



**Please Note: This notice is for informational purposes only.
No action is required on your part.**

November 2022

To: Plan Participants

Enclosed, please find the Summary Annual Reports for the 2021 plan year.

This notice is meant for informational purposes only and no action is required on your part. Please note that you may not be eligible for, or participate in, all of the plans addressed in this notice, however ITW is required to distribute it to you on an annual or ad hoc basis. Eligibility for ITW's benefit plans is determined by the plan rules in effect at the time of your employment and your business unit.

For Illinois Tool Works Inc. Retiree Health and Welfare Plan: This is a summary of the annual report of the Illinois Tool Works Inc. Retiree Health and Welfare Plan, EIN 36-1258310, Plan No. 501, for period January 1, 2021 through December 31, 2021. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA). **Insurance Information:** The plan has contracts with Lincoln National Life Insurance Company and Metropolitan Life Insurance Company to pay life insurance claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2021 were \$725,700. **Basic Financial Statement:** The value of plan assets, after subtracting liabilities of the plan, was \$428,506,767 as of December 31, 2021, compared to \$396,177,333 as of January 1, 2021. During the plan year the plan experienced an increase in its net assets of \$32,329,434. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of \$71,123,706, including employer contributions of \$3,534,541, employee contributions of \$8,360,549, and earnings from investments of \$59,228,616. Plan expenses were \$38,794,272. These expenses included \$2,979,649 in administrative expenses, and \$35,814,623 in benefits paid to participants and beneficiaries.

For Illinois Tool Works Inc. Health and Welfare Benefits Plan: This is a summary of the annual report of the Illinois Tool Works Inc. Health and Welfare Benefits Plan, EIN 36-1258310, Plan No. 502, for period January 1, 2021 through December 31, 2021. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA). **Insurance Information:** The plan has contracts with Hartford Life and Accident, Kaiser Foundation Health Plan Inc., Metropolitan Life Insurance Company, National Union Fire Ins. Co. Of Pittsburgh and Summacare to pay life insurance, long-term disability, HMO, and AD&D claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2021 were \$14,139,460.

For ITW Bargaining Health Care Plan: This is a summary of the annual report of the ITW Bargaining Health Care Plan, EIN 36-1258310, Plan No. 561, for period January 1, 2021 through December 31, 2021. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA). **Insurance Information:** The plan has a contract with Kaiser Foundation Health Plan, Inc. to pay health and HMO claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2021 were \$91,089.

For ITW Bargaining Life Insurance Plan: This is a summary of the annual report of the ITW Bargaining Life Insurance Plan, EIN 36-1258310, Plan No. 563, for period January 1, 2021 through December 31, 2021. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA). **Insurance Information:** The plan has a contract with Metropolitan Life Insurance Company to pay life insurance and AD&D claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2021 were \$725,700.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- an accountant's report;
- financial information;
- assets held for investment;
- transactions in excess of 5% of the plan assets;
- insurance information, including sales commissions paid by insurance carriers;

To obtain a copy of the full annual report, or any part thereof, write or call the office of Illinois Tool Works Inc. at 155 Harlem Avenue, Glenview, IL 60025, or by telephone at (866) 489-2468, option 4, option 4.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan (Illinois Tool Works Inc., 155 Harlem Avenue, Glenview, IL 60025) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.