

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
	☒ a single-employer plan ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ an amended return/report ☐ the final return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ special extension (enter description) ☐ automatic extension ☐ the DFVC program
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan <u>FESTO CORPORATION 401(K) PLAN</u>
1b	Three-digit plan number (PN) ▶ <u>002</u>
	1c Effective date of plan <u>07/01/1984</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>FESTO CORPORATION</u> <u>1377 MOTOR PARKWAY</u> <u>SUITE 310</u> <u>ISLANDIA, NY 11749</u>
2b	Employer Identification Number (EIN) <u>11-2270659</u>
2c	Plan Sponsor's telephone number <u>631-404-3144</u>
2d	Business code (see instructions) <u>423800</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2022	JULIO LUNA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	1072
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	901
a(2) Total number of active participants at the end of the plan year		6a(2)	905
b Retired or separated participants receiving benefits.....		6b	6
c Other retired or separated participants entitled to future benefits		6c	198
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	1109
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	2
f Total. Add lines 6d and 6e		6f	1111
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	958
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3D 2R			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan FESTO CORPORATION 401(K) PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 FESTO CORPORATION	D Employer Identification Number (EIN) 11-2270659	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PORTFOLIO EVALUATIONS, INC

22-3189064

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	CONSULTANT	47218	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	-87300	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
METWEST TOT RTN BD I - BNY MELLON 301 BELLEVUE PARKWAY WILMINGTON, DE 19809	0.10%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan <u>FESTO CORPORATION 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>FESTO CORPORATION</u>	D Employer Identification Number (EIN) <u>11-2270659</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MIP CL 1</u>		
b Name of sponsor of entity listed in (a): <u>FIDELITY MANAGEMENT TRUST COMPANY</u>		
c EIN-PN <u>04-3022712-024</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>5778401</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan FESTO CORPORATION 401(K) PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 FESTO CORPORATION	D Employer Identification Number (EIN) 11-2270659	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	0	1165
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions.....	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	3906699	3796345
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	1293569	1403597
(9) Value of interest in common/collective trusts	1c(9)	4314080	5778401
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	106170734	129410543
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other.....	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	0	0
(2) Employer real property.....	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	115685082	140390051

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness.....	1i	0	0
j Other liabilities.....	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	115685082	140390051
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	2568507	
(B) Participants	2a(1)(B)	7028987	
(C) Others (including rollovers).....	2a(1)(C)	1568314	
(2) Noncash contributions.....	2a(2)	0	11165808
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	390	
(B) U.S. Government securities.....	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans.....	2b(1)(E)	66978	
(F) Other	2b(1)(F)	97548	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		164916
(2) Dividends: (A) Preferred stock.....	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	11191182	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		11191182
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		-51121
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		7960372
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		30431157
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	5664734	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other.....	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		5664734
f Corrective distributions (see instructions).....	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		3988
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other.....	2i(4)	57466	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		57466
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		5726188
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		24704969
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BDO USA, LLP

(2) EIN: 13-5381590

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

	Yes	No	Amount
4a	X		486718

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		1000000
4e	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?	X		80
4l	X		80
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	
4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan FESTO CORPORATION 401(K) PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 FESTO CORPORATION	D Employer Identification Number (EIN) 11-2270659

Part I	Distributions
--------	---------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-6568107 Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
---------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? If the plan is a defined benefit plan, go to line 8.	☐ Yes ☐ No ☐ N/A
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.	
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a
b Enter the amount contributed by the employer to the plan for this plan year	6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c
If you completed line 6c, skip lines 8 and 9.	
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes ☐ No ☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes ☐ No ☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase ☐ Decrease ☐ Both ☐ No
--	--

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes ☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes ☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes ☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes ☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2021
v. 201209

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

Festo Corporation 401(k) Plan

**Financial Statements
and Supplemental Schedules**
Years Ended December 31, 2021 and 2020

Festo Corporation 401(k) Plan

Financial Statements and Supplemental Schedules
Years Ended December 31, 2021 and 2020

Festo Corporation 401(k) Plan

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ERISA-Required Supplemental Schedules

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Schedule H (Form 5500), Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2021	19
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622 Third Ave, Suite 3100
New York, NY 10017

Independent Auditor's Report

The Plan Administrator
Festo Corporation 401(k) Plan
Islandia, New York

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of Festo Corporation 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined that it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA (ERISA Section 103(a)(3)(C) audit). As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency (qualified institution), provided that the investment information is prepared and certified to by the qualified institution in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Management has obtained certifications from a qualified institution as of December 31, 2021 and 2020, and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and the procedures performed as described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The certified investment information in the accompanying financial statements agrees to or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is responsible for maintaining a current plan instrument, including all plan amendments. Management is also responsible for administering the Plan and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the *Scope and Nature of the ERISA Section 103(a)(3)(C) Audit* section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certifications, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter - Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule H (Form 5500), Line 4a - Schedule of Delinquent Participant Contributions for the year ended December 31, 2021 and Schedule H (Form 5500), 4i - Schedule of Assets (Held at End of Year) as of December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in



accordance with U.S. GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The certified investment information in the supplemental schedules agree to, or are derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

BDO VSA, LLP

October 17, 2022

Festo Corporation 401(k) Plan

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2021	2020
Assets		
Investments, at fair value:		
Mutual funds	\$ 129,261,332	\$ 106,170,734
Commingled fund	5,778,401	4,168,095
Money market fund	3,779,013	3,906,699
BrokerageLink	167,708	-
Total Investments, at fair value	138,986,454	114,245,528
Participant contribution receivable	-	163,635
Employer contribution receivable	-	67,697
Notes receivable from participants	1,403,597	1,293,569
Net Assets Available for Benefits	\$ 140,390,051	\$ 115,770,429

See accompanying notes to financial statements.

Festo Corporation 401(k) Plan

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2021

Additions

Investment income:

Dividends \$ 11,286,046

Net appreciation in fair value of investments 7,960,762

Total Investment Income 19,246,808

Interest income on notes receivable from participants 66,978

Other income 97,548

Contributions:

Employer 2,500,810

Participants 6,865,352

Rollovers 1,568,314

Total Contributions 10,934,476

Total Additions 30,345,810

Deductions

Benefits paid to participants and beneficiaries 5,668,722

Administrative expenses 57,466

Total Deductions 5,726,188

Net Increase 24,619,622

Net Assets Available for Benefits, beginning of year 115,770,429

Net Assets Available for Benefits, end of year \$ 140,390,051

See accompanying notes to financial statements.

Festo Corporation 401(k) Plan

Notes to Financial Statements

1. Description of the Plan

The following description of the Festo Corporation 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions.

General

The Plan is a defined contribution 401(k) plan covering all full-time employees of Festo Corporation (the Company or Employer) who have three months of service, are age 21 or older, and are not covered by a collective bargaining agreement. Interns and temporary employees who are age 21 or older and have at least 1,000 hours of service are also eligible to participate. Residents of Puerto Rico and non-resident aliens with no earned income from the Company that constitutes United States source income are not eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA) and contains the safe harbor provisions under Section 401(k)(12) of the Internal Revenue Code (the Code). In August 2018, the Company acquired Fabco-Air. As a result of the acquisition, the accounts of all Fabco-Air employees were transferred from the Fabco-Air plan (an existing plan controlled by the acquired company) to the Plan. Fidelity Management Trust Company acts as the Plan's Trustee (the Trustee) and the Company is the Plan administrator. The Investment Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance, and reports to Plan's management and Trustee.

Contributions

Each year participants may contribute up to 50% of their pre-tax annual compensation, as defined in the Plan, not to exceed the dollar limitation (\$19,500 in 2021), in accordance with Section 402(g) of the Code. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants are also allowed to make Roth elective deferrals. Participants may also contribute amounts representing distributions from other qualified retirement plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan.

Under the terms of the Plan, the Company may elect to make employer safe harbor matching-contributions. The Company matches 100% of a participant's contributions up to the first 3% of compensation contributed to the Plan, plus 50% of the participant's contributions with respect to the next 2% of compensation contributed to the Plan, for a maximum employer-matching contribution equal to 4% of compensation. During the year ended December 31, 2021, the Company contributed a safe harbor matching contribution of \$2,500,810. The Company may also contribute to the Plan-qualified non-elective contributions, as defined in the Plan document. The qualified non-elective contribution is allocated to Plan participants based on the ratio of each participant's eligible compensation to the total eligible compensation of all participants. There were no qualified non-elective contributions made during the year.

Participant Accounts

Each participant's account is credited with the participant's contributions, Company matching, as well as Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances,

Festo Corporation 401(k) Plan

Notes to Financial Statements

or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions and in the Company's safe harbor matching contributions plus actual earnings thereon. Vesting for any qualified non-elective contributions, if any, are based on years of continuous service. A participant is 100% vested after three years of credited service and earnings thereon vest in accordance with the following schedule:

Years of Service	Vesting (%)
Less than 1	-
1	33
2	66
3	100

Payment of Benefits

On termination of service due to termination of employment, death, disability, or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or annual installments over a specified period. For termination of service for other reasons, such as a hardship or for in-service distributions, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. Upon termination of employment, a participant may also elect to maintain the account balance in the Plan or select a direct rollover to an individual retirement account or another qualified plan.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 and up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is set at 1% above the prime rate, and for the 2021 and 2020 Plan years, ranged from 4.25% to 6.5 %. Principal and interest is paid ratably through weekly or biweekly payroll deductions and note repayment terms are not to exceed a period of five years, except for the purchase of a primary residence, which may be repaid over a reasonable period of time, not to exceed ten years.

Forfeited Accounts

As the Company matching contributions to the Plan during the 2021 and 2020 years were contributions under the safe harbor rules, there were no forfeitures of non-vested account contributions during either period.

Festo Corporation 401(k) Plan

Notes to Financial Statements

CARES Act

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). The CARES Act, among other things, includes several relief provisions available to tax-qualified retirement plans and their participants. Plan management has evaluated the relief provisions available to plan participants under the CARES Act and has implemented the following provisions:

- Special coronavirus distributions up to \$100,000 for qualified individuals before December 31, 2020.
- Increased Plan loan limits, as described above, to qualified individuals to the lesser of \$100,000 or 100% of the participant's vested account balance through September 22, 2020.
- Suspension of Plan loan repayments to qualified individuals, up to one year loan payments due from March 27, 2020 through December 31, 2020.
- Waiver of all required minimum distributions for all participants through December 31, 2020.

2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment adviser and Trustee. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Payment of Benefits

Benefit payments are recorded when paid.

Festo Corporation 401(k) Plan

Notes to Financial Statements

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses when they are incurred. Delinquent participant loans are reclassified as distributions based on the terms of the Plan document. No allowance for credit losses has been recorded as of December 31, 2021 and 2020.

Other Income

Other income represents recordkeeping revenue that is deposited in a suspense account, which may be used to pay Plan-related expenses or can be allocated to Plan participants during the year. The suspense account is a Plan-level unallocated account held under the terms of the Plan, which may be credited with revenue in excess of the amount of compensation that Fidelity received during the year. Revenue earned for the year ended December 31, 2021 was \$97,548. For the year ended December 31, 2021, \$57,466 was used to pay Plan expenses. As of December 31, 2021, the suspense account had a balance of \$40,082.

Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's accounts and are included in administrative expenses. Investment-related expenses are included in net appreciation of fair value of investments.

3. Fair Value Measurement

U.S. GAAP provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Festo Corporation 401(k) Plan

Notes to Financial Statements

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following tables set forth the level, within the fair value hierarchy, of the Plan's asset at fair value:

December 31, 2021

	Level 1	Level 2	Level 3	Total
Mutual funds	\$129,261,332	\$ -	\$ -	\$129,261,332
Money market fund	3,779,013	-	-	3,779,013
BrokerageLink	167,708	-	-	167,708
Total	\$133,208,053	\$ -	\$ -	133,208,053
Commingled fund at NAV*				5,778,401
Total Investments, at fair value				\$138,986,454

December 31, 2020

	Level 1	Level 2	Level 3	Total
Mutual funds	\$106,170,734	\$ -	\$ -	\$106,170,734
Money market fund	3,906,699	-	-	3,906,699
Total	\$110,077,433	\$ -	\$ -	110,077,433
Commingled fund at NAV*				4,168,095
Total Investments, at fair value				\$114,245,528

* Certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts prescribed in these tables are intended to and permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

The following is a description of the valuation methodologies used for assets measured at fair value.

There have been no changes in the methodologies used as of December 31, 2021 and 2020.

Mutual Funds - These assets are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Money Market Fund - These assets are valued at the unadjusted quoted market price, which represents the NAV of the shares owned by the Plan at year end.

BrokerageLink - These assets in cash and corporate stocks within the BrokerageLink account are valued at unadjusted quoted price in active markets.

Commingled Fund - These assets are valued at the NAV units owned by the Plan. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying assets of the fund derived from inputs principally from or corroborated by observable market data

Festo Corporation 401(k) Plan

Notes to Financial Statements

by correlation or other means. Certain redemption restrictions apply to this fund. For example, withdrawals prompted by certain events (such as layoffs, early retirement windows, spin-offs, sale of a division, facility closings, plan terminations, partial plan terminations, changes in laws or regulations, etc.) may be paid at the market value of the fund's securities, which may be less than the Plan's book value balance. The terms of the fund may also prohibit the Plan from making a direct exchange from this fund to certain competing funds. Instead, the Plan must first exchange to a non-competing fund for 90 days. The Commingled fund has no unfunded commitments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan administrator believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

4. Certified Investment Information

The Plan administrator has elected the method of annual reporting compliance permitted by ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity, a qualified institution, has certified that the following investment information included in the accompanying financial statements and ERISA-required supplemental schedule is complete and accurate:

- Investments, at fair value and notes receivable from participants as shown in the statements of net assets available for benefits as of December 31, 2021 and 2020.
- Total investment income, other income, and interest income on notes receivable from participants as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2021.
- Investment information included in the schedule of assets (held at end of year) as of December 31, 2021, as shown on the ERISA-required supplemental schedule.

At the request of the Plan administrator, the Plan's independent auditors did not perform auditing procedures with respect to this certified investment information, except for comparing such certified investment information to the related investment information included in the financial statements and ERISA-required supplemental schedule.

5. Related-Party and Party-in-Interest Transactions

Certain Plan investments are managed by the Trustee; therefore, transactions in such investments qualify as party-in-interest transactions. Additionally, certain officers of the Company who are also participants in the Plan perform administrative services for the Plan at no cost. Notes receivable from participants also qualify as party-in-interest transactions.

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer

Festo Corporation 401(k) Plan

Notes to Financial Statements

contributions. Upon termination of the Plan, the employer shall direct the distribution of the asset of the trust fund, as provided by the Plan, as soon as practicable.

7. Tax Status

The Internal Revenue Service (IRS) has determined and informed the Company, by an opinion letter dated June 30, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Code. Although the Plan has been amended since receiving the opinion letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the Code, and therefore believe that the Plan is qualified, and that the related trust is tax-exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

8. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500:

<i>December 31,</i>	2021	2020
Net Assets Available for Benefits , per financial statements	\$ 140,390,051	\$ 115,770,429
Less: prior year contribution receivable	-	(231,332)
Add: fair market value change	-	145,985
Net Assets Available for Benefits , per Form 5500	\$ 140,390,051	\$ 115,685,082

The following is a reconciliation of net increase per the financial statements to Form 5500:

Year ended December 31, 2021

Net Increase , per financial statements	\$ 24,619,622
Add: prior year contribution receivable	231,332
Less: fair market value change	(145,985)
Net Assets Available for Benefits , per Form 5500	\$ 24,704,969

Festo Corporation 401(k) Plan

Notes to Financial Statements

The following is a reconciliation of total contributions per the financial statements to Form 5500:

Year ended December 31, 2021

Total Contributions , per financial statements	\$	10,934,476
Add: prior year contribution receivable		231,332
Total Contributions , per Form 5500	\$	11,165,808

10. Prohibited Transactions

During the years ended December 31, 2021 and 2020, the Company did not remit various employee salary deferred contributions and loan repayments totaling \$486,718 in a timely manner, as required by U.S. DOL regulations. In October 2022, the Company corrected the late remittances from 2020 totaling \$49,039 with a contribution of lost earnings totaling \$195. The Company intends to self-correct the 2021 late remittances in the subsequent period and does not expect the amount of lost earnings to be material. The lost earnings will include the amount the participants should have earned from the date the deferred contributions were made through the date of correction.

The Company has not estimated the amount of potential fines or penalties related to these prohibited transactions.

11. Subsequent Events

The Plan has evaluated subsequent events through October 17, 2022, the date the financial statements were available to be issued. The Plan is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

ERISA-Required Supplemental Schedules

Festo Corporation 401(k) Plan

Schedule H (Form 5500), Line 4(a) - Schedule of Delinquent Participant Contributions

EIN: 11-2270659

Plan No. 002

Year ended December 31, 2021

	Participant Contributions Transferred Late to Plan	Total That Constitutes Non-exempt Prohibited Transactions			Total Fully Corrected Under VFCP* and PTE 2002-51
		Contributions Not Corrected	Contributions Corrected Outside VFCP*	Contributions Pending Correction in VFCP*	
Check here if late participant loan repayments are included: ☒					
2021	\$ 437,679	\$ 437,679	\$ -	\$ -	\$ -
2020	49,039	49,039	-	-	-

* Voluntary Fiduciary Correction Program (DOL)

Festo Corporation 401(k) Plan

Schedule H (Form 5500), Line 4(i) - Schedule of Assets (Held at End of Year)
 EIN: 11-2270659 Plan No. 002

December 31, 2021

(a)	(b)	(c)	(d)	(e)
Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value ⁽¹⁾	Cost**	Current Value	
Mutual Funds				
* Fidelity	Fidelity Select Technology Portfolio	**	\$	18,396,897
* Fidelity	Fidelity Small Cap Index Fund	**		7,682,556
* Fidelity	Fidelity Contrafund Fund Class K	**		13,263,464
* Fidelity	Fidelity U.S. Bond Index Fund	**		1,760,941
* Fidelity	Fidelity 500 Index Fund	**		11,661,657
* Fidelity	Fidelity Global Ex U.S. Index Fund	**		959,297
* Fidelity	Fidelity Extended Market Index Fund	**		1,105,313
* Fidelity	Fidelity Freedom Income Fund Class K	**		130,075
* Fidelity	Fidelity Freedom 2005 Fund Class K	**		161,751
* Fidelity	Fidelity Freedom 2010 Fund Class K	**		432,358
* Fidelity	Fidelity Freedom 2015 Fund Class K	**		815,971
* Fidelity	Fidelity Freedom 2020 Fund Class K	**		5,613,274
* Fidelity	Fidelity Freedom 2025 Fund Class K	**		8,259,599
* Fidelity	Fidelity Freedom 2030 Fund Class K	**		13,329,109
* Fidelity	Fidelity Freedom 2035 Fund Class K	**		8,656,403
* Fidelity	Fidelity Freedom 2040 Fund Class K	**		4,009,900
* Fidelity	Fidelity Freedom 2045 Fund Class K	**		4,372,175
* Fidelity	Fidelity Freedom 2050 Fund Class K	**		2,552,287
* Fidelity	Fidelity Freedom 2055 Fund Class K	**		2,245,876
* Fidelity	Fidelity Freedom 2060 Fund Class K	**		823,092
* Fidelity	Fidelity Freedom 2065 Fund Class K	**		72,529
Metropolitan West	Metropolitan West Total Return Bond Class I	**		1,560,264
Vanguard	Vanguard Explorer Fund Admiral Shares	**		1,254,979
American Funds	American Funds EuroPacific Growth Class R-6	**		3,513,366
JPMorgan	JPMorgan Equity Income Fund Class R6	**		6,422,919
Neuberger Berman	Neuberger Berman Mid Cap Growth R6	**		5,094,587
Victory	Victory Sycamore Established Value R6	**		5,110,693
Total Mutual Funds				129,261,332
Money Market Fund				
* Fidelity Investments	Government Money Market			3,779,013
Self-Directed Brokerage Account				
BrokerageLink	Cash and cash equivalents			167,708
Commingled Fund				
* Fidelity Investments	Managed Income Portfolio Class 1			5,778,401
Participant Loans				
	Interest rates ranging from 4.25% to 6.50% with maturity dates through 2031	-		1,403,597
Total				\$ 140,390,051

* A party-in-interest, as defined by ERISA.

** Cost information is not required for participant-directed investments and therefore is not included.

⁽¹⁾ There is no maturity date, rate of interest, collateral, par, or maturity value.

Festo Corporation 401(k) Plan

**Financial Statements
and Supplemental Schedules
Years Ended December 31, 2021 and 2020**

Festo Corporation 401(k) Plan

Financial Statements and Supplemental Schedules
Years Ended December 31, 2021 and 2020

Festo Corporation 401(k) Plan

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Independent Auditor's Report

The Plan Administrator
Festo Corporation 401(k) Plan
Islandia, New York

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of Festo Corporation 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined that it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA (ERISA Section 103(a)(3)(C) audit). As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency (qualified institution), provided that the investment information is prepared and certified to by the qualified institution in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Management has obtained certifications from a qualified institution as of December 31, 2021 and 2020, and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and the procedures performed as described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The certified investment information in the accompanying financial statements agrees to or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is responsible for maintaining a current plan instrument, including all plan amendments. Management is also responsible for administering the Plan and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the *Scope and Nature of the ERISA Section 103(a)(3)(C) Audit* section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certifications, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter - Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule H (Form 5500), Line 4a - Schedule of Delinquent Participant Contributions for the year ended December 31, 2021 and Schedule H (Form 5500), 4i - Schedule of Assets (Held at End of Year) as of December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in



accordance with U.S. GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The certified investment information in the supplemental schedules agree to, or are derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

BDO VSA, LLP

October 17, 2022

Festo Corporation 401(k) Plan

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2021	2020
Assets		
Investments, at fair value:		
Mutual funds	\$ 129,261,332	\$ 106,170,734
Commingled fund	5,778,401	4,168,095
Money market fund	3,779,013	3,906,699
BrokerageLink	167,708	-
Total Investments, at fair value	138,986,454	114,245,528
Participant contribution receivable	-	163,635
Employer contribution receivable	-	67,697
Notes receivable from participants	1,403,597	1,293,569
Net Assets Available for Benefits	\$ 140,390,051	\$ 115,770,429

See accompanying notes to financial statements.

Festo Corporation 401(k) Plan

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2021

Additions

Investment income:

Dividends \$ 11,286,046

Net appreciation in fair value of investments 7,960,762

Total Investment Income 19,246,808

Interest income on notes receivable from participants 66,978

Other income 97,548

Contributions:

Employer 2,500,810

Participants 6,865,352

Rollovers 1,568,314

Total Contributions 10,934,476

Total Additions 30,345,810

Deductions

Benefits paid to participants and beneficiaries 5,668,722

Administrative expenses 57,466

Total Deductions 5,726,188

Net Increase 24,619,622

Net Assets Available for Benefits, beginning of year 115,770,429

Net Assets Available for Benefits, end of year \$ 140,390,051

See accompanying notes to financial statements.

Festo Corporation 401(k) Plan

Notes to Financial Statements

1. Description of the Plan

The following description of the Festo Corporation 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions.

General

The Plan is a defined contribution 401(k) plan covering all full-time employees of Festo Corporation (the Company or Employer) who have three months of service, are age 21 or older, and are not covered by a collective bargaining agreement. Interns and temporary employees who are age 21 or older and have at least 1,000 hours of service are also eligible to participate. Residents of Puerto Rico and non-resident aliens with no earned income from the Company that constitutes United States source income are not eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA) and contains the safe harbor provisions under Section 401(k)(12) of the Internal Revenue Code (the Code). In August 2018, the Company acquired Fabco-Air. As a result of the acquisition, the accounts of all Fabco-Air employees were transferred from the Fabco-Air plan (an existing plan controlled by the acquired company) to the Plan. Fidelity Management Trust Company acts as the Plan's Trustee (the Trustee) and the Company is the Plan administrator. The Investment Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance, and reports to Plan's management and Trustee.

Contributions

Each year participants may contribute up to 50% of their pre-tax annual compensation, as defined in the Plan, not to exceed the dollar limitation (\$19,500 in 2021), in accordance with Section 402(g) of the Code. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants are also allowed to make Roth elective deferrals. Participants may also contribute amounts representing distributions from other qualified retirement plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan.

Under the terms of the Plan, the Company may elect to make employer safe harbor matching-contributions. The Company matches 100% of a participant's contributions up to the first 3% of compensation contributed to the Plan, plus 50% of the participant's contributions with respect to the next 2% of compensation contributed to the Plan, for a maximum employer-matching contribution equal to 4% of compensation. During the year ended December 31, 2021, the Company contributed a safe harbor matching contribution of \$2,500,810. The Company may also contribute to the Plan-qualified non-elective contributions, as defined in the Plan document. The qualified non-elective contribution is allocated to Plan participants based on the ratio of each participant's eligible compensation to the total eligible compensation of all participants. There were no qualified non-elective contributions made during the year.

Participant Accounts

Each participant's account is credited with the participant's contributions, Company matching, as well as Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances,

Festo Corporation 401(k) Plan

Notes to Financial Statements

or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions and in the Company's safe harbor matching contributions plus actual earnings thereon. Vesting for any qualified non-elective contributions, if any, are based on years of continuous service. A participant is 100% vested after three years of credited service and earnings thereon vest in accordance with the following schedule:

Years of Service	Vesting (%)
Less than 1	-
1	33
2	66
3	100

Payment of Benefits

On termination of service due to termination of employment, death, disability, or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or annual installments over a specified period. For termination of service for other reasons, such as a hardship or for in-service distributions, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. Upon termination of employment, a participant may also elect to maintain the account balance in the Plan or select a direct rollover to an individual retirement account or another qualified plan.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 and up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is set at 1% above the prime rate, and for the 2021 and 2020 Plan years, ranged from 4.25% to 6.5 %. Principal and interest is paid ratably through weekly or biweekly payroll deductions and note repayment terms are not to exceed a period of five years, except for the purchase of a primary residence, which may be repaid over a reasonable period of time, not to exceed ten years.

Forfeited Accounts

As the Company matching contributions to the Plan during the 2021 and 2020 years were contributions under the safe harbor rules, there were no forfeitures of non-vested account contributions during either period.

Festo Corporation 401(k) Plan

Notes to Financial Statements

CARES Act

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). The CARES Act, among other things, includes several relief provisions available to tax-qualified retirement plans and their participants. Plan management has evaluated the relief provisions available to plan participants under the CARES Act and has implemented the following provisions:

- Special coronavirus distributions up to \$100,000 for qualified individuals before December 31, 2020.
- Increased Plan loan limits, as described above, to qualified individuals to the lesser of \$100,000 or 100% of the participant's vested account balance through September 22, 2020.
- Suspension of Plan loan repayments to qualified individuals, up to one year loan payments due from March 27, 2020 through December 31, 2020.
- Waiver of all required minimum distributions for all participants through December 31, 2020.

2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment adviser and Trustee. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Payment of Benefits

Benefit payments are recorded when paid.

Festo Corporation 401(k) Plan

Notes to Financial Statements

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses when they are incurred. Delinquent participant loans are reclassified as distributions based on the terms of the Plan document. No allowance for credit losses has been recorded as of December 31, 2021 and 2020.

Other Income

Other income represents recordkeeping revenue that is deposited in a suspense account, which may be used to pay Plan-related expenses or can be allocated to Plan participants during the year. The suspense account is a Plan-level unallocated account held under the terms of the Plan, which may be credited with revenue in excess of the amount of compensation that Fidelity received during the year. Revenue earned for the year ended December 31, 2021 was \$97,548. For the year ended December 31, 2021, \$57,466 was used to pay Plan expenses. As of December 31, 2021, the suspense account had a balance of \$40,082.

Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's accounts and are included in administrative expenses. Investment-related expenses are included in net appreciation of fair value of investments.

3. Fair Value Measurement

U.S. GAAP provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Festo Corporation 401(k) Plan

Notes to Financial Statements

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following tables set forth the level, within the fair value hierarchy, of the Plan's asset at fair value:

December 31, 2021

	Level 1	Level 2	Level 3	Total
Mutual funds	\$129,261,332	\$ -	\$ -	\$129,261,332
Money market fund	3,779,013	-	-	3,779,013
BrokerageLink	167,708	-	-	167,708
Total	\$133,208,053	\$ -	\$ -	133,208,053
Commingled fund at NAV*				5,778,401
Total Investments, at fair value				\$138,986,454

December 31, 2020

	Level 1	Level 2	Level 3	Total
Mutual funds	\$106,170,734	\$ -	\$ -	\$106,170,734
Money market fund	3,906,699	-	-	3,906,699
Total	\$110,077,433	\$ -	\$ -	110,077,433
Commingled fund at NAV*				4,168,095
Total Investments, at fair value				\$114,245,528

* Certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts prescribed in these tables are intended to and permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

The following is a description of the valuation methodologies used for assets measured at fair value.

There have been no changes in the methodologies used as of December 31, 2021 and 2020.

Mutual Funds - These assets are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Money Market Fund - These assets are valued at the unadjusted quoted market price, which represents the NAV of the shares owned by the Plan at year end.

BrokerageLink - These assets in cash and corporate stocks within the BrokerageLink account are valued at unadjusted quoted price in active markets.

Commingled Fund - These assets are valued at the NAV units owned by the Plan. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying assets of the fund derived from inputs principally from or corroborated by observable market data

Festo Corporation 401(k) Plan

Notes to Financial Statements

by correlation or other means. Certain redemption restrictions apply to this fund. For example, withdrawals prompted by certain events (such as layoffs, early retirement windows, spin-offs, sale of a division, facility closings, plan terminations, partial plan terminations, changes in laws or regulations, etc.) may be paid at the market value of the fund's securities, which may be less than the Plan's book value balance. The terms of the fund may also prohibit the Plan from making a direct exchange from this fund to certain competing funds. Instead, the Plan must first exchange to a non-competing fund for 90 days. The Commingled fund has no unfunded commitments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan administrator believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

4. Certified Investment Information

The Plan administrator has elected the method of annual reporting compliance permitted by ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity, a qualified institution, has certified that the following investment information included in the accompanying financial statements and ERISA-required supplemental schedule is complete and accurate:

- Investments, at fair value and notes receivable from participants as shown in the statements of net assets available for benefits as of December 31, 2021 and 2020.
- Total investment income, other income, and interest income on notes receivable from participants as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2021.
- Investment information included in the schedule of assets (held at end of year) as of December 31, 2021, as shown on the ERISA-required supplemental schedule.

At the request of the Plan administrator, the Plan's independent auditors did not perform auditing procedures with respect to this certified investment information, except for comparing such certified investment information to the related investment information included in the financial statements and ERISA-required supplemental schedule.

5. Related-Party and Party-in-Interest Transactions

Certain Plan investments are managed by the Trustee; therefore, transactions in such investments qualify as party-in-interest transactions. Additionally, certain officers of the Company who are also participants in the Plan perform administrative services for the Plan at no cost. Notes receivable from participants also qualify as party-in-interest transactions.

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer

Festo Corporation 401(k) Plan

Notes to Financial Statements

contributions. Upon termination of the Plan, the employer shall direct the distribution of the asset of the trust fund, as provided by the Plan, as soon as practicable.

7. Tax Status

The Internal Revenue Service (IRS) has determined and informed the Company, by an opinion letter dated June 30, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Code. Although the Plan has been amended since receiving the opinion letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the Code, and therefore believe that the Plan is qualified, and that the related trust is tax-exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

8. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500:

<i>December 31,</i>	2021	2020
Net Assets Available for Benefits , per financial statements	\$ 140,390,051	\$ 115,770,429
Less: prior year contribution receivable	-	(231,332)
Add: fair market value change	-	145,985
Net Assets Available for Benefits , per Form 5500	\$ 140,390,051	\$ 115,685,082

The following is a reconciliation of net increase per the financial statements to Form 5500:

<i>Year ended December 31, 2021</i>	
Net Increase , per financial statements	\$ 24,619,622
Add: prior year contribution receivable	231,332
Less: fair market value change	(145,985)
Net Assets Available for Benefits , per Form 5500	\$ 24,704,969

Festo Corporation 401(k) Plan

Notes to Financial Statements

The following is a reconciliation of total contributions per the financial statements to Form 5500:

Year ended December 31, 2021

Total Contributions , per financial statements	\$	10,934,476
Add: prior year contribution receivable		231,332
Total Contributions , per Form 5500	\$	11,165,808

10. Prohibited Transactions

During the years ended December 31, 2021 and 2020, the Company did not remit various employee salary deferred contributions and loan repayments totaling \$486,718 in a timely manner, as required by U.S. DOL regulations. In October 2022, the Company corrected the late remittances from 2020 totaling \$49,039 with a contribution of lost earnings totaling \$195. The Company intends to self-correct the 2021 late remittances in the subsequent period and does not expect the amount of lost earnings to be material. The lost earnings will include the amount the participants should have earned from the date the deferred contributions were made through the date of correction.

The Company has not estimated the amount of potential fines or penalties related to these prohibited transactions.

11. Subsequent Events

The Plan has evaluated subsequent events through October 17, 2022, the date the financial statements were available to be issued. The Plan is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

ERISA-Required Supplemental Schedules

Festo Corporation 401(k) Plan

Schedule H (Form 5500), Line 4(a) - Schedule of Delinquent Participant Contributions

EIN: 11-2270659

Plan No. 002

Year ended December 31, 2021

	Participant Contributions Transferred Late to Plan	Total That Constitutes Non-exempt Prohibited Transactions			Total Fully Corrected Under VFCP* and PTE 2002-51
		Contributions Not Corrected	Contributions Corrected Outside VFCP*	Contributions Pending Correction in VFCP*	
Check here if late participant loan repayments are included: ☒					
2021	\$ 437,679	\$ 437,679	\$ -	\$ -	\$ -
2020	49,039	49,039	-	-	-

* Voluntary Fiduciary Correction Program (DOL)

Festo Corporation 401(k) Plan

Schedule H (Form 5500), Line 4(i) - Schedule of Assets (Held at End of Year)
 EIN: 11-2270659 Plan No. 002

December 31, 2021

(a)	(b)	(c)	(d)	(e)
Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value ⁽¹⁾	Cost**	Current Value	
Mutual Funds				
* Fidelity	Fidelity Select Technology Portfolio	**	\$	18,396,897
* Fidelity	Fidelity Small Cap Index Fund	**		7,682,556
* Fidelity	Fidelity Contrafund Fund Class K	**		13,263,464
* Fidelity	Fidelity U.S. Bond Index Fund	**		1,760,941
* Fidelity	Fidelity 500 Index Fund	**		11,661,657
* Fidelity	Fidelity Global Ex U.S. Index Fund	**		959,297
* Fidelity	Fidelity Extended Market Index Fund	**		1,105,313
* Fidelity	Fidelity Freedom Income Fund Class K	**		130,075
* Fidelity	Fidelity Freedom 2005 Fund Class K	**		161,751
* Fidelity	Fidelity Freedom 2010 Fund Class K	**		432,358
* Fidelity	Fidelity Freedom 2015 Fund Class K	**		815,971
* Fidelity	Fidelity Freedom 2020 Fund Class K	**		5,613,274
* Fidelity	Fidelity Freedom 2025 Fund Class K	**		8,259,599
* Fidelity	Fidelity Freedom 2030 Fund Class K	**		13,329,109
* Fidelity	Fidelity Freedom 2035 Fund Class K	**		8,656,403
* Fidelity	Fidelity Freedom 2040 Fund Class K	**		4,009,900
* Fidelity	Fidelity Freedom 2045 Fund Class K	**		4,372,175
* Fidelity	Fidelity Freedom 2050 Fund Class K	**		2,552,287
* Fidelity	Fidelity Freedom 2055 Fund Class K	**		2,245,876
* Fidelity	Fidelity Freedom 2060 Fund Class K	**		823,092
* Fidelity	Fidelity Freedom 2065 Fund Class K	**		72,529
Metropolitan West	Metropolitan West Total Return Bond Class I	**		1,560,264
Vanguard	Vanguard Explorer Fund Admiral Shares	**		1,254,979
American Funds	American Funds EuroPacific Growth Class R-6	**		3,513,366
JPMorgan	JPMorgan Equity Income Fund Class R6	**		6,422,919
Neuberger Berman	Neuberger Berman Mid Cap Growth R6	**		5,094,587
Victory	Victory Sycamore Established Value R6	**		5,110,693
Total Mutual Funds				129,261,332
Money Market Fund				
* Fidelity Investments	Government Money Market			3,779,013
Self-Directed Brokerage Account				
BrokerageLink	Cash and cash equivalents			167,708
Commingled Fund				
* Fidelity Investments	Managed Income Portfolio Class 1			5,778,401
Participant Loans				
	Interest rates ranging from 4.25% to 6.50% with maturity dates through 2031	-		1,403,597
Total				\$ 140,390,051

* A party-in-interest, as defined by ERISA.

** Cost information is not required for participant-directed investments and therefore is not included.

⁽¹⁾ There is no maturity date, rate of interest, collateral, par, or maturity value.

Festo Corporation 401(k) Plan

**Financial Statements
and Supplemental Schedules**
Years Ended December 31, 2021 and 2020

Festo Corporation 401(k) Plan

Financial Statements and Supplemental Schedules
Years Ended December 31, 2021 and 2020

Festo Corporation 401(k) Plan

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Independent Auditor's Report

The Plan Administrator
Festo Corporation 401(k) Plan
Islandia, New York

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of Festo Corporation 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined that it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA (ERISA Section 103(a)(3)(C) audit). As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency (qualified institution), provided that the investment information is prepared and certified to by the qualified institution in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Management has obtained certifications from a qualified institution as of December 31, 2021 and 2020, and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and the procedures performed as described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The certified investment information in the accompanying financial statements agrees to or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is responsible for maintaining a current plan instrument, including all plan amendments. Management is also responsible for administering the Plan and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the *Scope and Nature of the ERISA Section 103(a)(3)(C) Audit* section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certifications, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter - Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule H (Form 5500), Line 4a - Schedule of Delinquent Participant Contributions for the year ended December 31, 2021 and Schedule H (Form 5500), 4i - Schedule of Assets (Held at End of Year) as of December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in



accordance with U.S. GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The certified investment information in the supplemental schedules agree to, or are derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

BDO VSA, LLP

October 17, 2022

Festo Corporation 401(k) Plan

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2021	2020
Assets		
Investments, at fair value:		
Mutual funds	\$ 129,261,332	\$ 106,170,734
Commingled fund	5,778,401	4,168,095
Money market fund	3,779,013	3,906,699
BrokerageLink	167,708	-
Total Investments, at fair value	138,986,454	114,245,528
Participant contribution receivable	-	163,635
Employer contribution receivable	-	67,697
Notes receivable from participants	1,403,597	1,293,569
Net Assets Available for Benefits	\$ 140,390,051	\$ 115,770,429

See accompanying notes to financial statements.

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Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2021

Additions

Investment income:

Dividends \$ 11,286,046

Net appreciation in fair value of investments 7,960,762

Total Investment Income 19,246,808

Interest income on notes receivable from participants 66,978

Other income 97,548

Contributions:

Employer 2,500,810

Participants 6,865,352

Rollovers 1,568,314

Total Contributions 10,934,476

Total Additions 30,345,810

Deductions

Benefits paid to participants and beneficiaries 5,668,722

Administrative expenses 57,466

Total Deductions 5,726,188

Net Increase 24,619,622

Net Assets Available for Benefits, beginning of year 115,770,429

Net Assets Available for Benefits, end of year \$ 140,390,051

See accompanying notes to financial statements.

Festo Corporation 401(k) Plan

Notes to Financial Statements

1. Description of the Plan

The following description of the Festo Corporation 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions.

General

The Plan is a defined contribution 401(k) plan covering all full-time employees of Festo Corporation (the Company or Employer) who have three months of service, are age 21 or older, and are not covered by a collective bargaining agreement. Interns and temporary employees who are age 21 or older and have at least 1,000 hours of service are also eligible to participate. Residents of Puerto Rico and non-resident aliens with no earned income from the Company that constitutes United States source income are not eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA) and contains the safe harbor provisions under Section 401(k)(12) of the Internal Revenue Code (the Code). In August 2018, the Company acquired Fabco-Air. As a result of the acquisition, the accounts of all Fabco-Air employees were transferred from the Fabco-Air plan (an existing plan controlled by the acquired company) to the Plan. Fidelity Management Trust Company acts as the Plan's Trustee (the Trustee) and the Company is the Plan administrator. The Investment Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance, and reports to Plan's management and Trustee.

Contributions

Each year participants may contribute up to 50% of their pre-tax annual compensation, as defined in the Plan, not to exceed the dollar limitation (\$19,500 in 2021), in accordance with Section 402(g) of the Code. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants are also allowed to make Roth elective deferrals. Participants may also contribute amounts representing distributions from other qualified retirement plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan.

Under the terms of the Plan, the Company may elect to make employer safe harbor matching-contributions. The Company matches 100% of a participant's contributions up to the first 3% of compensation contributed to the Plan, plus 50% of the participant's contributions with respect to the next 2% of compensation contributed to the Plan, for a maximum employer-matching contribution equal to 4% of compensation. During the year ended December 31, 2021, the Company contributed a safe harbor matching contribution of \$2,500,810. The Company may also contribute to the Plan-qualified non-elective contributions, as defined in the Plan document. The qualified non-elective contribution is allocated to Plan participants based on the ratio of each participant's eligible compensation to the total eligible compensation of all participants. There were no qualified non-elective contributions made during the year.

Participant Accounts

Each participant's account is credited with the participant's contributions, Company matching, as well as Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances,

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or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions and in the Company's safe harbor matching contributions plus actual earnings thereon. Vesting for any qualified non-elective contributions, if any, are based on years of continuous service. A participant is 100% vested after three years of credited service and earnings thereon vest in accordance with the following schedule:

Years of Service	Vesting (%)
Less than 1	-
1	33
2	66
3	100

Payment of Benefits

On termination of service due to termination of employment, death, disability, or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or annual installments over a specified period. For termination of service for other reasons, such as a hardship or for in-service distributions, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. Upon termination of employment, a participant may also elect to maintain the account balance in the Plan or select a direct rollover to an individual retirement account or another qualified plan.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 and up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is set at 1% above the prime rate, and for the 2021 and 2020 Plan years, ranged from 4.25% to 6.5 %. Principal and interest is paid ratably through weekly or biweekly payroll deductions and note repayment terms are not to exceed a period of five years, except for the purchase of a primary residence, which may be repaid over a reasonable period of time, not to exceed ten years.

Forfeited Accounts

As the Company matching contributions to the Plan during the 2021 and 2020 years were contributions under the safe harbor rules, there were no forfeitures of non-vested account contributions during either period.

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CARES Act

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). The CARES Act, among other things, includes several relief provisions available to tax-qualified retirement plans and their participants. Plan management has evaluated the relief provisions available to plan participants under the CARES Act and has implemented the following provisions:

- Special coronavirus distributions up to \$100,000 for qualified individuals before December 31, 2020.
- Increased Plan loan limits, as described above, to qualified individuals to the lesser of \$100,000 or 100% of the participant's vested account balance through September 22, 2020.
- Suspension of Plan loan repayments to qualified individuals, up to one year loan payments due from March 27, 2020 through December 31, 2020.
- Waiver of all required minimum distributions for all participants through December 31, 2020.

2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment adviser and Trustee. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Payment of Benefits

Benefit payments are recorded when paid.

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Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses when they are incurred. Delinquent participant loans are reclassified as distributions based on the terms of the Plan document. No allowance for credit losses has been recorded as of December 31, 2021 and 2020.

Other Income

Other income represents recordkeeping revenue that is deposited in a suspense account, which may be used to pay Plan-related expenses or can be allocated to Plan participants during the year. The suspense account is a Plan-level unallocated account held under the terms of the Plan, which may be credited with revenue in excess of the amount of compensation that Fidelity received during the year. Revenue earned for the year ended December 31, 2021 was \$97,548. For the year ended December 31, 2021, \$57,466 was used to pay Plan expenses. As of December 31, 2021, the suspense account had a balance of \$40,082.

Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's accounts and are included in administrative expenses. Investment-related expenses are included in net appreciation of fair value of investments.

3. Fair Value Measurement

U.S. GAAP provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following tables set forth the level, within the fair value hierarchy, of the Plan's asset at fair value:

December 31, 2021

	Level 1	Level 2	Level 3	Total
Mutual funds	\$129,261,332	\$ -	\$ -	\$129,261,332
Money market fund	3,779,013	-	-	3,779,013
BrokerageLink	167,708	-	-	167,708
Total	\$133,208,053	\$ -	\$ -	133,208,053
Commingled fund at NAV*				5,778,401
Total Investments, at fair value				\$138,986,454

December 31, 2020

	Level 1	Level 2	Level 3	Total
Mutual funds	\$106,170,734	\$ -	\$ -	\$106,170,734
Money market fund	3,906,699	-	-	3,906,699
Total	\$110,077,433	\$ -	\$ -	110,077,433
Commingled fund at NAV*				4,168,095
Total Investments, at fair value				\$114,245,528

* Certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts prescribed in these tables are intended to and permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

The following is a description of the valuation methodologies used for assets measured at fair value.

There have been no changes in the methodologies used as of December 31, 2021 and 2020.

Mutual Funds - These assets are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Money Market Fund - These assets are valued at the unadjusted quoted market price, which represents the NAV of the shares owned by the Plan at year end.

BrokerageLink - These assets in cash and corporate stocks within the BrokerageLink account are valued at unadjusted quoted price in active markets.

Commingled Fund - These assets are valued at the NAV units owned by the Plan. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying assets of the fund derived from inputs principally from or corroborated by observable market data

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by correlation or other means. Certain redemption restrictions apply to this fund. For example, withdrawals prompted by certain events (such as layoffs, early retirement windows, spin-offs, sale of a division, facility closings, plan terminations, partial plan terminations, changes in laws or regulations, etc.) may be paid at the market value of the fund's securities, which may be less than the Plan's book value balance. The terms of the fund may also prohibit the Plan from making a direct exchange from this fund to certain competing funds. Instead, the Plan must first exchange to a non-competing fund for 90 days. The Commingled fund has no unfunded commitments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Plan administrator believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

4. Certified Investment Information

The Plan administrator has elected the method of annual reporting compliance permitted by ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity, a qualified institution, has certified that the following investment information included in the accompanying financial statements and ERISA-required supplemental schedule is complete and accurate:

- Investments, at fair value and notes receivable from participants as shown in the statements of net assets available for benefits as of December 31, 2021 and 2020.
- Total investment income, other income, and interest income on notes receivable from participants as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2021.
- Investment information included in the schedule of assets (held at end of year) as of December 31, 2021, as shown on the ERISA-required supplemental schedule.

At the request of the Plan administrator, the Plan's independent auditors did not perform auditing procedures with respect to this certified investment information, except for comparing such certified investment information to the related investment information included in the financial statements and ERISA-required supplemental schedule.

5. Related-Party and Party-in-Interest Transactions

Certain Plan investments are managed by the Trustee; therefore, transactions in such investments qualify as party-in-interest transactions. Additionally, certain officers of the Company who are also participants in the Plan perform administrative services for the Plan at no cost. Notes receivable from participants also qualify as party-in-interest transactions.

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer

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contributions. Upon termination of the Plan, the employer shall direct the distribution of the asset of the trust fund, as provided by the Plan, as soon as practicable.

7. Tax Status

The Internal Revenue Service (IRS) has determined and informed the Company, by an opinion letter dated June 30, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Code. Although the Plan has been amended since receiving the opinion letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the Code, and therefore believe that the Plan is qualified, and that the related trust is tax-exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

8. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500:

<i>December 31,</i>	2021	2020
Net Assets Available for Benefits , per financial statements	\$ 140,390,051	\$ 115,770,429
Less: prior year contribution receivable	-	(231,332)
Add: fair market value change	-	145,985
Net Assets Available for Benefits , per Form 5500	\$ 140,390,051	\$ 115,685,082

The following is a reconciliation of net increase per the financial statements to Form 5500:

<i>Year ended December 31, 2021</i>	
Net Increase , per financial statements	\$ 24,619,622
Add: prior year contribution receivable	231,332
Less: fair market value change	(145,985)
Net Assets Available for Benefits , per Form 5500	\$ 24,704,969

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The following is a reconciliation of total contributions per the financial statements to Form 5500:

Year ended December 31, 2021

Total Contributions , per financial statements	\$	10,934,476
Add: prior year contribution receivable		231,332
Total Contributions , per Form 5500	\$	11,165,808

10. Prohibited Transactions

During the years ended December 31, 2021 and 2020, the Company did not remit various employee salary deferred contributions and loan repayments totaling \$486,718 in a timely manner, as required by U.S. DOL regulations. In October 2022, the Company corrected the late remittances from 2020 totaling \$49,039 with a contribution of lost earnings totaling \$195. The Company intends to self-correct the 2021 late remittances in the subsequent period and does not expect the amount of lost earnings to be material. The lost earnings will include the amount the participants should have earned from the date the deferred contributions were made through the date of correction.

The Company has not estimated the amount of potential fines or penalties related to these prohibited transactions.

11. Subsequent Events

The Plan has evaluated subsequent events through October 17, 2022, the date the financial statements were available to be issued. The Plan is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

ERISA-Required Supplemental Schedules

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Schedule H (Form 5500), Line 4(a) - Schedule of Delinquent Participant Contributions

EIN: 11-2270659

Plan No. 002

Year ended December 31, 2021

	Participant Contributions Transferred Late to Plan	Total That Constitutes Non-exempt Prohibited Transactions			Total Fully Corrected Under VFCP* and PTE 2002-51
		Contributions Not Corrected	Contributions Corrected Outside VFCP*	Contributions Pending Correction in VFCP*	
Check here if late participant loan repayments are included: ☒					
2021	\$ 437,679	\$ 437,679	\$ -	\$ -	\$ -
2020	49,039	49,039	-	-	-

* Voluntary Fiduciary Correction Program (DOL)

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Schedule H (Form 5500), Line 4(i) - Schedule of Assets (Held at End of Year)
 EIN: 11-2270659 Plan No. 002

December 31, 2021

(a)	(b)	(c)	(d)	(e)
Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value ⁽¹⁾	Cost**	Current Value	
Mutual Funds				
* Fidelity	Fidelity Select Technology Portfolio	**	\$ 18,396,897	
* Fidelity	Fidelity Small Cap Index Fund	**	7,682,556	
* Fidelity	Fidelity Contrafund Fund Class K	**	13,263,464	
* Fidelity	Fidelity U.S. Bond Index Fund	**	1,760,941	
* Fidelity	Fidelity 500 Index Fund	**	11,661,657	
* Fidelity	Fidelity Global Ex U.S. Index Fund	**	959,297	
* Fidelity	Fidelity Extended Market Index Fund	**	1,105,313	
* Fidelity	Fidelity Freedom Income Fund Class K	**	130,075	
* Fidelity	Fidelity Freedom 2005 Fund Class K	**	161,751	
* Fidelity	Fidelity Freedom 2010 Fund Class K	**	432,358	
* Fidelity	Fidelity Freedom 2015 Fund Class K	**	815,971	
* Fidelity	Fidelity Freedom 2020 Fund Class K	**	5,613,274	
* Fidelity	Fidelity Freedom 2025 Fund Class K	**	8,259,599	
* Fidelity	Fidelity Freedom 2030 Fund Class K	**	13,329,109	
* Fidelity	Fidelity Freedom 2035 Fund Class K	**	8,656,403	
* Fidelity	Fidelity Freedom 2040 Fund Class K	**	4,009,900	
* Fidelity	Fidelity Freedom 2045 Fund Class K	**	4,372,175	
* Fidelity	Fidelity Freedom 2050 Fund Class K	**	2,552,287	
* Fidelity	Fidelity Freedom 2055 Fund Class K	**	2,245,876	
* Fidelity	Fidelity Freedom 2060 Fund Class K	**	823,092	
* Fidelity	Fidelity Freedom 2065 Fund Class K	**	72,529	
Metropolitan West	Metropolitan West Total Return Bond Class I	**	1,560,264	
Vanguard	Vanguard Explorer Fund Admiral Shares	**	1,254,979	
American Funds	American Funds EuroPacific Growth Class R-6	**	3,513,366	
JPMorgan	JPMorgan Equity Income Fund Class R6	**	6,422,919	
Neuberger Berman	Neuberger Berman Mid Cap Growth R6	**	5,094,587	
Victory	Victory Sycamore Established Value R6	**	5,110,693	
Total Mutual Funds				129,261,332
Money Market Fund				
* Fidelity Investments	Government Money Market			3,779,013
Self-Directed Brokerage Account				
BrokerageLink	Cash and cash equivalents			167,708
Commingled Fund				
* Fidelity Investments	Managed Income Portfolio Class 1			5,778,401
Participant Loans				
	Interest rates ranging from 4.25% to 6.50% with maturity dates through 2031	-		1,403,597
Total				\$ 140,390,051

* A party-in-interest, as defined by ERISA.

** Cost information is not required for participant-directed investments and therefore is not included.

⁽¹⁾ There is no maturity date, rate of interest, collateral, par, or maturity value.