

Crown Holdings, Inc. Tax Strategy

1. GROUP LEVEL CONTEXT

Crown Holdings, Inc. (“Crown”) through its subsidiaries, is a leading global supplier of rigid packaging products to consumer marketing companies, as well as, transit and protective packaging products, equipment and services to a broad range of end markets. The Company acknowledges the key role of tax management in its business activities and supports the objectives of the OECD’s Base Erosion and Profit Shifting (“BEPS”) initiative.

The Company applies the following guiding principles:

- Crown acts as a responsible global corporate tax citizen in compliance with applicable tax laws and regulations;
- Crown mandates ethical and transparent business practices;
- Crown encourages an open and honest dialogue between tax policy makers and business;
- Crown employs a tax team with extensive knowledge of the international tax framework;
- Crown seeks to provide transparent and accessible information to tax administrations in order to facilitate their understanding of its tax strategy;
- Crown has implemented country-by-country reporting as required according to OECD recommendations.

2. TAX STRATEGY

This strategy is applicable to Crown Holdings, Inc. and its wholly owned subsidiaries in the U.K. and applies for the year ended December 31, 2019. The methodology and application remains consistent with that of prior years.

This strategy will be published in accordance with paragraphs 16(2) of Schedule 19 to the UK Finance Act 2016.

3. SUMMARY

Crown’s objective is to be a responsible, low risk tax payer in all the jurisdictions in which it operates. In addition, Crown will manage overall tax affairs in a manner which seeks tax efficiency.

3.1 Objectives

Crown’s tax strategy aims to ensure the following objectives:

- Pay the right amount of tax at the right time;
- Act prudently and manage tax risk in line with Crown’s strategic objectives;

- Comply with current tax legislation and case law in all operating jurisdictions;
- Ensure that all relevant staff have sufficient knowledge of taxation to recognize tax issues and act appropriately;
- Develop systems to improve the efficiency of tax compliance;
- Develop a good working relationship with HMRC and overseas tax authorities and, where possible, work with tax authorities in real time to highlight and resolve all issues which may significantly impact tax.

4. HOW CROWN MANAGES ITS TAX RISKS

Crown seeks to identify those areas where it believes there may be tax risks and acts to manage those risks accordingly.

Crown maintains reasonable and practicable procedures, processes, systems and controls to ensure compliance with relevant legislation and case law in all jurisdictions. These procedures are tested and reviewed on a regular basis to ensure they are current, appropriate and take into account any recent changes in legislation and/or case law. This helps to ensure the Company complies with its responsibilities under the Senior Accounting Officer provisions in the U.K.

Crown employs appropriately qualified staff in those areas of Finance that have responsibility for aspects of taxation such as payroll, accounts payable and receivable and the preparation of tax returns. Relevant training is made available to staff that are required to deal with front line tax issues (e.g., determining the eligibility for certain tax exemptions or liability for VAT) and written guidance is made available.

Crown keeps in touch with other institutions and organizations to share best practices and keeps up to date with current tax and accounting developments that impact its sector. Crown will develop systems to improve the efficiency of complying with tax legislation and, in particular, in identifying and classifying transactions which impact tax including VAT, Corporate Taxes, and Employee Tax.

Where systems are being replaced or upgraded, the Company will consider whether there are any issues of taxation that could be improved upon.

5. CROWN'S ATTITUDE TO TAX PLANNING

Crown does not engage in artificial transactions the sole purpose of which is to reduce taxes.

Provided the underlying commercial objectives support the position, Crown will seek to arrange tax affairs in the most tax efficient manner, within the legal framework of both statute and case law, in order to ensure that the Company pays the right amount of tax at the right time.

Crown does not seek to carry out any tax planning that might impact its reputation, brand, corporate or social responsibilities, or working relationship with HMRC or overseas tax authorities, and will seek external advice in support of this objective.

If Crown disagrees with a tax authority's interpretation of the law or of regulations, Crown will pursue its claims, subject to appropriate advice, through the appeals process and the Courts where relevant.

6. ACCEPTABLE LEVELS OF TAX RISK

Crown recognizes that tax laws are complicated and may be subject to different interpretations. As a consequence, tax positions may be reviewed or challenged by tax authorities from time to time. Crown seeks to mitigate this risk by considering appropriate professional advice and by fostering effective working relationships with the tax authorities.

Crown has no rigid level for acceptance of tax risk. When assessing a particular tax risk, the Company considers various factors including reputational, financial and operational risks as well as any potential impact on Crown's relationship with any tax authorities. When appropriate, this assessment will be informed by discussions with tax advisors.

7. WORKING WITH HMRC

Crown aims to maintain an effective working relationship with all tax authorities in the jurisdictions in which it operates and aims to be professional, courteous and transparent in its dealings with HMRC and other tax authorities.

Crown will make real time disclosures of any relevant changes in its activities or other significant matters that may impact the Company's tax position and will respond openly and honestly to any enquiries the tax authorities make. Where Crown disagrees with an opinion or ruling of the tax authorities, the Company will make this clear together with its reasons, and where necessary, follow the appeals procedures.

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