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Årsredovisning

för

Westinghouse Electric Sweden AB

556070-6359

Räkenskapsåret

2021-01-01 - 2021-12-31

Fastställelseintyg

Undertecknad verkställande direktör i Westinghouse Electric Sweden AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma den 30 juni 2022. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Västerås den 30 juni 2022

Aziz Dag

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Årsredovisning

för

Westinghouse Electric Sweden AB

556070-6359

Räkenskapsåret

2021-01-01 - 2021-12-31

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Styrelsen och verkställande direktören för Westinghouse Electric Sweden AB avger följande årsredovisning för räkenskapsåret 2021-01-01 - 2021-12-31.

Årsredovisningen är upprättad i svenska kronor, SEK. Om inte annat särskilt anges, redovisas alla belopp i tusentals kronor (Tkr). Uppgifter inom parentes avser föregående år.

Förvaltningsberättelse

Information om verksamheten

Energibehovet i världen ökar samtidigt som kraven på att minska koldioxidutsläppen skärps. Stabil koldioxidfri elproduktion är viktigare än någonsin för att kunna stötta efterfrågan på el utan att generera ökade utsläpp. Tillsammans med förnyelsebar energi kan kärnkraften producera en stor del av världens totala energibehov under förhållanden som innebär liten klimatpåverkan. Som en ledande leverantör inom kärnkraftsbranschen gör Westinghouse skillnad i världen genom att säkerställa att våra kunder kan producera stabil koldioxidfri el.

Westinghouse Electric Company har en mer än 130-årig historia av innovation och utveckling som gjort skillnad i världen. Tydliga exempel är när grundaren, George Westinghouse, kommersialiserade växelströmmen och därmed för alltid förändrade hur el distribueras i världen. Under 1950-talet blev företaget pionjär inom kärnkraftsteknologi och Westinghouse teknik ligger till grund för närmare hälften av världens alla kommersiella kärnkraftverk i drift. Idag har företaget ca 11 000 medarbetare i 17 länder.

Westinghouse Electric Sweden AB, där vår svenska verksamhet bedrivs, bildades 1969 under namnet Asea Atom AB och integrerades i Westinghousekoncernen år 2000. Med den gemensamma bolagshistoriken, Westinghouse och Asea Atom, har dagens Westinghouse byggt alla 12 kommersiella reaktorer som är eller har varit i drift i Sverige, samt 2 reaktorer i Finland. Av dessa totalt 14 reaktorer är 11 Asea Atom-designade kokarvattenreaktorer (Boiling Water Reactor, BWR) och 3 är Westinghouse-designade tryckvattenreaktorer (Pressurized Water Reactor, PWR). Alla reaktorer byggdes och togs i drift på mindre än 20 år, från slutet av 1960-talet fram till mitten av 1985. Utöver dessa reaktorer byggdes även kärnbränslefabriken i Västerås för att stötta de svenska kokarvattenreaktorerna med kärnbränsle.

I mer än 50 år har det producerats kärnbränsle i fabriken i Västerås och produktionsmixen har utvecklats med åren. Idag är majoriteten av bränslet som produceras till tryckvattenreaktorer i Europa, då framför allt till Frankrike (PWR) och till Ukraina (Vodo-Vodyanoi Energetichesky Reactor, VVER). Utöver kärnbränsle erbjuder den svenska verksamheten helhetslösningar till kunder runt om i världen, så att de kan driva befintliga kärnkraftverk säkert och under lång tid framöver samt avveckla verken när de nått slutet av sin operativa livslängd. I Sverige arbetar idag ca 900 medarbetare utifrån företagets anläggningar i Västerås och Täby. Utöver dessa har företaget även filialer i Slovakien, Ukraina och i Bulgarien.

Väsentliga händelser under och efter året

Global Operations Services

Nuclear Fuel Operations

Produktmixen har varit stabil under 2021 och tyngdpunkten för bränsleverksamheten har legat inom områdena PWR samt VVER. Produktionen har flutit på, pandemin till trots, och verksamheten har följt plan. Den inneliggande orderstocken sträcker sig över flera år vilket ger en god grund för en fortsatt långsiktig och stabil verksamhet.

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I spåren av pandemin har digitaliseringen av verksamheten accelererat under 2021. Bolaget har sedan tidigare en femårsstrategi gällande digitalisering och effektivisering. Strategin har förfinats och fortsatta investeringar har gjorts för att optimera produktionsflödet, möta nya produktdesigner och öka utnyttjandegraden av utrustningen.

BWR Systems & Analysis
Volymerna har varit relativt låga sedan en tid, men en ökning har börjat märkas. Majoriteten av uppdragen kommer via BWR Cooperation, vilket är ett initiativ tillsammans med våra nordiska BWR-kunder i syfte att behålla och utveckla kompetensen inom området. En arbetsform som nu blivit fullt etablerad. Sedan slutet av 2021 är Finland den största marknaden, där studier kopplade till planerad effekthöjning efterfrågas.

Environmental Services
Verksamheten har under året bestått av flera projekt i Europa, i olika stadier av färdigställande. Däribland märks segmentering av reaktortankar och interndelar i Slovakien och Frankrike. I Tyskland har segmentering av interndelar på sex reaktorer fortsatt under året och i Sverige har planeringen av projektet för Ågestareaktorn genomförts. Affärsvolymen har dessutom utökats med två stora kontrakt under året, ett i Tyskland och ett i Sverige. Båda kontrakten gäller två reaktorer vardera.

Operating Plant Services

Outage & Maintenance Services
Omsättningen har under året varit god, men samtidigt något lägre än tidigare år. Verksamheten inkluderar garantiprojekt som utförs på uppdrag av andra segment. Omsättningen är starkt kopplad till andelen garantiprojekt, eftersom dessa inte genererar vinst. Det finns fortsatt många öppna affärsmöjligheter inom området och intresset är spritt till flera marknader, däribland Finland, Förenade Arabemiraten samt olika länder inom kundgruppen VVER.

Instrumentation and Controls
Affärsvolymen har under verksamhetsåret framför allt bestått av uppdrag via BWR Cooperation och samverkansavtal på den svenska marknaden. Storleken på uppdragen har skiftat mycket kraftigt. Inom de närmaste åren förväntas ett antal moderniseringsprojekt genomföras inom branschen. Det har föranlett ett större förberedande arbete med utvärdering av olika tekniska lösningar.

Forskning och utveckling

Bolagets forskning och utveckling är fokuserad kring utveckling av nya produkter i linje med kundernas behov, en ökad tillförlitlighet samt en minskad skaderisk för bränsle. Flera viktiga projekt pågår och bland dem kan följande nämnas:

- Kvalificering av förbättrat kapslingsmaterial
- Utveckling av förbättrat skräpfilter för BWR-bränsle
- Utveckling av nästa generations BWR-bränsle (TRITON11) samt tillhörande beräkningsmetoder
- Utveckling av nästa generations VVER1000-bränsle, samt återinförande av VVER440
- Utveckling och kvalificering av nya bränslemetodiker avseende hög utbränning
- Utveckling av produktionsteknik för ”additive” tillverkning av komponenter

Vid sidan av dessa projekt har utvecklingen av ett antal nya produkter fortsatt och flera initiativ till effektivisering och förbättring av stabilitet i produktionen genomförts.

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King Sweden AB

Den 30:e april 2021 förvärvade Westinghouse Electric Sweden bolaget King Sweden AB av ABB AB. Under de första månaderna 2022 har tillgångarna i bolaget sålts inom koncernen och King Sweden AB har därefter fusionerats med Westinghouse Electric Sweden AB.

Förväntad framtida utveckling och väsentliga riskfaktorer

Generell riskbild
Westinghouse Electric Sweden AB opererar på den internationella marknaden och har en betydande del av sin omsättning och sina inköp i valutorna EUR och USD. Bolagets långsiktiga åtaganden, med kassaflöden där intäkts- respektive kostnadssidan regleras i olika utländska valutor, medför valutaexponering. Det finns således finansiella risker, vilka är kopplade till förändringar i valutakurser samt motpartsrisker. Detta motverkas med valutasäkring i olika finansiella instrument. För ytterligare information se Not 1 om finansiella instrument.

Inom flera delar av företaget finns behov av kvalificerade resurser. Detta är både en följd av nya affärsmöjligheter och pensionsavgångar. På sikt finns risk att projekt fördröjs när nyckelkompetenser lämnar bolaget. Rekryteringar pågår och slutförs, men processerna är ofta långdragna då det är svårt att hitta rätt kompetenser.

Bolagets riskbild i övrigt omfattar främst legala och politiska risker, men även produktions- samt marknadsrisker.

Coronapandemins påverkan på verksamheten
Bolagets hantering av coronapandemin visade sig framgångsrik även 2021 och dess påverkan på verksamheten har varit begränsad. Vår bränsleproduktion har nått normal kapacitet och levererat i enlighet med våra kunders önskemål. Projekt som kräver fysisk närvaro på kunders anläggningar möter större utmaningar, men även här har effekten över lag varit måttlig. Ett litet antal projekt har skjutits på framtiden och i ett fåtal har omsättningen sjunkit. I övrigt har arbetet flutit på trots en hög grad av distansarbete under större delen av året, från både vår och kunders sida.

Under 2021 har bolagets verksamhet gradvis återgått till ett normalläge efter pandemin. På hösten 2021 öppnade verksamheten upp sina lokaler och tillät samtliga medarbetare att återgå till arbetsplatsen. En stor del av tjänstemännen har emellertid fortsatt att arbeta hemifrån en större del av tiden. Bolaget fortsätter att anpassa verksamhet och utrustning i syfte att främja ett flexibelt arbetssätt, vilket har flera fördelar. En av dem är att vi står ännu bättre rustade om liknande situationer inträffar i framtiden.

Kriget i Ukraina
Sedan en tid tillbaka är våra affärer på den ukrainska marknaden betydande, framför allt inom bränsleproduktionen. Men även andra verksamhetsgrenar har ett engagemang i landet och bolaget har som tidigare nämnts även en mindre filial i Kiev, Ukraina.

Strax efter det att anfallet blivit känt aktiverades en krisledningsgrupp med uppgift att på olika sätt minska risker och skadeverkningar. Stora insatser har gjorts för att på olika sätt hjälpa och skydda personal och deras anhöriga. Praktiska åtgärder vidtogs på ett mycket tidigt stadium för att på plats förhindra otillåten tillgång till känslig information och skydda fasta tillgångar.

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Med anledning av den uppkomna situationen är vi för närvarande förhindrade att leverera bränsle till Ukraina. Produktionen har planerats om så att vissa leveranser skjutits upp i väntan på en stabilare period, till förmån för andra kunders kontrakt. Redan producerade volymer kan till stor del på olika sätt återanvändas. Hur stora påverkningar kriget får på bolagets ekonomi är inte helt klarlagt, då situationen i Ukraina är mycket osäker.

Kriget har även inneburit ökade affärsmöjligheter, då länder som tidigare varit kunder i Ryssland söker andra leverantörer. Arbete pågår att förnärvarande påskynda utveckling och produktion av produkter som kan möta kundernas tekniska behov.

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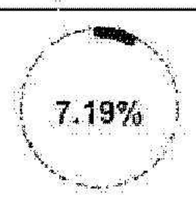
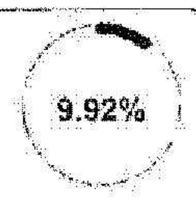
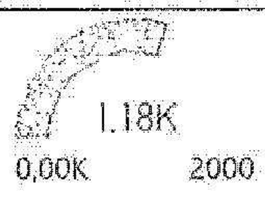
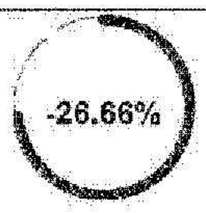
Hållbarhetsrapport

Inom Westinghouse Electric Sweden (Westinghouse) är vi dedikerade till att beskriva vår verksamhet på ett säkert, miljöanpassat och socialt ansvarsfullt sätt. Vår målsättning är att möta våra egna och intressenters högt ställda krav samtidigt som vi skyddar och bevarar mänskliga och naturliga resurser för framtiden.

Bolagets vision är tydlig "Together *we advance technology and services to power a clean, carbon-free future*". I vårt dagliga arbete förser vi kärnkraftsoperatörer runt om i världen med teknologier, produkter och tjänster, men vårt uppdrag och åtagande är mycket bredare än så. Genom att kombinera intellekt, samarbete och nyskapande har vi styrkan att bidra till en hållbar och koldioxidfri framtid för kommande generationer.

Miljöprogram

På Westinghouse är det högsta prioritet att möjliggöra en ekologisk hållbar framtid. Med EHS hållbarhets-policy som en hörnsten har bolaget etablerat Westinghouse Environmental Program 2030 som täcker tre huvudsakliga arbetsflöden: Energireduktion, Ren energianvändning och Öka återvunnet avfall. Bolaget fastställer utöver det varje år mest betydande miljöaspekter, -risker och -möjligheter enligt ISO 14001:2015. De utgör i sin tur grunden till bolagets Miljöprogram i vilken strategi och mål redovisas. Miljöprogrammet bekräftades av bolagsledningen i januari 2021 och fastställer att Westinghouse till 2025 ska:

Mål	Utfall 2021
Reducera klimatpåverkande utsläpp med minst 30%, jämfört med 2019.	
Effektivisera energianvändningen med minst 10%, jämfört med 2019.	
Minska mängden radioaktivt avfall som årligen uppkommer med 15%, jämfört med 2019.	
Friklassa 12 ton radioaktivt avfall årligen, jämfört med 2019.	
Minska mängden konventionellt avfall som går till förbränning med 15%, jämfört med 2019.	

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Utifrån fastställd värdering av bolagets miljöaspekter genomförs även åtgärder för att ständigt förbättra vår ekologiska hållbarhetsprestanda. Under verksamhetsåret har bolaget initierat större förbättringar såsom övergång till fossilfri energi, implementering av det nya normala arbetssättet om hybridarbete, etablering av avtal med "gröna transporter" (tågoperatörer, hyrbilsföretag etc), implementering av en papperslös produktionsprocess samt förbättrade analysmetoder för fastställande av radioaktivt innehåll.

Andra förbättringsprojekt som för närvarande genomförs för att minska miljöpåverkan inkluderar reduktion av metallhalter i utgående processvatten, nyttogöra kväverikt processvatten som resurs i stället för som avfall och verksamhetsövergripande förbättringar avseende avfallshantering.

Miljöpåverkan från produktionen

Bolagets påverkan på miljön och människors hälsa utgörs av utsläpp till luft och vatten, samt av kemikalier och avfall. Produktionen kräver även stora insatsvaror i form av vatten, energi och transporter. Verksamhetens miljöpåverkan följs upp månadsvis genom en systematisk egenkontroll. Verksamheten på bränslefabriken har under 2021 tillverkat 581 ton urandioxidpulver och samtliga villkor för utsläpp till luft och vatten har uppfyllts. Under året har 10 händelser inträffat. Händelserna har hanterats enligt gällande rutiner och anmälts till tillsynsmyndigheten och åtgärder har vidtagits för att förhindra en upprepning av incidenterna. Inget av fallet bedöms ha givit någon långsiktig påverkan på miljön eller människors hälsa.

Avfall från verksamheten och avfallets miljöfarlighet

Westinghouse har ett väl utbyggt system för återvinning/återanvändning av råvaror och arbetar löpande med att minska mängden som skickas för deponi/slutförvar. Vidare sker källsortering av ett stort antal fraktioner både inom de verkstäder där öppen uranhantering sker och på de mekaniska verkstäderna. Olika former av metall och material sorteras och skickas iväg för återvinning/återanvändning. Det brännbara konventionella avfallet har under 2021 minskat med ca 27%, jämfört med 2019.

Socialt åtagande – internt och externt

Samhällsengagemang

Westinghouse har verksamheter över hela världen och för att skapa globala förändringar så anser vi att det är oerhört viktigt att agera lokalt där vi finns. Genom att stödja de lokala samhällen där våra anställda bor och arbetar tror vi att största effekten kan skapas. Vi har valt att samarbeta med Lokala Hjälpen för deras breda nätverk och samverkan med lokala organisationer.

Arbetsmiljö och hälsa hos medarbetarna

Säkerhet och kvalitet går hand i hand i vårt arbete att skapa en hälsosam kultur där värderingar, attityder och beteenden ligger i fokus, diskuteras och utvärderas. Som en viktig del i detta genomförs "kulturdialoger" på ett utvalt tema inom verksamheten. Säkerhetskulturutvärdering genomförs med stort fokus på att värdera ett öppet arbetsklimat dvs ett klimat där medarbetare känner sig trygga att lyfta frågor och oro kring säkerhets- och kvalitetsfrågor. Utfallet för denna undersökning ska ligga till grund för det kontinuerliga förbättringsarbetet inom området.

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Fokus under året har varit kopplat till att stötta organisationen i frågor kopplat till Covid-19 och arbetsmiljö både globalt och lokalt. Med hänsyn till det tilltagande distansarbetet har styrande instruktioner reviderats. Skyddsrondsprotokollen och riskbedömningsmallen har uppdaterats för att förenkla och förtydliga i det systematiska arbetsmiljöarbetet.

Under 2021 har en serie chefsseminarier genomförts tillsammans med Previa för att ge cheferna de verktyg de behöver för att kunna fånga upp tidiga signaler på ohälsa hos medarbetarna samt anpassa sitt ledarskap i rådande Corona-tider med många medarbetare som jobbar på distans. Tips med koppling till användandet av HealthWatch har också omnämnts på dessa genomgångar, tex nyheten HW-dialog.

Mål	Utfall 2021
Minska risken för olyckor och ohälsa med en nollvision för arbetsskador (ISA)	0 ISA
Minska risken för olyckor och ohälsa med målsättningen färre än 2 total recordable injuries (TRI)	2 TRI
Minska risken för olyckor och ohälsa med målsättningen färre än 10 lättare skador som inte kräver behandling/första hjälpen (NFA)	7 NFA
Uppnå en god organisatorisk och social arbetsmiljö med en frisknärvaro över 96%	92,3%
Uppnå en god organisatorisk och social arbetsmiljö genom användandet av digitalt verktyg Healthwatch, med mål på en svarsfrekvens över 70% (månadsvis)	59% Snitt
Uppnå en god fysisk arbetsmiljö genom att förstärka rapportering av at-risk conditions (ARC), mål > 200	151 ARC
Uppnå en god fysisk arbetsmiljö genom att förbättra rapportering tillbud/near-miss (CAP EHS), mål >15	25

Mångfald och jämställdhet

Westinghouse uppmuntrar jämställdhet och mångfald i alla former, vilket framhålls i bland annat rekryteringssammanhang. Fördelning mellan män och kvinnor är 70% resp 30 %, vilket också är fördelningen i den svenska ledningsgruppen.

Ett systematiskt och förebyggande arbete pågår inom flera områden för att främja att lika möjligheter ska gälla för samtliga anställda. Ett område som omfattas av detta är förenandet av föräldraledighet och arbete. I syfte att främja föräldraledighet, har Westinghouse en så kallad föräldralön, dvs att de anställde kompenseras till viss del för det ekonomiska bortfallet under föräldraledigheten.

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Talent management

Westinghouse fortsätter att utveckla området Talent Management för att säkerställa att bolaget arbetar systematiskt och långsiktigt med kompetensförsörjningsfrågor, samt klarar de utmaningar som finns när det gäller att identifiera, attrahera, bibehålla och utveckla viktig kompetens.

Arbetet omfattas bland annat av:

- performance managementprocessen (målstyrning mot företagsgemensamma mål)
- talent review (kompetensöversyn)
- successionsplanering (ersättarplanering)
- attrition risk assessment (avgångsanalyser)
- utbildning och kompetensutveckling.

Utöver den kompetensutveckling som sker i det dagliga arbetet genomförs även anpassade utvecklingsinsatser för att tillgodose verksamhetens kompetensbehov. För att kunna säkerställa att våra medarbetare har rätt kompetens finns till majoriteten av alla roller en specifikt sammansatt läroplan. Dessa läroplaner innehåller relevanta utbildningar och instruktioner.

Varje medarbetare ska även ha en utvecklingsplan som dokumenteras i Westinghouse globala system för att säkerställa och följa upp medarbetarens individuella utveckling och arbete mot bolagets uppsatta mål.

Mänskliga rättigheter

Inom Westinghouse Electric Sweden är det en självklarhet att de mänskliga rättigheterna respekteras och vi ställer höga krav på våra leverantörer i det avseendet. I vår uppförandekod för leverantörer anges vårt ställningstagande gällande arbetsvillkor och mänskliga rättigheter tillsammans med andra krav som rör affärsetik och antikorruption, hälsa och säkerhet samt miljö.

Bolaget har en stabil bas av leverantörer, där de flesta finns inom Europa eller i USA. Större delen av komponenterna till våra produkter köps från koncernbolag i USA. I våra serviceprojekt, där arbete sker på plats hos kund i utlandet, köps en stor del av service, underhåll och liknande tjänster från lokala leverantörer. I övrigt sker huvuddelen av köpen från svenska leverantörer. Under året har inga överträdelser mot mänskliga rättigheter rapporterats.

Antikorruption

Westinghouse gör affärer på ett etiskt och ärligt sätt och har nolltolerans mot alla former av korruption, mutor, konkurrenshämmande åtgärder och liknande beteenden. Krav ställs också på leverantörer och samarbetspartners att motverka all form av korruption och följa de föreskrifter som bolaget formulerat. Målsättningen är att inga interna eller externa incidenter kopplade till korruption ska inträffa.

Westinghouse har en global policy avseende mutor och korruption som föreskriver att Westinghouse, i enlighet med tillämplig lagstiftning om mutor och korruption, har nolltolerans mot alla former av mutor eller korruption inklusive underlättande av betalningar. Policyn befästs ytterligare genom Westinghouse globala etiska uppförandekod som ligger till grund för all verksamhet och ska följas av alla medarbetare.

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Koncernen har en hjälplinje som bland annat kan nås via websidan www.wecconcerns.com där både interna och externa parter kan rapportera misstänkta avsteg från koncernens globala etiska uppförandekod, policyn avseende mutor och korruption eller övriga regelverk. Anställda tar del av den globala etiska uppförande-koden och policyn avseende mutor och korruption via utbildning, vilket dokumenteras för att säkerställa att förväntningarna på den enskilde når alla berörda i organisationen. Westinghouse har uttryckliga förbud mot alla typer av vedergällning mot den som i god tro lyfter frågor eller funderingar, rapporterar en faktisk eller misstänkt överträdelse eller bistår i en utredning under policyn. Under året har inte några överträdelser rapporterats inom området.

Flerårsöversikt (Tkr)	**2021**	**2020**	**2019**	**2018**	**2017/18**
Nettoomsättning	3 113 399	2 809 520	3 219 338	2 163 853	2 972 826
Resultat efter finansnetto	74 305	-149	96 043	47 421	195 754
Justerat eget kapital	1 626 267	1 556 444	1 568 899	1 283 674	1 255 106
Omsättning per anställd	4 118	3 625	4 143	2 712	3 607
Medelantalet anställda	756	775	777	798	824

Justerat eget kapital består av eget kapital samt en del av obeskattade reserver motsvarande 78% för åren före 2019 och 78,6% för åren 2019 - 2020 samt 79,4% för innevarande år. Omsättning per anställd består av nettoomsättning/ medelantalet anställda.

Förändring av eget kapital

	Aktiekapital	**Reservfond**	**Fria reserver**	**Årets resultat**	**Totalt**
Belopp vid årets ingång	100 000	20 000	980 235	36 998	**1 137 233**
Disposition enligt beslut av årets årsstämma:			36 998	-36 998	**0**
Omräkningsdifferens			5 364		**5 364**
Årets resultat				81 077	**81 077**
Belopp vid årets utgång	**100 000**	**20 000**	**1 022 597**	**81 077**	**1 223 674**

Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

balanserad vinst	1 022 597 342
årets vinst	81 077 244
	1 103 674 586
disponeras så att	
i ny räkning överföres	1 103 674 586

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning samt kassaflödesanalys med noter.

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Resultaträkning
Tkr

	Not	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Nettoomsättning	3	3 113 399	2 809 521
Förändring av lagervaror under tillverkning, färdiga varor och pågående arbete för annans räkning		-156 423	-115 767
Aktiverat arbete för egen räkning		27 026	17 797
Övriga rörelseintäkter	4	125 333	132 136
		3 109 335	**2 843 687**
Rörelsens kostnader			
Råvaror och förnödenheter		-1 408 474	-937 087
Övriga externa kostnader	5, 6	-744 685	-819 210
Personalkostnader	7, 8	-742 230	-721 084
Avskrivningar och nedskrivningar av materiella och immateriella anläggningstillgångar		-113 744	-119 414
Övriga rörelsekostnader	9	-36 739	-254 037
		-3 045 872	**-2 850 832**
Rörelseresultat		**63 463**	**-7 145**
Resultat från finansiella poster			
Övriga ränteintäkter och liknande resultatposter	10	14 224	8 463
Räntekostnader och liknande resultatposter	11	-3 382	-1 467
		10 842	**6 996**
Resultat efter finansiella poster		**74 305**	**-149**
Bokslutsdispositioner	12	41 317	52 051
Resultat före skatt		**115 622**	**51 902**
Skatt på årets resultat	13	-34 545	-14 904
Årets resultat		**81 077**	**36 998**

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Balansräkning

Tkr

	Not	2021-12-31	2020-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar	14		
Dataprogram		9 188	12 997
		9 188	**12 997**
Materiella anläggningstillgångar			
Byggnader och mark	15	109 927	113 342
Maskiner och andra tekniska anläggningar	16	495 035	503 112
Inventarier, verktyg och installationer	17	19 440	32 243
Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar	18	159 235	117 127
		783 637	**765 824**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	19, 20	65 801	15 141
Andra långfristiga fordringar		11 327	10 571
		77 128	**25 712**
Summa anläggningstillgångar		**869 953**	**804 533**
Omsättningstillgångar			
Varulager m m			
Råvaror och förnödenheter		488 672	485 558
Varor under tillverkning		548 324	878 124
Förskott till leverantörer		3 568	2 610
		1 040 564	**1 366 292**
Kortfristiga fordringar			
Kundfordringar		377 245	584 899
Fordringar hos koncernföretag	21	1 343 382	420 126
Aktuella skattefordringar		0	3 671
Övriga fordringar		59 391	289 256
Upparbetad men ej fakturerad intäkt	22	113 411	68 759
Förutbetalda kostnader och upplupna intäkter	23	238 475	138 277
		2 131 904	**1 504 988**
Kassa och bank	24	124 940	64 483
Summa omsättningstillgångar		**3 297 408**	**2 935 763**
SUMMA TILLGÅNGAR		**4 167 361**	**3 740 296**

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Balansräkning

Tkr

	Not	2021-12-31	2020-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital		100 000	100 000
Reservfond		20 000	20 000
		120 000	**120 000**
Fritt eget kapital	33		
Balanserad vinst eller förlust		1 022 597	980 235
Årets resultat		81 077	36 998
		1 103 674	**1 017 233**
Summa eget kapital		**1 223 674**	**1 137 233**
Obeskattade reserver	25	507 044	533 346
Avsättningar	26		
Övriga avsättningar för pensioner och liknande förpliktelser		286 325	294 457
Övriga avsättningar		100 373	119 659
Summa avsättningar		**386 698**	**414 116**
Kortfristiga skulder			
Förskott från kunder		750 244	979 394
Leverantörsskulder		263 416	193 105
Skulder till koncernföretag	21	494 512	81 898
Aktuella skatteskulder		2	727
Övriga skulder	27	103 272	60 041
Fakturerad men ej upparbetad intäkt	28	79 770	88 272
Upplupna kostnader och förutbetalda intäkter	29	358 729	252 164
Summa kortfristiga skulder		**2 049 945**	**1 655 601**
SUMMA EGET KAPITAL OCH SKULDER		**4 167 361**	**3 740 296**

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Kassaflödesanalys

Tkr

	Not	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Den löpande verksamheten			
Resultat efter finansiella poster		74 305	-149
Justeringar för poster som inte ingår i kassaflödet	30	91 690	143 326
Betald skatt		-31 599	32 100
Kassaflöde från den löpande verksamheten före förändring av rörelsekapital		**134 396**	**175 277**
Kassaflöde från förändring av rörelsekapitalet			
Förändring av varulager och pågående arbete		325 728	-34 624
Förändring av kundfordringar		207 654	-171 883
Förändring av kortfristiga fordringar		-838 241	434 888
Förändring av leverantörsskulder		70 311	-35 926
Förändring av kortfristiga skulder		324 758	-169 580
Kassaflöde från den löpande verksamheten		**224 606**	**198 152**
Investeringsverksamheten			
Investeringar i immateriella och materiella anläggningstillgångar		-127 748	-141 619
Investeringar i finansiella anläggningstillgångar		-50 660	0
Förändring av övriga finansiella anläggningstillgångar		-756	1 215
Kassaflöde från investeringsverksamheten		**-179 164**	**-140 404**
Finansieringsverksamheten			
Erhållna (lämnade) koncernbidrag		15 015	-2 950
Kassaflöde från finansieringsverksamheten		**15 015**	**-2 950**
Årets kassaflöde		**60 457**	**54 798**
Likvida medel vid årets början		64 483	9 685
Likvida medel vid årets slut		**124 940**	**64 483**

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Noter

Tkr

Not 1 Redovisnings- och värderingsprinciper

Årsredovisningen upprättas med tillämpning av Årsredovisningslagen (1995:1554) och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Värdering- och redovisningsprinciperna som använts vid upprättandet av de finansiella rapporterna sammanfattas nedan.

RESULTATRÄKNING

Intäktsredovisning
Nettoomsättningen omfattar försäljningsintäkter från kärnverksamheten, det vill säga leverans av bränslepatroner med tillhörande kringtjänster samt intäkter från entreprenadavtal. Intäkter värderas till det belopp som influtit eller beräknas inflyta, med hänsyn till rabatter och efter avdrag för moms och punktskatter.

Varor
Försäljningsintäkter för bränsleprodukter och produktnära tjänster redovisas när leveransvillkoret är uppfyllt. Eventuella förskott redovisas i posten "förskott från kunder". Reservering av eventuell förlustorder sker så snart den befaras, till omfattningen att täcka alla förväntade kostnader.

Tjänsteuppdrag
För redovisning av intäkter från kundprojekt inom service och automation tillämpas successiv vinstavräkning. Det innebär att inkomster redovisas som intäkter baserad på färdigställandegraden per balansdagen. Som grund för färdigställandegrad per kundprojekt ligger kostnad för nedlagt arbete i förhållande till totalt prognostiserad kostnad. Upparbetad, ej fakturerad intäkt tas i balansräkning upp till det belopp som beräknas bli fakturerat och redovisas i posten "Upparbetad men ej fakturerad intäkt". Fakturerad intäkt per kundprojekt som överstiger upparbetad intäkt redovisas i posten "Fakturerad men ej upparbetad intäkt". Reservering av eventuell förlustorder sker så snart den befaras, till omfattningen att täcka alla förväntade kostnader.

Ränteintäkter och räntekostnader
Ränteintäkter och räntekostnader redovisas i takt med att de upparbetas och härrör till tillgodohavanden eller kortfristiga skulder på bank.

Ersättningar till anställda
Kortfristiga ersättningar
Kortfristiga ersättningar i bolaget utgörs av lön, sociala avgifter, betald semester, betald sjukfrånvaro, sjukvård och bonus. Kortfristiga ersättningar redovisas som en kostnad och en skuld då det finns en legal eller informell förpliktelse att betala ut en ersättning.

Pensionsplaner
Det förekommer såväl avgiftsbestämda som förmånsbestämda pensionsplaner hos bolaget. I avgiftsbestämda planer betalar bolaget fastställda avgifter till ett annat företag och har inte någon legal eller informell förpliktelse att betala något ytterligare även om det andra företaget inte kan uppfylla sitt åtagande. Bolagets resultat belastas för kostnader i takt med att de anställdas plikter intjänas.

Bolaget innehar förmånsbestämda pensionsplaner som finansieras i egen regi, dessa planer är frysta sedan 2002. Pensionsplaner som finansieras i egen regi redovisas i enlighet med förenklingsreglerna i BFNAR 2012:1 enligt den beloppsuppgift som erhålls från PRI. Därutöver har bolaget förmånsbestämda pensionsplaner där en pensionspremie betalas. Dessa planer redovisas som avgiftsbestämda planer i enlighet med förenklingsregeln i BFNAR 2012:1.

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Ersättningar vid uppsägning
Avsättning för avgångsvederlag redovisas endast om bolaget är förpliktigat att avsluta en anställning före den normala tidpunkten eller när ersättningar lämnas som ett erbjudande för att uppmuntra frivillig avgång. Avsättning görs för den delen av uppsägningslönen som den anställde får utan arbetsplikt med tillägg för sociala avgifter.

Leasingavtal
Samtliga leasingavtal där företaget är leasetagare redovisas som operationell leasing, oavsett om avtalen är finansiella eller operationella. Leasingavgiften redovisas som en kostnad linjärt över leasing perioden.

Forskning och utveckling
Kostnader för forskning och utveckling mm redovisas som omkostnader när de uppstår.

Avskrivningar
Immateriella och materiella anläggningstillgångar skrivs av linjärt över tillgångarnas eller komponenternas bedömda nyttjandeperiod. Avskrivningen beräknas på det avskrivningsbara beloppet vilket utgörs av tillgångens anskaffningsvärde. Bolagets mark har obegränsad nyttjandeperiod och skrivs inte av.

Följande avskrivningstider tillämpas:

Immateriella anläggningstillgångar	
Programvara	3-5 år
Materiella anläggningstillgångar	
Byggnader	12-33 år
Maskiner och inventarier	3-20 år

Nedskrivningar
Nedskrivningar av immateriella och materiella tillgångar
Vid indikation att en tillgångs värde minskat, görs en prövning av nedskrivningsbehov. Har tillgången ett återvinningsvärde som är lägre än det redovisade värdet, skrivs den ner till återvinningsvärdet. I resultaträkningen redovisas nedskrivningar och återföringar av nedskrivningar i posten "Avskrivningar & nedskrivningar".

Återföring av nedskrivningar
Nedskrivningar av immateriella och materiella anläggningstillgångar återförs om skälen som låg till grund för beräkningen av återvinningsvärde vid den senaste nedskrivningen har förändrats.

Bokslutsdispositioner
Koncernbidrag redovisas som bokslutsdispositioner.

Byte av redovisningsprincip
Efter genomgång har omklassificering skett avseende räntekostnader och ränteintäkter, som omklassificerats till övriga rörelsekostnader och övriga rörelseintäkter samt övriga externa kostnader. Vidare har en ny rad för övriga röelseintäkter har lagts till för året och omfördelning skett mellan övriga rörelsekostnader och övriga rörelseintäkter. Jämförelsetalen för år 2020 har justerats enligt nedan:

Övriga rörelseintäkter har ökat med 132 136tkr
Övriga rörelsekostnader har ökat med 152 355tkr
Övriga externa kostnader ökat med 18 295tkr
Ränteintäkter har minskat med 136tkr
Räntekostnader har minskat med 38 378tkr.

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BALANSRÄKNING

Immateriella anläggningstillgångar
Immateriella tillgångar redovisas enligt kostnadsföringsmodellen. Metoden innebär att interna utgifter för framtagande av en immateriell anläggningstillgång kostnadsförs direkt när de uppkommer. Immateriella anläggningstillgångar redovisas till anskaffningsvärde med avdrag för ackumulerade av- och nedskrivningar.

Avseende upparbetade immateriella anläggningstillgångar, kommer endast den delen som anses vara externt förvärvad att balanseras. Interna utgifter för framtagande av en immateriell anläggningstillgång kostnadsförs löpande.

Materiella anläggningstillgångar
Materiella anläggningstillgångar redovisas som en tillgång i balansräkningen, om det är sannolikt att framtida ekonomiska fördelar som är förknippade med tillgången sannolikt kommer att tillfalla bolaget, samt om anskaffningsvärdet kan mätas på ett tillförlitligt sätt. Materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med avskrivningar och eventuella nedskrivningar.

Anskaffningsvärde
I anskaffningsvärdet ingår inköpspriset och utgifter som är direkt hänförbara till inköpet och syftar till att bringa tillgången på plats och i skick att utnyttjas i enlighet med företagsledningens avsikt med förvärvet. Till direkt hänförbara utgifter räknas utgifter för leverans, hantering, installation och montering samt konsulttjänster.

Uppdelning av anläggningar sker i betydande komponenter och skrivs av efter uppskattad livslängd. När en betydande komponent i en anläggningstillgång byts ut, utrangeras eventuell kvarvarande del av den gamla komponenten och den nya komponentens anskaffningsvärde aktiveras.

Tillkommande utgifter
Tillkommande utgifter aktiveras endast om det är sannolikt att de framtida ekonomiska fördelar som är förknippande med tillgången kommer att komma bolaget till del och anskaffningsvärdet kan beräknas på ett tillförlitligt sätt. Om anskaffningsvärdet ej kan beräknas på ett tillförlitligt sätt kostnadsförs utgifter under det räkenskapsåret som de uppkommer.

Finansiella instrument
Finansiella instrument redovisas initialt till anskaffningsvärde vilket motsvarar instrumentets verkliga värde med tillägg för transaktionskostnader. En finansiell tillgång eller en finansiell skuld redovisas i balansräkningen när bolaget blir part enligt instrumentets avtalsenliga villkor. Kundfordringar redovisas när en faktura har skickats till kund. Skuld tas upp när motparten har utfört sin prestation och bolaget därmed har en avtalsenlig skyldighet att betala även om faktura inte har erhållits. Leverantörsskulder redovisas när en faktura har mottagits.

Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten. Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört. Övervägande delen av finansiella tillgångar och skulder tas bort från balansräkningen genom erhållande eller erläggande av betalning.

Kundfordringar och övriga fordringar
Fordringar redovisas som omsättningstillgångar med undantag för poster med förfallodag mer än 12 månader efter balansdagen, vilka klassificeras som anläggningstillgångar. Fordringar tas upp till det belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra fordringar.

Finansiella skulder
Leverantörsskulder värderas till nominellt belopp.

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Nedskrivningsprövning av finansiella anläggningstillgångar
Vid varje balansdag görs bedömning om det finns indikation på nedskrivningsbehov i någon av de finansiella anläggningstillgångarna. Nedskrivning sker om värdenedgången bedöms vara bestående.
Derivatinstrument och säkringsredovisning
Bolaget använder derivatinstrument för att säkra valutarisker. Valutasäkring sker enbart av säkra in- och utflöden, det för att skydda bolaget mot förändringar i valutakurser genom att kontrakten fastställs till en kurs vilken tillgången eller skulden i utländsk valuta, kommer att realiseras.

Bolaget tillämpar säkringsredovisning, vilket innebär att värdering av den säkrade posten och säkringsinstrumentet sker tillsammans som om de vore en transaktion. Huvudregeln är att alla transaktioner ska värderas för sig. Säkringsredovisningen ska därmed ses som en alternativregel som innebär att två eller flera transaktioner värderas tillsammans. Med detta sker redovisning av derivatinstrument initialt enligt anskaffningsmetoden, vilket innebär att så länge som derivatinstrumentet är effektivt sker ingen redovisning.

Dokumentation sker av bolagets bedömning, både när säkringen ingås och fortlöpande, av huruvida de derivatinstrument som används i säkringstransaktioner är effektiva när det gäller att motverka förändringar i kassaflöden som är hänförliga till de säkrade posterna. Effekten av förändringar i valutakurserna redovisas i resultaträkningen när säkringen upphör och säkringsinstrumenten förfaller till betalning. De transaktioner som inte uppfyller kraven för säkringsredovisning värderas löpande i enlighet med lägsta värdets princip, varvid de värdeförändringar som uppkommer redovisas i resultaträkningen.

Varulager
För råvaror ingår alla utgifter som är direkt hänförliga till anskaffningen av varorna i anskaffningsvärdet, de värderas till genomsnittligt inköpsvärde bestämt enligt först-in, först-ut-metoden (FIFU). Varor under tillverkning och färdiga varor har värderats till nedlagda kostnader med skälig andel av indirekta kostnader. Inkuransbedömning utförs löpande, reservering sker vid behov.

Fordringar och skulder i utländsk valuta
Monetära fordringar och skulder i utländsk valuta värderas till balansdagens kurs. Kursförändringar på kundfordringar och leverantörsskulder i utländsk valuta redovisas i rörelseresultatet som övriga rörelseintäkter eller rörelsekostnader.

Kursförändringar avseende övriga fordringar och skulder redovisas i det finansiella resultatet.

Förskott till leverantörer eller från kunder värderas till kurs vid respektive betalningstillfälle, eftersom återbetalningsskyldighet ej förutses inträffa.

Inkomstskatter
Redovisade inkomstskatter täcker skatt som skall betalas eller erhållas avseende aktuellt år, samt justering avseende tidigare års aktuella skatt. Skatteskulder/fordringar värderas till vad som enligt bolagets bedömning, kommer erläggas till eller erhållas från Skatteverket.

Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd av tidigare transaktioner. Uppskjuten skatteskuld och uppskjuten skattefordran värderas enligt de skattesatser och skatteregler som är beslutade före balansdagen.

Avsättningar
Bolaget gör en avsättning när det finns en legal eller informell förpliktelse, beräkning sker utifrån rimlig risk och tidpunkt för fullgörande. Avsättningen tas endast i anspråk för de utgifter som avsättningen ursprungligen är avsedd för och prövas per varje balansdag.

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Avsättning avseende dekontaminering

Som ett led i att Bolaget omfattas av Lag (2006:647) om finansiella åtgärder för hantering av restprodukter från kärnteknisk verksamhet erlägger bolaget en årlig avgift till Kärnavfallsfonden baserat på den aktuella kostnads-beräkningen för avveckling och avfallshantering. Fonden betalar tillbaka medlen i takt med att kärnkraftsföretagen har utbetalningar för hantering och slutförvaring av radioaktivt avfall. Inbetalningen till Kärnavfallsfonden kostnadsförs löpande och avsättning görs till den del åtagandet överstiger inbetalda avgifter. Produktionsanläggningen förväntas att vara i drift fram till år 2058 då merparten av avsatta medel kommer att tas i bruk, se not 26. Den kortfristiga delen av avsättningen redovisas under övriga upplupna kostnader. Uttjänt material specificeras i not 26 under rubriken "Reserv för hantering och återvinning av restprodukter från produktion".

Omstrukturering
Avsättningar för omstrukturering görs när det föreligger en fastställd och utförlig omstruktureringsplan och berörda personer har informerats.

Förlust och garantiärenden
Avsättningar finns upptagna för förlustkontrakt och garantiärenden. Försäljningskalkyler analyseras löpande och förlustkontrakt sätts av så fort som de befaras. Avsättning görs med det lägsta av den oundvikliga förlusten om kontraktet fullföljs, eller utgifter i form av skadestånd eller liknande om kontraktet bryts. Avseende garantiärenden sätts medel av så fort som information erhållits från kunden om eventuellt garantiärende. Inom branschen kan det i många fall vara svårt att definiera vilken risk som är förknippad med bolaget. Avsättningar justeras löpande i takt med utredning och kartläggning av defekten.

Aktier och andelar i koncernbolag
Aktier och andelar i koncernbolag redovisas till anskaffningsvärde efter avdrag för eventuella nedskrivningar. I anskaffningsvärdet ingår köpeskillingen som erlagts för aktierna samt förvärvskostnader. Eventuella kapitaltillskott och koncernbidrag läggs till anskaffningsvärdet när de uppkommer.

Obeskattade reserver
Obeskattade reserver redovisas med bruttobelopp i balansräkningen, inklusive den uppskjutna skatteskuld som är hänförlig till reserverna.

ÖVRIGT

Eventualförpliktelser
Som ansvarsförbindelse redovisas en befintlig förpliktelse till följd av inträffad händelse som inte redovisas som skuld eller avsättning då det inte är sannolikt att ett utflöde av resurser kommer att krävas för att reglera förpliktelsen eller förpliktelsens storlek inte kan beräknas med tillräcklig tillförlitlighet.

Likvida medel
Likvida medel utgörs av disponibla tillgodohavanden hos banker och andra kreditinstitut och kortfristiga, likvida placeringar som lätt kan omvandlas till ett känt belopp.

Kassaflödesanalys
Kassaflödesanalysen upprättas enligt indirekt metod. Det redovisade kassaflödet omfattar endast transaktioner som medfört in- eller utbetalningar. Som likvida medel klassificerar företaget, förutom kassamedel, disponibla tillgodohavanden hos banker och andra kreditinstitut.

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Moderbolag
Bolaget är ett helägt dotterbolag till Westinghouse Electric UK Holdings Ltd. Koncernens moderbolag är Brookfield WEC Holdings Sub-Aggregator LP.

Koncernredovisning
Med stöd av ÅRL 7 kap 2§ upprättar Westinghouse Electric Sweden AB ingen koncernredovisning. Moderbolaget upprättar tillsammans med bolaget Brookfield WEC Holdings Sub-Aggregator LP en gemensam koncern-redovisning då bolagen har samma ägare, kontroll och ledning. Denna koncernredovisning är upprättad enligt amerikanska redovisningsregler (US GAAP). Koncernredovisningen per 31 december 2021 har reviderats av bolagets revisorer.

Not 2 Uppskattningar och bedömningar

Bolaget gör uppskattningar och bedömningar för det som kan innebära en betydande risk för justering på de redovisande beloppen i denna årsredovisning. Uppskattningar och bedömningar som är betydande baseras på historisk erfarenhet och andra faktorer som under rådande förhållande anses vara rimliga. Uppskattningar och bedömningar ses över årligen.

Effekterna av ändringar i dessa redovisas i resultaträkningen under det räkenskapsår som ändringen görs samt under framtida räkenskapsår om ändringen påverkar både aktuellt och kommande räkenskapsår.

Viktiga uppskattningar och bedömningar beskrivs nedan:

Dekontaminering
Avsättning avseende dekontaminering av fabrikens lokaler, maskinpark samt avfall finns upptagen. Avsättningen avseende dekontaminering för fabriksyta och maskinpark bygger på beräkning som godkänns av Strålskyddsmyndigheten och statlig fondering finns uppsatt, s.k. Kärnavfallsfonden. Vår avsättning motsvarar fonderingens krav på avsättning reducerat med det som vi ackumulerat har betalat in till fonden. För övrigt avfall finns motsvarande avsättning gjord, beräkningen sker internt utifrån kända och framtida metoder. Nuvärdesberäkning sker av båda dessa avsättningar till diskonteringsränta 2,0% och inflationsmål 2,0%.

Inkuransbedömning
Lagervaror som inte nyttjats inom en period av 18 månader, analyseras på detaljerad nivå för att kunna fastställa om dessa kommer användas till framtida produktion. Nedskrivning sker för de lagervaror som inte har någon framtida nytta för kundleveranser.

Garantiåtagande
Reservering sker av garantiåtagande i tid med att information kommer företaget till handa. Bedömning om avsättningens storlek sker av verksamheten och uppdateras allt eftersom bilden kring åtagandet gentemot kund klargörs. Det finns tydliga processer för verksamheten att följa, vad det gäller återkoppling för att reservering ska kunna ske i rätt tid.

Projektuppföljning
Analyser sker utifrån projektkalkyler och utfall, för att se om det finns indikation om eventuella förlust-uppdrag. Reservering sker vid behov. Projektuppföljning och uppdatering av projektkalkyler sker kontinuerligt. Verksamheten arbetar efter tydliga processer för att säkerställa att uppdatering av kalkyler sker i rätt tid.

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Not 3 Nettoomsättningens fördelning

	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Nettoomsättningens fördelning på geografiska områden:		
Bulgarien	79 883	13 996
Finland	149 777	128 022
Frankrike	1 347 523	1 250 239
Schweiz	19 041	22 651
Slovakien	94 022	136 726
Slovenien	3 906	65
Spanien	13 996	10 384
Storbritannien	1 663	569
Sverige	247 868	280 528
Sydkorea	19 548	13 954
Tyskland	197 291	422 095
Ukraina	766 318	374 012
USA	170 437	70 868
Övriga marknader	2 129	85 410
	3 113 399	**2 809 520**
Nettoomsättningens fördelning på affärsområden:		
America %	4	5
EMEA %	91	92
Asia %	1	0
Plant Solution %	4	3
	100	**100**

Not 4 Övriga rörelseintäkter

Övriga rörelseintäkter avser valutakursdifferenser avseende rörelsefordringar och rörelseskulder.

Not 5 Leasingavtal

Årets leasingkostnader avseende leasingavtal, uppgår till 34 172 (35 851) Tkr.
Framtida leasingavgifter, för icke uppsägningsbara leasingavtal, förfaller till betalning enligt följande:

	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Inom ett år	18 392	18 051
Senare än ett år men inom fem år	28 822	40 533
Senare än fem år	0	6 600
	47 214	**65 184**

I bolagets redovisning utgörs den operationella leasingen i allt väsentligt av hyrda fastigheter för kontorsverksamhet och fabrikslokaler samt leasing av uran för processflödet.

Avtal om kontorsbyggnad samt en större fabriksbyggnad förfaller år 2023. I övrigt avser leasingavgifter serverutrustning, bilar och kontorsutrustningar.

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Not 6 Arvode till revisorer

Med revisionsuppdrag avses granskning av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning, övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

	2021-01-01 -2021-12-31	**2020-01-01 -2020-12-31**
Revisionsuppdrag	1 993	2 054
	1 993	**2 054**

Not 7 Personalkostnader

Avtal om avgångsvederlag har ingåtts med VD och uppgår till motsvarande en årslön.

Not 8 Personal

	2021-01-01 -2021-12-31	**2020-01-01 -2020-12-31**
Medelantalet anställda		
Kvinnor	213	220
Män	543	555
	756	**775**
Könsfördelning i företagets styrelse		
Kvinnor	2	2
Män	3	3
	5	**5**
Könsfördelning i företagets ledning		
Kvinnor	4	4
Män	8	6
	12	**10**

Not 9 Övriga rörelsekostnader

I rörelseresultatet ingår valutakursdifferenser avseende rörelsefordringar och rörelseskulder samt kostnader som hör till omstruktureringar enligt följande:

	2021-01-01 -2021-12-31	**2020-01-01 -2020-12-31**
Omstruktureringskostnader	3 794	12 933
Valutaförändringar av fordringar/ skulder	32 945	241 104
	36 739	**254 037**

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Not 10 Övriga ränteintäkter och liknande resultatposter

	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Ränteintäkter	14 224	8 463
	14 224	**8 463**

Not 11 Räntekostnader och liknande resultatposter

	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Räntekostnader	3 382	1 467
	3 382	**1 467**

Not 12 Bokslutsdispositioner

	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Skillnad mellan bokförda avskrivningar och avskrivningar enligt plan	4 302	29 401
Förändringar av periodiseringsfond	22 000	25 600
Koncernbidrag	15 015	-2 950
	41 317	**52 051**

Not 13 Skatt på årets resultat

	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Aktuell skatt	34 545	14 904

Avstämning av effektiv skatt

	2021-01-01 -2021-12-31		2020-01-01 -2020-12-31	
	Procent	Belopp	Procent	Belopp
Redovisat resultat före skatt		115 622		51 903
Skatt enligt gällande skattesats	20,60	-23 818	21,40	-11 107
Ej avdragsgilla kostnader	5,42	-6 271	2,54	-1 318
Ej skattepliktiga intäkter	-5,99	6 928		
Skatt hänförlig till tidigare års resultat	9,26	-10 703	4,59	-2 383
Övrig kostnad	-0,25	284	-0,87	451
Schablonränta på periodiseringsfond	0,83	-964	1,06	-548
Redovisad effektiv skatt	**29,88**	**-34 545**	**28,72**	**-14 904**

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Not 14 Immateriella anläggningstillgångar

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	90 498	78 553
Omklassificeringar	275	11 945
Utgående ackumulerade anskaffningsvärden	**90 773**	**90 498**
Ingående avskrivningar	-77 501	-73 351
Årets avskrivningar	-4 084	-4 208
Justeringar föregående år	0	58
Utgående ackumulerade avskrivningar	**-81 585**	**-77 501**
Utgående redovisat värde	**9 188**	**12 997**

Not 15 Byggnader och mark

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	209 911	193 352
Omklassificeringar	1 814	16 559
Utgående ackumulerade anskaffningsvärden	**211 725**	**209 911**
Ingående avskrivningar	-96 569	-91 433
Årets avskrivningar	-5 229	-5 136
Utgående ackumulerade avskrivningar	**-101 798**	**-96 569**
Utgående redovisat värde	**109 927**	**113 342**

Not 16 Maskiner och andra tekniska anläggningar

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	1 768 734	1 673 419
Försäljningar/utrangeringar	-6 950	-20 808
Omklassificeringar	79 620	116 123
Utgående ackumulerade anskaffningsvärden	**1 841 404**	**1 768 734**
Ingående avskrivningar	-1 265 622	-1 199 850
Försäljningar/utrangeringar	4 746	20 753
Årets avskrivningar	-85 493	-86 525
Utgående ackumulerade avskrivningar	**-1 346 369**	**-1 265 622**
Utgående redovisat värde	**495 035**	**503 112**

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Not 17 Inventarier, verktyg och installationer

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	190 365	183 630
Försäljningar/utrangeringar	-186	0
Omklassificeringar	5 055	6 735
Utgående ackumulerade anskaffningsvärden	**195 234**	**190 365**
Ingående avskrivningar	-158 122	-139 240
Försäljningar/utrangeringar	186	0
Årets avskrivningar	-17 858	-18 882
Utgående ackumulerade avskrivningar	**-175 794**	**-158 122**
Utgående redovisat värde	**19 440**	**32 243**

Not 18 Pågående nyanläggningar

	2021-12-31	2020-12-31
Ingående nedlagda kostnader	117 127	131 537
Nedlagda kostnader	128 967	137 241
Omklassificeringar	-86 859	-147 368
Skrotningar	0	-4 282
Utgående nedlagda kostnader	**159 235**	**117 127**
Utgående redovisat värde	**159 235**	**117 127**

Not 19 Andelar i koncernföretag

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	23 301	23 301
Inköp	50 660	
Utgående ackumulerade anskaffningsvärden	**73 961**	**23 301**
Ingående nedskrivningar	-8 160	-8 160
Utgående ackumulerade nedskrivningar	**-8 160**	**-8 160**
Utgående redovisat värde	**65 801**	**15 141**

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Not 20 Specifikation andelar i koncernföretag

Namn	Kapital-andel	Rösträtts-andel	Antal aktier	Bokfört värde 2021	Bokfört värde 2020
Wesdyne Sweden AB	100	100	14 000	15 002	15 002
Westinghouse Electric Ukraine AB	100	100	1 000	139	139
King Sweden AB	100	100	25 000	50 646	0
Ukraine Power Bridge Co Ltd	5	5	625	14	0
				65 801	**15 141**

	Org.nr	Säte
Wesdyne Sweden AB	556176-3896	Täby
Westinghouse Electric Ukraine AB	556792-4401	Västerås
King Sweden AB	559261-3094	Västerås
Ukraine Power Bridge Co Ltd		Dublin

Not 21 Koncernmellanhavanden

	2021-12-31	2020-12-31
Mellanhavanden med andra koncernföretag:		
Kundfordringar	1 343 382	420 126
	1 343 382	**420 126**
Leverantörsskulder	-360 392	-49 328
Övriga skulder	-134 120	-32 571
	-494 512	**-81 898**
Nedan anges andelen av årets inköp och försäljning under verksamhetsåren:		
Inköp %	36	33
Försäljning %	11	10

Vid inköp och försäljning mellan koncernföretag tillämpas samma principer för prissättning som vid transaktioner med externa parter.

Not 22 Upparbetad men ej fakturerad intäkt

	2021-12-31	2020-12-31
Uppdrag med successiv vinstavräkning		
Upparbetade intäkter	665 895	573 803
Fakturerade belopp	-552 484	-505 044
	113 411	**68 759**

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Not 23 Förutbetalda kostnader och upplupna intäkter

	2021-12-31	2020-12-31
Förutbetalda hyror	4 354	4 451
Förutbetalda inkommande lagervaror	91 717	56 052
Övriga poster	142 404	77 774
	238 475	**138 277**

Not 24 Likvida medel

	2021-12-31	2020-12-31
Likvida medel		
Banktillgodohavanden	124 940	64 483
	124 940	**64 483**

Not 25 Obeskattade reserver

	2021-12-31	2020-12-31
Ackumulerad skillnad mellan bokförda avskrivningar och avskrivningar enligt plan	312 644	316 946
Periodiseringsfond tax 18		60 000
Periodiseringsfond tax 19	61 800	61 800
Periodiseringsfond tax 20	26 800	26 800
Periodiseringsfond tax 21	48 400	48 400
Periodiseringsfond tax 22	19 400	19 400
Periodiseringsfond tax 23	38 000	
	507 044	**533 346**
Uppskjuten skatt avseende obeskattade reserver	98 277	108 308

Not 26 Avsättningar

	2021-12-31	2020-12-31
Pensioner och liknande förpliktelser*	286 325	294 457
Övriga avsättningar	100 373	119 659
	386 698	**414 116**
Pensioner och liknande förpliktelser		
Belopp vid årets ingång	294 457	303 934
Under året ianspråktagna belopp	-8 132	-9 478
	286 325	**294 457**
Övriga avsättningar		
Belopp vid årets ingång	119 659	80 048
Förra årets kortfristiga del	21 290	31 754
Årets avsättningar	51 793	75 891
Under året ianspråktagna belopp	-29 775	-46 663
Under året återförda belopp	-62 593	-21 371
	100 373	**119 659**

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Specifikation övriga avsättningar		
Garantiåtaganden	17 224	45 974
Reserv för hantering och återvinning av restprodukter från produktion	57 731	47 349
Reserv för framtida utgifter för återställande av byggnad	23 656	22 246
Omstruktureringsreserv	1 357	0
Förlustreserver och framtida åtaganden för leveranser till kund	404	286
Orealiserad förlust terminskontrakt	0	3 804
	100 373	119 659

* Beloppet avser i sin helhet avsättningar som omfattas av tryggandelagen.

Not 27 Upplysningar om finansiella instrument

Verkliga värden på derivatinstrument uppgick på balansdagen till följande belopp:

	2021-12-31	**2020-12-31**
Verkligt värde på derivatinstrument (Tkr)		
EUR	7 223	7 150
USD	-2 742	-2 089
	4 481	**5 062**
Nominellt värde på derivatinstrument (Tkr)		
Valutaterminskontrakt	7 408	7 575
EUR	-2 662	-2 274
	4 746	**5 301**

Ytterligare information beträffande säkringsredovisningen återfinns i avsnittet användning av finansiella instrument i förvaltningsberättelsen.

Not 28 Fakturerad men ej upparbetad intäkt

	2021-12-31	**2020-12-31**
Uppdrag med successiv vinstavräkning:		
Upparbetade intäkter	-315 993	-477 562
Fakturerade belopp	395 763	565 835
	79 770	**88 272**

Not 29 Upplupna kostnader och förutbetalda intäkter

	2021-12-31	**2020-12-31**
Upplupna personalrelaterade kostnader	141 950	160 306
Reserv för hantering och återvinning av restprodukter från bränsletillverkning	9 999	13 612
Levererade varor och tjänster, ej fakturerade	178 554	25 624
Mottagna lagervaror, ej fakturerade	28 225	52 621
	358 729	**252 164**

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Not 30 Justering för poster som inte ingår i kassaflödet

	2021-12-31	2020-12-31
Avskrivningar	113 744	119 414
Avsättningar	-27 418	30 134
Omräkningsdifferens	5 364	-6 222
	91 690	**143 326**

Not 31 Ställda säkerheter

Bolaget saknar ställda säkerheter.

Not 32 Väsentliga händelser efter räkenskapsårets slut

Coronapandemins påverkan på verksamheten
Bolagets hantering av coronapandemin visade sig framgångsrik även 2021 och dess påverkan på verksamheten har varit begränsad. Vår bränsleproduktion har nått normal kapacitet och levererat i enlighet med våra kunders önskemål. Projekt som kräver fysisk närvaro på kunders anläggningar möter större utmaningar, men även här har effekten över lag varit måttlig. Ett litet antal projekt har skjutits på framtiden och i ett fåtal har omsättningen sjunkit. I övrigt har arbetet flutit på trots en hög grad av distansarbete under större delen av året, från både vår och kunders sida.

Under 2021 har bolagets verksamhet gradvis återgått till ett normalläge efter pandemin. På hösten 2021 öppnade verksamheten upp sina lokaler och tillät samtliga medarbetare att återgå till arbetsplatsen. En stor del av tjänstemännen har emellertid fortsatt att arbeta hemifrån en större del av tiden. Bolaget fortsätter att anpassa verksamhet och utrustning i syfte att främja ett flexibelt arbetssätt, vilket har flera fördelar. En av dem är att vi står ännu bättre rustade om liknande situationer inträffar i framtiden.

Kriget i Ukraina
Sedan en tid tillbaka är våra affärer på den ukrainska marknaden betydande, framför allt inom bränsleproduktionen. Men även andra verksamhetsgrenar har ett engagemang i landet och bolaget har som tidigare nämnts även en mindre filial i Kiev, Ukraina. Strax efter det att anfallet blivit känt aktiverades en krisledningsgrupp med uppgift att på olika sätt minska risker och skadeverkningar. Stora insatser har gjorts för att på olika sätt hjälpa och skydda personal och deras anhöriga. Praktiska åtgärder vidtogs på ett mycket tidigt stadium för att på plats förhindra otillåten tillgång till känslig information och skydda fasta tillgångar.

Med anledning av den uppkomna situationen är vi för närvarande förhindrade att leverera bränsle till Ukraina. Produktionen har planerats om så att vissa leveranser skjutits upp i väntan på en stabilare period, till förmån för andra kunders kontrakt. Redan producerade volymer kan till stor del på olika sätt återanvändas. Hur stora påverkningar kriget får på bolagets ekonomi är inte helt klarlagt, då situationen i Ukraina är mycket osäker.

Kriget har även inneburit ökade affärsmöjligheter, då länder som tidigare varit kunder i Ryssland söker andra leverantörer. Arbete pågår att förnärvarande påskynda utveckling och produktion av produkter som kan möta kundernas tekniska behov.

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Not 33 Disposition av vinst eller förlust

Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel:

balanserad vinst	1 022 597
årets vinst	81 077
	1 103 675

disponeras så att	
i ny räkning överföres	1 103 675

Underskrifter

Västerås 2022-06-30

Carina Önneby
Ordförande

Johan Janson

Björn Näsström

Richard Alan Swanson

Helena Jansson

Aziz Dag
Verkställande direktör

Vår revisionsberättelse har lämnats 2022-06-30

Deloitte AB

Pontus Pålsson
Auktoriserad revisor

20220707048465

Deloitte.

REVISIONSBERÄTTELSE

Till bolagsstämman i Westinghouse Electric Sweden AB
organisationsnummer 556070-6359

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Westinghouse Electric Sweden AB för räkenskapsåret 2021-01-01 - 2021-12-31 med undantag för hållbarhetsrapporten på sidorna 5-9.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Westinghouse Electric Sweden ABs finansiella ställning per den 31 december 2021 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Våra uttalanden omfattar inte hållbarhetsrapporten på sidorna 5-9.

Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Westinghouse Electric Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.

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- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Westinghouse Electric Sweden AB för räkenskapsåret 2021-01-01 - 2021-12-31 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Westinghouse Electric Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Revisorns yttrande avseende den lagstadgade hållbarhetsrapporten

Det är styrelsen som har ansvaret för hållbarhetsrapporten på sidorna 5-9 och för att den är upprättad i enlighet med årsredovisningslagen.

Vår granskning har skett enligt FARs rekommendation RevR 12 Revisorns yttrande om den lagstadgade hållbarhetsrapporten. Detta innebär att vår granskning av hållbarhetsrapporten har en annan inriktning och en väsentligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt International Standards on Auditing och god revisionssed i Sverige har. Vi anser att denna granskning ger oss tillräcklig grund för vårt uttalande.

En hållbarhetsrapport har upprättats.

Stockholm den 30 juni 2022

Deloitte AB

Pontus Pålsson
Auktoriserad revisor

20221018001S0

CONSOLIDATED FINANCIAL STATEMENTS

Brookfield WEC Holdings Sub-Aggregator LP
As of December 31, 2021 and 2020 and for the
Years Ended December 31, 2021 and 2020

With Independent Auditor's Report

Information included in this material is proprietary and confidential and cannot be disclosed or used for any reason beyond the intended purpose without the prior written consent of Westinghouse Electric Company LLC.

Brookfield WEC Holdings Sub-Aggregator LP

Consolidated Financial Statements

As of December 31, 2021 and December 31, 2020 and for the
Years Ended December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To Management of Brookfield WEC Holdings Sub-Aggregator and
The Audit Committee of Westinghouse Electric Company LLC:

Opinion

We have audited the consolidated financial statements of Brookfield WEC Holdings Sub-Aggregator LP and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the related consolidated statements of operations and comprehensive income (loss), (deficit) equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (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 Company 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 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 accounting principles generally accepted in the United States of America, 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.

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 Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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 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 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 Company'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 Company's ability to continue as a going concern for a reasonable period of time.

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.

Deloitte & Touche LLP

March 8, 2022

20221018001S2

Brookfield WEC Holdings Sub-Aggregator LP

Consolidated Balance Sheets

	December 31, 2021	December 31, 2020
	(In Thousands)	*(In Thousands)*
Assets		
Current assets:		
Cash and cash equivalents	$ 135,997	$ 191,041
Receivables, net of allowance for doubtful accounts of $6,683 and $6,942	411,131	367,922
Inventories, net	524,786	654,717
Costs and estimated earnings in excess of billings on uncompleted contracts	247,679	250,107
Other current assets	148,540	151,702
Total current assets	1,468,133	1,615,489
Noncurrent assets:		
Property, plant and equipment, net	894,612	937,771
Operating lease right-of-use assets	174,485	195,089
Goodwill	170,991	168,730
Other intangible assets, net	2,041,223	2,189,261
Uranium assets	89,193	91,604
Deferred income tax assets	19,633	528
Investment in unconsolidated subsidiaries	8,435	6,911
Other noncurrent assets	325,461	254,958
Total noncurrent assets	3,724,033	3,844,852
Total assets	$ 5,192,166	$ 5,460,341
Liabilities and deficit		
Current liabilities:		
Accounts payable	$ 296,221	$ 220,108
Billings in excess of costs and estimated earnings on uncompleted contracts	908,999	953,136
Current portion of long-term debt	17,499	18,387
Other current liabilities	396,905	385,035
Total current liabilities	1,619,624	1,576,666
Noncurrent liabilities:		
Reserves for decommissioning matters	178,289	183,820
Benefit obligations	408,305	617,456
Deferred income tax liabilities	83,310	76,818
Long-term debt	2,908,460	2,926,617
Long-term operating lease liabilities	155,716	174,109
Other noncurrent liabilities	187,817	327,985
Total noncurrent liabilities	3,921,897	4,306,805
Deficit:		
Owners' deficit	(366,214)	(437,394)
Noncontrolling interests	16,859	14,264
Total deficit	(349,355)	(423,130)
Total liabilities and deficit	$ 5,192,166	$ 5,460,341

See notes to consolidated financial statements.

Brookfield WEC Holdings Sub-Aggregator LP

Consolidated Statements of Operations and Comprehensive Income (Loss)

	Year Ended December 31, 2021	Year Ended December 31, 2020
	(In Thousands)	*(In Thousands)*
Net revenues	$ 3,285,818	$ 3,275,426
Cost of goods sold	2,385,988	2,386,809
Gross profit	899,830	888,617
Marketing, administrative and general expenses	492,540	492,699
Amortization of intangibles	159,775	154,285
Income from operations	247,515	241,633
Interest and other (expense) income:		
Interest income	1,350	1,615
Interest expense	(177,974)	(214,407)
Loss on foreign currency transactions, net	(270)	(6,722)
Other income, net	38,673	34,754
Total interest and other expense	(138,221)	(184,760)
Income before income taxes	109,294	56,873
Income tax (benefit) expense	(16,764)	14,817
Net income	126,058	42,056
Less net income attributable to noncontrolling interests	4,987	3,039
Net income attributable to Brookfield WEC Holdings Sub-Aggregator LP	$ 121,071	$ 39,017
Net income	$ 126,058	$ 42,056
Other comprehensive income (loss), net of tax:		
Unrealized gain (loss) on derivatives	94,600	(62,939)
Change in unrecognized gains (losses) and prior service cost related to pension and other postretirement benefit plans	175,934	(130,483)
Foreign currency translation adjustments	(21,425)	28,207
Other comprehensive income (loss), net of tax	249,109	(165,215)
Comprehensive income (loss)	375,167	(123,159)
Less comprehensive income attributable to noncontrolling interests	3,987	3,721
Comprehensive income (loss) attributable to Brookfield WEC Holdings Sub-Aggregator LP	$ 371,180	$ (126,880)

See notes to consolidated financial statements.

Brookfield WEC Holdings Sub-Aggregator LP

Consolidated Statements of (Deficit) Equity

	Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive (Loss) Income	Owners' Equity (Deficit)	Noncontrolling Interests	Total Equity (Deficit)
			(In Thousands)			
Balance at January 1, 2020	$ 478,240	$ (48,292)	$ (328,462)	$ 101,486	$ 12,072	$ 113,558
Comprehensive income (loss):						
Net income attributable to controlling and noncontrolling interests	—	39,017	—	39,017	3,039	42,056
Unrealized loss on derivatives, net of tax effect	—	—	(62,939)	(62,939)	—	(62,939)
Change in unrecognized losses and prior service cost related to pension and other postretirement benefit plans, net of tax effect	—	—	(130,483)	(130,483)	—	(130,483)
Foreign currency translation adjustments	—	—	27,525	27,525	682	28,207
Total comprehensive income (loss)	—	39,017	(165,897)	(126,880)	3,721	(123,159)
Return of capital	(412,000)	—	—	(412,000)	—	(412,000)
Dividends	—	—	—	—	(1,529)	(1,529)
Balance at December 31, 2020	66,240	(9,275)	(494,359)	(437,394)	14,264	(423,130)
Comprehensive income (loss):						
Net income attributable to controlling and noncontrolling interests	—	121,071	—	121,071	4,987	126,058
Unrealized gain on derivatives, net of tax effect	—	—	94,600	94,600	—	94,600
Change in unrecognized gains and prior service cost related to pension and other postretirement benefit plans, net of tax effect	—	—	175,934	175,934	—	175,934
Foreign currency translation adjustments	—	—	(20,425)	(20,425)	(1,000)	(21,425)
Total comprehensive income	—	121,071	250,109	371,180	3,987	375,167
Return of capital	(66,240)	(233,760)	—	(300,000)	—	(300,000)
Dividends	—	—	—	—	(1,392)	(1,392)
Balance at December 31, 2021	$ —	$ (121,964)	$ (244,250)	$ (366,214)	$ 16,859	$ (349,355)

See notes to consolidated financial statements.

Brookfield WEC Holdings Sub-Aggregator LP

Consolidated Statements of Cash Flows

	Year Ended December 31, 2021	Year Ended December 31, 2020
	(In Thousands)	*(In Thousands)*
Operating activities:		
Net income	$ 126,058	$ 42,056
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	303,042	289,139
Amortization of deferred financing costs and original issuance discount	16,004	16,901
Deferred income tax (benefit) expense	(20,897)	11,580
Loss on disposal of property, plant and equipment, net	6,639	4,501
Loss on foreign currency transactions, net	270	6,722
Equity in earnings of unconsolidated subsidiaries	(1,903)	(1,347)
Pension and OPEB benefit	(18,382)	(13,346)
Changes in:		
Receivables	(47,402)	(755)
Inventories and uranium assets	114,522	132,857
Costs and estimated earnings in excess of billings on uncompleted contracts	553	18,712
Other current assets	(12,449)	27,203
Other noncurrent assets	(7,283)	47,073
Accounts payable and other current liabilities	70,665	(89,638)
Billings in excess of costs and estimated earnings on uncompleted contracts	(47,109)	61,621
Noncurrent liabilities	(47,012)	(64,676)
Net cash provided by operating activities	435,316	488,603
Investing activities:		
Acquisition of businesses, net of cash and restricted cash acquired	(6,314)	(22,918)
Purchases of property, plant and equipment and intangible assets	(153,946)	(133,244)
Proceeds from sale of property, plant and equipment and intangible assets	3,689	488
Other investing activities	147	1,866
Net cash used in investing activities	(156,424)	(153,808)
Financing activities:		
Return of capital	(300,000)	(412,000)
Repayments of long-term debt	(30,004)	(31,850)
Proceeds from revolving credit agreements	120,000	172,000
Repayments of revolving credit agreements	(120,000)	(172,000)
Payment of debt issuance costs	(3,440)	(1,549)
Payments on finance lease liabilities	(6,319)	(3,067)
Proceeds from note payable	—	18,681
Repayments of note payable	(5,949)	(3,889)
Other financing activities	(2,584)	(1,529)
Net cash used in financing activities	(348,296)	(435,203)
Effect of foreign currency translation	(8,049)	10,204
Net decrease in cash, cash equivalents and restricted cash	(77,453)	(90,204)
Cash, cash equivalents and restricted cash, beginning of year	408,771	498,975
Cash, cash equivalents and restricted cash, end of year	$ 331,318	$ 408,771
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 162,986	$ 177,168
Cash paid (refunded) for income taxes, net	$ 10,090	$ (7,975)

See notes to consolidated financial statements.

20221018001S4

Brookfield WEC Holdings Sub-Aggregator LP

Notes to Consolidated Financial Statements

As of December 31, 2021 and December 31, 2020 and for the
Years Ended December 31, 2021 and 2020

1. Basis of Presentation and Summary of Significant Accounting Policies

Organization

On August 1, 2018, Brookfield Business Partners L.P. ("Brookfield") acquired holding company TSB Nuclear Energy Services Inc., its subsidiary Westinghouse Electric Company LLC, Westinghouse Electric UK Holdings Limited and subsidiaries (collectively referred to as "Westinghouse"). Brookfield owns Westinghouse through an indirect subsidiary Brookfield WEC Holdings Sub-Aggregator LP, which, along with its subsidiaries, are collectively referred to herein as the "Company."

In March 2020, the World Health Organization declared the outbreak of COVID-19 a pandemic that continues to spread throughout the world and has altered the global economy. Governments and businesses around the world have taken unprecedented actions to mitigate the spread of COVID-19, including, but not limited to, shelter-in-place orders, quarantines, significant restrictions on travel, social distancing practices as well as restrictions that prohibit many employees from going to work in person. At the onset of the COVID-19 pandemic, the Company took action to ensure the health and safety of its workforce while minimizing business interruption. The Company has enabled employees to work from home, and restrictions were put in place on all non-essential domestic and international travel. The Company has implemented cost management and cash improvement efforts, and nuclear power plants have been deemed essential and allowed to remain open. As such the Company did not experience a material impact on its results of operations, financial condition and cash flows for the years ended December 31, 2021 and 2020. We continue to closely monitor the COVID-19 pandemic and related developments and remain focused on safeguarding the health of our employees, families and the communities where we operate while continuing to minimize business interruption.

Description of Business

The Company operates as Westinghouse, serving the domestic and international nuclear power industry by supplying advanced nuclear plant designs and equipment, fuel and a wide range of other products and services to the owners and operators of commercial nuclear power plants.

Basis of Financial Statement Presentation

The Company operates on a fiscal year ended December 31st.

The accompanying consolidated financial statements include the assets and liabilities of the Company, its wholly-owned subsidiaries, jointly-owned subsidiaries over which it exercises control and entities for which it has been determined to be the primary beneficiary as of December 31, 2021 and 2020, and the results of operations and cash flows for the years ended December 31, 2021 and 2020. Noncontrolling interest amounts relating to the Company's less-than-wholly owned consolidated subsidiaries are included within net income attributable to noncontrolling interests in the accompanying consolidated statements of operations and comprehensive income (loss) and within noncontrolling interests in the accompanying consolidated balance sheets.

Investments in entities in which the Company has the ability to exercise significant influence but does not exercise control are accounted for using the equity method and are included in investment in unconsolidated subsidiaries in the accompanying consolidated balance sheets. All material intercompany transactions and balances have been eliminated in consolidation.

Brookfield WEC Holdings Sub-Aggregator LP

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Unless otherwise indicated, all dollar amounts in these financial statements and notes thereto are presented in thousands.

Significant Accounting Policies

Use of estimates – Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Revenue recognition – The Company's products are generally sold based upon purchase orders or contracts with customers that do not include right of return provisions or other significant post-delivery obligations, beyond warranty obligations.

The Company recognizes revenue in accordance with Accounting Standards Codification ("ASC") 606, "Revenue from Contracts with Customers" ("ASC 606") when its customers obtain control of promised goods or services, in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. To determine revenue recognition for the arrangements that are within the scope of ASC 606, the Company performs the following five steps: (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation. See Note 3 for additional information.

Costs and estimated earnings in excess of billings on uncompleted contracts (an asset) primarily represent costs and estimated profit thereon in excess of related contract billings on contracts that are accounted for over time and in progress as of the balance sheet date. Billings in excess of costs and estimated earnings on uncompleted contracts (a liability) primarily represent billings on contracts in excess of related contract costs and estimated profit thereon as of the balance sheet date. Billings are generally based on the invoicing terms for contracts accounted for over time and may have no direct relationship to the revenue recognized at a given point in time.

In addition, under certain contracts to supply nuclear fuel to operating plants, the Company may receive advanced payments ahead of shipments or it may ship and defer billing for a short period of time. The resulting balance sheet impact of such is recorded within costs and estimated earnings in excess of billings on uncompleted contracts (an asset) and billings in excess of costs and estimated earnings on uncompleted contracts (a liability). Revenue for these contracts is generally recognized as of a point in time when control is transferred to the customer.

Shipping and handling costs – The Company expenses shipping and handling costs as incurred. These costs are included in cost of goods sold in the accompanying consolidated statements of operations and comprehensive income (loss).

Research and development expenditures – Research and development expenditures on projects not specifically recoverable directly from customers are charged to operations in the period in which incurred. The Company recorded research and development costs, which are included in marketing, administrative and general expenses in the accompanying consolidated statements of operations and comprehensive income (loss), of $51.4 million and $63.2 million for the years ended December 31, 2021 and 2020, respectively.

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Brookfield WEC Holdings Sub-Aggregator LP

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Environmental cost – Environmental expenditures that do not extend the service lives of assets or otherwise benefit future years are expensed as incurred. Environmental expenditures related to operations that generate current or future revenues are expensed or capitalized, as appropriate. The Company records liabilities when environmental assessments or remedial efforts are probable and the costs can be reasonably estimated. Such estimates are adjusted, if necessary, as new remediation requirements are defined or as additional information becomes available.

Income taxes – The Company's U.S.-based subsidiaries file a consolidated federal income tax return. The Company files other state and foreign jurisdictional returns as required. Deferred income taxes have been provided for temporary differences between the financial reporting basis and tax carrying amounts of assets and liabilities. These differences create taxable or tax deductible amounts in future periods. A valuation allowance is recorded to reduce the carrying amount of deferred tax assets unless it is more likely than not that such assets will be realized. Interest and penalties on uncertain tax positions are recorded in income tax (benefit) expense in the accompanying consolidated statements of operations and comprehensive income (loss). See Note 5 for additional information.

Translation of foreign currencies – In general, the local currencies of the Company's foreign operations have been determined to be their functional currencies. Assets and liabilities of foreign operations are translated into U.S. dollars at exchange rates as of the balance sheet date. Translation adjustments resulting from fluctuations in exchange rates are included as a separate component of accumulated other comprehensive income ("AOCI"). Revenue and expense accounts of these operations are translated at average exchange rates prevailing during the period. Gains and losses arising from transactions denominated in currencies other than the functional currency are included in the results of operations of the period in which they occur.

Cash, cash equivalents and restricted cash – For the purposes of the accompanying consolidated financial statements, all highly liquid investments with original maturities of three months or less are considered to be cash equivalents. Restricted cash is included in other current and other noncurrent assets in the accompanying consolidated balance sheets (see Note 12).

Cash, cash equivalents and restricted cash are included in the following line items on the accompanying consolidated balance sheets:

(in thousands)	December 31, 2021	December 31, 2020
Cash and cash equivalents	$ 135,997	$ 191,041
Restricted cash included in:		
Other current assets	565	22,148
Other noncurrent assets	194,756	195,582
Cash, cash equivalents and restricted cash	$ 331,318	$ 408,771

Restricted cash included in other noncurrent assets primarily includes cash held pursuant to requirements to fund nuclear decommissioning which are held in standby trusts to support U.S. decommissioning obligations.

Receivables – Credit is regularly extended to customers for purchases made in the ordinary course of business based upon the Company's assessment of creditworthiness. An allowance for doubtful accounts is provided for those accounts for which collection is estimated as doubtful and reflects our best estimate of probable losses inherent in the trade receivable balance. We determine the allowance based on known doubtful accounts, historical payment and loss experiences, and current economic conditions. Increases in the allowance are charged to marketing, administrative and general expenses in the accompanying consolidated statements of operations and comprehensive income (loss). Uncollectible accounts are written off and charged against the allowance.

Brookfield WEC Holdings Sub-Aggregator LP

Notes to Consolidated Financial Statements (continued)

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Inventories – Inventories are stated at the lower of cost or net realizable value. Cost is determined on a first-in, first-out ("FIFO") or average cost method depending on the nature of the inventory. Inventories are reported net of any related reserves. The elements of cost included in inventories are labor, direct material and certain overhead, including depreciation.

Uranium assets – Uranium, held in various forms, is used in the nuclear fuel fabrication operations of the business. The Company maintains uranium working stock in order to ensure efficient manufacturing processes. The Company classifies all uranium working stock as a noncurrent asset, and the majority of this is denominated in U.S. dollars. The Company also holds an amount of uranium inventory, for which it periodically enters into transactions to sell uranium when appropriate opportunities arise. Such sales depend on many factors, including market price conditions, availability of willing purchasers and projected internal needs for uranium. Uranium inventory is stated at the lower of cost or net realizable value and included in inventories, unless committed for sales beyond one year. See Note 11 for additional information.

Property, plant and equipment – Additions and improvements to property, plant and equipment are recorded at cost and depreciated on a straight-line basis over the estimated useful lives of the assets. Construction in progress is recorded at cost and is not depreciated until placed in service. Leasehold improvements are depreciated over the shorter of the remaining expected lease term or the estimated useful lives of the assets. The estimated lives used for depreciation purposes are as follows:

Buildings and improvements	15 to 45 years
Machinery and equipment	3 to 20 years
Computer software	3 to 10 years

Costs of improvements and renewals are capitalized, while costs of normal maintenance and repairs are charged to expense as incurred. When property, plant and equipment are sold or otherwise disposed of, the asset and related accumulated depreciation accounts are relieved and any resulting gain or loss is recognized in marketing, administrative and general expenses.

Asset retirement obligations are recognized for decommissioning and other legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and/or normal use of the assets. The Company recognizes the fair value of a liability for an asset retirement obligation in the period in which it is incurred, if a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset. This additional carrying amount is then depreciated over the estimated useful life of the asset. See Note 13 for additional information.

Leases – The Company leases certain facilities, machinery and equipment used in operations. Certain of these leases contain renewal options for additional periods or rent escalation clauses.

The Company assesses whether a contract is or contains a lease at inception of the contract and recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a term of 12 months or less). For these leases, the Company recognizes the lease payments on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of its future lease payments. The discount rate used to determine present value was based on the rate of interest that the Company estimated it would have to pay to borrow, on a collateralized-basis over a similar term, an amount equal to the lease payments in a similar economic environment. The Company reassesses the discount rate for new and modified lease contracts as of the lease effective date.

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1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term or useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. See Note 17 for additional information.

Goodwill and other intangible assets – Goodwill consists of the cost in excess of the fair value of the identifiable net assets of entities acquired in business combinations. Goodwill is not amortized but is tested annually for impairment on October 1st, with more frequent tests required if indications of impairment exist.

Goodwill is allocated among and evaluated for impairment at the reporting unit level, which is defined as an operating segment or one level below an operating segment.

Goodwill is evaluated using a one-step process: the fair value of the reporting units are estimated and compared to their respective carrying amounts. If the carrying amount exceeds the fair value, the goodwill of the reporting unit is determined to be impaired. The amount of the impairment is the lesser of total goodwill for the reporting unit or the amount by which carrying value exceeds fair value for the reporting unit. If the fair value of the reporting unit exceeds the carrying value, the goodwill of the reporting report is determined to not be impaired.

The Company determines the fair values of its reporting units using the income approach. Under the income approach, the Company estimates the fair value of a reporting unit based on the present value of estimated future cash flows. Cash flow projections are based on management's estimates of revenue growth rates, operating margins and general and administrative expenses, taking into consideration industry and market conditions. The discount rate used is based on the weighted-average cost of capital adjusted for the relevant risk associated with business-specific characteristics and the uncertainty related to the business' ability to generate the projected cash flows.

During the years ended December 31, 2021 and 2020, the Company completed reporting unit reorganizations, which triggered interim goodwill impairment tests. These tests resulted in no impairment charges. There were also no impairment charges related to the annual tests performed for the years ended December 31, 2021 and 2020. See Note 10 for additional information about goodwill.

Indefinite-lived intangible assets, consisting of the Westinghouse trade name, are also evaluated for impairment on an annual basis on October 1st and on an interim basis if events or changes in circumstances between annual tests indicate that the asset might be impaired. There were no impairment charges related to indefinite-lived intangible assets for the years ended December 31, 2021 and 2020.

The trade name is valued using the relief-from-royalty method, estimating the amount of royalty income that would be generated if the assets were licensed in an arm's-length transaction to a third party. An impairment loss is recognized when the estimated fair value of the indefinite-lived intangible asset is less than its carrying value.

Other intangible assets with definite lives are recorded at fair value at the time of acquisition and are amortized over their estimated useful lives on a straight-line basis. See Note 10 for additional information about intangible assets.

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Impairment of long-lived assets – The carrying values of long-lived assets, which include property, plant and equipment, right-of-use assets, uranium working stock and definite-lived intangible assets (developed technology, customer relationships and backlog), are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets might not be recoverable. When factors indicate that an asset group should be evaluated for possible impairment, the Company reviews long-lived assets to assess recoverability from future operations using undiscounted cash flows. If future undiscounted cash flows are less than the carrying value, an impairment is recognized to the extent that the carrying value exceeds fair value.

Pensions and postretirement benefits – The Company provides postretirement benefits in the form of pensions, defined medical, dental and life insurance for eligible retirees and dependents for the benefit of the majority of employees.

The contributions to each of the funded pension plans are based on independent actuarial valuations designed to secure or partially secure the benefits as defined by local country rules. The plans are funded by contributions from the Company, and for certain plans partly from the contributions of employees, to separately administered funds. Actuarially calculated costs are charged in the accompanying consolidated statements of operations and comprehensive income (loss) so as to spread the cost of pensions over the employees' working lives. The normal cost is attributed to years of employment using a projected unit credit method. Variations in projected net pension liability from the actuarial assumptions, which are identified as a result of actuarial valuations, are amortized over the average expected remaining working lives of employees. The disclosures for the Company's pension plans are detailed in Note 14.

Derivative instruments – The Company has entered into derivative contracts to minimize the risk to cash flows from exposure to fluctuations in foreign exchange rates and interest rates. The Company recognizes all derivatives as either assets or liabilities within the accompanying consolidated balance sheets at fair value. Derivative contracts entered into by the Company may be designated as either a hedge of a forecasted transaction or future cash flows (cash flow hedge), or a hedge of investments in foreign operations (net investment hedge), if certain conditions are met. For all hedge contracts, the Company prepares formal documentation of the hedge in accordance with ASC 815, "Derivatives and Hedging". In addition, at inception and every three months, the Company formally assesses whether the hedge contract is highly effective in offsetting changes in cash flows of hedged items. The Company documents hedging activity by transaction type and risk management strategy, and does not enter into derivative instruments or hedging activities for speculative or trading purposes. See Note 6 for additional information.

Concentrations of credit and other risks – Financial instruments that potentially subject the Company to concentrations of credit risk are primarily cash, cash equivalents and trade receivables. It is the Company's practice to place its cash equivalents in high-quality securities with various investment institutions.

The Company has limited exposure to credit-related losses in the event of nonperformance by counterparties to derivative instruments. The Company enters into derivative instruments with a diverse group of financial institutions, which are selected based on their credit ratings, profitability, and a capacity for timely payment of financial commitments. Agreements with certain counterparties contain master netting arrangements that allow for offsetting of all contracts with a given counterparty in the event of bankruptcy or default. The Company continually monitors its positions and the credit ratings of its counterparties. Under these master netting agreements, net settlement generally permits the Company or the counterparty to determine the net amount payable for contracts due on the same date and in the same currency for similar types of derivative transactions. In the accompanying consolidated financial statements derivative transactions are presented on a gross basis.

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1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

The Company derives the majority of its revenue from sales and services to the nuclear power industry. Sales to individual customers representing 10% or more of net revenues were:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Number of customers	Two	Two
Respective percentage of net revenues	19% and 12%	19% and 14%

Trade receivables are generated from a broad group of customers. As of December 31, 2021 and 2020, there was a single customer who individually accounted for at least 10% of total receivables as follows:

	December 31, 2021	December 31, 2020
Number of customers	One	One
Respective percentage of total receivables	17%	18%

Approximately 4.3% and 4.2% of the Company's workforce is union represented in the U.S. subject to collective bargaining agreements as of December 31, 2021 and 2020, respectively. The individual unions may limit the Company's flexibility in dealing with its workforce. Any work stoppage or instability within the workforce could delay the production or development of the Company's products. This could strain relationships with customers and cause a loss of revenues, which would adversely affect the Company's operations.

New Accounting Standards

Recently adopted accounting standards – The following new accounting standard has been adopted by the Company during the year ended December 31, 2021:

In March 2021, the FASB issued ASU 2021-01, "Reference Rate Reform (Topic 848): Scope" to further explain the scope of ASU 2020-04 "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform for Financial Reporting". The amendments in ASU 2020-04 provide optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. ASU 2021-01 clarifies that certain optional expedients and exceptions in Topic 848 for contract modifications and hedge accounting apply to derivatives that are affected by the discounting transition. The ASUs are effective March 12, 2020 through December 31, 2022. There is no impact on the Company's current financial statements as hedging contracts have not been amended. The Company will continue to monitor for impacts of this ASU. See Note 6 for further details on the Company's interest rate hedges.

1. Basis of Presentation and Summary of Significant Accounting Policies (continued)

Recently issued accounting standards – The following new accounting standards have been issued, but have not yet been adopted by the Company, as of December 31, 2021:

In November 2021, the FASB issued ASU 2021-10, "Government Assistance (Topic 832) - Disclosures by Business Entities about Government Assistance". The amendments in this update improve financial reporting by requiring disclosures that increase the transparency of transactions with a government accounted for by applying a grant or contribution accounting model by analogy, including (1) the types of transactions, (2) the accounting for those transactions, and (3) the effect of those transactions on an entity's financial statements. The amendments in this ASU are effective for fiscal years beginning after December 15, 2021. The Company is currently evaluating the potential impact this ASU will have on its consolidated financial statements.

In October 2021, the FASB issued ASU 2021-08 "Business Combinations (Topic 805) - Accounting for Contract Assets and Contract Liabilities from Contracts with Customers". The amendments in this ASU require acquiring entities to apply ASC 606 to recognize and measure contract assets acquired and contract liabilities assumed in a business combination. The amendments are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. The amendments in this ASU should be applied prospectively to business combinations occurring on or after the effective date of the amendments. The Company is currently evaluating the potential impact this ASU will have on its consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, "Income Taxes (Topic 740) – Simplifying the Accounting for Income Taxes", which removes certain exceptions to the general principles in ASC 740, "Income Taxes." The amendments also improve consistent application of and simplify U.S. GAAP for other areas by clarifying and amending existing guidance. The amendments in this ASU are effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early adoption is permitted. The Company is currently evaluating the potential impact this ASU will have on its consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments – Credit Losses: Measurement of Credit Losses on Financial Instruments." This ASU introduces a new current expected credit losses model, which applies to financial assets subject to credit losses and measured at amortized cost, including held-to-maturity securities and certain off-balance sheet credit exposures. The amendments in this ASU are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Company is currently evaluating the potential impact this ASU will have on its consolidated financial statements.

All other issued but not yet effective accounting pronouncements are not expected to have a material impact on the Company's consolidated financial statements.

2. Acquisitions

Tecnatom, S.A.

On August 27, 2021, the Company signed an agreement to acquire 50% of Tecnatom, S.A. ("Tecnatom"), a Spanish engineering and outage services business providing engineering, maintenance and training services primarily to nuclear plants. Tecnatom also services aerospace, fossil plants and other industrial customers across Europe, Asia and the Americas. The initial purchase price for this acquisition is approximately $23 million, subject to purchase price adjustments. The acquisition is expected to close during the first quarter of 2022. There is no impact on the accompanying consolidated financial statements for the year ended December 31, 2021.

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2. Acquisitions (continued)

Laveer Engineering Limited

On May 31, 2021, the Company acquired Laveer Engineering Limited ("Laveer Engineering"), a Canadian-based company serving the Canada deuterium uranium ("CANDU") nuclear reactor market for approximately $7.2 million and accounted for the transaction as a business combination. During the year ended December 31, 2021, the Company finalized the purchase price and fair values of assets acquired and liabilities assumed. Adjustments between the preliminary and final purchase price allocations related to standard measurement period adjustments and did not materially impact the Company's consolidated financial statements. The purchase price was primarily allocated to goodwill of $5.7 million and the remainder allocated to other working capital.

AC160N Platform

On April 29, 2021, the Company closed on an asset acquisition, primarily for a developed technology intangible asset supporting its instrumentation and control business, for approximately $25 million. The cash for this purchase had been previously placed in escrow during 2020 and was included within current restricted cash. Upon close of the transaction, restricted cash was released and the acquired assets were recorded in the accompanying consolidated balance sheets.

Advance Uranium Asset Management Limited

On November 27, 2020, the Company acquired the remaining 60% of Advance Uranium Asset Management Limited ("AUAM") that it did not previously own for approximately $3.0 million in cash. This acquisition represented a business combination achieved in stages (i.e., step acquisition). In a business combination achieved in stages, the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognize the resulting gain or loss, if any, in earnings. The previously held interest in AUAM was valued at $2.0 million, and a gain of $0.4 million was recognized in other income, net in the accompanying consolidated statement of operations and comprehensive income (loss) for the year ended December 31, 2020. As of the acquisition date, the Company has a 100% interest in AUAM and consolidated this business for financial reporting purposes.

During the year ended December 31, 2021, the Company finalized the purchase price and fair values of assets acquired and liabilities assumed. Adjustments between the preliminary and final purchase price allocations related to standard measurement period adjustments and did not materially impact the Company's consolidated financial statements. The final purchase price was allocated to cash of $2.8 million, goodwill of $1.5 million, backlog intangible assets of $0.6 million and other working capital of $0.1 million.

Westinghouse Precision Fabrications

On June 24, 2020, the Company acquired a United Kingdom based provider of strategically important components for the manufacture of Advanced Gas-cooled Reactor ("AGR") fuel for approximately $9.2 million in cash and accounted for the transaction as a business combination. Subsequent to the acquisition, the business was renamed Westinghouse Precision Fabrications. The acquisition will produce key components for the Company's AGR fuel and demonstrates the Company's commitment to delivering for customers. During the year ended December 31, 2021, the Company finalized the purchase price and fair values of assets acquired and liabilities assumed. Adjustments between the preliminary and final purchase price allocations related to standard measurement period adjustments and did not materially impact the Company's consolidated financial statements. The final purchase price was primarily allocated to goodwill of $8.8 million and the remainder allocated to other working capital.

Brookfield WEC Holdings Sub-Aggregator LP

Notes to Consolidated Financial Statements (continued)

2. Acquisitions (continued)

Rolls-Royce Civil Nuclear Systems and Services

On January 31, 2020, the Company acquired the Rolls-Royce Civil Nuclear Systems and Services business ("Rolls-Royce CNSS") in North America and Europe for $24.8 million in cash and accounted for the transaction as a business combination. This acquisition includes plant automation and monitoring systems, global field services programs in France, the UK, and the U.S. as well as design and manufacturing capabilities. It will also support growth in the Company's digital and engineering services efforts.

During the year ended December 31, 2021, the Company finalized the purchase price and fair values of assets acquired and liabilities assumed. Adjustments between the preliminary and final purchase price allocations related to standard measurement period adjustments and did not materially impact the Company's consolidated financial statements.

The following is a summary of the final allocation of the purchase price to the fair values of assets acquired and liabilities assumed:

(in thousands)		**January 31, 2020**
Assets acquired:		
Cash and cash equivalents	$	11,413
Receivables		5,306
Inventory		728
Costs and estimated earnings in excess of billings on uncompleted contracts		3,069
Other current assets		1,808
Property, plant and equipment		13,441
Operating lease right-of-use assets		3,295
Goodwill		891
Other noncurrent assets		34
Total assets acquired	$	39,985
Liabilities assumed:		
Accounts payable	$	3,309
Billings in excess of costs and estimated earnings on uncompleted contracts		6,134
Other current liabilities		2,740
Reserves for decommissioning matters		435
Long-term operating lease liabilities		2,234
Other noncurrent liabilities		325
Total liabilities assumed	$	15,177
Total purchase price	$	24,808

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3. Revenue Recognition

Under ASC 606, a contract with a customer is an agreement which both parties have approved, that creates enforceable rights and obligations, has commercial substance and where payment terms are identified and collectability is probable.

Performance Obligations

Once the Company has entered a contract, it is evaluated to identify performance obligations. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in ASC 606. A contract's transaction price is allocated to each distinct performance obligation within that contract and recognized as revenue when, or as, the performance obligation is satisfied. The majority of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and is, therefore, not distinct. Some of our contracts have multiple performance obligations whereby we allocate the contract's transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct good or service in the contract. The primary methods used to allocate transaction price are either the expected cost plus a margin approach, under which we forecast our expected costs of satisfying a performance obligation and then add an appropriate margin for that distinct good or service, or the use of contractual pricing that reflects standalone selling price.

Contract modifications are routine in the performance of our contracts. Contracts are often modified to account for changes in contract specifications or requirements. In most instances, contract modifications are for goods or services that are not distinct and, therefore, are accounted for as part of the existing contract.

The majority of the Company's revenue is derived from long-term contracts that can span several years. Our performance obligations are satisfied over time as work progresses or at a point in time. Revenue from products and services transferred to customers over time accounted for 58% of our revenue in each of the years ended December 31, 2021 and 2020. Such revenue is recognized over time, because control is transferred continuously to our customers. Typically, revenue is recognized over time using costs incurred to date relative to total estimated costs at completion to measure progress toward satisfying our performance obligations. Incurred cost represents work performed, which corresponds with, and thereby best depicts, the transfer of control to the customer. Contract costs include labor, material, overhead and, when appropriate, general and administrative expenses.

Revenue from goods and services transferred to customers at a point in time accounted for 42% of our revenue in each of the years ended December 31, 2021 and 2020. The majority of our revenue recognized at a point in time is for the delivery of fuel assemblies, core components, and nuclear parts. Revenue on these contracts is recognized when the customer obtains control of the asset, which is generally upon delivery.

On December 31, 2021 and 2020, the Company had approximately $9.3 billion and $9.9 billion, respectively, of remaining performance obligations, which are also referred to as total backlog. Included in this amount is an estimate of expected future performance obligations related to long-term arrangements to provide fuel assemblies and associated components. This estimation is based on the time period over which the arrangement is effective as well as the historical frequency of deliveries to the customer and their planned reactor outage cycles. The Company expects to recognize approximately 20% of this amount as revenue in 2022, and the balance thereafter.

Contract Estimates

Accounting for long-term contracts and programs involves the use of various techniques to estimate total contract revenue and costs. For long-term contracts, we estimate the profit on a contract as the difference between the total estimated revenue and expected costs to complete a contract and recognize that profit over the life of the contract.

3. Revenue Recognition (continued)

Contract estimates are based on various assumptions to project the outcome of future events that often span several years. These assumptions include labor productivity and availability; the complexity of the work to be performed; the cost and availability of materials; the performance of subcontractors; and the availability and timing of funding from the customer.

The nature of our contracts gives rise to several types of variable consideration, including claims and incentive fees. We include in our contract estimates additional revenue for submitted contract modifications or claims against the customer or others when we believe we have an enforceable right to the modification or claim, the amount can be estimated reliably and its realization is probable. In evaluating these criteria, we consider the contractual/legal basis for the claim, the cause of any additional costs incurred, the reasonableness of those costs and the objective evidence available to support the claim. We include incentive fees in the estimated transaction price when there is a basis to reasonably estimate the amount of the fee. These estimates are based on historical experience, anticipated performance and our best judgment at the time. When we have reasonable certainty in estimating these amounts and we have determined it is probable that a material reversal of revenue will not occur, they are included in the transaction price of our contracts and the associated remaining performance obligations.

As a significant change in one or more of these estimates could affect the profitability of our contracts, we review and update our contract-related estimates regularly. We recognize adjustments in estimated profit on contracts under the cumulative catch-up method. Under this method, the impact of the adjustment on profit recorded to date on a contract is recognized in the period the adjustment is identified. Revenue and profit in future periods of contract performance are recognized using the adjusted estimate. If at any time the estimate of contract profitability indicates an anticipated loss on the contract, we recognize the total loss in the period it is identified.

Disaggregation of Revenue

Revenue from contracts with customers is disaggregated by business unit, as it best depicts the nature and amount of the Company's revenue.

The following tables present revenue disaggregated by business unit and timing of transfer. During the year ended December 31, 2021, the Company realigned its internal structure which resulted in splitting the previously reported Plant Solutions business unit into two new business units: Energy Systems and Environmental Services. The 2020 disclosure below has been reclassified to align to this new structure and be comparable to 2021.

Goods and Services Timing of Transfer as of December 31, 2021

(in thousands)	Operating Plant Services	Energy Systems	Environmental Services	Eliminations/ Other	Total
Over Time	$ 1,290,229	$ 416,150	$ 188,384	$ 4,705	$ 1,899,468
Point-in-Time	1,376,045	10,305	—	—	1,386,350
Total	$ 2,666,274	$ 426,455	$ 188,384	$ 4,705	$ 3,285,818

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3. Revenue Recognition (continued)

Goods and Services Timing of Transfer as of December 31, 2020					
	Operating Plant Services	Energy Systems	Environmental Services	Eliminations/ Other	Total
(in thousands)					
Over Time	$ 1,225,781	$ 529,937	$ 133,584	$ 4,345	$ 1,893,647
Point-in-Time	1,381,779	—	—	—	1,381,779
Total	$ 2,607,560	$ 529,937	$ 133,584	$ 4,345	$ 3,275,426

The following table presents revenue disaggregated by geographical region based on the location of the Company's customer:

	December 31, 2021	December 31, 2020
(in thousands)		
Americas	$ 1,641,583	$ 1,743,761
Europe, Middle East, and Africa	1,165,820	1,123,103
Asia	478,383	408,544
Other	32	18
Total	$ 3,285,818	$ 3,275,426

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, costs and estimated earnings in excess of billings on uncompleted contracts (contract assets), and billings in excess of costs and estimated earnings on uncompleted contracts (contract liabilities) on the consolidated balance sheet. Revenue recognized during the year ended December 31, 2021 that was included in the contract liability balance at the beginning of 2021 was $753.4 million. Revenue recognized during the year ended December 31, 2020 that was included in the contract liability balance at the beginning of 2020 was $707.5 million.

Claims and Unapproved Change Orders

The Company has recognized revenue from several claims and unapproved change orders where the amount has been estimated reliably, realization is probable and there is a legal basis for the claim. The following table summarizes significant claims and unapproved change orders included in costs and estimated earnings in excess of billings on uncompleted contracts and billings in excess of costs and estimated earnings on uncompleted contracts in the accompanying consolidated balance sheets as of December 31, 2021 and 2020:

	December 31, 2021	December 31, 2020
(in thousands)		
Claims and unapproved change orders	$ 18,435	$ 17,119

4. Restructuring Activities

The Company is engaged in certain ongoing restructuring activities related to overhead processes, the disposition of assets and improving operational efficiency. These activities include workforce reductions and exiting certain facilities and/or businesses. For the years ended December 31, 2021 and 2020, costs incurred related to the restructuring activities consist of the following:

(in thousands)	Year Ended December 31, 2021	Year Ended December 31, 2020
Severance costs	$ 25,848	$ 18,081
Asset impairments	1,172	626
Other associated costs (income)	528	(2,780)
Total restructuring and other costs	$ 27,548	$ 15,927

Total restructuring and other costs recorded during the years ended December 31, 2021 and 2020 were included in marketing, administrative and general expenses in the accompanying consolidated statements of operations and comprehensive income (loss).

Amounts accrued for severance, terminated leases, and other exit-related obligations are included in other current liabilities in the accompanying consolidated balance sheets. The following table summarizes activity and liability balances associated with the Company's restructuring liabilities for the years ended December 31, 2021 and 2020:

(in thousands)	December 31, 2021	December 31, 2020
Balance, beginning of year	$ 5,990	$ 6,766
Accruals	27,548	15,927
Payments	(24,250)	(16,703)
Balance, end of year	$ 9,288	$ 5,990

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5. Income Taxes

Components of income tax (benefit) expense are as follows:

(in thousands)	Year Ended December 31, 2021	Year Ended December 31, 2020
Current income taxes:		
U.S. Federal	$ (37,900)	$ (2,719)
State	181	(2,480)
Non-U.S.	41,852	8,436
Total current income tax (benefit) expense	4,133	3,237
Deferred income taxes:		
U.S. Federal	8,659	2,234
State	4,690	—
Non-U.S.	(34,246)	9,346
Total deferred income tax (benefit) expense	(20,897)	11,580
Total income tax (benefit) expense	$ (16,764)	$ 14,817

Income (loss) before income taxes was:

(in thousands)	Year Ended December 31, 2021	Year Ended December 31, 2020
U.S.	$ 131,919	$ 40,088
Non-U.S.	(22,625)	16,785
Income before income taxes	$ 109,294	$ 56,873

Brookfield WEC Holdings Sub-Aggregator LP

Notes to Consolidated Financial Statements (continued)

5. Income Taxes (continued)

Income tax (benefit) expense is reconciled to the U.S. statutory rate as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020
(in thousands)		
U.S. statutory tax rate of 21%	$ 22,952	$ 11,943
Non-U.S. earnings taxed at different statutory rates	4,057	2,816
State income taxes, net of U.S. federal effects	9,638	(1,959)
Changes to valuation allowances	(32,918)	3,550
Unrecognized tax benefits	(425)	(2,607)
Adjustments of prior years' taxes	(18,108)	3,057
Tax credits	(4,724)	—
U.S. permanent differences	601	203
Non-U.S. permanent differences	792	(252)
Other	1,371	(1,934)
Total income tax (benefit) expense	$ (16,764)	$ 14,817
Income before income taxes	$ 109,294	$ 56,873
Effective tax rate	(15.3)%	26.1 %

For the year ended December 31, 2021, our effective tax rate is significantly influenced by changes in valuation allowances and adjustments of prior years' taxes. Changes in valuation allowances include a $28.5 million deferred tax benefit to release the remaining France valuation allowance recorded against deferred tax assets as a result of cumulative earnings in recent years and a firm contract backlog supporting future income. Also included in changes in valuation allowances is a $19.0 million deferred tax benefit in the U.S. principally the result of current year income absorbing previously unrecognized tax attributes, and a deferred tax charge of $14.3 million to record additional valuation allowance primarily against current year losses of our Italian affiliate. Adjustments of prior years' taxes includes a net $15.2 million current tax benefit for a favorable Competent Authority settlement between the Internal Revenue Service and Her Majesty's Revenue and Customs. The settlement was in agreement with our position that certain income of our UK affiliate reported in the U.S. from 2012-2016 should have been reported in the UK. Accordingly, our UK affiliate is due a $37.9 million refund of U.S. taxes paid plus interest and will pay $22.7 million of UK tax plus interest on that income. The net benefit is the result of a lower UK statutory tax rate applied to the income. The taxes and interest are reasonably expected to be cash settled in 2022.

For the year ended December 31, 2020, adjustments of prior years' taxes includes a $5.7 million tax charge to establish an additional valuation allowance against French tax loss carryforwards because of yearly limitations on their use to offset future income.

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5. Income Taxes (continued)

Significant components of deferred tax assets and liabilities are:

(in thousands)	December 31, 2021	December 31, 2020
Deferred tax assets:		
Goodwill	$ 553,663	$ 634,220
Net operating loss carryforwards	308,340	278,045
Compensation and benefits	81,111	138,182
Operating lease liability	41,045	48,232
Decommissioning liability	37,574	41,599
Reserves and accruals	30,087	41,329
U.S. disallowed interest	9,506	6,039
Other deferred tax assets	30,026	64,120
Gross deferred tax assets	1,091,352	1,251,766
Valuation allowance	(567,053)	(672,177)
Net deferred tax assets	$ 524,299	$ 579,589
Deferred tax liabilities:		
Intangible assets	$ (474,963)	$ (525,856)
Property, plant and equipment	(59,229)	(65,020)
Operating lease right-of-use assets	(39,712)	(47,302)
Other deferred tax liabilities	(14,072)	(17,701)
Deferred tax liabilities	(587,976)	(655,879)
Net deferred tax assets (liabilities)	$ (63,677)	$ (76,290)

5. Income Taxes (continued)

In jurisdictions where there is a three-year cumulative loss, there is a general presumption that deferred tax assets will not be realized, and a valuation allowance is recorded, after due consideration of potential future taxable income, or tax planning strategies in relevant jurisdictions. In assessing the need for a valuation allowance, all objectively verifiable positive and negative evidence should be evaluated and weighted accordingly. Any subsequent recognition of deferred tax assets that have been impaired with a valuation allowance will reduce income tax expense in the period recognized. Principal components of the valuation allowance were:

	December 31, 2021	December 31, 2020
(in thousands)		
U.S. Federal	$ (381,404)	$ (446,691)
U.S. State	(57,984)	(69,249)
Belgium	(4,859)	(7,433)
Canada	(7,085)	(5,781)
China	(3,532)	(2,686)
France	—	(31,344)
Germany	(7,776)	(8,297)
Italy	(99,150)	(92,352)
UK	(3,492)	(7,755)
Other jurisdictions	(1,771)	(589)
Total valuation allowance	$ (567,053)	$ (672,177)

The decrease in the valuation allowance was reported in the following components:

	Amount
(in thousands)	
Net income	$ 32,918
Accumulated other comprehensive income	60,660
Foreign currency translation adjustments	11,546
Total decrease in valuation allowance	$ 105,124

Our French affiliate has generated income in recent years resulting in cumulative three-year income, and due to firm backlog is expected to continue to generate income for the foreseeable future. As a result, management concluded a valuation allowance is no longer necessary against deferred tax assets which are principally comprised of tax loss carryforwards that do not expire.

Valuation allowances decreased in the U.S. principally due to current year earnings absorbing previously unrecognized tax attributes. Though the U.S. had income for the year ended December 31, 2021, losses were reported prior to 2021. As a result, management concluded a full valuation allowance is still necessary.

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Brookfield WEC Holdings Sub-Aggregator LP

Notes to Consolidated Financial Statements (continued)

5. Income Taxes (continued)

Pre-tax net operating loss carryforwards for the year ended December 31, 2021 are as follows:

(in thousands)	Amount	Expiration
U.S. Federal	$ 611,528	Indefinite
Belgium	38,734	Indefinite
Canada	22,582	2039 - 2041
China	12,835	2024 - 2026
France	152,068	Indefinite
Germany	35,584	Indefinite
Italy	293,437	Indefinite
UK	87,371	Indefinite
Other jurisdictions	543	2024 - Indefinite
Total net operating loss carryforwards	$ 1,254,682	

State net operating losses on a post-apportioned basis of $329.7 million principally relate to Georgia, Pennsylvania, Illinois, Michigan and New Jersey and will begin to expire in 2026 or have an indefinite carryforward period.

Certain net operating losses may be subject to an annual limitation on the amount that may be utilized to offset taxable income in a future year. Such provisions have been taken into account in establishing deferred tax.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

(in thousands)	Year Ended December 31, 2021	Year Ended December 31, 2020
Unrecognized tax benefit, beginning of year	$ 1,438	$ 2,241
Prior period increases	3,281	—
Prior period decreases	(733)	(1,071)
Current period tax positions	229	268
Unrecognized tax benefits, end of year	$ 4,215	$ 1,438
Amounts affecting the effective tax rate if recognized	$ 3,346	$ 798

Prior period increases for the year ended December 31, 2021 reflects the establishment of a reserve recorded against acquired net operating losses by our UK affiliate due to a potential restriction on their use.

The Company recognizes interest expense and related penalties associated with unrecognized tax benefits as a component of income tax (benefit) expense in the accompanying consolidated statements of operations and comprehensive income (loss). For the years ended December 31, 2021 and 2020, interest and penalties were not material.

It is not anticipated that unrecognized tax benefits will significantly increase or decrease in the next twelve months.

5. Income Taxes (continued)

The Company is generally no longer subject to examinations outside the U.S. for years prior to 2018 and for U.S. federal, state or local examinations for years preceding the emergence from bankruptcy on August 1, 2018. Periods subsequent to these years are generally subject to examination by the U.S., state and foreign tax authorities.

6. Fair Value Measurements and Derivative Instruments

Assets and Liabilities Measured At Fair Value on a Recurring Basis

The fair value of financial instruments classified as cash and cash equivalents, restricted cash, receivables, and accounts payable approximate carrying value due to the short-term nature and the relative liquidity of the instruments. The fair value of the Company's variable rate long-term debt, including the current portion, reflects recent market transactions and approximates carrying value.

The Company uses derivative financial instruments as part of its risk management program to mitigate the market risk of changes in foreign exchange rates and interest rates that could adversely affect the Company's cash flows, not for speculative or trading purposes.

Changes in the fair value of a derivative designated and qualified as a cash flow hedge, to the extent effective, are included in equity (deficit) as AOCI until earnings are affected by the hedged transaction. Changes in the fair value of components excluded from hedge accounting for cash flow hedges are recorded within the same line item as the hedged transaction on the consolidated statement of operations and comprehensive income (loss). Changes in the fair value of a derivative designated and qualified as a net investment hedge, to the extent effective, are included in equity (deficit) as AOCI until the hedged net investment is sold or substantially liquidated. Changes in the fair value of components excluded from hedge accounting for net investment hedges are recorded within the interest expense on the consolidated statement of operations and comprehensive income (loss). Cash inflows and outflows related to derivative instruments are a component of operating cash flows on the accompanying consolidated statements of cash flows. The Company discontinues hedge accounting prospectively when it has determined that a derivative no longer qualifies as an effective hedge. Amounts in AOCI associated with de-designated hedges will be reclassified into income when the underlying exposure is set to mature and also when an exposure changes enough that it no longer would qualify for hedge accounting. The degree of judgment utilized in measuring the fair value of the instruments generally correlates to the level of pricing observability.

Pricing observability is impacted by a number of factors, including the type of asset or liability, whether the asset or liability has an established market and the characteristics specific to the transaction. Instruments with readily active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of pricing observability and a lesser degree of judgment utilized in measuring fair value. Conversely, assets rarely traded or not quoted will generally have less, or no, pricing observability and a higher degree of judgment utilized in measuring fair value.

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6. Fair Value Measurements and Derivative Instruments (continued)

Under existing GAAP, there is a disclosure framework hierarchy associated with the level of pricing observability utilized in measuring assets and liabilities at fair value. The three broad levels defined by the hierarchy are as follows:

- Level 1 – Quoted prices in active markets for identical assets and liabilities at the measurement date.
- Level 2 – Observable inputs other than quoted prices in active markets for identical assets and liabilities including the following:
  - Quoted prices for similar assets and liabilities in active markets
  - Quoted prices for identical or similar assets or liabilities in markets that are not active
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means
- Level 3 – Inputs that are generally unobservable and typically reflect management's estimate of assumptions that market participants would use in pricing the asset or liability.

The Company has classified all foreign exchange contracts, interest rate swaps, and debt as Level 2 with respect to the fair value hierarchy, and there were no transfers between the levels during this or comparable periods.

Derivative Instruments and Hedging Activities

Interest rate hedging – The Company uses interest rate swaps to manage interest rate exposures. These derivative instruments meet the criteria for hedge accounting and are designated as cash flow hedges. The Company is exposed to interest rate volatility with regard to existing floating rate debt. The primary exposure is with the London Interbank Offered Rates ("LIBOR"). The effective portion of gains and losses on cash flow hedges are deferred as a component of AOCI and are recognized in interest expense at the time the hedged interest payments affect earnings. The Company is completing its evaluation of the impact of the reference rate reform discussed in Note 1 and plans to elect optional expedients as reference rate reform activities occur. During the year ended December 31, 2020, the Company entered into swap contracts with a total notional value of $1.5 billion with effective dates beginning September 2023. Each of these contracts have an associated floor of 0.75%. Should LIBOR remain below this floor, the Company will receive the floor rate on a monthly basis. The fair value of these contracts shall be deferred in AOCI until the effective date, at which time they begin to be reclassified into interest expense as the hedged interest payments affect earnings. Also during 2020, the Company entered into an interest rate cap swap contract with a notional value of $250 million. It will pay fixed premium payments over the term. Should LIBOR rise above the cap floor rate of 0.75%, the Company will receive the incremental difference between the cap floor rate and 1 month LIBOR.

Foreign currency hedging – Forward foreign exchange contracts are primarily utilized to reduce the risk from foreign currency price fluctuations related to firm or anticipated sales transactions, and commitments to purchase or sell equipment, materials and/or services. These contracts generally have an expiration date of five years or less. Certain foreign exchange contracts meet the criteria for hedge accounting and are designated as cash flow hedges.

6. Fair Value Measurements and Derivative Instruments (continued)

Forward foreign exchange contracts are also utilized to hedge net investments in foreign operations against adverse changes in the exchange rates between the U.S. Dollar ("USD"), British Pound Sterling ("GBP"), Euro ("EUR") and Swedish Krona ("SEK"). At December 31, 2021 and 2020, the total notional amount of contracts outstanding was $751.8 million and $779.6 million, respectively. During the year ended December 31, 2021, portions of the portfolio matured, made up of GBP/USD (notional £112.4 million), EUR/GBP (notional €33 million), and SEK/GBP (notional 534 million kr). The total resulting gain from the trades of $0.1 million will remain deferred in the foreign currency translation adjustments section of other comprehensive income (loss) until such time that the hedged net investment is sold or substantially liquidated. With the maturity of these trades, the Company entered into the following new trades summarized by currency during the year in order to extend the maturity dates of the net investment hedge portfolio, which did not materially change the total notional coverage:

	Notional Amount (Local Currency)		Notional Amount (USD)	
(in thousands)				
GBP	£	109,467	$	147,918
SEK		534,000	kr $	59,077
EUR	€	33,000	$	37,450

These derivative instruments meet the criteria for hedge accounting and are designated as net investment hedges.

The following table presents the notional amounts of outstanding derivatives designated as hedging instruments as of December 31, 2021 and 2020:

	December 31, 2021		December 31, 2020	
(in thousands)				
Interest rate swap contracts	$	2,000,000	$	2,000,000
Interest rate cap contracts		250,000		250,000
Interest rate swap contracts not yet effective		1,500,000		1,500,000
Foreign exchange contracts		1,141,697		1,158,632
Net investment hedges		751,764		779,570

The Company determines the fair value of foreign exchange contracts using a mark-to-market model, incorporating real market pricing with probable variables, with amounts recognized in equity (deficit) as AOCI for cash flow hedges designated and qualifying for hedge accounting and in the consolidated statements of operations and comprehensive income (loss) for all undesignated hedges.

Although the Company is party to master netting agreements (ISDA agreements) with all derivative counterparties, the fair values in the tables below and in the consolidated balance sheets as of December 31, 2021 and 2020 have been presented on a gross basis. According to the netting agreements, transaction amounts payable to a counterparty on the same date and in the same currency can be netted. The Company has chosen not to offset the amounts subject to netting agreements.

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6. Fair Value Measurements and Derivative Instruments (continued)

Derivatives Not Designated As Hedging Instruments

Derivatives not designated as hedging instruments relate to economic hedges and are marked-to-market with all amounts recognized in the consolidated statements of operations and comprehensive income (loss).

The following table presents the fair values of derivative instruments included in the accompanying consolidated balance sheets as of December 31, 2021 and 2020:

		Asset Derivatives	
	Balance Sheet Location	**December 31, 2021**	**December 31, 2020**
(in thousands)			
Derivatives designated as hedging instruments:			
Foreign exchange contracts	Other current assets	$ 24,402	$ 15,680
Foreign exchange contracts	Other noncurrent assets	24,353	35,775
Interest rate swap contracts	Other noncurrent assets	17,030	—
Derivatives not designated as hedging instruments:			
Foreign exchange contracts	Other current assets	1,170	3,194
Total asset derivatives		$ 66,955	$ 54,649

		Liability Derivatives	
	Balance Sheet Location	**December 31, 2021**	**December 31, 2020**
(in thousands)			
Derivatives designated as hedging instruments:			
Foreign exchange contracts	Other current liabilities	$ (7,709)	$ (13,985)
Foreign exchange contracts	Other noncurrent liabilities	(4,107)	(30,921)
Interest rate swap contracts	Other noncurrent liabilities	(67,638)	(141,712)
Derivatives not designated as hedging instruments:			
Foreign exchange contracts	Other current liabilities	(4,462)	(5,224)
Total liability derivatives		$ (83,916)	$ (191,842)
Net liability position		$ (16,961)	$ (137,193)

6. Fair Value Measurements and Derivative Instruments (continued)

The following table presents the pretax effect of derivative instruments in the accompanying consolidated statements of operations and other comprehensive income (loss) for the years ended December 31, 2021 and 2020.

	Amount of Gain (Loss) Recognized in OCI on Derivatives	
(in thousands)	**Year Ended December 31, 2021**	**Year Ended December 31, 2020**
Derivatives designated as hedging instruments:		
Interest rate swap contracts	$ 38,974	$ (102,581)
Foreign exchange contracts	40,356	(28,300)
Total gain (loss) recognized in OCI [1]	$ 79,330	$ (130,881)

[1] Impacts of net investment hedges of $28,540 and $24,599 are recognized within foreign currency translation adjustments within OCI for the years ended December 31, 2021 and 2020, respectively.

	Amount of Gain (Loss) Reclassified from OCI Into Income		
(in thousands)	**Year Ended December 31, 2021**	**Year Ended December 31, 2020**	**Location**
Derivatives designated as hedging instruments:			
Interest rate swap contracts	$ (52,130)	$ (41,550)	Interest expense
Foreign exchange contracts	7,558	(155)	Net revenues
Foreign exchange contracts	(391)	(1,850)	Cost of goods sold
Total amount recognized in income	$ (44,963)	$ (43,555)	

	Amount of Gain (Loss) Recognized in Income on Derivatives		
(in thousands)	**Year Ended December 31, 2021**	**Year Ended December 31, 2020**	**Location**
Derivatives designated as hedging instruments:			
Foreign exchange contracts	$ 1,153	$ 1,346	Interest expense
Foreign exchange contracts	(14,328)	16,292	Cost of goods sold
Foreign exchange contracts	11,996	3,996	Net revenues
Derivatives not designated as hedging instruments:			
Foreign exchange contracts	(13,211)	(14,427)	Loss on foreign currency transactions, net
Total amount recognized in income	$ (14,390)	$ 7,207	

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6. Fair Value Measurements and Derivative Instruments (continued)

Assuming markets remain the same, the Company estimates $57.3 million of the unrealized net losses on these derivatives to be reclassified into earnings in the next 12 months. At December 31, 2021, the maximum length of time over which the Company is hedging its exposure to the variability in future cash flows to foreign currency forecasted and interest rate transactions is through January 2026 and July 2025, respectively.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

In addition to assets and liabilities that are measured at fair value on a recurring basis, the Company also has assets and liabilities in its balance sheet that are measured at fair value on a non-recurring basis. Assets and liabilities that are measured at fair value on a non-recurring basis include long-lived assets. These assets are measured at fair value if determined to be impaired. There were no material fair value adjustments to these items during the periods presented in the accompanying consolidated financial statements.

7. Receivables

At December 31, 2021 and 2020, receivables, net consist of the following:

(in thousands)	December 31, 2021	December 31, 2020
Trade receivables	$ 417,814	$ 374,864
Allowance for doubtful accounts	(6,683)	(6,942)
Receivables, net	$ 411,131	$ 367,922

Activity in the allowance for doubtful accounts during the years ended December 31, 2021 and 2020 was as follows:

(in thousands)	Year Ended December 31, 2021	Year Ended December 31, 2020
Balance, beginning of period	$ (6,942)	$ (3,966)
Increase in allowance	(3,360)	(4,435)
Amounts written off during the year	3,527	1,659
Foreign currency translation effect	92	(200)
Balance, end of period	$ (6,683)	$ (6,942)

8. Inventories

At December 31, 2021 and 2020, inventories, net consist of the following:

	December 31, 2021	December 31, 2020
(in thousands)		
Raw materials	$ 170,770	$ 170,354
Work in process	142,655	125,885
Finished goods	168,937	244,630
Uranium inventory	52,011	125,540
Gross inventories	534,373	666,409
Inventory reserve	(9,587)	(11,692)
Inventories, net	$ 524,786	$ 654,717

Inventories, other than those related to long-term contracts and uranium inventory, are generally sold within one year.

9. Property, Plant and Equipment

At December 31, 2021 and 2020, property, plant and equipment consist of the following:

	December 31, 2021	December 31, 2020
(in thousands)		
Land	$ 37,674	$ 39,369
Buildings and improvements	346,786	354,721
Machinery and equipment	380,735	418,436
Computer software	209,230	206,355
Construction in progress	214,011	166,160
Total	1,188,436	1,185,041
Accumulated depreciation	(293,824)	(247,270)
Property, plant and equipment, net	$ 894,612	$ 937,771

Depreciation expense for the years ended December 31, 2021 and 2020 has been classified in the accompanying consolidated statements of operations and comprehensive income (loss) as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020
(in thousands)		
Cost of goods sold	$ 113,761	$ 107,290
Marketing, administrative and general expenses	29,506	27,564
Total	$ 143,267	$ 134,854

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10. Goodwill and Intangible Assets

Goodwill

Changes in the carrying amount of goodwill for the years ended December 31, 2021 and 2020 are as follows:

(in thousands)	December 31, 2021	December 31, 2020
Balance, beginning of year	$ 168,730	$ 158,192
Acquisition of Lavecr Engineering	5,726	—
Acquisition of AUAM [1]	(645)	2,102
Acquisition of Westinghouse Precision Fabrications	—	8,796
Acquisition of Rolls-Royce CNSS [1]	891	—
Acquisition of NA Engineering Associates Inc. [2]	—	(5,373)
Acquisition of Inspection Consultants Limited [2]	—	34
Foreign currency translation adjustments	(3,711)	4,979
Balance, end of year	$ 170,991	$ 168,730

[1] Changes during the year ended December 31, 2021 are the result of measurement period adjustments after the initial purchase price allocation.

[2] Changes during the year ended December 31, 2020 are the result of measurement period adjustments after the initial purchase price allocation.

Intangible Assets

The carrying amounts and accumulated amortization of identifiable intangible assets as of December 31, 2021 and 2020 are as follows:

		December 31, 2021		
	Life (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
(in thousands)				
Backlog	10	$ 150,001	$ 51,130	$ 98,871
Customer relationships	15	219,110	50,018	169,092
Developed technology	5–20	1,907,237	430,977	1,476,260
Trade name	Indefinite	297,000	—	297,000
Total		$ 2,573,348	$ 532,125	$ 2,041,223

10. Goodwill and Intangible Assets (continued)

	Life (in years)	December 31, 2020 Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
(in thousands)				
Backlog	10	$ 152,548	$ 36,866	$ 115,682
Customer relationships	15	223,354	35,832	187,522
Developed technology	5–20	1,893,755	304,698	1,589,057
Trade name	Indefinite	297,000	—	297,000
Total		$ 2,566,657	$ 377,396	$ 2,189,261

Amortization expense was $159.8 million and $154.3 million for the years ended December 31, 2021 and 2020, respectively.

The table below presents the expected amortization expense for definite-lived intangible assets for the next five years and thereafter as of December 31, 2021. The amortization amounts disclosed below are estimates. Actual amounts may differ from these estimates due to such factors as sales or impairments of intangible assets, acquisition of additional intangible assets, foreign currency translation and other events.

For the calendar year ending December 31:	*(in thousands)*
2022	$ 159,602
2023	156,749
2024	156,749
2025	156,749
2026	156,725
Thereafter	957,649
Total	$ 1,744,223

11. Uranium Assets

Below is the classification of uranium assets within the accompanying consolidated balance sheets as of December 31, 2021 and 2020:

(in thousands)	December 31, 2021	December 31, 2020
Current uranium assets:		
Available for sale	$ 52,011	$ 125,540
Total current uranium assets (included within inventories, net)	52,011	125,540
Noncurrent uranium assets:		
Long-term uranium working stock	89,193	91,604
Total noncurrent uranium assets	89,193	91,604
Uranium assets	$ 141,204	$ 217,144

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12. Other Current and Noncurrent Assets

At December 31, 2021 and 2020, other current and noncurrent assets consist of the following:

(in thousands)	December 31, 2021	December 31, 2020
Other current assets:		
Prepaid insurance, taxes and other services	$ 116,226	$ 90,160
Restricted cash	565	22,148
Derivative instruments	25,572	18,874
Deferred financing costs	2,322	4,642
Other	3,855	15,878
Other current assets	$ 148,540	$ 151,702

(in thousands)	December 31, 2021	December 31, 2020
Other noncurrent assets:		
Restricted cash	$ 194,756	$ 195,582
Derivative instruments	41,383	35,775
Pension asset	75,019	9,716
Deferred financing costs	8,128	7,413
Other	6,175	6,472
Other noncurrent assets	$ 325,461	$ 254,958

13. Asset Retirement Obligations

The Company's asset retirement obligations relate primarily to the decommissioning of licensed nuclear facilities. These obligations address the decommissioning, cleanup and release for acceptable alternate use of such facilities. The Company recognizes an asset retirement obligation at its fair value in the period in which it is incurred, if a reasonable estimate of fair value can be made. The present value of the initial obligation and subsequent updates are based on discounted cash flows, which include estimates regarding timing of future cash flows, selection of discount rates and cost escalation rates, among other factors. The liability is adjusted for any revisions to the expected value of the retirement obligation (with corresponding adjustments to the related asset) and for accretion of the liability due to passage of time.

13. Asset Retirement Obligations (continued)

Changes to asset retirement obligations for the years ended December 31, 2021 and 2020 are as follows:

(in thousands)	Year Ended December 31, 2021	Year Ended December 31, 2020
Balance, beginning of year	$ 193,587	$ 179,338
Liabilities settled	(8,196)	(2,625)
Liabilities incurred	311	37
Acquisition of business	—	435
Accretion expense	8,749	8,486
Foreign currency translation effect	(2,788)	3,279
Revisions in estimated cash flows	(9,844)	4,637
Balance, end of year	$ 181,819	$ 193,587
Less: amounts included within other current liabilities	(3,530)	(9,767)
Reserves for decommissioning matters	$ 178,289	$ 183,820

14. Pension and Other Postretirement Benefit Plans

Pension Plans

The majority of the employees of the Company are covered under separate pension plans sponsored by Westinghouse Electric Company LLC (U.S. Plans), and separate plans sponsored by Westinghouse Electric UK/ Uranium Asset Management, Ltd., Springfields Fuels Limited, Westinghouse Electric Belgium SA, Westinghouse Electric Germany GmbH, Westinghouse Electrique France SAS, and Westinghouse Electric Sweden AB (Non-U.S. Plans). Details of the aforementioned plans can be found in the following tables.

In prior years, the U.S. Plans had been closed to new entrants. In February 2017, the Company announced that the U.S. Plans will be further amended to freeze future benefit accruals. Consequently, participants in the U.S. Plans will cease earning additional benefits. This amendment was effective for non-represented employees and represented employees on April 1, 2017 and January 1, 2018, respectively.

The following table presents the net periodic pension (benefits) costs covering current and former employees of the Company:

	Year Ended December 31, 2021			Year Ended December 31, 2020		
(in thousands)	U.S.	Non-U.S.	Total	U.S.	Non-U.S.	Total
Service cost	$ —	$ 17,519	$ 17,519	$ —	$ 15,551	$ 15,551
Interest cost	49,413	6,317	55,730	55,841	7,368	63,209
Expected return on plan assets	(89,293)	(13,439)	(102,732)	(86,039)	(11,275)	(97,314)
Amortization of loss	7,382	151	7,533	2,706	16	2,722
Amortization of prior service cost	—	(182)	(182)	—	4	4
Ongoing periodic pension (benefit) cost	(32,498)	10,366	(22,132)	(27,492)	11,664	(15,828)
Settlement or curtailment charges	197	1,604	1,801	—	339	339
Net periodic pension (benefit) cost	$ (32,301)	$ 11,970	$ (20,331)	$ (27,492)	$ 12,003	$ (15,489)

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14. Pension and Other Postretirement Benefit Plans (continued)

The service cost component of net periodic pension (benefit) cost is recorded in cost of goods sold and marketing, administrative and general expenses while other components are recorded in other income, net in the accompanying consolidated statements of operations and comprehensive income (loss).

The weighted-average assumptions used to develop the net periodic pension (benefit) cost and the present value of benefit obligations are shown below:

	December 31, 2021		December 31, 2020	
	U.S.	Non-U.S.	U.S.	Non-U.S.
Discount rate for obligations	3.06 %	1.74 %	2.77 %	1.23 %
Compensation increase rate for obligations	N/A	2.08 %	N/A	1.87 %
Long-term rate of return on plan assets	5.74 %	3.06 %	6.98 %	3.29 %

	Year Ended December 31, 2021		Year Ended December 31, 2020	
	U.S.	Non-U.S.	U.S.	Non-U.S.
Discount rate for expense	2.77 %	1.23 %	3.40 %	1.70 %
Compensation increase rate for expense	N/A	1.87	N/A	1.94

Discount rate assumptions used to value pension and other postretirement benefit obligations reflect the rates available on high-quality, fixed income investments as of the measurement date with similar terms as the projected future cash outflows.

The long-term rate of return on plan assets is the estimated long-term rate of return that will be earned on the investments used to fund the benefit obligations. To determine the expected long-term rate of return on pension plan assets, we consider our asset allocation, capital markets' future expectations, as well as historical and expected returns on various categories of plan assets.

Brookfield WEC Holdings Sub-Aggregator LP

Notes to Consolidated Financial Statements (continued)

14. Pension and Other Postretirement Benefit Plans (continued)

The following tables set forth the aggregate funded status and changes in benefit obligations and plan assets of the defined benefit pension plans and amounts recognized in the accompanying consolidated balance sheets:

	Year Ended December 31, 2021			Year Ended December 31, 2020		
	U.S.	**Non-U.S.**	**Total**	**U.S.**	**Non-U.S.**	**Total**
(in thousands)						
Accumulated benefit obligation	$1,701,982	$467,153	$2,169,135	$1,816,838	$482,981	$2,299,819
Change in benefit obligation:						
Benefit obligation, beginning of year	$1,816,837	$516,471	$2,333,308	$1,674,657	$447,432	$2,122,089
Service cost	—	17,519	17,519	—	15,551	15,551
Interest cost	49,413	6,317	55,730	55,841	7,368	63,209
Employee contributions	—	1,677	1,677	—	1,722	1,722
Settlements, amendments, and curtailments [1]	(42,239)	(1,665)	(43,904)	—	(6,028)	(6,028)
Benefits paid	(65,655)	(13,094)	(78,749)	(62,440)	(14,420)	(76,860)
Actuarial (gain) loss	(56,374)	(10,218)	(66,592)	148,779	36,966	185,745
Foreign currency exchange rate changes	—	(16,878)	(16,878)	—	27,880	27,880
Benefit obligation, end of year	$1,701,982	$ 500,129	$2,202,111	$1,816,837	$516,471	$2,333,308
Change in plan assets:						
Plan assets at fair value, beginning of year	$1,364,179	$390,826	$1,755,005	$1,284,659	$333,499	$1,618,158
Actual return on plan assets	146,804	57,655	204,459	124,661	24,767	149,428
Employer contributions [2]	21,110	36,923	58,033	17,299	34,167	51,466
Employee contributions	—	1,677	1,677	—	1,722	1,722
Benefits paid from plan assets	(65,655)	(13,094)	(78,749)	(62,440)	(14,420)	(76,860)
Settlements [1]	(42,239)	(3,934)	(46,173)	—	(4,383)	(4,383)
Foreign currency exchange rate changes	—	(7,404)	(7,404)	—	15,474	15,474
Plan assets at fair value, end of year	1,424,199	462,649	1,886,848	1,364,179	390,826	1,755,005
Funded status, end of year	$ (277,783)	$ (37,480)	$ (315,263)	$ (452,658)	$(125,645)	$ (578,303)

[1] On October 8, 2021, Westinghouse purchased a non-participating, irrevocable group annuity contract from an insurance company transferring gross defined benefit pension obligations and related plan assets of $42.2 million from the U.S. Plans to the insurance company.

[2] U.S. amount includes a contribution of $2.6 million made directly by Wind Down Co, a company responsible for settling claims against the predecessor company, to the Westinghouse Electric Company Pension Plan in December 2020. The contribution was recorded as a gain within other income, net in the accompanying consolidated statement of operations and comprehensive income (loss) for the year ended December 31, 2020.

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14. Pension and Other Postretirement Benefit Plans (continued)

	December 31, 2021			December 31, 2020		
(in thousands)	U.S.	Non-U.S.	Total	U.S.	Non-U.S.	Total
Amounts included in the consolidated balance sheet consist of:						
Noncurrent assets	$ 738	$ 74,281	$ 75,019	$ —	$ 9,716	$ 9,716
Other current liabilities	(6,131)	(5,882)	(12,013)	(6,102)	(6,593)	(12,695)
Noncurrent benefit obligation	(272,390)	(105,879)	(378,269)	(446,556)	(128,768)	(575,324)
Net benefit obligation	$ (277,783)	$ (37,480)	$ (315,263)	$(452,658)	$(125,645)	$(578,303)
Amounts recognized in AOCI consist of:						
Net actuarial (loss) gain	$ (199,055)	$ 10,549	$ (188,506)	$ (320,519)	$ (41,608)	$ (362,127)
Prior service cost	—	1,364	1,364	—	1,700	1,700
Net amount recognized, before tax effect	$ (199,055)	$ 11,913	$ (187,142)	$ (320,519)	$ (39,908)	$ (360,427)

During the year ended December 31, 2021, the actuarial gain on the pension obligation was primarily driven by the increase in the discount rate in addition to a small gain due to the annuity purchase for certain retirees. This gain was partially offset by the net impact of updated assumptions for retirement, termination, and disability rates, changes to the payment form elections and spousal age difference assumptions, and the adoption of the MP 2021 mortality improvement projection scale. During the year ended December 31, 2020, the net actuarial loss on the net pension obligation was primarily driven by the decrease in the discount rate. This loss was partially offset by the adoption of the MP 2020 mortality projection scale.

Plan Assets

The following table sets forth, by level within the fair value hierarchy, the plan assets carried at fair value as of December 31, 2021 and 2020, respectively:

	Assets at Fair Value as of December 31, 2021			
(in thousands)	Level 1	Level 2	Level 3	Total
Equity securities	$ 15,738	$ 109,774	$ —	$ 125,512
Fixed income securities	249,015	318,963	—	567,978
Money market funds	15,764	—	—	15,764
Total investments at fair value	$ 280,517	$ 428,737	$ —	$ 709,254
Investments measured at net asset value: [1]				
Equity collective investment trusts or funds				563,466
Fixed income collective investment trusts or funds				589,172
Total investments measured at net asset value				1,152,638
Pension trust receivable [2]				24,956
Total plan assets at fair value				$ 1,886,848

14. Pension and Other Postretirement Benefit Plans (continued)

	Assets at Fair Value as of December 31, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
(in thousands)				
Equity securities	$ 14,753	$ 112,158	$ —	$ 126,911
Fixed income securities	14,614	243,321	—	257,935
Mutual funds	1,203,639	—	—	1,203,639
Money market funds	12,838	—	—	12,838
Total investments at fair value	$ 1,245,844	$ 355,479	$ —	$ 1,601,323
Investments measured at net asset value: [1]				
Fixed income collective investment trusts or funds				153,682
Total investments measured at net asset value				153,682
Total plan assets at fair value				$ 1,755,005

[1] In accordance with ASC 820-10, "Fair Value Measurement", certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to total plan assets at fair value.

[2] As of December 31, 2021, the total fair value of plan assets includes a receivable of $25 million, which represents securities not yet settled.

The U.S. Plans – The assets of the U.S. Plans are managed by an Outsourced Chief Investment Officer via the Westinghouse Electric Company Pension Master Trust ("Trust"). The Westinghouse Electric Company Pension Investment Committee ("Committee") has been appointed to review the investment performance and other matters of the U.S. Plans, including development of investment policies and strategies. These investment policies and strategies are detailed in the Plans' Investment Policy Statement. The asset allocation decision reflects the plans' return requirements, as well as the Committee's tolerance for return variability (risk). The assets are invested in long-term strategies and evaluated within the context of a long-term investment horizon. The majority of investments will generally be restricted to marketable securities with privately-placed collective investment trusts or funds.

Investment objectives are designed to provide quantitative standards against which to measure and evaluate the progress of the plans, their major asset class composites and each individual investment manager. The overall objective for the Trust is to generate a rate of return, net of all fees and expenses, in excess of a policy index that is comprised of a weighted average of the market benchmarks for each asset class.

The Non-U.S. Plans – The investment management of the Non-U.S. Plans is handled either by an independent trustee body or an appointed Asset Manager depending on the country of the plan sponsor. In both cases, strategic asset allocation is determined following local funding regimes and the prudent person principle via a mix of different asset classes.

There is an established Strategic Asset Allocation agreed to by the Company for these plans, but in some cases, the Asset Manager has the flexibility to modify the allocation while still adhering to set minimum and maximum bounds for each class of asset. This allows the Asset Manager to optimize the portfolio within defined risk guidelines.

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14. Pension and Other Postretirement Benefit Plans (continued)

The Company's target and pension asset allocations at December 31, 2021 consist of the following:

Asset Category	Target	Actual
U.S. Plans:		
Equity securities	40 %	40 %
Fixed income securities	60	60
Total	100 %	100 %
Non-U.S. Plans (weighted average):		
Equity securities	28 %	27 %
Fixed income securities	72	73
Total	100 %	100 %

Estimated Future Benefit Payments

Annual benefit payments for the years subsequent to December 31, 2021 are estimated as follows:

(in thousands)	U.S.	Non-U.S.	Total
For the calendar year ending December 31:			
2022	$ 67,914	$ 9,611	$ 77,525
2023	71,619	10,291	81,910
2024	74,517	11,042	85,559
2025	77,288	10,584	87,872
2026	79,738	9,763	89,501
2027–2031	420,925	54,460	475,385

Contributions

The Company anticipates cash contributions to be paid during the fiscal year ending December 31, 2022 to fund its defined benefit pension plans will be as follows:

(in thousands)	U.S.	Non-U.S.	Total
Expected contributions	$ 21,131	$ 33,119	$ 54,250

14. Pension and Other Postretirement Benefit Plans (continued)

Other Postretirement Benefit Plan

The Company also sponsors an other postretirement benefit plan in the U.S. that provides defined medical, dental and life insurance for eligible retirees and dependents.

The components of net periodic other postretirement benefit costs for the periods presented was as follows:

	Year Ended December 31, 2021	Year Ended December 31, 2020
(in thousands)		
Service cost	$ 584	$ 595
Interest cost	1,155	1,421
Amortization of prior service cost	64	59
Amortization of loss	146	68
Net periodic other postretirement benefit costs	$ 1,949	$ 2,143

The service cost component of net periodic other postretirement benefit cost is recorded in cost of goods sold and marketing, administrative and general expenses while other components are recorded in other income, net in the accompanying consolidated statements of operations and comprehensive income (loss).

The assumptions used to develop the net periodic other postretirement benefit cost and the present value of benefit obligations as of December 31, 2021 and 2020 are shown below:

	December 31, 2021	December 31, 2020
Discount rate for obligations	2.98%	2.59%
Long-term rate of return on plan assets	N/A	N/A
Discount rate for expense	2.59%	3.26%
Health care cost trend rates:		
Initial	4.00%	4.00%
Ultimate	4.00%	4.00%
Year in which ultimate rates were reached	2021	2020

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14. Pension and Other Postretirement Benefit Plans (continued)

Net periodic other postretirement benefit cost is determined using the assumptions as of the beginning of the year. The funded status is determined using the assumptions as of the end of the year. The funded status, changes in benefit obligation and amounts recognized in the accompanying consolidated balance sheets are as follows:

(in thousands)	Year Ended December 31, 2021	Year Ended December 31, 2020
Change in benefit obligation:		
Benefit obligation, beginning of year	$ 45,312	$ 44,901
Service cost	584	595
Interest cost	1,155	1,421
Employee contributions	3,171	3,270
Actuarial (gain) loss	(11,377)	890
Benefits paid	(6,355)	(6,306)
Amendments	—	541
Benefit obligation, end of year	$ 32,490	$ 45,312

As of December 31, 2021 and 2020, $2.5 million and $3.2 million, respectively, are considered an other current liability in the accompanying consolidated balance sheets, which represents the expected settlement of liabilities over the next twelve months.

(in thousands)	December 31, 2021	December 31, 2020
Amounts recognized in AOCI consist of:		
Net actuarial gain (loss)	$ 6,480	$ (5,920)
Prior service cost	(419)	(483)
Net amount recognized, before tax effect	$ 6,061	$ (6,403)

During the year ended December 31, 2021, the actuarial gain on the postretirement benefit obligation was primarily driven by a decrease in the participation and spousal coverage rate assumptions. The gain was also attributable to an increase in the discount rate, updated dental rates, the net impact of updated assumptions for retirement, termination, and disability rates, and the adoption of the MP 2021 mortality improvement projection scale. During the year ended December 31, 2020, the net actuarial loss on the other postretirement benefit plan was primarily driven by the decrease in the discount rate. This loss was partially offset by the adoption of the MP 2020 mortality projection scale.

Annual benefit payments for the other postretirement benefit plan, net of employee contributions, for the fiscal years subsequent to December 31, 2021 are estimated to be as follows:

	(in thousands)
For the calendar year ending December 31:	
2022	$ 2,454
2023	2,109
2024	1,866
2025	1,740
2026	1,595
2027–2031	7,534

14. Pension and Other Postretirement Benefit Plans (continued)

Savings Plans

The Company also provides defined contribution ("DC") plans to U.S. employees. Employees may contribute from 2% to 35% of their compensation on a pretax or after-tax basis. The Company matches 50% of the first 6% of an employee's compensation contribution. Effective for employees hired after July 1, 2013 or those that elected not to participate in the U.S. pension plan at that time, the Company makes an additional 3% of pay contribution annually to a Retirement Contribution Account ("RCA") within the savings plan, subject to the condition of earning eligibility service on December 31 of the given year. The Company contributed $33.5 million and $33.1 million for the years ended December 31, 2021 and 2020, respectively, to U.S. DC plans.

In addition, the Company offers similar plans to employees in other countries outside of the U.S. Westinghouse Electric Spain S.A.U. and Westinghouse Technology Services, S.A. in Spain are the sponsors of an occupational DC plan where employees' annual contributions equal to 1%–2% of their pension-qualifying salary, which is matched by the sponsor with a contribution equal to 250% of the participant's annual basic contribution. Westinghouse Electric UK and Springfields Fuels Limited in the UK sponsor DC plans where employees' annual contributions equal 3%–100% of their pensionable pay, which is matched by the sponsor equal to 8.0%–14.5% of the participants' annual contribution. The Company contributed $4.4 million and $3.8 million for the years ended December 31, 2021 and 2020, respectively, to Non-U.S. DC plans.

15. Debt and Credit Facilities

Long-term debt was comprised of the following as of December 31, 2021 and 2020:

	December 31, 2021	December 31, 2020
(in thousands)		
First Lien Term Loan	$ 2,970,421	$ 3,000,425
Unamortized discount (including deferred financing costs)	(44,462)	(55,421)
Total outstanding debt	2,925,959	2,945,004
Less: current portion of long-term debt (including deferred financing costs)	17,499	18,387
Long-term debt	$ 2,908,460	$ 2,926,617

On August 1, 2018, Brookfield WEC Holdings Inc., a wholly-owned subsidiary of Brookfield WEC Holdings Sub-Aggregator LP, entered into three credit agreements (the First Lien Credit Agreement, the Second Lien Credit Agreement, and the Revolving Credit Agreement) with a syndicate of banks and other financial institutions. The Second Lien Credit Agreement provided total borrowing capacity of $325 million in the form of a $325 million Term Loan (Second Lien Term Loan). The Second Lien Term Loan was paid in full and extinguished on August 1, 2019. The majority of the Company's assets have been pledged as collateral, unless disallowed by regulatory restrictions, to secure the credit agreements. The credit agreements contain certain customary affirmative and negative covenants including, but not limited to, certain investments, payment of dividends, incurrence of additional indebtedness, and acquisitions and divestures. The Company must also maintain a certain level of excess availability, and in certain circumstances will be required to maintain a consolidated fixed charge coverage ratio of not less than 1.00 to 1.00. The First Lien Net Leverage Ratio must also not be greater than 6.95 to 1.00. As of December 31, 2021 and December 31, 2020, the Company has complied with all applicable covenants, and there have been no events of default.

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15. Debt and Credit Facilities (continued)

First Lien Credit Agreement

On July 16, 2019, the Company entered into the first incremental facility amendment that provided for an additional letter of credit facility of $125 million, and on August 1, 2019 the Company entered into a second incremental facility amendment that provided for an incremental term loan of $330 million. On January 17, 2020, the Company executed a third amendment to its First Lien Credit Agreement to further reduce the overall interest rate on the First Lien Term Loans by consolidating the initial term loan borrowed on August 1, 2018 under the First Lien Credit Agreement and the incremental term loan into a single term loan commitment and reducing the margin on outstanding borrowings under the First Lien Term Loan by 0.50%. The Company accounted for this transaction as a modification of the First Lien Credit Agreement. $1.6 million of new transaction fees and expenses paid to the existing lender were deferred with the existing unamortized deferred financing costs and original issue discount ("OID") and presented as a direct reduction of the liabilities. Collectively, these amendments comprise the Amended First Lien Credit Agreement. On January 29, 2021, the Company executed the first amendment to the Amended First Lien Credit Agreement to further reduce the overall interest rate on the First Lien Term Loan by reducing the margin by 0.25%, and reducing the associated floor on LIBOR by 0.25%. The Company accounted for this transaction as a modification of the Amended First Lien Credit Agreement. $1.5 million of new transaction fees and expenses were paid to the existing lender and capitalized and will be amortized over the life of the First Lien Term Loan using the effective interest rate method through interest expense. The Amended First Lien Credit Agreement provides total borrowing capacity of $3,635 million, comprised of a $3,060 million term loan, a $200 million Revolving Credit Facility (RC Facility), and $375 million in letter of credit facilities (collectively, the First Lien LC Facility).

Deferred financing costs and OID are amortized over the life of the First Lien Term Loan using the effective interest rate method with related amortization and totaling $16.0 million and $16.9 million for the years ended December 31, 2021 and 2020, respectively, and recorded as a component of interest expense within the accompanying consolidated statements of operations and comprehensive income (loss).

The First Lien Term Loan matures on August 1, 2025 and has quarterly repayments of $7.5 million, which was reduced from $7.6 million by the January 2021 amendment to the Amended First Lien Credit Agreement, with any remaining outstanding amounts due at maturity. The Company does have the right, in accordance with the terms of the Amended First Lien Credit Agreement, to make voluntary prepayments of the First Lien Term Loan

The RC Facility matures on August 1, 2023 and does not have contractual repayments prior to this date. The RC Facility contains availability of up to $200 million which includes a $50 million sublimit for letters of credit. As of December 31, 2021 and 2020, there were no outstanding borrowings under the RC Facility and there were commitments for letters of credit of $25.9 million and $47.3 million, respectively. A quarterly facility fee is payable by the Company based upon the total commitments under the RC Facility and the Net Leverage Ratio as set forth in the Amended First Lien Credit Agreement. The Company did not borrow on this facility during the year ended December 31, 2021, and borrowed and repaid $42 million during the year ended December 31, 2020. These borrowings and repayments are presented on a gross basis within the Company's consolidated statement of cash flows.

The First Lien LC Facility matures on August 1, 2023 and does not have contractual repayments prior to this date. Total outstanding letters of credit were $346.5 million and $321.2 million at December 31, 2021 and 2020, respectively. A quarterly facility fee is payable by the Company based upon the total commitments under the First Lien LC Facility and the Net Leverage Ratio as set forth in the Amended First Lien Credit Agreement.

15. Debt and Credit Facilities (continued)

The interest rates on amounts borrowed under the Amended First Lien Credit Agreement are based upon a LIBOR rate (subject to a floor of 0.50% and 0.75% for the years ended December 31, 2021 and 2020, respectively) plus, in each case, an applicable margin based upon the achievement of certain ratings conditions as set forth in the Amended First Lien Credit Agreement. The interest rate per annum on outstanding borrowings ranged from 3.25% to 3.75% for the year ended December 31, 2021. The interest rate per annum on outstanding borrowings ranged from 3.75% to 5.30% for the year ended December 31, 2020.

Revolving Credit Agreement

The Revolving Credit Agreement provides total borrowing capacity of $200 million, comprised of a $150 million US subfacility (US Subfacility) and a $50 million UK subfacility (UK Subfacility). Borrowings under the Revolving Credit Agreement may be denominated in US Dollars, Euro, or Sterling. The Revolving Credit Facility includes a commitment fee that is paid quarterly beginning January 1, 2019 and through the maturity date. The commitment fee is determined from the daily difference between the total commitments under the respective US and UK Subfacilities and the amounts borrowed under the US and UK Subfacilities, respectively, multiplied by an applicable rate that is 0.375% for less than 50% usage and 0.25% for greater than 50% usage. The commitment fee was 0.375% for the years ended December 31, 2021 and 2020.

The US Subfacility matures on August 1, 2023. The US Subfacility consists of a $40 million sublimit for swing loans, a $50 million sublimit for letters of credit, and the remaining amounts consisting of revolving loans. There are no outstanding borrowings under the US Subfacility and commitments for letters of credit of $0 and $26.6 million at December 31, 2021 and 2020, respectively. The Company borrowed and fully repaid $120 million and $130 million during the years ended December 31, 2021 and 2020, respectively. These borrowings and repayments are presented on a gross basis within the Company's consolidated statement of cash flows.

The UK Subfacility matures on August 1, 2023. The UK Subfacility consists of a $10 million sublimit for swing loans with the remaining amounts consisting of revolving loans. There are no outstanding borrowings under the UK Subfacility as of December 31, 2021 and 2020.

The interest rate on amounts borrowed under the Revolving Credit Agreement is dependent upon if the Company chooses to make Alternate Base Rate (ABR) borrowings or eurocurrency borrowings. For ABR borrowings the interest rate will be the ABR, as defined in the Revolving Credit Agreement, plus a margin between 1.0% and 1.5%, which is determined based upon Average Global Availability as set forth in the Revolving Credit Agreement. For eurocurrency borrowings the interest rate will be the adjusted eurocurrency rate, as defined in the Revolving Credit Agreement, plus a margin between 2.0% to 2.5% which is determined based upon Average Global Availability as set forth in the Revolving Credit Agreement. The interest rate per annum on outstanding borrowings was 2.12% for the year ended December 31, 2021. The interest rate per annum on outstanding borrowings was 2.40% to 3.60% for the year ended December 31, 2020.

The Company incurred certain deferred financing costs that have been capitalized as assets within other current assets and other noncurrent assets and will be amortized on a straight-line basis over the term of the debt to which they specifically relate. The unamortized deferred financing costs within other current assets and other noncurrent assets totaled $10.5 million and $12.1 million at December 31, 2021 and 2020, respectively (see Note 12).

On June 24, 2021, the Company executed an amendment to extend the maturity date on all liquidity facilities, including those within the Amended First Lien Credit Agreement. These facilities were extended for an additional three years, with a new maturity date of August 1, 2026. $1.9 million of new transaction fees and expenses paid were deferred and will be amortized over the life of the facilities and are reflected in other current and noncurrent assets on the accompanying consolidated balance sheets (also see Note 12).

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15. Debt and Credit Facilities (continued)

Future principal payments due on outstanding debt as of December 31, 2021 are as follows:

For the calendar year ending December 31:		*(in thousands)*
2022	$	17,499
2023		17,574
2024		17,649
2025		2,873,237
Total future principal payments	$	2,925,959

16. Commitments and Contingencies

Environmental Matters

Compliance with federal, state and local laws and regulations relating to the discharge of pollutants into the environment, the disposal of hazardous wastes and other related activities affecting the environment have had and will continue to have an impact on the Company. It is difficult to estimate the timing and ultimate costs to be incurred in the future due to uncertainties about the status of laws, regulations and technology, the adequacy of information available for individual sites, the extended time periods over which site remediation occurs, the availability of waste disposal capacity and the identification of new sites.

The Company has, however, recognized an estimated liability of $34.8 million and $37.0 million as of December 31, 2021 and 2020, respectively, measured in current dollars, for those sites where it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. The Company recognizes changes in estimates as new remediation requirements are defined or as more information becomes available.

Operating expenses that are recurring and associated with managing hazardous waste and pollutants in ongoing operations totaled $12.0 million and $14.2 million for the years ended December 31, 2021 and 2020, respectively. These expenses are included in cost of goods sold in the accompanying consolidated statements of operations and comprehensive income (loss).

Management believes that the Company has adequately provided for its present environmental obligations and that complying with existing governmental regulations will not materially impact the Company's financial position, liquidity or results of operations.

Legal Proceedings

The Company is involved in various litigation matters in the ordinary course of business. Reserves are included in the accompanying consolidated balance sheets for issues when a negative outcome is probable and the amount is reasonably estimable. In the opinion of management, while it is possible that certain outcomes could be unfavorable to the Company, the ultimate resolution of such matters will not result in judgments that, in the aggregate, would materially affect the Company's financial position or results of operations.

16. Commitments and Contingencies (continued)

In August 2021, the Company signed an agreement in relation to the U.S. Attorney's Office's investigation into the abandonment of the V.C. Summer project in South Carolina. All conduct alleged in the investigation occurred prior to the 2017 voluntary filing of petitions for relief under Chapter 11 of the U.S. Bankruptcy Code. The full amount associated with this non-recurring legal settlement of $21.25 million, with offsetting associated insurance proceeds of $4.5 million, was recorded in marketing, administrative and general expenses in the accompanying consolidated statement of operations and comprehensive income (loss) during the year ended December 31, 2021 and included as a component of other current liabilities in the accompanying consolidated balance sheet as of that date.

Product Warranty

The Company provides various warranties on its products and contracts for specific periods of time. Warranties vary depending upon the nature of the product or contract and other factors. The liability for warranties is based upon future product performance and durability and is estimated largely based upon historical experience. Adjustments are made to accruals as claim data and historical experience warrant.

The changes in the provision for those warranties for the years ended December 31, 2021 and 2020 are as follows:

	December 31, 2021	December 31, 2020
(in thousands)		
Balance, beginning of year	$ 71,214	$ 58,708
Liabilities settled	(15,529)	(4,698)
Additional liabilities accrued	8,743	4,309
Adjustment in warranty provision	(13,918)	11,976
Foreign currency translation effect	(1,871)	919
Balance, end of year	$ 48,639	$ 71,214

	December 31, 2021	December 31, 2020
(in thousands)		
Recorded in balance sheet as:		
Other current liabilities	$ 17,773	$ 22,998
Other noncurrent liabilities	30,866	48,216
Balance, end of year	$ 48,639	$ 71,214

Commitments

In the ordinary course of business, letters of credit, bank guarantees, and surety bonds are issued on behalf of the Company. As of December 31, 2021, the Company had $424.4 million under letters of credit and bank guarantees, including $372.4 million under the facilities disclosed in Note 15, and $59.2 million under surety bond obligations. As of December 31, 2020, the Company had $399.5 million under letters of credit and bank guarantees, including $395.1 million under the facilities disclosed in Note 15, and $58.1 million under surety bond obligations.

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17. Leases

Right-of-use assets and lease liabilities comprised of the following as of December 31, 2021 and 2020:

(in thousands)	December 31, 2021	December 31, 2020
Operating lease right-of-use assets	$ 174,485	$ 195,089
Finance lease right-of-use assets[1]	47,667	54,439
Total right-of-use assets	$ 222,152	$ 249,528
Operating lease liabilities[2]	$ (180,088)	$ (198,924)
Finance lease liabilities[3]	(33,252)	(39,050)
Total lease liabilities	$ (213,340)	$ (237,974)

(1) Included in Buildings and improvements within property, plant and equipment, net in the accompanying consolidated balance sheets

(2) Current portion included within other current liabilities in the accompanying consolidated balance sheets

(3) Included within other current and other noncurrent liabilities in the accompanying consolidated balance sheets

The components of lease cost and supplemental disclosure for the accompanying consolidated statements of cash flows were as follows:

(in thousands)	Year Ended December 31, 2021	Year Ended December 31, 2020
Lease cost:		
Finance lease cost:		
Amortization of right-of-use assets	$ 6,341	$ 2,384
Interest on lease liabilities	1,761	1,282
Operating lease cost	37,377	45,907
Short-term lease cost	702	636
Variable lease costs	2,234	2,278
Sublease income	(4,563)	(2,909)
Total lease cost	$ 43,852	$ 49,578
Other information:		
Finance lease – operating cash flows	$ 1,075	$ 623
Finance lease – financing cash flows	6,319	3,067
Operating lease – operating cash flows (fixed payments)	36,589	43,823
Operating lease right-of-use assets obtained in exchange for lease obligations	8,493	10,790
Finance lease right-of-use assets obtained in exchange for lease obligations	—	24,924

17. Leases (continued)

The weighted average lease term and the weighted average discount rate of our leases were as follows:

	December 31, 2021	December 31, 2020
Weighted average lease term – finance leases	69.4 years	61.1 years
Weighted average lease term – operating leases	9.2 years	9.8 years
Weighted average discount rate – finance leases	5.97 %	5.89 %
Weighted average discount rate – operating leases	6.05 %	6.12 %

Minimum lease payments under the Company's operating lease liabilities as of December 31, 2021 are as follows:

For the calendar year ending December 31:	*(in thousands)*
2022	$ 34,542
2023	29,452
2024	23,647
2025	20,677
2026	19,836
Thereafter	109,864
Total future minimum lease payments	238,018
Less: lease liability expense	(57,930)
Minimum lease payments	$ 180,088

Minimum lease payments under the Company's finance lease liabilities as of December 31, 2021 are as follows:

For the calendar year ending December 31:	*(in thousands)*
2022	$ 7,694
2023	7,694
2024	5,371
2025	1,013
2026	1,013
Thereafter	135,041
Total future minimum lease payments	157,826
Less: amount representing interest	(124,574)
Present value of minimum lease payments	$ 33,252

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18. Other Current and Noncurrent Liabilities

At December 31, 2021 and 2020, other current and noncurrent liabilities consist of the following:

(in thousands)	December 31, 2021	December 31, 2020
Other current liabilities:		
Accrued payroll and other employee compensation	$ 98,450	$ 112,189
Accrued income and other taxes	61,547	37,167
Contract and other reserves	58,555	62,352
Vacation liability	25,546	22,526
Operating lease liability	24,372	24,815
Legal provision	21,250	—
Accrued product warranty	17,773	22,998
Derivative instruments	12,171	19,209
Pension liability	12,013	12,695
Environmental liabilities	11,717	12,039
Reserve for restructuring liabilities	9,288	5,990
Finance lease liability	6,847	6,310
Note payable	6,526	5,949
Reserve for decommissioning matters	3,530	9,767
Other postretirement benefit obligation	2,454	3,180
Deferred revenue	—	2,987
Other	24,866	24,862
Other current liabilities	$ 396,905	$ 385,035

(in thousands)	December 31, 2021	December 31, 2020
Other noncurrent liabilities:		
Derivative instruments	$ 71,745	$ 172,633
Accrued product warranty	30,866	48,216
Finance lease liability	26,405	32,740
Environmental liabilities	23,081	24,975
Note payable	2,318	8,844
Accrued payroll and other employee compensation	—	13,758
Other	33,402	26,819
Other noncurrent liabilities	$ 187,817	$ 327,985

19. Variable Interest Entities

The Company evaluates at inception each joint venture to determine if it qualifies as a variable interest entity (VIE) under ASC 810, "Consolidation" ("ASC 810"). If the joint venture does not meet the scope exception under ASC 810, an entity is considered a VIE if either (a) the total equity investment is not sufficient to permit the entity to finance its activities without additional subordinated financial support, (b) characteristics of a controlling financial interest are missing (either the ability to make decisions through voting or other rights, the obligation to absorb the expected losses of the entity or the right to receive the expected residual returns of the entity), or (c) the voting rights of the equity holders are not proportional to their obligations to absorb the expected losses of the entity and/or their rights to receive the expected residual returns of the entity, and substantially all of the entity's activities either involve or are conducted on behalf of an investor that has disproportionately few voting rights. The majority of the Company's joint ventures qualify as VIEs because the total equity investment is typically nominal and not sufficient to permit the entity to finance its activities without additional subordinated financial support.

The Company also evaluates whether it is the primary beneficiary of each VIE in accordance with ASC 810 by determining if the Company has both (1) the power to direct the economically significant activities of the entity and (2) the obligation to absorb losses of, or the right to receive benefits from, the entity that could potentially be significant to the variable interest entity. The Company considers the contractual agreements that define the ownership structure, distribution of profits and losses, risks, responsibilities, indebtedness, voting rights and board representation of the respective parties in determining whether it qualifies as the primary beneficiary. The Company also considers all parties that have direct or implicit variable interests when determining whether it is the primary beneficiary. If the Company is deemed to be the primary beneficiary, the Company will consolidate the VIE into its financial statements.

Each quarter, the Company reassesses its VIEs in accordance with ASC 810 to determine whether there are any changes in the status of the VIEs or changes to the primary beneficiary designation of each VIE. As of December 31, 2021, the Company concluded that no unconsolidated joint ventures should be consolidated and that no consolidated joint ventures should be deconsolidated.

Unconsolidated VIEs

The Company uses the equity method of accounting for its unconsolidated entities. Under the equity method, the Company recognizes its proportionate share of the net earnings of the joint ventures within other income, net in the accompanying consolidated statements of operations and comprehensive income (loss).

In November 2020, the Company acquired 100% interest in the previously unconsolidated joint venture AUAM. See Note 2 for additional information.

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Brookfield WEC Holdings Sub-Aggregator LP

Notes to Consolidated Financial Statements (continued)

19. Variable Interest Entities (continued)

The Company does not have the power to direct the activity that most significantly impacts the performance of unconsolidated VIEs. Based on these facts, the Company does not consolidate the entities and accounts for the entities under the equity method of accounting. Summarized financial information for all jointly owned entities that are accounted for using the equity method of accounting is as follows:

(in thousands)	December 31, 2021	December 31, 2020
Current assets	$ 47,076	$ 44,484
Noncurrent assets	2,220	2,878
Total assets	$ 49,296	$ 47,362
Current liabilities	$ 19,978	$ 23,328
Noncurrent liabilities	268	308
Member's equity	29,050	23,726
Total liabilities and member's equity	$ 49,296	$ 47,362

(in thousands)	Year Ended December 31, 2021	Year Ended December 31, 2020
Revenue	$ 149,818	$ 147,713
Income from operations	7,310	1,883
Net income	6,787	1,763

19. Variable Interest Entities (continued)

Consolidated VIEs

For consolidated VIEs, the Company has the power to direct the significant activities and right to receive benefits or obligation to absorb losses. The Company is also required to contribute capital to each entity on an as-needed basis based on percentage of ownership interest. Based on these facts, the Company is the primary beneficiary and has consolidated these entities in the accompanying consolidated financial statements. The creditors of the consolidated VIEs do not have recourse to the general credit of the primary beneficiary.

The following is a summary of the consolidated VIEs of the Company at December 31, 2021 and 2020:

	December 31, 2021	
	Total Assets	**Total Liabilities**
(in thousands)		
KW Nuclear Components Co. LTD	$ 36,190	$ 6,975
Westron	14,622	1,682
Westinghouse Technology Services S.A.	12,536	10,952
Springfields Segregated Assets Limited	7,308	7,717
SNPTC-WEC Nuclear Power Technical Services (Beijing) Co.	1,893	3,971
Kontec	677	31

	December 31, 2020	
	Total Assets	**Total Liabilities**
(in thousands)		
KW Nuclear Components Co. LTD	$ 39,626	$ 15,367
Westron	17,064	4,825
Westinghouse Technology Services S.A.	10,630	8,604
Springfields Segregated Assets Limited	6,621	6,957
SNPTC-WEC Nuclear Power Technical Services (Beijing) Co.	1,742	3,732
Kontec	687	355

The assets of the Company's consolidated joint ventures are restricted for use only by the particular joint venture and are not available for the Company's general operations.

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20. Accumulated Other Comprehensive (Loss) Income

The components of AOCI and activity for the years ended December 31, 2021 and 2020 are as follows:

(in thousands)	Net Unrealized Gain (Loss) on Derivatives	Foreign Currency Translation Adjustments	Pension and Other Postretirement Benefits Adjustment	Total
Balance at January 1, 2020	$ (73,229)	$ (24,160)	$ (231,073)	$ (328,462)
Other comprehensive (losses) gains before reclassifications [1]	(106,065)	27,525	(133,610)	(212,150)
Reclassifications to net income of previously deferred losses [2]	43,126	—	3,127	46,253
Other comprehensive (loss) income	(62,939)	27,525	(130,483)	(165,897)
Balance at December 31, 2020	$ (136,168)	$ 3,365	$ (361,556)	$ (494,359)
Other comprehensive gains (losses) before reclassifications [3]	48,152	(20,425)	166,970	194,697
Reclassifications to net income of previously deferred losses [4]	46,448	—	8,964	55,412
Other comprehensive income (loss)	94,600	(20,425)	175,934	250,109
Balance at December 31, 2021	$ (41,568)	$ (17,060)	$ (185,622)	$ (244,250)

[1] Net of tax (benefit) expense of $217, $1,189, $1,297 and $2,703, respectively.
[2] Net of tax (benefit) expense of $(429), $0, $(65) and $(494), respectively.
[3] Net of tax (benefit) expense of $(332), $1,206, $10,213 and $11,087, respectively.
[4] Net of tax (benefit) expense of $1,485, $0, $(398) and $1,087, respectively.

20. Accumulated Other Comprehensive (Loss) Income (continued)

The following table summarizes the reclassifications from AOCI to the accompanying consolidated statements of operations and comprehensive income (loss):

(in thousands)	December 31, 2021	December 31, 2020
Net unrealized loss (gain) on derivatives:		
Losses from cash flow hedges – interest rate swaps [1]	$ 52,130	$ 41,550
(Gains) losses from cash flow hedges – foreign exchange contracts [2]	(7,167)	2,005
Total before tax	44,963	43,555
Tax expense (benefit)	1,485	(429)
Total net of tax	$ 46,448	$ 43,126
Pension and other postretirement benefits adjustment:		
Amortization of loss [3]	$ 7,679	$ 2,790
Settlement or curtailment charges [3]	1,801	339
Amortization of prior service cost [3]	(118)	63
Total before tax	9,362	3,192
Tax benefit	(398)	(65)
Total net of tax	$ 8,964	$ 3,127

[1] Amount recorded to interest expense. See Note 6 for additional information.

[2] During the year ended December 31, 2021, $(7,558) recorded to net revenues and $391 recorded to cost of goods sold. During the year ended December 31, 2020, $1,850 recorded to cost of goods sold and $(155) recorded to net revenues. See Note 6 for additional information.

[3] Amounts reclassed out of AOCI are included in the computation of net periodic benefit costs and net periodic other postretirement benefit costs.

21. Owners' Deficit

The Company is a partnership with one limited partner owning 99.99% and one general partner owning 0.01%. The general partner has waived its economic interest in the Company. Dividends are paid entirely to the limited partner.

Return of Capital

During the years ended December 31, 2021 and 2020, the Company paid dividends to its owner of $300.0 million and $412.0 million, respectively. For the year ended December 31, 2021, dividends paid of $66.2 million fully reduced capital in the accompanying consolidated statements of (deficit) equity. Dividends paid in addition to this amount of $233.8 million was deducted from retained earnings (deficit) in the accompanying consolidated statements of (deficit) equity.

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22. Subsequent Events

On February 24, 2022, Russian forces launched significant military action against Ukraine, and prolonged conflict and disruption in the region as well as actions taken by other countries, including new and stricter sanctions could have an impact on the Company's operations in the region. Additionally, as the conflict and government reactions are rapidly developing, potential changes in the demand for, and supply of, nuclear services across Europe as a result is currently unknown and the Company has no way to predict the progress or outcome of the situation. The Company's consolidated balance sheet as of December 31, 2021, includes accounts receivable from a customer and certain assets located in Ukraine that are not material to the consolidated financial statements.

The Company has evaluated subsequent events through March 8, 2022, the date the consolidated financial statements were available to be issued. The Company has determined any subsequent events that would require disclosure in or adjustment to the accompanying consolidated financial statements have been properly recognized or disclosed.