

Accelerating Sustainability

Sustainability Program Update

February 2022 Crown Holdings, Inc.



Accelerating Twentyby30

In 2020, Crown took an exciting step on its journey toward becoming the best Company possible with the launch of the Twentyby30 program, an ambitious set of targets addressing the most pressing sustainability issues of our time. Twentyby 30 includes not only science-based Greenhouse Gas (GHG) emission target reductions and water stewardship goals, but also tackles areas of sustainability such as employee safety, Diversity and Inclusion, responsible sourcing and other environmental, social and governance topics.

While still on our journey toward realizing **Twenty**by**30**, we have already identified areas where we will further challenge ourselves to realize the Company's full growth potential. With this in mind, we are refreshing select **Twenty**by **30** goals to meet these more ambitious targets.

By embracing more demanding goals, we acknowledge to our customers, suppliers, employees, and communities in which we operate that Crown is committed to remaining the packaging supplier of choice.

As sustainability evolves and the world continues to grow, we will continue to strive to be the best steward of the environment, global citizen, and Company that we can. We are proud to share these updates to the Twentyby 30 program with you and continue the journey together.

Interfulatione

Tim Donahue | Crown



Through **Twenty**by**30**, Crown will create an impactful cycle – an opportunity to move beyond addressing regulatory and supply chain disruption risks caused by Environmental, Social and Governance concerns.

We will take climate action, advance the Circular Economy and attract and retain highly skilled and diverse employees, while also creating efficiency and continuing to build a brand reputation that is trusted and valued by our stakeholders.



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Our Vision

To have Environmental, Social and Governance principles embedded into the fabric of Crown's overall business, and our products recognized as the most circular packaging option.

Our Strategy

Quality, reliability, durability and innovation have been at the core of Crown's reputation, and we will continue to uphold these values, leveraging their legacy. Today, sustainability is equally important as one of our core values. As we take into account the unprecedented changes our planet is facing with regard to climate change, we must adapt our business strategy to take into consideration the needs of future generations.

With that in mind, Crown's **Twenty**by**30** program is focused on transforming our challenges into opportunities. The five pillars of action are prioritized based on the needs of our stakeholders and the urgency of the issues.

Twentyby**30** addresses Crown's Environmental, Social and Governance issues through twenty measurable goals. All goals are established to be achieved by 2030, or earlier, compared to a 2019 baseline.



Our Pillars of Action



Climate Action

Climate change is the most significant risk of our time. Corporate action to reduce Greenhouse Gas (GHG) emissions will have a significant impact on the fight against climate change and Crown is up for the challenge.

We have set Science Based Targets initiative (SBTi) goals to reduce our Scope 01 emissions coming from the combustion of fossil fuels in our operations; our Scope 02 emissions generated from the production of non-renewable electricity used in our operations; and our Scope 03 emissions coming from our value chain, in particular from the production of the materials we buy to make our products.

Our Climate Action strategy focuses on production efficiency, product and process innovation, strategic material procurement and utilization of renewable electricity.

This strategy acknowledges that climate change can have financial impacts on our global business, but we can create opportunity for growth by proactively mitigating risks throughout our value chain.



Climate Action



- (Scope 03) by 16% Scope 01: Scope 02: Scope 03: Emissions from Emissions from purchased Emissions from fuels electricity materials, capital goods and downstream distribution and transportation 3 • Drive fuel use efficiency Drive electricity use efficiency Partner with suppliers to reduce the GHG footprint of Substitute inefficient Substitute inefficient materials, focused on steel and equipment with new and equipment with new and aluminum, coatings innovative equipment that innovative equipment that and varnishes vields increased efficiency vields increased efficiency or eliminates fuel use or eliminates non-renewable Partner with suppliers to electricity use reduce the GHG footprint of Substitute equipment our capital goods powered by internal combustion Renewable electricity
 - Reduce downstream logistics, distribution and transportation. fuel consumption and mileage

Reduce absolute GHG emissions

from supply chain

- of fuel with electricity (where renewable electricity is available)
- procurement



Net Zero Carbon emissions commitment through The Climate Pledge by 2040



• On-site company-owned equipment

- On-site and off-site bundled Power Purchased Agreements (PPA)
- · Grid renewable electricity green tariff
- Virtual Power Purchase Agreements (VPPA)

*In accordance with our SBTi GHG goals

- Continue to develop precision application options to control coating weight and monitor application performance
- Reduce number of coating pass applications
- · Increase use of water-based coatings
- Broaden the use of dry coating through use of power, laminate, and UV coating technologies
- Install and upgrade Regenerative Thermal Oxidizers (RTOs), as specified by local regulations

Crown commitment to 100% Renewable Energy by 2040









Resource Efficiency



Optimum Circularity



Working Together



Never Compromise



Resource Efficiency

Water scarcity will have an impact on over half of the global population by 2030 and is now one of the biggest threats to food security around the world. Under the Resource Efficiency Pillar, Crown aims to protect this valuable resource by establishing a water stewardship strategy focused on:

- Minimizing our use of water and ensuring that any discharges do not degrade the quality of the receiving water bodies, the health of receiving soils, or in any other way cause harm to ecosystems or people.
- Ensuring that our employees continue to have access to safe drinking water, hygiene and sanitation.
- Ensuring that our water consumption does not undermine the quantity and quality of water available for people and ecosystems that depend on the watersheds where we operate.
 To meet this challenge, Crown is committed to strict water monitoring, establishing best practices for water use efficiency, investing in innovative equipment that allows for water re-use. In addition, Crown will invest in the replenishment of highly scarce watersheds.

Resource Efficiency



- Identify and incentivize water re-use opportunities
- Identify, benchmark and replicate water use efficiency best practices
- Pilot and replicate new and hybrid technologies towards Minimal to Zero Liquid Discharge

Resource Efficiency | Twentyby30



100% of employees with continued access to safe water & hygiene each year By 2030, be replenishing 100% of water consumed from high scarcity risk watersheds back to those watersheds

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- Ensure continued access to safe drinking water
- Offer continued access to sufficient and clean personal hygiene facilities, suppliers and education globally
- Validate number of plants in high water scarcity locations
- Identify watershed level projects to implement in high water scarcity locations
- Implement projects in collaboration with local partners
- Measure and report project implementation progress

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Resource Efficiency



Optimum Circularity



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The Circular Economy model proposes to address today's linear "take-make-waste" model, where materials are made into products, the products are used and then discarded. The Circular model replaces it with an approach that eliminates the concept of waste, constantly cycling materials back through the value chain for re-use. The model requires less energy, preserves natural resources and reduces emissions and cost. The Optimum Circularity Pillar will implement Crown's Circularity Strategy throughout our value chain by eliminating wasteful resource use, utilizing design and innovation to decrease the footprint of our products, and by extending our products' lifecycle via increased recycled content and recycling rates.

Optimum Circularity

Send zero waste to landfill*

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- Incentivize and improve the efficient use of raw materials through responsible waste management, look for opportunities to remanufacture or re-use waste products
- Create a waste reduction culture, and continuously improve by sharing best practices and focus on hard to re-use and recycle materials
- Improve data availability and quality about each waste stream amount, type and final destination
- Partner with suppliers across the value chain to ensure the increase of beneficial uses of waste streams and to reduce value leakages from our system. This includes diverting waste streams from landfill, innovating to reduce quantity of waste, and where possible, creating and increasing value
- Validate and verify disposal practices to maximize circularity

*"Zero waste" is defined as >98% landfill diversion of waste from our continuing operations. Our diversion metrics and goals are applicable to locations where compliant and environmentally safe recycling systems are available and appropriate. Our methodology does not consider any of our recycled process metal scrap waste, nor is the reuse of plastic strap and edge board scrap in our process counted in our total recycling figures.



Reduce packaging material use via 10% weight reduction across our aluminum and steel cans portfolio Together with Industry Associations and other partners, work to increase metals recycling rates in our major markets

• Extend existing successful downgauging programs globally

 Share best practices and the technical support needed to achieve these significant reductions without losing any of the protection values of our packaging Continue to invest time and resources into existing collaborations with industry associations and partners, as well as creating new partnerships to increase metal recycling rates, focusing in our major markets

- Support Industry Associations' and partners' work to influence policies that support circularity, such as Deposit Refund Systems (DRS)
- Achieve our 2030 global recycling rate goals for aluminum beverage cans



Together with Industry Associations and other partners, work to increase metals recycling rates in our major markets

2030 Global Recycling Goals Aluminum Beverage Cans





In collaboration with suppliers, work to maintain or improve the industry-wide recycled content average in metal cans and Transit Packaging products Increase the recycled content of our plastic strapping products by 10% globally

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- Work in collaboration with suppliers to increase knowledge and understanding of the current supply of recycled content to our operations
- Maintain and expand our efforts to improve the industry-wide recycled content average in metal packaging and transit paper, steel and plastic packaging products
- Increase recycling capacity at recycling centers
- Source recycled material, both internally and externally supplied, at strapping centers

Work together with our supply chain partners to realize an 80% recycled content global average in aluminum beverage cans by 2030



Climate Action



Resource Efficiency



Optimum Circularity



Working Together



Never Compromise



Working Together

Crown holds an unwavering commitment to our most important asset, our employees. That is why we have taken numerous steps to protect the safety, health and welfare of our team members around the world. We have made our Total Safety Culture an integral part of our operating philosophy. This approach is built into every one of our processes, procedures and systems and into the attitudes and values of every employee.

We also view a diverse and inclusive workforce as critical to our future business success. We know that drawing from diverse backgrounds and points of view fosters innovation and creativity, enhancing the products and services we can offer to customers and setting new industry standards.

Thus we promote an employee-centric organization where our employees can feel physically and psychologically safe to contribute at their very best. In that environment we ensure that everyone is respected as an individual and can be authentic at work. We give everyone an equal opportunity and encourage collective performance. This means that according to social heritage, background and experience of our employees, we want to develop them to reach their highest level of potential and contribution.

Our leaders must seize every opportunity to demonstrate their inclusive leadership, explore opportunities and create the space to engage people. Within their teams, they must promote interpersonal dynamics and value both collective and individual initiatives.

Working Together



Sustainability Employee Engagement

Continuously encourage, inform and empower every employee to be an active participant in Crown's Sustainability Program, creating meaningful connections between their daily tasks, their personal lives and the impact they can make in the environment and society

Our Approach Our Goals

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- Make Employee Safety Awareness Program available globally, focusing on retaining and highlighting quality of safety observations
- Deploy a global Severe Injury and Fatality (SIF) Prevention Program that will train employees to review injuries and incidents and identify SIF prevention opportunities
- Implement a global Management of Change System (MOC), with rigorous non-routine, pre-job planning and safety analysis
- Launch a global balanced safety scorecard, including leading and lagging indicators

 Enhance sustainability awareness and knowledge

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- Create systems and processes that make it easier for employees to integrate sustainability into their day-to-day work and decisions
- Co-create sustainable best practices with employees, then benchmark and replicate
- Form Green Teams, working together to advance the Sustainability Program, the environment at work and local communities
- Incentivize skills-based volunteering





Diversity and Inclusion

Evolve toward a more employee-centric organization where Diversity and Inclusion awareness is embedded in the organizational culture allowing our people to be authentic at work. Encourage our top management to be D&I role models as a source of inspiration for all

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- 1 Diversity and Inclusion awareness will be embedded in Crown's management culture through:
- The deployment of inspirational workshops starting from management level
- Specific D&I training programs focusing, among other things, on unconscious biases, gender gap, and women in leadership
- The recognition of the best D&I initiatives implemented in our Crown facilities
- 2 Crown will be recognized as an employer of choice for a more diverse talent pool by:
- Improving its recruitment and onboarding processes to capture D&I principles
- Setting up a regional approach to attract and develop talents among minorities and women
- Adapting working conditions to allow more flexible ways of working and disability hiring programs

- **3** Crown is an inclusive workplace for all by:
- Promoting a positive work environment, free from harassment and bullying
- Assessing current policies, guidelines and practices to ensure they are inclusive and sensitive to various cultures
- Implementing Divisional D&I Committees to facilitate our cultural and organizational shift



Climate Action



Resource Efficiency



Optimum Circularity



Working Together



Never Compromise

Never Compromise

Crown's products are used by billions of people globally each year and we are proud of the trust that consumers place in the packaging we produce. The Never Compromise Pillar implements Crown's Product Stewardship strategy. We are committed to working throughout our product lifecycle to ensure that our materials are sourced responsibly, our products are designed to minimize risks to people and the environment and everything we manufacture meets the highest chemical safety standards.

Never Compromise

Decrease Product Lifecycle Footprint

Decrease the lifecycle footprint of our products and processes through eco-design and manufacturing innovation. Crown will devote at least 50% of its Research and Development (R&D) technology developments toward minimizing its products' and manufacturing footprint

Food Contact and Chemical Safety

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By end of 2022, all operations meet the consolidated "One Crown Standard." This new standard will unify existing standards and procedures including all aspects of migration, toxicology and safety utilized in our various geographical locations. By 2025, Crown will have screened all food contact materials for the presence of Chemicals of Concern (COC) and will take appropriate action where necessary

- Use lifecycle thinking to identify opportunities for improvement in our products' footprint via eco design, focused on material utilization reductions; energy, water and emissions reductions; improved safety and end-of-life
- Use lifecycle thinking to identify opportunities for improvement in our manufacturing processes' footprint, focused on spoilage reductions; energy, water and emissions reductions; improved safety; process efficiency and improved process protocols
- Build the One Crown Standard for unification of existing standards and food contact regulatory requirements from key geographical territories
- Implement the One Crown Standard globally across all Crown Divisions
- Support all Crown Divisions in meeting the One Crown Standard for all food contact materials by end of 2022
- Screen all food contact materials for COC by 2025
- Eliminate the COC (if a solution is technically feasible and available)
- Submit for an independent safety evaluation if the COC cannot be eliminated
- Where the safety evaluation identifies an insufficient safety margin, we will work with the material supplier to reformulate the material to reduce exposure and potential risk to a level deemed acceptable

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Responsible and Ethical Sourcing

By 2025, all suppliers determined as high risk are assessed by third-party verification assessments. By 2030, 100% of Crown's core raw materials and service suppliers, by spend, are assessed and comply with Crown Responsible and Ethical Sourcing policies and requirements, with an interim target of achieving 75% by 2025

- Extend responsible sourcing program globally
- Incorporate social and environmental criteria in new contracts or review/renew/ reappraise processes
- Third-party assessments and audits for goods and services purchased that fall into risky categories
- Accept suppliers and their supply chain's third-party verification (when deemed by Crown and stakeholders as a credible source of verification)
- Deploy a training program on responsible sourcing and ethical trade for procurement teams globally

Governance & Ethics



Each of the five pillars of Crown's sustainability program and the associated goals can be interpreted as matters of business governance and ethics. Good corporate governance is much more than a legal formality – it is about insisting on responsible business practices, sound risk management and strong ethics and integrity.



Governance & Ethics

Governance & Ethics serves as the foundation to **Twenty**by**30**, providing the underlying conditions to all other pillars and goals.

Measuring, Monitoring and Reporting

Measuring and Monitoring

To know whether we are successful, success must be defined and tracked. To drive the implementation of the **Twenty**by**30** program goals we have created Key Performance Indicators (KPIs) for each goal, putting in place equipment, systems and capabilities needed to track data and monitor performance that will drive continuous improvement so we can strive to achieve and exceed our goals.

Crown is also creating a systematic data governance structure. Plants are required to measure and report on their consumption of water, fuel, electricity, as well as discharge of wastewater and the amount of waste generated and disposed, among other parameters. Utilizing the operational data, we have created an internal monthly corporate scorecard, where overall performance for each sustainability goal is reported and best practices and opportunities for improvement are highlighted.

Ultimately, the more we know about our operations, the more we will be able to offer resources, innovation, advances and opportunities to improve performance.

Reporting

We are committed to identifying and reporting on the most material, business-specific sustainability risks and opportunities and to elaborate on how these are managed. Additionally, KPIs for the goals established through **Twenty**by**30** will be disclosed and performance against them verified.

Aligned with the United Nations Sustainable Development Goals

In 2015, the United Nations announced 17 Sustainable Development Goals (SDGs) to address global challenges and set a blueprint for action to achieve the goals by 2030.







1-20 Our twenty goals shown with corresponding SDGs.

Our sustainability priorities are aligned with the SDGs so that our actions can contribute to a greater collective impact.

External Reporting

Crown will report on its sustainability performance annually online at www.crowncork.com/sustainability and via global reporting standards such as the Climate Disclosure Project (CDP). Our performance is also scored by various ESG ratings such as Sustainalytics, Dow Jones Sustainability Index (DJSI) and Bloomberg.



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