perform a quantitative analysis, the test consists of a comparison of the fair

value of the indefinite-lived intangible asset to the carrying value of the asset as of the impairment testing date. We estimate the fair value of indefinite-lived intangible assets using the relief-from-royalty method, which we believe is an appropriate and widely used valuation technique for such assets. The fair value derived from the relief-from-royalty method is measured as the discounted cash flow savings realized from owning such trade names and not being required to pay a royalty for their use. The royalty rates utilized by the Company range from 0.5% to 3.0%.

Annual impairment assessment

The Company performed its annual July 1 goodwill impairment assessment during the fourth quarter of fiscal 2023 for all reporting units. For all reporting units, the fair value of the reporting unit was determined to exceed the carrying value, resulting in no impairment to goodwill as part of this test. As a result of the Milacron acquisition in fiscal 2020 and the impact of macroeconomic headwinds, there is less cushion or headroom for the reporting units with the Molding Technology Solutions reportable operating segment. The estimated fair value, as calculated at July 1, 2023, for the three reporting units within the Molding Technology Solutions reportable operating segment ranged from approximately 10% to 28% greater than their carrying value (13% to 54% at the previous impairment assessment date).

Impairment of long-lived assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For assets (disposal group) held for sale, the disposal group as a whole is measured at the lower of its carrying amount or fair value less cost to sell after adjusting the individual assets of the disposal group, if necessary. If the carrying value of assets, after the consideration of other asset valuation guidance, exceeds fair value less cost to sell, the Company establishes a valuation allowance which would offset the original carrying value of disposal group. This valuation allowance would be adjusted based on subsequent changes in our estimate of fair value less cost to sell. If the fair value less cost to sell increases, the carrying amount of the long-lived assets would be adjusted upward; however, the increased carrying amount cannot exceed the carrying amount of the disposal group before the decision to dispose of the assets was made. Estimates are required to determine the fair value, the disposal costs and the time period to dispose of the assets. The estimate of fair value incorporates the transaction approach, which utilizes pricing indications derived from recent acquisition transactions involving comparable companies. Such estimates are critical in determining whether any impairment charge should be recorded and the amount of such charge if an impairment loss is deemed to be necessary.

During the fourth quarter of 2021, the Company recognized a non-cash valuation adjustment of \$11.2 to recognize TerraSource at fair value less estimated cost to sell based on the definitive agreement the Company entered into to sell TerraSource. The non-cash charge of \$11.2 for the year ended September 30, 2021, was recorded within the impairment charges caption on the Consolidated Statements of Operations. For further information, see Note 4 to our Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K.

For assets held and used, impairment may occur if projected undiscounted cash flows do not exceed the carrying value of the assets. In such cases, additional analysis is conducted to determine the amount of loss to be recognized, and the impairment loss is determined as the amount the carrying value of the asset or asset group exceeds the estimated fair value, measured by future discounted cash flows. The analysis requires estimates of the amount and timing of projected cash flows and, where applicable, judgment associated with, among other factors, the appropriate discount rate. Such estimates are critical in determining whether any impairment charge should be recorded and the amount of such charge if an impairment loss is deemed to be necessary. Our judgment regarding the existence of circumstances that indicate the potential impairment of an asset's carrying value is based on several factors, including, but not limited to, changes in business environment, a decline in operating cash flows or a decision to close a manufacturing facility. The variability of these factors depends on a number of conditions, including uncertainty about future events and general economic conditions.

Business Combinations

Estimating fair value for acquired assets and liabilities as part of a business combination typically requires us to exercise judgment, particularly for those assets and liabilities that may be unique or not easily determined by reference to market data. Often estimates for these types of acquired assets and liabilities will be developed using valuation models that require both historical and forecasted inputs, as well as market participant expectations. Thus, the valuation is directly affected by the inputs we judge as best under the given circumstances. When material, we utilize the assistance of competent valuation professionals when the underlying valuation is more complex or unique. In most cases, if material, we will exercise significant judgment in estimating the fair value of identifiable intangible assets, contingent liabilities, and property, plant, and equipment. This list is not exhaustive, but is designed to give you a better understanding of where we think a larger degree of judgment will be required due to the nature of the item and the way it is typically valued.

The Company makes an initial allocation of the purchase price at the date of acquisition based upon its understanding of the fair value of the acquired assets, including identifiable intangible assets, and assumed liabilities. We obtain this information during due diligence and through other sources. In the months after closing, as we obtain additional information about these assets and liabilities, including through tangible asset appraisals, and learn more about the newly acquired business, we are able to refine the estimates of fair value and more accurately allocate the purchase price. The determination of identifiable intangible assets is subjective and generally requires complex valuation methodologies including the relief from royalty method and multi-period excess earnings method, for which we generally use a third-party valuation specialist. The identifiable intangible assets are impacted by a number of judgmental assumptions including future revenue growth rates and EBITDA margins on such revenue, customer attrition rates, and the discount rates.

See Note 5 to our Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K, for further information on recent business combinations.

EXECUTIVE OVERVIEW

Hillenbrand (www.Hillenbrand.com) is a global industrial company that provides highly-engineered processing equipment and solutions to customers around the world. Our portfolio is composed of leading industrial brands that serve large, attractive end markets, including durable plastics, food, and recycling. Guided by our Purpose, Shape What Matters For Tomorrow™, we pursue excellence, collaboration, and innovation to shape solutions that best serve our people, our customers, and our communities. Customers choose Hillenbrand due to our reputation for designing, manufacturing, and servicing highly-engineered, mission-critical equipment and solutions that meet their unique and complex processing requirements.

Hillenbrand's portfolio is composed of two reportable operating segments: Advanced Process Solutions and Molding Technology Solutions. Advanced Process Solutions is a leading global provider of highly-engineered process and material handling equipment, systems, and aftermarket parts and services for a variety of industries, including durable plastics, food, and recycling. Key technologies within the Advanced Process Solutions portfolio include compounding, extrusion, material handling, conveying, mixing, ingredient automation, portion process, and screening and separating equipment. Molding Technology Solutions is a global leader in highly-engineered equipment, systems, and aftermarket parts and service for the plastic technology processing industry. Molding Technology Solutions has a comprehensive product portfolio that includes injection molding and extrusion equipment, hot runner systems, process control systems, mold bases and components, and maintenance, repair, and operating ("MRO") supplies. These reportable operating segments are characterized by well-known brands that are recognized for technological capabilities and process expertise that can be shared across the reportable operating segments to serve customers globally. These reportable operating segments address macro trends supported by a growing middle class driving demand for plastics in a variety of applications, such as construction, food safety, and recycling.

Guided by our Purpose, Shape What Matters for Tomorrow, we strive to provide superior return for our shareholders, exceptional value for our customers, great professional opportunities for our employees, and to be responsible to our communities through the execution of our profitable growth strategy. We aim to deliver sustainable revenue expansion, profit growth, and substantial free cash flow through our world-class products, solutions, and service, drive continuous improvement through the deployment of the Hillenbrand Operating Model ("HOM"), and effectively deploy our cash flow to maximize shareholder value creation.

During the year ended September 30, 2023, the following operational decisions and economic developments had an impact on our current and may impact our future cash flows, consolidated results of operations, and financial position.

Supply Chain and Inflation

While global supply chains have recently suffered from various headwinds, those supporting our products have generally remained intact, providing access to sufficient inventory of the key materials needed for manufacturing. We have experienced significant delays in certain raw materials and components, but we have largely been able to mitigate the impact of these delays on our consolidated results of operations. We continue to identify and qualify alternative sources to mitigate risk associated with single or sole sources of supply, and we may choose to purchase certain materials in safety stock where we have supply chain continuity concerns. We have experienced, and it remains possible that we may experience interruptions to our supply chains, and such an interruption could materially affect our ability to timely manufacture and distribute our products and could also have a significant impact on the Company's consolidated net revenue, results of operations, and cash flows during fiscal 2024 and beyond.

We also experienced material and supply chain inflation during fiscal 2023, as further discussed in our Operations Review. Pricing actions and supply chain productivity initiatives have mitigated and are expected to continue to mitigate some of these

inflationary pressures, but we may not be successful in fully offsetting these incremental costs, which could have a significant impact on the Company's consolidated results of operations, and cash flows during fiscal 2024 and beyond.

For additional information regarding labor, supply chain, and other risks, see Item 1A of this Form 10-K.

Divestitures

Divestiture of Batesville

As previously described, on February 1, 2023, the Company completed the divestiture of its historical Batesville reportable operating segment to BL Memorial Partners, LLC, a Delaware limited liability company owned by funds affiliated with LongRange Capital, L.P., for \$761.5, subject to closing adjustments, and including an \$11.5 subordinated note. At closing, after the applicable adjustments, the Company received \$698.0 in pre-tax cash proceeds, including an adjustment for cash on hand acquired from the Company, and the previously mentioned subordinated note. The Company recognized a \$586.0 pre-tax gain on divestiture, recorded within gain on divestiture of discontinued operations (net of income tax expense) in the Consolidated Statement of Operations for the year ended September 30, 2023.

This divestiture represented a strategic shift in Hillenbrand's business and qualified as a discontinued operation. Unless otherwise noted, amounts presented in Management's Discussion and Analysis are for continuing operations only.

Subsequent to the completion of the divestiture, the Company began providing certain transition services to Batesville for applicable fees which are not material to the Company. The transition services are expected to vary in duration depending upon the type of service provided.

Divestiture of TerraSource

On October 22, 2021, the Company completed the divestiture of TerraSource pursuant to a Contribution Agreement ("Agreement") between the Company and certain affiliated companies of industrial holding company Right Lane Industries ("RLI"). Under the terms of the Agreement, Hillenbrand contributed TerraSource and its subsidiaries to a newly formed entity, TerraSource Holdings, LLC ("Holdings"), with RLI obtaining majority ownership and full operational control of TerraSource. In exchange for contributing the TerraSource business, the Company received consideration in the form of a five-year note with initial principal amount of \$25.6, subject to certain adjustments, and an April 2028 maturity date, and also retained a 49% equity interest in Holdings through one of the Company's indirect wholly-owned subsidiaries, which became an approximately 46% interest in connection with the January 2023 amendment to the five-year note. The fair value of the total consideration received by the Company was \$27.7.

As a result of the TerraSource divestiture, the Company recorded a pre-tax loss of \$3.1, after post-closing adjustments, in the Consolidated Statement of Operations during the year ended September 30, 2022. The Company incurred \$0.4 of transaction costs associated with the divestiture during the year ended September 30, 2022, which were recorded within operating expenses in the Consolidated Statement of Operations. TerraSource's results of operations were included within the Advanced Process Solutions reportable operating segment until the completion of the divestiture on October 22, 2021. Subsequent to the divestiture, the Company's equity interest in Holdings is accounted for under the equity method of accounting as prescribed by Generally Accepted Accounting Principles ("GAAP").

Acquisitions

Acquisition of Schenck Process Food and Performance Materials Business

On September 1, 2023, the Company completed the acquisition of the Schenck Process Food and Performance Materials ("FPM") business, a portfolio company of Blackstone, for total aggregate consideration of \$748.7, net of certain customary post-closing adjustments, and including cash acquired, using available borrowings under its multi-currency revolving credit facility (the "Facility"). Headquartered in Kansas City, Missouri, FPM specializes in the design, manufacturing, and service of feeding, filtration, baking, and material handling technologies and systems that are highly complementary to the equipment and solutions offered in our Advanced Process Solutions reportable operating segment. The results of FPM since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

Acquisition of Peerless Food Equipment

On December 1, 2022, the Company completed the acquisition of the Peerless Food Equipment division (“Peerless”) of Illinois Tool Works Inc. for a purchase price of \$59.2, net of certain customary post-closing adjustments and including cash acquired, using available borrowings under the Facility. Headquartered in Sidney, Ohio, Peerless is a premier supplier of industrial food processing equipment. The equipment and solutions offered by Peerless are highly complementary to those offered by the Linxis brands. The results of Peerless since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

Acquisition of LINXIS Group SAS

On October 6, 2022, the Company completed the acquisition of LINXIS Group SAS (“Linxis”) from IBERIS INTERNATIONAL S.À R.L, an affiliate of IK Partners, and additional sellers (collectively, the “Sellers”). As a result of the acquisition, the Company acquired from the Sellers all of the issued and outstanding securities of Linxis, and Linxis became a wholly owned subsidiary of the Company for total aggregate consideration of \$590.8 (€596.2) in cash, reflecting an approximate enterprise value of \$566.8 (€572.0) plus cash acquired at closing, subject to post-closing adjustments. The Company used available borrowings under the Facility to fund this acquisition.

Linxis has six market-leading brands – Bakon, Diosna, Shaffer, Shick Esteve, Unifiller, and VMI – that serve customers in over 100 countries. With a global manufacturing, sales, and service footprint, Linxis specializes in design, manufacturing, and service of dosing, kneading, mixing, granulating, drying, and coating technologies. The results of Linxis since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

Acquisition of Herbold Meckesheim GmbH

On August 31, 2022, the Company completed the acquisition of Herbold Meckesheim GmbH (“Herbold”) for \$77.7 (€77.5) in cash, pursuant to a definitive acquisition agreement dated June 30, 2022. Based in Meckesheim, Germany, Herbold is a leader in recycling systems, specializing in key process steps such as washing, separating, drying, shredding, and pulverizing. The results of Herbold since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

Acquisition of Gabler Engineering GmbH

On June 30, 2022, the Company completed the acquisition of Gabler Engineering GmbH (“Gabler”) for \$12.9 (€12.6) in cash, which was funded with cash on hand. Gabler, based in Malsch, Germany, specializes in the design, engineering, manufacturing, and implementation of plants and equipment for the confectionery and pharmaceutical industries. The results of Gabler since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

Change in Reportable Operating Segments

As a result of the divestiture of the historical Batesville reportable operating segment, Hillenbrand is now composed of two reportable operating segments: Advanced Process Solutions and Molding Technology Solutions. Advanced Process Solutions is a global leader in highly-engineered process and material handling equipment and systems for a wide variety of industries, including durable plastics, food, and recycling industries. Molding Technology Solutions is a global leader in highly-engineered processing equipment, systems, and aftermarket parts and service for the plastic technology processing industry.

OPERATIONS REVIEW — CONSOLIDATED

	Year Ended September 30,			
	2023		2022	
	Amount	% of Net Revenue	Amount	% of Net Revenue
Net revenue	\$ 2,826.0	100.0	\$ 2,315.3	100.0
Gross profit	948.2	33.6	763.8	33.0
Operating expenses	574.0	20.3	442.7	19.1
Amortization expense	79.6		54.0	
Loss on divestiture	—		3.1	
Interest expense	77.7		64.3	
Income tax expense	102.8		84.0	
Net income attributable to Hillenbrand	569.7		208.9	

Year Ended September 30, 2023 Compared to Year Ended September 30, 2022

Net revenue increased \$510.7 (22%), which included unfavorable foreign currency impact (2%).

- Advanced Process Solutions' net revenue increased \$553.7 (44%) primarily driven by the impact of acquisitions (\$456.8), favorable pricing, and higher aftermarket parts and service net revenue. Foreign currency impact decreased net revenue by 1%.
- Molding Technology Solutions' net revenue decreased \$43.0 (4%), primarily driven by a decrease in hot runner equipment sales, partially offset by favorable pricing and higher aftermarket parts and service net revenue. Foreign currency impact decreased net revenue by 2%.

Gross profit increased \$184.4 (24%). Gross profit margin improved 60 basis points to 33.6%. On an adjusted basis, which excluded inventory step-up cost related to acquisitions (\$11.7 in 2023), restructuring and restructuring-related charges (\$2.3 in 2023 and \$2.2 in 2022), business acquisition, divestiture, and integration costs (\$1.2 in 2023 and \$0.4 in 2022), and other one-time costs (\$1.0 in 2022), gross profit increased \$196.0 (26%), and adjusted gross profit margin improved 100 basis points to 34.1%.

- Advanced Process Solutions' gross profit increased \$213.1 (49%), primarily due to the impact of acquisitions, favorable pricing, productivity improvements, and higher volume, partially offset by cost inflation and an increase in inventory step-up costs related to acquisitions. Foreign currency impact decreased gross profit by 1%. Gross profit margin improved 120 basis points to 35.7% in 2023, primarily due to the impact of acquisitions and favorable pricing, partially offset by cost inflation.

Advanced Process Solutions' gross profit included inventory step-up costs related to acquisitions (\$11.7 in 2023), business acquisition, divestiture, and integration costs (\$0.5 in 2023 and \$0.1 in 2022), restructuring and restructuring-related charges (\$2.1 in 2022), and other one-time costs (\$0.8 in 2022). Excluding these charges, adjusted gross profit increased \$222.2 (50%) and adjusted gross profit margin improved 160 basis points to 36.4%.

- Molding Technology Solutions' gross profit decreased \$28.7 (9%), primarily due to cost inflation, unfavorable product mix, and a decrease in volume, partially offset by favorable pricing and productivity improvements. Foreign currency impact decreased gross profit by 2%. Gross profit margin decreased 150 basis points to 29.6% in 2023, primarily driven by cost inflation and unfavorable product mix, partially offset by favorable pricing and productivity improvements.

Molding Technology Solutions' gross profit included restructuring and restructuring-related charges (\$2.3 in 2023 and \$0.1 in 2022) and business acquisition, divestiture, and integration costs (\$0.7 in 2023 and \$0.3 in 2022). Excluding these charges, adjusted gross profit decreased \$26.2 (8%) and adjusted gross profit margin decreased 130 basis points to 29.9%.

Operating expenses increased \$131.3 (30%), primarily driven by acquisitions, an increase in strategic investments, cost inflation, and an increase in business acquisition, divestiture, and integration costs, partially offset by a decrease in variable compensation. Foreign currency impact decreased operating expenses by 3%. Our operating expense-to-revenue ratio increased 120 basis points to 20.3%. This increase is primarily due to the impact of acquisitions, an increase in strategic investments, and inflation, partially offset by a decrease in variable compensation. Operating expenses included the following items:

	Year Ended September 30,	
	2023	2022
Business acquisition, divestiture, and integration costs	\$ 45.0	\$ 29.0
Restructuring and restructuring-related charges	2.8	0.9
Other one-time costs	—	2.3

On an adjusted basis, which excludes business acquisition, divestiture, and integration costs, restructuring and restructuring-related charges and other one-time costs including reserves against certain receivables, operating expenses increased \$115.7

(28%), which included favorable foreign currency impact (3%). Adjusted operating expenses as a percentage of net revenue increased 90 basis points to 18.6%.

Amortization expense increased \$25.6 (47%), primarily due to the impact of acquisitions.

Loss on divestitures of \$3.1 in the prior year was due to the loss realized on the divestiture of TerraSource that did not repeat in 2023. For further information on divestitures, see Note 4 to our Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K.

Interest expense increased \$13.4 (21%), primarily due to increased borrowing for acquisitions. For further information, see Note 7 to our Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K.

The effective tax rate was 47.4% in fiscal 2023 compared to 42.1% in fiscal 2022. The increase in the effective tax rate was primarily driven by an increase in tax expense associated with recent acquisitions and related legal entity reorganization, the recognition of valuation allowances on current year tax losses in certain jurisdictions, and the settlement of tax audits of prior tax years, partially offset by a year-over-year reduction of the provision for taxes on distributions from foreign subsidiaries as a result of lower foreign cash positions, and a reduction in the accrual of taxes for uncertain tax positions in the current year.

Our adjusted effective income tax rate was 29.5% in 2023 compared to 31.5% in 2022. The adjusted effective income tax rate primarily excludes the tax effect of the following items:

- The tax effect of the legal entity reorganization and transaction costs associated with recent acquisitions (\$33.3 expense in 2023);
- The divestiture of TerraSource (\$0.6 expense in 2022);
- The impact of tax loss carryforwards on net domestic taxes on foreign earnings (\$12.7 expense in 2022);
- The revaluation of deferred and current tax balances as a result of tax rate changes (\$2.7 benefit in 2023 and \$0.5 expense in 2022);
- The revaluation of deferred tax balances as a result of foreign currency fluctuations (\$0.3 expense in 2023 and \$2.2 benefit in 2022); and
- Adjustments previously discussed within this section, including business acquisition, divestiture, and integration costs, intangible amortization, and restructuring and restructuring-related charges (\$34.1 benefit in 2023 and \$19.7 benefit in 2022).

Excluding these items, the increase in the current year adjusted effective tax rate was primarily due to an increase in tax expense associated with the recognition of valuation allowances on current year deferred tax items in certain jurisdictions and the settlement of tax audits of prior tax years, partially offset by a year-over-year reduction of the provision for taxes on distributions from foreign subsidiaries as a result of lower foreign cash positions, and reduction in the accrual of taxes for uncertain tax positions in the current year.

OPERATIONS REVIEW — ADVANCED PROCESS SOLUTIONS

	Year Ended September 30,			
	2023		2022	
	Amount	% of Net Revenue	Amount	% of Net Revenue
Net revenue	\$ 1,823.5	100.0	\$ 1,269.8	100.0
Gross profit	651.5	35.7	438.4	34.5
Operating expenses	337.6	18.5	210.0	16.5
Amortization expense	44.2		17.6	

Year Ended September 30, 2023 Compared to Year Ended September 30, 2022

Net revenue increased \$553.7 (44%) primarily driven by the impact of acquisitions (\$456.8), favorable pricing, and higher aftermarket parts and service net revenue. Foreign currency impact decreased net revenue by 1%.

We expect future net revenue for Advanced Process Solutions to continue to be influenced by order backlog because of the lead time involved in fulfilling engineered-to-order equipment and solutions for customers. Though backlog can be an indicator of future net revenue, it does not include projects and aftermarket parts orders that are booked and shipped within the same quarter. The timing of order placement, size of orders, extent of order customization, and customer delivery dates can create fluctuations in backlog and net revenue. Net revenue attributable to backlog is also affected by foreign exchange rate fluctuations for orders denominated in currencies other than U.S. dollars. Order backlog increased \$468.5 (34%) from \$1,397.9 at September 30, 2022, to \$1,866.4 at September 30, 2023. The increase in order backlog was primarily driven by acquisitions and a favorable foreign currency impact (5%). On a sequential basis, order backlog increased \$262.4 (16%) to \$1,866.4 at September 30, 2023, up from \$1,604.0 at June 30, 2023, primarily due to acquisitions, partially offset by unfavorable foreign currency impact (3%).

Gross profit increased \$213.1 (49%), primarily due to the impact of acquisitions, favorable pricing, productivity improvements, and higher volume, partially offset by cost inflation and an increase in inventory step-up costs related to acquisitions. Foreign currency impact decreased gross profit by 1%. Gross profit margin improved 120 basis points to 35.7% in 2023, primarily due to the impact of acquisitions and favorable pricing, partially offset by cost inflation.

Advanced Process Solutions' gross profit included inventory step-up costs related to acquisitions (\$11.7 in 2023), business acquisition, divestiture, and integration costs (\$0.5 in 2023 and \$0.1 in 2022), restructuring and restructuring-related charges (\$2.1 in 2022), and other one-time costs (\$0.8 in 2022). Excluding these charges, adjusted gross profit increased \$222.2 (50%) and adjusted gross profit margin improved 160 basis points to 36.4%.

Operating expenses increased \$127.6 (61%), primarily driven by the impact of acquisitions, an increase in strategic investments, cost inflation, and an increase in business acquisition, divestiture, and integration costs. Operating expenses as a percentage of net revenue increased 200 basis points to 18.5%, primarily due to the impact of acquisitions, an increase in strategic investments, and inflation.

Operating expenses included business acquisition, divestiture, and integration costs (\$8.1 in 2023 and \$1.5 in 2022), restructuring and restructuring-related charges (\$1.5 in 2023 and \$0.1 in 2022), and other one-time costs including reserves against certain receivables (\$2.6 in 2022). Excluding these items, adjusted operating expenses increased \$122.1 (59%). Adjusted operating expenses as a percentage of net revenue increased 180 basis points to 18.0%.

Amortization expense increased \$26.6 (151%), primarily due to the impact of acquisitions.

OPERATIONS REVIEW — MOLDING TECHNOLOGY SOLUTIONS

	Year Ended September 30,			
	2023		2022	
	Amount	% of Net Revenue	Amount	% of Net Revenue
Net revenue	\$ 1,002.5	100.0	\$ 1,045.5	100.0
Gross profit	296.7	29.6	325.4	31.1
Operating expenses	140.0	14.0	139.7	13.4
Amortization expense	35.4		36.4	

Year Ended September 30, 2023 Compared to Year Ended September 30, 2022

Net revenue decreased \$43.0 (4%), primarily driven by a decrease in hot runner equipment sales, partially offset by favorable pricing and higher aftermarket parts and service net revenue. Foreign currency impact decreased net revenue by 2%.

Order backlog decreased \$130.9 (36%) from \$364.1 at September 30, 2022, to \$233.2 at September 30, 2023, primarily driven by the execution of existing backlog and a decrease in orders within our injection molding equipment product line. Foreign currency impact increased order backlog by 1%. On a sequential basis, order backlog decreased \$33.2 (12%) to \$233.2 at September 30, 2023, down from \$266.4 at June 30, 2023. The decrease in order backlog was primarily driven by the execution of existing backlog.

Gross profit decreased \$28.7 (9%) primarily due to cost inflation, unfavorable product mix, and a decrease in volume, partially offset by favorable pricing and productivity improvements. Foreign currency impact decreased gross profit by 2%. Gross profit margin decreased 150 basis points to 29.6% in 2023, primarily driven by cost inflation and unfavorable product mix, partially offset by favorable pricing and productivity improvements.

Molding Technology Solutions' gross profit included restructuring and restructuring-related charges (\$2.3 in 2023 and \$0.1 in 2022) and business acquisition, divestiture, and integration costs (\$0.7 in 2023 and \$0.3 in 2022). Excluding these charges, adjusted gross profit decreased \$26.2 (8%) and adjusted gross profit margin decreased 130 basis points to 29.9%.

Operating expenses increased \$0.3, primarily due to cost inflation, partially offset by lower variable compensation. Foreign currency impact decreased operating expense by 5%. Operating expenses as a percentage of net revenue increased 60 basis points to 14.0%.

Operating expenses included business acquisition, divestiture, and integration costs (\$1.8 in 2023 and \$1.3 in 2022) and restructuring and restructuring-related charges (\$1.1 in 2023 and \$0.5 in 2022). Excluding these charges, adjusted operating expenses as a percentage of net revenue increased 50 basis points to 13.7%.

REVIEW OF CORPORATE EXPENSES

	Year Ended September 30,			
	2023		2022	
	Amount	% of Net Revenue	Amount	% of Net Revenue
Core operating expenses	\$ 61.1	2.2	\$ 66.4	2.9
Business acquisition, divestiture, and integration costs	35.1	1.2	26.1	1.1
Restructuring and restructuring-related charges	0.2	—	0.8	—
Other	—	—	(0.3)	—
Operating expenses	\$ 96.4	3.4	\$ 93.0	4.0

Corporate operating expenses include the cost of providing management and administrative services to each reportable operating segment. These services include treasury management, human resources, legal, business development, information technology, tax compliance, procurement, sustainability, and other public company support functions such as internal audit, investor relations, and financial reporting. Corporate operating expenses also include costs related to business acquisition, divestiture, and integration, which we incur as a result of our strategy to grow through selective acquisitions. Core operating expenses primarily represent corporate operating expenses excluding costs related to business acquisition, divestiture, and integration costs.

Business acquisition, divestiture, and integration costs include legal, tax, accounting, and other advisory fees and due diligence costs associated with investigating opportunities (including acquisitions and divestitures) and integrating completed acquisitions.

As a result of classifying the historical Batesville reportable operating segment as a discontinued operation, certain indirect corporate costs included within operating expenses in the Consolidated Statements of Operations that were previously allocated to the historical Batesville reportable operating segment do not qualify for classification within discontinued operations and are now reported as operating expenses in continuing operations within corporate expenses for all periods presented preceding the sale. In addition, costs directly attributable to the historical Batesville reportable operating segment divestiture have been reflected in discontinued operations for the years ended September 30, 2023 and 2022.

Year Ended September 30, 2023 Compared to Year Ended September 30, 2022

Operating expenses increased \$3.4 (4%) in 2023, primarily due to an increase in business acquisition, divestiture, and integration costs, an increase in strategic investments, and cost inflation, partially offset by a decrease in variable compensation and prior year one-time expenses associated with the realignment of the executive management team that did not repeat in 2023. Operating expenses as a percentage of net revenue were 3.4%, an improvement of 60 basis points from the prior year.

Core operating expenses decreased \$5.3 (8%) in 2023, primarily due to a decrease in variable compensation and prior year one-time expenses associated with the realignment of the executive management team that did not repeat in 2023, partially offset by

an increase in strategic investments and cost inflation. Operating expenses as a percentage of net revenue were 2.2%, an improvement of 70 basis points from the prior year.

NON-GAAP OPERATING PERFORMANCE MEASURES

The following is a reconciliation from consolidated net income, the most directly comparable GAAP operating performance measure, to our non-GAAP adjusted EBITDA.

	Year Ended September 30,	
	2023	2022
Consolidated net income	\$ 576.7	\$ 215.2
Interest expense, net	77.7	64.3
Income tax expense	102.8	84.0
Depreciation and amortization	125.6	98.6
Consolidated EBITDA	882.8	462.1
Income from discontinued operations (net of income tax expense)	(462.6)	(99.5)
Business acquisition, divestiture, and integration costs ⁽¹⁾	46.2	29.4
Restructuring and restructuring-related charges ⁽²⁾	5.1	3.1
Inventory step-up costs related to acquisitions	11.7	—
Loss on divestiture ⁽³⁾	—	3.1
Other	—	3.3
Adjusted EBITDA	\$ 483.2	\$ 401.5

⁽¹⁾ Business acquisition, divestiture, and integration costs during 2023 primarily included professional fees related to the Linxis, Peerless, and FPM acquisitions and professional fees and employee-related costs attributable to the integration of Milacron and Linxis. Business acquisition, divestiture, and integration costs during 2022 primarily included professional fees related to the Gabler, Herbold, and Linxis acquisitions and professional fees and employee-related costs attributable to the integration of Milacron and the divestiture of TerraSource.

⁽²⁾ Restructuring and restructuring-related charges primarily included severance costs during 2023 and 2022.

⁽³⁾ The amount during 2022 represents the loss on divestiture of TerraSource.

Consolidated net income for 2023 compared to 2022 increased \$361.5 (168%). The increase was primarily driven by the increase in total income from discontinued operations, favorable pricing and productivity improvements, and an increase in demand for equipment within the Advanced Process Solutions reportable operating segment, partially offset by cost inflation, an increase in depreciation and amortization, an increase in strategic investments, an increase in business acquisition, divestiture, and integration costs, an increase in interest expense, and inventory step-up costs related to acquisitions. Foreign currency impact decreased consolidated net income \$8.1.

Consolidated adjusted EBITDA for 2023 compared to 2022 increased \$81.7 (20%). The increase was primarily driven by favorable pricing and productivity improvements and an increase in demand for equipment within the Advanced Process Solutions reportable operating segment, partially offset by cost inflation, and an increase in strategic investments. Foreign currency impact decreased consolidated adjusted EBITDA by \$9.5.

LIQUIDITY AND CAPITAL RESOURCES

In this section, we discuss our ability to access cash to meet business needs. We discuss how we see cash flow being affected for the next twelve months. We describe actual results in generating and using cash by comparing 2023 to 2022. Finally, we identify other significant matters, such as contractual obligations and contingent liabilities and commitments that could affect liquidity on an ongoing basis.

Ability to Access Cash

Our debt financing has historically included revolving credit facilities, term loans, and long-term notes as part of our overall financing strategy. We regularly review and adjust the mix of fixed-rate and variable-rate debt within our capital structure in order to achieve a target range based on our financing strategy.

We have taken proactive measures to maintain financial flexibility. We believe the Company ended the fiscal year with and continues to have sufficient liquidity to operate in the current business environment.

With respect to the Facility, as of September 30, 2023, the Company had an outstanding balance of \$505.1. As of September 30, 2023, the Company had \$19.8 in outstanding letters of credit issued and \$475.1 of available borrowing capacity under the Facility, all of which was immediately available based on our most restrictive covenant. The Company may request an increase of up to \$600.0 in the total borrowing capacity under the Amended Credit Agreement, subject to approval of the lenders.

In the normal course of business, operating companies within our reportable operating segments provide to certain customers bank guarantees and other credit arrangements in support of performance, warranty, advance payment, and other contractual obligations. This form of trade finance is customary in the industry and, as a result, we maintain adequate capacity to provide the guarantees. As of September 30, 2023, we had guarantee arrangements totaling \$587.9, under which \$326.9 was utilized for this purpose. These arrangements include the Amended L/G Agreement (defined below) under which unsecured letters of credit, bank guarantees, or other surety bonds may be issued. The Company may request an increase to the total capacity under the Amended L/G Agreement by an additional €100, subject to approval of the lenders.

We have significant operations outside the U.S. We continue to assert that the basis differences in the majority of our foreign subsidiaries continue to be permanently reinvested outside of the U.S. We have recorded tax liabilities associated with distribution taxes on expected distributions of available cash and current earnings. The Company has made, and intends to continue to make, substantial investments in our businesses in foreign jurisdictions to support the ongoing development and growth of our international operations. As of September 30, 2023, we had a transition tax liability of \$11.2 pursuant to the 2017 Tax Cuts and Jobs Act (the “Tax Act”). The cash at our international subsidiaries, including U.S. subsidiaries participating in non-U.S. cash pooling arrangements, totaled \$193.2 at September 30, 2023. We continue to actively evaluate our global capital deployment and cash needs.

12-month Outlook

Leverage update

The Company’s net leverage (defined as debt, net of cash, to pro forma adjusted EBITDA) at September 30, 2023 was 3.2x. The Company remains committed to de-leveraging and intends to prioritize paying down its debt over the next twelve months.

Other activities

The Company is required to pay a transition tax on unremitted earnings of its foreign subsidiaries, resulting in an estimated liability of \$11.2 recorded as of September 30, 2023. The transition tax liability is expected to be paid over the next two years.

On December 2, 2021, the Board of Directors authorized a new share repurchase program of up to \$300.0, which replaced the previous \$200.0 share repurchase program. The repurchase program has no expiration date but may be terminated by the Board of Directors at any time. As of September 30, 2023, we repurchased 4,143,000 shares under the December 2, 2021 share repurchase program for approximately \$175.0 in the aggregate. At September 30, 2023, we had approximately \$125.0 remaining for share repurchases under the existing authorization by the Board of Directors. No purchases of our common stock were made during the year ended September 30, 2023.

Our anticipated contribution to our defined benefit pension plans in 2024 is \$10.9. We will continue to monitor plan funding levels, performance of the assets within the plans, and overall economic activity, and we may make additional discretionary funding decisions based on the net impact of the above factors.

We currently expect to pay approximately \$15.6 in cash dividends each quarter in fiscal 2024 based on our outstanding common stock at September 30, 2023. We increased our quarterly dividend in 2023 to \$0.2200 per common share from \$0.2175 per common share paid in 2022.

We believe existing cash and cash equivalents, cash flows from operations, borrowings under existing arrangements, and the issuance of debt will be sufficient to fund our operating activities and cash commitments for investing and financing activities. Based on these factors, we believe our current liquidity position is sufficient and will continue to meet all of our financial commitments in the current business environment.

Key Liquidity Events

Amendments to current financing agreements

On June 21, 2023, the Company entered into Amendment No. 1 the Credit Agreement (as amended, the “Amended Credit Agreement”). The Amended Credit Agreement includes, among other changes, establishment of a euro-denominated, delayed-draw term loan facility available to the Company’s wholly owned subsidiary, Hillenbrand Switzerland GmbH, in an initial aggregate principal amount of up to €185 (the “€185 Term Loan”) and the inclusion of requirements that would be triggered by a Collateral Springing Event.

On June 22, 2023, the Company entered into an Amendment and Restatement Agreement (as amended, the “Amended L/G Agreement”), which amends and restates the L/G Facility Agreement. The Amended L/G Agreement includes, among other changes, an increase in the facility from €225 to €325 and the inclusion of requirements that would be triggered by a Collateral Springing Event. See Note 7 to our Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further details on these amendments.

Cash Flows

(in millions)	Year Ended September 30,		
	2023	2022	2021
Cash flows provided by (used in):			
Operating activities from continuing operations	\$ 207.0	\$ 63.3	\$ 362.7
Investing activities from continuing operations	(722.3)	(131.7)	137.6
Financing activities from continuing operations	693.4	(244.2)	(523.3)
Net cash flows from discontinued operations	(144.4)	116.1	154.1
Effect of exchange rate changes on cash and cash equivalents	(21.1)	(16.8)	8.0
Net cash flows	<u>\$ 12.6</u>	<u>\$ (213.3)</u>	<u>\$ 139.1</u>

Operating Activities

Operating activities provided \$207.0 of cash during 2023, and provided \$63.3 of cash during 2022, a \$143.7 (227%) increase. The increase in operating cash flow was primarily due to favorable timing of working capital requirements related to large plastics projects and a decrease in inventory.

Working capital requirements for our reportable operating segments fluctuate and may continue to fluctuate in the future due primarily to the type of product and geography of customer projects in process at any point in time. Working capital needs are lower when advance payments from customers are more heavily weighted toward the beginning of the project. Conversely, working capital needs are higher when a larger portion of the cash is to be received in later stages of manufacturing.

Investing Activities

The \$590.6 decrease in net cash flows from investing activities during 2023 was primarily due to the acquisitions of FPM, Linxis and Peerless, and an increase in capital expenditures, partially offset by the proceeds received on the divestiture of the historical Batesville reportable operating segment. See Notes 4 and 5 to our Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K for further information on these acquisitions and divestitures.

Financing Activities

Cash provided by financing activities was largely impacted by net borrowing activity and share repurchases. Our general practice is to use available cash to pay down debt unless it is needed for an acquisition. Daily borrowing and repayment activity under the Amended Credit Agreement may fluctuate significantly between periods as we fulfill the capital needs of our business units. Cash provided by financing activities during 2023 was \$693.4, an increase of \$937.6 from 2022. The increase was primarily due to higher borrowing activity to fund acquisitions, partially offset by a decreases in repurchases of common stock.

We returned \$61.3 to shareholders in 2023 in the form of quarterly dividends compared to \$62.0 in 2022. We increased our quarterly dividend in 2023 to \$0.2200 per common share from \$0.2175 paid during 2022.

Off-Balance Sheet Arrangements

As part of its normal course of business, Hillenbrand is a party to various financial guarantees and other commitments. These arrangements involve elements of performance and credit risk that are not included in the Consolidated Balance Sheets. The possibility that Hillenbrand would have to make actual cash expenditures in connection with these obligations is largely dependent on the performance of the guaranteed party, or the occurrence of future events that Hillenbrand is unable to predict. We have no off-balance sheet financing agreements or guarantees as of September 30, 2023 that we believe are reasonably likely to have a current or future effect on our financial condition, results of operations, or cash flows.

Contractual Obligations and Contingent Liabilities and Commitments

The following table summarizes our future obligations not quantified and disclosed elsewhere in this Form 10-K as of September 30, 2023. This will help give you an understanding of the significance of cash outlays that are fixed beyond the normal accounts payable and other obligations we have already incurred, have recorded, and disclosed in the Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K.

(in millions)	Payment Due by Period				
	Total	Less Than 1 Year	1-3 Years	4-5 Years	After 5 Years
Interest on financing agreements ⁽¹⁾	375.1	106.2	177.6	59.6	31.7
Purchase obligations ⁽²⁾	383.7	364.0	18.7	0.9	0.1
Other obligations ⁽³⁾	49.9	35.0	8.7	2.0	4.2
Total contractual obligations ⁽⁴⁾⁽⁵⁾	<u>\$ 808.7</u>	<u>\$ 505.2</u>	<u>\$ 205.0</u>	<u>\$ 62.5</u>	<u>\$ 36.0</u>

⁽¹⁾ Cash obligations for interest requirements relate to our fixed-rate debt obligations at the contractual rates as of September 30, 2023.

⁽²⁾ Agreements to purchase goods or services that are enforceable and legally binding and that specify all significant terms, including fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction.

⁽³⁾ Primarily includes estimated payments for amounts payable to a financial institution in connection with a trade receivables financing arrangement, transition tax liability, the estimated liquidation of liabilities related to both our self-insurance reserves, and severance payments.

⁽⁴⁾ We have excluded from the table our \$38.9 liability related to uncertain tax positions as the current portion is not significant and we are not able to reasonably estimate the timing of the long-term portion.

⁽⁵⁾ See Notes 6, 7, and 8 to our Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K for lease, financing, and pension obligations, respectively.

Summarized Financial Information for Guarantors and the Issuer of Guaranteed Securities

Summarized financial information of Hillenbrand (the “Parent”) and our subsidiaries that are guarantors of our senior unsecured notes (the “Guarantor Subsidiaries”) is shown below on a combined basis as the “Obligor Group.” The Company’s senior unsecured notes are guaranteed by certain of our wholly-owned domestic subsidiaries and rank equally in right of payment with all of our existing and financial information of the Obligor Group. All intercompany balances and transactions between the Parent and Guarantor Subsidiaries have been eliminated and all information excludes subsidiaries that are not issuers or guarantors of our senior unsecured notes, including earnings from and investments in these entities.

Upon the divestiture of Batesville on February 1, 2023, each of the subsidiaries of Batesville that were Guarantor Subsidiaries ceased to be a guarantor of the senior unsecured notes.

	September 30, 2023		September 30, 2022	
Combined Balance Sheets Information:				
Current assets ⁽¹⁾	\$	2,710.8	\$	2,590.3
Non-current assets		3,533.3		2,656.1
Current liabilities		985.1		623.2
Non-current liabilities		1,583.5		1,289.6
	Year Ended September 30, 2023		Year Ended September 30, 2022	
Combined Statements of Operations Information:				
Net revenue ⁽²⁾	\$	441.5	\$	1,042.0
Gross profit		93.0		353.5
Net income attributable to Obligors		223.2		396.7

⁽¹⁾ Current assets include intercompany receivables from non-guarantors of \$2,070.6 and \$1,868.7 as of September 30, 2023 and September 30, 2022, respectively.

⁽²⁾ Net revenue includes intercompany sales with non-guarantors of \$5.0 and \$32.2 for the years ended September 30, 2023 and 2022, respectively.

Recently Issued and Adopted Accounting Standards

For a summary of recently issued and adopted accounting standards applicable to us, see Note 2 to our Consolidated Financial Statements included in Part II, Item 8, of this Form 10-K, none of which has or is expected to have a material impact on the Consolidated Financial Statements.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In this section, we tell you about market risks we think could have a significant impact on our bottom line or the financial strength of our Company. The term “market risk” generally means how results of operations and the value of assets and liabilities could be affected by market factors such as interest rates, currency exchange rates, the value of commodities, and debt and equity price risks. If those factors change significantly, it could help or hurt our bottom line, depending on how we react to them.

We are exposed to various market risks. We have established policies, procedures, and internal processes governing our management of market risks and the use of financial instruments to manage our exposure to such risks. Our primary exposures are typically to: fluctuations in market prices for purchases of certain commodities; volatility in interest rates associated with the Facility; volatility in the fair value of the assets held by our pension plans; and variability in exchange rates in foreign locations.

We are subject to market risk from fluctuating market prices of certain purchased commodity raw materials including steel. While these materials are typically available from multiple suppliers, commodity raw materials are subject to market price fluctuations. We generally buy these commodities based upon market prices that are established with the supplier as part of the purchasing process. We generally attempt to obtain firm pricing from our larger suppliers for volumes consistent with planned production. To the extent that commodity prices increase and we do not have firm pricing from our suppliers, or if our

suppliers are not able to honor such prices, we may experience a decline in our gross margins to the extent we are not able to increase selling prices of our products or obtain supply chain efficiencies, including as a result of current global supply chain disruptions, to offset increases in commodity costs.

At September 30, 2023, our variable rate debt obligations were \$892.6, which included borrowings on the Facility. We are subject to interest rate risk associated with such borrowings, which bear a variable rate of interest that is based upon, at the Company's option, (A) if denominated in US dollars, at the Term SOFR Rate or the Alternate Base Rate (each as defined in the Amended Credit Agreement), (B) if denominated in Japanese Yen, Canadian dollars or Euros, at rates based on the rates offered for deposits in the applicable interbank markets for such currencies and (C) if denominated in Pounds Sterling or Swiss Francs, at SONIA and SARON, respectively (each as defined in the Credit Agreement), plus, in each case, a margin based on the Company's leverage ratio. The interest we pay on such borrowings is dependent on interest rate conditions and the timing of our financing needs. If we assumed borrowings under our variable rate debt obligations remained unchanged for the next fiscal year, a one percentage point change in the related interest rates would decrease or increase our annual interest expense by approximately \$8.9.

Our pension plans' assets are also subject to volatility that can be caused by fluctuations in general economic conditions. Plan assets are invested by the plans' fiduciaries, which direct investments according to specific policies. Those policies subject investments to the following restrictions in our domestic plan: short-term securities must be rated A1/P1, liability-hedging fixed income securities must have an average quality credit rating of investment grade, and investments in equities in any one company may not exceed 10% of the equity portfolio. Favorable or unfavorable investment performance over the long term will impact our pension expense if it deviates from our assumption related to future rate of return.

We are subject to variability in foreign currency exchange rates in our international operations. Exposure to this variability is periodically managed through the use of natural hedges and also by entering into currency exchange agreements. The aggregate notional amount of all derivative instruments was \$164.6 and \$156 at September 30, 2023 and 2022, respectively. The carrying value of all of the Company's derivative instruments at fair value resulted in assets of \$1.5 and \$2.6 (included in prepaid expenses and other current assets) and liabilities of \$1.7 and \$8.0 (included in other current liabilities and other long-term liabilities) at September 30, 2023 and 2022, respectively. The fair value of these financial instruments would hypothetically change by \$1.2 and \$7.6 as of September 30, 2023 and 2022, respectively, if there were a 10% movement in end-of-period market rates.

The translation of the financial statements of our non-U.S. operations from local currencies into U.S. dollars is also sensitive to changes in foreign exchange rates. These translation gains or losses are recorded as cumulative translation adjustments ("CTA") within accumulated other comprehensive loss on our Consolidated Balance Sheets. The hypothetical change in CTA is calculated by multiplying the net assets of our non-U.S. operations by a 10% change in the applicable foreign exchange rates. The result of the appreciation or depreciation of all applicable currencies against the U.S. dollar would be a change in shareholders' equity of \$122.0 and \$118.6 as of September 30, 2023 and 2022, respectively.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. In order to evaluate the effectiveness of internal control over financial reporting, management has conducted an assessment, including testing, using the criteria set forth by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission in *Internal Control — Integrated Framework (2013 Framework)*. The Company's internal control over financial reporting, as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended, is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. 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.

Management has excluded Linxis, Peerless, and FPM from its assessment of internal controls over financial reporting as of September 30, 2023, because the Company acquired Linxis effective October 6, 2022, Peerless effective December 1, 2022, and FPM effective September 1, 2023. Linxis, Peerless, and FPM are included in the 2023 consolidated financial statements of Hillenbrand, Inc. and constituted approximately 35% of total consolidated assets as of September 30, 2023 and approximately 15% of total consolidated net revenue for the year then ended.

Based on our assessment under the criteria established in *Internal Control — Integrated Framework (2013 Framework)*, issued by the COSO, management has concluded that the Company maintained effective internal control over financial reporting as of September 30, 2023.

The effectiveness of the Company's internal control over financial reporting as of September 30, 2023, has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report included herein.

By: /s/ Megan A. Walke
Megan A. Walke
Vice President and Chief Accounting Officer

By: /s/ Robert M. VanHimbergen
Robert M. VanHimbergen
Senior Vice President and Chief Financial Officer

By: /s/ Kimberly K. Ryan
Kimberly K. Ryan
President and Chief Executive Officer

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Hillenbrand, Inc.

Opinion on Internal Control over Financial Reporting

We have audited Hillenbrand, Inc.'s internal control over financial reporting as of September 30, 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, Hillenbrand, Inc. (the "Company") maintained, in all material respects, effective internal control over financial reporting as of September 30, 2023, based on the COSO criteria.

As indicated in the accompanying Management's Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of LINXIS Group SAS (Linxis), Peerless Food Equipment (Peerless), and Schenck Process Food and Performance Materials (FPM), which are included in the 2023 consolidated financial statements of Hillenbrand, Inc. and constituted approximately 35% of total consolidated assets as of September 30, 2023 and approximately 15% of total consolidated net revenue for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Linxis, Peerless, and FPM.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of September 30, 2023 and 2022, the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended September 30, 2023, and the related notes and consolidated financial statement schedule listed in the Index at Item 15(a)(2), and our report dated November 15, 2023, 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

Cincinnati, Ohio
November 15, 2023

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Hillenbrand, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Hillenbrand, Inc. (the “Company”) as of September 30, 2023 and 2022, the related consolidated statements of operations, comprehensive income, shareholders’ equity and cash flows for each of the three years in the period ended September 30, 2023, and the related notes and consolidated financial statement schedule listed in the Index at Item 15(a)(2) (collectively, “the consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at September 30, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended September 30, 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 September 30, 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 November 15, 2023, 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 Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters 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 matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

<i>Description of the Matter</i>	<i>Revenue Recognition - Over Time Revenue Recognition for Long-Term Manufacturing Contracts</i> As discussed in Note 3 to the consolidated financial statements, \$939.8 million of the Company's total net revenue for the year ended September 30, 2023, relates to net revenue recognized over time from long-term manufacturing contracts and is based on the cost-to-cost input method. Under this method, the Company recognizes net revenue, cost of goods sold and gross margin over time based on costs incurred to date relative to total estimated cost at completion.
	Auditing the Company's measurement of net revenue recognized over time on long-term manufacturing contracts is especially challenging because it involves subjective management assumptions regarding the estimated remaining costs of the long-term manufacturing contract that could span from several months to several years. These assumptions could be impacted by labor productivity and availability, the complexity of the work to be performed, the cost of materials, and the performance of suppliers and subcontractors and may be affected by future market or economic conditions.
<i>How We Addressed the Matter in Our Audit</i>	We obtained an understanding, evaluated the design, and tested the operating effectiveness of internal controls over the Company's process to recognize net revenue over time on long-term manufacturing contracts, including internal controls over management's review of the significant underlying assumptions described above.
	Our audit procedures also included, among others, evaluating the significant assumptions and the accuracy and completeness of the underlying data used in management's calculations. This included, for example, inspection of the executed contract and testing management's cost estimates by comparing the inputs to the Company's historical data or experience for similar contracts, the performance of sensitivity analyses and the performance of retrospective review analysis of prior management cost estimates to actual costs incurred for completed contracts. Additionally, procedures were performed to evaluate the timely identification of circumstances which may warrant a modification to a previous cost estimate, including changes in the Company's internal and subcontractor performance trends.
	<i>Evaluation of Goodwill and Indefinite-Lived Intangible Assets Impairment for the Reporting Units within the Molding Technology Solutions reportable operating segment</i>
<i>Description of the Matter</i>	At September 30, 2023, the Company has \$633.2 million and \$112.1 million of goodwill and indefinite-lived intangible assets, respectively, within the Molding Technology Solutions reportable operating segment. As discussed in Note 2 to the consolidated financial statements, goodwill and indefinite-lived intangible assets are tested for impairment annually on July 1st, or more frequently upon the occurrence of triggering events or substantive changes in circumstances that indicate that the fair value of the reporting unit or indefinite-lived intangible asset may have decreased below the carrying value. The Company's annual impairment test on July 1, 2023, did not result in an impairment of goodwill or indefinite-lived intangible assets for any of the Company's reporting units.
	Auditing management's annual goodwill and indefinite-lived intangible assets impairment test on July 1, 2023, related to the reporting units and indefinite-lived intangible assets within the Molding Technology Solutions reportable operating segment was challenging due to the complexity of forecasting the long-term cash flows of these reporting units and related indefinite-lived intangible assets and the significant estimation uncertainty of certain assumptions included within such forecasts. The significant estimation uncertainty was primarily due to the sensitivity of the reporting units' and related indefinite-lived intangibles assets' fair value to changes in the significant assumptions used in the income approach and the related relief-from-royalty approach, as applicable, such as forecasted net revenue, earnings before income taxes, depreciation and amortization (EBITDA) margins, discount rates, and royalty rates. These significant assumptions require a high degree of estimation and judgment based on an evaluation of historical performance, current and forecasted industry trends, and macroeconomic conditions.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of internal controls over the Company's annual goodwill and indefinite-lived intangible assets impairment process, including internal controls over management's review of the significant assumptions described above as well as internal controls over management's review of its financial forecasts and carrying values of its reporting units and indefinite-lived intangible assets.

To test the estimated fair value of the reporting units and indefinite-lived intangible assets within the Molding Technology Solutions reportable operating segment, we performed audit procedures that included, among others, using an internal valuation specialist to assist in our evaluation of the methodologies and certain significant assumptions used by the Company, specifically the discount rates. We assessed the reasonableness of the Company's assumptions around forecasted net revenue, EBITDA margins, discount rates, and royalty rates by comparing those assumptions to recent historical performance, current and forecasted economic and industry trends, recent transactions and financial forecasts. We also assessed the reasonableness of estimates included in the Company's financial forecasts by evaluating how such assumptions compared to economic, industry, and peer expectations. We evaluated management's historical accuracy of forecasting net revenue and EBITDA margins by comparing past forecasts to subsequent actual activity. We performed various sensitivity analyses around these significant assumptions to understand the impact on the reporting units and indefinite-lived intangible assets fair value calculations.

Valuation of the Customer Relationships Intangible Assets Acquired in the LINXIS Group SAS (Linxis) and Schenck Food and Performance Materials (FPM) Business Combinations

Description of the Matter

As described in Note 5 of the consolidated financial statements, the Company completed its acquisitions of Linxis and FPM for a total purchase price of \$590.8 million and \$748.7 million, respectively. The acquisitions were accounted for as business combinations in accordance with Accounting Standards Codification Topic 805, Business Combinations. The consideration paid in the acquisitions must be allocated to the acquired assets and liabilities assumed generally based on their fair value with the excess of the purchase price over those fair values allocated to goodwill.

Auditing the Company's accounting for its acquisitions of Linxis and FPM was complex primarily due to the significant estimation uncertainty involved in estimating the fair value of the customer relationships intangible assets. The total fair value ascribed to the customer relationships intangible assets for the Linxis and FPM acquisitions was \$211.1 million and \$290.0 million, respectively. The Company used the multi-period excess earnings method to value the customer relationships intangible assets. The significant assumptions used to estimate the fair value of customer relationships included the forecasted net revenue growth, EBITDA margin, and discount rates. These significant assumptions are forward-looking and could be affected by future economic and market conditions.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of internal controls over the Company's accounting for the Linxis and FPM acquisitions, including internal controls over the recognition and measurement of the customer relationships intangible assets and management's judgements and evaluation over the underlying assumptions with regard to the valuation model applied. We also tested management's internal controls to validate that the data used in the valuation models was complete and accurate.

To test the estimated fair value of the acquired customer relationships intangible assets, our audit procedures included, among others, assessing the appropriateness of the valuation methodology used, evaluating the significant assumptions discussed above, and evaluating the completeness and accuracy of the underlying data supporting the significant assumptions and estimates. For the forecasted net revenue growth and EBITDA margins, we compared the financial projections to current industry and economic trends, the historic financial performance of the acquired businesses, the Company's history with other acquisitions, and forecasted performance of guideline public companies. We also performed sensitivity analyses to evaluate the changes in the fair value of the customer relationship intangible assets that would result from changes in the significant assumptions. We involved our valuation specialists to assist in evaluating the methodologies used to estimate the fair value of the customer relationships intangible assets and to test certain significant assumptions, including the discount rate, which included comparison of the selected discount rates to the acquired business' weighted average cost of capital, an evaluation of the relationships of the weighted average cost of capital, internal rate of return and weighted-average return on assets, and consideration of guideline public company benchmarking analyses reflecting the composition of purchase prices for similar transactions.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2019.

Cincinnati, Ohio
November 15, 2023

HILLENBRAND, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share amounts)

	Year Ended September 30,		
	2023	2022	2021
Net revenue	\$ 2,826.0	\$ 2,315.3	\$ 2,241.4
Cost of goods sold	1,877.8	1,551.5	1,509.1
Gross profit	948.2	763.8	732.3
Operating expenses	574.0	442.7	451.6
Amortization expense	79.6	54.0	55.7
Loss (gain) on divestitures	—	3.1	(67.1)
Impairment charges	—	—	11.2
Interest expense, net	77.7	64.3	74.3
Income before income taxes	216.9	199.7	206.6
Income tax expense	102.8	84.0	78.6
Income from continuing operations	114.1	115.7	128.0
Income from discontinued operations (net of income tax expense)	19.5	99.5	127.2
Gain on divestiture of discontinued operations (net of income tax expense)	443.1	—	—
Total income from discontinued operations	462.6	99.5	127.2
Consolidated net income	576.7	215.2	255.2
Less: Net income attributable to noncontrolling interests	7.0	6.3	5.3
Net income attributable to Hillenbrand	\$ 569.7	\$ 208.9	\$ 249.9
Earnings per share			
Basic earnings per share			
Income from continuing operations attributable to Hillenbrand	\$ 1.53	\$ 1.52	\$ 1.64
Income from discontinued operations	6.63	1.39	1.70
Net income attributable to Hillenbrand	\$ 8.16	\$ 2.91	\$ 3.34
Diluted earnings per share			
Income from continuing operations attributable to Hillenbrand	\$ 1.53	\$ 1.51	\$ 1.63
Income from discontinued operations	6.60	1.38	1.68
Net income attributable to Hillenbrand	\$ 8.13	\$ 2.89	\$ 3.31
Weighted-average shares outstanding — basic	69.8	71.7	74.9
Weighted-average shares outstanding — diluted	70.1	72.2	75.4

See Notes to Consolidated Financial Statements

HILLENBRAND, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

	Year Ended September 30,		
	2023	2022	2021
Consolidated net income	\$ 576.7	\$ 215.2	\$ 255.2
Other comprehensive income (loss), net of tax			
Currency translation	6.5	(129.0)	34.1
Pension and postretirement	(1.7)	16.4	20.4
Change in net unrealized gain on derivative instruments	3.6	1.1	1.9
Total other comprehensive income (loss), net of tax	8.4	(111.5)	56.4
Consolidated comprehensive income	585.1	103.7	311.6
Less: Comprehensive income attributable to noncontrolling interests	6.9	4.1	5.2
Comprehensive income attributable to Hillenbrand	<u>\$ 578.2</u>	<u>\$ 99.6</u>	<u>\$ 306.4</u>

See Notes to Consolidated Financial Statements

HILLENBRAND, INC.
CONSOLIDATED BALANCE SHEETS
(in millions)

	September 30,	
	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 242.9	\$ 232.2
Trade receivables, net	398.7	252.9
Receivables from long-term manufacturing contracts	260.2	213.3
Inventories	592.6	485.6
Prepaid expenses and other current assets	113.2	102.8
Current assets held for sale	—	116.1
Total current assets	1,607.6	1,402.9
Property, plant, and equipment, net	320.7	231.9
Operating lease right-of-use assets	111.3	87.9
Intangible assets, net	1,377.1	808.0
Goodwill	2,028.1	1,151.1
Other long-term assets	102.9	80.4
Long-term assets held for sale	—	105.3
Total Assets	\$ 5,547.7	\$ 3,867.5
LIABILITIES		
Current Liabilities		
Trade accounts payable	\$ 451.5	\$ 371.0
Liabilities from long-term manufacturing contracts and advances	388.5	290.3
Current portion of long-term debt	19.7	—
Accrued compensation	99.6	97.0
Other current liabilities	331.7	205.7
Current liabilities held for sale	—	113.8
Total current liabilities	1,291.0	1,077.8
Long-term debt	1,990.4	1,222.1
Accrued pension and postretirement healthcare	101.4	101.3
Operating lease liabilities	88.1	70.5
Deferred income taxes	351.2	210.2
Other long-term liabilities	62.7	51.8
Long-term liabilities held for sale	—	25.8
Total Liabilities	3,884.8	2,759.5
Commitments and contingencies (Note 13)		
SHAREHOLDERS' EQUITY		
Common stock, no par value (75.8 and 75.8 shares issued, 69.9 and 68.9 shares outstanding)	—	—
Additional paid-in capital	709.5	723.8
Retained earnings	1,319.6	812.0
Treasury stock (5.9 and 6.9 shares), at cost	(251.7)	(297.3)
Accumulated other comprehensive loss	(147.1)	(155.6)
Hillenbrand Shareholders' Equity	1,630.3	1,082.9
Noncontrolling interests	32.6	25.1
Total Shareholders' Equity	1,662.9	1,108.0
Total Liabilities and Equity	\$ 5,547.7	\$ 3,867.5

See Notes to Consolidated Financial Statements

HILLENBRAND, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Year Ended September 30,		
	2023	2022	2021
Operating activities from continuing operations			
Consolidated net income	\$ 576.7	\$ 215.2	\$ 255.2
Adjustments to reconcile consolidated net income to cash provided by operating activities from continuing operations:			
Total income from discontinued operations (net of income tax expense)	(462.6)	(99.5)	(127.2)
Depreciation and amortization	125.6	98.6	104.6
Impairment charges	—	—	11.2
Deferred income taxes	(5.6)	12.5	(7.9)
Amortization of deferred financing costs	3.8	3.6	7.2
Share-based compensation	18.8	19.0	17.4
Loss (gain) on divestitures	—	3.1	(67.1)
Trade receivables and receivables from long-term manufacturing contracts	(30.8)	(124.2)	(17.5)
Inventories	57.2	(115.7)	(30.2)
Prepaid expenses and other current assets	19.5	(24.0)	(1.3)
Trade accounts payable	(14.7)	95.0	80.8
Liabilities from long-term manufacturing contracts and advances, accrued compensation, and other current liabilities	(95.8)	(9.5)	141.9
Income taxes payable	29.4	6.7	(2.6)
Accrued pension and postretirement	(9.4)	(9.5)	(9.4)
Other, net	(5.1)	(8.0)	7.6
Net cash provided by operating activities	207.0	63.3	362.7
Investing activities from continuing operations			
Capital expenditures	(69.3)	(38.3)	(28.2)
Proceeds from sales of property, plant, and equipment	0.8	1.7	—
Acquisitions of businesses, net of cash acquired	(1,350.9)	(90.6)	—
Proceeds from divestitures, net of cash divested	696.7	(4.5)	165.8
Other, net	0.4	—	—
Net cash (used in) provided by investing activities	(722.3)	(131.7)	137.6
Financing activities from continuing operations			
Proceeds from issuance of long-term debt	401.4	—	350.0
Repayments of long-term debt	(107.5)	—	(688.8)
Proceeds from revolving credit facility	1,467.4	83.0	395.0
Repayments on revolving credit facility	(1,009.4)	(74.3)	(395.0)
Payment of deferred financing costs	(3.3)	(3.7)	(5.4)
Payment of dividends on common stock	(61.3)	(62.0)	(64.0)
Repurchases of common stock	—	(203.9)	(121.1)
Proceeds from stock option exercises and other	21.0	25.3	13.1
Payments for employee taxes on net settlement equity awards	(12.7)	(7.0)	(3.5)
Other, net	(2.2)	(1.6)	(3.6)
Net cash provided by (used in) financing activities	693.4	(244.2)	(523.3)
Cash provided by (used in) continuing operations	178.1	(312.6)	(23.0)
Cash (used in) provided by discontinued operations:			
Operating cash flows	(136.8)	127.8	165.7
Investing cash flows	(7.6)	(11.7)	(11.6)
Total cash (used in) provided by discontinued operations	(144.4)	116.1	154.1
Effect of exchange rates on cash and cash equivalents	(21.1)	(16.8)	8.0
Net cash flows	12.6	(213.3)	139.1
Cash, cash equivalents, restricted cash, and cash and cash equivalents held for sale:			
At beginning of period	237.6	450.9	311.8
At end of period	\$ 250.2	\$ 237.6	\$ 450.9
Cash paid for interest	\$ 80.6	\$ 62.6	\$ 63.2
Cash paid for income taxes	\$ 238.6	\$ 71.5	\$ 93.2

See Notes to Consolidated Financial Statements

HILLENBRAND, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in millions)

Shareholders of Hillenbrand, Inc.								
	Common Stock	Additional	Retained	Treasury Stock		Accumulated	Noncontrolling	Total
	Shares	Paid-in	Earnings	Shares	Amount	Other	Interests	
		Capital				Comprehensive		
						Loss		
Balance at September 30, 2020	75.8	\$ 723.6	\$ 481.4	1.0	\$ (43.2)	\$ (102.8)	\$ 20.4	\$ 1,079.4
Total other comprehensive income (loss), net of tax	—	—	—	—	—	56.5	(0.1)	56.4
Net income	—	—	249.9	—	—	—	5.3	255.2
Issuance/retirement of stock for stock awards/options	—	(19.0)	—	(0.7)	28.6	—	—	9.6
Share-based compensation	—	19.7	—	—	—	—	—	19.7
Purchases of common stock	—	—	—	2.8	(121.1)	—	—	(121.1)
Dividends (\$0.8600 per share)	—	1.1	(65.1)	—	—	—	(3.0)	(67.0)
Balance at September 30, 2021	75.8	725.4	666.2	3.1	(135.7)	(46.3)	22.6	1,232.2
Total other comprehensive loss, net of tax	—	—	—	—	—	(109.3)	(2.2)	(111.5)
Net income	—	—	208.9	—	—	—	6.3	215.2
Issuance/retirement of stock for stock awards/options	—	(24.0)	—	(1.0)	42.3	—	—	18.3
Share-based compensation	—	21.3	—	—	—	—	—	21.3
Purchases of common stock	—	—	—	4.8	(203.9)	—	—	(203.9)
Dividends (\$0.8700 per share)	—	1.1	(63.1)	—	—	—	(1.6)	(63.6)
Balance at September 30, 2022	75.8	723.8	812.0	6.9	(297.3)	(155.6)	25.1	1,108.0
Total other comprehensive income (loss), net of tax	—	—	—	—	—	8.5	(0.1)	8.4
Net income	—	—	569.7	—	—	—	7.0	576.7
Issuance/retirement of stock for stock awards/options	—	(37.3)	—	(1.0)	45.6	—	—	8.3
Share-based compensation	—	22.2	—	—	—	—	—	22.2
Dividends (\$0.8800 per share)	—	0.8	(62.1)	—	—	—	(1.6)	(62.9)
Acquisition of noncontrolling interest	—	—	—	—	—	—	3.0	3.0
Purchase of noncontrolling interest	—	—	—	—	—	—	(0.8)	(0.8)
Balance at September 30, 2023	75.8	\$ 709.5	\$ 1,319.6	5.9	\$ (251.7)	\$ (147.1)	\$ 32.6	\$ 1,662.9

See Notes to Consolidated Financial Statements

HILLENBRAND, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in millions, except share and per share data)

1. Background

Hillenbrand, Inc. (“Hillenbrand” or the “Company”) is a global industrial company that provides highly-engineered processing equipment and solutions to customers around the world. Our portfolio is composed of leading industrial brands that serve large, attractive end markets, including durable plastics, food, and recycling. Guided by our Purpose, Shape What Matters For Tomorrow™, we pursue excellence, collaboration, and innovation to shape solutions that best serve our people, our customers, and our communities. Customers choose Hillenbrand due to our reputation for designing, manufacturing, and servicing highly-engineered, mission-critical equipment and solutions that meet their unique and complex processing requirements.

On February 1, 2023, the Company completed the divestiture of its historical Batesville reportable operating segment (“Batesville”) to BL Memorial Partners, LLC, a Delaware limited liability company owned by funds affiliated with LongRange Capital, L.P., for \$761.5, subject to customary post-closing adjustments, and including an \$11.5 subordinated note.

This divestiture represented a strategic shift in Hillenbrand’s business and qualified as a discontinued operation. Accordingly, the operating results and cash flows related to Batesville have been reflected as discontinued operations in the Consolidated Statements of Operations and the Consolidated Statements of Cash Flows for all periods presented, while the assets and liabilities that were divested were classified within the Consolidated Balance Sheets as held for sale in the periods preceding the divestiture. Unless otherwise noted, discussion within the notes to the Consolidated Financial Statements relates to continuing operations only and excludes Batesville. See Note 4 for additional information on this divestiture.

The Company is providing, and will continue to provide, certain transition services to Batesville for applicable fees that are not material to the Company. The transition services vary in duration depending upon the type of service provided.

As a result of the divestiture of Batesville, Hillenbrand is now composed of two reportable operating segments: Advanced Process Solutions and Molding Technology Solutions. Advanced Process Solutions is a leading global provider of highly-engineered process and material handling equipment, systems, and aftermarket parts and services for a variety of industries, including durable plastics, food, and recycling. Key technologies within the Advanced Process Solutions portfolio include compounding, extrusion, material handling, conveying, mixing, ingredient automation, portion process, and screening and separating equipment. Molding Technology Solutions is a global leader in highly-engineered equipment, systems, and aftermarket parts and service for the plastic technology processing industry. Molding Technology Solutions has a comprehensive product portfolio that includes injection molding and extrusion equipment, hot runner systems, process control systems, mold bases and components, and maintenance, repair, and operating (“MRO”) supplies.

2. Summary of Significant Accounting Policies

Basis of presentation — The accompanying Consolidated Financial Statements include the accounts of Hillenbrand and its subsidiaries, as well as four subsidiaries where the Company’s ownership percentage is less than 100%. The portion of the businesses that are not owned by the Company is presented as noncontrolling interests within shareholders’ equity in the Consolidated Balance Sheets. Income attributable to the noncontrolling interests is separately reported within the Consolidated Statements of Operations. All significant intercompany accounts and transactions have been eliminated. Certain prior period balances have been reclassified to conform to the current presentation.

Use of estimates — The Company prepared the Consolidated Financial Statements in conformity with United States (“U.S.”) generally accepted accounting principles (“GAAP”). GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements and the reported amounts of net revenue and expenses during the reporting period. The Company’s results are affected by economic, political, legislative, regulatory and legal actions. Economic conditions, such as recessionary trends, inflation, interest and monetary exchange rates, government fiscal policies, and changes in the prices of raw materials, can have a significant effect on operations. These factors and other events may cause actual results to differ from management’s estimates.

Foreign currency translation — The financial statements of the Company’s foreign subsidiaries are translated into U.S. dollars using period-end exchange rates for assets and liabilities and average exchange rates for operating results. Unrealized translation gains and losses are included in accumulated other comprehensive loss in shareholders’ equity in the Consolidated Balance Sheets. When a transaction is denominated in a currency other than the subsidiary’s functional currency, the Company

recognizes a transaction gain or loss in operating expenses, net within the Consolidated Statements of Operations when the transaction is settled.

Cash and cash equivalents and restricted cash include short-term investments with original maturities of three months or less. The carrying amounts reported in the Consolidated Balance Sheets for cash and cash equivalents and restricted cash are valued at cost, which approximates their fair value.

The following table provides a reconciliation of cash and cash equivalents, restricted cash, cash and cash equivalents held for sale reported within the Consolidated Balance Sheets that sum to the total of the same amounts shown in the Consolidated Statements of Cash Flows:

	September 30,	
	2023	2022
Cash and cash equivalents	\$ 242.9	\$ 232.2
Short-term restricted cash included in other current assets	7.3	3.5
Cash and cash equivalents held for sale	—	1.9
Total cash, cash equivalents, restricted cash and cash and cash equivalents held for sale shown in the Consolidated Statements of Cash Flows	\$ 250.2	\$ 237.6

Trade receivables are recorded at the invoiced amount and generally do not bear interest, unless they become past due. The allowance for credit losses is a best estimate of the amount of probable credit losses and collection risk in the existing trade receivables portfolio. Account balances are charged against the allowance when the Company believes it is probable the trade receivables will not be recovered. The Company generally holds trade receivables until they are collected. At September 30, 2023 and 2022, the Company had an allowance for credit losses against trade receivables of \$10.1 and \$6.4, respectively.

Inventories are generally valued at the lower of cost or net realizable value, unless the inventories are acquired in a business combination, at which time it is recorded at fair value. See Note 5 for additional information. Costs of inventories have been determined principally by the first-in, first-out (“FIFO”) and average cost methods. Inventories are comprised of the following amounts at:

	September 30,	
	2023	2022
Raw materials and components	\$ 285.2	\$ 210.1
Work in process	135.0	107.9
Finished goods	172.4	167.6
Total inventories	\$ 592.6	\$ 485.6

Property, plant, and equipment are carried at cost less accumulated depreciation, unless the property, plant and equipment is acquired in a business combination, at which time it is recorded at fair value. See Note 5 for additional information on current year business combinations. Depreciation is computed using principally the straight-line method based on estimated useful lives of three to 50 years for buildings and improvements and three to 25 years for machinery and equipment. Major improvements that extend the useful lives of such assets are capitalized while expenditures for maintenance, repairs, and minor improvements are expensed as incurred. Upon disposal or retirement, the cost and accumulated depreciation of assets are eliminated. Any gain or loss is reflected within operating expenses, net on the Consolidated Statements of Operations. The Company reviews these assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss would be recognized when estimated future undiscounted cash flows relating to the asset (i.e. fair value) are less than its carrying amount. The impairment loss is measured as the amount by which the carrying amount of an asset exceeds its fair value. There was no impairment loss during the years ended September 30, 2023, 2022, or 2021. Total depreciation expense for the years ended September 30, 2023, 2022, and 2021 was \$42.1, \$41.7, and \$46.2, respectively. Property, plant, and equipment are summarized as follows at:

	September 30, 2023		September 30, 2022	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land and land improvements	\$ 31.1	\$ (1.3)	\$ 22.2	\$ (1.4)
Buildings and building equipment	144.5	(46.1)	109.5	(38.5)
Machinery and equipment	371.8	(179.3)	297.8	(157.7)
Total	<u>\$ 547.4</u>	<u>\$ (226.7)</u>	<u>\$ 429.5</u>	<u>\$ (197.6)</u>

Goodwill is not amortized, but is tested for impairment at least annually, or on an interim basis upon the occurrence of triggering events or substantive changes in circumstances. Goodwill has been assigned to reporting units. The Company assesses the carrying value of goodwill annually, or more often if events or changes in circumstances indicate there may be impairment. Impairment testing is performed at a reporting unit level.

The following table summarizes the changes in the Company's goodwill, by reportable operating segment, for the years ended September 30, 2023 and 2022:

	Advanced Process Solutions	Molding Technology Solutions	Total
Balance September 30, 2021	\$ 484.9	\$ 675.4	\$ 1,160.3
Acquisitions ⁽¹⁾	74.9	—	74.9
Foreign currency adjustments	(43.8)	(40.3)	(84.1)
Balance September 30, 2022	516.0	635.1	1,151.1
Acquisitions ⁽²⁾	859.4	—	859.4
Acquisition measurement period adjustments	(38.9)	—	(38.9)
Foreign currency adjustments	58.4	(1.9)	56.5
Balance September 30, 2023	<u>\$ 1,394.9</u>	<u>\$ 633.2</u>	<u>\$ 2,028.1</u>

⁽¹⁾ See Note 5 for further information on the acquisitions of Gabler Engineering GmbH and affiliate ("Gabler") and Herbold Meckesheim GmbH ("Herbold").

⁽²⁾ See Note 5 for further information on the acquisitions of LINXIS Group SAS ("Linxis"), the Peerless Food Equipment business ("Peerless"), and the Schenck Process Food and Performance Materials ("FPM") business

Annual impairment assessment

Testing for impairment of goodwill and indefinite-lived intangible assets must be performed annually, or on an interim basis upon the occurrence of triggering events or substantive changes in circumstances that indicate that the fair value of the asset or reporting unit may have decreased below the carrying value.

The Company performed its annual July 1 goodwill and indefinite-lived intangible asset impairment assessments for all reporting units. For all reporting units, the fair value was determined to exceed the carrying value, resulting in no impairment to goodwill as part of this test for the years ended September 30, 2023 and 2022. As a result of the Milacron acquisition in fiscal 2020 and the impact of macroeconomic conditions, there is less cushion, or headroom, for the reporting units with the Molding Technology Solutions reportable operating segment. The estimated fair value, as calculated at July 1, 2023, for all three reporting units within the Molding Technology Solutions reportable operating segment ranged from approximately 10% to 28% greater than their carrying value (13% to 54% at the previous impairment assessment date).

Determining the fair value of a reporting unit requires the Company to make significant judgments, estimates, and assumptions. The Company believes these estimates and assumptions are reasonable. However, future changes in the judgments, assumptions and estimates that are used in the impairment testing for goodwill, including discount and tax rates and future cash flow projections, could result in significantly different estimates of the fair values.

The key assumptions for the market and income approaches we use to determine fair value of our reporting units are updated at least annually. Those assumptions and estimates include macroeconomic conditions, competitive activities, cost containment, achievement of synergy initiatives, market data and market multiples, discount rates, and terminal growth rates, as well as future levels of net revenue growth and operating margins, which are based upon the Company's strategic plan. The strategic plan is updated as part of its annual planning process and is reviewed and approved by management and the Board of Directors. The strategic plan may be revised as necessary during a fiscal year, based on changes in market conditions or other changes in

the reporting units. The discount rate assumption is based on the overall after-tax rate of return required by a market participant whose weighted-average cost of capital includes both equity and debt, including a risk premium. The discount rates may be impacted by adverse changes in the macroeconomic environment, volatility in the equity and debt markets or other factors. While the Company can implement and has implemented certain strategies to address these events, changes in operating plans or adverse changes in the future could reduce the underlying cash flows used to estimate reporting unit fair values and could result in a decline in fair value that would trigger a future material impairment charge of the reporting units' goodwill balance.

Although there are always changes in assumptions to reflect changing business and market conditions, our overall valuation methodology and the types of assumptions we use have remained consistent. While we use the best available information to prepare the cash flow and discount rate assumptions, actual future cash flows or market conditions could differ significantly resulting in future impairment charges related to recorded goodwill balances.

The Company is required to provide additional disclosures about fair value measurements as part of the Consolidated Financial Statements for each major category of assets and liabilities measured at fair value on a nonrecurring basis (including impairment assessments). Goodwill and indefinite-lived intangible assets were valued using Level 3 inputs, which are unobservable by nature, and included internal estimates of future cash flows (income approach). Significant increases (decreases) in any of those unobservable inputs in isolation would result in a significantly higher (lower) fair value measurement.

Intangible assets are stated at the lower of cost or fair value. With the exception of certain trade names, intangible assets are amortized on a straight-line basis over periods ranging from three to 21 years, representing the period over which the Company expects to receive future economic benefits from these intangible assets. The Company assesses the carrying value of indefinite-lived trade names annually, or more often if events or changes in circumstances indicate there may be impairment. Estimated amortization expense related to intangible assets for the next five years is: \$102.7 in 2024, \$99.8 in 2025, \$99.1 in 2026, \$99.0 in 2027, and \$99.0 in 2028. Intangible assets are summarized as follows at:

	September 30, 2023		September 30, 2022	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Finite-lived assets:				
Customer relationships	1,290.2	(291.4)	739.6	(221.1)
Technology, including patents	192.3	(83.1)	132.9	(68.4)
Software	41.7	(31.7)	34.4	(27.0)
Trade Names	41.9	(4.2)	—	—
	1,566.1	(410.4)	906.9	(316.5)
Indefinite-lived assets:				
Trade names	221.4	—	217.6	—
Total	\$ 1,787.5	\$ (410.4)	\$ 1,124.5	\$ (316.5)

Finite-lived intangible assets, net of \$740.0 and \$136.8 are included in the Advanced Process Solutions reportable operating segment at September 30, 2023 and 2022, respectively. Indefinite-lived intangible assets of \$109.3 and \$105.5 are included in the Advanced Process Solutions reportable operating segment at September 30, 2023 and 2022, respectively. The net change in intangible assets in the Advanced Process Solutions reportable operating segment during the years ended September 30, 2023 and 2022, was driven primarily by acquisitions, amortization, and foreign currency adjustments. Finite-lived intangible assets, net of \$412.9 and \$450.3 are included in the Molding Technology Solutions reportable operating segment at September 30, 2023 and 2022, respectively. Indefinite-lived intangible assets of \$112.1 are included in the Molding Technology Solutions reportable operating segment at both September 30, 2023 and 2022. The net change in intangible assets in the Molding Technology Solutions reportable operating segment during the years ended September 30, 2023 and 2022, was driven primarily by amortization and foreign currency adjustments.

Annual impairment assessment

As a result of the required annual impairment assessment performed in the fourth quarter of 2023 and 2022, as discussed in the goodwill section above, the fair value of indefinite-lived trade names was determined to exceed the carrying value for all indefinite-lived trade names, resulting in no impairment to indefinite-lived trade names as a result of the annual impairment tests during the years ended September 30, 2023 and 2022. The key assumptions used to determine the fair value of the Company's indefinite-lived trade names are consistent with those described in the Goodwill section above, with the exception of the royalty rate utilized in the relief-from-royalty method, which ranged from 0.5% to 3.0%.

Environmental liabilities — Expenditures that relate to an existing condition caused by past operations which do not contribute to current or future net revenue generation are expensed. A reserve is established when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. These reserves are determined without consideration of possible loss recoveries. Based on consultations with an environmental engineer, the range of liability is estimated based on current interpretations of environmental laws and regulations. A determination is made of the specific measures that are believed to be required to remediate the site, the estimated total cost to carry out the remediation plan, and the periods in which the Company will make payments toward the remediation plan. The Company does not make an estimate of inflation for environmental matters because the number of sites is relatively small, the Company believes the magnitude of costs to execute remediation plans is not significant, and the estimated time frames to remediate sites are not believed to be lengthy.

Specific costs included in environmental expense and reserves include site assessment, remediation plan development, clean-up costs, post-remediation expenditures, monitoring, fines, penalties, and legal fees. The amount reserved represents the expected undiscounted future cash outflows associated with such plans and actions and the Company believes is not significant to Hillenbrand.

Self-insurance — The Company is self-funded up to certain limits in the U.S. for product and general liability, workers compensation, and auto liability insurance programs, as well as certain employee health benefits including medical, drug, and dental. Claims covered by insurance have in most instances deductibles and self-funded retentions up to \$0.5 per occurrence, depending upon the type of coverage and policy period. The Company's policy is to estimate reserves for product and general liability, workers compensation, and auto liability based upon a number of factors, including known claims, estimated incurred but not reported claims, and outside actuarial analysis. The outside actuarial analysis is based on historical information along with certain assumptions about future events. These reserves are classified as other current liabilities and other long-term liabilities within the Consolidated Balance Sheets.

Pension benefit plans — The Company sponsors retirement benefit plans covering some of our employees. The funded status of the Company's retirement benefit plans is recognized in the Consolidated Balance Sheets. The funded status is measured as the difference between the fair value of plan assets and the benefit obligation at September 30, the measurement date. For defined benefit retirement plans, the benefit obligation is the projected benefit obligation ("PBO"). The PBO represents the actuarial present value of benefits expected to be paid upon retirement based on estimated future compensation levels. These valuations reflect the terms of the plans and use participant-specific information such as compensation, age and years of service, as well as certain key assumptions that require significant judgment, including, but not limited to, estimates of discount rates, expected return on plan assets, rate of compensation increases, interest rates and mortality rates. The Company recognizes the change in the fair value of plan assets and net actuarial gains and losses annually in the fourth quarter of each fiscal year and whenever a plan is determined to qualify for a remeasurement. The remaining components of net pension (benefit) costs are recorded ratably on a quarterly basis.

Treasury stock consists of the Company's common shares that have been issued but subsequently reacquired. The Company accounts for treasury stock purchases under the cost method. When these shares are reissued, the Company uses an average-cost method to determine cost. Proceeds in excess of cost are credited to additional paid-in capital.

There were no shares repurchased during the year ended September 30, 2023. During the year ended September 30, 2022, the Company repurchased 4,767,000 shares for \$203.9 in the aggregate. Such shares were classified as treasury stock. During the years ended September 30, 2023, 2022, and 2021, there were shares of approximately 1,000,000, 1,000,000, and 700,000, respectively, issued from treasury stock under stock compensation programs.

Preferred stock — The Company has authorized 1,000,000 shares of preferred stock (no par value), of which no shares were issued or outstanding at September 30, 2023 and 2022.

Accumulated other comprehensive loss — Includes all changes in Hillenbrand shareholders' equity during the period except those that resulted from investments by or distributions to shareholders. Accumulated other comprehensive loss was comprised of the following amounts as of:

	September 30,	
	2023	2022
Currency translation	\$ (107.1)	\$ (113.7)
Pension and postretirement (net of taxes of \$11.5 and \$11.9)	(34.5)	(32.8)
Unrealized loss on derivative instruments (net of taxes of \$0.7 and \$1.2)	(5.5)	(9.1)
Accumulated other comprehensive loss	<u>\$ (147.1)</u>	<u>\$ (155.6)</u>

Revenue recognition — Net revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services and is recognized when performance obligations are satisfied under the terms of contracts with customers.

A performance obligation is deemed to be satisfied by the Company when control of the product or service is transferred to the customer. The transaction price of a contract, or the amount the Company expects to receive upon satisfaction of the performance obligation, is determined by reference to the contract's terms and includes adjustments, if applicable, for any variable consideration, such as sales discounts and sales incentives, all of which require us to make estimates for the portion of these allowances that have yet to be credited or paid to our customers. We estimate these allowances using the expected value method, which is based upon historical rates and projections of customer purchases toward contractual rebate or incentive thresholds. If a contract contains more than one distinct performance obligation, the transaction price is allocated to each performance obligation based on the standalone selling price of each performance obligation; however, these situations do not occur frequently and are not material to the Consolidated Financial Statements, as our contracts generally include one performance obligation for the transfer of goods or services.

The timing of revenue recognition for the contract's performance obligation is either over time or at a point in time. We recognize revenue over time for contracts that have an enforceable right to collect payment for performance completed to date upon customer cancellation and provide one or more of the following: (i) service over a period of time, (ii) highly customized equipment, or (iii) parts which are highly engineered and have no alternative use. Net revenue generated from standard equipment and highly customized equipment or parts contracts without an enforceable right to payment for performance completed to date, as well as net revenue from non-specialized parts sales, is recognized at a point in time.

We use the input method of "cost-to-cost" to recognize net revenue over time. Accounting for these contracts involves management judgment in estimating total contract revenue and cost. Contract revenue is largely determined by negotiated contract prices and quantities, modified by our assumptions regarding contract options, change orders, and incentive and award provisions associated with technical performance clauses. Contract costs are incurred over longer periods of time and, accordingly, the estimation of these costs requires judgment. We measure progress based on costs incurred to date relative to total estimated cost at completion. Incurred cost represents work performed, which corresponds with, and we believe thereby best depicts, the transfer of control to the customer. Contract costs include labor, material, and certain overhead expenses. Cost estimates are based on various assumptions to project the outcome of future events, including labor productivity and availability, the complexity of the work to be performed, the cost of materials, and the performance of suppliers and subcontractors. Significant factors that influence these estimates include inflationary trends, technical and schedule risk, internal and subcontractor performance trends, business volume assumptions, asset utilization, and anticipated labor agreements. Net revenue and cost estimates are regularly monitored and revised based on changes in circumstances. Anticipated losses on long-term manufacturing contracts are recognized immediately when such losses become evident. We maintain financial controls over the customer qualification, contract pricing, and estimation processes designed to reduce the risk of contract losses.

Standalone service net revenue is recognized either over time proportionately over the period of the underlying contract or as invoiced, depending on the terms of the arrangement. Standalone service revenue is not material to the Company.

Contract balances

The Company often requires an advance deposit based on the terms and conditions of contracts with customers for many of its contracts. Payment terms generally require an upfront payment at the start of the contract, and the remaining payments during the contract or within a certain number of days of delivery. Typically, net revenue is recognized within one year of receiving an

advance deposit. For certain contracts within the Advanced Process Solutions reportable operating segment where an advance payment is received greater than one year from expected net revenue recognition, or a portion of the payment due extends beyond one year, the Company has determined it does not constitute a significant financing component.

The timing of revenue recognition, billings, and cash collections can result in trade receivables, advance payments, and billings in excess of net revenue recognized. Customer receivables include amounts billed and currently due from customers and are included in trade receivables, net, as well as unbilled amounts (contract assets) which are included in receivables from long-term manufacturing contracts on the Consolidated Balance Sheets. Amounts are billed in accordance with contractual terms or as work progresses in accordance with contractual terms. Unbilled amounts arise when the timing of billing differs from the timing of net revenue recognized, such as when contract provisions require specific milestones to be met before a customer can be billed. Unbilled amounts primarily relate to performance obligations satisfied over time when the cost-to-cost method is used and the revenue recognized exceeds the amount billed to the customer as there is not yet a right to payment in accordance with contractual terms. Unbilled amounts are recorded as a contract asset when the net revenue associated with the contract is recognized prior to billing and derecognized when billed in accordance with the terms of the contract.

Advance payments and billings in excess of net revenue recognized are included in liabilities from long-term manufacturing contracts and advances on the Consolidated Balance Sheets. Advance payments and billings in excess of net revenue recognized represent contract liabilities and are recorded when customers remit contractual cash payments in advance of us satisfying performance obligations under contractual arrangements, including those with performance obligations satisfied over time. Billings in excess of net revenue recognized primarily relate to performance obligations satisfied over time when the cost-to-cost method is used and revenue cannot yet be recognized as the Company has not completed the corresponding performance obligation. Contract liabilities become unrecognized when net revenue is recognized and the performance obligation is satisfied.

The balance in receivables from long-term manufacturing contracts at September 30, 2023 and 2022 was \$60.2 and \$213.3, respectively. The change was driven by acquisitions and the impact of net revenue recognized prior to billings. The balance in the liabilities from long-term manufacturing contracts and advances at September 30, 2023 and 2022 was \$388.5 and \$290.3, respectively, and consists primarily of cash payments received or due in advance of satisfying performance obligations. The net revenue recognized for the years ended September 30, 2023 and 2022 related to liabilities from long-term manufacturing contracts and advances as of September 30, 2022 and 2021 was \$218.5 and \$203.8, respectively. During the years ended September 30, 2023, 2022, and 2021, the adjustments related to performance obligations satisfied in previous periods were immaterial.

Costs incurred to obtain a customer contract are not material to the Company. The Company elected to apply the practical expedient to not capitalize contract costs to obtain contracts with a duration of one year or less, which are expensed as incurred.

Cost of goods sold consists primarily of purchased material costs, fixed manufacturing expense, variable direct labor, and overhead costs. It also includes costs associated with the distribution and delivery of products.

Research and development costs are expensed as incurred as a component of operating expenses and were \$25.4, \$19.8, and \$20.3 for the years ended September 30, 2023, 2022, and 2021, respectively.

Warranty costs — The Company records the estimated warranty cost of a product at the time net revenue is recognized. Warranty expense is accrued based upon historical information and may also include specific provisions for known conditions. Warranty obligations are affected by actual product performance and by material usage and service costs incurred in making product corrections. The Company's warranty provision takes into account the best estimate of amounts necessary to settle future and existing claims on products sold. The Company engages in extensive product quality programs and processes in an effort to minimize warranty obligations, including active monitoring and evaluation of the quality of component suppliers. Warranty reserves were \$35.8 and \$22.4 as of September 30, 2023 and 2022, respectively. Warranty costs are recorded as a component of cost of goods sold and were \$15.2, \$10.6, and \$13.3 during the years ended September 30, 2023, 2022, and 2021, respectively.

Income taxes — The Company establishes deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the Consolidated Financial Statements. Deferred tax assets and liabilities are determined in part based on the differences between the accounting treatment of tax assets and liabilities under GAAP and the tax basis of assets and liabilities using statutory tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in statutory tax rates on deferred tax assets and liabilities is recognized in consolidated net income in the period that includes the enactment date. The Company continues to assert that most of the cash at its foreign subsidiaries represents earnings considered to be permanently reinvested for which deferred taxes have not been recorded in the Consolidated Financial

Statements, as the Company does not intend, nor does the Company foresee a need, to repatriate these funds. The Company continues to actively evaluate its global capital deployment and cash needs.

The Company has a variety of deferred income tax assets in numerous tax jurisdictions. The recoverability of these deferred income tax assets is assessed periodically, and valuation allowances are recognized if it is determined that it is more likely than not that the benefits will not be realized. When performing this assessment, the Company considers the ability to carryback losses to prior tax periods, future taxable income, the reversal of existing temporary differences, and tax planning strategies. The Company accounts for accrued interest and penalties related to unrecognized tax benefits in income tax expense.

Derivative financial instruments — The Company has hedging programs in place to manage its currency exposures. The objectives of the Company's hedging programs are to mitigate exposures in gross margin and non-functional-currency-denominated assets and liabilities. Under these programs, the Company uses derivative financial instruments to manage the economic impact of fluctuations in currency exchange rates. These include foreign currency exchange forward contracts, which generally have terms up to 24 months. Additionally, the Company periodically enters into interest rate swaps to manage or hedge the risks associated with indebtedness and interest payments. The Company's objectives in using these interest rate swaps are to add stability to interest expense and to manage exposure to interest rate movements.

The Company measures all derivative instruments at fair value and reports them on the Consolidated Balance Sheets as assets or liabilities. Changes in the fair value of derivatives are accounted for depending on the intended use of the derivative, designation of the hedging relationship, and whether or not the criteria to apply hedge accounting have been satisfied. If a derivative is designated as a fair value hedge, the gain or loss on the derivative and the offsetting loss or gain on the hedged asset or liability are recognized in earnings. For derivative instruments designated as a cash flow hedge, the effective portion of the gain or loss on the derivative instrument is reported as a component of accumulated other comprehensive loss and reclassified to earnings in the same period that the hedged transaction affects earnings. The portion of the gain or loss that does not qualify for hedge accounting is immediately recognized in earnings.

The aggregate notional amount of all derivative instruments was \$164.6 and \$156.0 at September 30, 2023 and 2022, respectively. The carrying value of all of the Company's derivative instruments at fair value resulted in assets of \$1.5 and \$2.6 (included in prepaid expenses and other current assets) and liabilities of \$1.7 and \$8.0 (included in other current liabilities and other long-term liabilities) at September 30, 2023 and 2022, respectively. See Note 14 for additional information on the fair value of the Company's derivative instruments.

Foreign currency derivatives

Contracts designated as cash flow hedges for customer orders or intercompany purchases have an offsetting tax-adjusted amount in accumulated other comprehensive loss. Foreign exchange contracts intended to manage foreign currency exposures within the Consolidated Balance Sheets have an offsetting amount recorded in other income, net. The cash flows from such hedges are presented in the same category in the Consolidated Statement of Cash Flows as the items being hedged.

Other financial instruments — The Company has a trade receivables financing arrangement (the "Arrangement") with a financial institution (the "Factor"). In accordance with Accounting Standards Codification ("ASC") 860, *Transfers and Servicing*, this Arrangement is not deemed a true sale, as the Company retains effective control over the transferred trade receivables. As such, the Company continues to report the transferred financial assets as trade receivables on the Consolidated Balance Sheet with no change in the assets' measurement, and recorded the amounts payable to the Factor as secured borrowings. As of September 30, 2023, the Company's secured borrowing (liability) under this arrangement was \$20.9, which is included in other current liabilities in the Consolidated Balance Sheet. This Arrangement did not exist at September 30, 2022.

Business acquisitions and related business acquisition and integration costs — Assets and liabilities associated with business acquisitions are recorded at fair value, using the acquisition method of accounting. The Company allocates the purchase price of acquisitions based upon the fair value of each component, which may be derived from observable or unobservable inputs and assumptions. The Company generally utilizes third-party valuation specialists to assist us in this allocation. Initial purchase price allocations are preliminary and subject to revision within the measurement period, generally not to exceed one year from the date of acquisition.

Business acquisition and integration costs are expensed as incurred and are reported as a component of cost of goods sold and operating expenses depending on the nature of the cost. The Company defines these costs to include finder's fees, advisory, legal, accounting, valuation, and other professional or consulting fees, as well as travel associated with investigating opportunities (including acquisition and divestitures). Business acquisition and integration costs also include costs associated

with acquisition tax planning, retention bonuses, and related integration costs. These costs exclude the ongoing expenses of the Company's business development department.

Businesses and assets held for sale — Businesses and assets held for sale represent components that meet accounting requirements to be classified as held for sale and are presented as single asset and liability amounts in the Consolidated Financial Statements with a valuation allowance, if necessary, to recognize the net carrying amount at the lower of cost or fair value, less cost to sell.

For assets (disposal group) held for sale, the disposal group as a whole is measured at the lower of its carrying amount or fair value less cost to sell after adjusting the individual assets of the disposal group, if necessary. If the carrying value of assets, after the consideration of other asset valuation guidance, exceeds fair value less cost to sell, the Company establishes a valuation adjustment which would offset the original carrying value of disposal group. This valuation adjustment would be adjusted based on subsequent changes in our estimate of fair value less cost to sell. If the fair value less cost to sell increases, the carrying amount of the long-lived assets would be adjusted upward; however, the increased carrying amount cannot exceed the carrying amount of the disposal group before the decision to dispose of the assets was made. Estimates are required to determine the fair value, the disposal costs and the time period to dispose of the assets. The estimate of fair value incorporates the transaction approach, which utilizes pricing indications derived from recent acquisition transactions involving comparable companies. Such estimates are critical in determining whether any impairment charge should be recorded and the amount of such charge if an impairment loss is deemed to be necessary. The Company reviews all businesses and assets held for sale each reporting period to determine whether the existing carrying amounts are fully recoverable in comparison to estimated fair values, less cost to sell. See Note 4 for further information.

Restructuring costs may occur when the Company takes action to exit or significantly curtail a part of the Company's operations or change the deployment of assets or personnel. A restructuring charge can consist of an impairment or accelerated depreciation of affected assets, severance costs associated with reductions to the workforce, costs to terminate an operating lease or contract, and charges for legal obligations for which no future benefit will be derived.

Recently adopted accounting standards — In December 2019, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. ASU 2019-12 clarifies and simplifies accounting for income taxes by eliminating certain exceptions for intraperiod tax allocation principles, the methodology for calculating income tax rates in an interim period, and recognition of deferred taxes for outside basis differences in an investment, among other updates. ASU 2019-12 became effective for the Company's fiscal year beginning on October 1, 2021. The adoption of ASU 2019-12 did not have a material impact on the Consolidated Financial Statements.

In October 2021, the FASB issued ASU 2021-08, *Business Combinations (Topic 805) - Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*. ASU 2021-08 requires companies to apply Accounting Standards Codification 606, *Revenue from Contracts with Customers* ("ASC 606"), to recognize and measure contract assets and contract liabilities from contracts with customers acquired in a business combination. This generally will result in an acquirer recognizing contract assets and contract liabilities at amounts consistent with those recorded by the acquiree immediately before the acquisition as compared to the ASC 805, *Business Combinations* ("ASC 805") requirement that an acquirer recognize and measure the assets it acquires and liabilities it assumes at fair value on the acquisition date. ASU 2021-08 is effective for the Company's fiscal year beginning October 1, 2023, with early adoption permitted. The Company elected to early adopt ASU 2021-08, and applied it to all acquisitions executed in the current year, as applicable.

No other new accounting pronouncements recently adopted or issued had or are expected to have a material impact on the Consolidated Financial Statements.

3. Revenue Recognition

Net revenue includes gross revenue less sales discounts and sales incentives, all of which require the Company to make estimates for the portion of these allowances that have yet to be credited or paid to customers. The Company estimates these allowances using the expected value method, which is based upon historical rates and projections of customer purchases toward contractual rebate thresholds.

Transaction price allocated to the remaining performance obligations

As of September 30, 2023, the aggregate amount of transaction price of remaining performance obligations, which corresponds to backlog, as defined in Part II, Item 7 of this Form 10-K, for the Company was \$2,099.7. Approximately 81% of these remaining performance obligations are expected to be satisfied over the next twelve months, and the remaining performance obligations, primarily within one to three years.

Disaggregation of net revenue

The following tables present net revenue by end market:

	Year Ended September 30, 2023			Year Ended September 30, 2022		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
End Market						
Plastics and recycling	\$ 1,033.3	\$ —	\$ 1,033.3	\$ 925.2	\$ —	\$ 925.2
Automotive	—	208.4	208.4	—	196.7	196.7
Chemicals	126.3	—	126.3	101.0	—	101.0
Consumer goods	—	134.4	134.4	—	159.4	159.4
Food and pharmaceuticals	470.5	—	470.5	91.1	—	91.1
Custom molders	—	110.1	110.1	—	143.9	143.9
Packaging	—	135.0	135.0	—	130.3	130.3
Construction	—	131.8	131.8	—	121.3	121.3
Minerals	62.6	—	62.6	49.3	—	49.3
Electronics	—	75.4	75.4	—	77.6	77.6
Medical	—	67.0	67.0	—	82.2	82.2
Other industrial	130.8	140.4	271.2	103.2	134.1	237.3
Total	\$ 1,823.5	\$ 1,002.5	\$ 2,826.0	\$ 1,269.8	\$ 1,045.5	\$ 2,315.3

The following tables present net revenue by geographical market:

	Year Ended September 30, 2023			Year Ended September 30, 2022		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
Geographical Markets						
Americas	\$ 670.1	\$ 579.3	\$ 1,249.4	\$ 308.4	\$ 583.0	\$ 891.4
Asia	586.2	270.9	857.1	646.5	308.1	954.6
Europe, the Middle East, and Africa	567.2	152.3	719.5	314.9	154.4	469.3
Total	\$ 1,823.5	\$ 1,002.5	\$ 2,826.0	\$ 1,269.8	\$ 1,045.5	\$ 2,315.3

The following tables present net revenue by products and services:

	Year Ended September 30, 2023			Year Ended September 30, 2022		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
Products and Services						
Equipment	\$ 1,319.5	\$ 658.1	\$ 1,977.6	\$ 892.8	\$ 718.2	\$ 1,611.0
Parts and services	504.0	281.4	785.4	377.0	261.9	638.9
Other	—	63.0	63.0	—	65.4	65.4
Total	\$ 1,823.5	\$ 1,002.5	\$ 2,826.0	\$ 1,269.8	\$ 1,045.5	\$ 2,315.3

The following tables present net revenue by timing of transfer:

	Year Ended September 30, 2023			Year Ended September 30, 2022		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
Timing of Transfer						
Point in time	\$ 972.1	\$ 914.1	\$ 1,886.2	\$ 573.4	\$ 1,001.5	\$ 1,574.9
Over time	851.4	88.4	939.8	696.4	44.0	740.4
Total	<u>\$ 1,823.5</u>	<u>\$ 1,002.5</u>	<u>\$ 2,826.0</u>	<u>\$ 1,269.8</u>	<u>\$ 1,045.5</u>	<u>\$ 2,315.3</u>

4. Divestitures

Batesville

As previously described, on February 1, 2023, the Company completed the divestiture of Batesville to BL Memorial Partners, LLC, a Delaware limited liability company owned by funds affiliated with LongRange Capital, L.P., for \$761.5, subject to closing adjustments, and including an \$11.5 subordinated note. At closing, after the applicable adjustments, the Company received \$698.0 in pre-tax cash proceeds, including an adjustment for cash on hand acquired from the Company, and the previously mentioned subordinated note.

This divestiture represented a strategic shift in Hillenbrand's business and qualified as a discontinued operation. Accordingly, the operating results and cash flows related to Batesville have been reflected as discontinued operations in the Consolidated Statements of Operations and the Consolidated Statements of Cash Flows for all periods presented, while the assets and liabilities that were divested were classified within the Consolidated Balance Sheets as held for sale in the periods preceding the divestiture. The Company recognized a \$586.0 pre-tax gain on divestiture, recorded within gain on divestiture of discontinued operations (net of income tax expense) in the Consolidated Statement of Operations for the year ended September 30, 2023.

Certain indirect corporate costs included within operating expenses in the Consolidated Statements of Operations that were previously allocated to Batesville do not qualify for classification within discontinued operations and are now reported as operating expenses in continuing operations within corporate expenses. In addition, costs directly attributable to Batesville have been reflected in discontinued operations. As a result, income before income taxes of Batesville decreased \$16.0, \$3.1 and \$0.7 for the years ended September 30, 2023, 2022 and 2021, respectively.

Discontinued operations

Components of amounts reflected in the Consolidated Statements of Operations related to discontinued operations are presented in the table, as follows:

	Year Ended September 30,		
	2023	2022	2021
Net revenue	\$ 213.7	\$ 625.6	\$ 623.4
Cost of goods sold	142.2	434.8	398.4
Gross profit	71.5	190.8	225.0
Operating expense	42.3	76.4	77.9
Income from discontinued operations before income taxes	29.2	114.4	147.1
Income tax expense	9.7	14.9	19.9
Income from discontinued operations (net of income tax expense)	19.5	99.5	127.2
Gain on divestiture of discontinued operations (net of income tax expense of \$142.9)	443.1	—	—
Total income from discontinued operations	<u>\$ 462.6</u>	<u>\$ 99.5</u>	<u>\$ 127.2</u>

Assets and liabilities held for sale

The assets and liabilities of Batesville had been reflected as assets and liabilities held for sale in the periods preceding the divestiture. The following is a summary of the major categories of assets and liabilities held for sale at September 30, 2022:

Cash and cash equivalents	\$	1.9
Trade receivables, net		59.5
Inventories		48.2
Other assets		6.5
Current assets held for sale	\$	116.1
Property, plant and equipment, net	\$	49.1
Operating lease right-of-use assets, net		35.6
Intangible assets, net		2.7
Goodwill		8.3
Long-term assets		9.6
Long-term assets held for sale	\$	105.3
Trade accounts payable	\$	62.0
Accrued compensation		13.6
Operating lease liabilities		13.0
Other liabilities		25.2
Current liabilities held for sale	\$	113.8
Operating lease liabilities	\$	22.1
Other liabilities		3.7
Long-term liabilities held for sale	\$	25.8

Divestiture of Flow Control Businesses

On December 31, 2020, the Company completed the divestiture of Red Valve to DeZURIK, Inc. in a transaction valued at \$63.0. The divestiture included cash proceeds received at closing of \$59.4, including working capital adjustments, and a \$5.0 note receivable, included within other long-term assets on the Consolidated Balance Sheet at September 30, 2023 and 2022.

As a result of the Red Valve divestiture, the Company recorded a pre-tax gain of \$31.6 in the Consolidated Statement of Operations during the year ended September 30, 2021. The related tax effect resulted in tax expense of \$9.3 and was included within income tax expense in the Consolidated Statement of Operations during the year ended September 30, 2021. The Company incurred \$2.9 of transaction costs associated with the divestiture during the year ended September 30, 2021, which were recorded within operating expenses in the Consolidated Statement of Operations. Red Valve's results of operations were included within the Advanced Process Solutions reportable operating segment until the completion of the sale on December 31, 2020.

On March 10, 2021, the Company completed the divestiture of ABEL to IDEX Corporation, in a transaction valued at \$103.5. The divestiture included cash proceeds received at closing of \$106.3, including working capital adjustments.

As a result of the ABEL divestiture, the Company recorded a pre-tax gain of \$35.5, after post-closing adjustments, in the Consolidated Statement of Operations during the year ended September 30, 2021. The related tax effect resulted in tax expense of \$3.8 and was included within income tax expense in the Consolidated Statement of Operations during the year ended September 30, 2021. The Company incurred \$3.9 of transaction costs associated with the divestiture during the year ended September 30, 2021, which were recorded within operating expenses in the Consolidated Statement of Operations. ABEL's

results of operations were included within the Advanced Process Solutions reportable operating segment until the completion of the sale on March 10, 2021.

Divestiture of TerraSource

During the fourth quarter of 2021, the Company signed a definitive agreement to sell TerraSource, and as a result, recognized a non-cash valuation adjustment of \$11.2 to recognize TerraSource at fair value less estimated cost to sell. The non-cash charge of \$11.2 for the year ended September 30, 2021, was recorded within impairment charges on the Consolidated Statements of Operations.

On October 22, 2021, the Company completed the divestiture of TerraSource pursuant to a Contribution Agreement (“Agreement”) between the Company and certain affiliated companies of industrial holding company Right Lane Industries (“RLI”). Under the terms of the Agreement, Hillenbrand contributed TerraSource and its subsidiaries to a newly formed entity, TerraSource Holdings, LLC (“Holdings”), with RLI obtaining majority ownership and full operational control of TerraSource. In exchange for contributing the TerraSource business, the Company received consideration in the form of a five-year note with initial principal amount of \$25.6, subject to certain adjustments, and also retained a 49% equity interest in Holdings through one of the Company’s indirect wholly-owned subsidiaries. The fair value of the total consideration received by the Company was \$27.7. Subsequent to the divestiture, the Company’s equity interest in Holdings, which is not material to the Company, is accounted for under the equity method of accounting as prescribed by GAAP.

As a result of the TerraSource divestiture, the Company recorded a pre-tax loss of \$3.1, after post-closing adjustments, in the Consolidated Statement of Operations during the year ended September 30, 2022. The Company incurred \$0.4 of transaction costs associated with the divestiture during the year ended September 30, 2022, which were recorded within operating expenses in the Consolidated Statement of Operations. TerraSource’s results of operations were included within the Advanced Process Solutions reportable operating segment until the completion of the divestiture on October 22, 2021.

5. Acquisitions

Acquisition of Schenck Process Food and Performance Materials Business

On September 1, 2023, the Company completed its acquisition of FPM for total aggregate consideration of approximately \$748.7, net of certain customary post-closing adjustments, and including cash acquired. The Company used available borrowings under its multi-currency revolving credit facility (the “Facility”) to fund this acquisition.

Headquartered in Kansas City, Missouri, FPM specializes in the design, manufacturing, and service of feeding, filtration, baking, and material handling technologies and systems that are highly complementary to the equipment and solutions offered in our Advanced Process Solutions reportable operating segment. The results of FPM since the date of the acquisition are included in the Advanced Process Solutions reportable operating segment.

Preliminary purchase price allocation and other items

The Company utilized the services of an independent valuation consultant, along with estimates and assumptions determined by management, to estimate the fair value of the assets acquired and liabilities assumed. Given the timing of the acquisition, the valuation of property, plant, and equipment and leases is still in process of being valued by an independent valuation consultant. The preliminary allocation of the purchase price was based on an evaluation of the appropriate fair values and represents management’s best estimate based on available data. The purchase price allocation of the assets acquired and liabilities assumed is preliminary until the contractual post-closing adjustments are finalized, the final independent valuation consultant report is issued, and the measurement period allowed for under ASC 805 has closed. The final determination of the fair value of assets acquired and liabilities assumed will be completed within the one-year measurement period as allowed by ASC 805. Changes during the measurement period could be material. Based on the timing of this acquisition, there were no measurement period adjustments during the year ended September 30, 2023. Based on current fair value estimates, the preliminary purchase price for FPM has been allocated to individual assets acquired and liabilities assumed as of the acquisition date:

	September 1, 2023
Assets acquired:	
Cash and cash equivalents	\$ 17.3
Trade receivables	65.2
Receivables from long-term manufacturing contracts	22.4
Inventories	64.8
Prepaid expenses and other current assets	10.3
Property, plant, and equipment	27.3
Operating lease right-of-use assets	11.0
Intangible assets	338.0
Goodwill	476.5
Other non-current assets	2.7
Total assets acquired	1,035.5
Liabilities assumed:	
Trade accounts payable	59.4
Liabilities from long-term manufacturing contracts	86.6
Accrued compensation	13.5
Other current liabilities	45.7
Operating lease liabilities	9.5
Deferred income taxes	69.0
Other non-current liabilities	3.1
Total liabilities assumed	286.8
Net assets acquired	\$ 748.7

Intangible assets identified

The preliminary purchase price allocation included \$338.0 of acquired identifiable intangible assets. Intangible assets consist of FPM's technology and customer relationships and will be amortized on a straight-line basis over the respective estimated periods for which the intangible assets will provide economic benefit to the Company. The determination of the useful lives is based upon various industry studies, historical acquisition experience, degree of stability in the current FPM customer base, economic factors, and expected future cash flows of the Company following the acquisition of FPM. The technology was valued using the relief-from-royalty method of the income approach. Customer relationships were valued using the multi-period excess earnings method of the income approach. Significant assumptions used in the valuations included FPM's future cash flow projections, which were based on estimates used to price the FPM acquisition, discount rates that were benchmarked with reference to the implied rate of return to the Company's pricing model, and the applicable weighted-average cost of capital (12%).

The preliminary amounts allocated to intangible assets are as follows:

	Gross Carrying Amount	Weighted-Average Useful Life
Customer relationships	\$ 290.0	15 years
Technology	48.0	12 years
Total intangible assets	<u>\$ 338.0</u>	

Goodwill was calculated as the excess of the consideration transferred over the net assets recognized and represents the estimated future economic benefits arising from other assets acquired that could not be individually identified and separately

recognized. The factors contributing to the recognition of goodwill were based on strategic benefits that are expected to be realized from the acquisition. None of the goodwill is expected to be deductible for income tax purposes.

The working capital assets and liabilities were valued using Level 2 inputs, which included data points that are observable, such as definitive sales agreements, appraisals or established market values of comparable assets (market approach). Goodwill and identifiable intangible assets were valued using Level 3 inputs, which are unobservable by nature, and included internal estimates of future cash flows (income approach). Significant increases (decreases) in any of those unobservable inputs in isolation would result in a significantly lower (higher) fair value measurement. Management used a third-party valuation firm to assist in the determination of the preliminary purchase accounting fair values, specifically those considered Level 3 measurements. Management ultimately oversees the third-party valuation firm to ensure that the transaction-specific assumptions are appropriate for the Company.

Impact on results of operations

The results of FPM's operations have been included in Hillenbrand's Consolidated Financial Statements since the September 1, 2023, acquisition date. The following table provides the results of operations for FPM included in Hillenbrand's Consolidated Statement of Operations:

	Year Ended September 30, 2023	
Net revenue	\$	43.3
Income from continuing operations before income taxes		3.4

During the year ended September 30, 2023, the Company incurred \$16.2 in acquisition expenses related to the FPM acquisition, which are included in operating expenses in the Consolidated Statement of Operations.

Acquisition of Peerless Food Equipment

On December 1, 2022, the Company completed the acquisition of Peerless for a purchase price of \$59.2, net of certain customary post-closing adjustments and including cash acquired, using available borrowings under the Facility. Headquartered in Sidney, Ohio, Peerless is a premier supplier of industrial food processing equipment.

The acquisition of Peerless increased the Company's scale in the food end market, and combining Peerless' highly complementary equipment and solutions with other Advanced Process Solutions reportable operating segment technologies now allows the Company to deliver more comprehensive solutions to its customers. The results of Peerless since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

Preliminary purchase price allocation and other items

The Company utilized the services of an independent valuation consultant, along with estimates and assumptions determined by management, to estimate the fair value of the assets acquired and liabilities assumed. The preliminary allocation of the purchase price was based on an evaluation of the appropriate fair values and represents management's best estimate based on available data. The purchase price allocation of the assets acquired and liabilities assumed is preliminary until the contractual post-closing adjustments are finalized, the final independent valuation consultant report is issued, and the measurement period allowed for under ASC 805 has closed. The final determination of the fair value of assets acquired and liabilities assumed will be completed within the one-year measurement period as allowed by ASC 805. Changes during the measurement period could be material. Based on current fair value estimates, the preliminary purchase price for Peerless has been allocated to individual assets acquired and liabilities assumed as of the acquisition date:

	December 1, 2022 (as initially reported)	Measurement Period Adjustments	December 1, 2022 (as adjusted)
Assets acquired:			
Current assets	\$ 16.2	\$ 1.3	\$ 17.5
Property, plant, and equipment	2.3	—	2.3
Intangible assets	—	25.3	25.3
Goodwill	50.9	(27.3)	23.6
Total assets acquired	69.4	(0.7)	68.7
Liabilities assumed:			
Current liabilities	9.5	—	9.5
Total liabilities assumed	9.5	—	9.5
Net assets acquired	\$ 59.9	\$ (0.7)	\$ 59.2

Measurement period adjustments

The preliminary purchase price allocation was based upon a preliminary valuation, and the Company's estimates and assumptions are subject to change within the measurement period (defined as one year following the acquisition date). As a result of further refining its estimates and assumptions since the date of the acquisition, the Company recorded measurement period adjustments to the initial opening balance sheet as shown in the table above. Adjustments were primarily made to intangible assets and goodwill. There were no measurement period adjustments materially impacting earnings that would have been recorded in previous reporting periods if the adjustments had been recognized as of the acquisition date.

Intangible assets identified

The preliminary purchase price allocation included \$25.3 of acquired identifiable intangible assets. Intangible assets consist of Peerless' trade name and customer relationships, and will be amortized on a straight-line basis over the respective estimated periods for which the intangible assets will provide economic benefit to the Company. The determination of the useful lives is based upon various industry studies, historical acquisition experience, stability in the current Peerless customer base, economic factors, and future expected cash flows of the Company following the acquisition of Peerless. The trade name was valued using the relief-from-royalty method of the income approach. Customer relationships were valued using the multi-period excess earnings method of the income approach. Significant assumptions used in the valuations included Peerless' future cash flow projections, which were based on estimates used to price the Peerless acquisition, discount rates that were benchmarked with reference to the implied rate of return to the Company's pricing model, and the applicable weighted-average cost of capital (13%).

The preliminary amounts allocated to intangible assets are as follows:

	Gross Carrying Amount	Weighted-Average Useful Life
Customer relationships	\$ 22.0	13 years
Trade name	3.3	10 years
Total intangible assets	<u>\$ 25.3</u>	

Goodwill was calculated as the excess of the consideration transferred over the net assets recognized and represents the estimated future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. The factors contributing to the recognition of goodwill were based on strategic benefits that are expected to be realized from the acquisition. Goodwill is expected to be deductible for tax purposes.

The working capital assets and liabilities, as well as the property, plant, and equipment acquired, were valued using Level 2 inputs, which included data points that are observable, such as definitive sales agreements, appraisals or established market values of comparable assets (market approach). Goodwill and identifiable intangible assets were valued using Level 3 inputs, which are unobservable by nature, and included internal estimates of future cash flows (income approach). Significant increases

(decreases) in any of those unobservable inputs in isolation would result in a significantly lower (higher) fair value measurement. Management used a third-party valuation firm to assist in the determination of the preliminary purchase accounting fair values, specifically those considered Level 3 measurements. Management ultimately oversees the third-party valuation firm to ensure that the transaction-specific assumptions are appropriate for the Company.

Impact on results of operations

The results of Peerless' operations have been included in Hillenbrand's Consolidated Financial Statements since the December 1, 2022, acquisition date. The following table provides the results of operations for Peerless included in Hillenbrand's Consolidated Statement of Operations:

	Year Ended September 30, 2023	
Net revenue	\$	32.1
Income from continuing operations before income taxes		2.6

During the year ended September 30, 2023, the Company incurred \$0.5 in acquisition expenses related to the Peerless acquisition, which are included in operating expenses in the Consolidated Statement of Operations.

Acquisition of LINXIS Group SAS

On October 6, 2022, the Company completed the acquisition of Linxis from IBERIS INTERNATIONAL S.À R.L, an affiliate of IK Partners, and additional sellers (collectively, the "Sellers"). As a result of the acquisition, the Company acquired from the Sellers all of the issued and outstanding securities of Linxis, and Linxis became a wholly owned subsidiary of the Company for total aggregate consideration of \$590.8 (€596.2) in cash, reflecting an approximate enterprise value of \$66.8 (€572.0) plus cash acquired at closing, subject to certain customary post-closing adjustments. The Company used available borrowings under the Facility to fund this acquisition. With a global manufacturing, sales and service footprint, Linxis specializes in design, manufacturing, and service of dosing, kneading, mixing, granulating, drying, and coating technologies. The results of Linxis since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

Purchase price allocation and other items

The Company utilized the services of an independent valuation consultant, along with estimates and assumptions determined by management, to estimate the fair value of the assets acquired and liabilities assumed. The allocation of the purchase price was based on an evaluation of the appropriate fair values and represents management's best estimate based on available data.

The following table summarizes the final fair values of the assets acquired and liabilities assumed as of the acquisition date:

	October 6, 2022 (as initially reported)	Measurement Period Adjustments	October 6, 2022 (as adjusted)
Assets acquired:			
Cash and cash equivalents	\$ 22.9	\$ —	\$ 22.9
Trade receivables	31.5	(1.1)	30.4
Receivables from long-term manufacturing contracts	12.1	1.0	13.1
Inventories	80.1	(5.3)	74.8
Prepaid expenses and other current assets	11.7	(0.4)	11.3
Property, plant, and equipment	36.7	1.1	37.8
Operating lease right-of-use assets	15.0	—	15.0
Intangible assets	243.8	—	243.8
Goodwill	332.0	(7.8)	324.2
Other non-current assets	1.0	2.0	3.0
Total assets acquired	786.8	(10.5)	776.3
Liabilities assumed:			
Trade accounts payable	18.9	—	18.9
Liabilities from long-term manufacturing contracts	52.0	—	52.0
Accrued compensation	10.3	—	10.3
Other current liabilities	19.6	1.1	20.7
Accrued pension and postretirement healthcare	3.9	—	3.9
Operating lease liabilities	9.4	—	9.4
Deferred income taxes	77.0	(10.0)	67.0
Other non-current liabilities	0.3	—	0.3
Total liabilities assumed	191.4	(8.9)	182.5
Net assets acquired	595.4	(1.6)	593.8
Less: Fair value of Linxis noncontrolling interest ⁽¹⁾	(4.6)	1.6	(3.0)
Purchase price consideration	\$ 590.8	\$ —	\$ 590.8

⁽¹⁾ While the Company acquired all issued and outstanding securities of Linxis in the acquisition, there remain certain noncontrolling interests in two subsidiaries of Linxis that existed as of the acquisition date.

Measurement period adjustments

The preliminary purchase price allocation was based upon a preliminary valuation, and the Company's estimates and assumptions are subject to change within the measurement period (defined as one year following the acquisition date). As a result of further refining its estimates and assumptions since the date of the acquisition, the Company recorded measurement period adjustments to the initial opening balance sheet as shown in the table above. Adjustments were primarily made to inventories, other non-current assets, intangible assets and goodwill. There were no measurement period adjustments materially impacting earnings that would have been recorded in previous reporting periods if the adjustments had been recognized as of the acquisition date.

During the year ended September 30, 2023, the purchase price allocation for the acquisition was finalized.

Intangible assets identified

The purchase price allocation included \$243.8 of acquired identifiable intangible assets. Intangible assets consist of Linxis's trade name portfolio and customer relationships and will be amortized on a straight-line basis over the respective estimated periods for which the intangible assets will provide economic benefit to the Company. The determination of the useful lives is

based upon various industry studies, historical acquisition experience, degree of stability in the current Linxis customer base, economic factors, and expected future cash flows of the Company following the acquisition of Linxis. The trade name portfolio was valued using the relief-from-royalty method of the income approach. Customer relationships were valued using the multi-period excess earnings method of the income approach. Significant assumptions used in the valuations included Linxis' cash flow projections, which were based on estimates used to price the Linxis acquisition, discount rates that were benchmarked with reference to the implied rate of return to the Company's pricing model, and the applicable weighted-average cost of capital (12%).

The amounts allocated to intangible assets are as follows:

	Gross Carrying Amount	Weighted-Average Useful Life
Customer relationships	\$ 211.1	13 years
Trade name	32.7	10 years
Total intangible assets	<u>\$ 243.8</u>	

Goodwill was calculated as the excess of the consideration transferred over the net assets recognized and represents the estimated future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. The factors contributing to the recognition of goodwill were based on strategic benefits that are expected to be realized from the acquisition. None of the goodwill is expected to be deductible for income tax purposes.

The working capital assets and liabilities, as well as the property, plant and equipment acquired, were valued using Level 2 inputs, which included data points that are observable, such as definitive sales agreements, appraisals or established market values of comparable assets (market approach). Goodwill and identifiable intangible assets were valued using Level 3 inputs, which are unobservable by nature, and included internal estimates of future cash flows (income approach). Significant increases (decreases) in any of those unobservable inputs in isolation would result in a significantly lower (higher) fair value measurement. Management used a third-party valuation firm to assist in the determination of the preliminary purchase accounting fair values, specifically those considered Level 3 measurements. Management ultimately oversees the third-party valuation firm to ensure that the transaction-specific assumptions are appropriate for the Company.

Impact on results of operations

The results of Linxis' operations have been included in Hillenbrand's Consolidated Financial Statements since the October 6, 2022, acquisition date. The following table provides the results of operations for Linxis included in Hillenbrand's Consolidated Statement of Operations:

	Year Ended September 30, 2023
Net revenue	\$ 324.4
Income from continuing operations before income taxes	14.2

During the years ended September 30, 2023 and 2022, the Company incurred \$1.4 and \$4.5, respectively, in acquisition expenses related to the Linxis acquisition, which are included in operating expenses in the Consolidated Statements of Operations.

Acquisition of Herbold Meckesheim GmbH

On August 31, 2022, the Company completed the acquisition of Herbold Meckesheim GmbH ("Herbold") for \$77.7 (€77.5) in cash, pursuant to a definitive acquisition agreement dated June 30, 2022. Based in Meckesheim, Germany, Herbold is a leader in recycling systems, specializing in key process steps such as washing, separating, drying, shredding, and pulverizing.

The acquisition of Herbold advances the Company's long-term growth strategy in the key end market of recycling. Herbold offers highly complementary technologies to Hillenbrand's Coperion branded products and enhances the Company's offering of complete recycling solutions. The results of Herbold since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

Purchase price allocation and other items

The Company utilized the services of an independent valuation consultant, along with estimates and assumptions determined by management, to estimate the fair value of the assets acquired and liabilities assumed. The allocation of the purchase price was based on an evaluation of the appropriate fair values and represents management's best estimate based on available data.

The following table summarizes the final fair values of the assets acquired and liabilities assumed as of the acquisition date:

	August 31, 2022 (as initially reported)	Measurement Period Adjustments	August 31, 2022 (as adjusted)
Assets acquired:			
Current assets	\$ 38.2	\$ (0.5)	\$ 37.7
Property, plant, and equipment	4.7	1.5	6.2
Intangible assets	—	22.6	22.6
Goodwill	69.3	(4.4)	64.9
Other assets	5.3	0.4	5.7
Total assets acquired	117.5	19.6	137.1
Liabilities assumed:			
Current liabilities	33.9	11.4	45.3
Other long-term liabilities	5.9	8.2	14.1
Total liabilities assumed	39.8	19.6	59.4
Net assets acquired	\$ 77.7	\$ —	\$ 77.7

Measurement period adjustments

The preliminary purchase price allocation was based upon a preliminary valuation, and the Company's estimates and assumptions are subject to change within the measurement period (defined as one year following the acquisition date). As a result of further refining its estimates and assumptions since the date of the acquisition, the Company recorded measurement period adjustments to the initial opening balance sheet as shown in the table above. Adjustments were primarily made to intangible assets, goodwill, current liabilities, and other long-term liabilities. There were no measurement period adjustments materially impacting earnings that would have been recorded in previous reporting periods if the adjustments had been recognized as of the acquisition date.

During the year ended September 30, 2023, the purchase price allocation for the acquisition was finalized.

Intangible assets identified

The purchase price allocation included \$22.6 of acquired identifiable intangible assets. Intangible assets consist of Herbold's trade name, technology, and customer relationships, and will be amortized on a straight-line basis over the respective estimated periods for which the intangible assets will provide economic benefit to the Company. The determination of the useful lives is based upon various industry studies, historical acquisition experience, stability in the current Herbold customer base, economic factors, and future expected cash flows of the Company following the acquisition of Herbold. The trade name and technology were valued using the relief-from-royalty method of the income approach. Customer relationships were valued using the multi-period excess earnings method of the income approach. Significant assumptions used in the valuations included Herbold's future cash flow projections, which were based on estimates used to price the Herbold acquisition, discount rates that were benchmarked with reference to the implied rate of return to the Company's pricing model, and the applicable weighted-average cost of capital (20%).

The amounts allocated to intangible assets are as follows:

	Gross Carrying Amount	Weighted-Average Useful Life
Customer relationships	\$ 10.2	15 years
Trade name	8.0	10 years
Technology	4.4	7 years
Total intangible assets	<u>\$ 22.6</u>	

Goodwill was calculated as the excess of the consideration transferred over the net assets recognized and represents the estimated future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. The factors contributing to the recognition of goodwill were based on strategic benefits that are expected to be realized from the acquisition. None of the goodwill is expected to be deductible for income tax purposes.

The working capital assets and liabilities, as well as the property, plant and equipment acquired, were valued using Level 2 inputs, which included data points that are observable, such as definitive sales agreements, appraisals or established market values of comparable assets (market approach). Goodwill and identifiable intangible assets were valued using Level 3 inputs, which are unobservable by nature, and included internal estimates of future cash flows (income approach). Significant increases (decreases) in any of those unobservable inputs in isolation would result in a significantly lower (higher) fair value measurement. Management used a third-party valuation firm to assist in the determination of the preliminary purchase accounting fair values, specifically those considered Level 3 measurements. Management ultimately oversees the third-party valuation firm to ensure that the transaction-specific assumptions are appropriate for the Company.

Impact on results of operations

The results of Herbold's operations have been included in Hillenbrand's Consolidated Financial Statements since the August 31, 2022, acquisition date. The following table provides the results of operations for Herbold included in Hillenbrand's Consolidated Statement of Operations:

	Year Ended September 30,	
	2023	2022
Net revenue	\$ 69.9	\$ 1.9
Income (loss) from continuing operations before income taxes	1.3	(1.2)

During the years ended September 30, 2023 and 2022, the Company incurred \$0.1 and \$1.8, respectively, in acquisition expenses related to the Herbold acquisition, which are included in operating expenses in the Consolidated Statements of Operations.

Acquisition of Gabler Engineering GmbH

On June 30, 2022, the Company completed the acquisition of Gabler Engineering GmbH ("Gabler") for \$12.9 (€12.6) in cash. Gabler, based in Malsch, Germany, specializes in the design, engineering, manufacturing, and implementation of plants and equipment for the confectionery and pharmaceutical industries. The final determination of the fair value of assets acquired and liabilities assumed was completed during the year ended September 30, 2023. The majority of the purchase price allocation was assigned to the fair value of the acquired property, plant and equipment, working capital assets and liabilities, and residual goodwill (which was \$6.2). There were no material changes in the purchase price allocation during 2023 the year ended September 30, 2023. Goodwill is not deductible for tax purposes. The results of Gabler are included in the Advanced Process Solutions reportable operating segment and are not material to the Consolidated Financial Statements for the years ended September 30, 2023 or 2022.

Supplemental Pro Forma Information

The supplemental pro forma financial information presented below is for illustrative purposes only and is not necessarily indicative of the financial position or results of operations that would have been realized if the Gabler, Herbold, Linxis, Peerless, and FPM acquisitions had been completed on the date indicated, do not reflect synergies that might have been achieved, and are not indicative of future results of operations or financial position. The pro forma adjustments are based upon currently available information and certain assumptions that Hillenbrand believes are reasonable under the circumstances.

The supplemental pro forma financial information reflects pro forma adjustments to present the combined pro forma results of operations as if the acquisitions of Gabler, Herbold, Linxis, Peerless, and FPM had occurred on October 1, 2020, to give effect to certain events that Hillenbrand believes to be directly attributable to the acquisitions. These pro forma adjustments primarily include:

- an increase to depreciation and amortization expense that would have been recognized due to acquired tangible and intangible assets;
- an adjustment to interest expense to reflect the additional borrowings of Hillenbrand and the repayment of Linxis's historical debt in conjunction with the acquisition;
- an adjustment to remove business acquisition and integration costs and inventory step-up costs during the years ended September 30, 2023, 2022 and 2021, as these costs are non-recurring in nature and would not have a continuing effect on Hillenbrand's results of operations; and
- the related income tax effects of the adjustments noted above.

The supplemental pro forma financial information for the periods presented is as follows:

	Year Ended September 30,		
	2023	2022	2021
Net revenue	\$ 3,331.3	\$ 3,241.4	\$ 3,070.0
Income from continuing operations attributable to Hillenbrand	137.7	111.3	125.6
Income from continuing operations attributable to Hillenbrand — per share of common stock:			
Basic earnings per share from continuing operations	\$ 1.97	\$ 1.55	\$ 1.68
Diluted earnings per share from continuing operations	\$ 1.96	\$ 1.54	\$ 1.67

6. Leases

The Company's lease portfolio is comprised of operating leases primarily for manufacturing facilities, offices, vehicles, and certain equipment. At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on whether the contract conveys the right to control the use of identified property, plant or equipment for a period of time in exchange for consideration. Leases are classified as operating or finance leases at the commencement date of the lease. Operating leases are recorded within operating lease right-of-use assets, other current liabilities, and operating lease liabilities in the Consolidated Balance Sheets. The Company's finance leases were insignificant as of September 30, 2023 and 2022. Leases with an initial term of 12 months or less are not recorded on the Consolidated Balance Sheets. The Company elected an accounting policy to combine lease and non-lease components for all leases.

Operating lease right-of-use assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As the implicit rate is generally not readily determinable for most leases, the Company uses an incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The incremental borrowing rate reflects the estimated rate of interest that the Company would pay to borrow on a collateralized basis over a similar term in a similar economic environment. Lease expense for operating leases is recognized on a straight-line basis over the lease term.

Leases may include renewal options, and the renewal option is included in the lease term if the Company concludes that it is reasonably certain that the option will be exercised. A certain number of the Company's leases contain rent escalation clauses, either fixed or adjusted periodically for inflation of market rates, that are factored into the calculation of lease payments to the extent they are fixed and determinable at lease inception. The Company also has variable lease payments that do not depend on a rate or index, primarily for items such as common area maintenance and real estate taxes, which are recorded as variable costs when incurred.

For the years ended September 30, 2023 and 2022, the Company recognized \$28.9 and \$25.4 of operating lease expense, including short-term lease expense and variable lease costs, which were immaterial, in both periods.

The following table presents supplemental Consolidated Balance Sheet information related to the Company's operating leases as of:

	September 30,	
	2023	2022
Operating lease right-of-use assets, net	\$ 111.3	\$ 87.9
Other current liabilities	18.6	15.7
Operating lease liabilities	88.1	70.5
Total operating lease liabilities	<u>\$ 106.7</u>	<u>\$ 86.2</u>
Weighted-average remaining lease term (in years)	7.1	5.6
Weighted-average discount rate	3.8 %	2.9 %

As of September 30, 2023, the maturities of the Company's operating lease liabilities were as follows:

2024	\$ 23.0
2025	19.7
2026	16.2
2027	13.4
2028	12.0
Thereafter	36.4
Total lease payments	<u>120.7</u>
Less: imputed interest	<u>(14.0)</u>
Total present value of lease payments	<u>\$ 106.7</u>

Supplemental Consolidated Statement of Cash Flow information is as follows:

	Year Ended September 30,	
	2023	2022
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 24.3	\$ 20.7
Operating lease right-of-use assets obtained in exchange for new operating lease liabilities	12.2	24.4
Operating leases acquired in business combinations	31.4	4.9

7. Financing Agreements

The following table summarizes Hillenbrand's current and long-term debt as of:

	September 30,	
	2023	2022
\$1,000 revolving credit facility (excluding outstanding letters of credit)	\$ 505.1	\$ 6.7
\$200 term loan	192.5	—
€185 term loan	195.0	—
\$400 senior unsecured notes ⁽¹⁾	398.0	397.1
\$375 senior unsecured notes ⁽²⁾	372.9	372.2
\$350 senior unsecured notes ⁽³⁾	346.6	346.2
\$100 Series A Notes ⁽⁴⁾	—	99.9
Total debt	<u>2,010.1</u>	<u>1,222.1</u>
Less: current portion	<u>19.7</u>	<u>—</u>
Total long-term debt	<u>\$ 1,990.4</u>	<u>\$ 1,222.1</u>

⁽¹⁾ Includes unamortized debt issuance costs of \$2.0 and \$2.9 at September 30, 2023 and 2022, respectively.

⁽²⁾ Includes unamortized debt issuance costs of \$1.8 and \$2.5 at September 30, 2023 and 2022, respectively.

⁽³⁾ Includes unamortized debt issuance costs of \$3.4 and \$3.8 at September 30, 2023 and 2022, respectively.

⁽⁴⁾ Includes unamortized debt issuance costs of \$0.1 at September 30, 2022.

The following table summarizes the scheduled maturities of long-term debt for 2024 through 2028:

	Amount
2024	\$ 19.7
2025	419.7
2026	403.4
2027	824.8
2028	—

Primary Financing Facilities

\$1,000 Revolving Credit Facility, \$200 Term Loan, and €185 Term Loan

On June 8, 2022, the Company entered into a Fourth Amended and Restated Credit Agreement (the “Credit Agreement”), which governs the multi-currency revolving credit facility (the “Facility”), by and among Hillenbrand and certain of its affiliates, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent. The Credit Agreement increased the maximum principal amount available for borrowing under the Facility to \$1,000. The aggregate principal amount available for borrowing under the Credit Agreement may be expanded, subject to the approval of the lenders, by an additional \$600. The Credit Agreement extended the maturity date of the Facility to June 8, 2027. The Credit Agreement further provided for a delayed-draw term loan facility in an aggregate principal amount of up to \$200. The term loan commitment was subject to ticking fees if not drawn within 60 days of closing.

The Credit Agreement fully transitioned interest rate benchmarks from LIBOR-based interest rates to SOFR-based interest rates for U.S. dollar borrowings. Borrowings under the Credit Agreement may bear interest (A) if denominated in US dollars, at the Term SOFR Rate or the Alternate Base Rate (each as defined in the Credit Agreement) at the Company’s option, (B) if denominated in Japanese Yen, Canadian dollars or Euros, at rates based on the rates offered for deposits in the applicable interbank markets for such currencies and (C) if denominated in Pounds Sterling or Swiss Francs, at SONIA and SARON, respectively (each as defined in the Credit Agreement), plus, in each case, margin based on the Company’s leverage ratio, ranging from 0% to 0.525% for borrowings bearing interest at the Alternate Base Rate and from 0.90% to 1.525% for all other borrowings. The \$200 Term Loan accrues interest, at the Company’s option, at the Term SOFR Rate or the Alternate Base Rate plus a margin based on the Company’s leverage ratio, ranging from 1.00% to 1.75% for term loans bearing interest at the Term SOFR Rate and 0% to 0.75% for term loans bearing interest at the Alternate Base Rate.

In November 2022, the Company drew \$200.0 on the \$200 Term Loan. The \$200 Term Loan is subject to quarterly amortization payments equal to \$2.5 for the first full twelve calendar quarters following the funding date, and quarterly amortization payments equal to \$3.8 thereafter until the maturity date. The \$200 Term Loan will mature on June 8, 2027.

On June 21, 2023, the Company entered into Amendment No. 1 the Credit Agreement (as amended, the “Amended Credit Agreement”). The Amended Credit Agreement includes, among other changes, establishment of a euro-denominated, delayed-draw term loan facility available to the Company’s wholly owned subsidiary, Hillenbrand Switzerland GmbH, in an initial aggregate principal amount of up to €185 (the “€185 Term Loan”) and the inclusion of requirements that would be triggered by a Collateral Springing Event (described below).

In August 2023, the Company drew €185.0 on the €185 Term Loan. The €185 Term Loan is subject to quarterly amortization payments equal to €2.3 for the first full eight calendar quarters following the funding date, and €3.5 thereafter until the maturity date. The €185 Term Loan accrues interest at the Adjusted EURIBO Rate (as defined in the Amended Credit Agreement) plus a margin based on the Company’s leverage ratio, ranging from 1.00% to 2.25%, and will mature on June 8, 2027.

The Amended Credit Agreement increases the maximum permitted leverage ratio to 4.50x for the twelve-month period ending June 30, 2024, stepping down to 4.00x for the three months ended September 30, 2024 and December 31, 2024, to 3.75x for the three months ended March 31, 2025, and to 3.50x for the three months ended June 30, 2025, and thereafter. The Amended Credit Agreement also requires mandatory prepayments of the €185 Term Loan with 100% of net proceeds from asset sales (subject to customary carve outs and reinvestment rights) and contains additional limitations on liens and restricted payments during the Adjustment Period (defined below). Except for the amendments applicable during the Adjustment Period (defined below), the Amended Credit Agreement contains substantially the same affirmative and negative covenants and events of

default. New deferred financing costs related to the Amended Credit Agreement were \$2.6, which along with existing costs of \$3.4, are being amortized to interest expense over the remaining term of the Facility.

On July 14, 2023, the Company entered into Amendment No. 2 to the Fourth Amended and Restated Credit Agreement. Amendment No. 2 clarifies and further defines the requirements for inclusion as a Letter of Credit, as defined in the Amended Credit Agreement.

With respect to the Facility, as of September 30, 2023 and 2022, the Company had outstanding balances of \$505.1 and \$6.7, respectively. As of September 30, 2023, the Company had \$19.8 in outstanding letters of credit issued and \$475.1 of available borrowing capacity under the Facility, all of which was immediately available based on our most restrictive covenant. The weighted-average interest rate on borrowings under the Facility was 3.05% and 2.28% for the years ended September 30, 2023 and 2022, respectively. The weighted average facility fee was 0.17% and 0.15% for the years ended September 30, 2023 and 2022, respectively. The weighted-average interest rate on the \$200 Term Loan was 6.30% for the year ended September 30, 2023. The weighted-average interest rate on the €85 Term Loan was 5.39% for the year ended September 30, 2023. The weighted average ticking fees for the \$200 Term Loan was 0.15% for the period ended September 30, 2022.

On June 9, 2022, Hillenbrand and certain of its domestic subsidiaries entered into the eighth amendment to the Shelf Agreement, which amends the private shelf agreement dated December 6, 2012, (as amended, the “Shelf Agreement”), among Hillenbrand, the subsidiary guarantors, Prudential, and each Prudential Affiliate (as defined therein), pursuant to which the Company issued \$100, 4.6% Series A unsecured notes maturing December 15, 2024. The amendment conforms certain terms of the Shelf Agreement with those contained in the Credit Agreement.

€325 L/G Facility Agreement

On June 21, 2022, Hillenbrand and certain of its subsidiaries entered into a Syndicated L/G Facility Agreement (the “L/G Facility Agreement”) with Commerzbank Aktiengesellschaft, as coordinator, mandated lead arranger, and bookrunner, the other financial institutions party thereto as lenders and issuing banks, and Commerzbank Finance & Covered Bond S.A., as agent. The L/G Facility Agreement replaced the Company’s Syndicated L/G Facility Agreement dated March 8, 2018, as amended, and permits Hillenbrand and certain of its subsidiaries (collectively, the “Participants”) to request that one or more of the lenders issue, on the Participants’ behalf, up to an aggregate of €225 in unsecured letters of credit, bank guarantees or other surety bonds (collectively, the “Guarantees”).

The Guarantees carry an annual fee that varies based on the Company’s leverage ratio. The L/G Facility Agreement also provides for a leverage-based commitment fee assessed on the undrawn portion of the facility.

On June 22, 2023, the Company entered into an Amendment and Restatement Agreement (as amended, the “Amended L/G Agreement”) which amends and restates the L/G Facility Agreement. The Amended L/G Agreement includes, among other changes, an increase in the facility from € 225 to €325 and the inclusion of requirements that would be triggered by a Collateral Springing Event (described below).

The Amended L/G Agreement increases the maximum permitted leverage ratio to 4.50x for the twelve-month period ended June 30, 2024, stepping down to 4.00x for the three months ended September 30, 2024 and December 31, 2024, to 3.75x for the three months ended March 31, 2025, and to 3.50x for the three months ended June 30, 2025, and thereafter. The Amended L/G Agreement contains additional limitations on liens and restricted payments during the Adjustment Period (defined below). Except for the amendments applicable during the Adjustment Period (defined below), the Amended L/G Agreement contains substantially the same affirmative and negative covenants and events of default. New deferred financing costs related to the Amended L/G Agreement were \$0.7, which along with existing costs of \$1.0, are being amortized to interest expense over the remaining term of the Amended L/G Agreement.

Guarantees may be issued in euros or certain other agreed-upon currencies. Specified sublimits apply, based on the specific lender and currency. The Amended L/G Agreement also provides for a leverage-based commitment fee assessed on the undrawn portion of the facility. The Amended L/G Agreement matures on June 22, 2027, but can be extended or terminated earlier under certain conditions. The Amended L/G Agreement contains representations, warranties and covenants that are customary for agreements of this type and contains specified customary events of default. The obligations under the Amended L/G Agreement are guaranteed by Hillenbrand and certain of its domestic subsidiaries named therein.

In the normal course of business, the Company provides, primarily to certain customers, bank guarantees and other credit arrangements in support of performance, warranty, advance payment, and other contractual obligations. This form of trade finance is customary in the industry and, as a result, the Company maintains adequate capacity to provide the guarantees. As of

September 30, 2023, the Company had credit arrangements totaling \$587.9, under which \$326.9 was utilized for this purpose. These arrangements included the facilities under the Amended L/G Agreement and other ancillary credit facilities.

Collateral Springing Event

The Amended Credit Agreement and the Amended L/G Agreement require the Company and certain domestic subsidiaries that are guarantors thereunder to take certain actions if a Collateral Springing Event (as defined in the agreements) occurs before the later of April 1, 2025 or the date that all principal, interest, and other amounts owing in respect of the €185 Term Loan have been paid in full (the “Adjustment Period”). After a Collateral Springing Event, the Company and the guarantors would be required to grant liens on substantially all of their assets (subject to customary exceptions for excluded assets, including an exception for Principal Property (as defined in the Company’s indentures in respect of its senior notes) and for capital stock of entities that own any such Principal Property) in favor of the Administrative Agent and L/G Agent, as applicable, for the benefit of the secured parties.

Long Term Notes

\$350 Senior Unsecured Notes

On March 3, 2021, the Company issued \$350.0 of senior unsecured notes due March 2031 (the “2021 Notes”). The 2021 Notes were issued at par value and bear interest at a fixed rate of 3.75% per year, payable semi-annually in arrears beginning September 2021. Unamortized deferred financing costs associated with the 2021 Notes of \$3.4 are being amortized to interest expense on a straight-line basis (which approximates the effective interest method) over the term of the 2021 Notes. The 2021 Notes are unsecured unsubordinated obligations of the Company and rank equally in right of payment with all other existing and future unsubordinated obligations.

Subject to certain limitations, in the event of a change of control repurchase event (as defined in the 2021 Notes), the Company will be required to make an offer to purchase the 2021 Notes at a price equal to 101% of the principal amount of the 2021 Notes, plus any accrued and unpaid interest to, but excluding, the date of repurchase. The Company may redeem the 2021 Notes at any time in whole, or from time to time in part, prior to March 1, 2026, at its option at the “make-whole” redemption price, as described in the Indenture. The Company may also redeem the 2021 Notes at any time in whole, or from time to time in part, on or after March 1 of the relevant year listed, as follows: 2026 at a redemption price of 101.875%; 2027 at a redemption price of 101.25%; 2028 at a redemption price of 100.625%; and 2029 and thereafter at a redemption price of 100%. At any time prior to March 1, 2024, the Company may redeem up to 40% of the aggregate principal amount of the 2021 Notes with the proceeds of one or more Equity Offerings (as defined in the Indenture) at a redemption price of 103.75% of the principal amount of the 2021 Notes being redeemed. In each of the above cases, the Company will also pay any accrued and unpaid interest to, but excluding, the applicable redemption date.

\$400 Senior Unsecured Notes

On June 16, 2020, the Company issued \$400.0 of senior unsecured notes due June 2025 (the “2020 Notes”). The 2020 Notes were issued at par value and bear interest at a fixed rate of 5.75% per year, payable semi-annually in arrears beginning December 2020. Unamortized deferred financing costs associated with the 2020 Notes of \$2.0 are being amortized to interest expense on a straight-line basis (which approximates the effective interest method) over the remaining term of the 2020 Notes. The 2020 Notes are unsubordinated obligations of the Company and rank equally in right of payment with all other existing and future unsubordinated obligations.

Subject to certain limitations, in the event of a change of control repurchase event, the Company will be required to make an offer to purchase the 2020 Notes at a price equal to 101% of the principal amount of the 2020 Notes, plus any accrued and unpaid interest to, but excluding, the date of repurchase. In addition, the 2020 Notes are redeemable with prior notice at a price equal to par plus accrued interest and a make-whole amount, as described in the Indenture. The Company may also redeem the 2020 Notes at any time in whole, or from time to time in part, on or after June 15 of the relevant year listed, as follows: 2023 at a redemption price of 101.438%; and 2024 at a redemption price of 100%.

\$375 Senior Unsecured Notes

On September 25, 2019, the Company issued \$375.0 of senior unsecured notes due September 2026 (“2019 Notes”). The 2019 Notes initially had a fixed coupon rate of 4.5% per year, payable semi-annually in arrears beginning March 2020. The coupon rate on the 2019 Notes is impacted by public bond ratings from Moody’s and S&P Global, as downgrades from either rating agency increases the coupon rate by 0.25% per downgrade level below investment grade. During the third quarter of 2020, Moody’s and S&P Global each downgraded the Company’s senior unsecured credit rating by one level. As such, the original coupon rate of 4.5% on the 2019 Notes increased to 5%, effective September 15, 2020.

The 2019 Notes were issued at a discount of \$0.6, resulting in an initial carrying value of \$374.4. The Company is amortizing the discount to interest expense over the term of the 2019 Notes using the effective interest rate method, resulting in an annual interest rate of 4.53%. Unamortized deferred financing costs associated with the 2019 Notes of \$1.8 are being amortized to interest expense on a straight-line basis (which approximates the effective interest method) over the remaining term of the 2019 Notes. The 2019 Notes are unsubordinated obligations of Hillenbrand and rank equally in right of payment with all of the Company’s other existing and future unsubordinated obligations.

Subject to certain limitations, in the event of a change of control, the Company will be required to make an offer to purchase the 2019 Notes at a price equal to 101% of the principal amount of the 2019 Notes, plus accrued and unpaid interest, if any, to but excluding the date of repurchase. In addition, the 2019 Notes are redeemable with prior notice at a price equal to par plus accrued interest and a make-whole amount.

\$100.0 Series A Unsecured Notes

On December 15, 2014, the Company issued \$100.0 in 4.6% Series A unsecured notes (“Series A Notes”) pursuant to the Private Shelf Agreement, dated as of December 6, 2012, among the Company, Prudential Investment Management, Inc. (“Prudential”) and each Prudential Affiliate (as defined therein) that became a purchaser thereunder. During the year ended September 30, 2023, the Company repaid in full the Series A Notes using a portion of the net proceeds from the Batesville divestiture and wrote off the remaining issuance costs (\$0.1).

Covenants related to current Hillenbrand financing agreements

Except as described above, the Amended Credit Agreement and the Amended L/G Facility Agreement contain the following financial covenants: a maximum leverage ratio (as described above and defined in the agreements) of 3.50 to 1.00 and minimum ratio of EBITDA (as defined in the agreements) to interest expense of 3.00 to 1.00. The Company may elect to increase the maximum permitted leverage ratio to a ratio of 4.00 to 1.00 following certain acquisitions for four full fiscal quarters (plus the fiscal quarter in which the acquisition takes place). Additionally, the Amended Credit Agreement and the Amended L/G Facility Agreement provide the Company with the ability to sell assets and to incur debt at its international subsidiaries under certain conditions.

All obligations of the Company arising under the Amended Credit Agreement, the 2021 Notes, the 2020 Notes, the 2019 Notes, and the Amended L/G Facility Agreement are fully and unconditionally, and jointly and severally, guaranteed by certain of the Company’s domestic subsidiaries.

The Credit Agreement and the L/G Facility Agreement each contains certain other customary covenants, representations and warranties and events of default. The indentures governing the 2021 Notes, 2020 Notes and 2019 Notes do not limit our ability to incur additional indebtedness. They do, however, contain certain covenants that restrict our ability to incur secured debt and to engage in certain sale and leaseback transactions. The indentures also contain customary events of default. The indentures provide holders of the notes with remedies if the Company fails to perform specific obligations. As of September 30, 2023, the Company was in compliance with all covenants and there were no events of default.

8. Retirement Benefits

Defined Benefit Retirement Plans — Certain of the Company’s employees participate in one of ten defined benefit retirement programs, including defined benefit retirement plan in the U.S., the defined benefit retirement plans of certain of the Company’s foreign subsidiaries, and the supplemental executive defined benefit retirement plan. The Company funds the retirement plan trusts in compliance with the Employment Retirement Income Security Act (ERISA) or local funding requirements and as necessary to provide for current service and for any unfunded projected future benefit obligations over a reasonable period. The benefits for these plans are based primarily on years of service and the employee’s level of compensation during specific periods of employment. All defined benefit retirement plans have a September 30 measurement date.

Effect on the Consolidated Statements of Operations — The components of net pension (benefit) costs under defined benefit retirement plans were:

	U.S. Pension Benefits Year Ended September 30,			Non-U.S. Pension Benefits Year Ended September 30,		
	2023	2022	2021	2023	2022	2021
Service cost ⁽¹⁾	\$ —	\$ —	\$ —	\$ 1.5	\$ 1.8	\$ 2.0
Interest cost	11.1	6.2	5.8	4.2	0.8	0.7
Expected return on plan assets	(13.6)	(10.8)	(10.9)	(1.5)	(0.9)	(0.9)
Amortization of unrecognized prior service cost, net	—	—	—	0.1	0.1	0.1
Amortization of actuarial loss (gain)	0.3	1.5	2.2	(0.8)	1.8	2.9
Settlement (benefit) expense	—	—	—	(0.3)	0.1	0.3
Other one-time expense	—	—	—	—	0.3	—
Net pension (benefit) costs ⁽²⁾	\$ (2.2)	\$ (3.1)	\$ (2.9)	\$ 3.2	\$ 4.0	\$ 5.1

⁽¹⁾ Service cost for U.S. Pension Benefits includes \$0.1, \$0.5 and \$0.7 included within discontinued operations for the years ended September 30, 2023, 2022 and 2021, respectively.

⁽²⁾ The components of net pension (benefit) costs are recorded within operating expenses on the Consolidated Statements of Operations.

The Company uses a full yield curve approach in the estimation of the service and interest cost components of our defined benefit retirement plans. Under this approach, the Company applies discounting using individual spot rates from a yield curve composed of the rates of return on several hundred high-quality, fixed income corporate bonds available at the measurement date. These spot rates align to each of the projected benefit obligations and service cost cash flows. The service cost component relates to the active participants in the plan, so the relevant cash flows on which to apply the yield curve are considerably longer in duration on average than the total projected benefit obligation cash flows, which also include benefit payments to retirees. Interest cost is computed by multiplying each spot rate by the corresponding discounted projected benefit obligation cash flows. The full yield curve approach reduces any actuarial gains and losses based upon interest rate expectations (e.g. built-in gains in interest cost in an upward sloping yield curve scenario), or gains and losses merely resulting from the timing and magnitude of cash outflows associated with the Company's benefit obligations. The Company uses the full yield curve approach to improve the correlation between projected benefit cash flows and the corresponding yield curve spot rates and to provide a more precise measurement of service and interest rate costs.

During 2019, the Company completed all negotiations to transition all employees at U.S. facilities from a defined benefit-based model to a defined contribution structure over three-year sunset periods, the latest of which ended January 1, 2023. These changes caused remeasurements for the U.S. defined benefit retirement plan for the affected populations as they were implemented. The remeasurements did not cause material changes, as the assumptions did not materially differ from the assumptions prior to the remeasurements.

Obligations and Funded Status — The change in benefit obligation and funded status of the Company's defined benefit retirement plans were:

	U.S. Pension Benefits September 30,		Non-U.S. Pension Benefits September 30,	
	2023	2022	2023	2022
Change in benefit obligation:				
Projected benefit obligation at beginning of year	\$ 226.8	\$ 302.3	\$ 118.1	\$ 171.7
Projected benefit obligation attributable to acquisitions	—	—	2.7	1.4
Service cost	—	—	1.5	1.8
Interest cost	11.1	6.2	4.2	0.8
Actuarial (gain) loss	(9.1)	(66.2)	1.5	(30.2)
Benefits paid	(15.3)	(16.0)	(3.5)	(5.1)
Settlements	—	—	(3.7)	(2.8)
Employee contributions	—	—	1.3	1.1
Other events	0.1	0.5	—	0.3
Effect of exchange rates on projected benefit obligation	—	—	9.4	(20.9)
Projected benefit obligation at end of year	213.6	226.8	131.5	118.1
Change in plan assets:				
Fair value of plan assets at beginning of year	225.4	303.2	41.5	47.6
Fair value of pension assets attributable to acquisitions	—	—	—	0.2
Actual return (loss) on plan assets	7.1	(63.9)	1.7	(4.1)
Employee and employer contributions	2.0	2.1	9.8	9.2
Benefits paid	(15.3)	(16.0)	(3.5)	(5.1)
Settlements	—	—	(3.7)	(2.8)
Effect of exchange rates on plan assets	—	—	3.2	(3.5)
Fair value of plan assets at end of year	219.2	225.4	49.0	41.5
Funded status:				
Plan assets less than benefit obligations	\$ 5.6	\$ (1.4)	\$ (82.5)	\$ (76.6)
Amounts recorded in the Consolidated Balance Sheets:				
Prepaid pension costs, non-current	\$ 25.3	\$ 19.6	\$ 4.7	\$ 5.4
Accrued pension costs, current portion	(1.9)	(2.0)	(6.7)	(5.7)
Accrued pension costs, long-term portion	(17.8)	(19.0)	(80.5)	(76.3)
Plan assets less than benefit obligations	\$ 5.6	\$ (1.4)	\$ (82.5)	\$ (76.6)

Net actuarial losses (\$46.2) and prior service costs (\$0.1), less an aggregate tax effect (\$11.7), are included as components of accumulated other comprehensive loss at September 30, 2023. Net actuarial losses (\$46.5) and prior service costs (\$0.1), less an aggregate tax effect (\$12.4), are included as components of accumulated other comprehensive loss at September 30, 2022. The amount that will be amortized from accumulated other comprehensive loss into net pension costs in 2024 is expected to be \$(0.4).

Accumulated Benefit Obligation — The accumulated benefit obligation for all defined benefit retirement plans was \$45.0 and \$344.9 at September 30, 2023 and 2022, respectively. Selected information for plans with accumulated benefit obligations in excess of plan assets was:

	U.S. Pension Benefits September 30,		Non-U.S. Pension Benefits September 30,	
	2023	2022	2023	2022
Projected benefit obligation	\$ 19.7	\$ 20.9	\$ 87.5	\$ 82.3
Accumulated benefit obligation	19.7	20.9	87.5	82.3
Fair value of plan assets	—	—	0.3	0.3

The weighted-average assumptions used in accounting for defined benefit retirement plans were:

	U.S. Pension Benefits Year Ended September 30,			Non-U.S. Pension Benefits Year Ended September 30,		
	2023	2022	2021	2023	2022	2021
Discount rate for obligation, end of year	5.7 %	5.3 %	2.8 %	3.5 %	3.3 %	0.8 %
Discount rate for (benefit) costs, during the year	5.4 %	3.0 %	3.9 %	3.9 %	1.1 %	0.7 %
Expected rate of return on plan assets	5.2 %	5.2 %	4.0 %	3.1 %	1.9 %	2.0 %
Rate of compensation increase	N/A	3.0 %	2.4 %	2.0 %	2.0 %	2.0 %

The discount rates are evaluated annually based on current market conditions. In setting these rates, the Company utilizes long-term bond indices and yield curves as a preliminary indication of interest rate movements, then makes adjustments to the indices to reflect differences in the terms of the bonds covered under the indices in comparison to the projected outflow of pension obligations. The overall expected long-term rate of return is based on historical and expected future returns, which are inflation-adjusted and weighted for the expected return for each component of the investment portfolio. The rate of assumed compensation increase is also based on the Company's specific historical trends of past wage adjustments in recent years.

U.S. Pension Plan Assets — The Company terminated the U.S. Pension Plan on June 30, 2023, and is taking steps to wind down the plan and transfer the resulting liability to an insurance company in 2024. Accordingly, the Company currently employs a 100% liability-hedging portfolio of investments in order to reduce the volatility associated with equity investments. Pension plan assets are invested by the plans' fiduciaries, which direct investments according to specific policies. Those policies subject investments to the following restrictions in the Company's domestic plan: short-term securities must be rated A1/P1, liability-hedging fixed income securities must have an average quality credit rating of investment grade, and investments in equities in any one company may not exceed 10% of the equity portfolio.

Non-U.S. Pension Plan Assets — Long-term strategic investment objectives utilize a diversified mix of suitable assets of appropriate liquidity to generate income and capital growth that, together with contributions from participants, the Company believes will meet the cost of the current and future benefits that the plan provides. Long-term strategic investment objectives also seek to limit the risk of the assets failing to meet the liabilities over the long term.

None of Hillenbrand's common stock was directly owned by the defined benefit retirement plan trusts at September 30, 2023 or 2022.

The tables below provide the fair value of the Company's pension plan assets by asset category at September 30, 2023 and 2022. The accounting guidance on fair value measurements specifies a fair value hierarchy based upon the observability of inputs used in valuation techniques (Level 1, 2, and 3). See Note 15 for definitions.

Fair values are determined as follows:

- Cash equivalents are stated at the carrying amount, which approximates fair value, or at the fund's net asset value.
- Equity securities are stated at the last reported sales price on the day of valuation.
- Fixed income securities, include government and corporate bonds, are generally classified within Level 1 or Level 2 of the fair value hierarchy because they are valued using quoted market prices, broker or dealer quotations, or alternative pricing sources, primarily matrix pricing, with reasonable levels of price transparency. Matrix pricing, primarily used for corporate bonds, is based on quoted prices for securities with similar coupons, ratings, and maturities, rather than on specific bids and offers for the specific security.
- Government index funds are stated at the closing price reported in the active market in which the fund is traded.
- Corporate bond funds and equity mutual funds are stated at the closing price in the active markets in which the underlying securities of the funds are traded.
- Real estate is stated based on a discounted cash flow approach, which includes future rental receipts, expenses, and residual values as the highest and best use of the real estate from a market participant view as rental property.

U.S. Pension Plans

The pension plan assets of the Company's U.S. pension plans consist of cash equivalents as well as certain investments (common collective trusts) that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient. The underlying investments of the common collective trusts are generally composed of marketable debt and equity securities. The underlying investments are subject to various risks including interest rate, market and credit risks. Because the common collective trusts are not readily marketable, the estimated carrying values are subject to uncertainty and, therefore, may differ from the value that would have been used had a public market existed. There are no liquidity restrictions with respect to the common collective trusts after appropriate sale notification is provided. Accordingly, these assets are not required to be classified and reported under the fair value hierarchy. At September 30, 2023 and 2022, the fair values of these investments were \$144.5 and \$222.1, respectively. At September 30, 2023, and 2022, the fair value of cash equivalents, were \$74.7 and \$3.3, respectively, and are categorized in Level 1 in the fair value hierarchy.

Non-U.S. Pension Plans

	Fair Value at September 30, 2023 Using Inputs Considered as:			
	Total	Level 1	Level 2	Level 3
Non-U.S. Pension Plans				
Cash equivalents	\$ 5.4	\$ 5.4	\$ —	\$ —
Equity securities	9.8	9.8	—	—
Fixed income securities:				
Government bonds	7.3	7.3	—	—
Corporate bonds	18.6	—	18.6	—
Real estate and real estate funds	6.5	—	—	6.5
Other	1.4	—	1.4	—
Total Non-U.S. pension plan assets	\$ 49.0	\$ 22.5	\$ 20.0	\$ 6.5

	Fair Value at September 30, 2022 Using Inputs Considered as:			
	Total	Level 1	Level 2	Level 3
Non-U.S. Pension Plans				
Cash equivalents	\$ 4.0	\$ 4.0	\$ —	\$ —
Equity securities	10.9	10.9	—	—
Other types of investments:				
Government index funds	4.1	4.1	—	—
Corporate bond funds	16.7	—	16.7	—
Real estate and real estate funds	4.3	—	—	4.3
Other	1.5	—	1.5	—
Total Non-U.S. pension plan assets	\$ 41.5	\$ 19.0	\$ 18.2	\$ 4.3

Cash Flows — During 2023, 2022, and 2021 the Company contributed cash of \$10.3, \$10.0, and \$11.0, respectively, to defined benefit retirement plans. The Company expects to make estimated contributions of \$10.9 in 2024 to the defined benefit retirement plans.

Estimated Future Benefit Payments — The following represents estimated future benefit payments, including expected future service, which are expected to be paid from plan assets or Company contributions as necessary:

	U.S. Pension Plans Projected Pension Benefits Payout	Non-U.S. Pension Plans Projected Pension Benefits Payout
2024	\$ 61.4	\$ 8.9
2025	14.9	9.2
2026	14.7	9.4
2027	14.5	9.4
2028	14.3	9.0
2029-2032	66.5	43.2

Defined Contribution Plans — The Company sponsors a number of defined contribution plans. Depending on the plan, the Company may make contributions up to 4% of an employee's eligible compensation and matching contributions up to 6% of eligible compensation. Company contributions generally vest over a period of zero to three years. Expenses related to the Company's defined contribution plans were \$10.4, \$9.0, and \$8.8 for the years ended September 30, 2023, 2022, and 2021, respectively. See comments above regarding the Company's retirement strategy to transition its U.S. employees to a defined contribution structure over three-year sunset periods, the latest of which ended January 1, 2023.

9. Income Taxes

The provision for taxes based on income consists of:

	Year Ended September 30,		
	2023	2022	2021
Domestic	\$ 50.7	\$ (63.6)	\$ (80.3)
Foreign	166.2	263.3	286.9
Total earnings before income taxes	<u>\$ 216.9</u>	<u>\$ 199.7</u>	<u>\$ 206.6</u>
Income tax expense:			
Current provision (benefit):			
Federal	\$ 24.0	\$ 5.6	\$ 11.9
State	2.9	2.6	(0.3)
Foreign	81.5	63.3	74.9
Total current provision	<u>108.4</u>	<u>71.5</u>	<u>86.5</u>
Deferred provision (benefit):			
Federal	3.8	(0.9)	(6.0)
State	1.6	0.2	(0.7)
Foreign	(11.0)	13.2	(1.2)
Total deferred (benefit) provision	<u>(5.6)</u>	<u>12.5</u>	<u>(7.9)</u>
Income tax expense	<u>\$ 102.8</u>	<u>\$ 84.0</u>	<u>\$ 78.6</u>

A reconciliation of the statutory federal income tax rate and the effective tax rate is as follows:

	Year Ended September 30,		
	2023	2022	2021
Federal statutory rate	21.0 %	21.0 %	21.0 %
Adjustments resulting from the tax effect of:			
State income taxes, net of federal benefit	1.4	1.2	(0.4)
Foreign income tax rate differential	6.4	2.7	3.2
Share-based compensation	1.3	1.6	0.8
Foreign distribution taxes	3.6	7.4	5.4
Valuation allowance	3.3	—	0.5
Impact of inclusion of foreign income ⁽¹⁾	3.9	7.9	8.2
Divestitures	—	0.3	(4.5)
Impact of foreign legislative rate changes	(2.9)	—	—
Transaction costs	7.2	—	—
Unrecognized tax benefits	(1.4)	0.1	2.9
Tax audit settlements	2.0	—	—
Other, net	1.6	(0.1)	0.9
Effective income tax rate	47.4 %	42.1 %	38.0 %

⁽¹⁾ Represents Subpart F income, GILTI (less Section 250 deduction), and FDII net of associated foreign tax credits

The tax effects of significant temporary differences that comprise tax balances were as follows:

	September 30,	
	2023	2022
Deferred tax assets:		
Employee benefit accruals	\$ 19.6	\$ 25.9
Loss and tax credit carryforwards	20.3	15.7
Interest limitation carryforward	38.3	19.3
Operating lease liabilities	28.8	30.4
Rebates and other discounts	0.5	4.2
Research and development costs	13.5	—
Self-insurance reserves	0.8	2.9
Inventory, net	14.1	8.5
Other, net	28.9	26.0
Total deferred tax assets before valuation allowance	164.8	132.9
Less valuation allowance	(34.1)	(11.8)
Total deferred tax assets, net	130.7	121.1
Deferred tax liabilities:		
Depreciation	(23.7)	(21.2)
Amortization	(325.5)	(185.2)
Operating right-of-use assets	(30.0)	(31.0)
Assets and liabilities from long-term manufacturing contracts and advances	(83.3)	(68.9)
Unremitted earnings of foreign operations	(8.6)	(14.7)
Other, net	(2.5)	(3.5)
Total deferred tax liabilities	(473.6)	(324.5)
Deferred tax liabilities, net	\$ (342.9)	\$ (203.4)
Amounts recorded in the Consolidated Balance Sheets:		
Deferred tax assets, non-current	8.3	6.8
Deferred tax liabilities, non-current	(351.2)	(210.2)
Total	\$ (342.9)	\$ (203.4)

At September 30, 2023 and 2022, respectively, the Company had \$1.7 and \$3.9 of deferred tax assets related to U.S. federal and state net operating losses and tax credit carryforwards, which will begin to expire in 2024, and \$32.8 and \$28.9 of deferred tax assets related to foreign net operating loss and interest carryforwards. The majority of the foreign net operating loss and interest carryforwards have unlimited carryforward periods. Portions of the net operating loss carryforwards with expiration periods will begin to expire in 2024. Deferred tax assets as of September 30, 2023 and 2022, were reduced by a valuation allowance of \$34.1 and \$11.8, respectively, relating to foreign net operating loss carryforwards and foreign tax credit carryforwards. At September 30, 2023 and 2022, the Company had \$72.8 and \$33.5, respectively, of current income tax payable included in other current liabilities on the Consolidated Balance Sheets. As of September 30, 2023 and 2022, the Company also had a transition tax liability of \$11.2 and \$14.9 included within other long-term liabilities on the Consolidated Balance Sheets.

The Company establishes a valuation allowance for deferred tax assets when it is determined that the amount of expected future taxable income is not likely to support the use of the deduction or credit.

As of September 30, 2023, and 2022, respectively, \$8.6 and \$14.7 of deferred tax liability on unremitted earnings of foreign subsidiaries was recognized, representing the assumed tax on the future distribution and tax withholdings on the distribution of such earnings among certain of the Company's foreign subsidiaries.

Deferred tax liabilities were not recorded for any additional basis differences inherent in the Company's foreign subsidiaries (i.e., basis differences in excess of those subject to the Transition Tax) as these amounts continue to be permanently reinvested outside of the U.S. If these amounts were not considered permanently reinvested, deferred tax liabilities would be recorded for any additional income taxes, distribution taxes, and withholding taxes payable in various countries. A determination of the unrecognized deferred tax liabilities on the permanently reinvested basis differences at September 30, 2023 is not practicable.

A reconciliation of the unrecognized tax benefits is as follows:

	September 30,		
	2023	2022	2021
Balance at beginning of year	\$ 33.9	\$ 40.5	\$ 35.7
Additions for tax positions related to the current year	0.7	—	6.5
Additions for tax positions of prior years	0.6	1.0	1.6
Reductions for tax positions of prior years	(2.9)	(6.9)	(3.3)
Settlements	(1.7)	(0.7)	—
Balance attributable to acquisitions	8.3	—	—
Balance at end of year	<u>\$ 38.9</u>	<u>\$ 33.9</u>	<u>\$ 40.5</u>

The gross unrecognized tax benefit included \$38.9 and \$33.9 at September 30, 2023 and 2022, respectively, which, if recognized, would impact the effective tax rate in future periods.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. During 2023 and 2022, the Company recognized \$0.9 and \$0.5, respectively, in additional interest and penalties. Excluded from the reconciliation were \$4.9 and \$3.8 of accrued interest and penalties at September 30, 2023 and 2022, respectively.

The Company operates in multiple income tax jurisdictions both inside and outside the U.S. and are currently under examination in various federal, state, and foreign jurisdictions. There are ongoing audits in India, Canada, Germany, and the Czech Republic specifically which could prove to be significant for the Company. In addition, there are other ongoing audits in various stages of completion in several state and foreign jurisdictions.

It is possible that the liability associated with the unrecognized tax benefits will increase or decrease within the next 12 months. These changes may be the result of ongoing audits or the expiration of statutes of limitations and could range up to \$0.5 based on current estimates. Audit outcomes and the timing of audit settlements are subject to significant uncertainty. Although the Company believes that adequate provision has been made for such issues, it is possible that their ultimate resolution could affect earnings. Conversely, if these issues are resolved favorably in the future, the related provision would be reduced and yield a positive impact on earnings. The Company does not expect that the outcome of these audits will significantly impact the Consolidated Financial Statements.

10. Earnings per Share

The dilutive effects of performance-based stock awards described in Note 10 are included in the computation of diluted earnings per share at the level the related performance criteria are met through the respective Consolidated Balance Sheet date. At September 30, 2023, 2022, and 2021, potential dilutive effects representing 349,000, 373,000, and 450,000 shares, respectively, were excluded from the computation of diluted earnings per share as the related performance criteria were not yet met, although the Company expects to meet various levels of criteria in the future.

	Year Ended September 30,		
	2023	2022	2021
Income from continuing operations	\$ 114.1	\$ 115.7	\$ 128.0
Less: Net income attributable to noncontrolling interests	7.0	6.3	5.3
Income from continuing operations attributable to Hillenbrand	<u>\$ 107.1</u>	<u>\$ 109.4</u>	<u>\$ 122.7</u>
Weighted average shares outstanding — basic (in millions)	69.8	71.7	74.9
Effect of dilutive stock options and unvested time-based restricted stock (in millions)	0.3	0.5	0.5
Weighted average shares outstanding — diluted (in millions)	<u>70.1</u>	<u>72.2</u>	<u>75.4</u>
Basic earnings per share from continuing operations attributable to Hillenbrand	\$ 1.53	\$ 1.52	\$ 1.64
Diluted earnings per share from continuing operations attributable to Hillenbrand	\$ 1.53	\$ 1.51	\$ 1.63
Shares with anti-dilutive effect excluded from the computation of diluted earnings per share (millions)	0.2	0.3	0.8

11. Share-Based Compensation

The Company has share-based compensation plans under which 15,385,436 shares are registered. As of September 30, 2023, 1,988,835 shares were outstanding under these plans and 10,197,059 shares had been issued, leaving 3,199,542 shares available for future issuance. Our primary plan, the Hillenbrand, Inc. Stock Incentive Plan, provides for long-term performance compensation for management and members of the Board of Directors. Under the Stock Incentive Plan, a variety of discretionary awards for employees and non-employee directors are authorized, including incentive or non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units, and bonus stock. These programs are administered by the Board of Directors and its Compensation and Management Development Committee.

	Year Ended September 30,		
	2023	2022	2021
Stock-based compensation cost	\$ 22.2	\$ 21.3	\$ 19.7
Less impact of income tax	5.1	4.9	4.5
Stock-based compensation cost, net of tax	<u>\$ 17.1</u>	<u>\$ 16.4</u>	<u>\$ 15.2</u>

The Company realized current tax benefits of \$6.4, \$5.8 and \$3.9 from the exercise of stock options and the payment of stock awards during the years ended September 30, 2023, 2022 and 2021, respectively.

Stock Options — No stock options were issued during the years ended September 30, 2023, 2022 and 2021. For grants issued prior to 2021, fair values of were estimated on the date of grant using the Black-Scholes option-pricing model. The grants are contingent upon continued employment and generally vest over a three-year period. Expense is recognized on a straight-line basis over the applicable vesting periods. Option terms generally do not exceed 10 years. The weighted-average fair value of options granted was \$6.63 per share for 2020. The following assumptions were used in the determination of fair value for the year ended September 30, 2020:

Risk-free interest rate	1.6 %
Weighted-average dividend yield	2.7 %
Weighted-average volatility factor	27.9 %
Expected life (years)	5.8

The risk-free interest rate is based upon observed interest rates appropriate for the term of the employee stock options. The remaining assumptions require significant judgment utilizing historical information, peer data, and future expectations. The dividend yield is based on the history of dividend payouts and the computation of expected volatility is based on historical stock

volatility. The expected life of employee stock options represents the weighted-average period the stock options are expected to remain outstanding based on historical exercise activity.

A summary of outstanding stock option awards as of September 30, 2023 and changes during the year is presented below:

	Number of Shares	Weighted-Average Exercise Price
Outstanding at September 30, 2021	1,962,950	\$ 36.35
Granted	—	—
Exercised	(702,712)	36.13
Forfeited	(544)	44.22
Expired/cancelled	(7,972)	35.91
Outstanding at September 30, 2022	1,251,722	36.47
Granted	—	—
Exercised	(618,414)	34.39
Forfeited	—	—
Expired/cancelled	(5,699)	31.14
Outstanding at September 30, 2023	627,609	\$ 38.56
Exercisable at September 30, 2023	627,609	\$ 38.56

As of September 30, 2023, there was no unrecognized stock-based compensation associated with unvested stock options. As of September 30, 2023, the average remaining life of the outstanding and exercisable stock options was 4.0 years with an aggregate intrinsic value of \$3.2. The total intrinsic value of options exercised by employees and directors during 2023, 2022, and 2021 was \$9.2, \$9.6, and \$6.6, respectively. The grant-date fair value of options that vested during 2023, 2022, and 2021 was \$2.2, \$11.5, and \$15.9, respectively.

Time-Based Stock Awards and Performance-Based Stock Awards — These awards are consistent with the Company’s compensation program’s guiding principles and are designed to (i) align management’s interests with those of shareholders, (ii) motivate and provide incentive to achieve superior results, (iii) maintain a significant portion of at-risk incentive compensation, (iv) delineate clear accountabilities, and (v) ensure competitive compensation. The Company believes that the blend of compensation components provides the Company’s management with the appropriate incentives to create long-term value for shareholders while taking thoughtful and prudent risks to grow the value of the Company. The Company’s stock plan enables us to grant several types of restricted stock unit awards including time-based, performance-based contingent on the creation of shareholder value (“SV”), and performance-based based on a relative total shareholder return formula (“TSR”).

The Company’s time-based stock awards provide an unconditional delivery of shares after a specified period of service. The Company records expense associated with time-based awards on a straight-line basis over the vesting period, net of estimated forfeitures.

The vesting of the SV awards granted in fiscal 2023 is contingent upon the creation of shareholder value as measured by the cumulative cash returns and final period net operating profit after tax compared to the established hurdle rate over a three-year period and a corresponding service requirement. The hurdle rate is a reflection of the weighted-average cost of capital and targeted capital structure. The number of shares awarded is based upon the fair value of the Company’s common stock at the date of grant adjusted for the attainment level at the end of the period. Based on the extent to which the performance criteria are achieved, it is possible for none of the awards to vest or for a range up to the maximum (200 percent) to vest. The Company records expense associated with the awards on a straight-line basis over the vesting period based upon an estimate of projected performance. The actual performance of the Company is evaluated quarterly, and the expense is adjusted according to the new projections. As a result, depending on the degree to which performance criteria are achieved or projections change, expenses related to the SV awards may become more volatile as the Company approaches the final performance measurement date at the end of the three-year period.

The vesting of TSR awards granted in fiscal 2023 will be determined by comparing the Company’s total shareholder return during a three-year period to the respective total shareholder returns of members of the Standard & Poor’s 400 Mid Cap Industrials index (the “Index Companies”). Based on the Company’s relative ranking within the Index Companies, performance

below the 25th percentile earns a zero payout, a 25 percent minimum payout for achievement at the 25th percentile, 100 percent payout at 50th percentile achievement, and 200 percent payout at 75th percentile achievement and above. Compensation expense for the TSR awards is recognized over the vesting period regardless of whether the market conditions are expected to be achieved.

The Company estimates the fair value of TSR awards using a Monte-Carlo simulation model which included the following key assumptions:

	Year Ended September 30,		
	2023	2022	2021
Expected term (years)	2.83	2.83	2.83
Risk-free interest rate	3.96 %	0.86 %	0.20 %
Share price volatility	44.70 %	43.90 %	43.04 %
Expected dividend yield	— %	— %	— %
Actual dividend yield	1.97 %	1.91 %	2.24 %

A summary of the non-vested stock awards, including dividends, as of September 30, 2023 (representing the maximum number of shares that could be vested) and changes during the year is presented below:

	Number of Shares	Weighted-Average Grant Date Fair Value
Time-Based Stock Awards		
Non-vested time-based stock awards at September 30, 2021	617,135	\$ 37.21
Granted	408,467	45.46
Vested	(252,346)	35.36
Forfeited	(112,796)	40.28
Non-vested time-based stock awards at September 30, 2022	660,460	42.50
Granted	268,503	50.54
Vested	(358,592)	41.36
Forfeited	(71,635)	47.62
Non-vested time-based stock awards at September 30, 2023	498,736	\$ 46.91
Performance-Based Stock Awards		
Non-vested performance-based stock awards at September 30, 2020	733,649	\$ 37.38
Granted	321,472	51.93
Vested	(242,117)	33.65
Forfeited	(274,652)	39.22
Non-vested performance-based stock awards at September 30, 2022	538,352	47.69
Granted	368,419	67.04
Vested	(187,894)	43.15
Forfeited	(136,401)	54.78
Non-vested performance-based stock awards at September 30, 2023	582,476	\$ 59.90

The total vest date fair value of shares held by Hillenbrand employees and directors which vested during 2023, 2022, and 2021 was \$8.0, \$23.0, and \$11.1 (including dividends), respectively.

As of September 30, 2023, \$12.1 and \$8.5 of unrecognized stock-based compensation was associated with the Company's unvested time-based and performance-based (including SV and TSR) stock awards, respectively. The unrecognized amount of compensation related to the SV awards is based upon projected performance to date. The unrecognized compensation cost of the time-based and performance-based awards is expected to be recognized over a weighted-average period of 1.7 and 1.7 years

and includes a reduction for an estimate of potential forfeitures. As of September 30, 2023, the outstanding time-based stock awards and performance-based stock awards had an aggregate fair value of \$21.1 and \$18.5, respectively.

Dividends payable in stock accrue on both time-based and SV awards during the performance period and are subject to the same terms as the original grants. Dividends do not accrue on TSR awards during the performance period. As of September 30, 2023, a total of 32,308 shares had accumulated on unvested stock awards due to dividend reinvestments and were included in the tables above. The aggregate fair value of these shares at September 30, 2023 was \$1.4.

Vested Deferred Stock — Certain stock-based compensation programs allow or require deferred delivery of shares after vesting. As of September 30, 2023, there were 280,015 fully vested deferred shares, which were excluded from the tables above. The aggregate fair value of these shares at September 30, 2023 was \$11.8.

12. Other Comprehensive Income (Loss)

The following table summarizes the changes in the accumulated balances for each component of accumulated other comprehensive loss during the year ended September 30, 2023:

	Pension and Postretirement	Currency Translation ⁽¹⁾	Net Unrealized Gain (Loss) on Derivative Instruments	Total Attributable to Hillenbrand, Inc.	Noncontrolling Interests	Total
Balance at September 30, 2022	\$ (32.8)	\$ (113.7)	\$ (9.1)	\$ (155.6)		
Other comprehensive income (loss) before reclassifications						
Before tax amount	0.2	6.6	3.5	10.3	\$ (0.1)	\$ 10.2
Tax benefit	(0.6)	—	(0.9)	(1.5)		(1.5)
After tax amount	(0.4)	6.6	2.6	8.8	(0.1)	8.7
Amounts reclassified from accumulated other comprehensive loss ⁽²⁾	(1.3)	—	1.0	(0.3)	—	(0.3)
Net current period other comprehensive (loss) income	(1.7)	6.6	3.6	8.5	\$ (0.1)	\$ 8.4
Balance at September 30, 2023	\$ (34.5)	\$ (107.1)	\$ (5.5)	\$ (147.1)		

⁽¹⁾ Includes gains and losses on intra-entity foreign currency transactions that are of a long-term investment nature.

⁽²⁾ Amounts are net of tax.

Reclassifications out of accumulated other comprehensive loss include:

	Year Ended September 30, 2023				
	Amortization of Pension and Postretirement ⁽¹⁾		(Gain) Loss on Derivative Instruments	Total	
	Net Loss Recognized	Prior Service Costs Recognized			
Affected Line in the Consolidated Statement of Operations:					
Net revenue	\$ —	\$ —	\$ (0.1)	\$ (0.1)	
Cost of goods sold	—	—	(1.3)	\$ (1.3)	
Operating expenses	0.1	—	2.0	\$ 2.1	
Gain on divestiture of discontinued operations (net of income tax expense)	(1.4)	(0.1)	—	\$ (1.5)	
Total before tax	\$ (1.3)	\$ (0.1)	\$ 0.6	\$ (0.8)	
Tax benefit				0.5	
Total reclassifications for the period, net of tax				\$ (0.3)	

⁽¹⁾ These accumulated other comprehensive loss components are included in the computation of net pension cost (see Note 8).

The following table summarize the changes in the accumulated balances for each component of accumulated other comprehensive loss during the year ended September 30, 2022:

	Pension and Postretirement	Currency Translation ⁽¹⁾	Net Unrealized Gain (Loss) on Derivative Instruments	Total Attributable to Hillenbrand, Inc.	Noncontrolling Interests	Total
Balance at September 30, 2021	\$ (49.2)	\$ 13.1	\$ (10.2)	\$ (46.3)		
Other comprehensive income (loss) before reclassifications						
Before tax amount	18.4	(126.8)	(0.6)	(109.0)	\$ (2.2)	\$ (111.2)
Tax benefit	(5.7)	—	0.3	(5.4)	—	(5.4)
After tax amount	12.7	(126.8)	(0.3)	(114.4)	(2.2)	(116.6)
Amounts reclassified from accumulated other comprehensive loss ⁽²⁾	3.7	—	1.4	5.1	—	5.1
Net current period other comprehensive income (loss)	16.4	(126.8)	1.1	(109.3)	\$ (2.2)	\$ (111.5)
Balance at September 30, 2022	<u>\$ (32.8)</u>	<u>\$ (113.7)</u>	<u>\$ (9.1)</u>	<u>\$ (155.6)</u>		

⁽¹⁾ Includes gains and losses on intra-entity foreign currency transactions that are of a long-term investment nature.

⁽²⁾ Amounts are net of tax.

Reclassifications out of accumulated other comprehensive loss include:

	Year Ended September 30, 2022				
	Amortization of Pension and Postretirement ⁽¹⁾		(Gain) Loss on Derivative Instruments	(Gain) Loss on Divestiture	Total
	Net Loss Recognized	Prior Service Costs Recognized			
Affected Line in the Consolidated Statement of Operations:					
Net revenue	\$ —	\$ —	\$ (0.1)	\$ —	\$ (0.1)
Cost of goods sold	—	—	(0.7)	—	\$ (0.7)
Operating expenses	4.0	—	1.9	—	\$ 5.9
Total before tax	<u>\$ 4.0</u>	<u>\$ —</u>	<u>\$ 1.1</u>	<u>\$ —</u>	<u>\$ 5.1</u>
Tax benefit					—
Total reclassifications for the period, net of tax					<u>\$ 5.1</u>

⁽¹⁾ These accumulated other comprehensive loss components are included in the computation of net pension cost (see Note 8).

The following table summarize the changes in the accumulated balances for each component of accumulated other comprehensive loss during the year ended September 30, 2021:

	Pension and Postretirement	Currency Translation ⁽¹⁾	Net Unrealized Gain (Loss) on Derivative Instruments	Total Attributable to Hillenbrand, Inc.	Noncontrolling Interests	Total
Balance at September 30, 2020	\$ (69.6)	\$ (21.1)	\$ (12.1)	\$ (102.8)		
Other comprehensive (loss) income before reclassifications						
Before tax amount	22.5	42.2	0.9	65.6	\$ (0.1)	\$ 65.5
Tax expense	(5.6)	—	(0.2)	(5.8)	—	(5.8)
After tax amount	16.9	42.2	0.7	59.8	(0.1)	59.7
Amounts reclassified from accumulated other comprehensive loss ⁽²⁾	3.5	(8.0)	1.2	(3.3)	—	(3.3)
Net current period other comprehensive (loss) income	20.4	34.2	1.9	56.5	\$ (0.1)	\$ 56.4
Balance at September 30, 2021	\$ (49.2)	\$ 13.1	\$ (10.2)	\$ (46.3)		

⁽¹⁾ Includes gains and losses on intra-entity foreign currency transactions that are of a long-term investment nature.

⁽²⁾ Amounts are net of tax.

Reclassifications out of accumulated other comprehensive loss include:

	Year Ended September 30, 2021				
	Amortization of Pension and Postretirement ⁽¹⁾		(Gain)/Loss on Derivative Instruments	(Gain)/Loss on Divestiture	Total
	Net Loss Recognized	Prior Service Costs Recognized			
Affected Line in the Consolidated Statement of Operations:					
Net revenue	\$ —	\$ —	\$ 0.1	\$ —	\$ 0.1
Cost of goods sold	—	—	(1.0)	—	\$ (1.0)
Operating expenses	4.2	(0.1)	1.9	(8.0)	\$ (2.0)
Total before tax	\$ 4.2	\$ (0.1)	\$ 1.0	\$ (8.0)	\$ (2.9)
Tax benefit					(0.4)
Total reclassifications for the period, net of tax					\$ (3.3)

⁽¹⁾ These accumulated other comprehensive loss components are included in the computation of net pension cost (see Note 8).

13. Commitments and Contingencies

Litigation

Like most companies, the Company is involved from time to time in claims, lawsuits, and government proceedings relating to its operations, including environmental, antitrust, patent infringement, business practices, commercial transactions, product and general liability, cybersecurity and privacy matters, workers' compensation, auto liability, employment-related, and other matters. The ultimate outcome of any claims, lawsuits, and proceedings cannot be predicted with certainty. An estimated loss from these contingencies is recognized when the Company believes it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated; however, it is difficult to measure the actual loss that might be incurred related to these matters. If a loss is not considered probable and/or cannot be reasonably estimated, the Company is required to make a disclosure if there is at least a reasonable possibility that a significant loss may have been incurred. Legal fees associated with claims and lawsuits are generally expensed as incurred.

Claims covered by insurance have in most instances deductibles and self-funded retentions up to \$0.5 per occurrence or per claim, depending upon the type of coverage and policy period. For auto, workers compensation, and general liability claims in the U.S., outside insurance companies and third-party claims administrators generally assist in establishing individual claim

reserves. An independent outside actuary often provides estimates of ultimate projected losses, including incurred but not reported claims, which are used to establish reserves for losses. For all other types of claims, reserves are established when payment is considered probable and are based upon advice from internal and external counsel and historical settlement information.

The recorded amounts represent the best estimate of the costs the Company will incur in relation to such exposures, but it is possible that actual costs will differ from those estimates.

14. Fair Value Measurements

Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The authoritative guidance establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are from sources independent of the Company. Unobservable inputs reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability developed based upon the best information available in the circumstances. The categorization of financial assets and liabilities within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The hierarchy is broken down into three levels:

- Level 1: Inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs (other than quoted prices) that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable for the asset or liability.

See the section below titled "Valuation Techniques" for further discussion of how Hillenbrand determines fair value for investments.

	Carrying Value at September 30, 2023	Fair Value at September 30, 2023			
		Using Inputs Considered as:			
		Level 1	Level 2	Level 3	
Assets:					
Cash and cash equivalents	\$ 242.9	\$ 242.9	\$ —	\$ —	
Restricted cash	7.3	7.3	—	—	
Investments in rabbi trust	3.3	3.3	—	—	
Derivative instruments	1.5	—	1.5	—	
Liabilities:					
Revolving Credit Facility	505.1	—	505.1	—	
\$200.0 term loan	192.5	—	192.5	—	
€185 term loan	195.0	—	195.0	—	
2021 Notes	350.0	281.6	—	—	
2020 Notes	400.0	395.1	—	—	
2019 Notes	374.7	355.0	—	—	
Series A Notes	—	—	—	—	
Derivative instruments	1.7	—	1.7	—	

	Carrying Value at September 30, 2022	Fair Value at September 30, 2022			
		Using Inputs Considered as:			
		Level 1	Level 2	Level 3	
Assets:					
Cash and cash equivalents	\$ 232.2	\$ 232.2	\$ —	\$ —	
Restricted cash	3.5	3.5	—	—	
Cash and cash equivalents held for sale	1.9	1.9	—	—	
Investments in rabbi trust	2.4	2.4	—	—	
Derivative instruments	2.6	—	2.6	—	
Liabilities:					
2021 Notes	350.0	268.7	—	—	
2020 Notes	400.0	394.5	—	—	
2019 Notes	374.7	349.6	—	—	
Series A Notes	100.0	—	97.6	—	
Derivative instruments	8.0	—	8.0	—	

Valuation Techniques

- Cash and cash equivalents, restricted cash, cash and cash equivalents held for sale, and investments in rabbi trust are classified within Level 1 of the fair value hierarchy. Financial instruments classified as Level 1 are based on quoted market prices in active markets. The types of financial instruments the Company classifies within Level 1 include most bank deposits, money market securities, and publicly traded mutual funds. The Company does not adjust the quoted market price for such financial instruments.
- The Company estimates the fair value of foreign currency derivatives using industry accepted models. The significant Level 2 inputs used in the valuation of derivatives include spot rates, forward rates, and volatility. These inputs were obtained from pricing services, broker quotes, and other sources.
- The fair values of the 2021 Notes, 2020 Notes, and 2019 Notes were based on quoted prices in active markets.
- The fair values of the Revolving Credit Facility, \$200.0 term loan, €185 term loan, and Series A Notes were estimated based on internally-developed models, using current market interest rate data for similar issues, as there is no active market for the Facility or Series A Notes.

15. Segment and Geographical Information

As previously described, on February 1, 2023, the Company completed the divestiture of Batesville. The operating results and cash flows for Batesville have been classified as discontinued operations within the Consolidated Financial Statements for all periods presented.

Hillenbrand is now composed of two reportable operating segments: Advanced Process Solutions and Molding Technology Solutions. The Company's reportable operating segments maintain separate financial information for which results of operations are evaluated on a regular basis by the Company's chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Company records the direct costs of business operations to the reportable operating segments, including stock-based compensation, asset impairments, restructuring activities, and business acquisition costs. Corporate provides management and administrative services to each reportable operating segment. These services include treasury management, human resources, legal, business development, and other public company support functions such as internal audit, investor relations, financial reporting, and tax compliance. With limited exception for certain professional services and back-office and technology costs, the Company does not allocate these types of corporate expenses to the reportable operating segments.

The following tables present financial information for the Company's reportable operating segments and significant geographical locations:

	Year Ended September 30,		
	2023	2022	2021
Net revenue			
Advanced Process Solutions	\$ 1,823.5	\$ 1,269.8	\$ 1,245.7
Molding Technology Solutions	1,002.5	1,045.5	995.7
Total net revenue	<u>\$ 2,826.0</u>	<u>\$ 2,315.3</u>	<u>\$ 2,241.4</u>
Adjusted EBITDA ⁽¹⁾			
Advanced Process Solutions	\$ 355.7	\$ 249.1	\$ 234.5
Molding Technology Solutions	187.1	216.2	201.8
Corporate	(59.6)	(63.8)	(57.6)
Net revenue			
United States	\$ 1,061.6	\$ 760.3	\$ 724.3
China	451.1	573.1	503.6
India	229.5	196.3	178.9
Germany	210.2	140.9	139.0
All other countries	873.6	644.7	695.6
Total net revenue	<u>\$ 2,826.0</u>	<u>\$ 2,315.3</u>	<u>\$ 2,241.4</u>

⁽¹⁾ Adjusted earnings before interest, income tax, depreciation, and amortization ("adjusted EBITDA") is a non-GAAP measure used by management to measure segment performance and make operating decisions.

	September 30,	
	2023	2022
Total assets assigned		
Advanced Process Solutions	\$ 3,525.5	\$ 1,494.2
Molding Technology Solutions	1,883.0	2,052.6
Corporate	139.2	99.3
Held for sale assets	—	221.4
Total assets assigned	<u>\$ 5,547.7</u>	<u>\$ 3,867.5</u>
Tangible long-lived assets, net		
United States	\$ 134.1	\$ 79.3
Germany	136.0	104.1
China	38.9	42.2
India	38.1	40.7
All other foreign business units	84.9	53.5
Tangible long-lived assets, net	<u>\$ 432.0</u>	<u>\$ 319.8</u>

The following schedule reconciles segment adjusted EBITDA to consolidated net income:

	Year Ended September 30,		
	2023	2022	2021
Adjusted EBITDA:			
Advanced Process Solutions	\$ 355.7	\$ 249.1	\$ 234.5
Molding Technology Solutions	187.1	216.2	201.8
Corporate	(59.6)	(63.8)	(57.6)
Add:			
Income from discontinued operations (net of income tax expense)	462.6	99.5	127.2
Less:			
Interest expense, net	77.7	64.3	74.3
Income tax expense	102.8	84.0	78.6
Depreciation and amortization	125.6	98.6	104.7
Impairment charges	—	—	11.2
Business acquisition, divestiture, and integration costs	46.2	29.4	33.9
Restructuring and restructuring-related charges	5.1	3.1	13.6
Inventory step-up costs related to acquisitions	11.7	—	—
Loss (gain) on divestiture	—	3.1	(67.1)
Other	—	3.3	1.5
Consolidated net income	<u>\$ 576.7</u>	<u>\$ 215.2</u>	<u>\$ 255.2</u>

16. Restructuring

Hillenbrand periodically undergoes restructuring activities in order to enhance profitability through streamlined operations and an improved overall cost structure. The following schedule details the restructuring charges by reportable operating segment and the classification of those charges on the Consolidated Statements of Operations.

	Year Ended September 30,								
	2023			2022			2021		
	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total
Advanced Process Solutions	\$ (0.1)	\$ 1.3	\$ 1.2	\$ 1.8	\$ (0.2)	\$ 1.6	\$ 9.3	\$ 5.9	\$ 15.2
Molding Technology Solutions	2.1	0.9	3.0	—	0.2	0.2	4.1	1.0	5.1
Corporate	—	0.2	0.2	—	0.8	0.8	—	0.7	0.7
Total	<u>\$ 2.0</u>	<u>\$ 2.4</u>	<u>\$ 4.4</u>	<u>\$ 1.8</u>	<u>\$ 0.8</u>	<u>\$ 2.6</u>	<u>\$ 13.4</u>	<u>\$ 7.6</u>	<u>\$ 21.0</u>

The restructuring charges within the Advanced Process Solutions reportable operating segment during the years ended September 30, 2023, 2022, and 2021 are related primarily to severance costs. The restructuring charges within the Molding Technology Solutions reportable operating segment and Corporate during the years ended September 30, 2023, 2022 and 2021 were primarily related to severance costs associated with the ongoing integration of Milacron, as well as productivity initiatives within the Molding Technology Solutions reportable operating segment. At September 30, 2023, \$2.7 of restructuring costs were accrued and are expected to be paid over the next twelve months.

SCHEDULE II
HILLENBRAND, INC.
VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED SEPTEMBER 30, 2023, 2022, AND 2021

(in millions)	Balance at Beginning of Period	Additions		Deductions Net of Recoveries (a)	Balance at End of Period
		Charged to Revenue, Costs, and Expense	Charged to Other Accounts		
Allowance for doubtful accounts, early pay discounts, and sales returns:					
Year ended September 30, 2023	\$ 6.4	\$ 2.6	\$ 1.7	\$ (0.6)	\$ 10.1
Year ended September 30, 2022	\$ 5.7	\$ 2.1	\$ (0.8)	\$ (0.6)	\$ 6.4
Year ended September 30, 2021	\$ 5.9	\$ 0.8	\$ 0.1	\$ (1.1)	\$ 5.7
Allowance for inventory valuation:					
Year ended September 30, 2023	\$ 29.5	\$ 8.9	\$ 5.8	\$ (2.5)	\$ 41.7
Year ended September 30, 2022	\$ 28.4	\$ 8.5	\$ (3.0)	\$ (4.4)	\$ 29.5
Year ended September 30, 2021	\$ 24.1	\$ 5.6	\$ 3.0	\$ (4.3)	\$ 28.4

(a) Reflects the write-off of specific trade receivables against recorded reserves and other adjustments.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. In order to evaluate the effectiveness of internal control over financial reporting, management has conducted an assessment, including testing, using the criteria set forth by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission in *Internal Control — Integrated Framework (2013 Framework)*. The Company's internal control over financial reporting, as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. 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.

Based on our assessment under the criteria established in *Internal Control — Integrated Framework (2013 Framework)*, issued by the COSO, management has concluded that the Company maintained effective internal control over financial reporting as of September 30, 2023.

The effectiveness of the Company's internal control over financial reporting as of September 30, 2023, has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which appears in Part II, Item 8, of this Form 10-K.

On October 6, 2022, we completed the acquisition of Linxis, on December 1, 2022, we completed the acquisition of Peerless, and on September 1, 2023, we completed the acquisition of FPM, each of which includes their existing information systems and internal controls over financial reporting. In conducting our evaluation of the effectiveness of our internal control over financial reporting for our fiscal year ended September 30, 2023, we have excluded Linxis, Peerless and FPM from our evaluation as permitted under existing SEC Staff interpretive guidance for newly acquired businesses. We are currently in the process of evaluating and integrating Linxis, Peerless, and FPM's historical internal controls over financial reporting with ours. The integrations may lead to changes in future fiscal periods, but we do not expect these changes to materially affect our internal control over financial reporting. We expect to complete these internal controls integrations in fiscal 2024. For the year ended and as of September 30, 2023, Linxis, Peerless, and FPM accounted for approximately 15% of total consolidated net revenue and approximately 35% of total consolidated assets.

Other than as noted above, there have been no changes to our internal control over financial reporting, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Management's report on our internal control over financial reporting is included under Item 8.

We have established disclosure controls and procedures and internal control over financial reporting to provide reasonable assurance that material information relating to us, including our consolidated subsidiaries, is made known on a timely basis to management and the Board of Directors. No control system, no matter how well designed and operated, can provide absolute assurance that the objectives of the control system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

Our management, with the participation of our President and Chief Executive Officer and the Senior Vice President and Chief Financial Officer (the "Certifying Officers"), evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based upon that evaluation, the Certifying Officers concluded that our disclosure controls and procedures as of the end of the period covered by this report are effective.

Item 9B. OTHER INFORMATION

(a) Effective November 14, 2023, our Board of Directors approved an amendment of the Company's Amended and Restated code of By-laws (the "By-law Amendment"). The By-law Amendment prohibits any indemnification or advancement of expenses to a Company director, officer, or employee that would be against public policy, in further support of the Company's revised Clawback Policy adopted in compliance with listing standards required by the new SEC Rule 10D-1.

The complete text of the Company's By-laws, as well as a marked copy of the By-laws illustrating the changes made by the By-law Amendment, are attached hereto as Exhibits 3.2 and 3.2(a). The foregoing descriptions are summaries only, do not purport to be complete, and are qualified in their entirety by reference to the complete text of the By-laws which is attached as Exhibit 3.2 and incorporated herein by reference.

(b) Rule 10b5-1 Trading Plans

During the fiscal quarter ended September 30, 2023, none of our directors or executive officers (as defined in Section 16 of the Securities Exchange Act of 1934, as amended), adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (each as defined in Item 408(a) and (c) of Regulation S-K).

Item 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

Information related to executive officers is included in this report under Part I, Item 1 within the caption "Information about our Executive Officers." Information relating to the directors will appear in the section entitled "Election of Directors" in our Proxy Statement to be filed with the Securities and Exchange Commission relating to our 2024 Annual Meeting of Shareholders (the "2024 Proxy Statement"), which section is incorporated herein by reference. Information regarding our Code of Ethical Business Conduct, compliance with Section 16(a) of the Exchange Act, and the corporate governance matters covered by this Item is incorporated by reference to the 2024 Proxy Statement, where such information will be included under the headings "The Board of Directors and Committees" and "Delinquent Section 16(a) Reports." Information related to corporate governance of the Company, including its Code of Ethics and Business Conduct, information concerning executive officers, directors and Board committees, and transactions in our securities by directors and executive officers, is also available free of charge on or through the "Investors" section of our website at www.hillenbrand.com.

Item 11. EXECUTIVE COMPENSATION

The information required by this Item is incorporated herein by reference to the 2024 Proxy Statement, where such information will be included under the headings "The Board of Directors and Committees," "Executive Compensation," "Security Ownership of Beneficial Owners of More than 5% of the Company's Common Stock," and "Compensation of Directors."

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT, AND RELATED SHAREHOLDER MATTERS

The information required by this Item is incorporated herein by reference to the 2024 Proxy Statement, where such information will be included under the headings "Election of Directors," "Security Ownership of Directors and Management," and "Equity Compensation Plan Information."

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this Item is incorporated herein by reference to the 2024 Proxy Statement, where such information will be included under the heading "The Board of Directors and Committees."

Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this Item is incorporated herein by reference to the 2024 Proxy Statement, where such information will be included under the heading "Ratification of Appointment of the Independent Registered Public Accounting Firm."

PART IV

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULE

(a) The following documents have been filed as a part of this report or, where noted, incorporated by reference:

(1) Consolidated Financial Statements

The financial statements of the Company and its consolidated subsidiaries listed on the Index to Consolidated Financial Statements on page 46.

(2) Consolidated Financial Statement Schedule

The financial statement schedule on page 104 is filed in response to Item 8 and Item 15(d) of Form 10-K and is listed on the Index to Consolidated Financial Statements.

(3) Exhibits

The Exhibit Index sets forth a list of those exhibits filed herewith, and includes and identifies management contracts or compensatory plans or arrangements required to be filed as exhibits to this Form 10-K by Item 601(b)(10)(iii) of Regulation S-K.

In reviewing any agreements included as exhibits to this report, please remember that they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about us or the other parties to the agreements. The agreements may contain representations and warranties by the parties to the agreements, including us. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

- should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- may have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;
- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time.

Exhibit Index

Exhibit 2.1	***	Securities Purchase Agreement, dated as of September 15, 2022, among Hillenbrand France Acquisition Holdings SAS and the Sellers identified therein with respect to Linxis Group (Incorporated by reference to Exhibit 2.1 to Current Report on Form 8-K filed September 15, 2022)
Exhibit 2.2	***	Share Purchase Agreement, dated as of May 23, 2023, between Milacron LLC and Schenck Process Holdings GmbH (Incorporated by reference to Exhibit 2.1 to Current Report on Form 8-K filed September 1, 2023)
Exhibit 2.3		Securities Purchase Agreement, dated as of December 15, 2022, between BL Memorial Partners, LLC and Hillenbrand, Inc. (Incorporated by reference to Exhibit 2.1 to Current Report on Form 8-K filed December 21, 2022)
Exhibit 3.1		Restated and Amended Articles of Incorporation of Hillenbrand, Inc., effective as of February 13, 2020 (Incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed February 14, 2020)
Exhibit 3.2	*	Amended and Restated Code of By-Laws of Hillenbrand, Inc., effective as of November 14, 2023
Exhibit 3.2(a)	*	Amended and Restated Code of By-Laws of Hillenbrand, Inc., effective as of November 14, 2023 (redline version of amended sections)
Exhibit 4.1		Form of Indenture between Hillenbrand, Inc. and U.S. Bank National Association as trustee, dated July 09, 2010 (Incorporated by reference to Exhibit 4.11 to Form S-3 filed July 6, 2010)

Exhibit 4.2	Supplemental Indenture dated as of January 10, 2013, by and among Hillenbrand, Inc., Batesville Casket Company, Inc., Batesville Manufacturing, Inc., Batesville Services, Inc., Coperion Corporation, K-Tron Investment Co., TerraSource Global Corporation, Process Equipment Group, Inc., Rotex Global, LLC, and U.S. Bank National Association, as trustee (the “Trustee”) (Incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on January 11, 2013)
Exhibit 4.3	Supplemental Indenture No.3, dated as of September 25, 2019, by and among the Company, the subsidiary guarantors party thereto and the Trustee (Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed September 25, 2019)
Exhibit 4.4	Form of the Company’s 4.500% Senior Notes due 2026 (Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed September 25, 2019)
Exhibit 4.5	* Description of the Company’s Securities Registered Pursuant to Section 12 of the Exchange Act
Exhibit 4.6	Supplemental Indenture No. 4, dated as of June 16, 2020, by and among the Company, the subsidiary guarantors party thereto and the Trustee (Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed June 16, 2020)
Exhibit 4.7	Form of the Company’s 5.7500% Senior Notes due 2025 (Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed June 16, 2020)
Exhibit 4.8	Supplemental Indenture No. 5, dated as of December 15, 2020, by and among the Company, the subsidiary guarantors party thereto and the Trustee (Incorporated by reference to Exhibit 4.1 to Quarterly Report on Form 10-Q filed May 4, 2021)
Exhibit 4.9	Supplemental Indenture No. 6, dated as of December 15, 2020, by and among the Company, the subsidiary guarantors party thereto and the Trustee (Incorporated by reference to Exhibit 4.2 to Quarterly Report on Form 10-Q filed May 4, 2021)
Exhibit 4.10	Supplemental Indenture No. 7, dated as of March 3, 2021, by and among the Company, the subsidiary guarantors party thereto and the Trustee (Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed March 3, 2021)
Exhibit 4.11	Form of the Company’s 3.7500% Senior Notes due 2031 (Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed March 3, 2021)
Exhibit 10.1	** Form of Indemnity Agreement between Hillenbrand, Inc. and its non-employee directors (Incorporated by reference to Exhibit 10.11 to Registration Statement on Form 10)
Exhibit 10.2	** Hillenbrand, Inc. Board of Directors’ Deferred Compensation Plan (Incorporated by reference to Exhibit 10.13 to Quarterly Report on Form 10-Q filed May 14, 2008)
Exhibit 10.3	** Hillenbrand, Inc. Executive Deferred Compensation Program (Incorporated by reference to Exhibit 10.16 to Registration Statement on Form 10)
Exhibit 10.4	** Hillenbrand, Inc. Supplemental Executive Retirement Plan (As Amended and Restated July 1, 2010) (Incorporated by reference as Exhibit 10.31 to Annual Report on Form 10-K filed November 23, 2010)
Exhibit 10.5	** Hillenbrand, Inc. Supplemental Retirement Plan effective as of July 1, 2010 (Incorporated by reference to Exhibit 10.32 to Annual Report on Form 10-K filed November 23, 2010)
Exhibit 10.6	** Employment Agreement dated as of December 30, 2021, between Hillenbrand, Inc. and Kimberly K. Ryan (Incorporated by reference to Exhibit 10.2 to Quarterly Report on Form 10-Q filed February 2, 2022)
Exhibit 10.7	** Change in Control Agreement dated as of December 30, 2021, between Hillenbrand, Inc. and Kimberly K. Ryan (Incorporated by reference to Exhibit 10.3 to Quarterly Report on Form 10-Q filed February 2, 2022)
Exhibit 10.8	** Employment Agreement dated as of March 14, 2022, by and between Hillenbrand, Inc. and Robert M. VanHimbergen (Incorporated by reference to Exhibit 10.1 to Quarterly Report on Form 10-Q filed May 9, 2022)
Exhibit 10.9	Private Shelf Agreement dated as of December 6, 2012, by and between Hillenbrand, Inc. and Prudential Investment Management, Inc. (Incorporated by reference to Exhibit 10.6 to Quarterly Report on Form 10-Q filed February 4, 2013)
Exhibit 10.10	** Amended and Restated Hillenbrand, Inc. Stock Incentive Plan (Amended and Restated as of December 3, 2020 (Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed February 11, 2021)
Exhibit 10.11	** Hillenbrand, Inc. Stock Incentive Plan (Incorporated by reference to Exhibit 10.3 to Current Report on Form 8-K filed February 27, 2014)
Exhibit 10.12	** Hillenbrand, Inc. Third Amended and Restated Short-Term Incentive Compensation Plan for Key Executives (Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed December 7, 2021)

Exhibit 10.13	**	Employment Agreement, dated January 3, 2022, between Hillenbrand, Inc. and Aneesha Arora (Incorporated by reference to Exhibit 10.13 to Annual Report on Form 10-K filed November 16, 2022)
Exhibit 10.14	**	Restricted Stock Unit Award Agreement, dated as of January 3, 2022, between Hillenbrand, Inc. and Aneesha Arora (Incorporated by reference to Exhibit 10.14 to Annual Report on Form 10-K filed November 16, 2022)
Exhibit 10.15	**	Sign-on and Retention Agreement, dated as of November 17, 2021, between Hillenbrand, Inc. and Aneesha Arora (Incorporated by reference to Exhibit 10.15 to Annual Report on Form 10-K filed November 16, 2022)
Exhibit 10.16	**	Cash Award Agreement, dated as of January 3, 2022, between Hillenbrand, Inc. and Aneesha Arora (Incorporated by reference to Exhibit 10.16 to Annual Report on Form 10-K filed November 16, 2022)
Exhibit 10.17	**	Employment Agreement, dated as of October 1, 2015, between Hillenbrand, Inc. and Nicholas Farrell (Incorporated by reference to Exhibit 10.17 to Annual Report on Form 10-K filed November 16, 2022)
Exhibit 10.18	**	Form of Change in Control Agreement (2021 revision) (Incorporated by reference to Exhibit 10.18 to Annual Report on Form 10-K filed November 16, 2022)
Exhibit 10.19		Amendment No. 1 to Private Shelf Agreement, dated December 15, 2014, by and among Hillenbrand, Inc., Prudential Investment Management, Inc. and each Prudential Affiliate (as therein defined) that has become or becomes bound thereby (Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K, filed December 19, 2014)
Exhibit 10.20		Amendment No. 2 to Private Shelf Agreement, dated December 19, 2014, by and among Hillenbrand, Inc., Prudential Investment Management, Inc. and each Prudential Affiliate (as therein defined) that has become or becomes bound thereby (Incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K filed December 19, 2014)
Exhibit 10.21		Amendment No. 3 to Private Shelf Agreement, dated March 24, 2016, by and among Hillenbrand, Inc., PGIM, Inc. (f/k/a Prudential Investment Management, Inc.), and each Prudential Affiliate (as therein defined) that has become or becomes bound thereby (Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed March 30, 2016)
Exhibit 10.22		Amendment No. 4 to the Private Shelf Agreement, dated as of December 8, 2017, by and among Hillenbrand, Inc., PGIM, Inc. (f/k/a Prudential Investment Management, Inc.), the subsidiary guarantors named therein, and the additional parties thereto (Incorporated by reference as Exhibit 10.2 to Current Report on Form 8-K filed December 12, 2017)
Exhibit 10.23	**	Employment Agreement dated as of June 18, 2018, by and between Hillenbrand, Inc. and J. Michael Whitted (Incorporated by reference as Exhibit 10.33 to Annual Report on Form 10-K filed November 13, 2018)
Exhibit 10.24	*, **	Employment Agreement, dated January 21, 2014, by and between Hillenbrand Germany Holding GmbH and Ulrich Bartel
Exhibit 10.25	**	Employment Agreement, dated March 30, 2020, by and between Mold-Masters (2007) Limited and Ling An-Heid (Incorporated by reference as Exhibit 10.1 to Quarterly Report on Form 10-Q filed February 3, 2021)
Exhibit 10.26		Fourth Amended and Restated Credit Agreement, dated as of June 8, 2022, among Hillenbrand, Inc., the subsidiary borrowers named therein, the lenders named therein, JPMorgan Chase Bank, N.A., as administrative agent for the lenders, and the co-syndication agents and co-documentation agents named therein (Incorporated by reference as Exhibit 10.1 to Current Report on Form 8-K filed June 13, 2022)
Exhibit 10.27		Amendment No. 5 to Private Shelf Agreement, dated as of September 4, 2019, by and among Hillenbrand, Inc., PGIM, Inc. (f/k/a Prudential Investment Management, Inc.), the subsidiary guarantors named therein, and the additional parties thereto (Incorporated by reference as Exhibit 10.2 to Current Report on Form 8-K filed September 4, 2019)
Exhibit 10.28		Amendment No. 6 to Private Shelf Agreement, dated as of January 10, 2020, among Hillenbrand, Inc., PGIM, Inc. (f/k/a Prudential Investment Management, Inc.), the subsidiary guarantors party thereto, and the additional parties thereto (Incorporated by reference as Exhibit 10.2 to Current Report on Form 8-K filed January 10, 2020)
Exhibit 10.29	***	Warranty Agreement, dated as of September 15, 2022, by and between Hillenbrand France Acquisition Holding SAS and the Sellers identified therein with respect to Linxis Group (Incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed September 15, 2022)

Exhibit 10.30	Amendment No. 7 to Private Shelf Agreement, dated as of May 19, 2020, among Hillenbrand, Inc., PGIM, Inc. (f/k/a Prudential Investment Management, Inc.), the subsidiary guarantors party thereto, and the additional parties thereto (Incorporated by reference as Exhibit 10.2 to Current Report on Form 8-K filed May 20, 2020)
Exhibit 10.31	*** Syndicated L/G Facility Agreement, dated June 21, 2022, among Hillenbrand, Inc., certain of its subsidiaries party thereto, Commerzbank Aktiengesellschaft and other lenders party thereto, and Commerzbank Finance & Covered Bond S.A., acting as agent (Incorporated by reference as Exhibit 10.1 to Current Report on Form 8-K filed June 23, 2022)
Exhibit 10.32	** Form of Performance-Based Unit Award Agreement (Shareholder Value Delivered) (2021 revision) (Incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K filed February 11, 2021)
Exhibit 10.33	** Form of Performance Based Unit Award Agreement (Relative Total Shareholder Return) (2021 revision) (Incorporated by reference to Exhibit 10.3 to Current Report on Form 8-K filed February 11, 2021)
Exhibit 10.34	** Form of Restricted Stock Unit Award Agreement (2021 revision) (Incorporated by reference to Exhibit 10.4 to Current Report on Form 8-K filed February 11, 2021)
Exhibit 10.35	** Form of Restricted Stock Unit Award Agreement (Non-Employee Director) (2021 revision) (Incorporated by reference to Exhibit 10.5 to Current Report on Form 8-K filed February 11, 2021)
Exhibit 10.36	Amendment No. 8 to Private Shelf Agreement, dated as of June 9, 2022, among Hillenbrand, Inc., PGIM, Inc. (f/k/a Prudential Investment Management, Inc.), the subsidiary guarantors party thereto, and the additional parties thereto (Incorporated by reference as Exhibit 10.2 to Current Report on Form 8-K filed June 13, 2022)
Exhibit 10.37	** Amendment No. 1 to Fourth Amended and Restated Credit Agreement, dated as of June 21, 2023, among Hillenbrand, Inc., the subsidiary borrowers thereto, the lenders party thereto and JPMorgan Chase Bank, N.A. (Incorporated by reference as Exhibit 10.1 to Current Report on Form 8-K filed June 23, 2023)
Exhibit 10.38	** Amendment No. 2 to Fourth Amended and Restated Credit Agreement, dated as of July 14, 2023, among Hillenbrand, Inc., the subsidiary borrowers thereto, the lenders party thereto and JPMorgan Chase Bank, N.A. (Incorporated by reference as Exhibit 10.3 to Quarterly Report on Form 10-Q filed August 2, 2023)
Exhibit 10.39	Amendment and Restatement Agreement, dated June 22, 2023, between Hillenbrand, Inc., the subsidiary borrowers party thereto, the subsidiary guarantors party thereto, Commerzbank Aktiengesellschaft and the other financial institutions party thereto (Incorporated by reference as Exhibit 10.2 to Current Report on Form 8-K filed June 23, 2023)
Exhibit 21.1	* Subsidiaries of Hillenbrand, Inc.
Exhibit 22	* List of Guarantor Subsidiaries of Hillenbrand, Inc.
Exhibit 23.1	* Consent of Ernst & Young LLP
Exhibit 31.1	* Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 31.2	* Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 32.1	* Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Exhibit 32.2	* Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Exhibit 97.1	* Hillenbrand, Inc. Clawback Policy
The following documents are being filed pursuant to Inline XBRL:	
Exhibit 101	The following financial statements from the Company's Annual Report on Form 10-K for the year ended September 30, 2023, formatted in Inline XBRL: (i) Consolidated Statements of Operations, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Shareholders' Equity, and (vi) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
Exhibit 104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

- * Filed herewith.
- ** Management contracts or compensatory plans or arrangements required to be filed as exhibits to this form pursuant to Item 15(a)(3) of this Form 10-K.
- *** Schedules and certain exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. Hillenbrand hereby undertakes to furnish supplemental copies of any of the omitted schedules and exhibits upon request by the U.S. Securities and Exchange Commission.

Item 16. Form 10-K Summary

Not applicable.

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.

HILLENBRAND, INC.

By: /s/ Kimberly K. Ryan
Kimberly K. Ryan
President and Chief Executive Officer
November 15, 2023

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.

<u>Signatures</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Helen W. Cornell</u> Helen W. Cornell	Chairperson of the Board	November 15, 2023
<u>/s/ Kimberly K. Ryan</u> Kimberly K. Ryan	President, Chief Executive Officer, and Director (Principal Executive Officer)	November 15, 2023
<u>/s/ Robert M. VanHimbergen</u> Robert M. VanHimbergen	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	November 15, 2023
<u>/s/ Megan A. Walke</u> Megan A. Walke	Vice President and Chief Accounting Officer (Principal Accounting Officer)	November 15, 2023
<u>/s/ Gary L. Collar</u> Gary L. Collar	Director	November 15, 2023
<u>/s/ Joy M. Greenway</u> Joy M. Greenway	Director	November 15, 2023
<u>/s/ Daniel C. Hillenbrand</u> Daniel C. Hillenbrand	Director	November 15, 2023
<u>/s/ Neil S. Novich</u> Neil S. Novich	Director	November 15, 2023
<u>/s/ Dennis W. Pullin</u> Dennis W. Pullin	Director	November 15, 2023
<u>/s/ Jennifer W. Rumsey</u> Jennifer W. Rumsey	Director	November 15, 2023
<u>/s/ Inderpreet Sawhney</u> Inderpreet Sawhney	Director	November 15, 2023
<u>/s/ Stuart A. Taylor II</u> Stuart A. Taylor II	Director	November 15, 2023

**AMENDED AND RESTATED CODE OF BY-LAWS
OF
HILLENBRAND, INC.**

(as adopted by the Board of Directors effective on November 14, 2023)

ARTICLE 1.
Definition of Certain Terms

Section 1.01 Corporation. The term “Corporation,” as used in this Code of By-laws, shall mean and refer to Hillenbrand, Inc., a corporation duly organized and existing under and pursuant to the provisions of The Indiana Business Corporation Law, as amended.

Section 1.02 Common Stock; Preferred Stock. The term “Common Stock,” as used in this Code of By-laws, shall mean and refer to the shares of Common Stock, without par value, which the Corporation is authorized to issue under and pursuant to the provisions of the articles of incorporation of the Corporation. The term “Preferred Stock,” as used in this Code of By-laws, shall mean and refer to the shares of Preferred Stock, without par value, which the Corporation is authorized to issue under and pursuant to the provisions of the articles of incorporation of the Corporation.

Section 1.03 Shareholder. The term “shareholder,” as used in this Code of By-laws, shall mean and refer to a person in whose name shares of Common Stock or Preferred Stock are registered in the records of the Corporation.

Section 1.04 Board of Directors. The term “Board of Directors,” as used in this Code of By-laws, shall mean and refer to the board of directors of the Corporation. The term “Director,” as used in this Code of By-laws, shall mean and refer to a director of the Corporation.

Section 1.05 Officers. The terms “President,” “Chief Executive Officer,” “Chief Financial Officer,” “Vice President,” “Executive Vice President,” “Senior Vice President,” “Secretary,” “Assistant Secretary,” “Treasurer” and “Assistant Treasurer,” as used in this Code of By-laws, shall mean and refer, respectively, to the individuals holding those offices of the Corporation in their capacities as such.

Section 1.06 Act. The term “Act,” as used in this Code of By-laws, shall mean and refer to The Indiana Business Corporation Law, as now in force or hereafter amended.

Section 1.07 Principal Office. References in this Code of By-laws to the Principal Office of the Corporation are to the Corporation’s “principal office,” as such term is defined in the Act.

ARTICLE 2.
Shares of the Corporation

Section 2.01 Certificated and Uncertificated Shares; Form of Certificates. Shares of the Corporation may but need not be represented by certificates. The Board of Directors may authorize the issue of some or all of the shares of any or all classes or series of shares of the Corporation without certificates. Certificates representing shares of the Corporation shall be in such form as is prescribed by law and approved by the Board of Directors.

Section 2.02 Transfer of Shares. Shares of the Corporation shall be transferable in the manner prescribed by applicable law and in this Code of By-laws. Transfer of shares of the Corporation shall be made only on the share transfer books of the Corporation and, in the case of

certificated shares, only by the person named in the certificate or by such person's attorney lawfully constituted in writing and upon the surrender to the Corporation or its transfer agent of the certificate for such shares, properly endorsed for transfer, and upon payment of all necessary transfer taxes; or, in the case of uncertificated shares, upon receipt of proper transfer instructions from the registered owner of such shares or by such person's attorney lawfully constituted in writing and upon payment of all necessary transfer taxes and compliance with appropriate procedures for transferring shares in uncertificated form; provided, however, that such surrender and endorsement, compliance, or payment of taxes shall not be required in any case in which the officers of the Corporation shall determine to waive such requirement. With respect to certificated shares of the Corporation, every certificate exchanged, returned, or surrendered to the Corporation shall be marked "Cancelled," with the date of cancellation, by the Secretary or an Assistant Secretary or the Corporation's transfer agent. No transfer of shares of the Corporation shall be valid as against the Corporation for any purpose until it shall have been entered in the share transfer books of the Corporation.

Section 2.03 Lost, Destroyed or Stolen Share Certificates. The Board of Directors or the Secretary may direct a new share certificate or uncertificated shares to be issued in place of any share certificate theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed upon the making of an affidavit of that fact by the owner of the allegedly lost, stolen, or destroyed certificate. When authorizing such issue of a new share certificate or uncertificated shares, the Board of Directors or the Secretary may, in its discretion and as a condition precedent to the issuance thereof, require the owner of the lost, stolen, or destroyed certificate, or the owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against the Corporation with respect to the share certificate alleged to have been lost, stolen, or destroyed or the issuance of such new share certificate or uncertificated shares..

Section 2.04 Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents, one or more registrars, and one or more agents to act in the dual capacity of transfer agent and registrar with respect to the shares of the Corporation.

ARTICLE 3. **The Shareholders**

Section 3.01 Annual Meeting. The annual meeting of shareholders shall be held on such date and at such time as may be designated from time to time by the Board of Directors for the purposes of electing individuals to the Board of Directors in accordance with Section 4.03, acting upon such other questions or matters as are proposed to be submitted to a vote at the meeting and acting upon such further questions or matters as may properly come before the meeting. The annual meeting shall be called by the Board of Directors.

Section 3.02 Special Meeting. A special meeting of shareholders may be called at any time by the Board of Directors or by the President and shall be called by the Board of Directors, the President, or the Secretary if there is delivered to the Secretary a written demand for a special meeting signed by shareholders holding not less than one-fourth (1/4) of the voting power of all of the shares of the Corporation entitled to vote on the business for which the meeting is being called (determined as of the date upon which such demand is received by the Secretary), which written demand sets forth a concise statement of the questions or matters proposed to be submitted to a vote at the meeting. At any special meeting of shareholders, only business within the purpose or purposes described in the notice of such meeting given in accordance with Section 3.05 may be conducted.

Section 3.03 Place of Meetings. Meetings of the shareholders may be held at the Principal Office of the Corporation or any other place, within or without the State of Indiana, or may be held solely by remote communication, in each case as determined by the Board of Directors.

Section 3.04 Record Date. For the purpose of determining the shareholders entitled to notice of, or to vote at, any meeting of shareholders, for the purpose of determining the shareholders entitled to receive payment of any dividend or other distribution, or in order to make a determination of the shareholders for any other corporate purpose, the Board of Directors may fix in advance a date as the record date for that determination of the shareholders, that date, in any case, to be not more than seventy (70) days and, in case of a meeting of shareholders, not less than ten (10) days, before the date upon which the particular action, requiring that determination of the shareholders, is to be taken. If no record date is fixed by the Board of Directors for the determination of the shareholders entitled to notice of, or to vote at, a meeting of shareholders, then the date ten (10) days before the date of the meeting shall be the record date for the meeting. If no record date is fixed by the Board of Directors for the determination of the shareholders entitled to receive payment of a dividend or other distribution, then the date upon which the resolution of the Board of Directors declaring the dividend or other distribution is adopted shall be the record date for the determination of the shareholders. When a determination of the shareholders entitled to notice of, or to vote at, a meeting of shareholders has been made, the determination shall apply to any adjournment of the meeting, except as otherwise required by law. If no record date is fixed by the Board of Directors for the determination of the shareholders entitled to demand a special meeting pursuant to Section 3.02, the record date for determining shareholders entitled to demand a special meeting pursuant to Section 3.02 is the date the written demand contemplated by Section 3.02 is received by the Secretary. The shareholders upon any record date shall be the shareholders as of the close of business on that record date.

Section 3.05 Notice of Meetings. Not less than ten (10) days and not more than sixty (60) days before the date of each annual or special meeting of shareholders, the Corporation shall notify in writing (which may include electronic transmission) the shareholders entitled to notice of or to vote at such meeting of the date, time, and place, if such meeting will be located at a place, of such meeting and the means of remote communication, if any, by which shareholders may be considered present in person and vote at such meeting. If such meeting is a special meeting or if otherwise required under the Act or the Corporation's articles of incorporation, the notice of such meeting shall include a description of the purpose or purposes for which such meeting is called.

Notice of a meeting of shareholders pursuant to this Section 3.05 may be communicated (1) in person; (2) by telegraph, teletype, or other form of wire or wireless communication; (3) by first class, certified, or registered United States mail, postage prepaid or by private carrier service, fees prepaid or billed to the sender; (4) if the shares to which such notice relates are of a class of securities that is registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the notice and the related proxy or information statement required under the Exchange Act are available to the public, without cost or password, through the Corporation's Internet web site not fewer than thirty (30) days before such meeting, by any class or form of mail through the United States Postal Service, postage prepaid; (5) electronically; or (6) in any other manner permitted by the Act.

A shareholder may at any time waive notice of a meeting of shareholders if the waiver is in writing and is delivered to the Corporation for inclusion in the minutes or filing with the Corporation's corporate records. A shareholder's attendance at a meeting, or participation by remote communication in a meeting in accordance with this Code of By-laws, whether in person or by proxy, (a) waives objection to lack of notice or defective notice of such meeting, unless such shareholder or such shareholder's proxy at the beginning of such meeting objects to holding

such meeting or transacting business at such meeting and (b) waives objection to consideration of a particular matter at such meeting that is not within the purpose or purposes described in the meeting notice, unless such shareholder or such shareholder's proxy objects to considering the matter when it is presented. Each shareholder that has, in the manner above provided, waived notice or objection to notice of a shareholders' meeting shall be conclusively presumed to have been given due notice of such meeting, including the purpose or purposes thereof.

If an annual or special shareholders' meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place, if any, if the new date, time, or place and the means of remote communication, if any, by which shareholders may be deemed to be present in person and vote at the adjourned meeting are announced at such meeting before adjournment, unless a new record date is or must be established for the adjourned meeting.

Section 3.06 List of Shareholders. The Secretary shall, not less than five (5) business days before the date of each meeting of shareholders, prepare, or cause to be prepared, a complete alphabetical list of the names of the shareholders entitled to notice of such meeting. Such list shall be arranged by voting group (and within each voting group by class or series of shares) and shall show the address of and number of shares of the Corporation held by each of those shareholders (determined as of the record date for such meeting). The Secretary shall cause such list to be available for inspection by any shareholder entitled to vote at such meeting, beginning five (5) business days before the date of such meeting and continuing through such meeting, at the Principal Office of the Corporation. The Secretary shall also cause such list to be made available at such meeting, and any shareholder, or such shareholder's agent or attorney authorized in writing, shall be entitled to inspect such list at any time during such meeting or any adjournment thereof. If such meeting is held solely by means of remote communication, such list shall be open to examination by any shareholder at any time during such meeting on a reasonably accessible electronic network, and information required to access such list shall be provided with the notice of such meeting.

Section 3.07 Quorum at Meetings. At any meeting of shareholders, the presence, in person or by proxy, of shareholders holding a majority of the votes entitled to be cast at the meeting (determined as of the record date for the meeting) shall constitute a quorum. In the absence of a quorum at a meeting of shareholders, the chairperson of such meeting or the holders of a majority of the shares entitled to vote present in person or by proxy may adjourn such meeting from time to time, until a quorum shall be present. At any such adjourned meeting at which a quorum may be present, any business may be transacted that might have been transacted at the meeting as originally called. Once a share is represented for any purpose at a meeting of shareholders, it is deemed present for quorum purposes for the remainder of such meeting and for any adjournment of such meeting unless a new record date is or must be set for that adjourned meeting.

Section 3.08 Voting at Meetings. Any action required or permitted to be taken at any meeting of shareholders with respect to any question or matter other than the election of Directors shall be taken pursuant to a vote of the duly authorized, issued and outstanding shares of the Corporation entitled to vote at the meeting (determined as of the record date for the meeting) present, in person or by proxy, at a meeting at which a quorum is present, in which the votes cast favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by the provisions of the Act, the articles of incorporation of the Corporation or other applicable legal or regulatory requirement, in which event the action shall be taken only pursuant to the affirmative vote of the greater number. Directors shall be elected as provided in Section 4.03.

Section 3.09 Voting by Proxy. A shareholder may vote such shareholder's shares at any meeting of shareholders either in person or by proxy. A shareholder may authorize a person

or persons to act for such shareholder as proxy Each proxy shall be in the form of a written instrument executed by the shareholder or a duly authorized agent of the shareholder, or may be transmitted by electronic submission as authorized by the Corporation. No proxy shall be voted at any meeting unless and until it has been filed with the Secretary.

Section 3.10 Notice of Shareholder Business. (a) At any meeting of shareholders, only such business may be conducted as shall have been properly brought before the meeting, and as shall have been determined to be lawful and appropriate for consideration by shareholders at the meeting. To be properly brought before a meeting business must be (i) specified in the notice of meeting given in accordance with Section 3.05, (ii) otherwise properly brought before the meeting by or at the direction of the Board of Directors or the Chairperson of the Board or the President, or (iii) otherwise properly brought before the meeting by a shareholder (A) that is a shareholder of record on the date of the giving by such shareholder of the notice provided for in this Section 3.10 and on the record date for the determination of shareholders entitled to notice of and to vote at the meeting, (B) that is entitled to vote on such business at the meeting, and (C) that complies with the notice procedures set forth in this Section 3.10. For business (other than nominations of persons for election to the Board of Directors, which must comply with Section 3.11) to be properly brought before a meeting by a shareholder pursuant to clause (iii) above, the shareholder must have given timely notice thereof in proper written form to the Secretary at the Principal Office of the Corporation.

(b) To be timely, a shareholder's notice must be delivered to or mailed and received by the Secretary at the Principal Office of the Corporation not later than 100 days prior to the anniversary of the date of the immediately preceding annual meeting which was specified in the initial formal notice of such meeting (except that, if the date of the forthcoming annual meeting is more than 30 days after such anniversary date, such written notice will be timely if received by the Secretary by the later of 100 days prior to the forthcoming meeting date and the close of business 10 days following the date on which the Corporation first makes public disclosure of the meeting date). In no event shall the adjournment or postponement of a meeting of shareholders, or the public announcement of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a shareholder's notice as provided above in this Section 3.10(b).

To be in proper written form, a shareholder's notice to the Secretary must set forth the following information:

(i) as to each matter such shareholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting and the proposed text of any proposal regarding such business (including the text of any resolutions proposed for consideration and, if such business includes a propose to amend this Code of By-laws, the text of the proposed amendment), and the reasons for conducting such business at the meeting;

(ii) a representation that such shareholder intends to appear in person or by proxy at the meeting to bring such business before the meeting; and

(iii) as to such shareholder and the beneficial owner, if any, on whose behalf such business is proposed to be brought before the meeting or any such proposal regarding such business is being made, (A) the name and address of such person; (B) (1) the class or series and number of all shares of the Corporation that are owned beneficially or of record by such person and any affiliates or associates of such person, (2) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of the Corporation held by each such nominee holder, (3) whether and the extent to which

any derivative instrument, swap, option, warrant, short interest, hedge, or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to shares of the Corporation, and (4) whether and the extent to which any other transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares of the Corporation) has been entered into or made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of share price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to any shares of the Corporation; (C) a description of all agreements, arrangements or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) in connection with or relating to (I) the Corporation or (II) such business or any such proposal regarding such business, and any material interest in, or anticipated benefit from, such business or proposal on the part of such person or any affiliates or associates of such person; and (D) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies by such person with respect to such business proposed to be brought by or on behalf of such person before the meeting pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder.

(c) A shareholder giving notice of business proposed to be brought before a meeting of shareholders pursuant to this Section 3.10 shall update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.10 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of such meeting, and such update and supplement shall be in writing and shall be delivered to or mailed and received by the Secretary at the Principal Office of the Corporation not later than five (5) business days after the record date for determining the shareholders entitled to receive notice of such meeting. Such shareholder shall update and supplement such notice thereafter in writing delivered to or mailed to and received by the Secretary at the Principal Office of the Corporation to reflect any change in such information within two (2) business days of any change in such information and, in any event, as of the close of business on the day preceding the date of such meeting.

(d) If the chairperson of a meeting of shareholders determines that business was not properly brought before such meeting in accordance with this Code of By-laws, or that business was not lawful or appropriate for consideration by shareholders at such annual meeting, he or she shall so declare to such meeting, and any such business shall not be transacted.

(e) Nothing contained in this Section 3.10 shall be deemed to affect any rights of shareholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act (or any successor provision of law).

Section 3.11 Notice of Shareholder Nominees. (a) Only persons who are nominated in accordance with the procedures set forth in this Section 3.11 shall be eligible for election to the Board of Directors, except as may be otherwise provided in the articles of incorporation of the Corporation with respect to the right of holders of shares of Preferred Stock to nominate and elect a specified number of Directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any meeting of shareholders (i) by or at the direction of the Board of Directors or (ii) by any shareholder (A) that is a shareholder of record on the date of the giving by such shareholder of the notice provided for in this Section 3.11 and on the record date for the determination of shareholders entitled to notice of and to vote at the

meeting, (B) that is entitled to vote for the election of members of the Board of Directors at the meeting, and (C) that complies with the notice procedures set forth in this Section 3.11.

(b) In addition to any other applicable requirements, for nominations to be made by a shareholder, the shareholder must have given timely notice thereof in proper written form to the Secretary at the Principal Office of the Corporation, and any nominee must satisfy the qualifications established by the Board of Directors from time to time as contained in the proxy statement of the Corporation for the immediately preceding annual meeting or posted on the Internet web site of the Corporation.

To be timely, a shareholder's notice of nomination must be delivered to or mailed and received by the Secretary at the Principal Office of the Corporation (i) in the case of an annual meeting, not later than 100 days prior to the anniversary of the date of the immediately preceding annual meeting which was specified in the initial formal notice of such meeting (except that, if the date of the forthcoming annual meeting is more than 30 days after such anniversary date, such written notice will be timely if received by the Secretary by the later of 100 days prior to the forthcoming meeting date and the close of business 10 days following the date on which the Corporation first makes public disclosure of the meeting date) and (ii) in the case of a special meeting, the close of business on the tenth day following the date on which the Corporation first makes public disclosure of the meeting date.

To be in proper written form, a shareholder's notice to the Secretary must set forth the following information:

(i) as to each person whom the shareholder proposes to nominate for election as a Director:

(A) the name, age, business address, and residence address of such person;

(B) the principal occupation or employment of such person;

(C) (1) the class or series and number of all shares of the Corporation that are owned beneficially or of record by such person and any affiliates or associates of such person, (2) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of the Corporation held by each such nominee holder, (3) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge, or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to shares of the Corporation, and (4) whether and the extent to which any other transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of share price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to any shares of the Corporation;

(D) such person's written representation and agreement that such person (1) is not and will not become a party to any agreement, arrangement, or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a Director, will act or vote on

any issue or question, (2) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a Director that has not been disclosed to the Corporation in such representation and agreement, (3) intends, if elected as a Director, to serve as a Director for the term for which he or she is so elected, and (4) in such person's individual capacity, would be in compliance and will comply, if elected as a Director, with all applicable publicly disclosed confidentiality, corporate governance, conflict of interest, Regulation FD, and stock ownership and trading policies and guidelines of the Corporation and all applicable publicly disclosed codes of conduct and ethics of the Corporation; and

(E) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies for election of Directors at the meeting pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder; and

(ii) as to such shareholder, and the beneficial owner, if any, on whose behalf such nomination is to be made:

(A) the name and record address of such shareholder and the name and principal place of business of such beneficial owner;

(B) (1) the class or series and number of all shares of the Corporation that are owned beneficially or of record by such person and any affiliates or associates of such person, (2) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of shares of the Corporation held by each such nominee holder, (3) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge, or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to shares of the Corporation, and (4) whether and the extent to which any other transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of share price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to any shares of the Corporation;

(C) a description of (1) all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any proposed nominee, or any affiliates or associates of such proposed nominee, (2) all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) pursuant to which the nomination(s) are being made by such person, or otherwise relating to the Corporation or their ownership of shares of the Corporation, and (3) any material interest of such person, or any affiliates or

associates of such person, in such nomination, including any anticipated benefit therefrom to such person or any affiliates or associates of such person;

(D) a representation that such shareholder intends to appear in person or by proxy at the meeting to nominate the persons named in such notice; and

(E) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies for election of Directors at the meeting pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder;

and must be accompanied, for each proposed nominee to which such notice relates, by a written consent of such proposed nominee to being named in the Corporation's proxy materials as a nominee and to serving as a Director if elected and a written questionnaire (the form of which questionnaire shall be provided by the Secretary upon written request), completed and duly executed by such proposed nominee, with respect to the background and qualification of such proposed nominee.

In addition to the information required or requested pursuant to the immediately preceding paragraph or any other provision of this Code of By-laws, the Corporation may require any nominee or proposed nominee for election to the Board of Directors to furnish any other information (x) that may reasonably be requested by the Corporation to determine whether such nominee or proposed nominee would be independent under the rules and listing standards of the securities exchanges upon which shares of the Corporation are listed or traded, any applicable rules of the U.S. Securities and Exchange Commission or any publicly disclosed standards used by the Board of Directors in determining and disclosing the independence of the Directors; (y) that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such nominee or proposed nominee; or (z) that may reasonably be requested by the Corporation to determine the eligibility of such nominee or proposed nominee to serve as a Director.

(c) A shareholder giving notice of any nomination of persons for election to the Board of Directors proposed to be made at a meeting of shareholders pursuant to this Section 3.11 shall update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.11 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of such meeting, and such update and supplement shall be delivered to or be mailed to and received by the Secretary at the Principal Office of the Corporation not later than five (5) business days after the record date for determining the shareholders entitled to receive notice of such meeting. Such shareholder shall update and supplement such notice thereafter in writing delivered to or mailed to and received by the Secretary at the Principal Office of the Corporation to reflect any change in such information within two (2) business days of any change in such information and, in any event, as of the close of business on the day preceding the date of such meeting.

(d) No person shall be eligible for election as a Director unless nominated in accordance with the procedures set forth in this Section 3.11, including, without limitation, compliance by such person with any requirement to furnish information pursuant to the last paragraph of Section 3.11(b). If the chairperson of a meeting of shareholders determines that a nomination of a person for election to the Board of Directors at such meeting was not made in accordance with such procedures, such chairperson shall declare to such meeting that such nomination was defective, and such defective nomination shall be disregarded.

Section 3.12 Conduct of Meetings. At each meeting of shareholders, the Chairperson of the Board or, in the absence of the Chairperson of the Board, the Vice Chairperson of the Board or, in the absence of the Vice Chairperson of the Board, such person as may be appointed by the Board of Directors to preside at such meeting shall preside as the chairperson of such meeting.

The Board of Directors may adopt such rules and regulations for the conduct of any meeting of shareholders as it shall deem appropriate. Except to the extent inconsistent with this Code of By-laws or such rules and regulations as adopted by the Board of Directors, the chairperson of the meeting of shareholders shall have the right and authority to convene and to adjourn the meeting (whether or not a quorum is present), to prescribe such rules, regulations and procedures, to decide questions relating to the conduct of the meeting, and to do all such acts as, in the judgment of such chairperson, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairperson of the meeting of shareholders, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting, (ii) rules and procedures for maintaining order at the meeting and the safety of those present, (iii) limitations on attendance at or participation in the meeting to shareholders, their duly authorized and constituted proxies or such other persons as the chairperson of the meeting shall determine, (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof, (v) limitations on the time allotted to questions or comments by participants, and (vi) restrictions on the use of mobile phones, audio or video recording devices and similar devices at the meeting. Unless and to the extent determined by the Board of Directors or the chairperson of the meeting, a meeting of shareholders shall not be required to be held in accordance with the rules of parliamentary procedure or any other rules of procedure or conduct.

The chairperson of a meeting of shareholders may adjourn such meeting from time to time, regardless of whether a quorum is present. Any previously scheduled meeting of shareholders may be postponed by resolution of the Board of Directors, or by any officer or Director designated by the Board of Directors, upon public notice given prior to the time previously scheduled for such meeting.

ARTICLE 4. **The Board of Directors**

Section 4.01 Number of Members. The Board of Directors shall consist of no fewer than seven (7) members and no more than thirteen (13) members, as fixed from time to time by resolution of the Board of Directors.

Section 4.02 Qualification of Members. Each member of the Board of Directors shall be an adult individual. Members of the Board of Directors need not be shareholders of the Corporation and need not be residents of the State of Indiana or citizens of the United States of America.

Section 4.03 Election of Members; Classes of Directors; Terms; Vote Required. The members of the Board of Directors shall be elected by the shareholders at the annual meeting of shareholders, at a special meeting of shareholders called for that purpose or by the unanimous written consent of the shareholders, except that a majority of the duly elected and qualified members of the Board of Directors then occupying office may fill any vacancy in the membership of the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause, or caused by an increase in the number of the members of the Board of Directors.

The members of the Board of Directors shall be divided into three classes, each having one-third of the total number of members of the Board of Directors or as near to one-third of such number as may be possible, with the difference between the number of Directors in any class and the number of Directors in any other class not exceeding one. If the number of Directors is changed, any increase or decrease shall be apportioned among the classes as determined by the Board of Directors, provided that (i) in no case will a decrease in the number of Directors shorten the term of any incumbent Director and (ii) any such increase or decrease shall be apportioned such that each class has one-third of the total number of members of the Board of Directors or as near to one-third of such number as may be possible, with the difference between the number of Directors in any class and the number of Directors in any other class not exceeding one.

At each annual meeting of shareholders, the terms of all of the members of one class of Directors shall expire and Directors shall be elected to succeed the members of such class for three-year terms expiring at the third succeeding annual meeting of shareholders. A Director elected by the Board of Directors to fill any vacancy on the Board of Directors shall be elected for a term expiring at the next succeeding annual meeting of shareholders, regardless of the class to which such Director is elected, and at such next annual meeting of shareholders, a Director shall be elected to succeed such Director for a term of one, two, or three years expiring at the next annual meeting of shareholders at which full three-year terms of members of such Director's class will expire. Except as otherwise provided below, each member of the Board of Directors shall serve as such throughout the term for which he or she is elected and until his or her successor is duly elected and qualified.

Unless the articles of incorporation of the Corporation provide otherwise, Directors elected at a meeting of shareholders shall be elected to the Board of Directors if a majority of the votes cast by the shares entitled to vote in the election at a meeting of shareholders at which a quorum is present are cast in favor of a nominee's election; provided, however, that, if the number of nominees for Director exceeds the number of Directors to be elected, Directors shall be elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting of shareholders at which a quorum is present. If an incumbent Director nominee fails to receive the required vote, the Director's term shall end at the annual meeting at which he or she failed to receive the required vote. If a Director's term ends as described in the immediately preceding sentence, then the Board of Directors may fill the resulting vacancy as provided in this Section 4.03, or may decrease the size of the Board of Directors pursuant to Section 4.01.

Section 4.04 Removal of Members. Any Director, or the entire Board of Directors, may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least two-thirds (2/3) of the voting power of all of the shares of the Corporation entitled to vote generally in the election of Directors, voting together as a single class.

Section 4.05 Resignations of Members. Any member of the Board of Directors may resign at any time, with or without cause, by delivering written notice of his or her resignation to the Board of Directors. The resignation shall take effect at the time specified in the written notice or upon receipt by the Board of Directors, as the case may be, and, unless otherwise specified in the written notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 4.06 Annual Meeting; Regular Meetings. The Board of Directors shall hold its annual meeting immediately following the annual meeting of shareholders for the purposes of electing individuals to each of the offices of the Corporation and acting upon such other questions or matters as may properly come before the meeting. The Board of Directors may provide by resolution for the holding of regular meetings in addition to its annual meeting.

Section 4.07 Special Meetings. Special meetings of the Board of Directors may be called by the Chairperson of the Board, the Vice Chairperson of the Board, or any three (3) members of the Board of Directors, excluding any Director (other than the President) who has not been determined to be an independent member of the Board of Directors.

Section 4.08 Place of Meetings; Participation Other Than in Person. Unless otherwise provided by resolution of the Board of Directors, the annual meeting of the Board of Directors shall be held at the same place at which the annual meeting of shareholders is held. Special meetings of the Board of Directors and regular meetings of the Board of Directors other than the annual meeting may be held at the Principal Office of the Corporation or at any other place, within or without the State of Indiana. The Board of Directors may permit any or all Directors to participate in any meeting of the Board of Directors by, or conduct any such meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting of the Board of Directors by such means shall be deemed to be present in person at such meeting.

Section 4.09 Notice of Meetings. No notice of the annual meeting of the Board of Directors or of regular meetings of the Board of Directors other than the annual meeting shall be required. Notice of any special meeting of the Board of Directors stating the date, time, and place of such meeting shall be given to each Director not less than twenty-four (24) hours before such meeting or within such shorter interval before such meeting as the person or persons calling such meeting may deem necessary or appropriate under the circumstances. Such notice need not specify the purpose or purposes of such meeting and may be communicated in person (either in writing or orally); by telephone, telegraph, teletype, or other form of wire or wireless communication; by mail; electronically; or in any other manner permitted by the Act. If given by mail, such notice shall be mailed, addressed to the applicable Director's address listed in the most current records of the Corporation, by United States mail, postage prepaid, or by private carrier service, fees prepaid or billed to the Corporation, at least five (5) days (as evidenced by the postmark or private carrier receipt) prior to the scheduled time of such meeting.

Any Director may waive any notice required by the Act, the articles of incorporation of the Corporation or this Code of By-laws before or after the date and time stated in the notice. Except as provided in the next sentence, such waiver must be in writing, signed by the Director entitled to the notice, and filed with the minutes or corporate records of the Corporation. A Director's attendance at or participation in a meeting of the Board of Directors waives any required notice to such Director of such meeting unless such Director at the beginning of such meeting (or promptly upon such Director's arrival) objects to holding such meeting or transacting business at such meeting and does not thereafter vote for or assent to action taken at such meeting.

Section 4.10 Quorum at Meetings. At any annual meeting, other regular meeting or special meeting of the Board of Directors, the presence of a majority of the then duly elected and qualified members of the Board of Directors then occupying office shall constitute a quorum.

Section 4.11 Voting at Meetings. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Directors present is the act of the Board of Directors, unless a greater number is required by the provisions of the Act, the articles of incorporation of the Corporation or this Code of By-laws.

Section 4.12 Action Without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors with respect to any question or matter may be taken without a meeting if the action is taken by all members of the Board of Directors and the action is evidenced by one (1) or more written consents describing the action taken, signed by each Director, delivered to the Secretary and included in the minutes or filed with the corporate

records of the Corporation reflecting the action taken. Action taken under this Section 4.12 is effective when the last Director signs the consent unless (a) the consent specifies a different prior or subsequent effective date, in which case the consent is effective on that date, or (b) no effective date contemplated by the immediately-preceding clause (a) is designated and the action taken under this Section 4.12 is taken electronically as contemplated by the Uniform Electronic Transactions Act (Chapter 8 of Article 2 of Indiana Code Title 26), in which case the effective date is the date determined in accordance with the Uniform Electronic Transactions Act. A consent signed under this Section 4.12 has the effect of a meeting vote and may be described as such in any document. A Director's consent may be withdrawn by a revocation signed by the Director and delivered to the Corporation before the delivery to the Corporation of unrevoked written consents signed by all the Directors.

Section 4.13 The Chairperson of the Board. The Board of Directors may appoint a Chairperson of the Board from among the members of the Board of Directors. The Chairperson of the Board shall provide leadership and direction to the Board of Directors, shall provide advice and counsel to the President and other officers of the Corporation, shall preside at all meetings of the Board of Directors and at each meeting of shareholders as chairperson of such meeting of shareholders, and shall, in addition, have such further powers and perform such further duties as are specified in this Code of By-laws or as the Board of Directors may, from time to time, assign or delegate to the Chairperson of the Board.

Section 4.14 The Vice Chairperson. The Board of Directors may appoint a Vice Chairperson of the Board from among the members of the Board of Directors. The Vice Chairperson of the Board shall preside at all meetings of the Board of Directors in the absence of the Chairperson of the Board, shall preside at each meeting of shareholders as chairperson of such meeting of shareholders in the absence of the Chairperson of the Board, shall otherwise act in place of and carry out the responsibilities of the Chairperson of the Board if the Chairperson of the Board is absent or unable to act, shall assist the Chairperson of the Board in providing leadership and direction to the Board of Directors, shall, at the request of the Chairperson of the Board, provide advice and counsel to or otherwise assist the Chairperson of the Board in the conduct of the responsibilities of the Chairperson of the Board, and shall have such further powers and perform such further duties as are specified in this Code of By-laws or as the Board of Directors may, from time to time, assign or delegate to the Chairperson of the Board.

If at any time the person serving as Chairperson of the Board ceases to be the Chairperson of the Board for any reason, and prior to that time the Board of Directors has not appointed another member of the Board of Directors to succeed such person as Chairperson of the Board, the Vice Chairperson of the Board, at that time and without further action by the Board of Directors, shall become the Chairperson of the Board and shall serve in that capacity until he or she is replaced as Chairperson of the Board by the Board of Directors or ceases to be a member of the Board of Directors.

Section 4.15 Mandatory Classified Board Structure. The provisions of Indiana Code Section 23-1-33-6(c) shall not apply to the Corporation.

ARTICLE 5.

Committees

Section 5.01 Creation; Powers. The Board of Directors may create one (1) or more committees and appoint members of the Board of Directors to serve on them. Any such committee may have one (1) or more members, who shall serve at the pleasure of the Board of Directors. The creation of such a committee and appointment of members to it must be effected by resolution of the Board of Directors approved by a majority of all the Directors in office at the time of such approval. Any such committee shall have and may exercise such of the powers and

authority of the Board of Directors in the management of the business and affairs of the Corporation as may be provided in such resolution, in the articles of incorporation of the Corporation or this Code of By-laws, except that no such committee may take any of the actions specified in Section 23-1-34-6(e) of the Act.

Any such committee may authorize the seal of the Corporation to be affixed to all papers that may require it. In addition to and subject to the above, such committee or committees shall have such other powers and limitations of authority as may be determined from time to time by the Board of Directors.

Section 5.02 Procedure; Meetings; Quorum. Any committee created pursuant to Section 5.01 shall keep regular minutes of its actions and proceedings in a book provided for that purpose and report the same to the Board of Directors at its meeting next succeeding such action, shall fix its own rules or procedures, and shall meet at such times and at such place or places as may be provided by such rules, or by such committee or the Board of Directors. Should a committee fail to fix its own rules, the provisions of this Code of By-laws pertaining to the calling of meetings and conduct of business by the Board of Directors shall apply as nearly as may be possible. At every meeting of any such committee, the presence of a majority of all the members thereof shall constitute a quorum, and the affirmative vote of a majority of the members present shall be necessary for the adoption by it of any resolution.

Section 5.03 Substitution and Removal of Members; Vacancies. The Board of Directors may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. The Board of Directors shall have the power at any time to remove any member(s) of a committee and to appoint other Directors in lieu of the person(s) so removed and shall also have the power to fill vacancies in a committee.

ARTICLE 6. **The Officers**

Section 6.01 Number of Officers. The officers of the Corporation shall consist of a President (who shall, as such, be the Chief Executive Officer of the Corporation, in accordance with Section 6.07), a Secretary and a Treasurer, and may, in addition, consist of one or more Executive Vice Presidents, Senior Vice Presidents or Vice Presidents, a Chief Financial Officer, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be determined by the Board of Directors. Any two or more offices may be held by the same person except that the offices of President and Secretary shall not be held by the same person.

Section 6.02 Qualifications of Officers. Each officer of the Corporation shall be an adult individual. The officers of the Corporation need not be shareholders and need not be residents of the State of Indiana or citizens of the United States of America.

Section 6.03 Election of Officers. The officers of the Corporation shall be elected by the Board of Directors at each annual meeting of the Board of Directors. Each officer shall serve as such until the next ensuing annual meeting of the Board of Directors and until his or her successor shall have been duly elected and shall have qualified, except as hereinafter provided. Each officer shall be deemed to have qualified as such upon his or her election.

Section 6.04 Removal of Officers. Any officer of the Corporation may be removed at any time, with or without cause, by the Board of Directors.

Section 6.05 Resignation of Officers. Any officer of the Corporation may resign at any time, with or without cause, by delivering written notice of his or her resignation to the Board of

Directors, the Chairperson of the Board or the Secretary. The resignation shall take effect when such notice is delivered, unless such notice specifies a later effective date, and, unless otherwise specified in such notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 6.06 Filling of Vacancies. Any vacancies in the offices of the Corporation because of death, adjudication of incompetency, resignation, removal or any other cause shall be filled for the unexpired portion of the term of that office by the Board of Directors.

Section 6.07 The President. The President shall be the Chief Executive Officer of the Corporation. The President shall be responsible for the active overall direction and administration of the affairs of the Corporation, subject, however, to the control of the Board of Directors. In general, the President shall have such powers and perform such duties as are incident to the office of the president and chief executive officer of a business corporation and shall, in addition, have such other and further powers and perform such other further duties as are specified in this Code of By-laws or as the Board of Directors may, from time to time, assign to or delegate to the President or the Chief Executive Officer. At the request of the President, any Vice President, Senior Vice President, or Executive Vice President may, in the case of absence or inability to act of the President, temporarily act in his or her place. In the case of the President's death or inability to act without having designated a Vice President, Senior Vice President, or Executive Vice President to act temporarily in his or her place, an officer of the Corporation so to perform the duties of the President shall be designated by the Board of Directors.

Section 6.08 The Vice Presidents. Each Vice President (if one or more Vice Presidents are elected) shall assist the Chairperson of the Board and the President in their duties and shall have such other powers and perform such other duties as the Board of Directors, the Chairperson of the Board, the President, or any Executive Vice President or Senior Vice President may, from time to time, assign or delegate to him or her.

Section 6.09 The Secretary. The Secretary shall be the chief custodial officer of the Corporation. The Secretary shall keep or cause to be kept, in minute books provided for the purpose, the minutes of the proceedings of the shareholders and the Board of Directors. The Secretary shall see that all notices are duly given in accordance with the provisions of this Code of By-laws and as required by law. The Secretary shall be custodian of the minute books, archives, records, and the seal of the Corporation and see that the seal is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized by the shareholders, the Board of Directors, the Chairperson of the Board or the President or as required by law. In general, the Secretary shall have such powers and perform such duties as are incident to the office of secretary of a business corporation and shall, in addition, have such further powers and perform such further duties as are specified in this Code of By-laws or as the Board of Directors, the Chairperson of the Board, or the President may, from time to time, assign or delegate to the Secretary.

Section 6.10 The Assistant Secretaries. Each Assistant Secretary (if one or more Assistant Secretaries are elected) shall assist the Secretary in his or her duties, and shall have such other powers and perform such other duties as the Board of Directors, the Chairperson of the Board, the President or the Secretary may, from time to time, assign or delegate to him or her. At the request of the Secretary, any Assistant Secretary may, in the case of the absence or inability to act of the Secretary, temporarily act in his or her place. In the case of the death or resignation of the Secretary, or in the case of the Secretary's absence or inability to act without having designated an Assistant Secretary to act temporarily in his or her place, the Assistant Secretary so to perform the duties of the Secretary shall be designated by the President.

Section 6.11 The Treasurer. The Treasurer shall have such powers and perform such duties as are incident to the office of treasurer of a business corporation and have such further powers and perform such further duties as the Board of Directors, the Chairperson of the Board, the President, or the Chief Financial Officer may, from time to time, assign or delegate to the Treasurer.

Section 6.12 The Assistant Treasurers. Each Assistant Treasurer (if one or more Assistant Treasurers are elected) shall assist the Treasurer in his or her duties, and shall have such other powers and perform such other duties as the Board of Directors, the Chairperson of the Board, the President or the Treasurer may, from time to time, assign or delegate to such Assistant Treasurer. At the request of the Treasurer, any Assistant Treasurer may, in the case of the absence or inability to act of the Treasurer, temporarily act in the Treasurer's place. In the case of the death or resignation of the Treasurer, or in the case of his or her inability to act without having designated an Assistant Treasurer to act temporarily in his or her place, the Assistant Treasurer so to perform the duties of the Treasurer shall be designated by the President.

Section 6.13 Function of Offices. The offices of the Corporation are established in order to facilitate the day to day administration of the affairs of the Corporation in the ordinary course of its business and to provide an organization capable of executing and carrying out the decisions and directions of the Board of Directors. The officers of the Corporation shall have such powers and perform such duties as may be necessary or desirable to conduct and effect all transactions in the ordinary course of the business of the Corporation without further authorization by the Board of Directors and such further powers as are granted by this Code of By-laws or are otherwise granted by the Board of Directors.

ARTICLE 7. **Indemnification**

Section 7.01 Definitions. As used in this Article 7:

(a) "expenses" includes all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys' fees and related disbursements and other out-of-pocket costs) actually and reasonably incurred by an Eligible Person (as hereinafter defined) in connection with the investigation, defense, settlement, or appeal of a proceeding or establishing or enforcing a right to indemnification or advancement of expenses under this Article; provided, however, that expenses shall not include any judgments, fines, ERISA excise taxes or penalties, or amounts paid in settlement of a proceeding.

(b) "proceeding" includes, without limitation, any threatened, pending, or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing, or any other proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, whether by a third party or by or in the right of the Corporation, by reason of the fact that an Eligible Person is or was a director, officer, or employee of the Corporation or, while a director, officer, or employee of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, member, manager, trustee, employee, fiduciary, or agent of another domestic or foreign corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, or other enterprise, or an affiliate of the Corporation, whether for profit or not.

Section 7.02 Indemnity. The Corporation shall indemnify any person who is or was a director, officer, or employee of the Corporation ("Eligible Person") in accordance with the provisions of this Section 7.02 if the Eligible Person is a party to or threatened to be made a party to any proceeding against all expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement actually and

reasonably incurred by the Eligible Person in connection with such proceeding, but only (a) if the Eligible Person acted in good faith, and (b) (i) in the case of conduct in the Eligible Person's official capacity with the Corporation, if the Eligible Person acted in a manner which the Eligible Person reasonably believed to be in the best interests of the Corporation, or (ii) in the case of conduct other than in the Eligible Person's official capacity with the Corporation, if the Eligible Person acted in a manner which the Eligible Person reasonably believed was at least not opposed to the best interests of the Corporation, and (c) in the case of a criminal proceeding, the Eligible Person had reasonable cause to believe that the Eligible Person's conduct was lawful or had no reasonable cause to believe that the Eligible Person's conduct was unlawful, and (d) if required by the Act, the Corporation makes a determination that indemnification of the Eligible Person is permissible because the Eligible Person has met the standard of conduct as set forth in the Act.

Section 7.03 Indemnification of Expenses of Successful Party. Notwithstanding any other provisions of this Article, to the extent that the Eligible Person has been wholly successful, on the merits or otherwise, in the defense of any proceeding or in defense of any claim, issue, or matter therein, including the dismissal of an action without prejudice, the Corporation shall indemnify the Eligible Person against all expenses incurred in connection therewith.

Section 7.04 Additional Indemnification. Notwithstanding any limitation in Sections 7.02 or 7.03, the Corporation shall indemnify the Eligible Person to the full extent authorized or permitted by any amendments to or replacements of the Act adopted after the date of adoption of this Article that increase the extent to which a corporation may indemnify its Eligible Persons if the Eligible Person is a party to or threatened to be made a party to any proceeding against all expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement actually and reasonably incurred by the Eligible Person in connection with such proceeding.

Section 7.05 Exclusions. Notwithstanding any provision in this Article 7, the Corporation shall not be obligated under this Article to make any indemnity or advance expenses in connection with any claim made against the Eligible Person:

(a) for which payment has actually been made to or on behalf of the Eligible Person under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under such insurance or other indemnity provision;

(b) if a court having jurisdiction in the matter shall finally determine that an Eligible Person derived an improper personal benefit from any transaction;

(c) if a court having jurisdiction in the matter shall finally determine that an Eligible Person is liable for disgorgement of profits resulting from the purchase and sale or sale and purchase by the Eligible Person of securities of the Corporation in violation of Section 16(b) of the Exchange Act and amendments thereto or similar provisions of any federal, state, or local statutory law or common law;

(d) if a court having jurisdiction in the matter shall finally determine that such indemnification is not lawful under any applicable statute; or

(e) if such indemnification is not lawful under any applicable public policy (in this respect, if applicable, both the Corporation and the Eligible Person have been advised that the Securities and Exchange Commission takes the position that indemnification for liabilities (i) arising under the federal securities laws or (ii) for the recovery of erroneously awarded compensation as a result of material noncompliance with accounting rules are both against public policy and are, therefore, unenforceable and that claims for indemnification should be submitted to appropriate courts for adjudication); or

(f) in connection with any proceeding (or part thereof) initiated by the Eligible Person against the Corporation or its directors, officers, or employees, unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors, (iii) such indemnification is provided by the Corporation, in its sole discretion, pursuant to the powers vested in the Corporation under applicable law, or (iv) the proceeding is initiated pursuant to Section 7.08 hereof and the Eligible Person is successful in whole or in part in such proceeding.

Section 7.06 Advancement of Expenses. The expenses incurred by the Eligible Person in any proceeding shall, subject to Section 7.05, be paid promptly by the Corporation upon demand and in advance of final disposition of the proceeding at the written request of the Eligible Person, if (a) the Eligible Person furnishes the Corporation with a written affirmation of the Eligible Person's good faith belief that the Eligible Person has met the standard of conduct required by the Act or this Article, (b) the Eligible Person furnishes the Corporation with a written undertaking to repay such advance to the extent that it is ultimately determined that the Eligible Person did not meet the standard of conduct that would entitle the Eligible Person to indemnification, and (c) if required by the Act, the Corporation makes a determination that the facts known to those making the determination would not preclude indemnification under the Act. Such advances shall be made without regard to the Eligible Person's ability to repay such expenses.

Section 7.07 Notification and Defense of Claim. To obtain indemnification under this Article, as soon as practicable after receipt by the Eligible Person of notice of the commencement of any proceeding, the Eligible Person shall, if a claim in respect thereof is to be made against the Corporation under this Article, notify the Corporation of the commencement thereof; provided, however, that the omission so to notify the Corporation will not relieve the Corporation from any liability which it may have to the Eligible Person otherwise than under this Article. With respect to any such proceeding as to which the Eligible Person notifies the Corporation of the commencement thereof:

(a) The Corporation will be entitled to participate therein at its own expense.

(b) Except as otherwise provided below, the Corporation may, at its option and jointly with any other indemnifying party similarly notified and electing to assume such defense, assume the defense thereof, with legal counsel reasonably satisfactory to the Eligible Person. The Eligible Person shall have the right to employ separate counsel in such proceeding, but the Corporation shall not be liable to the Eligible Person under this Article, including Section 7.06 hereof, for the fees and expenses of such counsel incurred after notice from the Corporation of its assumption of the defense, unless (i) the Eligible Person reasonably concludes that there may be a conflict of interest between the Corporation and the Eligible Person in the conduct of the defense of such proceeding or (ii) the Corporation does not employ counsel to assume the defense of such proceeding. The Corporation shall not be entitled to assume the defense of any proceeding brought by the Corporation or as to which the Eligible Person shall have made the conclusion provided for in (i) above.

(c) If two or more persons who may be entitled to indemnification from the Corporation, including the Eligible Person, are parties to any proceeding, the Corporation may require the Eligible Person to engage the same legal counsel as the other parties. The Eligible Person shall have the right to employ separate legal counsel in such proceeding, but the Corporation shall not be liable to the Eligible Person under this Article, including Section 7.06 hereof, for the fees and expenses of such counsel incurred after notice from the Corporation of the requirement to engage the same counsel as other parties, unless the Eligible Person reasonably concludes that there may be a conflict of interest between the Eligible

Person and any of the other parties required by the Corporation to be represented by the same legal counsel.

(d) The Corporation shall not be liable to indemnify the Eligible Person under this Article for any amounts paid in settlement of any proceeding effected without its written consent in advance which consent shall not be unreasonably withheld. The Corporation shall be permitted to settle any proceeding the defense of which it assumes, except the Corporation shall not settle any action or claim in any manner which would impose any penalty or limitation on the Eligible Person without the Eligible Person's written consent, which consent shall not be unreasonably withheld.

Section 7.08 Enforcement. Any right to indemnification or advances granted by this Article to the Eligible Person shall be enforceable by or on behalf of the Eligible Person in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within 90 days of a written request therefor. The Eligible Person, in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. Neither the failure of the Corporation (including its Board of Directors or its shareholders) to make a determination prior to the commencement of such enforcement action that indemnification of the Eligible Person is proper in the circumstances, nor an actual determination by the Corporation (including its Board of Directors or its shareholders) that such indemnification is improper, shall be a defense to the action or create a presumption that the Eligible Person is not entitled to indemnification under this Article or otherwise. The termination of any proceeding by judgment, order of court, settlement, conviction, or upon a plea of nolo contendere, or its equivalent, shall not, of itself, create a presumption that the Eligible Person is not entitled to indemnification under this Article or otherwise.

Section 7.09 Partial Indemnification. If the Eligible Person is entitled under any provisions of this Article to indemnification by the Corporation for some or a portion of the expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement actually and reasonably incurred by the Eligible Person in the investigation, defense, appeal, or settlement of any proceeding but not, however, for the total amount thereof, the Corporation shall indemnify the Eligible Person for the portion of such expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement to which the Eligible Person is entitled.

Section 7.10 Nonexclusivity; Survival; Successors and Assigns. The indemnification and advance payment of expenses as provided by this Article shall not be deemed exclusive of any other rights to which the Eligible Person may be entitled under the Corporation's articles of incorporation or any agreement, any vote of shareholders or directors, the Act, or otherwise, both as to action in the Eligible Person's official capacity and as to action in another capacity. The right of the Eligible Person to indemnification under this Article shall vest at the time of occurrence or performance of any event, act or omission or any alleged event, act or omission giving rise to any action, suit or proceeding and, once vested, shall survive any actual or purported amendment, restatement or repeal of this Article by the Corporation or its successors or assigns whether by operation of law or otherwise and shall survive termination of the Eligible Person's services to the Corporation and shall inure to the benefit of the heirs, personal representatives, and estate of the Eligible Person.

Section 7.11 Severability. If this Article or any portion thereof is invalidated on any ground by any court of competent jurisdiction, the Corporation shall indemnify the Eligible Person as to expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement with respect to any

proceeding to the full extent permitted by any applicable portion of this Article that is not invalidated or by any other applicable law.

Section 7.12 Subrogation. In the event of payment under this Article, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of the Eligible Person, who shall as a condition of receiving indemnification hereunder execute all documents required and shall do all acts necessary or desirable to secure such rights and to enable the Corporation effectively to bring suit to enforce such rights.

ARTICLE 8 **Miscellaneous Matters**

Section 8.01 Fiscal Year. The fiscal year of the Corporation shall end at midnight on September 30 of each calendar year.

Section 8.02 Negotiable Instruments. All checks, drafts, bills of exchange and orders for the payment of money may, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be executed in its name by the President, a Vice President (including a Senior Vice President or Executive Vice President), the Treasurer, or an Assistant Treasurer, singly and without necessity of countersignature. The Board of Directors may, however, authorize any other officer or employee of the Corporation to sign checks, drafts and orders for the payment of money, singly and without necessity of countersignature.

Section 8.03 Notes and Obligations. All notes and obligations of the Corporation for the payment of money other than those to which reference is made in Section 8.02 of this Code of By-laws, may, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be executed in its name by the President, a Vice President (including a Senior Vice President or Executive Vice President), or the Treasurer, singly and without necessity of either attestation or affixation of the corporate seal by the Secretary or an Assistant Secretary.

Section 8.04 Deeds and Contracts. All deeds and mortgages made by the Corporation and all other written contracts and agreements to which the Corporation shall be a party may, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be executed in its name by the President or a Vice President (including a Senior Vice President or Executive Vice President) singly and without necessity of either attestation or affixation of the corporate seal by the Secretary or an Assistant Secretary.

Section 8.05 Endorsement of Stock Certificates. Any certificate for shares of stock issued by any corporation and owned by the Corporation (including shares of Common Stock held by the Corporation as treasury stock) may, unless otherwise required by law, be endorsed for sale or transfer by the President or a Vice President (including a Senior Vice President or Executive Vice President), and attested by the Secretary or an Assistant Secretary; the Secretary or an Assistant Secretary, when necessary or required, may affix the corporate seal to the certificate.

Section 8.06 Voting of Stock. Any shares of stock issued by any other corporation and owned by the Corporation may be voted at any shareholders' meeting of the other corporation by the President, if the President is present, or in the President's absence by the Chief Financial Officer or a Vice President, Senior Vice President, or Executive Vice President. Whenever, in the judgment of the President, it is desirable for the Corporation to execute a proxy or to give a shareholders' consent with respect to any shares of stock issued by any other corporation and owned by the Corporation, the proxy or consent may be executed in the name of the Corporation by the President, the Chief Financial Officer or a Vice President, Senior Vice President, or Executive Vice President singly and without necessity of either attestation or affixation of the

corporate seal by the Secretary or an Assistant Secretary. Any person or persons designated in the manner above stated as the proxy or proxies of the Corporation shall have full right, power, and authority to vote the share or shares of stock issued by the other corporation and owned by the Corporation the same as the share might be voted by the Corporation.

Section 8.07 Corporate Seal. The corporate seal of the Corporation shall be circular in form and mounted on a metal die, suitable for impressing the same on paper. About the upper periphery of the seal shall appear the words “Hillenbrand, Inc.,” and about the lower periphery of the seal shall appear the word “Indiana.” In the center of the seal shall appear the words “Corporate Seal.” No instrument executed by any of the officers of the Corporation shall be invalid or ineffective in any respect by reason of the fact that the corporate seal has not been affixed to it.

Section 8.08 Control Share Acquisitions. The provisions of Chapter 42 of the Indiana Business Corporation Law, Ind. Code §23-1-42-1 et seq., shall not apply to control share acquisitions of shares of the Corporation.

Section 8.09 Amendments. Except as otherwise expressly provided in the Corporation’s articles of incorporation or by the Act, this Code of By-laws and any bylaw herein may be made, altered, amended or repealed by either (a) the Board of Directors by the affirmative vote of a number of Directors equal to a majority of the number who would constitute a full Board of Directors at the time of such action, or (b) the affirmative vote, at a meeting of shareholders, of at least a majority of the votes entitled to be cast by the holders of the outstanding shares of all classes of stock of the Corporation entitled to vote generally in the election of Directors, considered for purposes of this Section 8.09 as a single voting group, provided, however, that no bylaw may be adopted that is inconsistent with the Act.

* * *

**AMENDED AND RESTATED CODE OF BY-LAWS
OF
HILLENBRAND, INC.**

(as adopted by the Board of Directors effective on November 14, 2023)

(redline version of amended sections)

Section 7.02 Indemnity. The Corporation shall indemnify any person who is or was a director, officer, or employee of the Corporation (“Eligible Person”) in accordance with the provisions of this Section 7.02 if the Eligible Person is a party to or threatened to be made a party to any proceeding against all expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement actually and reasonably incurred by the Eligible Person in connection with such proceeding, but only (a) if the Eligible Person acted in good faith, and (b) (i) in the case of conduct in the Eligible Person’s official capacity with the Corporation, if the Eligible Person acted in a manner which the Eligible Person reasonably believed to be in the best interests of the Corporation, or (ii) in the case of conduct other than in the Eligible Person’s official capacity with the Corporation, if the Eligible Person acted in a manner which the Eligible Person reasonably believed was at least not opposed to the best interests of the Corporation, and (c) in the case of a criminal proceeding, the Eligible Person had reasonable cause to believe that the Eligible Person’s conduct was lawful or had no reasonable cause to believe that the Eligible Person’s conduct was unlawful, and (d) if required by the Act, the Corporation makes a determination that indemnification of the Eligible Person is permissible because the Eligible Person has met the standard of conduct as set forth in the Act.

[***]

Section 7.05 Exclusions. Notwithstanding any provision in this Article 7, the Corporation shall not be obligated under this Article to make any indemnity or advance expenses in connection with any claim made against the Eligible Person:

- (a) for which payment has actually been made to or on behalf of the Eligible Person under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under such insurance or other indemnity provision;
- (b) if a court having jurisdiction in the matter shall finally determine that an Eligible Person derived an improper personal benefit from any transaction;
- (c) if a court having jurisdiction in the matter shall finally determine that an Eligible Person is liable for disgorgement of profits resulting from the purchase and sale or sale and purchase by the Eligible Person of securities of the Corporation in violation of Section 16(b) of the Exchange Act and amendments thereto or similar provisions of any federal, state, or local statutory law or common law;
- (d) if a court having jurisdiction in the matter shall finally determine that such indemnification is not lawful under any applicable statute ~~or public policy; or~~
- (e) ~~if such indemnification is not lawful under any applicable public policy~~ (in this respect, if applicable, both the Corporation and the Eligible Person have been advised that the Securities and Exchange Commission takes the position that indemnification for liabilities (i) arising under the federal securities laws ~~or (ii) for the recovery of erroneously awarded compensation as a result of material noncompliance with accounting rules are both~~—is against public policy and ~~is~~are, therefore, unenforceable and that claims for indemnification should be submitted to appropriate courts for adjudication); or

(ef) in connection with any proceeding (or part thereof) initiated by the Eligible Person against the Corporation or its directors, officers, or employees, unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors, (iii) such indemnification is provided by the Corporation, in its sole discretion, pursuant to the powers vested in the Corporation under applicable law, or (iv) the proceeding is initiated pursuant to Section 7.08 hereof and the Eligible Person is successful in whole or in part in such proceeding.

Section 7.06 Advancement of Expenses. The expenses incurred by the Eligible Person in any proceeding shall, **subject to Section 7.05**, be paid promptly by the Corporation upon demand and in advance of final disposition of the proceeding at the written request of the Eligible Person, if (a) the Eligible Person furnishes the Corporation with a written affirmation of the Eligible Person's good faith belief that the Eligible Person has met the standard of conduct required by the Act or this Article, (b) the Eligible Person furnishes the Corporation with a written undertaking to repay such advance to the extent that it is ultimately determined that the Eligible Person did not meet the standard of conduct that would entitle the Eligible Person to indemnification, and (c) if required by the Act, the Corporation makes a determination that the facts known to those making the determination would not preclude indemnification under the Act. Such advances shall be made without regard to the Eligible Person's ability to repay such expenses.

**DESCRIPTION OF THE REGISTRANT'S SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934**

The following summary of the capital stock of Hillenbrand, Inc. does not purport to be complete and is qualified in its entirety by reference to our restated and amended articles of incorporation (as amended, our "Articles of Incorporation"), our amended and restated code of by-laws (as amended, our "By-Laws", and together with our Articles of Incorporation, our "organizational documents"), each of which are incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit is a part, and certain provisions of Indiana law. Unless the context requires otherwise, all references to "we", "us," "our" "the Company" and "Hillenbrand" in this section refer solely to Hillenbrand, Inc. and not to our subsidiaries.

General

Our authorized capital structure consists of:

- 199,000,000 shares of common stock, without par value: and
- 1,000,000 shares of preferred stock

As of November 10, 2022, there were 68,880,011 shares of common stock and no shares of preferred stock issued and outstanding.

Common Stock

Voting

The holders of our common stock are entitled to one vote for each share held of record on each matter submitted to a vote of shareholders, including the election of directors, and do not have any right to cumulate votes in the election of directors.

Dividends

Subject to the rights and preferences of the holders of any series of preferred stock which may at the time be outstanding, holders of our common stock are entitled to share equally in such dividends as our board of directors may declare out of funds legally available.

Liquidation Rights

The holders of our common stock are entitled to receive our net assets upon dissolution except as may otherwise be provided in an amendment to our Articles of Incorporation setting out the terms for a series of preferred stock.

Other matters

Holders of our common stock have no conversion, preemptive or other subscription rights and there are no redemption rights or sinking fund provisions with respect to the common stock.

Our common stock is traded on the New York Stock Exchange under the symbol “HI.”

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

Preferred Stock

We are authorized to issue up to 1,000,000 shares of preferred stock in one or more series. Our Articles of Incorporation authorize our board of directors to fix the rights, preferences, privileges and restrictions granted to or imposed upon the preferred stock, including voting rights, dividend rights, conversion rights, terms of redemption, liquidation preference, sinking fund terms, subscription rights and the number of shares constituting any series or the designation of a series. All shares of preferred stock of the same series must be identical with each other in all respects.

If we issue preferred stock, we will provide specific information at that time about the particular class or series being issued. This information will include some or all of the following:

- the serial designation and the number of shares in that series;
 - the dividend rate or rates, whether dividends shall be cumulative and, if so, from what date, the payment date or dates for dividends, and any participating or other special rights with respect to dividends;
 - any voting powers of the shares;
 - whether the shares will be redeemable and, if so, the price or prices at which, and the terms and conditions on which the shares may be redeemed;
 - the amount or amounts payable upon the shares in the event of voluntary or involuntary liquidation, dissolution or winding up of us prior to any payment or distribution of our assets to any class or classes of our stock ranking junior to the preferred stock;
 - whether the shares will be entitled to the benefit of a sinking or retirement fund and, if so entitled, the amount of the fund and the manner of its application, including the price or prices at which the shares may be redeemed or purchased through the application of the fund;
 - whether the shares will be convertible into, or exchangeable for, shares of any other class or of any other series of the same or any other class of our stock or the stock of another issuer, and if so convertible or exchangeable, the conversion price or prices, or the rates of exchange, and any adjustments to the conversion price or rates of exchange at which the conversion or exchange may be made, and any other terms and conditions of the conversion or exchange; and
 - any other preferences, privileges and powers, and relative, participating, optional, or other special rights, and qualifications, limitations or restrictions, as our board of directors may deem advisable and as shall not be inconsistent with the provisions of our Articles of Incorporation.
-

Depending on the rights prescribed for a series of preferred stock, the issuance of preferred stock could have an adverse effect on the voting power of the holders of common stock and could adversely affect holders of common stock by delaying or preventing a change in control of us, making removal of our present management more difficult or imposing restrictions upon the payment of dividends and other distributions to the holders of common stock.

The preferred stock, when issued, will be fully paid and non-assessable. Unless the certificate of designation for a series of preferred stock provides otherwise, the preferred stock will have no preemptive rights to subscribe for any additional securities which may be issued by us in the future. The transfer agent and registrar for the preferred stock will be specified in the applicable prospectus supplement.

Certain Anti-Takeover Matters

Certain provisions of our organizational documents, as well as certain provisions of the Indiana Business Corporation Law (the “IBCL”), may have the effect of encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with our board of directors rather than pursue non-negotiated takeover attempts. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms. These provisions include:

Classified Board of Directors

Our Articles of Incorporation and By-Laws provide for our board of directors to be composed of not fewer than seven directors and to be divided into three classes of directors, as nearly equal in number as possible, serving staggered terms. Our By-Laws also provide that our board of directors shall not consist of more than thirteen directors. Approximately one-third of our board will be elected each year. Under our Articles of Incorporation, our directors can be removed only for cause and only upon the affirmative vote of the holders of at least two-thirds of the voting power of all shares of our capital stock entitled to vote generally in the election of directors, voting together as a single class. The provisions for our classified board may be amended, altered or repealed only upon the affirmative vote of the holders of at least two-thirds of the voting power of all shares of our capital stock entitled to vote generally in the election of directors, voting together as a single class.

Under Chapter 33 of the IBCL, a corporation with a class of voting shares registered with the SEC under Section 12 of the Exchange Act must have a classified board unless the corporation adopted a by-law expressly electing not to be governed by this provision by the later of July 31, 2009 or 30 days after the corporation’s voting shares are registered under Section 12 of the Exchange Act. The IBCL now also provides that such a corporation governed by this provision on July 1, 2021 may adopt a by-law expressly electing not to be governed by this provision. We adopted a by-law electing not to be subject to this mandatory requirement on July 15, 2009; however, the IBCL permits this election to be rescinded by subsequent action of our board.

The provision for a classified board in our Articles of Incorporation could prevent a party that acquires control of a majority of the outstanding voting stock from obtaining control of our board until the second annual shareholders’ meeting following the date the acquiror obtains the controlling stock interest. The classified board provision could have the effect of discouraging a potential acquiror from making a

tender offer for our shares or otherwise attempting to obtain control of us and could increase the likelihood that our incumbent directors will retain their positions.

We believe that a classified board helps to assure the continuity and stability of our board and our business strategies and policies as determined by our board, because a majority of the directors at any given time will have prior experience on our board. The classified board provision also helps to ensure that our board, if confronted with an unsolicited proposal from a third party that has acquired a block of our voting stock, will have sufficient time to review the proposal and appropriate alternatives and to seek the best available result for all shareholders.

Our directors will serve three-year terms. At each annual meeting of shareholders, a class of directors will be elected for a three-year term to succeed the directors of the same class whose terms are then expiring.

Our Articles of Incorporation further provide that vacancies or newly created directorships in our board may only be filled by the vote of a majority of the directors then in office, and any director so chosen will hold office until the next annual meeting of shareholders.

At any annual or special meeting of directors, our By-Laws require the presence of a majority of the duly elected and qualified members then occupying office as a quorum. Our Articles of Incorporation provide for a quorum of one-third of such members unless the By-Laws otherwise specify (which they do).

Removal of Directors Only for Cause; Filling Vacancies

Our organizational documents provide that, subject to the right of holders of any series of preferred stock to elect directors, any director may be removed from office, but only for cause and only by the affirmative vote of the holders of at least two-thirds of the combined voting power of all of the shares of our capital stock entitled to vote generally in the election of directors, voting together as a single class. Our organizational documents also provide that, subject to the right of holders of any series of preferred stock to elect directors, any newly created directorships resulting from an increase in the number of directors and any vacancy on the board shall be filled by the affirmative vote of a majority of the remaining directors then in office. Any director elected in accordance with the preceding sentence will hold office for a term expiring at the next annual meeting of shareholders and until such director's successor is duly elected and qualified. No decrease in the number of directors constituting the board of directors shall shorten the term of any incumbent director.

The director removal and vacancy provisions restrict the ability of a third party to remove incumbent directors and simultaneously gain control of the board of directors by filling the vacancies created by removal with its own nominees.

Shareholder Proposals

At any meeting of shareholders, only business that is properly brought before the meeting will be conducted. To be properly brought before a meeting of shareholders, business must be specified in the notice of the meeting, brought before the meeting by or at the direction of our board of directors, our chairman of the board or our president, or properly brought before the meeting by a shareholder of record

on the date such notice was provided, entitled to vote on such matter and which complied with the notice procedures.

For business to be properly brought before any meeting of shareholders by a shareholder, the shareholder must have given timely notice thereof in writing to our secretary at our principal place of business. To be timely, a shareholder's notice must be delivered to or mailed and received by our secretary not later than 100 days prior to the anniversary of the date of the immediately preceding annual meeting which was specified in the initial formal notice of such meeting (but if the date of the forthcoming annual meeting is more than 30 days after such anniversary date, such written notice will also be timely if received by our secretary by the later of 100 days prior to the forthcoming meeting date and the close of business 10 days following the date on which we first make public disclosure of the meeting date).

A shareholder's notice must set forth, as to each matter the shareholder proposes to bring before the meeting:

- a brief description of the business desired to be brought before the meeting and the proposed text of any proposal regarding such business;
- a representation that such shareholder intends to appear in person or by proxy at the meeting to bring such business;
- the name and address of the shareholder proposing such business;
- the class and number of shares that are owned beneficially or of record by the shareholder proposing such business;
- the name of any applicable nominee holders of shares;
- a description of any derivative position held by such person or its affiliates or associates;
- a description of any transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares) that has been entered into or made by, or on behalf of, the Shareholder or any of its affiliates or associates, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power or pecuniary or economic interest of the shareholder or any of its affiliates or associates with respect to common stock;
- a description of all agreements, arrangements, or understandings between or among such person or any affiliates or associates in connection with or relating to the Company, business, or proposal, and any material interest in or anticipated benefit of the foregoing; and
- such other information regarding each nominee proposed by such shareholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the SEC.

Shareholder Nomination of Candidates for Election to Our Board

Our By-Laws provide that nominations of persons for election to our board of directors may be made at any meeting of shareholders by or at the direction of the board of directors or by any shareholder entitled to vote for the election of members of the board of directors at the meeting. For nominations to be made by a shareholder, the shareholder must have given timely notice thereof in writing to our secretary at our principal place of business and any nominee must satisfy the qualifications established by the board of directors from time to time as contained in the proxy statement for our immediately preceding annual meeting or posted on our website. To be timely, a shareholder's nomination must be delivered to or mailed and received by the secretary not later than (i) in the case of the annual meeting, 100 days prior to the anniversary of the date of the immediately preceding annual meeting which was specified in the initial formal notice of such meeting (but if the date of the forthcoming annual meeting is more than 30 days after such anniversary date, such written notice will also be timely if received by the secretary by the later of 100 days prior to the forthcoming meeting date and the close of business 10 days following the date on which we first make public disclosure of the meeting date) and (ii) in the case of a special meeting, the close of business on the tenth day following the date on which we first make public disclosure of the meeting date.

The notice given by a shareholder must set forth:

- the name and address of the shareholder who intends to make the nomination and of the person or persons to be nominated
 - the age and principal occupation of the person or persons to be nominated, and the name and place of business of the shareholder;
 - the class and number of shares that are owned beneficially or of record by the shareholder proposing such business and of the proposed nominee;
 - the name of any applicable proposed nominee holders of shares;
 - a description of any derivative position held by such proposed nominee or its affiliates or associates;
 - a description of any transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares) that has been entered into or made by, or on behalf of, the shareholder or any of its affiliates or associates, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of the shareholder or any of its affiliates or associates with respect to common stock;
 - a representation that the shareholder is a holder of record, setting forth the shares so held, and intends to appear in person or by proxy as a holder of record at the meeting to nominate the person or persons specified in the notice;
-

- with respect to the shareholder, a description of all agreements, arrangements or understandings between or among the nominating shareholder or any of their affiliates or associates and the proposed nominee or that otherwise relate to the Company and ownership of company securities;
- with respect to the person nominated, such person's written representation and agreement that they are not and will not become a party to any agreement, arrangement, or understanding regarding (1) how they will vote or act if elected, and have not given any commitment or assurance regarding the same, (2) any direct or indirect compensation, reimbursement, or indemnification in connection with service;
- with respect to the person nominated, such person's written representation and agreement that they intend to serve for the term for which he or she is so elected and in such person's individual capacity, would be in compliance and will comply with all applicable publicly disclosed confidentiality, corporate governance, conflict of interest, Regulation FD, and stock ownership and trading policies and guidelines of the Company and all applicable publicly disclosed codes of conduct and ethics of the Company; and
- such other information regarding each nominee proposed by such shareholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the SEC.

Shareholder Action; Special Meetings of Shareholders

Our Articles of Incorporation provide that shareholder action required or permitted to be taken at any meeting of the shareholders may be taken without a meeting if a written consent setting forth the action so taken is signed by all the holders of our issued and outstanding capital stock entitled to vote thereon. Our By-Laws provide that special meetings of the shareholders can only be called by our board of directors, our president or shareholders holding not less than one-fourth of the outstanding shares of our common stock entitled to vote on such matter.

Restrictions on Certain Related Party Business Combination Transactions

Under our Articles of Incorporation, any contract or other transaction between us and (i) any of our directors or (ii) any legal entity (A) in which any of our directors has a material financial interest or is a general partner or (B) of which any of our directors is a director, officer or trustee of such other legal entity (collectively, a "Conflict Transaction") is only valid if (1) the material facts of such Conflict Transaction and our director's interest in such were disclosed to or known by our board of directors, any of our committees with authority to act on the Conflict Transaction, or our shareholders entitled to vote on such Conflict Transaction and (2) the Conflict Transaction was properly authorized, approved or ratified by, as applicable:

- Our board of directors or authorized committee, if it receives the affirmative vote of a majority of the directors who have no interest in the Conflict Transaction; provided, however, that the vote not be of a single director; and

- Our shareholders, if it receives the vote of a majority of the shares entitled to be counted, in which shares owned or voted under the contract of any director who or legal entity that has an interest in the Conflict Transaction may be counted.

Amendment of Articles and Bylaws

Except as otherwise expressly provided in our Articles of Incorporation, any proposal to amend, alter, change or repeal any provision of our Articles of Incorporation, except as may be provided in the terms of any preferred stock, requires approval by our board of directors and our shareholders. In general, such a proposal would be approved by our shareholders if the votes cast favoring the proposal exceed the votes cast opposing the proposal at a meeting at which a quorum is present, except that any amendment or repeal of the provisions of our Articles of Incorporation relating to our directors, including the number of directors, the classification of our board of directors, the filling of vacancies on our board of directors, or the removal of our directors requires the affirmative vote of the holders of at least two-thirds of the voting power of all of the shares entitled to vote generally in the election of directors, voting as a single class.

Our By-Laws may be made, altered, amended, or repealed by either (a) our board of directors by affirmative vote of a number of directors equal to a majority of the number who would constitute a full board at the time of such action, or (b) the affirmative vote, at a meeting of shareholders, of at least a majority of the votes entitled to be cast by the holders of the outstanding shares of all classes of stock of the corporation entitled to vote generally in the election of directors, considered for these purposes as a single voting group, provided, however, that no By-Law may be adopted that is inconsistent with the IBCL.

Indiana Business Corporation Law

As an Indiana corporation, we are governed by the IBCL. Under specified circumstances, the following provisions of the IBCL may delay, prevent or make more difficult unsolicited acquisitions or changes of control of us. These provisions also may have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions which shareholders may otherwise deem to be in their best interest.

Control share acquisitions. Although Chapter 42 of the IBCL contains certain restrictions on control share acquisitions, our By-Laws provide that Chapter 42 of the IBCL shall not apply to control share acquisitions of shares of our capital stock.

Certain business combinations. Chapter 43 of the IBCL restricts the ability of a “resident domestic corporation” to engage in any combinations with an “interested shareholder” for five years after the date the interested shareholder became such, unless the combination or the purchase of shares by the interested shareholder on the interested shareholder’s date of acquiring shares is approved by the board of directors of the resident domestic corporation before that date. If the combination was not previously approved, the interested shareholder may effect a combination after the five-year period only if that shareholder receives approval from a majority of the disinterested shares or the offer meets specified fair price criteria. For purposes of the above provisions, “resident domestic corporation” means an Indiana corporation that has 100 or more shareholders. “Interested shareholder” means any person, other than the resident domestic corporation or its subsidiaries, who is (i) the beneficial owner, directly or indirectly, of 10% or more of the voting power of the outstanding voting shares of the resident domestic corporation or (ii) an affiliate or associate of the resident domestic corporation, which at any time within the five-year

period immediately before the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding shares of the resident domestic corporation. Although under certain circumstances a corporation may opt out of Chapter 43 of the IBCL, our Articles of Incorporation do not exclude us from the restrictions imposed by Chapter 43 of the IBCL.

Directors' duties and liability. Under Chapter 35 of the IBCL, directors are required to discharge their duties:

- in good faith;
- with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- in a manner the directors reasonably believe to be in the best interests of the corporation.

However, the IBCL also provides that a director is not liable for any action taken as a director, or any failure to act, regardless of the nature of the alleged breach of duty, including alleged breaches of the duty of care, the duty of loyalty and the duty of good faith, unless the director has breached or failed to perform the duties of the director's office in accordance with the foregoing standard and such action or failure to act constitutes willful misconduct or recklessness. The exculpation from liability under the IBCL does not affect the liability of directors for violations of the federal securities laws.

Consideration of effects on other constituents. Chapter 35 of the IBCL also provides that a board of directors, in discharging its duties, may consider, in its discretion, both the long-term and short-term best interests of the corporation, taking into account, and weighing as the directors deem appropriate, the effects of an action on the corporation's shareholders, employees, suppliers and customers and the communities in which offices or other facilities of the corporation are located and any other factors the directors consider pertinent. Directors are not required to consider the effects of a proposed corporate action on any particular corporate constituent group or interest as a dominant or controlling factor. If a determination is made with the approval of a majority of the disinterested directors of the board, that determination is conclusively presumed to be valid unless it can be demonstrated that the determination was not made in good faith after reasonable investigation. Chapter 35 specifically provides that specified judicial decisions in Delaware and other jurisdictions, which might be looked upon for guidance in interpreting Indiana law, including decisions that propose a higher or different degree of scrutiny in response to a proposed acquisition of the corporation, are inconsistent with the proper application of the business judgment rule under that section.

Hillenbrand Germany Holding GmbH, Theodorstrasse 10, 70469 Stuttgart, Germany

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claudia.kraft@coperion.com

Executive Board:
Joe Raver
Thomas Kehl
Axel Kiefer

Principal place of business:
Stuttgart, HRB 745827

Your ref.:
Our ref.: HR/Rü

Stuttgart, January 21, 2014

Arbeitsvertrag

zwischen

Employment Agreement

between

Hillenbrand Germany Holding GmbH

Theodorstrasse 10, 70469 Stuttgart

und

and

Herr Ulrich Bartel

633 East Crescent Avenue
Ramsey, New Jersey 07446
USA

1. Aufgaben

- (1) Sie werden in unserem Unternehmen als Head of Division Compounding Machines der Coperion Gruppe sowie Mitglied im Executive Board Coperion tätig. Einzelheiten ergeben sich aus dem jeweils geltenden Organigramm bzw. der Stellenbeschreibung.
- (2) Hillenbrand kann Ihnen auch andere Aufgaben im Unternehmen übertragen, die Ihrer Vorbildung und Ihren Fähigkeiten entsprechen, oder Ihren Dienstsitz verlegen, soweit dies bei Abwägung der betrieblichen Notwendigkeiten und persönlichen Belange zumutbar ist, ohne dass es einer Kündigung bedarf.

1. Tasks

- (1) You will be engaged in our company as Head of Division Compounding Machines of Coperion Group as well as member of Executive Board Coperion. Please see the respectively pertinent organizational chart i.e. task description for details.
- (2) Hillenbrand may assign other tasks within the company to you, which will correspond to your education and your qualifications or relocate your place of employment, to the extent tolerable following consideration of operational necessities and your personal situation, without need for termination.

- (3) Sie berichten disziplinarisch an den President der Coperion Gruppe.
- (4) Ihr Dienstsitz ist Stuttgart.
- (5) Sie sind bereit, zur Erledigung Ihrer Aufgaben zeitlich befristet im Rahmen einer Dienstreise auch außerhalb des Dienstsitzes - insbesondere auch im Ausland - tätig zu sein.
- (6) Die Übernahme von Aufgaben in anderen Konzernunternehmen, die ihren Sitz aufgrund der internationalen Ausrichtung des Konzerns auch im Ausland haben können, ist einvernehmlich zu regeln.

2. Bezüge

- 1) Sie erhalten für Ihre Tätigkeiten ab dem 1. Juli 2014 ein Jahresgehalt in Höhe von 206.000,00 Euro brutto. Das monatliche Bruttoentgelt beträgt somit

17.167,00 Euro.

(in Worten: siebzehntausend und einhundertsiebenundsechzig Euro)

Das Entgelt wird bargeldlos zum Ende eines jeden Kalendermonats bezahlt. Mit dieser Vergütung ist die gesamte Arbeitsleistung abgegolten.

Das Entgelt ist frei vereinbart und wird in angemessenen Zeitabständen überprüft. Dabei werden insbesondere die wirtschaftliche Entwicklung von Hillenbrand und der Coperion Gruppe sowie Ihre persönliche Leistung und Aufgabe berücksichtigt.

- (2) Darüber hinaus erhalten Sie ab dem Geschäftsjahr 2014 (01. Oktober 2013 bis 30. September 2014) einen variablen Bonus entsprechend der beigefügten Bonusregelung („Short Term Incentive Compensation (STIC) Program“). Der Zielbonus beträgt 45 % (in Worten: fünfundvierzig Prozent) des Jahresgrundgehaltes (monatliches Grundgehalt im Monat September multipliziert mit 12 Gehältern/Jahr). Details sind im STIC Programm geregelt und in der jeweiligen Fassung für das Geschäftsjahr Bestandteil dieser Vereinbarung.

- (3) You will report to the President of Coperion Group.

- (4) Your place of employment is Stuttgart.

- (5) You agree to travel on temporary business assignments in completion of your tasks, including travel abroad.
- (6) The assumption of tasks in other group affiliates, which may be foreign affiliates, shall be subject to mutually agreed arrangements.

2. Salary

- (1) As of July 01, 2014 you will receive an annual salary of EUR 206.000,00 for your services. The monthly gross salary will therefore amount to

EUR 17.167,00.

(in words: seventeen thousand one hundred sixty-seven EUR)

The salary will be paid to you by wire transfer at the end of each calendar month. This salary constitutes the full compensation for all services rendered within the scope of your employment.

The salary has been agreed freely and will be subject to regular review. In this regard the financial development of Hillenbrand and the Coperion Group as well as your personal performance and assignments will be considered.

- (2) Furthermore, you are entitled to a variable bonus in accordance with the attached bonus program ("Short Term Incentive Compensation (STIC) Program") as of the fiscal year 2014 (October 01, 2013 until September 30, 2014) . The target bonus is 45 % (in words: forty-five per cent) of the annual base salary (monthly base salary for the month of September multiplied by 12 salaries/year). Please see the STIC Program for further details. The STIC Program as amended for the current fiscal year is a component of this Agreement.

- (3) Ab dem Geschäftsjahr 2014 (01. Oktober 2013 bis 30. September 2014) werden Sie außerdem für das gesamte Jahr in das „Long Term Incentive (LTIC) Program“ der Hillenbrand Inc. einbezogen, woraus Ihnen eine zusätzliche variable Vergütung mit einem Zielbonus in Höhe von 125.000,00 Euro (in Worten: einhundert fünfundsiebenzig tausend Euro) brutto zufließen kann. Details sind im LTIC Programm geregelt und in der jeweiligen Fassung für das Geschäftsjahr Bestandteil dieser Vereinbarung. Eine rechtliche Verpflichtung aus diesem Programm besteht nur für die Hillenbrand Inc, nicht für Hillenbrand.
- (4) Sie sind verpflichtet, die Entgeltabrechnung und -zahlung unverzüglich zu überprüfen, sowie zu viel gezahlte Bezüge anzuzeigen und zurückzahlen. Sie kennen sich auf den Einwand der Entreicherung nicht berufen, wenn Sie die Überzahlung erkannt haben oder hatten erkennen müssen oder wenn die Überzahlung auf Umständen beruht, die Sie zu vertreten haben.
- (5) Hillenbrand stellt Ihnen einen Dienstwagen nach der derzeitigen Gruppe „A“ entsprechend der jeweils geltenden Dienstwagen-regelung der Coperion GmbH, Stuttgart (Anlage) zur Verfügung.

3. Arbeitsunfähigkeit / Entgeltfortzahlung

- (1) Jede Arbeitsverhinderung ist, sobald Sie Ihnen bekannt ist, Hillenbrand unter Angabe der Gründe und der voraussichtlichen Dauer sowie ggf. der Adresse eines vom Wohnsitz abweichenden Aufenthaltsortes unverzüglich mitzuteilen. Gleiches gilt, wenn sich die Arbeitsverhinderung verlängert.

- (3) As of the fiscal year 2014 (October 01, 2013 until September 30, 2014) you will also participate for the whole year in the Hillenbrand "Long Term Incentive (LTIC) Program" from which you may receive an additional variable remuneration with a target bonus in the amount of EUR 125.000,00 (in words: EUR one hundred and twenty-five thousand) gross. Please see the LTIC Program for further details. The LTIC Program as amended for the current fiscal year is a component of this Agreement. A legal obligation from this program does only exist for Hillenbrand Inc, not for Hillenbrand.
- (4) You are under an obligation to promptly review your salary statement and payment and to notify the company of any overpaid amounts and to repay such amounts. You will not be entitled to claim the defense of financial loss if you recognize any such overpayment or should have recognized it or if the overpayment was caused by circumstances for which you are responsible.
- (5) Hillenbrand will furnish you with a company car of the current Group "A" in accordance with the pertinent company car guidelines for Coperion GmbH, Stuttgart (attachment).

3. Disability / Continuation of Payment

- (1) Hillenbrand must be notified promptly of any case of disability as you obtain knowledge thereof, subject to a statement of grounds and the prospective duration of the disability as well as your location if you should not be at your private residence during such times. The same applies accordingly if the duration of such disability is extended.

January 21, 2014

Im Falle einer länger als drei Tage dauernden Arbeitsunfähigkeit haben Sie außerdem eine ärztliche Bescheinigung über die bestehende Arbeitsunfähigkeit sowie deren voraussichtliche Dauer spätestens an dem darauf folgenden Arbeitstag vorzulegen. Hillenbrand ist berechtigt, die Vorlage der ärztlichen Bescheinigung früher zu verlangen.

Dauert die Arbeitsunfähigkeit länger als in der Bescheinigung angegeben, so haben Sie - unabhängig von der Dauer der Arbeitsunfähigkeit und auch nach Ablauf des Zeitraums der Entgeltfortzahlung - unverzüglich die Fortdauer der Arbeitsunfähigkeit anzuzeigen und eine neue ärztliche Bescheinigung vorzulegen.

Solange Sie Ihren Mitteilungs- und Nachweispflichten nicht nachkommen, ist Hillenbrand unter den Voraussetzungen des § 7 Abs. 2 Entgeltfortzahlungsgesetz berechtigt, die Fortzahlung des Arbeitsentgeltes zu verweigern.

- (2) Bei unverschuldeter Dienstverhinderung erhalten Sie nach Beendigung der gesetzlichen Entgeltfortzahlung einen Zuschuss zu den Barleistungen Ihrer Krankenkasse, der Berufs-genossenschaft oder der gesetzlichen Rentenversicherung in der Höhe, dass der Zuschuss zusammen mit den Barleistungen die Höhe des Nettomonatsentgelts während des gesetzlichen Entgeltfortzahlungszeitraums ergibt. Bei Mitarbeitern, die nicht der gesetzlichen Krankenversicherung angehören, wird der Zuschuss auf der Grundlage der Leistungen der gesetzlichen Krankenkassen gezahlt, jedoch nicht mehr als das Nettomonatsentgelt. Über die Höhe der Barleistungen der Leistungsträger ist der Entgeltabrechnung eine entsprechende Bescheinigung vorzulegen.

Sie erhalten den Zuschuss einschließlich des gesetzlichen Entgeltfortzahlungszeitraumes für eine Dauer von

bis zu drei (3) Monaten bei einer Betriebszugehörigkeit bis zu fünf Jahren,

bis zu sechs (6) Monaten bei einer Betriebszugehörigkeit über fünf bis zu zehn Jahren,

If your disability lasts for longer than three days, you are also under an obligation to furnish a doctor's certificate concerning the disability and the prospective duration thereof and to submit such certificate on the following working day. Hillenbrand is entitled to demand the submission of a doctor's certificate at an earlier time.

If the disability should continue for longer than stated in the certificate, you will be obliged to promptly notify the company of the continuation of the disability and to submit a new doctor's certificate, regardless of the total term of the disability, even upon expiry of continued payments.

To the extent that you should fail to comply with your notification and reporting duties, Hillenbrand shall be entitled, subject to the requirements pursuant to Sec. 7 par. 2 Entgeltfortzahlungsgesetz (*Continued Salary Payment Act*), to refuse continued salary payments.

- (2) If you are disabled without being culpable, you will be entitled to an allowance in addition to the benefits paid by your health-care provider, your professional association or your statutory healthcare provider (*gesetz-liche Krankenkasse*) following the discontinuation of statutory continuation of salary payments, in such amount that the sum of the allowance and the benefits will equal the amount of your monthly net salary during the period of statutory continued salary payments. For employees insured with a statutory healthcare provider, the allowance will be paid on the basis of the benefits provided by the statutory healthcare provider, however, not in excess of the monthly net salary. A certificate concerning the amount of benefits provided by your healthcare provider shall be transmitted together with the salary statement.

You will be entitled to the allowance, including the period of statutory continued salary payments, for the period of

up to three (3) months, if you have been employed with the company for up to five years,

up to six (6) months, if you have been employed with the company for more than five up to ten years,

bis zu neun (9) Monaten bei einer Betriebszugehörigkeit über zehn bis zu fünfzehn Jahren,

bis zu zwölf (12) Monaten bei einer Betriebszugehörigkeit über fünfzehn Jahren,

jedoch längstens für die Dauer des Arbeitsverhältnisses. Der Zuschuss wird jeweils zum Ende eines Monats zuzüglich der darauf entfallenden Steuern gezahlt.

- (3) Können Sie aufgrund gesetzlicher Vorschriften von einem Dritten Schadenersatz wegen des Verdienstaufhalles beanspruchen, der Ihnen durch die Dienstverhinderung entstanden ist, sind Sie verpflichtet, diesen Anspruch an Hillenbrand abzutreten, falls und insoweit eine Entgeltfortzahlung oder ein Zuschuss geleistet wird.
- (4) Im Falle des Todes während der Dauer des Arbeitsverhältnisses erhalten die zu diesem Zeitpunkt unterhaltsberechtigten Hinterbliebenen das letzte ungekürzte Monatsentgelt für den Sterbemonat und die drei folgenden Monate, im Falle des Todes durch Dienstunfall für die zwölf folgenden Monate.

Ist das Arbeitsverhältnis vor dem Tode gekündigt, erhalten die Hinterbliebenen diese Zahlung nur bis zum Ablauf des Vertrages, höchstens jedoch für den in Satz 1 angegebenen Zeitraum. Bei mehreren unterhaltsberechtigten Hinterbliebenen erfolgt die Zahlung an einen der Unterhaltsberechtigten mit befreiender Wirkung. Für diese Zeit entfallen Leistungen an die Hinterbliebenen aufgrund einer für Sie eventuell bestehenden betrieblichen Altersversorgung.

4. Unfallversicherung

up to nine (9) months, if you have been employed with the company for more than ten up to fifteen years,

up to twelve (12) months if you have been employed with the company for more than fifteen years,

however, no longer than for the duration of your employment. The allowance will be payable at the end of the month in each case plus applicable taxes.

- (3) If you are entitled to seek damages from third parties pursuant to statutory provisions in connection with loss of income incurred due to the disability, you will be under an obligation to cede any such claims to Hillenbrand, to the extent that continued salary payments or an allowance are being paid.
- (4) In the event of death during the time of your employment, your surviving dependents will be entitled to the last unreduced monthly salary for the month of death and the three following months. In the event of death due to a work-related accident the salary payments shall be continued for the following twelve months.

If the employment was terminated prior to death, the surviving dependents shall receive such payment only until the expiry of the Agreement, however, in no case longer than for the period described under sentence 1 above. If there are several surviving dependents, payment shall be made to one of the surviving dependents with a discharging effect. For any such periods, no payments in connection with any occupational pension scheme shall be made to your surviving dependents.

4. Accident Insurance

Hillenbrand hat für Sie zusätzlich zur gesetzlichen Unfallversicherung eine private Unfallversicherung (Gruppenunfallversicherung der Coperion GmbH) abgeschlossen, durch die Sie zur Zeit mit 300.000,00 Euro bei Invalidität und 110.000,00 Euro bei Unfalltod versichert sind. Der Versicherungsschutz gilt weltweit und rund um die Uhr, d.h. auch für Unfälle in Ihrer Freizeit. 400.000

In addition to statutory accident insurance, Hillenbrand has taken out on your behalf private accident insurance (group accident insurance of Coperion GmbH), under which policy you are currently insured with EUR 300,000.- for cases of invalidity and EUR 110,000.- for death by accident. The insurance coverage is applicable worldwide and around the clock, i.e. the insurance covers accidents that occur outside of working hours.

Die Leistungen werden bei Arbeits- und Wegeunfällen zusätzlich zu den Leistungen der Berufsgenossenschaft gewährt.

Nach einem Unfallereignis mit einer möglichen dauerhaften Beeinträchtigung der körperlichen Funktion sollten Sie sich unverzüglich mit der Personalabteilung der Coperion GmbH in Verbindung setzen, damit die Schadenmeldung an die Gruppenunfallversicherung zeitnah bearbeitet werden kann.

Der guten Ordnung halber weisen wir darauf hin, dass die Gruppenunfallversicherung eine freiwillige Sozialleistung des Unternehmens ist. Hillenbrand behält sich das Recht vor, die Unfallversicherung bei Vorliegen eines sachlichen Grundes jederzeit mit einer dreimonatigen Ankündigungsfrist zum Monatsende zu widerrufen. Der Widerruf kann insbesondere aus wirtschaftlichen Gründen erfolgen, wenn der Versicherer wechselt, der Versicherer seine Bedingungen ändert oder die Versicherungsleistung verteuert wird.

5. Arbeitszeit

Die Arbeitszeit richtet sich nach den betrieblichen Erfordernissen im Rahmen der gesetzlichen Bestimmungen. Mit den unter Ziffer 2 genannten Bezügen ist auch etwaige über die normale Arbeitszeit hinaus notwendig werdende Mehrarbeit abgegolten.

6. Urlaub

- (1) Sie haben Anspruch auf einen bezahlten Jahresurlaub von 30 Arbeitstagen.
- (2) Lage und Verteilung des Urlaubs werden im Einvernehmen mit dem Vorgesetzten festgelegt. Der Urlaub ist im jeweiligen Kalenderjahr vollständig zu nehmen.

For work-related accidents and accidents on the way to or from work, these benefits will be paid to you in addition to the benefits paid by your professional association.

Following any accident with possible permanent damage to your bodily functions please contact the Human Resources department of Coperion GmbH promptly, so that the accident can be reported to the group accident insurance provider for prompt processing.

For your information it is pointed out that the group accident insurance is a voluntary social benefit provided by your company. Hillenbrand reserves the right to terminate the accident insurance for factual causes at any time subject to a notification period of three months to the end of the month. The termination may be effected in particular for economic reasons, if the insurer is changed, the insurer amends the terms of insurance or if the insurance payments are increased.

5. Working Hours

The working hours are subject to operational needs in accordance with pertinent statutory provisions. The payments described under Item 2 includes any performance that has become necessary beyond regular working hours.

6. Vacation

- (1) You are entitled to a paid annual vacation of 30 working days.
- (2) The timing and distribution of the vacation days will be determined in coordination with your superior. All vacation days must be taken over the course of the respective calendar year.

- (3) On special occasions you may be granted leave in accordance with the provisions applicable to the employees of Coperion GmbH employed subject to collective wage agreements.

- (3) Bei besonderen Anlässen können Sie entsprechend den für die Tarifmitarbeiter der Coperion GmbH geltenden Bestimmungen von der Arbeit befreit werden.

7. Nebentätigkeit, Veröffentlichungen, Beteiligungen

- (1) Jede entgeltliche Nebentätigkeit bedarf der vorherigen schriftlichen Zustimmung von Hillenbrand. Hillenbrand wird die Zustimmung erteilen, sofern die Nebentätigkeit die Interessen von Hillenbrand nicht beeinträchtigt.
- (2) Dasselbe gilt auch für Veröffentlichungen und Vorträge, sofern sie die Interessen von Hillenbrand oder anderen Konzernunternehmen berühren, sowie für die Mitwirkung in Aufsichtsorganen anderer Unternehmen und die Beteiligung an Unternehmen, deren Anteile nicht öffentlich gehandelt werden, insbesondere dann, wenn es sich um Unternehmen handelt, mit denen geschäftliche Beziehungen bestehen und mit denen Interessenkollisionen möglich sind.
- (3) Sie sind aufgefordert, Hillenbrand über Ehrenämter, die Sie aufgrund einer gesetzlichen Verpflichtung ausüben haben, ohne Aufforderung schriftlich zu unterrichten. Dasselbe gilt, wenn Sie sonstige ehrenamtliche Tätigkeiten übernehmen wollen, die das Interesse von Hillenbrand oder der Hillenbrand-Gruppe berühren.

8. Rechte an Arbeitsergebnissen, Erfindungen

- (1) Alle Arbeitsergebnisse stehen Hillenbrand zu. Dies gilt unabhängig davon, ob sie von Ihnen allein oder zusammen mit anderen Arbeitnehmerinnen / Arbeitnehmern erarbeitet wurden. Gleiches gilt für Ergebnisse, die zwar nicht auf einen unmittelbaren Arbeitsauftrag zurückzuführen sind, aber mit dem Tätigkeitsbereich von Hillenbrand zusammenhängen.

7. Secondary Employment, Publications, Participations

- (1) Any remunerated secondary employment shall be subject to prior written approval by Hillenbrand. Hillenbrand will grant the approval, provided the secondary employment does not affect the interests of Hillenbrand.
- (2) The same applies accordingly to publications and lectures, to the extent the interests of Hillenbrand or other affiliates are concerned, as well as to engagements in supervisory organs of other companies and participations in other companies, whose shares are not publicly traded. This applies in particular if the respective company has business relations with Hillenbrand and conflicts of interest are possible.
- (3) You are requested to notify Hillenbrand of all honorary positions held by you due to any statutory obligations, without prompting and in writing. The same applies accordingly to any other honorary engagements you propose to assume going forward, to the extent that such engagement bears any relation to the interests of Hillenbrand or the Hillenbrand Group.

8. Rights to Work Results and Inventions

- (1) Hillenbrand is entitled to all work results. This applies irrespective of whether such results were achieved or developed by you alone or jointly with other employees. The same applies accordingly to results that are not the results of a direct assignment, but which bear a relation to the business activities of Hillenbrand.

- (2) Soweit Sie Urheberrechte oder andere nicht übertragbare Schutzrechte an Arbeitsergebnissen erwerben, wird Hillenbrand hinsichtlich aller Nutzungsarten das ausschließliche Nutzungsrecht ohne räumliche, zeitliche oder inhaltliche Beschränkung eingeräumt. Dies schließt die Befugnis von Hillenbrand ein, ohne gesonderte Zustimmung für jeden Einzelfall Nutzungsrechte ganz oder teilweise auf andere zu übertragen oder andere Nutzungsrechte einzuräumen. Ansprüche für die Übertragung dieser Rechte auf Hillenbrand sind durch das Entgelt abgegolten.
- (3) Sie haben während der Dauer des Arbeitsverhältnisses gemachte Erfindungen - auch nicht dienstlicher Art - Hillenbrand unverzüglich schriftlich mitzuteilen. Im Übrigen gelten die gesetzlichen Bestimmungen über Arbeitnehmererfindungen.
- (2) To the extent that you acquire intellectual property rights or other non-transferrable rights with respect to work results, Hillenbrand will be granted an exclusive right of use covering all types of use, without any geographic, temporal and factual limitations. This includes the right of Hillenbrand, to transfer rights of use to third parties or to grant rights of use to third parties in whole or in part without need for separate approval in the individual case. Any claims in connection with the transfer of these rights to Hillenbrand are compensated under the annual salary.
- (3) For the term of your employment, Hillenbrand shall be notified of any inventions made by you promptly, this applies also to inventions that are not work-related. In all other respects the statutory provisions pertaining to employee inventions apply.

9. Geheimhaltungs- und Herausgabepflichten Datengeheimnis

- (1) Sie verpflichten sich, betriebliche und geschäftliche Angelegenheiten der zum Konzern gehörenden Unternehmen nicht unbefugt weiterzugeben, es sei denn, es handelt sich um Personen, die dem Ihnen bekannten Bearbeiterkreis angehören; auf welchem Wege diese Angelegenheiten zur Kenntnis gelangt sind, ist unerheblich. Die Geheimhaltungspflicht erstreckt sich nicht auf solche Kenntnisse, die jedermann zugänglich sind, oder deren Weitergabe für die zum Konzern gehörenden Gesellschaften ersichtlich ohne Nachteil ist.
- (2) Diese Verpflichtung gilt sowohl für die Dauer der Beschäftigung als auch für die Zeit nach Beendigung des Arbeitsverhältnisses.
- (3) Sie verpflichten sich, bei Beendigung des Arbeitsverhältnisses alle Gegenstände, Schriftstücke, Datenträger und sonstigen Unterlagen (einschließlich Abschriften, Kopien und eigener Aufzeichnungen), die im Zusammenhang mit Ihrer Tätigkeit stehen, Hillenbrand auszuhändigen und auf Wunsch Hillenbrand eine schriftliche Versicherung darüber abzugeben, weitere derartige Gegenstände, Schriftstücke und sonstige Unterlagen nicht mehr zu besitzen.
- (4) Sie verpflichten sich zur Wahrung des Datengeheimnisses gemäß § 5 Bundesdatenschutzgesetz und werden die Regelungen zum Schutz personenbezogener Daten von Mitarbeitern entsprechend der beigefügten Erklärung beachten.

9. Confidentiality, Delivery Duties, Data Protection

- (1) You are under an obligation to refrain from disclosing operational and business matters of the group companies to third parties without authorization, unless such persons are part of a working group known to you; this obligation applies regardless of how you obtained knowledge of such information. This confidentiality obligation does not extend to such knowledge as is freely accessible to the public or the disclosure of which is obviously without any detrimental effect on the group companies.
- (2) This obligation is in effect for the term of your employment as well as following the termination of your employment.
- (3) Upon termination of your employment, you will undertake to deliver to Hillenbrand all objects, documents, data carriers and other materials (including copies and own records) which bear a relation to your assignment and to issue a written statement to Hillenbrand, upon request, stating that you are not in possession of any further such objects, documents and other materials.
- (4) You are under an obligation to maintain data confidentiality pursuant to Sec. 5 Bundes-datenschutzgesetz (*Federal Data Protection Act*) and will undertake to protect the personal data of employees in accordance with the attached statement.

10. Vertragsdauer und Kündigung

- (1) Sie treten am 01. Juli 2014 in die Dienste von Hillenbrand.
Die Coperion Betriebszugehörigkeit seit 01. Juli 1990 wird voll auf diesen Vertrag angerechnet.
- (2) Es wird keine Probezeit vereinbart.
- (3) Dieser Vertrag kann sowohl von Ihnen als auch von Hillenbrand mit einer Frist von zwölf (12) Monaten zum Ende eines Quartals gekündigt werden, es sei denn, die Bestimmungen des § 622 BGB sehen eine längere Kündigungsfrist vor. In diesem Fall gelten die längeren Kündigungsfristen für beide Seiten.
- (4) Die Kündigung bedarf der Schriftform.
- (5) Hillenbrand behält sich vor, Sie nach Ausspruch der Kündigung unter Fortzahlung der Bezüge und unter Anrechnung auf Ihre Urlaubsansprüche und sonstigen Zeitkonten ganz oder teilweise unwiderruflich oder unwiderruflich von der Arbeit freizustellen. Vergütungsansprüche bleiben während der Freistellung erhalten, soweit die gesetzlichen Voraussetzungen des Annahmeverzugs gemäß § 615 BGB erfüllt sind.
- (6) Das Arbeitsverhältnis endet im Übrigen, ohne dass es einer Kündigung bedarf, mit Ablauf des Monats, in dem Ihnen eine Erwerbsunfähigkeitsrente oder Altersrente, gleich aus welchem Rechtsgrund, zuerkannt wird oder Sie das gesetzliche Rentenalter erreichen. Sie haben Hillenbrand unverzüglich über den Zugang eines Rentenbescheides zu unterrichten.

11. Wahrung der Hillenbrand Interessen

Sie sind verpflichtet, die Interessen von Hillenbrand und der Hillenbrand-Gruppe wahrzunehmen.

Geschäftliche Verbindungen mit Lieferanten, Kunden und sonstigen Geschäftspartnern dürfen nicht zum persönlichen Vorteil genutzt werden. Informationen aus dem geschäftlichen Bereich dürfen nicht privat genutzt, Aufzeichnungen und Vervielfältigungen nicht zum privaten Gebrauch angefertigt werden. Im Interessenbereich von Hillenbrand und der Hillenbrand-Gruppe dürfen Privatgeschäfte nicht vorgenommen werden.

10. Term and Termination

- (1) Your employment with Hillenbrand commences on May 01, 2014 or earlier.
The employment with Coperion since July 01, 1990 will be charged as staff membership
- (2) No probationary period.
- (3) This agreement may be terminated by you or by Hillenbrand with a notice period of twelve (12) months to the end of a quarter, unless the provisions pursuant to Sec. 622 Bürgerliches Gesetzbuch (*Civil Code*) require a longer notice period. In this case such longer notice periods are applicable to both parties.
- (4) Notices of termination shall require written form.
- (5) Hillenbrand reserves the right to suspend you from your assignments in whole or in part, revocable or irrevocably, following delivery of notice of termination and subject to continued salary payments and crediting to your vacation days and other time accounts. Claims to salary payments remain in effect during suspension periods, provided that the statutory requirements with respect to default of acceptance (*Annahmeverzug*) pursuant to Sec. 615 Bürgerliches Gesetzbuch (*Civil Code*) are met.
- (6) In all other respects, the employment ends without need for termination with the expiry of the month during which you become eligible for disability pension or old age pension, regardless of the legal grounds thereof or if you reach the statutory pension age. You are under an obligation to notify Hillenbrand promptly of the receipt of any pension notice.

11. Protection of Hillenbrand Interests

You are under an obligation to protect and act in the interest of Hillenbrand and the Hillenbrand Group.

Any business relations with suppliers, customers and other business partners may not be exploited for personal benefit. Information obtained for business purposes may not be used privately. No records or copies may be made for personal use. No private transactions may be conducted within the sphere of interest of Hillenbrand or the Hillenbrand Group.

Der Hillenbrand-Ethikkodex / Coperion-Ethikkodex ist Bestandteil dieses Vertrages. Mit Ihrer Vertragsunterschrift erklären Sie Ihr Einverständnis und sichern zu, die Vorgaben zu beachten und einzuhalten. Außerdem werden Sie künftig auch die jeweils neueste Fassung mit allen Nachträgen und Ergänzungen beachten. Diese werden im Coperion-Intranet bzw. über die Vorgesetzten bekannt gemacht.

12. Ausschlussfristen

Ansprüche aus dem Arbeitsverhältnis sind von beiden Vertragsparteien innerhalb einer Frist von sechs (6) Monaten schriftlich geltend zu machen. Das Versäumen der Ausschlussfrist führt zum Verlust des Anspruchs. Diese Ausschlussfrist gilt nicht bei Haftung wegen Vorsatzes.

13. Schlussbestimmungen

- (1) Änderungen persönlicher Daten, die für das Arbeitsverhältnis von Bedeutung sein können, insbesondere Änderungen der Anschrift und des Familienstandes, die Beantragung oder Anerkennung der Schwerbehinderteneigenschaft etc. sind der Personalabteilung unverzüglich mitzuteilen.
- (2) Mitteilungen, die Hillenbrand an die zuletzt bekannt gegebene Anschrift richtet, gelten als zugegangen.
- (3) Vereinbarungen außerhalb dieses Vertrages wurden nicht getroffen. Änderungen und Ergänzungen dieses Vertrages bedürfen zu ihrer Rechtswirksamkeit der Schriftform.
- (4) Sollten einzelne Bestimmungen dieses Vertrages unwirksam sein oder werden, so berührt dies nicht die Gültigkeit der übrigen Bestimmungen.
- (5) Im Rahmen der Zweckbestimmung dieses Vertragsverhältnisses, insbesondere zum Zwecke der Entgeltabrechnung und der Personalentwicklung, werden personenbezogene Daten von Ihnen gespeichert.
- (6) Ihre Bewerbungsunterlagen werden in Ihrer Personalakte abgeheftet, die Akte wird in der Personalabteilung der Coperion GmbH, Stuttgart, verwahrt.
- (7) Der für diesen Vertrag maßgebliche Text ist derjenige in deutscher Sprache. Im Fall von Widersprüchen zwischen der deutschen und der englischen Fassung hat die deutsche Fassung Vorrang.

The Hillenbrand Ethics Codex / Coperion Ethics Codex is a component of this Agreement. With your signature you declare your agreement and commit to compliance with the provisions thereof. Furthermore you will also comply with all amended versions as well as supplements of these codices. Any such amendments and supplements will be announced on the intranet sites of Coperion or by your superiors.

12. Assertion Periods

Any claims arising from the employment shall be asserted by either Party within a period of six (6) months in writing. The expiry of such periods shall result in the loss of the claim. This assertion period shall not apply in cases of liability due to intent.

13. Closing Provisions

- (1) Changes to your personal data, which may be of relevance to your employment, in particular changes of residence or marital status, the application for or recognition of severe disabilities etc. shall be reported to the Human Resources department promptly.
- (2) Notices addressed by Hillenbrand to the last private address indicated to the company shall be considered as received.
- (3) No ancillary agreements have been concluded. Any amendments or supplements to this Agreement require written form to be valid.
- (4) To the extent that individual provisions of this Agreement should be or become invalid, the remaining provisions shall not be affected thereby.
- (5) Within the scope of the purpose of this Agreement, in particular the purposes of salary accounting and personnel matters, personal data relating to you has been saved.
- (6) Your application will be filed in your personnel file, the file will be maintained by the Human Resources department of Coperion GmbH, Stuttgart.
- (7) The German wording of this agreement shall be decisive. In case of any inconsistencies between the German and the English wording, the German wording shall prevail.

January 21, 2014

Hillenbrand Germany Holding GmbH

ppa.

Thomas Kehl Gerd Rückert

Agreed:

Anlagen

- Coperion Dienstwagenregelung 2014
- STIC Programm 2014
- Internet-/E-Mail-Richtlinie Coperion
- Datenschutz

Ulrich Bartel

Attachments

- Coperion Company Car Guidelines 2014
- STIC Program 2014
- Internet / E-Mail Guideline Coperion
- Data Protection

HILLENBRAND, INC.
SUBSIDIARIES OF THE REGISTRANT

All subsidiaries of the Company are Indiana companies, unless otherwise noted.

Subsidiaries of Hillenbrand, Inc.

Hillenbrand Indiana Holdings LLC, an Indiana limited liability company
 Process Equipment Group, Inc., a New Jersey corporation

Subsidiaries of Hillenbrand Indiana Holdings, LLC

MCP, Inc., an Indiana corporation
 WCP, Inc., an Indiana corporation
 1300 Holdings, LLC, an Indiana limited liability company

Jointly owned by MCP, Inc. and WCP, Inc.

NADCO, S.A. de C.V., a company organized in Mexico

Subsidiaries of Process Equipment Group, Inc.

Coperion Corporation, a Delaware corporation
 K-Tron Investment Co., a Delaware corporation
 K-Tron Technologies, Inc., a Delaware corporation
 Rotex Global, LLC, a Delaware limited liability company

Subsidiaries of K-Tron Investment Co.

Coperion K-Tron Salina, Inc., a Delaware corporation
 Peerless Food Equipment LLC, an Ohio limited liability company

Jointly owned by Coperion K-Tron Salina, Inc., K-Tron Investment Co., and Process Equipment Group, Inc.

Coperion SEA Ltd., a company organized in Thailand

Subsidiary of K-Tron Technologies, Inc.

Unifiller Systems Canada Holdings ULC, a company organized in Canada

Jointly owned by Hillenbrand Indiana Holdings LLC and K-Tron Investment Co.

Milacron LLC, a Delaware limited liability company

Subsidiaries of Milacron LLC

BM&M Screening Solutions Ltd., a company organized in Canada
 Herbold Meckesheim USA – Resource Recycling Systems, Inc., a Delaware corporation
 DME Company LLC, a Delaware limited liability company
 Hillenbrand Luxembourg Inc., a Delaware corporation
 Milacron Plastics Technologies Group LLC, a Delaware limited liability company
 Milacron Marketing Company LLC, a Delaware limited liability company
 Hillenbrand FHN Holdings LLC, a Delaware Limited Liability company
 Schenck Process Holding North America, Inc., a Delaware corporation

Baker Perkins, Inc., a Delaware corporation

Subsidiaries of DME Company LLC

D-M-E (China) Limited, a company organized in Hong Kong

Subsidiary of D-M-E (China) Limited

D-M-E Mold Technology (Shenzhen) Company Ltd., a company organized in China

Subsidiaries of Hillenbrand Luxembourg Inc., a Delaware corporation

Hillenbrand Acquisition Holding GmbH, a company organized in Germany

Hillenbrand Switzerland GmbH, a company organized in Switzerland

Subsidiary of Milacron Plastics Technologies Group LLC

Milacron Plastics Machinery (Jiangyin) Co., Ltd., a company organized in China

Subsidiaries of Milacron Marketing Company LLC

Milacron India Private Limited, a company organized in India

Milacron Canada Corp., a company organized in Canada

Jointly owned by DME Company LLC and Milacron India Private Limited

DME (India) Private Limited, a company organized in India

Jointly owned by Milacron Canada Corp and Milacron Marketing Company LLC

Milacron Mexicana Sales S.A. de C.V., a company organized in Mexico

Subsidiaries of Hillenbrand FHN Holdings, LLC

Uni-Systems, Inc., a Washington corporation

BSM LLC, an Ohio limited liability company

Shick Solutions, Inc., a Delaware corporation

VMI North America Corp., a Delaware corporation

Jointly owned by Hillenbrand FHN Holdings, LLC and Hillenbrand Luxembourg Inc.

Hillenbrand UK Holdings Limited, a company organized in England and Wales

Subsidiary of Schenck Process Holding North America

Schenck Process LLC, a Kansas limited liability company

Subsidiaries of Hillenbrand Acquisition Holding GmbH

Gabler Engineering GmbH, a company organized in Germany

Herbold Meckesheim GmbH, a company organized in Germany

DIOSNA Dierks & Söhne GmbH, a company organized in Germany

Subsidiaries of Hillenbrand Switzerland GmbH

Coperion K-Tron (Schweiz) GmbH, a company organized in Switzerland

Hillenbrand Germany Holding GmbH, a company organized in Germany

Hillenbrand Hong Kong Limited, a company organized in Hong Kong

Rotex Global (Hong Kong) Limited, a company organized in Hong Kong

Subsidiary of Hillenbrand France Acquisition Holdings SAS
Linxis Group SAS, a company organized in France

Subsidiary of BSM LLC
Shaffer Manufacturing Corp., an Ohio corporation

Subsidiary of Shick Solutions Inc.
W.D. Laramore Manufacturing, Inc., a Georgia corporation

Subsidiary of Hillenbrand UK Holdings Limited
Baker Perkins Holdings Limited, a company organized in England and Wales
Hillenbrand France Acquisition Holdings SAS, a company organized in France

Subsidiaries of Baker Perkins Holdings Limited
Baker Perkins Limited, a company organized in England and Wales
Process Components Limited, a company organized in England and Wales

Subsidiaries of Baker Perkins Limited
Baker Perkins SAS, a France company

Subsidiary of Process Components Limited
Kemutec B.V., a company organized in the Netherlands

Subsidiary of Schenck Process LLC
Schenck Process FCP Equipamentos Industrias Ltda., a company organized in Brazil

Jointly owned by Baker Perkins Limited, Baker Perkins, Inc., and Schenck Process LLC
Schenck Process (Thailand) Ltd., a company organized in Thailand

Jointly owned by Process Components Limited and Schenck Process LLC
Kemutec S. de R.L., a company organized in Mexico

Subsidiaries of Coperion K-Tron (Schweiz) GmbH
Coperion K-Tron (Shanghai) Co. Ltd., a Chinese FICE
PEG (Wuxi) Manufacturing Co., Ltd., a company organized in China
Milacron B.V., a company organized in the Netherlands
Milacron Nederland B.V., a company organized in the Netherlands
Hillenbrand Poland Sp. z o.o., a company organized in Poland
Mold-Masters Hong Kong Acquisitions Limited, a company organized in Hong Kong

Subsidiary of Hillenbrand Germany Holding GmbH
Coperion GmbH, a company organized in Germany
Hardenberg Immobilien GmbH, a company organized in Germany

Jointly owned by Linxis Group SAS and Hillenbrand France Acquisition Holdings SAS

Linxis Connection SAS, a company organized in France

Subsidiaries of Coperion GmbH

Coperion International Trading (Shanghai) Co. Ltd., a company organized in China
Coperion K.K., a company organized in Japan
Coperion Limited, a company organized in England and Wales
Coperion Ltda., a company organized in Brazil
Coperion Machinery & Systems (Shanghai) Co. Ltd., a company organized in China
Coperion (Nanjing) Machinery Co., Ltd., a company organized in China
Coperion N.V., a company organized in Belgium
Coperion Pelletizing Technology GmbH, a company organized in Germany
Coperion Pte. Ltd., a company organized in Singapore
Coperion S.a.r.l., a company organized in France
Coperion S.L., a company organized in Spain
Coperion S.r.l., a company organized in Italy
OOO “Coperion”, a company organized in the Russian Federation

Subsidiaries of Linxis Connection SAS

Bakon Food Group B.V., a company organized in Netherlands
Esteve SAS, a company organized in France
Unifiller Systems ULC, a company organized in Canada
VMI SAS, a company organized in France, (with immaterial local ownership)

Subsidiary of Bakon Food Group B.V.

Bakon Holding B.V., a company organized in the Netherlands

Subsidiaries of Bakon Holding B.V.

Bakon Bakkerijmachines Holland B.V., a company organized in the Netherlands
Bakon Productie Holland B.V., a company organized in the Netherlands

Subsidiary of Gabler Engineering GmbH

Gabler India Private Ltd., a company organized in India

Subsidiaries of DIOSNA Dierks & Sohne GmbH

Diosna CS s.r.o. a company organized in the Czech Republic
IsernHager GmbH, a company organized in Germany
Pabst Apparatebau GmbH & Co. KG , a company organized in Germany
Pabst Apparatebau Verwaltungs GmbH, a company organized in Germany

Jointly owned by DIOSNA Dierks & Sohne GmbH and IsernHager GmbH

Diosna Process Solutions Private Limited, a company organized in India

Subsidiaries of Unifiller Systems ULC

Unifiller Systems UK Ltd., a company organized in England and Wales

Subsidiaries of Milacron Nederland B.V.

Coperion K-Tron Asia Pte. Ltd., a company organized in Singapore
Coperion K-Tron Deutschland GmbH, a company organized in Germany
Coperion K-Tron Great Britain Limited, a company organized in England and Wales
Rotex Europe Ltd, a company organized in England and Wales
Mold-Masters Beteiligungsverwaltung GmbH, a company organized in Austria
Mold-Masters (U.K.) Ltd., a company organized in England and Wales

Subsidiaries of Milacron B.V.

Milacron U.K. Ltd., a company organized in England and Wales
Tirad s.r.o., a company organized in the Czech Republic
Ferromatik Milacron GmbH, a company organized in Germany
Milacron Czech Republic SPOL s.r.o., a company organized in the Czech Republic
Mold-Masters (2007) Limited, a company organized in Canada
Mold-Masters Singapore (MMS) Pte. Ltd., a company organized in Singapore

Mold-Masters Korea Ltd., a company organized in Korea

Subsidiaries of Ferromatik Milacron GmbH

Mold-Masters France SAS, a company organized in France
Ferromatik Milacron France SAS, a company organized in France
DME Normalien GmbH, a company organized in Germany

Jointly owned by Milacron B.V., Milacron Nederland B.V., and Milacron LLC

D-M-E Europe CVBA, a company organized in Belgium

Subsidiary of D-M-E Europe CVBA

VSI International N.V., a company organized in Belgium

Subsidiary of DME Normalien GmbH

Mold-Masters Europa GmbH, a company organized in Germany

Jointly owned by Mold-Masters (2007) Limited and Milacron B.V.

Milacron Mold-Masters Sistemas de Processamento de Plasticos Ltda., a company organized in Brazil

Subsidiary of Mold-Masters Beteiligungsverwaltung GmbH

Mold-Masters Handelsgesellschaft m.b.h., a company organized in Austria

Subsidiaries of Mold-Masters Hong Kong Acquisitions Limited

Mold-Masters Co. Ltd., a company organized in China
Mold-Masters (Shanghai) International Trade Co. Ltd., a company organized in China

Subsidiary of Mold-Masters Europa GmbH

Mold-Masters Kabushiki Kaisha, a company organized in Japan

Subsidiary of Tirad, s.r.o., a Czech Company

D-M-E Czech Republic s.r.o., a company organized in the Czech Republic

Subsidiary of Rotex Europe Ltd.

Rotex Japan Limited, a company organized in England and Wales

Subsidiary of Coperion K-Tron Asia Pte. Ltd.

PEG Process Equipment India LLP, an Indian partnership (with nominal local ownership)

Subsidiaries of Mold-Masters Co. Ltd.

Mold-Masters (Shenzhen) Co., Ltd.

Mold-Masters (Hefei) Co., Ltd.

Joint Ventures of Coperion GmbH

Coperion Ideal Pvt. Ltd., a company organized in India

Coperion Middle East Co. Ltd., a company organized in Saudi Arabia

List of Guarantor Subsidiaries of Hillenbrand, Inc.

The following subsidiaries of Hillenbrand, Inc. (the “Parent”) are guarantors with respect to our senior unsecured notes:

Batesville Casket Company, Inc.
Batesville Services, Inc.
K-Tron Investment Co.
Process Equipment Group, Inc.
Hillenbrand Luxembourg Inc.
Milacron Plastics Technologies Group LLC
Milacron Marketing Company LLC
Milacron LLC

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-8 No. 333-149893), pertaining to the Stock Incentive Plan, Board of Directors' Deferred Compensation Plan and Executive Deferred Compensation Program of Hillenbrand, Inc.,
- (2) Registration Statement (Form S-8 No. 333-167508), pertaining to the Stock Incentive Plan (as of February 24, 2010) of Hillenbrand, Inc.,
- (3) Registration Statement (Form S-8 No. 333-194367), pertaining to the Stock Incentive Plan (as of February 26, 2014) of Hillenbrand, Inc.,
- (4) Registration Statement (Form S-8 No. 333-252998) pertaining to the Amended and Restated Hillenbrand, Inc. Stock Incentive Plan

of our reports dated November 15, 2023, with respect to the consolidated financial statements and schedule of Hillenbrand, Inc. and the effectiveness of internal control over financial reporting of Hillenbrand, Inc. included in this Annual Report (Form 10-K) of Hillenbrand, Inc. as of and for the year ended September 30, 2023.

/s/ Ernst & Young LLP

Cincinnati, Ohio

November 15, 2023

CERTIFICATIONS

Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Kimberly K. Ryan, certify that:

1. I have reviewed this Annual Report on Form 10-K of Hillenbrand, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the periods covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 15, 2023

/s/ Kimberly K. Ryan

Kimberly K. Ryan

President and Chief Executive Officer

CERTIFICATIONS

Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Robert M. VanHimbergen certify that:

1. I have reviewed this Annual Report on Form 10-K of Hillenbrand, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the periods covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a.) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b.) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
 - c.) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d.) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 15, 2023

/s/ Robert M. VanHimbergen

Robert M. VanHimbergen

Senior Vice President and Chief Financial Officer

Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Hillenbrand, Inc. (the "Company") on Form 10-K for the period ending September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kimberly K. Ryan, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kimberly K. Ryan

Kimberly K. Ryan
President and Chief Executive Officer
November 15, 2023

A signed original of this written statement required by Section 906 has been provided to Hillenbrand, Inc. and will be retained by Hillenbrand, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Hillenbrand, Inc. (the "Company") on Form 10-K for the period ending September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert M. VanHimbergen, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert M. VanHimbergen

Robert M. VanHimbergen

Senior Vice President and Chief Financial Officer

November 15, 2023

A signed original of this written statement required by Section 906 has been provided to Hillenbrand, Inc. and will be retained by Hillenbrand, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**Hillenbrand, Inc.
Clawback Policy
(Effective October 2, 2023)**

1. Purpose

The Compensation and Management Development Committee of the Board of Directors ("Board") of Hillenbrand, Inc. (the "Company") has determined that is in the best interests of the Company to adopt this Clawback Policy (the "Policy") as of the Effective Date.

This Policy is designed to comply with, and shall be interpreted to be consistent with, Section 10D of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Rule 10D-1 promulgated under the Exchange Act ("Rule 10D-1") and Section 303.A.14 of the New York Stock Exchange Listed Company Manual ("the Listing Standards").

2. Definitions

For purposes of this Policy, the following definitions shall apply:

- a) "Committee" means the Compensation and Management Development Committee of the Board.
- b) "Company Group" means the Company and each of its Subsidiaries, as applicable.
- c) "Covered Compensation" means any Incentive-Based Compensation granted, vested or paid to a person who served as an Executive Officer at any time during the performance period for the Incentive-Based Compensation and that was received (i) on or after the Effective Date, (ii) after the person became an Executive Officer and (iii) at a time that the Company had a class of securities listed on a national securities exchange or a national securities association.
- d) "Effective Date" means October 2, 2023.
- e) "Erroneously Awarded Compensation" means the amount of Covered Compensation granted, vested or paid to an Executive Officer that exceeds the amount of Covered Compensation that otherwise would have been granted, vested or paid to the Executive Officer had such amount been determined based on the applicable Restatement as defined in Section 4.2.
- f) "Exchange Act" means the Securities Exchange Act of 1934, as amended.
- g) "Executive Officer" means each "officer" of the Company as defined under Rule 16a-1(f) under Section 16 of the Exchange Act, which shall be deemed to include any individuals identified by the Company as executive officers pursuant to Item 401(b) of Regulation S-K under the Exchange Act. Both current and former Executive Officers are subject to the Policy in accordance with its terms, including following the termination of their employment with the Company.
- h) "Financial Reporting Measure" means (i) any measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures derived wholly or in part from such measures and may consist of GAAP or non-GAAP financial measures (as defined under Regulation G of the Exchange Act and Item 10 of Regulation S-K under the Exchange Act), (ii) stock price, or (iii) total shareholder return. Financial Reporting Measures may or may not be filed with the SEC and may be presented outside the Company's financial statements, such as in Managements' Discussion and Analysis of Financial Conditions and Result of Operations or in the performance graph required under Item 201(e) of Regulation S-K under the Exchange Act.
- i) "Home Country" means the Company's jurisdiction of incorporation.
- j) "Incentive-Based Compensation" means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure.
- k) "Lookback Period" means the three completed fiscal years (plus any transition period of less than nine months that is within or immediately following the three completed fiscal years and that results from

a change in the Company's fiscal year) immediately preceding the date on which the Company is required to prepare a Restatement for a given reporting period, with such date being the earlier of: (i) the date the Board, a committee of the Board, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare a Restatement, or (ii) the date a court, regulator or other legally authorized body directs the Company to prepare a Restatement. Recovery of any Erroneously Awarded Compensation under the Policy is not dependent on if or when the Restatement is actually filed with the SEC.

- l) "NYSE" means the New York Stock Exchange.
- m) "received" Incentive-Based Compensation is deemed "received" in the Company's fiscal period during which the Financial Reporting Measure specified in or otherwise relating to the Incentive-Based Compensation award is attained, even if the grant, vesting or payment of the Incentive-Based Compensation occurs after the end of that period.
- n) "Restatement" means a required accounting restatement of any Company financial statement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including (i) to correct an error in previously issued financial statements that is material to the previously issued financial statements (commonly referred to as a "Big R" restatement) or (ii) to correct an error in previously issued financial statements that is not material to the previously issued financial statements but that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (commonly referred to as a "little r" restatement), within the meaning of Exchange Act Rule 10D-1 and NYSE listing standard Section 303A.14. Changes to the Company's financial statements that do not represent error corrections under the then-current relevant accounting standards will not constitute Restatements. Recovery of any Erroneously Awarded Compensation under the Policy is not dependent on fraud or misconduct by any person in connection with the Restatement.
- o) "SEC" means the United States Securities and Exchange Commission.
- p) "Subsidiary" means any domestic or foreign corporation, partnership, association, joint stock company, joint venture, trust or unincorporated organization "affiliated" with the Company, that is, directly or indirectly, through one or more intermediaries, "controlled by" or "under common control with", the Company. "Control" for this purpose means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of voting securities, contract or otherwise.

3. Scope

This Policy applies to the Company's Executive Officers. As of the effective date of this policy, Company officers who are not Executive Officers are not subject hereto.

4. Policy Statement

4.1 Recoupment of Erroneously Awarded Compensation.

In the event of a Restatement, any Erroneously Awarded Compensation received during the Lookback Period prior to the Restatement (a) that is then-outstanding but has not yet been paid shall be automatically and immediately forfeited, or (b) that has been paid to any Executive Officer shall be subject to reasonably prompt repayment to the Company Group in accordance with this Section. The Committee must pursue (and shall not have the discretion to waive) the forfeiture and/or repayment of such Erroneously Awarded Compensation in accordance with this Section, except as provided below.

Notwithstanding the foregoing, the Committee (or, if the Committee is not then composed entirely of independent directors, a majority of the independent directors serving on the Board) may determine not to pursue the forfeiture and/or recovery of Erroneously Awarded Compensation from any Executive Officer if the Committee determines that such forfeiture and/or recovery would be impracticable due to any of the following circumstances:

- (i) the direct expense paid to a third party (for example, reasonable legal expenses and consulting fees) to assist in enforcing the Policy would exceed the amount to be recovered (following

- reasonable attempts by the Company Group to recover such Erroneously Awarded Compensation, the documentation of such attempts, and the provision of such documentation to the NYSE),
- (ii) pursuing such recovery would violate the Company's Home Country laws adopted prior to November 28, 2022 (provided that the Company obtains an opinion of Home Country counsel acceptable to the NYSE that recovery would result in such a violation and provides such opinion to the NYSE), or
 - (iii) recovery would likely cause any otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of Company Group, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

4.2 Amount Subject to Recovery.

The amount of "Erroneously Awarded Compensation" subject to recovery under the Policy, as determined by the Committee, is the amount of Incentive-Based Compensation received by the Executive Officer that exceeds the amount of Incentive-Based Compensation that would have been received by the Executive Officer had it been determined based on the restated amounts.

Erroneously Awarded Compensation shall be computed by the Committee without regard to any taxes paid by the Covered Executive in respect of the Erroneously Awarded Compensation. By way of example, with respect to any compensation plans or programs that take into account Incentive-Based Compensation, the amount of Erroneously Awarded Compensation subject to recovery hereunder includes, but is not limited to, the amount contributed to any notional account based on Erroneously Awarded Compensation and any earnings accrued to date on that notional amount.

For Incentive-Based Compensation based on stock price or total shareholder return ("TSR"): (a) the Committee shall determine the amount of Erroneously Awarded Compensation based on a reasonable estimate of the effect of the Restatement on the stock price or TSR upon which the Incentive-Based Compensation was received; and (b) the Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to the NYSE.

4.3 Means of Repayment.

In the event that the Committee determines that any Executive Officer shall repay any Erroneously Awarded Compensation, the Committee shall provide written notice to such Executive Officer by email or certified mail to the physical address on file with the Company Group for such Executive Officer, and the Executive Officer shall satisfy such repayment in a manner and on such terms as required by the Committee, and the Company Group shall be entitled to set off the repayment amount against any amount owed to the Executive Officer by the Company Group, to require the forfeiture of any award granted by the Company Group to the Executive Officer, or to take any and all necessary actions to reasonably promptly recoup the repayment amount from the person, in each case, to the fullest extent permitted under applicable law, including without limitation, Section 409A of the Internal Revenue Code and the regulations and guidance thereunder. If the Committee does not specify a repayment timing in the written notice described above, the applicable Executive Officer shall be required to repay the Erroneously Awarded Compensation to the Company Group by wire, cash or cashier's check no later than thirty (30) days after receipt of such notice.

5. No Indemnification.

Notwithstanding the terms of any indemnification or insurance policy or any contractual arrangement with any Executive Officer that may be interpreted to the contrary, the Company shall not indemnify any Executive Officer against the loss of any Erroneously Awarded Compensation. No Executive Officer shall receive any advancement of expenses for disputes related to any loss of compensation by such Executive Officer in accordance with this Policy, and no Executive Officer shall be paid or reimbursed by the Company Group for any premiums paid by such person for any third-party insurance policy covering potential recovery obligations under this Policy. For this purpose, "indemnification" includes any modification to current compensation arrangements or other means that would amount to de facto indemnification (for example, providing the Executive Officer a new cash award which would be cancelled to effect the recovery of any Erroneously Awarded Compensation).

6. Miscellaneous

This Policy generally will be administered and interpreted by the Committee. Any determination by the Committee with respect to this Policy shall be final, conclusive and binding on all interested parties. Any discretionary determinations of the Committee under this Policy, if any, need not be uniform with respect to all

persons, and may be made selectively amongst persons, whether or not such persons are similarly situated. This Policy is intended to satisfy the requirements of Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as it may be amended from time to time, and any related rules or regulations promulgated by the SEC or the NYSE, including any additional or new requirements that become effective after the Effective Date which upon effectiveness shall be deemed to automatically amend this Policy to the extent necessary to comply with such additional or new requirements.

The provisions in this Policy are intended to be applied to the fullest extent of the law. To the extent that any provision of this Policy is found to be unenforceable or invalid under any applicable law, such provision will be applied to the maximum extent permitted and shall automatically be deemed amended in a manner consistent with its objectives to the extent necessary to conform to applicable law. The invalidity or unenforceability of any provision of this Policy shall not affect the validity or enforceability of any other provision of this Policy. Recoupment of Erroneously Awarded Compensation under this Policy is not dependent upon the Company Group satisfying any conditions in this Policy, including any requirement to provide applicable documentation to the NYSE.

The rights of the Company Group under this Policy to seek forfeiture or reimbursement are in addition to, and not in lieu of, any rights of recoupment, or remedies or rights other than recoupment, that may be available to the Company Group pursuant to the terms of any law, government regulation or stock exchange listing requirement or any other policy, code of conduct, employee handbook, employment agreement, equity award agreement, or other plan or agreement of the Company Group.

7. Amendment and Termination

To the extent permitted by, and in a manner consistent with applicable law, including SEC and NYSE rules, the Committee may terminate, suspend or amend this Policy at any time in its discretion.

8. Successors

This Policy shall be binding and enforceable against Executive Officers and their respective beneficiaries, heirs, executors, administrators or other legal representatives with respect to any Covered Compensation granted, vested or paid to or administered by such persons or entities.