CROWN
Brand-Building Packaging™

INVESTED

ANNUAL REPORT 2022

Annual Meeting

We cordially invite you to attend the Annual Meeting of Shareholders to be held at 9:30 a.m. Eastern time on Thursday, April 27, 2023, at The Westin Tampa Waterside, 725 South Harbour Island Boulevard, Tampa, FL 33602. A formal notice of this meeting, together with the Proxy Statement and Proxy Card, was mailed to each shareholder of common stock of record as of the close of business on March 7, 2023, and only holders of record on said date will be entitled to vote. The Board of Directors of the Company requests the shareholders of common stock to sign proxies and return them in advance of the meeting or register your vote by telephone or through the internet. You may also vote in person at the Annual Meeting if you are a shareholder of record.

Please go to **www.crowncork.com/investors/governance/proxy-online** for details on any health and safety rules for the Annual Meeting.

A Letter to Shareholders

Reflecting on 2022, we are again reminded of the Company's pragmatism, adaptability and dedication to creating long-term shareholder success. We took several steps to not only capitalize on ongoing growth opportunities but also anticipate potential obstacles from external factors. Overall, the year was addressed head-on with a spirit of proactivity in all aspects of the business—from meeting commitments around capacity and technology investments to continuing to enhance our operational excellence—that allowed us to maintain our position as a strong global market leader.

The Company did navigate a challenging operating environment in 2022, particularly during the second half of the year. Global inflationary pressures, elevated energy prices in Europe, rising interest rates and unfavorable currency translation all adversely impacted Crown's financial performance, with EBITDA in 2022 declining 2% from the prior year.

Demand remained reasonably strong, however, as global beverage can shipments advanced 3% and both food and aerosol can volumes increased for the year. The Company took several measures to address the higher-cost environment, including implementing price increases, improving the terms and conditions of expiring contracts, initiating restructuring and cost-reduction programs and utilizing select hedging activities.

We continue to focus on the Company's long-term success and are confident in our 2023 outlook. Crown expects meaningfully improved segment income performance in the Americas and European beverage can businesses for the year in large part due to the contractual recovery of raw material and other inflationary costs incurred previously. In North America, we have increased strategic alliances with certain major customers that we expect will result in above-market beverage can growth. The Transit Packaging business has initiated a significant overhead cost-reduction program that should yield benefits throughout the year as we right-size the administrative burden.

Crown's strategy remains to responsibly deploy capital into our global beverage can operations to profitably expand production capacity in support of growing customer demand in the alcoholic and non-alcoholic drinks categories. We closely manage our other businesses to increase income and cash flow, with the cash being used primarily to support continued beverage can expansion, pay down debt or return capital to shareholders in the form of dividends and the repurchases of Company common stock.

> **We continue to focus on the Company's long-term success and are confident in our 2023 outlook.**

The Company continually evaluates its portfolio of businesses for strategic fit and to maximize long-term shareholder value. In 2021, the Company completed the majority sale of its European tinplate businesses to KPS Capital Partners, and during 2022, Crown completed the sale of the Transit Packaging segment's Kiwiplan business.

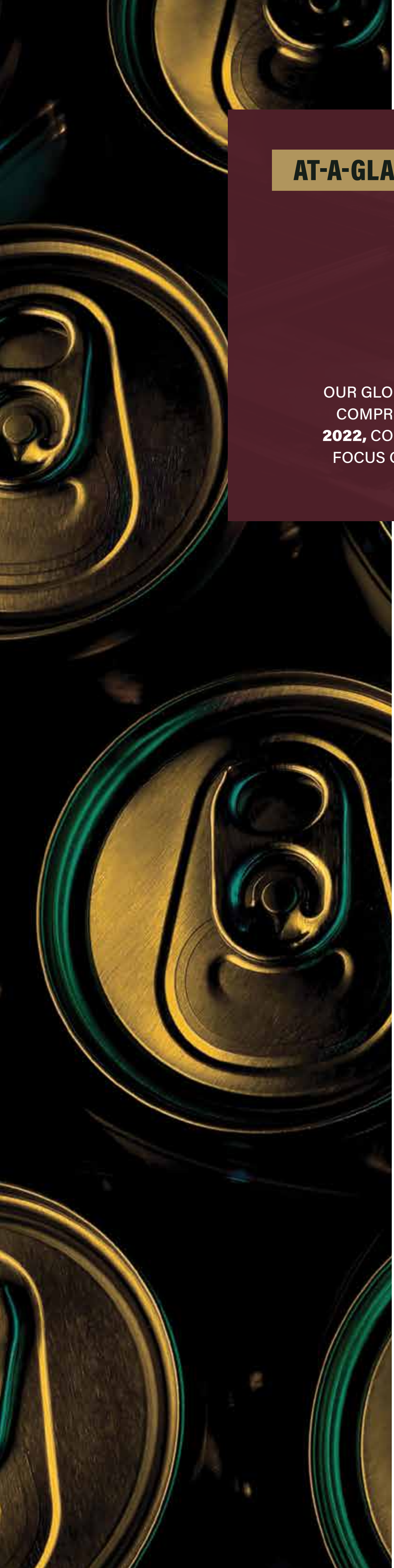
The Company returned $828 million to shareholders in 2022 in the form of quarterly dividends and the repurchase of $722 million of its common stock. Crown has remaining Board authorization to purchase an additional $2.3 billion through December 2024. Since reinitiating the share repurchase program in 2021, we have repurchased approximately $1.7 billion, or 11% of our shares then outstanding. Additionally, in August 2022, we extended our existing credit facility to August 2027 and raised an additional $1.0 billion. We used additional proceeds to retire euro notes originally due in 2023. The balance sheet remains strong, with no significant maturities until September 2024.

Our global beverage can business, which comprised 66% of Crown's revenue in 2022, continues to be the major strategic focus of the Company's future growth. Crown's global beverage can volume of over 81 billion units advanced 3% over the previous year, led by strong shipments in Italy, the Middle East, Mexico and Southeast Asia. This growth comes on the heels of a 9% global expansion in 2021. For the five years ending 2022, Crown's global beverage can shipments have risen at a compound annual rate of 4.5%, outpacing estimated annual industry expansion of 3%–4% over the same period. To meet increasing customer requirements, the Company has commercialized or announced 25 billion units of beverage can capacity from late 2019 through the end of 2023, at which time we anticipate that Crown's installed annual capacity will be 100 billion units.

Cans are increasingly being viewed by both brand owners and consumers as the most responsible and sustainable beverage packaging option. Given its infinite recyclability, the beverage can is truly a circular option, boasting a 60-day turnaround from the point of consumption to the point at which it appears back on the shelf. The same beverage can will essentially be used six times a year, which helps to explain why 80% of the aluminum ever produced is still in use today. Cans are the ideal package for a host of successful beverage brands, including sparkling waters, energy drinks, carbonated soft drinks, teas, coffees, nutritional beverages, cocktails, wines, beer and hybrid alcoholic/non-alcoholic drinks, among others.

Crown has a leading presence in North America, and by 2023 we will have increased our base of business in the United States and Canada more than 40% from 2019 shipment levels. This significant expansion has been propelled largely by the outsized proportion of new beverage products being introduced in cans versus other packaging formats. In addition, Crown has also expanded its strategic alignment with certain key customers, which has resulted in additional long-term volume commitments. To meet these requirements, we have commenced operations on both lines at our new production facility in Martinsville, Virginia. At our newly constructed plant in Mesquite, Nevada, which will now allow Crown to economically serve customers in the Southwestern United States, we expect the first line will begin operations in June 2023, and we expect the second line to start up in October 2023.

Beverage can demand growth in Europe has been strong, largely due to the same sustainability and circularity benefits present in North America and elsewhere around the world. Other drivers of market expansion include a package mix shift in the beer segment from glass to cans and the trend—as in North America—of disproportionately favoring the can for new beverage product launches as opposed to other formats. With a very tight supply situation in the region, the Company has invested to meet the



AT-A-GLANCE

OUR GLOBAL BEVERAGE CAN BUSINESS, WHICH COMPRISED **66% OF CROWN'S REVENUE IN 2022,** CONTINUES TO BE THE MAJOR STRATEGIC FOCUS OF THE COMPANY'S FUTURE GROWTH

SEGMENT INCOME CLIMBED **67% OVER THE PRIOR YEAR** IN THE NORTH AMERICAN TINPLATE BUSINESSES AND THE CAN MANUFACTURING EQUIPMENT OPERATIONS

added demand. The first production line at our new multi-line facility in Peterborough, United Kingdom is expected to commence operations in June 2023, with the second line slated for October 2023. Additional high-speed production lines are also being added to existing beverage can plants in Agoncillo, Spain and Parma, Italy, both of which will be operational in the second quarter of 2023.

With half of the Company's beverage can revenue generated from many of the faster-growing developing markets and with leadership positions in a number of those key regions, Crown has established an excellent and differentiated platform for expansion in the coming years. In Southeast Asia, rising per capita GDP, relatively young and expanding populations and substantial investments by our customers have led to significant growth in this region of approximately 700 million people. Also, the beverage can is favored over other packaging types due to more effective and economic distribution (compared to glass) and meaningfully longer shelf life (compared to plastic). In 2022, the Company installed a second production line at one of its two plants in Phnom Penh, Cambodia. In Brazil, where cans have captured a sizable portion of the package mix from glass bottles, the Company in 2022 commenced production on both lines at a new greenfield facility in Uberaba, in the southeastern state of Minas Gerais. To support additional customer requirements in Mexico, particularly for the beer segment, we began operations in 2022 on the second line at our Monterrey facility.

Crown's Transit Packaging segment, which represented 20% of the Company's revenue, provides critical in-transit protection of high-value, high-volume goods across a number of end markets, including food and beverage, metals, corrugated, construction, and agriculture, among others. Combined with its highly engineered equipment and service business, the Transit Packaging segment, which holds leading positions in many of its markets, broadens and diversifies Crown's customer base and significantly increases the Company's free cash flow. During the second half of 2022, the Transit segment began to implement a major restructuring program, which we ultimately expect to yield $60 million in cost savings.

The North American tinplate businesses (food and aerosol cans and food closures) and the can manufacturing equipment operations comprise the remaining 14% of Company revenue. These businesses performed exceptionally well in 2022, as segment income climbed 67%

over the prior year. This gain comes on the heels of a 26% increase in 2021 over 2020, resulting in a more than doubling of segment income over a two-year period. The gains were largely attributable to volume growth in self-made two-piece food cans as a result of new capacity installed in plants in Iowa and Pennsylvania in 2021 and the benefits of inflation on inventory carried over. Additional two-piece food can capacity was commercialized late in 2022 as we completed the construction of a third line at our Owatonna, Minnesota plant.

Sustainability remains a core value at Crown, and our accomplishments during 2022 demonstrate how we integrate sustainability into every aspect of the organization. As a global manufacturer, we strive to minimize our impact on the environment and the communities in which we operate, including the reduction of energy use and emissions across our businesses. The Climate Action pillar of our ambitious **Twenty**by**30**™ sustainability program includes several goals designed to accelerate progress in this area. Using a baseline of 2019, our goal is to reduce both Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 50% by 2030. As of December 31, 2022, we achieved an 11% reduction in both Scope 1 and Scope 2 emissions, advancing 22% toward the objective. Another of our objectives is to attain 75% renewable electricity by 2030 and 100% by 2040. In 2021, 30% of our total electricity use was consumed from renewable resources, placing us 40% toward the 2030 goal. We utilize 100% renewable power across our beverage can plants in Canada, the United Kingdom and the United States.

The Company again holds the top position for mitigating environmental, social and governance (ESG) risk within the metal packaging sector, according to a new assessment released in February 2023 by ratings provider Sustainalytics.

In September 2022, Crown teamed with Ardagh Metal Packaging, the Can Manufacturers Institute (CMI) and the International Aluminium Institute to host the first Global Aluminium Can Sustainability Summit. The Summit brought together over 100 global attendees from various parts of the aluminum supply chain, including primary material suppliers, can sheet providers, beverage can manufacturers, beverage can and aluminum organizations, research organizations and beverage companies. The Summit facilitated important discussions aimed at driving actionable progress toward decarbonization and recycling goals. Whether it is reinforcing the differentiators of metal packaging or continuing to strive for higher recycling rates, Crown feels that these initiatives are best addressed through industry efforts, and that is why the Company is a strong advocate of CMI.

In July 2022, Crown elected Angela M. Snyder to its Board of Directors. Angela is currently the Chief Banking Officer and Senior Executive Vice President of Fulton Bank, a subsidiary of Pennsylvania-based Fulton Financial Corporation, a financial holding company with $25 billion in assets. With her extensive experience in the financial sector and proven track record of senior executive leadership, Angela brings valuable knowledge and perspective to the Company. In December 2022, Jesse A. Lynn and Andrew J. Teno, General Counsel of Icahn Enterprises and Portfolio Manager of Icahn Capital, respectively, joined Crown's Board. Both have extensive public company board experience and experience understanding the viewpoint of investors. We welcome Angela, Jesse and Andrew to the Board and look forward to working together to deliver enhanced value to Crown's shareholders.

The Company's Board comprises 13 members, 12 of whom are independent. Since 2019, Crown has refreshed the Board by adding eight new independent directors.

We are excited about the opportunities in 2023 and the years beyond. Our global beverage can, Transit Packaging and North American tinplate businesses are strong, holding leading market positions and generating significant and stable cash flows. We have communicated our intention to maintain a net leverage ratio of 3.0-3.5x EBITDA and, after investing in the profitable organic growth of our businesses, to return remaining capital to shareholders through dividends and share repurchases. Crown is poised to continue to outpace industry expansion in beverage cans, the world's most sustainable and responsible beverage packing option.

In closing, I would like to express my sincere appreciation to our 26,000 associates across our operations in 40 countries. Their dedication, commitment and drive for results are the foundation of our success.

Sincerely,

Timothy J. Donahue
Chairman, President and Chief Executive Officer

INVESTED *in* AN INFINITE & ENDURING PRODUCT

SECTION
01

Permanence: a form of limitless reassurance

The beverage can is characterized by several attributes, with adaptability, durability and sustainability serving as just a few hallmarks of the format.

Yet, it is permanence that distinguishes the can from its counterparts on store shelves. The can is composed of a permanent material, as once aluminum has been manufactured, it remains infinitely recyclable and can be reused over and over again. That element of perpetuity is also reflected in consumer perception of the package, which has been consistently positive for decades. This strong track record and market resilience offer strong indicators for the format's future stability. **Undoubtedly, the beverage can is here to stay.**

Brand owners are cognizant of how the can has performed throughout historical market patterns. They are also aware of consumers' purchasing habits and that cans have continued to prevail through evolving economies and trends. Importantly, as consumers continue to reach for cans, brands continue to call on us, seeking our expertise and guidance around a format we have known and mastered over decades.

We remain a trusted partner because we have always viewed the can, our primary product, not as an object but a vehicle—a critical connector between brand and consumer, product and experience, and message and memory. Looking at the package through this lens allows us to supplement what is already an impactful material with technologies and touches that create lasting impressions for our partners and their customers.

Still, the beverage can reflects a steady track record—even amid various market fluctuations and extenuating factors—and we have created a legacy with the format. Yet, there is more to be excited about with a business built around metal packaging. It is the clear potential and rock-solid future of the can that make it an attractive cornerstone of our Company. Much of this positive trajectory stems from not only metal's shelf appeal and dynamic branding opportunities but also its contributions to industry sustainability goals. As the most recycled beverage package in the world at a current average rate of 69%, the can is not only already meeting key standards for circularity and resource preservation, but is also well-positioned to exceed evolving regulations around recycling rates, average recycled content levels and consumption limits.

Unlike other packaging types, the beverage can will not require an overhaul to become more sustainable—it will simply benefit and deepen its credentials from more widespread consumption and recycling.

In the current recycling infrastructure, the beverage can already delivers an impressive 60-day turnaround from the time of consumption to the time it returns to the shelf. It also features substantially more recycled content per new unit than competing substrates. Other formats do not have the same opportunity and, in fact, face numerous hurdles to remain viable. Still, we are continuing to advance recycling and take other measures to bolster the eco-friendly attributes of metal through the various goals of our **Twenty**by**30** program—our comprehensive sustainability strategy that outlines 20 measurable goals to be achieved by 2030.

Unlike other packaging types, the beverage can will not require an overhaul to become more sustainable.

AT-A-GLANCE

THE BEVERAGE CAN IS THE MOST RECYCLED BEVERAGE PACKAGE IN THE WORLD AT A CURRENT AVERAGE **RATE OF 69%**

THE BEVERAGE CAN DELIVERS AN IMPRESSIVE **60-DAY TURNAROUND TIME**

There is no question that consumers will continue to ask more of brands when it comes to sustainability. In turn, brands will ask more of their suppliers. **We have consistently prioritized the beverage can for its adaptability and remain confident in its resilience and ability to meet the needs of our stakeholders.** If we are unsure of what the future holds, the beverage can ensures we will have the upper hand.

Trending Stock

The beverage can continues to turn heads. While it remains a popular package choice across product segments for its sustainability, convenience and branding opportunities, the can is gaining particular momentum with several trending categories making waves in the beverage industry.

Also appealing to beverage brands is the growing size variety of beverage cans. From sleek and slim sizes that offer a striking, elegant profile to portion sizing that meets different consumption needs, cans enable customization to meet consumer preference and habits—no matter the category.

STILL OR SPARKLING

Viewed as a healthier alternative to many other options, still and sparkling waters are gaining increased attention in the global marketplace. In Europe alone, the category of flavored, enhanced and still waters in cans grew 6.5% in 2022. Cans allow consumers to take vital hydration on-the-go in a more eco-friendly format than other package types. Recent examples of our work in the thriving water space include:

- **BOOMING IN BRAZIL**
  Total canned water volume in Brazil has increased by nearly 7x between 2021 and 2022, demonstrating a growing trend in the region for water packaged in aluminum and a continued shift away from tap and bulk water. Recognizing this trend, Brazilian beverage producer Socorro Bebidas worked with our Brazilian team to extend its line of mineral water to include new canned varieties. The brand, Acquissima, now offers a natural mineral water and a carbonated mineral water, both available in 355ml (12oz) sleek cans that utilize a matte varnish to evoke a premium, bold look.

- **A TURKISH FIRST**
  After working with our European group for years, seasoned beverage producer Kristal Kola again enlisted our team for its industry milestone as the first brand in the country to venture into the canned water market. The launch coincided with the company's existing goals around sustainability and took their commitments a step further by pairing its natural, sustainable product with a more eco-friendly package to match. To instill this message with consumers, our team worked closely with Kristal to design a 330ml can that highlights statistics about aluminum's recyclability and circularity and draws from the natural, simplistic silver hues of the metal substrate.

AT-A-GLANCE

IN EUROPE ALONE, THE CATEGORY OF FLAVORED, ENHANCED AND STILL WATERS IN CANS GREW **6.5% IN 2022**

TOTAL CANNED WATER VOLUME IN BRAZIL HAS INCREASED BY NEARLY **7x BETWEEN 2021 AND 2022**

ALTERNATIVE

Perhaps the newest to join the trendsetters group is the non-alcoholic beer category. The beverage industry has recognized a rising demographic of consumers interested in experiencing the flavors of a beer without the usual effects—spurring the development of 0% ABV options across both heavy-hitter brands and smaller labels.

MALTED OR MIXED

Sister products to the traditional beer offerings present in the market for decades, spiked seltzers and combinations of liquor with soda or juice continue to stand as a consumer favorite, providing grab-and-go ease and a hassle-free experience for those more inclined to cocktails.

ENERGIZED

Dominating the performance and sports beverages category these days are brands touting shorter, more natural ingredient lists—meaning a pre-workout boost better aligns with health preferences and delivers a value-add without any unwanted extras.

A Greater Return Rate

While many members of the aluminum beverage can supply chain maintain individual goals around recycling, **real progress requires peer-to-peer communication and collaboration.**

That is why we took steps to organize an industry-first event that brought together more than 100 peers from across the sector, including primary material suppliers, can sheet suppliers, packaging manufacturers, beverage can and aluminum organizations, research organizations and even beverage brands.

Hosting the Global Aluminium Can Sustainability Summit in partnership with CMI, Ardagh Metal Packaging and the International Aluminium Institute facilitated important discussions aimed at driving actionable progress toward the aluminum industry's sustainability goals. We identified opportunities to advance industry decarbonization and aligned on a clearer definition and measurement for recycled content in beverage cans—both of which are goals of the Optimum Circularity pillar of our **Twenty**by**30** program.

Twentyby**30**

Accelerating Sustainability

Recognizing that in the U.S., an increase in recycling also relies heavily on the successful operations of local material recovery facilities (MRFs), we are continuing our work with CMI to fund facility grants for can capture equipment. To date, we have supported equipment installations for five different MRFs, enabling the recovery of an additional 71 million used beverage cans (UBCs)—a benefit of more than $1.2 million in revenue for the U.S. as well as a lesser carbon footprint for the industry.

Together, these actions drive us closer to our accelerated recycling rate goals for 2030, which include reaching a 70% target in the U.S. and an 80% target in EMEA. In addition, our objectives aim to maintain rates of greater than 90% in Mexico and greater than 97% in Brazil. We also plan to establish 2030 recycling rate goals for Asia Pacific by 2025.

AT-A-GLANCE

2030 RECYCLING RATE GOALS

U.S.:	EMEA:	MEXICO:	BRAZIL:
70%	**80%**	**>90%**	**>97%**

The support of MRFs is just one of the ways we are achieving these recycling goals. Contributing to facility grants for can capture equipment should yield:

THE RECOVERY OF AN ADDITIONAL **71 MILLION** USED BEVERAGE CANS (UBCs)

A BENEFIT OF MORE THAN **$1.2 MILLION** IN REVENUE FOR THE U.S.

Packaging Beyond Beverage

Our expertise with packaging materials does not stop at aluminum.

Maintaining a strong command of steel is critical to our diversity and creativity as a Company and our ability to serve consumer needs outside of the beverage aisle. To that end, we continue to operate facilities in regions such as North America and Asia Pacific that manufacture steel products, including food cans and ends, aerosol cans, caps, closures and promotional tins. These offerings help take both major and emerging brands to market and help meet consistent demand in the food, personal care, household and luxury categories.

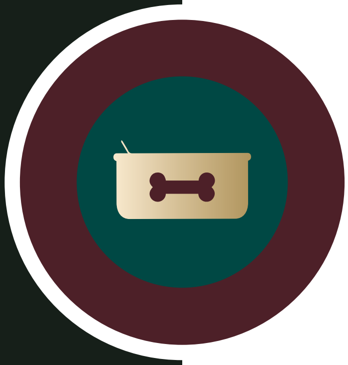
PROTECTION ACROSS ALL FRONTS

Steel cans offer reassurance for consumers who want to protect the products important to them. The substrate's qualities of puncture resistance and uniform dosage minimize the risks of product leaks for aerosol formats—a pressing concern for high-end hair care and personal care items where every ounce counts, or for cooking and cleaning products where spillage can create a mess or hazard.

The same attributes make steel a go-to choice for food producers. These brands have long recognized the material's ability to lock in nutrients. Metal's strong barrier qualities not only help to prevent premature spoilage but also offer advantages of shelf stability and a considerably longer shelf life, reducing food waste and energy consumption. **Whether used in the context of a complete can or a closure on another container, steel preserves freshness and provides tamper evidence that offers the ultimate peace of mind.**

Feeding the Pet Food Market

Both major and specialty pet food brand owners continue to opt for metal packaging for its promise of freshness and quality protection. Cans currently account for nearly 80% of wet pet food sales—likely because consumers are increasingly concerned about their pets' diets and the nutritional value of their meals. They recognize that more than other packaging formats, metal effectively protects critical vitamins that support a healthy and happy companion. Amid this increasing preference, the wet pet food market is projected to experience mid-single-digit growth over the next several years.



This is important for not just vegetables, fruits, sauces, soups and other canned and jarred classics, but is also paramount for baby and pet foods that are complete meals for some family members. As a result, consumers return to the steel food can and steel closure time and time again to ensure they are purchasing safe products to nourish themselves and their families. In particular, two-piece steel food cans are gaining market popularity for their security benefits. Their design features fewer seams, limiting opportunities for spoilage or contamination, and often uses thinner walls, reducing material usage.

While product security and quality are primary aspects of our steel packaging, form meets function with our promotional tins, which house everything from specialty spirits, luxury teas and baked goods to gift-ready fragrances, cosmetics and other limited-edition or seasonal offerings. Through a wide range of shapes, sizes and customizable features, the containers offer brands greater real estate for storytelling, imagery and other visual impact, as well as create memorable premium product experiences that elevate consumer perception.

AT-A-GLANCE

80%

CANS CURRENTLY ACCOUNT FOR NEARLY **80%** OF WET PET FOOD SALES

> **Steel cans offer reassurance for consumers who want to protect the products important to them.**

Enhancing Steel Can Education

Steel remains one of the most valuable and sustainable substrates on the market due to its infinite recyclability; that is why around 80% of steel ever produced is still available for use today. Ensuring the material continues to be available for future needs is an important mission for our Company, along with supporting industry initiatives to reduce the carbon footprint of the packaging sector.

Knowing consumer education and commitment to recycling are key to these objectives, in 2022, we joined CMI, the Household & Commercial Products Association (HCPA) and other peers in the value chain to support the Aerosol Recycling Initiative. **This movement aims to improve aerosol can recycling access for U.S. consumers and increase package messaging on proper recycling steps.** We also supported CMI's Canned Good Coalition (CGC) to increase awareness for steel food cans' inherent sustainability attributes through activation campaigns with popular grocery store chains. This attention not only helps to build understanding of food cans' circular nature but also encourages consumers to do their part to advance the format's current 58% recycling rate.

SUPPORTING A SAFE JOURNEY

Beyond working with metal substrates and addressing the primary package, we also support brands worldwide with transit and protective packaging products, equipment and services to a broad range of end markets through our Transit Packaging Division. **By offering solutions at the packing, bundling, unitizing, warehousing and transportation stages, the division helps ensure safe shipment both direct to customers as well as to storage facilities or other stops throughout the product journey.**

Present in 23 countries, the division maintains a long history of customer-focused innovations in materials, processes and automation technology that have created new opportunities for end-of-line packaging. In 2022, the group continued this commitment to advancing industry solutions through notable new technologies, including battery-powered tools that increase mobility and production uptime when securing steel strapping to product bundles; a bio-based polypropylene strap that reduces fossil-based virgin plastic use; and advanced robotics, vision and conveyor systems that aid the industrial automation transition.

Market Appreciation

The industry continues to recognize our achievements in innovation. This year, several distinctive products were highlighted for their creativity and impact:

18.21 MANMADE SPIRITS SPRITZER AEROSOL CAN

New line of 3.4oz body spray cans employing an oversized coat tinplate with metallic elements to create a premium eye-catching package

- Bronze at The Canmaker Cans of the Year Awards

GREAT BASIN BREWING BEVERAGE CAN

"Leave No Trace" Alpine Lager 12oz beer can implementing our High Quality Print™ technology to showcase rich, colorful detail along with a matte finish

- Two-Piece Craft Cans Beverage Award for Excellence at the International Metal Decorating & Packaging Association (IMDPA) conference

THEPPADUNGPORN CHAOKOH FOOD CAN

Coconut milk can that utilizes our proprietary Quantum™ debossing technology to create an unmistakable golf-ball texture on the can surface, preventing counterfeiting and reducing material usage by almost 13%

- Overall Supreme Winner Award and the Innovation category award at Asia CanTech
- Silver at The Canmaker Cans of the Year Awards

KRONENBOURG BLANC BEVERAGE CAN

50cl can for iconic French beer brand 1664, spotlighting a limited-edition launch of varied designs that utilize different colors and characters

- Two-Piece Beverage Award for Excellence at the IMDPA conference

REAL ALE BREWING BEVERAGE CAN

"Hop Sprocket" Hazy IPA 12oz beer can leveraging digital printing technologies to capture a variety of vibrant colors in one design

- Best of Category for Craft Cans at the IMDPA conference

THEREZÓPOLIS GOLD LAGER BEVERAGE CAN

350ml beer can featuring a tactile varnish to build brand differentiation

- Silver at The Canmaker Cans of the Year Awards

INVESTED *in an* UNPARALLELED INTERNATIONAL REPRESENTATION

SECTION
02

Focusing our Company on metal packaging has offered a strong foundation for growth. Yet, we recognize our longevity and viability as a business is built around diversity of both product and global representation.

As such, we consistently practice pragmatic decision-making across our business, including where we plant our roots.

Driven by our commitments to our stakeholders, we have carefully designed our expansion plans to invest in new facilities and install additional lines where we can best maximize demand and yield a healthy return. This strategic regional spread gives us strong footing in increasingly active markets.

We operate in almost all regions of the world, with decades of experience leading key geographies like Southeast Asia and the Middle East, and we continue to expand in important emerging or booming geographies and develop a dominant presence. Our careful, data-driven approach, which includes monitoring global demand and meeting local capacity needs, has enabled us to build significant market share and preference among new customers in the markets in which we operate.

Market Watch: Areas of Activity

Metal packaging remains a top format choice internationally, but is growing exponentially in several key regions.

THE AMERICAS

- Brazil and Mexico continue to show steady preference for the beverage can, with long-term CAGR growth of mid- to high single digits on average
- The beverage can market in Brazil is projected to increase by over 10% between 2022 and 2025, reaching a volume of nearly 35 billion units
- North America continues to introduce new beverage products in cans at disproportionately high rates and is experiencing increased fragmentation and specialization within the market
- In 2023, we project that the Company's shipments in the U.S. and Canada will reflect an increase of more than 40% from 2019 levels

THE MIDDLE EAST, NORTH AFRICA AND SOUTHEAST ASIA

- Beverage can market growth in the Middle East and North Africa demonstrated a 7% increase between 2021 and 2022
- Shipment growth during 2022 was particularly strong in Thailand and Vietnam. For each of the three years preceding the pandemic, the Company grew by double digits in Southeast Asia

AT-A-GLANCE

BRAZIL AND MEXICO CONTINUE TO SHOW **STEADY PREFERENCE** FOR THE BEVERAGE CAN

THE BEVERAGE CAN MARKET IN BRAZIL IS PROJECTED TO INCREASE BY OVER **10% BETWEEN 2022 AND 2025**

SHIPMENT GROWTH DURING **2022** WAS PARTICULARLY STRONG IN THAILAND AND VIETNAM

2022

7%

2021

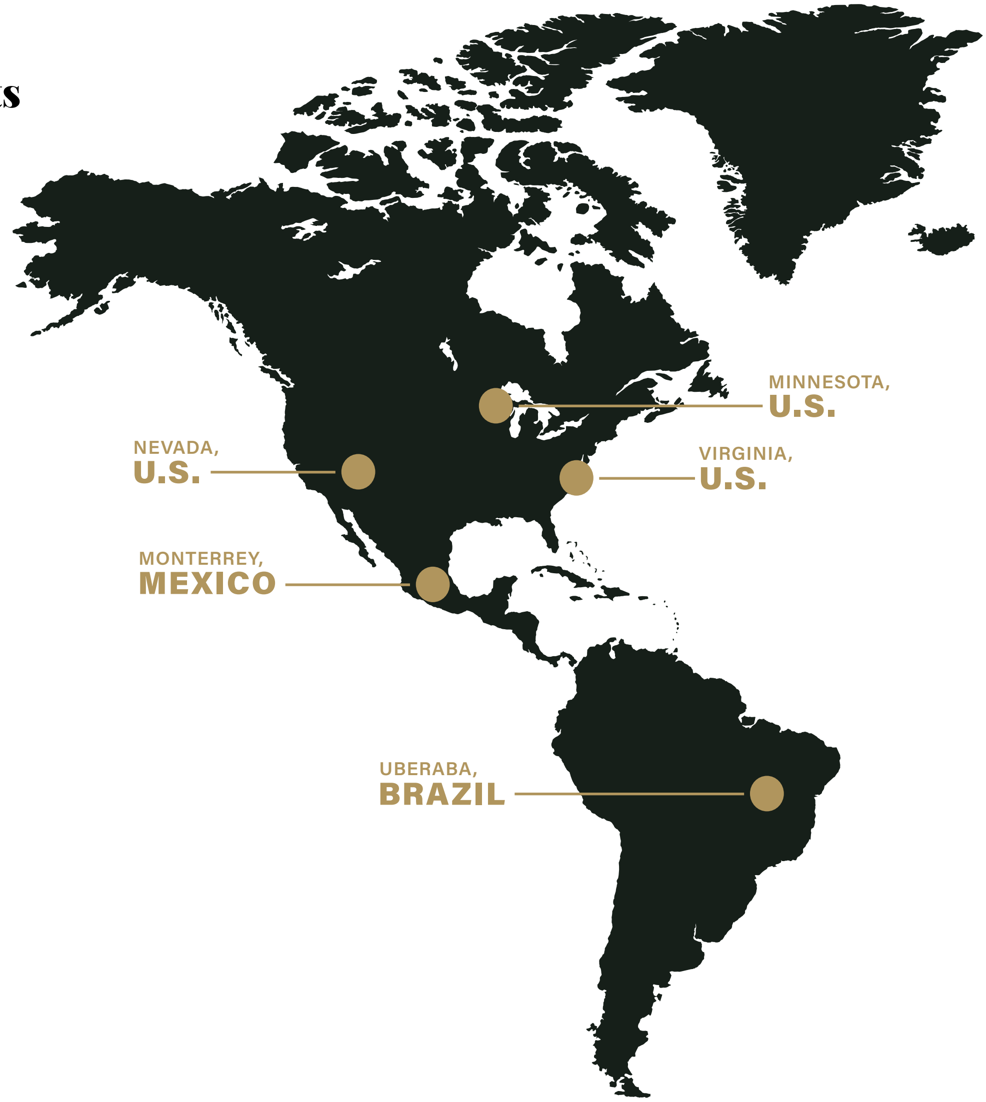
BEVERAGE CAN MARKET GROWTH IN THE MIDDLE EAST AND NORTH AFRICA DEMONSTRATED A **7% INCREASE BETWEEN 2021 AND 2022**

FOR EACH OF THE THREE YEARS PRECEDING THE PANDEMIC, THE COMPANY GREW BY **DOUBLE DIGITS** IN SOUTHEAST ASIA

Right-Sizing Our Investments

Our latest plant builds and line additions reflect our ability to pinpoint and track trends, understand market viability and—importantly—appropriately match the scope and structure of our investments to the demand and profit potential of the opportunity. For some operations, this entails scaling up an existing location or utilizing new technologies such as automated equipment or digital printing capabilities; for others, it involves breaking ground and serving as pioneers in a new profitable area. This practice of right-sizing has enabled our Company to keep facility construction and operational start dates closely in line with projected timelines—in some cases even ahead of schedule.

At the end of 2022, progress on our investments included the following:



KEY

- AMERICAS
- EUROPE
- ASIA PACIFIC

2022

Q1

Second line in Monterrey, Mexico beverage can facility began commercial production

Q2

First line in Uberaba, Brazil beverage can facility began commercial production, with a second line beginning production in Q4 2022

Q3

Additional production line became operational in Phnom Penh, Cambodia

Q4

New two-line plant in Martinsville, Virginia commenced operations

2023 Q1

Third two-piece food can line in Owatonna, Minnesota expected to commence operations

Operating at Full Speed in Owatonna: The addition of a third line at our food can facility in Owatonna will allow us to increase our productivity at the facility by 30% and will serve regional customer demand in the pet food, bean and soup segments of the food can market.

Q1

Additional production line scheduled to start up in Parma, Italy

Productivity in Parma: In 2022, we announced plans to add a second high-speed line at our beverage can facility in Parma, Italy. Projected to produce more than one billion cans annually and add 80 jobs to the facility, the new line will serve expanding customer requirements in Italy and surrounding markets as categories such as carbonated soft drinks, sparkling waters, beer and wine continue to gain popularity.

Q2

New two-line plant in Mesquite, Nevada expected to commence operations

Making Way for Sustainability in Mesquite: When fully operational, the Mesquite plant will be the model in sustainable manufacturing. The plant is expected to operate with close to zero water discharge and be able to run on close to 100% solar electricity on sunny days.

Q2

Additional production line expected to become operational in Agoncillo, Spain

Q2

New multi-line facility in Peterborough, U.K. expected to commence operations

Breaking New Ground in Peterborough: Work is underway for our new beverage can facility in Peterborough, U.K. Designed as a 625,000-square-foot space that will employ nearly 300 people, the plant will implement a phased approach to adding multiple lines.

Q3

New 3oz pet food can line expected to become operational in Dubuque, Iowa, followed by a 5oz pet food can line in Q1 2024

Maintaining a Balance

As our growth projects are underway, our dedicated teams continue to identify production improvements that will help us meet our corporate stewardship goals and commitments. Where possible, we are updating our line setup and supply chain processes to maximize output and reduce material or energy usage.

The winners of our latest Chairman's Sustainability Awards, which honor exemplary contributions made by employees, embody this attitude:

Our Chihuahua, Mexico beverage glass plant received the Environmental Sustainability Award for saving over 15.5 million gallons of water and improving the quality of the facility's wastewater through a series of repairs and recirculation efforts.

Our Dahej, India Transit Packaging Division plant received the Sustainability Award for Safety for implementing a comprehensive approach to workplace safety and facilitating a 6.5-year track record of incident-free days through numerous employee safety trainings and initiatives.

Our Conroe, Texas beverage can plant received the Social Sustainability Award for demonstrating a steadfast commitment to the community by participating in mentorship programs, food drives, job fairs and many other volunteer opportunities.

AT-A-GLANCE

TURKEY

REDUCED WASTE TO LANDFILL BY AN ASTONISHING **95%**

REDUCED HAZARDOUS WASTE BY **80%**

MEXICO

BY 2030, **100%** CORE RAW MATERIALS ETHICAL COMPLIANCE

The global team has also achieved standout milestones in 2022 that reflect our dedication to mindful operations:

- **REDUCING WASTE IN TURKEY**
  Minimizing our carbon footprint remains a critical focus moving forward. Cognizant of the role that waste plays in environmental impact, we have actioned several objectives through the Optimum Circularity pillar of our **Twenty**by**30** program that will hold us accountable. From a more detailed understanding of our waste generation patterns to increasing waste reuse with our partners, we are aiming to extract more mileage from all of our resources and improve our operational impact.

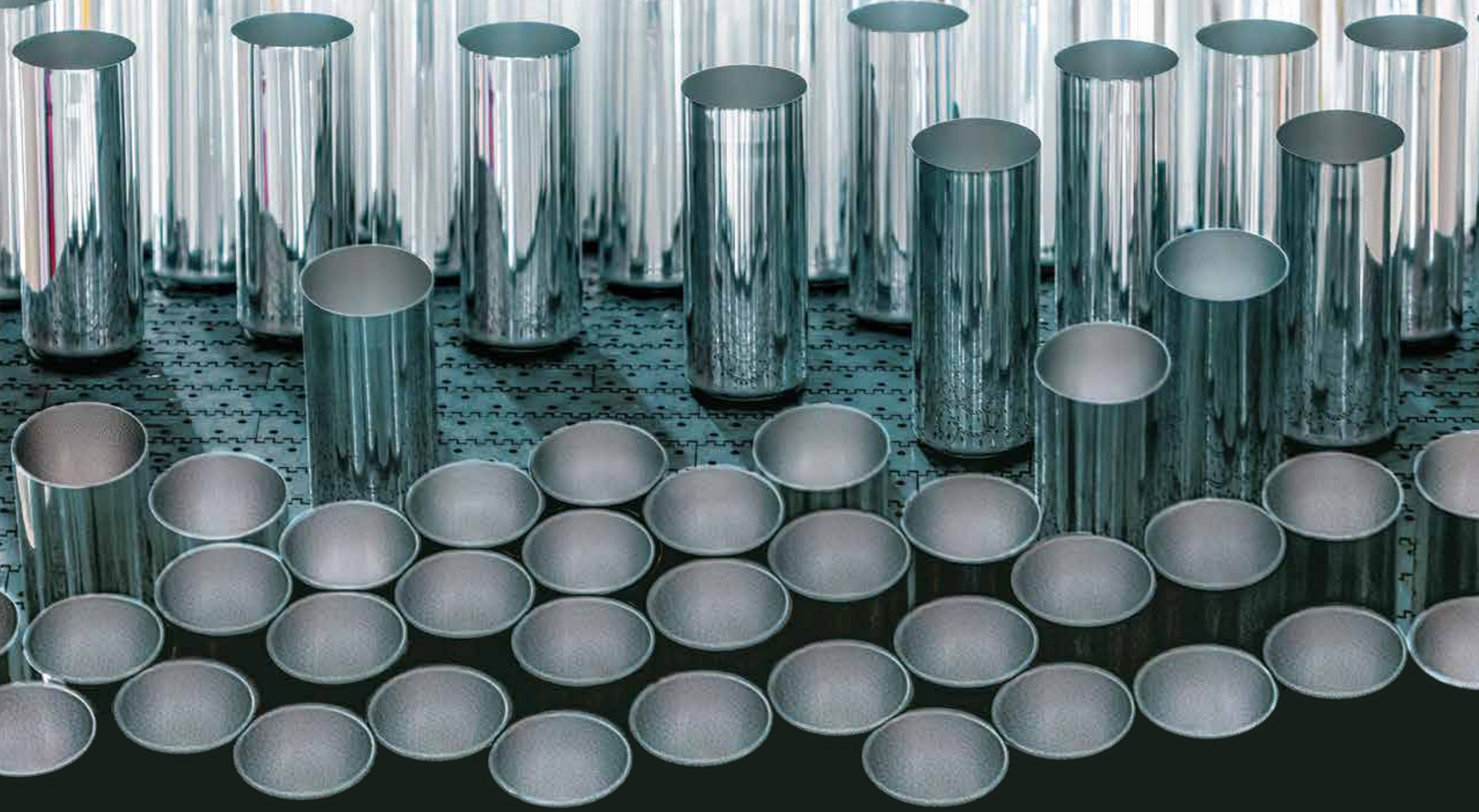
  Taking these goals to heart and addressing similar local regulations, our beverage can operations in Izmit and Osmaniye, Turkey received a Zero Waste certificate from the Turkish government. Together, the two plants implemented multiple measures in 2022 with extensive impact, including reducing waste to landfill by an astonishing 95% and hazardous waste by 80%, as well as reusing wastewater to curtail consumption of precious resources. These efforts add to a previous accomplishment by our Brazilian operations of reaching zero waste to landfill at all seven manufacturing facilities in the region and similar advancement at our operations in Thailand.

- **RESPONSIBLE SOURCING IN MEXICO**
  As we continue to add to our diverse geographical presence, we remain committed to upholding and evolving our standards for ethics and compliance. In the sourcing stage, we are engaging with our suppliers to closely manage the path of our materials and their impact on local communities, consumers and other relevant groups. We strive to ensure all of our partners meet our standards for responsible supply and that they adhere to our Supplier Code of Conduct.

  As part of the Never Compromise pillar of our **Twenty**by**30** program, we have committed to sourcing standards that by 2030 require 100% of our core raw materials and service suppliers, by spend, to be assessed and comply with Crown Responsible and Ethical Sourcing policies and requirements, as well as an interim target of achieving 75% by 2025. Our most recent milestone on this front includes certification from the Aluminium Stewardship Initiative (ASI) for our Mexican beverage can operations, which verifies production, sourcing and stewardship of aluminum in the region as responsible. As a continuation of this work, we are advancing toward certification by the ASI Chain of Custody (CoC) Standard in both Mexico and Brazil, which recently completed its own ASI Performance Standard. We will also pursue ASI certification within our Asian and Europe/Middle Eastern operations.

A Nod From 'Newsweek'

In recognition of our efforts to advance corporate social responsibility and sustainability throughout 2022, "Newsweek" included us in its America's Most Responsible Companies 2023 list. Compiled in partnership with Statista, the ranking assesses 2,000 eligible U.S.–based organizations on more than 30 KPIs for performance in environment, social and corporate governance and evaluates public perception of the companies via independent survey. **In this review, we scored within the top 15% in the corporate governance category, reflecting high marks for disclosure and transparency.** This includes meeting compliance and anti-corruption guidelines and demonstrating active participation in the UN Global Compact, in addition to economic performance, which includes stability and innovation capacity.



INVESTED *in* INDUSTRY-LEADING INNOVATION

SECTION

03

While the can maintains a strong platform on its own, it is made far stronger when it is accompanied by expertise and capabilities that allow it to reach greater potential. Through our investments and expanded customer services, we stand apart from our peers by striving for new standards for what the can is able to accomplish.

Whether for the initial graphic design stages of a new beverage SKU, the ideation of a new component or function of metal packaging, or anything in between, our team is equipped with the knowledge, creativity and technical proficiency to support a successful outcome.

We have built this workforce by investing in professionals worldwide who not only are intimately familiar with metal as a substrate but also have a keen eye for detail and are passionate about creating a memorable product experience.

Format Ingenuity

Our talented workforce has made industry history on numerous occasions, including debuting interactive inks and launching new package sizes, styles and decorative finishes that enable products to leap off the retail shelf. Today, they continue to explore the ways metal packaging can be reinvented:

REFOCUSING ON THE 360 END®

In 2022, we made preparations to provide new capacity for our groundbreaking 360 End® beverage end in Europe, allowing more customers to access the technology. Using a full-aperture opening, the 360 End® instantly transforms a beverage can into a cup, creating a draft pour experience. The technology, updated with our Interchangeable SuperEnd® design, is anticipated to become commercial on a global basis by 2024.

VENTURING FURTHER INTO VARIED PRINTING

We continue to make strides with our Accents™ variable printing technology, which offers beverage brands greater flexibility and creativity in their production setup. By using dynamic decorators that can accommodate more printing variations, the technology efficiently works with the can surface and ultimately facilitates up to 24 different designs in a single run. This process not only saves time for line setup but also offers efficient customization to accommodate promotions, collectible campaigns and seasonal products.

ENGINEERING TANGIBLE IMPACT

Cutting-edge brand owners know that image isn't always visual—it is also tactile. Our proprietary Quantum™ debossing technology continued to capture attention in 2022 due to its ability to not only foster a memorable consumer experience but also protect brand integrity and support sustainability goals. The unique golf-ball texture the technology creates on the can surface engages consumer senses, prevents counterfeiting and reduces material usage by almost 13%—a major savings in resource consumption.

LEAPING FORWARD IN LIGHTWEIGHTING

To our team, package innovation extends beyond visible attributes into function, including finding new efficiencies with metal to create a leaner, more dynamic product. In the effort to advance lightweighting, we have achieved a substantial 4% global average reduction of our standard 12oz (330ml) size.

The product of years of work and persistence from our expert Research & Development (R&D) and Customer Technical Services (CTS) teams, the lighter can strikes a critical balance of upholding performance standards for safety and durability while minimizing carbon footprint. By using less material in each unit, we are able to save on material consumption as well as our overall energy consumption and the associated GHG emissions.

These results represent a significant step forward in our **Twenty**by**30** sustainability strategy, which includes a commitment to decrease aluminum can weight by 10% by 2030 (compared to a 2019 baseline) as part of a larger goal to dedicate at least half of R&D efforts toward minimizing the footprint of our products and manufacturing processes.

Investing in What's Next

In addition to bringing new concepts to market, our team continues to promote excellence and innovation around the canmaking process itself. We maintain a world-class Technical Center in Wantage, U.K. that works to bring value-added services to our partners around the globe. We also operate a CTS division dedicated to assisting customers with aluminum and steel can implementation, aligning existing line equipment and specific product requirements with the packaging format. This specialized team services hundreds of customers across dozens of countries, offering consultation, quality assurance and product and material trials, among other support.

This frequent interaction and trust are what allow us to remain close to our products at all stages, iterate on new ideas—including new ends, decorative printing techniques and lightweighting—and test their viability. It is also these relationships that have made us a partner of choice for major brands, particularly when navigating uncharted territory or completing projects where the stakes are high.

Yet, we recognize our legacy of dependability can only continue if we fill our workforce pipeline with the emerging talent that can uphold our standards for customer support and creative thinking. This commitment to brands and their future needs serves as the impetus behind our FORWARD program, a fast-tracked apprenticeship opportunity that connects new generations of talent with fulfilling opportunities in a variety of our engineering and commercial roles. In 2022, the program completed its fifth cycle, this time expanding its reach beyond its initial base in Europe and on to candidates in the Americas and Asia Pacific.

In addition to this program, we remain active in our internship opportunities and our involvement with academic institutions—all of which have yielded valuable professionals critical to our business today. It is also our mindset to not only attract skilled employees, but retain them through professional development opportunities and a positive working environment. This keeps in-demand talent and know-how proprietary to our brand—a result made evident by the numerous personnel who have maintained decades-long careers at Crown. As we move forward, we are confident the continuation of these hiring and training initiatives will enable our current team's successors—and their successors—to serve our customers to the highest degree possible.

> **We recognize our legacy of dependability can only continue if we fill our workforce pipeline with the emerging talent that can uphold our standards for customer support and creative thinking.**

AT-A-GLANCE

IN THE EFFORT TO ADVANCE LIGHTWEIGHTING, WE HAVE ACHIEVED A SUBSTANTIAL **4% GLOBAL AVERAGE REDUCTION** OF OUR STANDARD 12OZ (330ML) SIZE

A COMMITMENT TO DECREASE ALUMINUM CAN WEIGHT BY **10% BY 2030**

New Site Lines

The avenues through which we share new capabilities, collaborations, achievements and other updates hold tremendous value for all our stakeholders, who rely on our transparency and communication to inform their own decisions. With this in mind, we recognized the benefits of revamping our corporate website to facilitate easier navigation across our business segments and guide customers through our extensive services and product offerings. The updated site also displays critical news announcements, reporting documents and other helpful content in a more streamlined, convenient setup, encouraging a more enjoyable and efficient experience while visiting **crowncork.com**.

While the new corporate website is built to relay information, it must also accurately reflect the organization we are today and will be moving forward. Our innovative expertise and command of metal packaging, our diverse presence around the world and our commitment to corporate social responsibility are all elements of our business that we strive to convey through the user experience of our new site—and notably, our drive to be a bold trendsetter for the industry.

STAYING SECURE

At the same time that we made a new splash in the digital space by launching our new corporate website this year, we also took crucial steps to elevate our focus on cybersecurity. Protecting our stakeholders' information, as well as our own data and intellectual property, maintains the safety of our operations and our relationships with our partners. To demonstrate our commitments in this function of the business, we appointed a cybersecurity expert as our Chief Information Security Officer and strengthened our Global Information Security team to conduct risk assessments, implement best practices and ensure compliance across our organization.

"Protecting our stakeholders' information as well as our own data and intellectual property maintains the safety of our operations and our relationships with our partners.

Forecasting Future Success

As we progress through 2023, we aim to deliver further value for our shareholders through our investments in the business on a capabilities, capacity and corporate responsibility front. Whether by driving technological advancements, growing our team of specialized experts or adeptly responding to increased volume requests, we are striving to maintain an organization poised for growth and success. In doing so, we are keeping a close eye on our operational impact and finding ways to be a better steward of the environment and our communities—ensuring we are serving as an industry leader wherever possible.

While 2022 presented a few challenges, it also confirmed our fortitude and the positive results of proper planning and judgment—performance that is even more critical as a global enterprise with a major role in the supply chain. Throughout the next year and in the years to come, it is our plan to accelerate preference for metal packaging and capture even greater market share with our differentiated industry position, making the future for Crown and its stakeholders one worth watching.

BOARD OF DIRECTORS

TIMOTHY J. DONAHUE (A)
Chairman of the Board, President and Chief Executive Officer of the Company

RICHARD H. FEARON (B, D)
Former Vice Chairman and Chief Financial and Planning Officer of Eaton Corporation

ANDREA J. FUNK (B, C)
Executive Vice President and Chief Financial Officer of EnerSys

STEPHEN J. HAGGE (A, C, D)
Former President and Chief Executive Officer of AptarGroup

JESSE A. LYNN (D)
General Counsel of Icahn Enterprises and Chief Operating Officer of Icahn Capital

JAMES H. MILLER (A, C, D)
Former Chairman and Chief Executive Officer of PPL Corporation

JOSEF M. MÜLLER (B, C)
Former Chairman and Chief Executive Officer of Nestlé in the Greater China Region

B. CRAIG OWENS (A, B)
Former Chief Financial Officer and Chief Administrative Officer of Campbell Soup Company

ANGELA M. SNYDER (B)
Senior Executive Vice President and Chief Banking Officer of Fulton Bank

CAESAR F. SWEITZER (A, B, D)
Former Senior Advisor and Managing Director of Citigroup Global Markets

ANDREW J. TENO (B, C)
Portfolio Manager of Icahn Capital

MARSHA C. WILLIAMS (C)
Former Senior Vice President and Chief Financial Officer of Orbitz Worldwide

DWAYNE A. WILSON (B)
Former Senior Vice President of Fluor Corporation

COMMITTEES:
(A) EXECUTIVE, (B) AUDIT, (C) COMPENSATION, (D) NOMINATING AND CORPORATE GOVERNANCE

CORPORATE OFFICERS

TIMOTHY J. DONAHUE
Chairman of the Board, President and Chief Executive Officer of the Company

GERARD H. GIFFORD
Executive Vice President and Chief Operating Officer

DANIEL A. ABRAMOWICZ
Executive Vice President – Corporate Technology and Regulatory Affairs

KEVIN C. CLOTHIER
Senior Vice President and Chief Financial Officer

ADAM J. DICKSTEIN
Senior Vice President, General Counsel and Corporate Secretary

SIDONIE LÉCLUSE
Senior Vice President – Diversity and Inclusion

CLAUDINE SCHELP
Senior Vice President – Global Procurement

DAVID A. BEAVER
Vice President and Treasurer

CHRISTOPHER A. BLAINE
Vice President – Corporate Risk Management

THOMAS T. FISCHER
Vice President – Investor Relations and Corporate Affairs

CHRISTY L. KALAUS
Vice President and Corporate Controller

TORSTEN J. KREIDER
Vice President – Planning and Development

JOSEPH C. PEARCE
Vice President – Corporate Tax

JOHN M. ROST
Vice President – Global Sustainability and Regulatory Affairs

ANTHONY VITELLO
Chief Information Security Officer

DEBORAH L. JASKEL
Assistant Corporate Controller

MICHAEL J. ROWLEY
Assistant Corporate Secretary and Assistant General Counsel

ROSEMARY HASELROTH
Assistant Corporate Secretary

DIVISION OFFICERS

AMERICAS DIVISION

DJALMA NOVAES, JR.
President

EDUARDO ARGUETA
President – Mexico and Caribbean

WILMAR ARINELLI
President – Beverage Packaging Brazil

THOMAS J. GORDON
President – Food Packaging North America

GARY M. GAVIN
President – Beverage Packaging North America

JUAN CARLOS TRUJILLO
President – Colombia

JAMES R. YACKISH
President – Closures, Aerosol and Promotional Packaging (CAPP) North America

RONALD S. CENDERELLI
Vice President and Chief Financial Officer

ALFRED J. DERMODY
Senior Vice President – Human Resources

KENNETH W. TUTIN
Vice President – Business Support

EUROPEAN DIVISION

MARK KETCHESON
President

SIDONIE LÉCLUSE
Senior Vice President – Human Resources

JEAN-FRANCOIS LELOUCH
Chief Legal Counsel

ANDREA VAVASSORI
Chief Financial Officer

PAUL BROWETT
Vice President – Treasurer

HUGUES CHEVALIER
Vice President – Procurement

NÜVIT ERKU
Vice President – Commercial Europe

OZGUR ATAS
Vice President – Operations

SANDRINE DUQUERROY-DELESALLE
Director – Sustainability and External Affairs

FREDERIC MARCIALIS
Supply Chain Optimization Manager

SAMEER HASAN
Vice President MEA

SEYMA OZTURK
General Manager Turkey

ASIA PACIFIC DIVISION

CARLOS BAILA
President

MARTYN GOODCHILD
Senior Vice President – Manufacturing

YIN LENG CHAN
Vice President and Chief Financial Officer

PATRICK NG
Vice President – Sourcing

CLEMENT CHIN
Director – Beverage Packaging China and Hong Kong

PATRICK LEE
Director – Food and Aerosol Thailand

CHEE MENG WAN
Director – Supply Chain

KAI YONG TOH
General Manager, Human Resources

DRAGON WONG
Group General Manager – Superior Multi-Packaging Limited

CROWN PACKAGING TECHNOLOGY

DANIEL A. ABRAMOWICZ
President

KEVIN AMBROSE
Vice President – Development Technology

MICHAEL A. ANTRY
Vice President – Environment, Health and Safety

BRIAN ROGERS
Vice President – Project Management and Engineering

TRANSIT PACKAGING

MATTHEW R. MADEKSZA
President

LENNART BANGMAN
Group President – EMEA

ROBERT BARKER
Senior Vice President and Chief Information Officer

FRED LEH
Senior Vice President – Global Human Resources

RICHARD MORGAN
Senior Vice President and General Counsel

GAURAV MAHESHWARI
Group President – Asia Pacific

LUCAS SCOTT
Senior Vice President – Global Quality

KEITH HEAVERLO
Senior Vice President and Chief Financial Officer

ERIC CHRISTENSEN
Group President – Automation & Packaging Technologies

MICHAEL K. WATTS
Senior Vice President – Strategy & Business Development

MARCOS BIANCHI
Group President – Americas

GIAN LUCA BON
Vice President – Global Procurement

INVESTOR INFORMATION

COMPANY PROFILE
Crown Holdings, Inc., through its subsidiaries, is a worldwide leader in the design, manufacture and sale of packaging products for consumer goods and industrial products. World headquarters are located in Tampa, Florida. As of December 31, 2022, the Company operated 199 plants located in 40 countries, employing 25,698 people.

STOCK TRADING INFORMATION
Stock Symbol: CCK (Common)
Stock Exchange Listing: New York Stock Exchange

CORPORATE HEADQUARTERS
Hidden River Corporate Center Two
14025 Riveredge Drive, Suite 300
Tampa, FL 33637
215-698-5100

SHAREHOLDER SERVICES
Registered shareholders needing information about stock holdings, transfer requirements, registration changes, account consolidations, lost certificates or address changes should contact the Company's stock transfer agent and registrar:

MAILING ADDRESS:
EQ Shareowner Services
1110 Centre Pointe Curve, Suite 101
Mendota Heights, MN 55120

GENERAL TELEPHONE NUMBER:
1-800-468-9716

WEBSITE:
www.shareowneronline.com

Owners of shares in street name (shares held by any bank or broker in the name of the bank or brokerage house) should direct communications or administrative matters to their bank or stockbroker.

FORM 10-K AND OTHER REPORTS
The Company will provide without charge a copy of its Annual Report on Form 10-K, excluding exhibits, as filed with the U.S. Securities and Exchange Commission ("SEC"). To request a copy of the Company's Annual Report, call toll-free 888-400-7789 or write to Investor Relations Department, Crown Holdings, Inc., Hidden River Corporate Center Two, 14025 Riveredge Drive, Suite 300, Tampa, FL 33637

INTERNET
Visit our website at www.crowncork.com for more information about the Company, including news releases and investor information.

CERTIFICATIONS
The Company included as Exhibit 31 to its 2022 Annual Report on Form 10-K, as filed with the U.S. Securities and Exchange Commission, certifications of the Chief Executive Officer and Chief Financial Officer of the Company. The CEO and CFO certify to, among other things, the information contained in the Company's Form 10-K. The Company has also submitted to the New York Stock Exchange a certification from the CEO certifying that he is not aware of any violation by the Company of New York Stock Exchange corporate governance listing standards.

FORM 10-K

SECTION

04

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2022

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ___ to ___

COMMISSION FILE NUMBER 000-50189

CROWN HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania	75-3099507
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

14025 Riveredge Drive, Suite 300	Tampa FL	33637-2015
(Address of principal executive offices)		(Zip Code)

Registrant’s telephone number, including area code: 215-698-5100

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of each class	Trading Symbols	Name of each exchange on which registered
Common Stock $5.00 Par Value	CCK	New York Stock Exchange
7 3/8% Debentures Due 2026	CCK26	New York Stock Exchange
7 1/2% Debentures Due 2096	CCK96	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: NONE

(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filings requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or such shorter period that the registrant was required to submit such files). Yes ☒ No ☐
Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant’s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act

Large Accelerated Filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of June 30, 2022 121,166,297 shares of the Registrant’s Common Stock, excluding shares held in Treasury, were issued and outstanding, and the aggregate market value of such shares held by non-affiliates of the Registrant on such date was $11,167,897,594 based on the New York Stock Exchange closing price for such shares on that date.

As of February 23, 2023, 120,091,325 shares of the Registrant’s Common Stock were issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Document	Parts Into Which Incorporated
Proxy Statement for the Annual Meeting of Shareholders to be held April 27, 2023	Part III to the extent described therein

2022 FORM 10-K ANNUAL REPORT
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PART II

PART III

PART IV

ITEM 1. BUSINESS

Crown Holdings, Inc. (the "Company" or the "Registrant") (where the context requires, the "Company" shall include reference to the Company and its consolidated subsidiary companies) is a Pennsylvania corporation.

The Company, 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's consumer packaging solutions primarily support the beverage and food industries, along with the personal care and household industries, through the development and sale of aluminum and steel cans. The Company's transit and protective packaging products include steel and plastic consumables and equipment, paper-based protective packaging, and plastic film consumables and equipment, which are sold into the metals, food and beverage, construction, agricultural, corrugated and general industries.

At December 31, 2022, the Company operated 199 plants along with sales and service facilities throughout 40 countries and had approximately 26,000 employees. In 2022, consolidated net sales for the Company were $12.9 billion with 63% derived from operations outside the United States ("U.S.")

The Company's strategy is to deploy capital into its global beverage can operations to expand production capacity to support growing customer demand in alcoholic and non-alcoholic drink categories. Beverage cans are the world’s most sustainable and recycled beverage packaging and continue to gain market share in new beverage product launches. The Company continues to drive brand differentiation by increasing its ability to offer multiple specialty can sizes. Size variations include slim and sleek cans, as well as larger sizes to help customers differentiate their products. It also continues to deliver new printing and decorating capabilities, as well as value-add services that aid customers throughout the entire production cycle, from consultation and development to line implementation and quality assurance

The Company is guided by commitments to its stakeholders and its own goals to foster a resilient business with longevity, which requires an emphasis on both financial performance and environmental, social and governance ("ESG") performance. The Company’s **Twenty**by**30** program, which is a comprehensive sustainability strategy that outlines 20 measurable goals to be achieved by 2030, has accelerated critical initiatives and progress around carbon footprint management and social impact.

The Company continues to leverage the inherent ecofriendly benefits of its primary product, metal packaging, to advance toward its targets. Aluminum cans, which are infinitely recyclable and remain the world’s most recycled beverage packaging, exemplify sustainability and are a strong contributor to the circular economy. The Company is working in conjunction with industry partners to drive higher recycling rates and increase recycled content to ensure infinitely recycled aluminum cans are available for generations of future use.

Approximately 66% of the Company's consolidated net sales were derived from the Company's global beverage can operations. The Company’s beverage can business is built around local, regional and global markets, which has served to develop the Company’s understanding of global customer and consumer expectations. The Company expects to continue to responsibly add beverage can capacity to meet customer needs, as necessary.

REPORTABLE SEGMENTS

The Company's business is generally organized by product line and geography. The reportable segments are: Americas Beverage, European Beverage, Asia Pacific and Transit Packaging. Our operations are set up in a strategic regional spread to cover a broad range of market areas and to best support our customers. While the Company operates in nearly all regions of the world, it consistently monitors and invests in growing markets, including Latin America and Southeast Asia.

AMERICAS BEVERAGE

The Americas Beverage segment manufactures infinitely recyclable aluminum beverage cans and ends, glass bottles, steel crowns and aluminum caps. Manufacturing facilities are located in the U.S., Brazil, Canada, Colombia and Mexico. Americas Beverage had net sales in 2022 of $5.1 billion and segment income (as defined under Note Y to the consolidated financial statements) of $742 million.

EUROPEAN BEVERAGE

The European Beverage segment manufactures infinitely recyclable aluminum beverage cans and ends in Europe, the Middle East and North Africa. European Beverage had net sales in 2022 of $2.1 billion and segment income (as defined under Note Y to the consolidated financial statements) of $144 million.

ASIA PACIFIC

The Asia Pacific segment primarily consisting of beverage can operations in Cambodia, China, Indonesia, Malaysia, Myanmar, Singapore, Thailand and Vietnam and also includes non-beverage can operations, primarily food cans and specialty packaging.

The Asia Pacific had net sales in 2022 of $1.6 billion and segment income (as defined under Note Y to the consolidated financial statements) of $172 million.

TRANSIT PACKAGING

The Company's Transit Packaging segment includes the Company's worldwide industrial products, protective solutions, and automation, equipment and tools business. Industrial products include steel strap, plastic strap, industrial film and other related products that are used in a wide range of industries. Protective solutions include transit protection products, such as airbags, edge protectors, and honeycomb products that help prevent movement of, and/or damage to, a wide range of industrial and consumer goods during transport. Automation, equipment and tools includes manual, semi-automatic and automatic equipment and tools, which are primarily used in end-of-line operations to apply consumables such as strap and film.

The Transit Packaging had net sales in 2022 of $2.5 billion and segment income (as defined under Note Y to the consolidated financial statements) of $281 million.

OTHER

The Company's other segments ("Other") include the Company's food can, aerosol can and closures business in North America, and beverage tooling and equipment operations in the U.S. and United Kingdom ("U.K."). The Company manufactures a variety of food and aerosol cans and ends and aerosol cans in assorted shapes and sizes. The Company's customers include manufacturers of food, personal care, household and industrial products.

Additional financial information concerning the Company's reportable segments is set forth within "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report and under Note Y to the consolidated financial statements.

SALES AND DISTRIBUTION

Global marketers qualify suppliers on the basis of their ability to provide global service, innovative designs and technologies in a cost-effective manner. With its global reach, the Company primarily markets and sells products to customers through its own sales and marketing staff. In some instances, contracts with customers are centrally negotiated, but products are ordered through and distributed directly by the Company's local facilities. The Company's facilities are generally located in proximity to their respective major customers. The Company works closely with customers in order to develop new business and to extend the duration of existing contracts.

Many customers provide the Company with quarterly or annual estimates of product requirements along with related quantities pursuant to which periodic commitments are given. Such estimates assist the Company in managing production and controlling use of working capital. The Company schedules its production to meet customer requirements. Because the production time for the Company's rigid packaging products is short, any backlog of customer orders in relation to overall sales is not significant. The standard backlog in Transit Packaging's automation, equipment and tools business, is typically not significant, however, supply chain constraints may increase the backlog from time to time.

COMPETITION

Most of the Company's packaging products for consumer goods are sold in highly competitive markets, primarily based on price, quality, service and performance. The Company competes with other packaging manufacturers as well as with fillers, food processors and packers, some of whom manufacture containers for their own use and for sale to others. The Company's competitors include, but are not limited to, Ardagh Metal Packaging, Ball Corporation, Mauser Packaging Solutions, Can-Pack S.A., Metal Container Corporation, Silgan Holdings Inc., Sonoco, and Trivium Packaging.

Transit Packaging also faces substantial competition from many regional and local competitors of various sizes in the manufacture, distribution and sale of its products. Transit Packaging differentiates itself from the competition by leveraging its global scale, broad product portfolio and established brand reputation. Transit Packaging products compete, to some extent, with various other packaging materials, including other products made of paper, plastics, wood and various types of metal.

CUSTOMERS

The Company's largest beverage can customers consist of many of the leading manufacturers and marketers of packaged consumer products in the world, including Anheuser-Busch InBev, Coca-Cola, Heineken, Keurig Dr Pepper, Molson Coors, Pepsi-Cola and Refresco, among others. Consolidation trends among beverage marketers have led to a concentrated customer base. The Company's top ten global customers represented in the aggregate approximately 49% of its 2022 consolidated net sales.

For the years ended December 31, 2022 and 2021, two customers each accounted for 12% and 11%, of the Company's consolidated net sales. For the year ended December 31, 2020 the same two customers accounted for 11% and 10%, of the Company's consolidated net sales. These customers are global beverage companies served by the Company's beverage operations in the Americas, Europe and Asia.

Each reportable segment, with the exception of Transit Packaging, has major customers and the loss of one or more of these major customers could have a material adverse effect on an individual segment or the Company as a whole. In addition to sales to Coca-Cola and Pepsi-Cola, the Company also supplies independent licensees of Coca-Cola and Pepsi-Cola.

MATERIALS AND SUPPLIERS

The Company uses various raw materials, primarily aluminum and steel, in its manufacturing operations. Transit Packaging also uses materials derived from crude oil and natural gas, such as polyethylene and polypropylene. In general, these raw materials are purchased in highly competitive, price-sensitive markets, which have historically exhibited price and demand cyclicality. These and other materials used in the manufacturing process have historically been available in adequate supply from multiple sources.

The Company has agreements for what it considers adequate supplies of raw materials. However, sufficient quantities may not be available in the future due to, among other things, shortages due to excessive demand, weather or other factors, including disruptions in supply caused by raw material transportation or production delays. From time to time, some of the raw materials have been in short supply but, to date, these shortages have not had a significant impact on the Company's operations.

In 2022, consumption of aluminum and steel represented 44% and 9%, respectively, of consolidated cost of products sold, excluding depreciation and amortization. Due to the significance of these raw materials to the overall cost of products sold, raw material efficiency is a critical cost component of the products manufactured. Supplier consolidations, changes in ownership, government regulations, political unrest and increased demand for raw materials in the packaging and other industries, among other risk factors, could cause uncertainty as to the availability of and the level of prices at which the Company might be able to source such raw materials in the future. Moreover, the prices of aluminum and steel can be subject to significant volatility. The Company's raw material supply contracts vary as to terms and duration, with aluminum contracts typically multi-year in duration with fluctuating prices based on aluminum ingot costs and steel contracts typically one year in duration with fixed prices or set repricing dates.

The Company generally attempts to mitigate its aluminum and steel price risk by matching its purchase obligations with its sales agreements; however, there can be no assurance that the Company will be able to fully mitigate that risk. The Company also uses commodity and foreign currency forwards in an attempt to manage its exposure to aluminum price volatility.

There can be no assurance that the Company will be able to fully recover from its customers the impact of aluminum and steel price increases or that the use of derivative instruments will effectively manage the Company's exposure to price volatility. In addition, if the Company were unable to purchase aluminum and steel for a significant period of time, its operations would be disrupted, and if the Company were unable to fully recover the higher cost of aluminum and steel, its financial results may be adversely affected.

As a result of continuing global supply and demand pressures, other commodity-related costs affecting the Company's business may increase as well, including utility and freight-related costs. The Company attempts to increase prices on its products accordingly in order to recover these costs. Certain of the Company's sales contracts contain non-metal pass-through provisions that include annual selling price adjustments based on a producer price index. In certain years the referenced index may be negative, requiring the Company to reduce its selling price while its actual costs may have increased.

In response to the volatility of raw material prices, ongoing productivity and cost reduction efforts in recent years have focused on improving raw material cost management. The Company's manufacturing facilities are dependent, in varying degrees, upon the availability of water and processed energy, such as natural gas and electricity. Certain of these may become difficult or impossible to obtain on acceptable terms due to external factors, which could increase the Company's costs or interrupt its business.

In addition to mitigating risks around pricing, the Company maintains its commitment to upholding and evolving standards for ethics and compliance as it sources materials. Regular engagement with suppliers is ongoing to manage materials and the impact on environments and communities. The Company strives to ensure all partners meet standards for responsible supply and adhere to the formal Code of Business Conduct and Ethics. Through the **Twenty**by**30** program, the Company has committed to sourcing standards that by 2030 require 100% of core raw materials and service suppliers, by spend, to be assessed and comply with Crown Responsible and Ethical Sourcing policies and requirements.

SUSTAINABILITY

Sustainability remains a core focus of the Company's business strategy and commitments, as the Company recognizes its critical role in corporate social responsibility and the impact of sustainability performance on economic opportunity and stakeholder relationships, including customers and employees. As a major manufacturer with operations worldwide, the Company can significantly impact industry progress by supporting important environmental and social initiatives and adopting practices that create change both within the organization and within partner relationships.

In 2020, Crown established its comprehensive **Twenty**by**30** program, setting 20 measurable goals to be reached by 2030 or sooner. These objectives encompass all aspects of sustainability and reflect areas considered material to the Company's business as well as areas where it can create notable impact. Structured within five core program pillars of Climate Action, Resource Efficiency, Optimum Circularity, Working Together and Never Compromise, these initiatives include efforts such as making operational improvements in energy, water and waste and elevating our focus on material use efficiency, recycling, responsible and ethical sourcing and food contact and safety.

The Company maintains a Corporate Environmental Sustainability Policy; a Human Rights Policy; a Responsible and Ethical Sourcing Policy; a Conflict Minerals Policy; and an Environmental, Health and Safety Policy. These policies serve as guidelines for all employees to adhere to as the Company works to advance its sustainability strategy.

Across **Twenty**by**30** program pillars, the Company works toward continuous improvement in product design and manufacturing practices to provide the best outcome for the environment, communities, employees and consumers, both now and in the future.

Aluminum and steel contribute to these improvements as, by nature, they are infinitely recyclable without loss of properties, meaning they can be repeatedly reused to form new consumer packaging with no degradation in performance, quality or safety. Recycling these metals offers significant savings in energy and water consumption, as well as carbon dioxide emissions. As such, the Company is collaborating with industry partners to improve recycling rates and recycled content rates. In addition, the Company is making strides in its energy and water usage on a global level, working to implement more renewable energy sources, minimize wastewater and execute water replenishment programs.

A few key, recent efforts the Company has made to be a more proactive sustainability leader include:

- In 2022, the Company co-hosted the beverage can industry's first Global Aluminum Can Sustainability Summit, bringing together over 100 global attendees from various parts of the aluminum supply chain and facilitating important discussions aimed at driving actionable progress toward the industry's sustainability goals.

- The Company committed to The Climate Pledge, targeting to achieve net-zero carbon emissions by 2040, a full 10 years ahead of the Paris Agreement goals.

- In 2022, Crown signed on to the United Nations (UN) Global Compact, a voluntary initiative based on CEO commitments to implement universal sustainability principles and take steps to support UN goals.

Socially, the Company is continuing to elevate its commitments to community engagement through more volunteer opportunities and by establishing a charitable giving program, which donates to various non-profit organizations across the regions in which it operates. Within its own workforce, the Company is prioritizing employee welfare and striving to more regularly engage its professionals to foster a more connected global team dedicated to individual and collective improvement as an organization.

As a result of its collective efforts, the Company has recently received the following recognition:

- In 2022, ESG ratings provider Sustainalytics ranked the Company as a Low ESG Risk Rating for managing ESG risk within the metal and glass packaging sub-industry.

- The Company was named to the America's Most Responsible Companies 2023 list by Newsweek.

- The Company was ranked in the top 100 companies included in Forbes' 2021 inaugural "World's Top Female-Friendly Companies" list.

ENVIRONMENTAL MATTERS

The Company's operations are subject to numerous laws and regulations governing the protection of the environment, disposal of waste, discharges into water, emissions into the atmosphere and the protection of employee health and safety. Future regulations may impose stricter environmental requirements on the packaging industry and may require additional capital investment. Anticipated future restrictions in some jurisdictions on the use of certain coatings may require the Company to employ additional control equipment or process modifications. There can be no assurance that current or future environmental laws or liabilities will not have a material effect on the Company's consolidated financial condition, liquidity or results of operations. Discussion of the Company's environmental matters is contained within "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report under the caption "Environmental Matters," and under Note P to the consolidated financial statements.

HUMAN CAPITAL

At December 31, 2022, the Company had approximately 26,000 employees worldwide, with approximately 6,000 employed by the Americas Beverage segment, 3,500 employed by the European Beverage segment, 5,000 employed by the Asia Pacific segment, 8,000 employed by the Transit Packaging segment and 3,500 employed by Other.

A significant portion of the Company's workforce is unionized. Collective bargaining agreements with varying terms and expiration dates cover approximately 11,400 employees. The Company did not experience any significant union-initiated work stoppages during the 2022 fiscal year and believes that its employee relations remain good. The Company does not expect that renegotiation of any collective bargaining agreements expiring in 2023 will have a material adverse effect on its consolidated results of operations, financial position or cash flow.

The Company believes that its employees are key to achieving the Company's business goals and growth strategy. Attracting, developing and retaining the most skilled and engaged people globally is crucial to all aspects of the Company's activities. To this end, the Company has cultivated a senior management team with extensive industry experience and highly specialized skills and has consistently re-invested in necessary resources to effectively staff and efficiently support its businesses. It has also made efforts to fill corporate and plant roles worldwide with individuals who possess material, design and manufacturing expertise and can cultivate lasting customer relationships. To aid retention, the Company aspires to offer market rate competitive salaries for the regions in which it operates and it engages employees with professional development opportunities that both contribute to the Company's success and maximize their personal potential. It also aims to implement a positive and inclusive work environment that prioritizes employee safety, fosters an inclusive atmosphere and creates a fulfilling career.
The Company supports the well-being of its employees and their families with a variety of physical, mental and social wellness programs. These programs differ by region, but include Company-sponsored or subsidized medical insurance over and above government provisions, annual medical, cancer and audiometry screenings, voluntary health fairs and employee mental health assistance programs to improve health and wellness. The Company has built a total safety culture that provides the framework for all health and safety initiatives across the Company and empowers employees to take a proactive role in their safety and that of their fellow employees. The Company's focus is on behaviors and attitudes and achieving success in incident, injury and near-miss reductions.

The Company recognizes that a diverse and inclusive workforce is critical to its future business success. It has therefore integrated Diversity & Inclusion (D&I) as a dimension of its **Twenty**by**30** sustainability program, aiming first to embed D&I

awareness in its organizational culture. The Company believes different backgrounds, experiences and perspectives generate powerful new ideas and foster sound and sustainable decision making. The Company's approach includes deployment of D&I training initiatives, such as psychological safety and unconscious bias trainings, and improvement of its recruitment and onboarding processes. Recruitment programs to attract diverse talent into the organization include an accelerated manufacturing program, first focused on engineering skills, which includes assignments in various businesses and countries to encourage broader thinking and a flexible mindset. This program provides an opportunity for diverse candidates to progress more quickly to higher functions within the organization. The Company continues to focus on improving gender equality and cultural diversity in the organization, including developing and empowering minorities and women through greater career opportunity and recognition.

The Company places a high value on skills management and lifelong learning opportunities that benefit both the individual employee and the whole Company. The Company provides a variety of educational opportunities, including a mix of mandatory and voluntary training programs that occur in classrooms, online or on the job. The Company also recognizes the importance of multifunctional teams and as such, management training includes international exposure and cross-divisional activity to develop common approaches and values. Talent development programs vary by region, but include leadership programs designed to support operations leadership, lean manufacturing operations and employee performance management.

The Company maintains a written Code of Business Conduct and Ethics which describes its policies with respect to, among other things, anti-corruption, protection of confidential information, and environmental, health and safety matters, as well as the Company's commitment to ensuring that all employees are treated with respect and dignity and are able to work in an environment free from all forms of unlawful employment discrimination. The Company's compliance teams are responsible for implementing these policies. The Company's compliance program includes a mechanism for employees to report suspected violations of Company policies on a confidential basis, including anonymous reporting where permitted by local law.

RESEARCH AND DEVELOPMENT

The Company's global Research, Development & Engineering ("RD&E") Center for packaging products for consumer goods is located in Wantage, U.K. The Company utilizes its centralized corporate RD&E capabilities to advance and deliver technologies for the Company's worldwide packaging activities that (1) promote development of value-added metal packaging systems for its customers, (2) design cost-efficient manufacturing processes, systems and materials and material-efficient container designs that further the sustainability of metal packaging, (3) provide continuous quality and/or production efficiency improvements in its manufacturing facilities, (4) advance customer and supplier relationships, and (5) provide value-added engineering services and technical support. These capabilities facilitate (1) the identification of new and/or expanded market opportunities by working directly with customers to develop new packaging products or enhance existing packaging products through the application of new technologies that better differentiate customers' products in the retail environment (for example, the creation of new packaging shapes, novel decoration methods, or the addition of digital content through unique codes) and/or the incorporation of consumer-valued features (for example, improved openability and/or ease of use) and (2) the reduction of manufacturing costs by reducing the material content of the Company's products (while retaining necessary performance characteristics), reducing spoilage, and increasing operating efficiencies in manufacturing facilities. The corporate RD&E Center is also applying technical expertise to advance product design and manufacturing capabilities for the Company's Transit Packaging segment, supplementing the group's existing product developments.

The Company maintains a substantial portfolio of patents and other intellectual property ("IP") in the field of metal packaging systems and seeks strategic partnerships to extend its IP in existing and emerging markets. As a result, the Company has licensed IP in geographic regions where the Company has a limited market presence today. Existing technologies such as SuperEnd® beverage ends, 360 End™ beverage ends, Easy-Flow™ beverage ends and can shaping have been licensed in Europe, Australia, Japan, and Africa to provide customers with global access to Crown's brand building innovations. In addition to package components, the Company maintains a legacy of innovation that features numerous industry-firsts, including launching new interactive inks, decorative and shaping techniques, new package sizes and styles and new canmaking technologies. Recent examples include the Company's Accents™ variable printing technology, which facilitates up to 24 different beverage can designs in a single run, and its Quantum™ debossing technology, which implements a unique golf-ball texture on food cans to prevent counterfeiting and reduce material usage by almost 13%.

Transit Packaging is also well known throughout its markets for its ability to drive product innovation and leadership in new technologies. Transit Packaging focuses on market driven innovation and has a long history of creating product and service solutions that solve problems and create value for its customers. Transit Packaging has grown its global patent portfolio to over 360 U.S. issued patents or pending patent applications and over 1,000 foreign issued patents or pending patent applications. The portfolio broadly covers about 340 customized technologies and spans diverse business platforms, as well as the different countries in which it operates.

The Company spent $34 million in 2022, $47 million in 2021, and $48 million in 2020 in its RD&E activities. Certain of these activities are expected to improve and expand the Company's product lines in the future. These expenditures include projects to improve manufacturing efficiencies, reduce unit costs, and develop new and improved value-added packaging systems.

WORKING CAPITAL

The Company generally uses cash during the first nine months of the year to finance seasonal working capital needs. Beverage products are generally consumed in greater amounts during the warmer months and the food packaging business is somewhat seasonal with the first quarter tending to be the slowest period as the autumn packaging period in the Northern Hemisphere has ended and new crops are not yet planted. The Company's working capital requirements are funded by cash flows from operations, revolving credit facilities and receivables securitization and factoring programs.

Further information relating to the Company's liquidity and capital resources is set forth within "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report under the caption "Liquidity" and under Note M to the consolidated financial statements.

AVAILABLE INFORMATION

The Company's website address is www.crowncork.com. Information on the Company's website is not incorporated by reference in this Annual Report on Form 10-K. The Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports filed by the Company with the U.S. Securities and Exchange Commission pursuant to sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended, are accessible free of charge through the Company's website as soon as reasonably practicable after the documents are filed with, or otherwise furnished to, the U. S. Securities and Exchange Commission ("SEC"). The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers, including the Company, that file electronically with the SEC. The public can obtain any documents that the Company files with the SEC at http://www.sec.gov.

The Company's Sustainability Report, Code of Business Conduct and Ethics, its Corporate Governance Guidelines, and the charters of its Audit, Compensation and Nominating and Corporate Governance committees are available on the Company's website. These documents are also available in print to any shareholder who requests them. Amendments to and waivers of the Code of Business Conduct and Ethics requiring disclosure under applicable SEC rules will be disclosed on the Company's website.

ITEM 1A. RISK FACTORS

In addition to factors discussed elsewhere in this Annual Report and in "Management's Discussion and Analysis of Financial Condition and Results of Operations," the following are some of the important factors that could materially and adversely affect the Company's business, financial condition and results of operations.

Risks Relating to the Company's Business and Industry

The Company's profits will decline if the price of raw materials or energy rises and it cannot increase the price of its products, and the Company's financial results could be adversely affected if the Company was not able to obtain sufficient quantities of raw materials.

The Company uses various raw materials, such as aluminum, steel, tin, water, natural gas, electricity and other processed energy, as well as materials derived from crude oil and natural gas, such as polyethylene and polypropylene resins, in its manufacturing operations. Sufficient quantities of these raw materials may not be available in the future or may be available only at increased prices. In 2022, consumption of aluminum and steel represented 44% and 9% of the Company's consolidated cost of products sold, excluding depreciation and amortization. The Company's raw material supply contracts vary as to terms and duration, with aluminum contracts typically multi-year in duration with fluctuating prices based on aluminum ingot costs and steel contracts typically one year in duration with fixed prices. The availability of various raw materials and their prices depends on global and local supply and demand forces, governmental regulations (including tariffs and duties), level of production, resource availability, transportation, and other factors, including natural disasters such as floods and earthquakes, and the COVID-19 pandemic. In particular, in recent years the consolidation of steel suppliers, shortage of raw materials affecting the production of steel and the increased global demand for steel, have contributed to an overall tighter supply for steel, resulting in increased steel prices and, in some cases, special surcharges and allocated cut backs of products by steel suppliers. In addition, tariffs and potential limits on steel supply in the U.S. from certain foreign countries could further negatively impact the Company's ability to obtain sufficient quantities of steel at competitive prices. Moreover, future steel supply contracts may provide for prices that fluctuate or adjust rather than provide a fixed price during a one-year period. As a result of continuing global supply and demand pressures, other commodity-related costs affecting the Company's business may increase as well, including natural gas, electricity and freight-related costs.

The prices of certain raw materials used by the Company, such as aluminum, steel and energy, have historically been subject to volatility. The Company continues to manage the challenges of supply chain disruptions and increasing costs for raw materials and energy in 2022. While certain, but not all, of the Company's contracts pass through raw material costs to customers, the Company may be unable to increase its prices to offset increases in raw material costs without suffering reductions in unit volume, revenue and operating income. The Company also uses commodity forward contracts to manage its exposure to these raw material costs. The ability to mitigate inflationary risks through these measures varies by region and the impact on the results of the Company's segments for the year-ended December 31, 2022 is discussed, as applicable in "Management's Discussion and Analysis of Financial Condition and Results of Operations - Results of Operations."

In addition, any price increases may take effect after related cost increases, reducing operating income in the near term. Significant increases in raw material costs may increase the Company's working capital requirements, which may increase the Company's average outstanding indebtedness and interest expense and may exceed the amounts available under the Company's senior secured credit facilities and other sources of liquidity. In addition, the Company hedges raw material costs on behalf of certain customers and may suffer losses if such customers are unable to satisfy their purchase obligations.

If the Company is unable to purchase aluminum, steel, resins or other raw materials for a significant period of time, the Company's operations would be disrupted and any such disruption may adversely affect the Company's financial results. If customers believe that the Company's competitors have greater access to raw materials, perceived certainty of supply at the Company's competitors may put the Company at a competitive disadvantage with respect to pricing and product volumes.

The Company's principal markets may be subject to overcapacity and intense competition, which could reduce the Company's net sales and net income.

Beverage and food cans are standardized products, allowing for relatively little differentiation among competitors. This could lead to overcapacity and price competition among beverage and food can producers if capacity growth outpaced the growth in demand for beverage and food cans and overall manufacturing capacity exceeded demand. These market conditions could reduce product prices and contribute to declining revenue and net income. Competitive pricing pressures, overcapacity, the failure to develop new product designs and technologies for products, as well as other factors, such as consolidation among the Company's competitors, could cause the Company to lose existing business or opportunities to generate new business and could result in decreased cash flow and net income.

The Company is subject to competition from substitute products and decreases in demand for its products, which could result in lower profits and reduced cash flows.

The Company is subject to substantial competition from producers of alternative packaging made from glass, paper, flexible materials and plastic. The Company's sales depend heavily on the volumes of sales by the Company's customers in the beverage and food markets. Changes in preferences for products and packaging by consumers of beverage cans and prepackaged food cans significantly influence the Company's sales. Changes in packaging by the Company's customers may require the Company to re-tool manufacturing operations, which could require material expenditures. In addition, a decrease in the costs of, or a further increase in consumer demand for, alternative packaging could result in lower profits and reduced cash flows for the Company. For example, increases in the price of aluminum and steel and decreases in the price of plastic resin, which is a petrochemical product and may fluctuate with prices in the oil and gas market, may increase substitution of plastic food and beverage containers for metal containers, or increases in the price of steel may increase substitution of aluminum packaging for aerosol products. Moreover, due to its high percentage of fixed costs, the Company may be unable to maintain its gross margin at past levels if it is not able to achieve high capacity utilization rates for its production equipment. In periods of low worldwide demand for its products or in situations where industry expansion creates excess capacity, the Company experiences relatively low capacity utilization rates in its operations, which can lead to reduced margins and can have an adverse effect on the Company's business.

The Company's business results depend on its ability to understand its customers' specific preferences and requirements, and to develop, manufacture and market products that meet customer demand.

The Company's ability to develop new product offerings for a diverse group of global customers with differing preferences, while maintaining functionality and spurring innovation, is critical to its success. This requires a thorough understanding of the

Company's existing and potential customers on a global basis, particularly in developing markets and areas, such as the Middle East, South America, Eastern Europe and Asia. Failure to deliver quality products that meet customer needs ahead of competitors could have a significant adverse effect on the Company's business.

Loss of third-party transportation providers upon whom the Company depends or increases in fuel prices could increase the Company's costs or cause a disruption in the Company's operations.

The Company depends generally upon third-party transportation providers for delivery of products to customers. Strikes, slowdowns, transportation disruptions or other conditions in the transportation industry, including, but not limited to, shortages of truck drivers, disruptions in rail service, decreases in the availability of vessels or increases in fuel prices, could increase the Company's costs and disrupt Company's operations and its ability to service customers on a timely basis or cost-effective basis.

The Company's business is seasonal and weather conditions could reduce the Company's net sales.

The Company manufactures metal and glass packaging primarily for the beverage and food can market. Its sales can be affected by weather conditions. Due principally to the seasonal nature of the soft drink, brewing, iced tea and other beverage industries, in which demand is stronger during the summer months, sales of the Company's products have historically varied and are expected to continue to vary by quarter and by region. Unseasonably cool weather can reduce consumer demand for certain beverages packaged in the Company's containers. In addition, poor weather conditions that reduce crop yields of packaged foods can decrease customer demand for its food containers.

The Company has a significant amount of goodwill that, if impaired in the future, would result in lower reported net income and a reduction of its net worth.

Impairment of the Company's goodwill would require a write down of goodwill, which would reduce the Company's net income in the period of any such write down. At December 31, 2022, the carrying value of the Company's goodwill was $3.0 billion. The Company is required to evaluate goodwill reflected on its balance sheet at least annually or when circumstances indicate a potential impairment. If it determines that the goodwill is impaired, the Company would be required to write off a portion or all of the goodwill.

A significant portion of the Company's workforce is unionized and labor disruptions could increase the Company's costs and prevent the Company from supplying its customers.

A significant portion of the Company's workforce is unionized, and a prolonged work stoppage or strike at any facility with unionized employees could increase costs and prevent the Company from supplying its customers. In addition, upon the expiration of existing collective bargaining agreements, the Company may not reach new agreements without union or works council action in certain jurisdictions, and any such new agreements may not be on terms satisfactory to the Company. If the Company is unable to negotiate acceptable collective bargaining agreements, it may become subject to union-initiated work stoppages, including strikes. Moreover, additional groups of currently non-unionized employees may seek union or works council representation in the future.

Failure by the Company's joint venture partners to observe their obligations could adversely affect the business and operations of the joint ventures and, in turn, the business and operations of the Company.

A portion of the Company's operations, including certain beverage can operations in Asia, the Middle East and South America, is conducted through joint ventures. The Company participates in these ventures with third parties. In the event that the Company's joint venture partners do not observe their obligations or are unable to commit additional capital to the joint ventures, it is possible that the affected joint venture would not be able to operate in accordance with its business plans or that the Company would have to increase its level of commitment to the joint venture.

The loss of the Company's intellectual property rights may negatively impact its ability to compete.

If the Company is unable to maintain the proprietary nature of its technologies, its competitors may use its technologies to compete with it. The Company has a number of patents covering various aspects of its products, including its SuperEnd® beverage can end, whose primary patent expired in 2016 and Ideal™ product line. The Company's patents may not withstand challenge in litigation, and patents do not ensure that competitors will not develop competing products or infringe upon the Company's patents. Moreover, the costs of litigation to defend the Company's patents could be substantial and may outweigh the benefits of enforcing its rights under its patents. The Company markets its products internationally, and the patent laws of foreign countries may offer less protection than the patent laws of the U.S. Not all of the Company's domestic patents have been registered in other countries. The Company also relies on trade secrets, know-how and other unpatented proprietary technology, and others may independently develop the same or similar technology or otherwise obtain access to the Company's unpatented technology. In addition, the Company has from time to time received letters from third parties suggesting that it may be infringing on their intellectual property rights, and third parties may bring infringement suits against the Company, which could result in the Company needing to seek licenses from these third parties or refraining altogether from use of the claimed technology.

Risks Relating to the Company's International Operations

The Company's international operations, which generated approximately 63% of its consolidated net sales in 2022, are subject to various risks that may lead to decreases in its financial results, particularly in the case of the Company's operations in emerging markets.

The Company is an international company, and the risks associated with operating in non-U.S. jurisdictions, and with operating and seeking to expand business in a number of different regions and countries generally, exposes the Company to potentially conflicting cultural practices, business practices and legal and regulatory requirements and may have a negative impact on the Company's liquidity and net income. The Company's international operations generated approximately 63% of its consolidated net sales in the years ended 2022 and 2021 and 64% of its consolidated net sales in the year ended 2020. In addition, the Company's business strategy includes continued expansion of international activities, including within developing markets and areas, such as the Middle East, South America, Eastern Europe and Asia, that may pose political and economic volatility and instability, greater vulnerability to infrastructure and labor disruptions and differing local customer product preferences and requirements than the Company's other markets. The Company's expansion efforts may also use capital and other resources of the Company that could be invested in other areas. Further, if a downturn in economic conditions ultimately leads to a significant devaluation of a foreign currency such as the euro, the value of any financial assets that are denominated in that currency may be reduced when translated to U.S. dollars for financial reporting purposes. Any of these conditions could ultimately harm the Company's overall business, prospects, operating results, financial condition and cash flows.

Emerging markets are a focus of the Company's international growth strategy, and the Company's success in developing market share and operating profitably in these markets is critical to the Company's growth. The developing nature of these markets and the nature of the Company's international operations generally are subject to various risks, including:

- foreign governments' restrictive trade policies;
- conflicting regulation (including with respect to product labelling, privacy, data protection and advanced technologies) and policy changes by foreign agencies or governments;
- duties, taxes or government royalties, including the imposition or increase of withholding and other taxes on remittances and other payments by non-U.S. subsidiaries;
- customs, import/export control and other trade compliance regulations;
- foreign exchange rate risks and exchange controls;
- difficulty in collecting international accounts receivable and potentially longer payment cycles;
- increased costs in maintaining international manufacturing and marketing efforts;
- non-tariff barriers and higher duty rates;
- difficulties associated with expatriating or repatriating cash generated or held abroad in a tax-efficient manner;
- changes in tax laws and regulations;
- difficulties in enforcing contractual obligations and intellectual property rights and difficulties in protecting intellectual property or sensitive commercial and operations data or information technology systems generally;
- national and regional labor strikes and work stoppages;
- geographic, language and cultural differences between personnel in different areas of the world;
- high social benefit costs for labor, including costs associated with restructurings;
- civil unrest or political, social, legal and economic instability;
- product boycotts, including with respect to the products of the Company's multi-national customers;
- customer, supplier, and investor concerns regarding operations in areas such as the Middle East;
- taking of property by nationalization or expropriation without fair compensation;
- imposition of limitations on conversions of foreign currencies into dollars or payment of dividends and other payments by non-U.S. subsidiaries;

- hyperinflation and currency devaluation in any country where such currency devaluation could affect the amount of cash generated by operations in that country and thereby affect the Company's ability to satisfy its obligations;
- geographical concentration of the Company's factories and operations and regional shifts in its customer base;
- war (such as the ongoing military conflict between Russia and Ukraine), civil disturbance, global or regional catastrophic events, natural disasters, and acts of terrorism;
- epidemics, pandemics, and other disease outbreaks and health crises (such as the ongoing COVID-19 pandemic);
- the complexity of managing global operations; and
- compliance with applicable anti-corruption, anti-bribery laws and anti-money laundering laws and sanctions.

As emerging geographic markets become more important to the Company, its competitors are also seeking to expand their production capacities and sales in these same markets, which may lead to industry overcapacity that could adversely affect pricing, volumes and financial results in such markets. Although the Company is taking measures to adapt to these changing circumstances, the Company's reputation and/or business results could be negatively affected should these efforts prove unsuccessful. Furthermore, the continuing and accelerating globalization of businesses in emerging markets and elsewhere could significantly change the dynamics of the Company's competition, customer base and product offerings, which could adversely affect the Company's financial position.

The Company is subject to the effects of fluctuations in foreign exchange rates, which may reduce its net sales and cash flow.

The Company is exposed to fluctuations in foreign currencies as a significant portion of its consolidated net sales, costs, assets and liabilities, are denominated in currencies other than the U.S. dollar. The Company's international operations generated approximately 63% of its consolidated net sales in the years ended 2022 and 2021 and 64% of its consolidated net sales in the year ended 2020. Volatility in exchange rates may increase the costs of the Company's products, impair the purchasing power of its customers in different markets, result in significant competitive benefit to certain of its competitors who incur a material part of their costs in other currencies than it does, increase its hedging costs, and limit its ability to hedge exchange rate exposure. In its consolidated financial statements, the Company translates local currency financial results into U.S. dollars based on average exchange rates prevailing during a reporting period. During times of a strengthening U.S. dollar, its reported international revenue and earnings will be reduced because the local currency will translate into fewer U.S. dollars. Conversely, a weakening U.S. dollar will effectively increase the dollar-equivalent of the Company's expenses and liabilities denominated in foreign currencies. See "Management's Discussion and Analysis of Financial Condition and Results of Operations-Liquidity and Capital Resources-Market Risk" and "Quantitative and Qualitative Disclosure about Market Risk" in this Annual Report. Although the Company may use financial instruments such as foreign currency forwards from time to time to reduce its exposure to currency exchange rate fluctuations in some cases, it may not elect or have the ability to implement hedges or, if it does implement them, there can be no assurance that such agreements will achieve the desired effect.

For the year-ended December 31, 2022, a 0.10 movement in the average euro rate would have reduced net income by approximately $5 million.

The departure of the U.K. from the European Union could adversely affect the Company.

The U.K. ceased to be a member of the European Union ("E.U.") on January 31, 2020, and the applicable transition period ended on December 31, 2020 (such departure commonly referred to as "Brexit"). The U.K. is also no longer part of the European Economic Area.

Continuing legal, political and economic uncertainty following Brexit may be a source of instability in international markets, create significant currency fluctuations, and adversely affect current trading and supply arrangements. Disruptions in trade as a consequence of Brexit could adversely impact the Company's UK operations. On December 24, 2020, the U.K. and the E.U. agreed to a trade and cooperation agreement (the "Trade and Cooperation Agreement"), which took effect on January 1, 2021 and provided for, among other things, zero-rate tariffs and zero quotas on the movement of goods between the U.K. and the E.U. The long-term effects of Brexit will depend on the implementation of the Trade and Cooperation Agreement and any future agreements (or lack thereof) between the U.K. and the E.U. and, in particular, any potential changes in the arrangements for the U.K. to retain access to E.U. markets. Brexit could result in adverse economic effects across the U.K. and Europe, which could, in turn, adversely affect the Company's business, results of operations, financial condition and cash flows.

Risks Relating to the Company's Indebtedness and Liquidity

The substantial indebtedness of the Company could prevent it from fulfilling its obligations under its debt agreements.

The Company has substantial outstanding indebtedness. As a result of the Company's substantial indebtedness, a significant portion of the Company's cash flow will be required to pay interest and principal on its outstanding indebtedness, and the Company may not generate sufficient cash flow from operations, or have future borrowings available under its senior secured credit facilities, to enable it to repay its indebtedness or to fund other liquidity needs. As of December 31, 2022, the Company and its subsidiaries had approximately $7.0 billion of indebtedness, excluding unamortized discounts and debt issuance costs.

The Company’s current sources of liquidity includes a securitization facility with a program limit up to a maximum of $700 million that expires in July 2023, a securitization facility with a program limit of $200 million that expires in December 2023, and a securitization facility with a program limit of $160 million that expires in November 2025. Additional sources of the Company's liquidity include borrowings under its $1,650 million revolving credit facilities that mature in August 2027.

The Company's indebtedness includes its €600 million ($642 million at December 31, 2022) 2.625% senior notes due in September 2024; its €600 million ($642 million at December 31, 2022) 3.375% senior notes due in May 2025; its $875 million 4.75% senior notes due in February 2026; its €500 million ($536 million at December 31, 2022) 2.875% senior notes due in February 2026; its $400 million 4.25% senior notes due in September 2026; its $350 million 7.375% senior notes due in December 2026; its $500 million 5.25% senior notes due in August 2030; its $40 million 7.5% senior notes due in December 2096; and its $242 million of other indebtedness in various currencies due at various dates through 2027. In addition, the Company’s term loan facilities mature as follows: $30 million in 2023, $60 million in 2024, $89 million in 2025, $119 million in 2026 and $2,080 million in 2027.

The substantial indebtedness of the Company could:

- increase the Company's vulnerability to general adverse economic and industry conditions, including rising interest rates;
- restrict the Company from making strategic acquisitions or exploiting business opportunities, including any planned expansion in emerging markets;
- limit the Company's ability to make capital expenditures both domestically and internationally in order to grow the Company's business or maintain manufacturing plants in good working order and repair;
- limit, along with the financial and other restrictive covenants under the Company's debt agreements, the Company's ability to obtain additional financing, dispose of assets or pay cash dividends;
- require the Company to dedicate a substantial portion of its cash flow from operations to service its indebtedness, thereby reducing the availability of its cash flow to fund future working capital, capital expenditures, research and development expenditures and other general corporate requirements;
- require the Company to sell assets used in its business;
- limit the Company's ability to refinance its existing indebtedness, particularly during periods of adverse credit market conditions when refinancing indebtedness may not be available under interest rates and other terms acceptable to the Company or at all;
- increase the Company's cost of borrowing;
- limit the Company's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates; and
- place the Company at a competitive disadvantage compared to its competitors that have less debt.

If its financial condition, operating results and liquidity deteriorate, the Company's creditors may restrict its ability to obtain future financing and its suppliers could require prepayment or cash on delivery rather than extend credit, which could further diminish the Company's ability to generate cash flows from operations sufficient to service its debt obligations. In addition, the Company's ability to make payments on and refinance its debt and to fund its operations will depend on the Company's ability to generate cash in the future.

Some of the Company's indebtedness is subject to floating interest rates, which would result in the Company's interest expense increasing if interest rates rise.

As of December 31, 2022, approximately $2.8 billion of the Company's $7.0 billion of total indebtedness and other outstanding obligations and $1.3 billion of securitization and factoring programs were subject to floating interest rates. Changes in economic conditions could result in higher interest rates, thereby increasing the Company's interest expense and reducing funds available for operations or other purposes. The Company's annual interest expense was $284 million, $253 million and $290 million for 2022, 2021 and 2020, respectively. Based on the amount of variable rate debt outstanding and securitization and factoring at December 31, 2022, a 0.25% increase in variable interest rates would increase its annual interest expense by approximately $10 million before tax. Accordingly, the Company may experience economic losses and a negative impact on earnings as a result of interest rate fluctuation. The actual effect of a 0.25% increase in these floating interest rates could be more than $10 million as the Company's average borrowings on its variable rate debt and securitization and factoring may be higher during the year than the amount at December 31, 2022. Although the Company may use interest rate protection agreements from time to time to reduce its exposure to interest rate fluctuations in some cases, it may not elect or have the ability to implement hedges or, if it does implement them, there can be no assurance that such agreements will achieve the desired effect. See "Management's Discussion and Analysis of Financial Condition and Results of Operations-Liquidity and Capital Resources-Market Risk" and "Quantitative and Qualitative Disclosures About Market Risk" in this Annual Report.

Restrictive covenants in the debt agreements governing the Company's current or future indebtedness could restrict the Company's operating flexibility.

The indentures and agreements governing the Company's senior secured credit facilities and outstanding notes contain affirmative and negative covenants that limit the ability of the Company and its subsidiaries to take certain actions. These restrictions may limit the Company's ability to operate its business and may prohibit or limit its ability to enhance its operations or take advantage of potential business opportunities as they arise. The Company's senior secured credit facilities require the Company to maintain specified financial ratios and satisfy other financial conditions. The agreements or indentures governing the Company's senior secured credit facilities and certain of its outstanding notes restrict, among other things, the ability of the Company and the ability of all or substantially all of its subsidiaries to:

- incur additional debt;
- pay dividends or make other distributions, repurchase capital stock, repurchase subordinated debt and make certain investments or loans;
- create liens and engage in sale and leaseback transactions;
- create restrictions on the payment of dividends and other amounts to the Company from subsidiaries;
- make loans, investments and capital expenditures;
- change accounting treatment and reporting practices;
- enter into agreements restricting the ability of a subsidiary to pay dividends to, make or repay loans to, transfer property to, or guarantee indebtedness of, the Company or any of its subsidiaries;
- sell or acquire assets, enter into leaseback transactions and merge or consolidate with or into other companies; and
- engage in transactions with affiliates.

In addition, the indentures and agreements governing the Company's senior secured credit facilities and certain of its outstanding notes limit, among other things, the ability of the Company to enter into certain transactions, such as mergers, consolidations, joint ventures, asset sales, sale and leaseback transactions and the pledging of assets.

The breach of any of these covenants by the Company or the failure by the Company to maintain any of these ratios or meet any of these conditions could result in a default under any or all of such indebtedness. If a default occurs under any such indebtedness, all of the outstanding obligations thereunder could become immediately due and payable, which could result in a default under the Company's other outstanding debt and could lead to an acceleration of obligations related to the Company's senior secured credit facilities, outstanding notes and other outstanding debt. The ability of the Company to comply with these covenants and the covenants in agreements it may enter into in the future can be affected by events beyond its control and, therefore, it may be unable to satisfy its obligations under its debt agreements.

Notwithstanding the Company's current indebtedness levels and restrictive covenants, the Company may still be able to incur substantial additional debt or make certain restricted payments, which could exacerbate the risks described above.

The Company may be able to incur additional debt in the future, including in connection with acquisitions or joint ventures. Although the Company's senior secured credit facilities and indentures governing certain of its outstanding notes contain restrictions on the Company's ability to incur indebtedness, those restrictions are subject to a number of exceptions, and, under certain circumstances, indebtedness incurred in compliance with these restrictions could be substantial. The Company may also consider investments in joint ventures or acquisitions or increased capital expenditures, which may increase the Company's indebtedness. Moreover, although the Company's senior secured credit facilities and indentures governing certain of its outstanding notes contain restrictions on the Company’s ability to make restricted payments, including the declaration and payment of dividends and the repurchase of the Company’s common stock, the Company is able to make such restricted payments under certain circumstances which may increase indebtedness. Adding new debt to current debt levels or making otherwise restricted payments could intensify the related risks that the Company and its subsidiaries now face.

The Company's senior secured credit facilities provide that certain change of control events constitute an event of default. In the event of a change of control, the Company may not be able to satisfy all of its obligations under the senior secured credit facilities or other indebtedness.

The Company may not have sufficient assets or be able to obtain sufficient third-party financing on favorable terms to satisfy all of its obligations under the Company's senior secured credit facilities or other indebtedness in the event of a change of control. The Company's senior secured credit facilities provide that certain change of control events constitute an event of default under the senior secured credit facilities. Such an event of default entitles the lenders thereunder to, among other things, cause all outstanding debt obligations under the senior secured credit facilities to become due and payable and to proceed against the collateral securing the senior secured credit facilities. Any event of default or acceleration of the senior secured credit facilities will likely also cause a default under the terms of other indebtedness of the Company. In addition, the indentures governing certain of the Company's outstanding notes require that the Company offer to repurchase the notes at an offer price of 101% of principal upon certain change of control repurchase events.

The Company is subject to certain restrictions that may limit its ability to make payments on its debt out of the cash reserves shown on the Company's consolidated financial statements.

The ability of the Company's subsidiaries and joint ventures to pay dividends, make distributions, provide loans or make other payments to the Company may be restricted by applicable state and foreign laws, potentially adverse tax consequences and their agreements, including agreements governing their debt. In addition, the equity interests of the Company's joint venture partners or other shareholders in the Company's non-wholly owned subsidiaries in any dividend or other distribution made by these entities would need to be satisfied on a proportionate basis with the Company. As a result, the Company may not be able to access a portion of its cash flow to service the Company's debt.

The Company has significant pension plan obligations worldwide and significant unfunded postretirement obligations, which could reduce its cash flow and negatively impact its results of operations and its financial condition.

The Company sponsors various pension plans worldwide, with the largest funded plans in the U.S. and Canada. In 2022, 2021 and 2020, the Company contributed $24 million, $236 million, and $27 million to its pension plans. The 2021 contribution included a $216 million contribution to its U.K. pension plan in advance of full settlement of the plan's obligations. Pension expense was $25 million and is expected to be $56 million in 2023, using foreign currency exchange rates in effect at December 31, 2022. A 0.50% change in the 2023 expected rate of return assumptions would change 2023 pension expense by approximately $6 million. A 0.50% change in the discount rates assumptions as of December 31, 2022 would change 2023 pension expense by approximately $3 million. The Company may be required to accelerate the timing of its contributions under its pension plans. The actual impact of any accelerated funding will depend upon the interest rates required for determining the plan liabilities and the investment performance of plan assets. An acceleration in the timing of pension plan contributions could decrease the Company's cash available to pay its outstanding obligations and its net income and increase the Company's outstanding indebtedness.

Based on current assumptions, the Company expects to make pension contributions of $16 million in 2023, $51 million in 2024, $52 million in 2025, $53 million in 2026 and $44 million in 2027. Future changes in the factors used to determine pension contributions, including investment performance of plan assets, could have a significant impact on the Company’s future contributions and its cash flow available for debt reduction, capital expenditures or other purposes.

The difference between pension plan obligations and assets, or the funded status of the plans, significantly affects the net periodic benefit costs of the Company's pension plans and the ongoing funding requirements of those plans. Among other factors, significant volatility in the equity markets and in the value of illiquid alternative investments, changes in discount rates, investment returns and the market value of plan assets can substantially increase the Company's future pension plan funding requirements and could have a negative impact on the Company's results of operations and profitability. See Note R to the Company's audited consolidated financial statements in this Annual Report. As long as the Company continues to maintain its various pension plans, the Company will continue to incur additional pension obligations. The Company's pension plan assets consist primarily of common stocks and fixed income securities and also include alternative investments such as interests in private equity and hedge funds. If the performance of plan assets does not meet the Company's assumptions or discount rates decline, the underfunding of the pension plans may increase and the Company may have to contribute additional funds to the pension plans, and the Company's pension expense may increase. In addition, certain of the Company's pension and postretirement plans are unfunded.

The Company's U.S. funded pension plan is subject to the Employee Retirement Income Security Act of 1974, or ERISA. Under ERISA, the Pension Benefit Guaranty Corporation, or PBGC, has the authority to terminate an underfunded plan under certain circumstances. In the event its U.S. pension plan is terminated for any reason while the plan is underfunded, the Company will incur a liability to the PBGC that may be equal to the entire amount of the underfunding, which under certain circumstances may be senior to the Company's outstanding notes. In addition, as of December 31, 2022 the unfunded accumulated postretirement benefit obligation, as calculated in accordance with U.S. generally accepted accounting principles, for retiree medical benefits was approximately $108 million, based on assumptions set forth under Note R to the Company's audited consolidated financial statements in this Annual Report.

Risks Relating to Litigation and Regulatory Matters

The Company is subject to litigation risks which could negatively impact its operations and net income.

The Company is subject to various lawsuits and claims with respect to matters such as governmental, environmental and employee benefits laws and regulations, securities, labor, and actions arising out of the normal course of business, in addition to asbestos-related litigation described under the risk factor titled “Pending and future asbestos litigation and payments to settle asbestos-related claims could reduce the Company's cash flow and negatively impact its financial condition.” The Company is currently unable to determine the total expense or possible loss, if any, that may ultimately be incurred in the resolution of such legal proceedings. Regardless of the ultimate outcome of such legal proceedings, they could result in significant diversion of time by the Company's management. The results of the Company's pending legal proceedings, including any potential settlements, are uncertain and the outcome of these disputes may decrease its cash available for operations and investment, restrict its operations or otherwise negatively impact its business, operating results, financial condition and cash flow.

In March 2015, the Bundeskartellamt, or German Federal Cartel Office (“FCO”), conducted unannounced inspections of the premises of several metal packaging manufacturers, including a German subsidiary of the Company. The local court order authorizing the inspection cited FCO suspicions of anti-competitive agreements in the German market for the supply of metal packaging products. The Company conducted an internal investigation into the matter and discovered instances of inappropriate conduct by certain employees of German subsidiaries of the Company. The Company cooperated with the FCO and submitted a leniency application with the FCO which disclosed the findings of its internal investigation to date. In April 2018, the FCO discontinued its national investigation and referred the matter to the European Commission (the “Commission”). Following the referral, Commission officials conducted unannounced inspections of the premises of several metal packaging manufacturers, including Company subsidiaries in Germany, France and the U.K. The Company cooperated with the Commission and submitted a leniency application with the Commission with respect to the findings of its internal investigation in Germany. In July 2022, the Company reached a settlement with the Commission relating to the Commission’s investigation, pursuant to which the Company agreed to pay a fine in the amount of €8 million. Fining decisions based on settlements can be appealed under EU law. The Company is seeking annulment of the Commission’s fining decision on the basis that the referral of the case from the FCO to the Commission was unjustified. There can be no assurance regarding the outcome of such appeal.

On October 7, 2021, the French Autorité de la concurrence (the French Competition Authority or “FCA”) issued a statement of objections to 14 trade associations, one public entity and 101 legal entities from 28 corporate groups, including the Company, certain of its subsidiaries, other leading metal can manufacturers, certain can fillers and certain retailers in France. The FCA alleged violations of Articles 101 of the Treaty on the Functioning of the European Union and L.420-1 of the French Commercial Code. The statement of objections alleges, among other things, anti-competitive behavior in connection with the removal of bisphenol-A from metal packaging in France. The removal of bisphenol-A was mandated by French legislation that went into effect in 2015. If the FCA finds that the Company or its subsidiaries violated competition law, the FCA may levy fines. Proceedings with respect to this matter are ongoing and the Company is unable to predict the ultimate outcome including the amount of fines, if any, that may be levied by the FCA. The Company intends to vigorously defend against the allegations in the statement of objections.

Pending and future asbestos litigation and payments to settle asbestos-related claims could reduce the Company's cash flow and negatively impact its financial condition.

Crown Cork & Seal Company, Inc. (Crown Cork), a wholly-owned subsidiary of the Company, is one of many defendants in a substantial number of lawsuits filed throughout the United States by persons alleging bodily injury as a result of exposure to asbestos. In 1963, Crown Cork acquired a subsidiary that had two operating businesses, one of which is alleged to have manufactured asbestos-containing insulation products. Crown Cork believes that the business ceased manufacturing such products in 1963.

As of December 31, 2022, Crown Cork's accrual for pending and future asbestos-related claims and related legal costs was $220 million, including $178 million for unasserted claims. The Company determines its accrual without limitation to a specific time period. Assumptions underlying the accrual include that claims for exposure to asbestos that occurred after the sale of the subsidiary's insulation business in 1964 would not be entitled to settlement payouts and that state statutes described under Note O to the Company's audited consolidated financial statements included in this Annual Report, including Texas and Pennsylvania statutes, are expected to have a highly favorable impact on Crown Cork's ability to settle or defend against asbestos-related claims in those states and other states where Pennsylvania law may apply.

During the year ended December 31, 2022, Crown Cork received approximately 1,500 new claims, settled or dismissed approximately 1,000 claims, and had approximately 57,500 claims outstanding at the end of the period. Of the Company's outstanding claims, approximately 17,000 claims relate to claimants alleging first exposure to asbestos after 1964 and approximately 40,500 relate to claimants alleging first exposure to asbestos before or during 1964, of which approximately 13,000 were filed in Texas, 1,500 were filed in Pennsylvania, 6,000 were filed in other states that have enacted asbestos legislation and 20,000 were filed in other states. The outstanding claims at December 31, 2022 also exclude approximately 19,000 inactive claims, as well as claims in Texas filed after June 11, 2003. Due to the passage of time, the Company considers it unlikely that the plaintiffs in these cases will pursue further action. The exclusion of these inactive claims had no effect on the calculation of the Company's accrual as the claims were filed in states where the Company's liability is limited by statute. The Company devotes significant time and expense to defend against these various claims, complaints and proceedings, and there can be no assurance that the expenses or distractions from operating the Company's business arising from these defenses will not increase materially.

Crown Cork made cash payments of $21 million, $19 million and $21 million in 2022, 2021 and 2020 to settle asbestos claims and pay related legal and defense costs. These payments and any such future payments will reduce the cash flow available to Crown Cork for its business operations and debt payments.

Asbestos-related payments including defense costs may be significantly higher than those estimated by Crown Cork because the outcome of this type of litigation (and, therefore, Crown Cork's reserve) is subject to a number of assumptions and uncertainties, such as the number or size of asbestos-related claims or settlements, the number of financially viable responsible parties, the extent to which state statutes relating to asbestos liability are upheld and/or applied by the courts, Crown Cork's ability to obtain resolution without payment of asbestos-related claims by persons alleging first exposure to asbestos after 1964, and the potential impact of any pending or future asbestos-related legislation. Accordingly, Crown Cork may be required to make payments for claims substantially in excess of its accrual, which could reduce the Company's cash flow and impair its ability to satisfy its obligations. Further information regarding Crown's Cork's asbestos-related liabilities is presented within “Management's Discussion and Analysis of Financial Condition and Results of Operations” under the headings, “Provision for Asbestos” and “Critical Accounting Policies” and under Note O to the Company's audited consolidated financial statements included in this Annual Report.

The Company is subject to costs and liabilities related to stringent environmental and health and safety standards.

Laws and regulations relating to environmental protection and health and safety may increase the Company’s costs of operating and reduce its profitability. The Company’s operations are subject to numerous U.S. federal and state and non-U.S. laws and regulations governing the protection of the environment, including those relating to operating permits, treatment, storage and disposal of waste, the use of chemicals in the Company’s products and manufacturing process, discharges into water, emissions into the atmosphere, remediation of soil and groundwater contamination and protection of employee health and safety. Future regulations may impose stricter environmental or employee safety requirements affecting the Company’s operations or may impose additional requirements regarding consumer health and safety, such as potential restrictions on the use of bisphenol-A, a starting material used to produce internal and external coatings for some food, beverage, and aerosol containers and metal closures. The European Union and Canada have banned the use of bisphenol-A in baby bottles, and the U.S. Environmental Protection Agency ("EPA") has considered adding bisphenol-A, which it has described as a potential reproductive, developmental, and systemic toxicant, to the chemical concern list and using its Design for the Environment program to encourage reductions in bisphenol-A manufacturing and use. Certain other nations, including Denmark, Belgium, the Netherlands, Canada and France, have implemented or considered implementing legislation restricting the use of bisphenol-A, including imposing product labeling requirements or restrictions on the importation and placement in the market of packaging and utensils containing bisphenol-A, and the European Food Safety Authority has recommended that the tolerable daily intake of bisphenol-A be lowered. Domestic and international, federal, state, municipal or other regulatory authorities could further restrict or prohibit the use of bisphenol-A in the future. In addition, public reports, litigation and other allegations regarding the potential health hazards of bisphenol-A could contribute to a perceived safety risk about the Company's products and adversely impact sales or otherwise disrupt the Company's business. While the Company is exploring various alternatives to the use of bisphenol-A and conversion to alternatives is underway in some applications, there can be no assurance the Company will be completely successful in its efforts or that the alternatives will not be more costly to the Company.

Also, for example, future restrictions in some jurisdictions on air emissions of volatile organic compounds and the use of certain paint and lacquering ingredients may require the Company to employ additional control equipment or process modifications. The Company's operations and properties, both in the U.S. and abroad, must comply with these laws and regulations. In addition, a number of governmental authorities in the U.S. and abroad have introduced or are contemplating enacting legal requirements, including emissions limitations, cap and trade systems or mandated changes in energy consumption, in response to the potential impacts of climate change. Given the wide range of potential future climate change regulations in the jurisdictions in which the Company operates, the potential impact of both climate change and climate change regulation is uncertain.

Climate change and evolving laws, regulations and market trends in response to climate change could adversely affect the business and operations of the Company.

The Company may incur significant costs and experience operational disruptions as a result of increases in the frequency, severity or duration of severe weather events caused by climate change (including thunderstorms, hurricanes, blizzards, wildfires, flooding, typhoons and tornados), and may incur additional costs to prepare for, respond to and mitigate the effects of climate change. Furthermore, in the event that severe weather events, temperature shifts, or coastline changes resulting from climate change adversely impact crop yields for fruits and vegetables, our customers' demand for our products may be reduced due to customers' inability to make products that require packaging in the first instance. The Company is not able to accurately predict the materiality of any potential losses or costs associated with the effects of climate change. The impact of climate change may also vary by geographic location and other circumstances, including weather patterns and any impact to natural resources such as water.

A number of governmental authorities both in the U.S. and abroad also have enacted, or are considering, legal requirements relating to environmental conservation and sustainability, energy efficiency deforestation, greenhouse gas emissions, climate change and product stewardship, including mandating recycling, the use of recycled materials and/or limitations on certain kinds of packaging materials such as plastics. In addition, some companies with packaging needs have responded to such developments, and/or to perceived environmental concerns of consumers, by using containers made in whole or in part of recycled materials. Such developments may reduce the demand for some of the Company's products, and/or increase its costs.

The Company may experience significant negative effects to its business as a result of new federal, state or local taxes, increases to current taxes or other governmental regulations specifically targeted to decrease the consumption of certain types of beverages.

Public health and government officials have become increasingly concerned about the health consequences associated with over-consumption of certain types of beverages, such as sugar-sweetened beverages and including those sold by certain of the Company's significant customers. Possible new federal, state or local taxes, increases to current taxes or other governmental regulations specifically targeted to decrease the consumption of these beverages may significantly reduce demand for the beverages of the Company's customers, which could in turn affect demand of the Company's customers for the Company's products. For example, taxes on certain sugar-sweetened beverages and/or energy drinks have been enacted in France, the U.K., Poland, Portugal, Hungary, India and Saudi Arabia. Some state and local governments are also considering similar taxes, and several U.S. cities, including in California, Pennsylvania and Colorado, have enacted taxes on certain sugar-sweetened beverages. The imposition of such taxes may decrease the demand for certain soft drinks and beverages that the Company's customers produce, which may cause the Company's customers to respond by decreasing their purchases from the Company. Consumer tax legislation and future attempts to tax sugar-sweetened or energy drinks by other jurisdictions could reduce the demand for the Company's products and materially adversely affect the Company's business and financial results.

Demand for the Company's products could be affected by changes in laws and regulations applicable to food and beverages and changes in consumer preferences.

The Company manufactures and sells metal and glass packaging primarily for the beverage and food can market. As a result, many of the Company's products come into direct contact with beverages and food. Accordingly, the Company's products must comply with various laws and regulations for beverages and food applicable to its customers. Changes in such laws and regulations, such as the sugary-drink taxes discussed above, could negatively impact customers' demand for the Company's products as they comply with such changes and/or require the Company to make changes to its products. Such changes to the

Company's products could include modifications to the coatings and compounds that the Company uses, possibly resulting in the incurrence of additional costs. Additionally, because many of the Company's products are used to package consumer goods, the Company is subject to a variety of risks that could influence consumer behavior and negatively impact demand for the Company's products, including changes in consumer preferences driven by various health-related concerns and perceptions.

Changes in accounting standards, taxation requirements and other law could negatively affect the Company's financial results.

New accounting standards or pronouncements that may become applicable to the Company from time to time, or changes in the interpretation of existing standards and pronouncements, could have a significant effect on the Company's reported results for the affected periods. The Company is also subject to income tax in the numerous jurisdictions in which the Company operates. Increases in income tax rates or other changes to tax laws could reduce the Company's after-tax income from affected jurisdictions or otherwise affect the Company's tax liability.

In addition, the Company's products are subject to import and excise duties and/or sales or value-added taxes in many jurisdictions in which it operates. Increases in indirect taxes could affect the Company's products' affordability and therefore reduce demand for its products.

<u>General Risk Factors</u>

The loss of a major customer and/or customer consolidation could reduce the Company's net sales and profitability.

Many of the Company's largest customers have acquired companies with similar or complementary product lines. This consolidation has increased the concentration of the Company's business with its largest customers. In many cases, such consolidation has been accompanied by pressure from customers for lower prices, reflecting the increase in the total volume of product purchased or the elimination of a price differential between the acquiring customer and the company acquired. Increased pricing pressures from the Company's customers may reduce the Company's net sales and net income.

The majority of the Company's sales are to companies that have leading market positions in the sale of beverages, packaged food and household products to consumers. The loss of any major customers, a reduction in the purchasing levels of these customers or an adverse change in the terms of supply agreements with these customers could reduce the Company's net sales and net income. A continued consolidation of the Company's customers could exacerbate any such loss. In addition, the Company's relationship with several of its customers, particularly in Transit Packaging, is noncontractual, and as a result its customers may unilaterally reduce their purchases of its products.

The Company may not be able to manage its anticipated growth, and it may experience constraints or inefficiencies caused by unanticipated acceleration and deceleration of customer demand.

Unanticipated acceleration and deceleration of customer demand for the Company's products may result in constraints or inefficiencies related to the Company's manufacturing, sales force, implementation resources and administrative infrastructure, particularly in emerging markets where the Company is seeking to expand production. Such constraints or inefficiencies may adversely affect the Company as a result of delays, lost potential product sales or loss of current or potential customers due to their dissatisfaction. Similarly, over-expansion, including as a result of overcapacity due to expansion by the Company's competitors, or investments in anticipation of growth that does not materialize, or develops more slowly than the Company expects, could harm the Company's financial results and result in overcapacity.

To manage the Company's anticipated future growth effectively, the Company must continue to enhance its manufacturing capabilities and operations, information technology infrastructure, and financial and accounting systems and controls. Organizational growth and scale-up of operations could strain its existing managerial, operational, financial and other resources. The Company's growth requires significant capital expenditures and may divert financial resources from other projects, such as the development of new products or enhancements of existing products or reduction of the Company's outstanding indebtedness. If the Company's management is unable to effectively manage the Company's growth, its expenses may increase more than expected, its revenue could grow more slowly than expected and it may not be able to achieve its research and development and production goals, any of which could have a material effect on its business, operating results or financial condition.

Acquisitions, dispositions or investments that the Company is considering, has pursued or may pursue could be unsuccessful, consume significant resources and require the incurrence of additional indebtedness.

The Company has completed and may consider acquisitions and investments that complement its existing business or dispositions of portions of its existing business. The actual or potential acquisitions, dispositions and investments, such as the Company's divestiture of its European Tinplate business in August 2021, involve or may involve significant cash expenditures, debt incurrence (including the incurrence of additional indebtedness under the Company's senior secured revolving credit facilities or other secured or unsecured debt), operating losses and expenses and the diversion of management's attention that could have a material effect on the Company's financial condition and operating results.

In particular, if the Company incurs additional debt in order to finance an acquisition, the Company's liquidity and financial stability could be impaired as a result of using a significant portion of available cash or borrowing capacity. Moreover, the Company may face an increase in interest expense or financial leverage if additional debt is incurred to finance an acquisition, which may, among other things, adversely affect the Company's various financial ratios and the Company's compliance with the conditions of its existing indebtedness. In addition, such additional indebtedness may be incurred under the Company's senior secured credit facilities or otherwise secured by liens on the Company's assets.

Acquisitions and dispositions involve numerous other risks, including:

- diversion of management time and attention;
- failures to identify material problems and liabilities of acquisition targets or to obtain sufficient indemnification rights to fully offset possible liabilities related to the acquired businesses;
- difficulties integrating the operations, technologies and personnel of the acquired businesses;
- inefficiencies and complexities that may arise due to unfamiliarity with new assets, businesses or markets;
- disruptions to the Company's ongoing business;
- inaccurate estimates of fair value made in the accounting for acquisitions and amortization of acquired intangible assets which would reduce future reported earnings;
- the inability to obtain required financing for the new acquisition or investment opportunities and the Company's existing business;
- the need or obligation to divest portions of an acquired business;
- challenges associated with successfully bifurcating operations that involve both remaining and departing personnel in divestiture transactions;
- challenges associated with operating in new geographic regions or discontinued operations in legacy regions;
- difficulties in achieving anticipated cost savings, synergies, business opportunities and growth prospects;
- potential loss of key employees, contractual relationships, suppliers or customers of the acquired businesses or of the Company; and
- inability to obtain required anti-trust and other regulatory approvals.

To the extent the Company pursues an acquisition or disposition that causes it to incur unexpected costs or that fails to generate expected returns, the Company's financial position, results of operations and cash flows may be adversely affected, and the Company's ability to service its indebtedness may be negatively impacted.

If the Company fails to retain key management and personnel, the Company may be unable to implement its business plan.

Members of the Company's senior management have extensive industry experience, and it might be difficult to find new personnel with comparable experience. Because the Company's business is highly specialized, the Company believes that it would also be difficult to replace its key technical personnel. The Company believes that its future success depends, in large part, on its experienced senior management team. Losing the services of key members of its management team could limit the Company's ability to implement its business plan. In addition, under the Company's unfunded Senior Executive Retirement Plan certain members of senior management are entitled to lump sum payments upon retirement or other termination of employment and a lump sum death benefit of five times the annual retirement benefit, which could result in unexpected increased costs to the Company for a particular period.

The Company relies on its information technology and the failure or disruption of its information technology could disrupt its operations and adversely affect its results of operations.

The Company's business increasingly relies on the successful and uninterrupted functioning of its information technology systems to process, transmit, and store electronic information. A significant portion of the communication between the Company's personnel around the world, customers, and suppliers depends on information technology. As with all large systems, the Company's information technology systems may be susceptible to damage, disruptions or shutdowns due to failures during the process of upgrading or replacing software, databases or components thereof, power outages, hardware failures, computer viruses, attacks by computer hackers, telecommunication failures, user errors or catastrophic events. In addition, security breaches could result in unauthorized disclosure of confidential information.

The concentration of processes in shared services centers means that any disruption could impact a large portion of the Company's business within the operating zones served by the affected service center. If the Company does not allocate, and effectively manage, the resources necessary to build, sustain and protect the proper technology infrastructure, the Company could be subject to transaction errors, processing inefficiencies, loss of customers, business disruptions, the loss of or damage to intellectual or physical property through security breach, and reputational harm, as well as potential civil liability and fines under various states' laws in which the Company does business. While the Company has security measures in place designed to protect the integrity of customer information and prevent data loss, misappropriation, and other security breaches, the Company's information technology systems could nevertheless be penetrated by outside parties intent on extracting information, corrupting information or disrupting business processes (including for purposes of ransom demands or other forms of blackmail), particularly if the Company's information security training and compliance programs prove to be inadequate. In addition, if the Company's information technology systems suffer severe damage, disruption or shutdown and the Company's business continuity plans do not effectively resolve the issues in a timely manner, the Company may lose revenue and profits as a result of its inability to timely manufacture, distribute, invoice and collect payments from its customers, and could experience delays in reporting its financial results, including with respect to the Company's operations in emerging markets. Furthermore, if the Company is unable to prevent security breaches, it may suffer financial and reputational damage because of lost or misappropriated confidential information belonging to the Company or to its customers or suppliers, and it may suffer indirect economic loss if its existing insurance policies and coverage related to information security risks prove to be insufficient. Failure or disruption of the Company's information technology systems, or the back-up systems, for any reason could disrupt the Company's operations and negatively impact the Company's cash flows or financial condition.

Sentiment towards climate change, sustainability and other ESG matters could adversely affect the Company’s business, financial condition or results of operations.

The Company has announced sustainability goals for its next phase of Sustainability as part of its **Twenty**by**30** program. Execution of this program and the achievements of the Company’s sustainability goals is subject to risk and uncertainties, many of which are out of the Company’s control. Failure to achieve these sustainability goals within the currently projected costs and expected timeframes could damage the Company’s reputation, customer and investor relationships, or ability to access capital on favorable terms, particularly given investors’ increased focus on ESG matters in recent years, and in turn could adversely affect the Company’s business, financial condition or results of operations.

The Company’s business operations and financial position have been and may continue to be adversely affected by the COVID-19 pandemic.

The ongoing global outbreak of COVID-19 has caused and may continue to cause business slowdowns and shutdowns and turmoil in the financial markets both in the U.S. and abroad. The pandemic, as well as the quarantines, travel restrictions, “work from home” orders, mask requirements, and other governmental and non-governmental restrictions which have been imposed throughout the world in an effort to contain, mitigate, or vaccinate against COVID-19 (and the controversies prompted by such restrictions in some regions), has created significant volatility, uncertainty and economic disruption that has adversely affected, and may in the future adversely affect, the Company’s results of operations, cash flows and financial position or the Company’s ability to execute its short- and long-term business strategies and initiatives.

The magnitude of COVID-19’s ultimate impact on the Company will depend on numerous evolving factors, future developments and cascading effects of the coronavirus pandemic that the Company is not able to predict, including the extent and duration of the outbreak’s direct and indirect effect on consumer confidence and spending, customer demand, buying patterns, and work practices and on the Company’s supply chain. The impact of COVID-19 may also exacerbate other risk factors discussed in Item 1A of this Annual Report, any of which could have a material effect on the Company. The extent of the ultimate impact of COVID-19 on the Company’s business is highly uncertain and cannot be reasonably estimated at this time.

If the Company fails to maintain an effective system of internal control, the Company may not be able to accurately report financial results or prevent fraud.

Effective internal controls are necessary to provide reliable financial reports and to assist in the effective prevention of fraud. Any inability to provide reliable financial reports or prevent fraud could harm the Company's business. The Company must annually evaluate its internal procedures to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, which requires management and auditors to assess the effectiveness of internal controls. If the Company fails to remedy or maintain the adequacy of its internal controls, as such standards are modified, supplemented or amended from time to time, the Company could be subject to regulatory scrutiny, civil or criminal penalties or shareholder litigation.

ITEM 1B. UNRESOLVED STAFF COMMENTS

There are no unresolved written comments that were received from the SEC staff 180 days or more before the end of the Company’s fiscal year relating to its periodic or current reports under the Securities Exchange Act of 1934.

ITEM 2. PROPERTIES

As of December 31, 2022, the Company operated 199 facilities in 40 countries. The principal manufacturing facilities at December 31, 2022 are listed below and are grouped by reportable segment. The Company’s manufacturing and support facilities are designed according to the requirements of the products to be manufactured. Therefore, the type of construction may vary from plant to plant. Warehouse space is generally provided at each of the manufacturing locations, although the Company also leases outside warehouses. The Company leased 69 of its manufacturing facilities at December 31, 2022.

Ongoing productivity improvements and cost reduction efforts in recent years have focused on upgrading and modernizing facilities to reduce costs, improve efficiency and productivity. The Company has also opened new facilities to meet increases in market demand for its products. These actions reflect the Company’s continued commitment to align manufacturing facilities to maintain its competitive position in its markets.

Utilization of any particular facility varies based upon product demand. While it is not possible to measure with any degree of certainty or uniformity the productive capacity of these facilities, management believes that, if necessary, production can be increased at several existing facilities through the addition of personnel, capital equipment and, in some facilities, square footage available for production. In addition, the Company may from time to time acquire additional facilities or dispose of existing facilities.

The Company’s Americas, Transit Packaging and Corporate headquarters are in Tampa, Florida. Its European headquarters is in Baar, Switzerland and its Asia Pacific headquarters is in Singapore. The Company maintains a research facility in Wantage, England.

Americas Beverage	European Beverage	Asia Pacific	Transit Packaging		Other
Kankakee, IL	Custines, France	Phnom Penh, Cambodia (2)	Rainbow City, AL	Virton, Belgium	Norwalk, CT (T)
Bowling Green, KY	Korinthos, Greece	Sihanoukville, Cambodia	Benton, AR	Kardjali, Bulgaria	Dubuque, IA (F)
Mankato, MN	Patras, Greece	Hangzhou, China	Fordyce, AR	Noerresundby, Denmark	Alsip, IL (A)
Batesville, MS	Parma, Italy	Henan, China (S)	Sheridan, AR	Soenderborg, Denmark	Decatur, IL (A)
Nichols, NY	Amman, Jordan	Heshan, China	Phoenix, AZ	Liljendal, Finland	Belcamp, MD (S)
Dayton, OH	Goleniow, Poland	Huizhou, China (S)	Bay Point, CA	Masku, Finland	Faribault, MN (A)
Cheraw, SC	Dammam, Saudi Arabia	Qingdao Chengyan, China (S)	Stockton, CA	Castelsarrasin, France	Owatonna, MN (F)
Conroe, TX	Jeddah, Saudi Arabia	Shanghai, China (S)	Denver, CO	Fontaine les Luxeuil, France	Massillon, OH (F)
Fort Bend, TX	Kosice, Slovakia	Tianjin, China (S)	Carrollton, GA	Manneville sur Risle, France	Mill Park, OH (F)
Martinsville, VA	Agoncillo, Spain	Tongxiang, China (S)	Douglasville, GA	Tournus, France	Connellsville, PA (F)
Winchester, VA	Sevilla, Spain	Ziyang, China	LaGrange, GA	Dinslaken, Germany	Hanover, PA (F)
Olympia, WA	Valencia, Spain	Karawang, Indonesia	Macon, GA	Goldkronach, Germany	Trevose, PA (T)
La Crosse, WI	El Agba, Tunisia	Bangi, Malaysia	Bridgeview, IL	Hilden, Germany	Spartanburg, SC (A)
Worland, WY	Izmit, Turkey	Yangon, Myanmar	Dixmoor, IL	Neunkirchen, Germany	Suffolk, VA (F)
Cabreuva, Brazil	Osmaniye, Turkey	Singapore	Kankakee, IL (2)	Nurnberg, Germany	Chippewa Falls, WI (T)
Teresina, Brazil	Dubai, UAE	Singapore (S)	Roselle, IL	Weischlitz, Germany	Oshkosh, WI (F)
Estancia, Brazil	Botcherby, U.K.	Bangpoo, Thailand (F)	Elkhart, IN	Gorey, Ireland	Kingston, Jamaica (F)
Manaus, Brazil	Braunstone, U.K.	Hat Yai, Thailand (F)	Gary, IN	Waterford, Ireland	La Villa, Mexico (F)
Ponta Grossa, Brazil		Nakhon Pathom, Thailand (F)	Florence, KY	Nairobi, Kenya	Barbados, West Indies (F)
Rio Verde, Brazil		Nong Khae, Thailand (2)	Monroe, LA	Heerlen, Netherlands	Shipley, U.K. (T), (3)
Uberaba, Brazil		Samrong, Thailand (F)	Brighton, MI	Nuenen, Netherlands	Wortley, U.K.
Calgary, Canada		Songkhla, Thailand (F)	Eden, NC	Zwijndrecht, Netherlands	
Ontario, Canada		Danang, Vietnam	Salisbury, NC	Kosice, Slovakia	
Santafe de Bogota, Colombia		Dong Nai, Vietnam (2)	Newark, NJ	Burseryd, Sweden	
Acayucan, Mexico		Hanoi, Vietnam	Cleveland, OH	Hjo, Sweden	
Chihuahua, Mexico		Ho Chi Minh City, Vietnam	Loveland, OH	Sandared, Sweden	
Ensenada, Mexico		Vung Tau, Vietnam	West Chester, OH	Ystad, Sweden	
Guadalajara, Mexico			Elizabethtown, PA	Dietikon, Switzerland (2)	
Monterrey, Mexico (2)			Hazleton, PA	Merenschwand, Switzerland	
Orizaba, Mexico			Imperial, PA	Izmir, Turkey	
Toluca, Mexico			East Providence, RI	Kocaeli, Turkey	
			Darlington, SC	Dudley, U.K.	
			Greer, SC	Wisbech, U.K. (2)	
			Latta, SC	Derrimut, Australia	
			Orange, TX	Kurri Kurri, Australia	
			San Antonio, TX	Bangalore, India (4)	
			Danville, VA	Dahej, India	
			Forest, VA	Rudrapur, India	
			Martinsville, VA	Rudraram, India	
			Rustburg, VA	Silvassa, India	
			Woodland, WA	Pohang, South Korea	
			Cabreuva, Brazil	Rayong, Thailand	
			Halton Hills, Canada	Sriracha, Thailand (2)	
			Amatlan de los Reyes, Mexico		
			Cienega de Flores, Mexico		
			Toluca, Mexico		

All properties above are beverage facilities unless otherwise indicated by the following:
A: Aerosol
F: Food and closure
P: Promotional packaging
S: Specialty packaging
T: Tooling and equipment

ITEM 3. LEGAL PROCEEDINGS

Crown Cork is one of many defendants in a substantial number of lawsuits filed throughout the U.S. by persons alleging bodily injury as a result of exposure to asbestos. These claims arose from the insulation operations of a U.S. company, the majority of whose stock Crown Cork purchased in 1963. Approximately ninety days after the stock purchase, this U.S. company sold its insulation assets and was later merged into Crown Cork. At December 31, 2022, the accrual for pending and future asbestos claims and related legal costs that are probable and estimable was $220 million.

The Company has been identified by the EPA as a potentially responsible party (along with others, in most cases) at a number of sites.

Further information on these matters and other legal proceedings is presented within "Management's Discussion and Analysis of Financial Condition and Results of Operations" under the captions "Provision for Asbestos" and "Environmental Matters," within the risk factor titled "The Company is subject to litigation risks which could negatively impact its operations and net income" and under Note O and Note P to the consolidated financial statements.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

Information concerning the principal executive officers of the Company, including their ages and positions, is set forth in "Directors, Executive Officers and Corporate Governance" of this Annual Report.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The Registrant's common stock is listed on the New York Stock Exchange under ticker symbol CCK. On February 24, 2023 there were 3,480 registered shareholders of the Registrant's common stock, including 832 participants in the Company's Employee Stock Purchase Plan. The foregoing information regarding the number of registered shareholders of common stock does not include persons holding stock through clearinghouse systems. Details regarding the Company's policy as to payment of cash dividends and repurchase of shares are set forth under Note T to the consolidated financial statements included in this Annual Report. Information with respect to shares of common stock that may be issued under the Company's equity compensation plans is set forth in "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters," of this Annual Report.

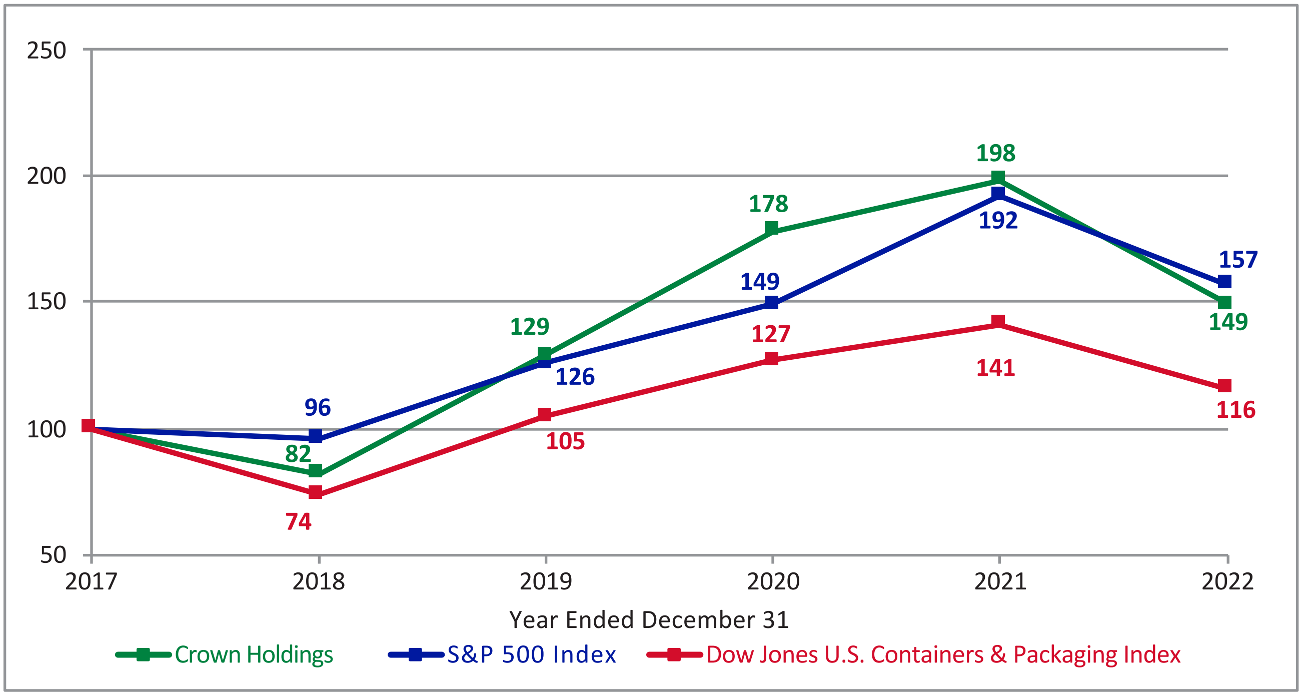
Issuer Purchases of Equity Securities

There were no purchases of equity securities during the three months ending December 31, 2022.

In December 2021, the Company's Board of Directors authorized the repurchase of an aggregate amount of $3.0 billion of Company common stock through the end of 2024. As of December 31, 2022, the Company could still purchase $2.3 billion of the Company common stock through this program. Share repurchases under the Company's program may be made in the open market or through privately negotiated transactions, and at times and in such amounts as management deems appropriate.

ITEM 6. [RESERVED]

COMPARATIVE STOCK PERFORMANCE (a)
Comparison of Five-Year Cumulative Total Return (b)
Crown Holdings, S&P 500 Index, Dow Jones U.S. Containers & Packaging Index (c)



December 31,	2017	2018	2019	2020	2021	2022
Crown Holdings	$ 100	$ 74	$ 129	$ 178	$ 198	$ 149
S&P 500 Index	100	96	126	149	192	157
Dow Jones U.S. Containers & Packaging Index	100	82	105	127	141	116

(a) The preceding Comparative Stock Performance Graph is not deemed filed with the SEC and shall not be incorporated by reference in any of the Company's filings under the Security Act of 1933 or the Securities Exchange Act of 1934, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

(b) Assumes that the value of the investment in Crown Holdings common stock and each index was $100 on December 31, 2017 and that all dividends were reinvested.

(c) Industry index is weighted by market capitalization and, as of December 31, 2022, was composed of Crown Holdings, Amcor, AptarGroup, Avery Dennison, Ball, Berry Global, Graphic Packaging, International Paper, Packaging Corp. of America, Sealed Air, Silgan, Sonoco and WestRock.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(in millions, except per share, average settlement cost per asbestos claim, employee, shareholder and statistical data)

INTRODUCTION

The following discussion summarizes the significant factors affecting the results of operations and financial condition of Crown Holdings, Inc. (the "Company") as of and during the three-year period ended December 31, 2022. This discussion should be read in conjunction with the consolidated financial statements included in this Annual Report.

BUSINESS STRATEGY AND TRENDS

The Company's strategy is to deploy capital into its global beverage can operations to expand production capacity to support growing customer demand in alcoholic and non-alcoholic drink categories. Beverage cans are the world's most sustainable and recycled beverage packaging and continue to gain market share in new beverage product launches. The Company continues to drive brand differentiation by increasing its ability to offer multiple product sizes.

For several years, global industry demand for beverage cans has been growing. In North America, beverage can growth has accelerated in recent years mainly due to the outsized portion of new beverage products being introduced in cans versus other packaging formats. In addition, markets such as Brazil, Europe, Mexico and Southeast Asia have also experienced higher volumes and market expansion.

On August 31, 2021, the Company completed the previously announced sale of its European Tinplate business to KPS Capital Partners, LP. The European Tinplate business comprised the Company's European Food reportable segment and its European Aerosol and Promotional Packaging reporting unit which was previously reported in Other. The Company received pre-tax proceeds of approximately €1.9 billion ($2.3 billion) from the transaction and received a 20% ownership stake in the business.

The Company's capital allocation strategy also focuses on maintaining a strong balance sheet with a target leverage ratio between 3.0x and 3.5x and returning capital to shareholders in the form of dividends and the repurchase of Company shares. In December 2021, the Board of Directors authorized the repurchase of $3.0 billion in Company common stock through the end of 2024.

The Company continues to actively elevate its commitment to sustainability, which is a core value of the Company. In 2020, the Company debuted **Twenty**by**30**, a robust program that outlines twenty measurable, science based, environmental, social and governance goals to be completed by 2030 or sooner. In September 2021, the Company joined The Climate Pledge, a commitment to be net-zero carbon across business operations by 2040.

To date the war between Russia and Ukraine has not had a direct material impact on the Company's business, financial condition, or results of operations.

The Company continues to actively manage the challenges of supply chain disruptions, foreign exchange and interest rate fluctuations and inflationary pressures, including increasing costs for raw materials, energy and transportation. The Company generally attempts to mitigate aluminum and steel price risk by matching its purchase obligations with its sales agreements. Additionally, the Company attempts to mitigate inflationary pressures on energy and raw material costs with contractual pass-through provisions that include annual selling price adjustments based on price indexes. The Company also uses commodity forward contracts to manage its exposure to raw material costs. The ability to mitigate inflationary risks through these measures varies by region and the impact on the results of the Company's segments is discussed, as applicable, under the heading "Results of Operations" below.

RESULTS OF OPERATIONS

The key measure used by the Company in assessing performance is segment income, a non-GAAP measure defined by the Company as income from operations adjusted to exclude intangibles amortization charges, Restructuring and Other and the impact of fair value adjustments to inventory acquired in an acquisition.

The foreign currency translation impacts referred to in the discussion below were primarily due to changes in the Mexican peso and the Canadian dollar in the Company's Americas Beverage segment, the euro and pound sterling in the Company's European

Beverage segment and the Thai Baht in the Company's Asia Pacific segment. The Company's Transit Packaging segment is a global business.

The foreign currency translation impacts referred to in the discussion below for Transit Packaging are primarily related to the euro, the Swedish krona and the Indian rupee. The Company calculates the impact of foreign currency translation by dividing current year U.S. dollar results by the current year average foreign exchange rates and then multiplying those amounts by the applicable prior year average exchange rates.

<u>NET SALES AND SEGMENT INCOME</u>

	2022	2021	2020
Net sales	$12,943	$11,394	$9,392

<u>Year ended December 31, 2022 compared to 2021</u>

Net sales increased primarily due to the pass-through of higher raw material costs and 3% higher global beverage can sales unit volumes partially offset by lower volumes in the Transit Packaging segment and unfavorable foreign currency translation of $372.

<u>Year ended December 31, 2021 compared to 2020</u>

Net sales increased primarily due to 9% higher sales unit volumes in the Company's beverage can businesses, higher sales unit volumes in the transit packaging business and the pass-through of higher material costs.

Americas Beverage

The Americas Beverage segment manufactures aluminum beverage cans and ends, steel crowns, glass bottles and aluminum closures and supplies a variety of customers from its operations in the U.S., Brazil, Canada, Colombia and Mexico.

The U.S. and Canadian beverage can markets have experienced recent growth due to the introduction of new beverage products in cans versus other packaging formats. In Brazil and Mexico, the Company's sales unit volumes have increased in recent years primarily due to market growth driven by increased per capita incomes and consumption, combined with an increased preference for cans over other forms of beverage packaging.

To meet volume requirements in these markets, the Company began commercial production of the following:

- Martinsville, Virginia - line one in November 2022
- Monterrey, Mexico - April 2022
- Uberaba, Brazil - line one in May 2022 and line two in October 2022
- Bowling Green, Kentucky - two lines in 2021
- Rio Verde, Brazil - line two in 2021
- Olympia, Washington - line three in 2021
- Nichols, NY - line three in 2020
- Toronto, Ontario - line three in 2020

The Company also expects to commence production on a second line in Martinsville, Virginia and at a new two-line plant in Mesquite, Nevada in 2023.

Net sales and segment income in the Americas Beverage segment were as follows:

	2022	2021	2020
Net sales	$ 5,126	$ 4,441	$ 3,565
Segment income	742	756	652

<u>Year ended December 31, 2022 compared to 2021</u>

Net sales increased primarily due to the pass-through of higher raw material costs.

Segment income decreased primarily due to start-up costs and $16 of increased depreciation associated with recent capacity expansions, partially offset by contractual pass-through mechanisms put in place to recover inflation.

Year ended December 31, 2021 compared to 2020

Net sales increased primarily due to the pass-through of higher aluminum costs, 8% higher sales unit volumes and $9 from the impact of favorable foreign currency translation.

Segment income increased primarily due to higher sales unit volumes and improved pricing, partially offset by increased depreciation of $15 and start-up costs associated with recent capacity expansion.

European Beverage

The Company's European Beverage segment manufactures aluminum beverage cans and ends and supplies a variety of customers from its operations throughout Europe, the Middle East and North Africa. In recent years, the European beverage can market has been growing due to the introduction of new beverage products in cans versus other packaging formats. To meet volume requirements, two lines in the Seville, Spain plant began commercial production of aluminum cans in 2022. Additionally, in 2023, high speed production lines are being added to plants in Parma, Italy and Agoncillo, Spain, and the Company expects to complete the relocation to a new two-line plant in Peterborough, United Kingdom.

In February 2023, twin earthquakes struck near the Company's Osmaniye, Turkey, plant. There was no significant damage to the physical plant structure, equipment or inventory. The plant resumed production and shipments to customers able to receive deliveries by the end of February. The Company is still evaluating the impact and at this time does not expect this event to have a material impact on the Company's results of operations or cash flows and has property and business interruption insurance policies.

Net sales and segment income in the European Beverage segment were as follows:

	2022	2021	2020
Net sales	$ 2,114	$ 1,843	$ 1,473
Segment income	144	259	215

Year ended December 31, 2022 compared to 2021

Net sales increased primarily due to the pass-through of higher raw material costs and 3% higher sales unit volumes, partially offset by unfavorable foreign currency translation of $177.

Segment income decreased primarily due to energy costs in excess of contractual pass-through provisions, a mismatch in contractual aluminum pass-through provisions whereby higher cost inventory was sold at lower prices and $7 from the impact of unfavorable foreign currency translation partially offset by higher sales unit volumes. The aluminum pass-through provisions are impacted by higher than normal inventory levels due to supply chain concerns and lower than expected volumes, and price volatility in the aluminum market.

Year ended December 31, 2021 compared to 2020

Net sales increased primarily due to 12% higher sales unit volumes, the pass-through of higher aluminum costs, and $57 from the impact of favorable foreign currency translation.

Segment income increased primarily due to higher sales unit volumes and $5 from the impact of favorable foreign currency translation, partially offset by other operating costs that were not fully passed through in selling price.

Asia Pacific

The Company's Asia Pacific segment consists of beverage can operations in Cambodia, China, Indonesia, Malaysia, Myanmar, Singapore, Thailand and Vietnam and non-beverage can operations, primarily food cans and specialty packaging. In recent years, the beverage can market in Southeast Asia has been growing driven by increased per capita incomes and consumption, combined with an increased preference for cans over other forms of beverage packaging.

To meet volume requirements in Southeast Asia, the Company began commercial production of the following:

- Phnom Penh, Cambodia - third line in August 2022
- Vung Tau, Vietnam - new plant in 2021
- Hanoi, Vietnam - second line in 2021

In June 2022, the Company's Yangon, Myanmar beverage can plant was temporarily idled due to currency restrictions, which resulted in the inability to source U.S. dollars required to procure U.S. dollar raw materials. For the year ended December 31, 2022, the plant had net sales of $19 and segment income of less than $1. Property, plant and equipment as of December 31 2022 was $56, including $25 of land and buildings and $31 of machinery and equipment. The Company will continue to monitor the economic conditions and the impact to its business in Myanmar, including any alternative uses for its machinery and equipment.

Net sales and segment income in the Asia Pacific segment were as follows:

	2022	2021	2020
Net sales	$ 1,615	$ 1,322	$ 1,168
Segment income	172	182	175

Year ended December 31, 2022 compared to 2021

Net sales increased primarily due to the pass-through of higher raw material costs and 10% higher sales unit volumes, partially offset by unfavorable foreign currency translation of $42.

Segment income decreased primarily due to a mismatch in contractual aluminum pass-through provisions whereby higher cost inventory was sold at lower prices, partially offset by the impact of higher sales unit volumes. The aluminum pass-through provisions are impacted by higher than normal inventory levels due to supply chain concerns and lower than expected volumes, and price volatility in the aluminum market.

Year ended December 31, 2021 compared to 2020

Net sales increased due to 6% higher sales unit volumes, the pass-through of higher aluminum costs, and $13 from the impact of favorable foreign currency translation.

Segment income increased primarily due to higher sales unit volumes, partially offset by higher operating costs that were not fully passed through in selling price.

Transit Packaging

The Company's Transit Packaging segment includes the Company’s worldwide industrial products, protective solutions, and automation, equipment and tools business. Industrial products include steel strap, plastic strap, industrial film and other related products that are used in a wide range of industries. Protective solutions include transit protection products, such as airbags, edge protectors, and honeycomb products that help prevent movement of, and/or damage to, a wide range of industrial and consumer goods during transport. Automation, equipment and tools includes manual, semi-automatic and automatic equipment and tools, which are primarily used in end-of-line operations to apply consumables such as strap and film.

Net sales and segment income in the Transit Packaging segment were as follows:

	2022	2021	2020
Net sales	$ 2,545	2,530	$ 2,018
Segment income	281	318	254

Year ended December 31, 2022 compared to 2021

Net sales increased primarily due to the pass-through of higher raw material prices, partially offset by $139 from the impact of unfavorable foreign currency translation and lower sales unit volumes.

Segment income decreased primarily due to lower sales unit volumes, $20 from the impact of unfavorable foreign currency translation and $8 from the divestiture of the segment's Kiwiplan business, partially offset by inflationary price increases in the protective solutions business and costs savings from headcount reductions across the business.

Year ended December 31, 2021 compared to 2020

Net sales increased due to higher sales unit volumes, the pass-through of higher raw material prices and $36 from the impact of favorable foreign currency translation.

Segment income increased primarily due to higher unit volumes and $6 from the impact of favorable foreign currency translation, partially offset by higher operating costs.

Other

Other includes the Company's food can, aerosol can and closures businesses in North America, and beverage tooling and equipment operations in the U.S. and U.K.. In 2021, the Company commenced operations at a new food can plant in Dubuque, Iowa and on a new food can line in its Hanover, Pennsylvania plant. The Company added a third two-piece food can line to its Owatonna, Minnesota plant in 2022 and is expected to add a pet food can line to its Dubuque, Iowa plant in 2023.

Net sales and segment income in Other were as follows:

	2022	2021	2020
Net sales	$ 1,543	$ 1,258	$ 1,168
Segment income	240	144	114

Year ended December 31, 2022 compared to 2021

Net sales increased primarily due to the pass-through of higher tinplate costs in the Company's North America food can, aerosol can and closures businesses, partially offset by lower sales unit volumes and $17 from the impact of unfavorable foreign currency translation.

Segment income increased primarily due to increased profitability in the Company's North America food can, aerosol can and closures businesses due to higher self-made two-piece food can sales unit volumes, inflationary price increases and the benefit of lower cost inventory from prior year-end partially offset by $7 from the impact of unfavorable foreign currency translation. The benefit arising from lower cost inventory from prior year end was $35 for the year-ended December 31, 2022.

Year ended December 31, 2021 compared to 2020

Net sales increased primarily due to higher sales in the Company's beverage can equipment operations and the North America food can business, the pass-through of higher tinplate costs, and $12 from the impact of favorable foreign currency translation.

Segment income increased primarily due to lower tinplate carryover costs in the Company's North America food can business as compared to the year-ended December 31, 2020 and higher sales in the Company's beverage can equipment operations and North America food can business.

Corporate and unallocated

	2022	2021	2020
Corporate and unallocated	$ (136)	$ (159)	$ (170)

Corporate and unallocated costs decreased from 2020 to 2021 and from 2021 to 2022 due to lower incentive compensation costs in 2021 and 2022.

Additionally, for the year-ended December 31, 2021, corporate and unallocated expenses included certain corporate costs, including research and development, that were not directly attributable to the Company's European Tinplate business which was sold in August 2021 and as such, could not be allocated to discontinued operations. Subsequent to the sale, the Company's corporate cost structure reflects its ongoing operations.

RESTRUCTURING AND OTHER, NET

For the year-ended December 31, 2022, the benefit from restructuring and other, net includes a $113 gain from the sale of the Transit Packaging segment's Kiwiplan business and $29 of charges related to an overhead cost reduction program initiated by the Transit Packaging segment in the second quarter of 2022. The Company expects to reduce headcount by approximately 600 employees and this action to result in annual savings of approximately $60. However, there can be no assurance that any such pre-tax savings will be realized. The Company continues to identify cost reduction initiatives in its businesses and it is possible that the Company may record additional restructuring charges in the future.

OTHER PENSION AND POSTRETIREMENT

Other pension and postretirement for the year ended December 31, 2021 included a $1,511 settlement charge for the Company's U.K. pension plan obligation.

INTEREST EXPENSE

Interest expense increased from $253 in 2021 to $284 in 2022 primarily due to higher interest rates.

Interest expense decreased from $290 in 2020 to $253 in 2021 primarily due to lower outstanding debt balances.

TAXES ON INCOME

The Company's effective income tax rates were as follows:

	2022	2021	2020
Income before income taxes	$1,056	$ (419)	$ 725
Provision for / (benefit from) for income taxes	243	(57)	199
Effective income tax rate	23.0 %	13.6 %	27.4 %

The effective tax rate in 2022 was 23% and included an income tax charge of $11 for the sale of the Company's Transit Packaging segment's Kiwiplan business in 2022. The lower effective tax rate in 2021 included a tax benefit of $18 related to a deferred tax valuation allowance release resulting from improved profitability in a Transit Packaging corporate entity. Additionally, the Company also recorded income tax benefits of $8, primarily related to tax law changes in India, Turkey and the U.K.

The effective tax rate in 2021 also included tax charges of $42 in continuing operations for reorganizations and other transactions required to prepare the European Tinplate business for sale. Additionally, the Company recorded an income tax charge of $44 to establish a valuation allowance for deferred tax assets related to tax loss carryforwards in France. The Company believes that it is more likely than not that these tax loss carryforwards will not be utilized after the sale of the European Tinplate business. See Note B for more information regarding the sale of the European Tinplate business.

For additional information regarding income taxes, see Note S to the consolidated financial statements.

EQUITY IN NET EARNINGS OF AFFILIATES

Equity in net earnings of affiliates increased from $3 in 2021 to $42 in 2022 due to the 20% ownership interest received after the sale of the Company's European Tinplate business in August 2021.

NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS

Net income attributable to noncontrolling interest decreased from $148 in 2021 to $128 in 2022 primarily due to lower earnings in the Company's beverage can operations in Brazil and the Middle East.

Net income attributable to noncontrolling interest increased from $108 in 2020 to $148 in 2021 primarily due to higher earnings in the Company's beverage can operations in Brazil, including a favorable court ruling in a lawsuit brought by certain of the Company's Brazilian subsidiaries asserting they were overcharged by local tax authorities for direct and indirect taxes paid in prior years.

LIQUIDITY AND CAPITAL RESOURCES

OPERATING ACTIVITIES

Cash provided by operating activities decreased from $905 in 2021 to $803 in 2022 primarily due to changes in working capital. Additionally, in 2021 operating activities included $236 of pension contributions, primarily related to the contribution required to fully settle the U.K. pension plan obligation. $77 was received in 2022 for partial reimbursement of the contribution. See Note R for more information regarding the settlement of the U.K. pension plan obligation.

Receivables decreased from $1,889 at December 31, 2021 to $1,843 at December 31, 2022 primarily due to increased securitization and factoring, partially offset by inflation and higher sales unit volumes. Days sales outstanding for trade receivables, excluding the impact of unbilled receivables, decreased from 37 at December 31, 2021 to 33 at December 31, 2022, primarily due to increased securitization and factoring.

Inventories increased from $1,735 at December 31, 2021 to $2,014 at December 31, 2022 primarily due to inventory builds in certain segments and inflation. Inventory turnover increased from 59 days at December 31, 2021 to 63 days at December 31, 2022.

Accounts payable decreased from $2,901 at December 31, 2021 to $2,773 at December 31, 2022 primarily due lower aluminum prices at the end of 2022. Days outstanding for trade payables decreased from 112 days at December 31, 2021 to 90 days at December 31, 2022, as prior year included the payables impact of inventory built in anticipation of market growth.

INVESTING ACTIVITIES

Investing activities provided cash of $1,507 in 2021 and used cash of $642 in 2022 primarily due to the proceeds received from the sale of the European Tinplate business in 2021.

The Company currently expects capital expenditures in 2023 to be approximately $900.

At December 31, 2022, the Company had approximately $173 of capital commitments primarily related to its Americas Beverage segment. The Company expects to fund these commitments primarily through cash generated from operations.

FINANCING ACTIVITIES

Cash used for financing activities decreased from $2,944 in 2021 to $25 in 2022 primarily due to higher net borrowings in 2022 primarily related to the refinancing of the Company's revolving credit and term loan facilities and the issuance of $500 principal amount of 5.250% senior unsecured notes due 2030. See Note M for more information. Additionally, in 2022, the Company repurchased $722 of its shares of common stock and paid dividends to shareholders of $106.

LIQUIDITY

As of December 31, 2022, $491 of the Company's $550 in cash and cash equivalents was located outside the U.S. The Company is not currently aware of any legal restrictions under foreign law that materially impact its access to cash held outside the U.S. The Company funds its cash needs in the U.S. through a combination of cash flows from operations, dividends from certain foreign subsidiaries, borrowings under its revolving credit facility and the acceleration of cash receipts under its receivable securitization and factoring facilities. Of the cash and cash equivalents located outside the U.S., $396 was held by subsidiaries for which earnings are considered indefinitely reinvested.

The Company's revolving credit agreements provide capacity of $1,650. As of December 31, 2022, the Company had available capacity of $1,252 under its revolving credit facilities. The Company could have borrowed this amount at December 31, 2022 and still have been in compliance with its leverage ratio covenants.

The Company's debt agreements contain covenants that limit the ability of the Company and its subsidiaries to, among other things, incur additional debt, pay dividends or repurchase capital stock, make certain other restricted payments, create liens and engage in sale and leaseback transactions. These restrictions are subject to a number of exceptions, however, which allow the Company to incur additional debt, create liens or make otherwise restricted payments provided that the Company is in compliance with applicable financial and other covenants and meets certain liquidity requirements.

The Company's revolving credit facilities and term loan facilities also contain a total leverage ratio covenant. The leverage ratio is calculated as total net debt divided by Consolidated EBITDA (as defined in the credit agreement). Total net debt is defined in the credit agreement as total debt less cash and cash equivalents. Consolidated EBITDA is calculated as the sum of, among other things, net income attributable to Crown Holdings, net income attributable to certain of the Company's subsidiaries, income taxes, interest expense, depreciation and amortization, and certain non-cash charges. The Company's total net leverage ratio of 3.3 to 1.0 at December 31, 2022 was in compliance with the covenant requiring a ratio no greater than 5.0 to 1.0. The ratio is calculated at the end of each quarter using debt and cash balances as of the end of the quarter and Consolidated EBITDA for the most recent twelve months. Failure to meet the financial covenant could result in the acceleration of any outstanding amounts due under the revolving credit facilities and term loan facilities. The required net total leverage ratio under the agreement reduces to 4.5 to 1.0 at December 31, 2023.

In order to reduce leverage and future interest payments, the Company may from time to time repurchase outstanding notes and debentures with cash or seek to refinance its existing credit facilities and other indebtedness. The Company will evaluate any such transactions in light of any required premiums and then existing market conditions and may determine not to pursue such transactions.

The Company's current sources of liquidity also include a securitization facility with a program limit up to a maximum of $700 that expires in July 2023, a securitization facility with a program limit of $200 that expires in December 2023, and a securitization facility with a program limit of $160 that expires in November 2025. The Company accounts for transfers under these facilities as sales as further discussed in Note D to the consolidated statements.

The Company utilizes its cash flows from operations, borrowings under its revolving credit facilities and the acceleration of cash receipts under its receivables securitization and factoring programs to primarily fund its operations, capital expenditures and financing obligations.

Cash payments required for purchase obligations and projected pension contributions in effect at December 31, 2022, are summarized in the following table.

	Payments Due by Period						
	2023	2024	2025	2026	2027	2028 & after	Total
Purchase obligations (1)	$ 3,726	$ 2,986	$ 1,981	$ 843	$ 840	$ 403	$ 10,779
Projected pension contributions (2)	16	51	52	53	44	—	216
Total	$ 3,742	$ 3,037	$ 2,033	$ 896	$ 884	$ 403	$ 10,995

All amounts due in foreign currencies are translated at exchange rates as of December 31, 2022.

(1) These purchase commitments specify significant terms, including fixed or minimum quantities to be purchased; fixed, minimum or variable pricing provisions; and the approximate timing of transactions.

(2) Pension projections require the use of numerous estimates and assumptions such as discount rates, rates of return on plan assets, compensation increases, health care cost increases, mortality and employee turnover and therefore projected contributions been provided for only five years.

Our long term debt obligations, including fixed and variable rate debt, are further discussed in Note M. The Company currently expects interest payments on long-term debt and securitization and factoring in 2023 to be approximately $400. This estimate is based on projected interest rates as of December 31, 2022, long-term debt balances, average borrowings under the revolving credit facility and securitization and factoring estimates.

The Company also has certain guarantees and indemnification agreements that could require the payment of cash upon the occurrence of certain events. The guarantees and agreements are further discussed under Note P to the consolidated financial statements.

Supplemental Guarantor Financial Information

As disclosed in Note M, the Company and certain of its 100% directly or indirectly owned subsidiaries provide guarantees of senior notes and debentures issued by other 100% directly or indirectly owned subsidiaries. These senior notes and debentures are fully and unconditionally guaranteed by the Company and substantially all of its subsidiaries in the U.S., except in the case of the Company's outstanding senior notes issued by Crown Cork & Seal Company, Inc., which are fully and unconditionally guaranteed by Crown Holdings, Inc. (Parent). No other subsidiary guarantees the debt and the guarantees are made on a joint and several basis.

The senior notes and guarantees are senior unsecured obligations of the issuers and the guarantors, and are:

- effectively subordinated to all existing and future secured indebtedness of the issuers and the guarantors to the extent of the value of the assets securing such indebtedness, including any borrowings under the Company's senior secured credit facilities, to the extent of the value of the assets securing such indebtedness;
- structurally subordinated to all indebtedness of the Company's non-guarantor subsidiaries, which include all of the Company's foreign subsidiaries and any U.S. subsidiaries that are neither obligors nor guarantors of the Company's senior secured credit facilities;
- ranked equal in right of payment to any existing or future senior indebtedness of the issuers and the guarantors; and
- ranked senior in right of payment to all existing and future subordinated indebtedness of the issuers and the guarantors.

Each guarantee of a guarantor is limited to an amount not to exceed the maximum amount that can be guaranteed that will not (after giving effect to all other contingent and fixed liabilities of such guarantor and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of all other guarantors in respect of the obligations of such other guarantors under their respective guarantees of the guaranteed obligations) render the guarantee, as it relates to such guarantor, voidable under applicable law relating to fraudulent conveyances or fraudulent transfers.

A guarantee of a guarantor other than the Parent will be unconditionally released and discharged upon any of the following:

- any transfer (including, without limitation, by way of consolidation or merger) by the Parent or any subsidiary of the Parent to any person or entity that is not the Parent or a subsidiary of the Parent of (1) all of the equity interests of, or all or substantially all of the properties and assets of, such guarantor; or (2) equity interests of such guarantor or any issuance by such guarantor of its equity interests, such that such guarantor ceases to be a subsidiary of the Parent; provided that such guarantor is also released from all of its obligations in respect of indebtedness under the Company's senior secured credit facilities;
- the release of such guarantor from all obligations of such guarantor in respect of indebtedness under the Company's senior secured credit facilities, except to the extent such guarantor is otherwise required to provide a guarantee; or
- upon the contemporaneous release or discharge of all guarantees by such guarantor which would have required such guarantor to provide a guarantee under the applicable indenture.

The following tables present summarized financial information related to the senior notes issued by the Company's subsidiary debt issuers and guarantors on a combined basis for each issuer and its guarantors (together, an "obligor group") after elimination of (i) intercompany transactions and balances among the Parent and the guarantors and (ii) equity in earnings from and investments in any subsidiary that is a non-guarantor. Crown Cork Obligor group consists of Crown Cork & Seal Company, Inc. and the Parent. Crown Americas Obligor group consists of Crown Americas LLC, Crown Americas Capital Corp. V, Crown Americas Capital Corp. VI, the Parent, and substantially all of the Company's subsidiaries in the U.S.

Crown Cork Obligor Group

	December 31, 2022
Net sales	$ —
Gross Profit	—
Income from operations	(6)
Net income from continuing operations[1]	(64)
Net income attributable to Crown Holdings[1]	(64)

(1) Includes $30 of expense related to intercompany interest with non-guarantor subsidiaries.

	December 31, 2022
Current assets	$ 14
Non-current assets	23
Current liabilities	53
Non-current liabilities[1]	6,143

(1) Includes payables of $5,378 due to non-guarantor subsidiaries

Crown Americas Obligor Group

		December 31, 2022
Net sales[1]	$	5,221
Gross profit[2]		822
Income from operations[2]		376
Net income from continuing operations[3]		241
Net income attributable to Crown Holdings[3]		241

(1) Includes $518 of sales to non-guarantor subsidiaries
(2) Includes $52 of gross profit related to sales to non-guarantor subsidiaries
(3) Includes $31 of income related to intercompany interest and technology royalties with non-guarantor subsidiaries

		December 31, 2022
Current assets[1]	$	975
Non-current assets[2]		3,830
Current liabilities[3]		1,262
Non-current liabilities[4]		6,048

(1) Includes receivables of $33 due from non-guarantor subsidiaries
(2) Includes receivables of $185 due from non-guarantor subsidiaries
(3) Includes payables of $37 due to non-guarantor subsidiaries
(4) Includes payables of $1,314 due to non-guarantor subsidiaries

The senior notes are structurally subordinated to all indebtedness of the Company's non-guarantor subsidiaries. The non-guarantors are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to the senior notes, or to make any funds available therefore, whether by dividends, loans, distributions or other payments. Any right that the Company or the guarantors have to receive any assets of any of the non-guarantors upon the liquidation or reorganization of any non-guarantor, and the consequent rights of holders of senior notes to realize proceeds from the sale of any of a non-guarantor's assets, would be effectively subordinated to the claims of such non-guarantor's creditors, including trade creditors and holders of preferred equity interests, if any, of such non-guarantor. Accordingly, in the event of a bankruptcy, liquidation or reorganization of any of the non-guarantors, the non-guarantors will pay the holders of their debts, holders of preferred equity interests, if any, and their trade creditors before they will be able to distribute any of their assets to the Company or any of the guarantors.

Under U.S. federal bankruptcy laws or comparable provisions of state fraudulent transfer laws, the issuance of the senior note guarantees by the guarantors could be voided, or claims in respect of such obligations could be subordinated to all of their other debts and other liabilities, if, among other things, at the time the guarantors issued the related senior note guarantees, the Company or the applicable guarantor intended to hinder, delay or defraud any present or future creditor, or received less than reasonably equivalent value or fair consideration for the incurrence of such indebtedness and either:

- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged in a business or transaction for which the Company's or such guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

Each guarantee provided by a guarantor includes a provision intended to limit the guarantor's liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent transfer or conveyance. This provision may not be effective to protect those guarantees from being avoided under fraudulent transfer or conveyance law, or it may reduce that guarantor's obligation to an amount that effectively makes its guarantee worthless, and we cannot predict whether a court will ultimately find it to be effective.

MARKET RISK

In the normal course of business the Company is subject to risk from adverse fluctuations in foreign exchange rates, interest rates and commodity prices. The Company manages these risks through a program that includes the use of derivative financial instruments, primarily swaps and forwards. Counterparties to these contracts are major financial institutions. These instruments are viewed as risk management tools, involve little complexity, and are not used for trading or speculative purposes. The extent to which the Company uses such instruments is dependent upon its access to them in the financial markets and its use of other methods, such as netting exposures for foreign exchange risk and establishing sales arrangements that permit the pass-through to customers of changes in commodity prices and foreign exchange rates, to effectively achieve its goal of risk reduction. The Company's objective in managing its exposure to market risk is to limit the impact on earnings and cash flow.

The Company manages foreign currency exposures at the operating unit level. Exposures that cannot be naturally offset within an operating unit may be hedged with derivative financial instruments where possible and cost effective in the Company's judgment. Foreign exchange contracts generally mature within twelve months.

The table below provides information in U.S. dollars as of December 31, 2022 about the Company's forward currency exchange contracts. The contracts primarily hedge anticipated transactions, unrecognized firm commitments and intercompany debt. The contracts with no amounts in the fair value column have a fair value of less than $1.

Buy/Sell	Contract amount	Contract fair value gain/(loss)	Average contractual exchange rate
Euro/Sterling	$ 314	$ 7	1.15
Euro/U.S. dollars	179	3	0.95
Singapore dollars/U.S. dollars	117	3	1.36
U.S. dollars/Brazilian real	78	—	0.19
U.S. dollars/Sterling	50	—	1.20
U.S. dollars/Euro	49	(2)	1.04
Euro/Danish krone	39	—	0.13
Euro/Swedish krona	38	—	0.09
U.S. dollars/Thai baht	37	(2)	0.03
U.S. dollars/Malaysian ringgit	24	—	0.22
Euro/Polish zloty	22	—	0.21
Sterling/U.S. dollars	14	—	0.83
	$ 961	$ 9	

At December 31, 2022, the Company had additional contracts with an aggregate notional value of $39 to purchase or sell other currencies, primarily Asian currencies, including the Malaysian ringgit, Indonesian rupiah, Thai baht and Singapore dollar; European currencies, including the Polish zloty; the Australian dollar; and the New Zealand dollar. The aggregate fair value of these contracts was a loss of $1.

At December 31, 2022, the Company had cross-currency swaps with an aggregate notional values of $875. The swaps are designated as hedges of the Company's net investment in a euro-based subsidiary and mature in 2026. The fair value of these contracts at December 31, 2022 was a net gain of $90.

Total future payments of long-term debt obligations at December 31, 2022 include $4,220 of U.S. dollar-denominated debt, $2,578 of euro-denominated debt and $136 of debt denominated in other currencies.

The Company, from time to time, may manage its interest rate risk associated with fluctuations in variable interest rates through interest rate swaps. The use of interest rate swaps and other methods of mitigating interest rate risk may increase overall interest expense. As of December 31, 2022, the Company had $2.8 billion principal floating interest rate debt and $1.3 billion of securitization and factoring. A change of 0.25% in these floating interest rates would change annual interest expense by approximately $10 million before tax. The actual effect of a 0.25% increase in these floating interest rates could be more than $10 million as the Company's average borrowings on its variable rate debt and securitization and factoring may be higher during the year than the amount at December 31, 2022.

The Company uses various raw materials, such as aluminum and steel in its manufacturing operations, which expose it to risk from adverse fluctuations in commodity prices. In 2022, consumption of aluminum and steel represented 44% and 9% of the Company's consolidated cost of products sold, excluding depreciation and amortization. The Company primarily manages its risk to adverse commodity price fluctuations and surcharges through contracts that pass through raw material costs to customers. The company also uses commodity forward contracts to manage its exposure to these raw material costs. The Company may, however, be unable to increase its prices to offset increases in raw material costs without suffering reductions in unit volume, revenue and operating income, and any price increases may take effect after related cost increases, reducing operating income in the near term. As of December 31, 2022, the Company had forward commodity contracts to hedge aluminum price fluctuations with a notional value of $230 and a net loss of $16. The maturities of the commodity contracts closely correlate to the anticipated purchases of those commodities.

In addition, the Company's manufacturing facilities are dependent, to varying degrees, upon the availability of water and processed energy, such as natural gas and electricity.

See Note N to the consolidated financial statements for further information on the Company’s derivative financial instruments.

ENVIRONMENTAL MATTERS

Compliance with the Company’s Environmental Protection Policy is mandatory and the responsibility of each employee of the Company. The Company is committed to the protection of human health and the environment and is operating within the increasingly complex laws and regulations of national, state, and local environmental agencies or is taking action to achieve compliance with such laws and regulations. Environmental considerations are among the criteria by which the Company evaluates projects, products, processes and purchases.

The Company is dedicated to a long-term environmental protection program and has initiated and implemented many pollution prevention programs with an emphasis on source reduction. The Company continues to reduce the amount of metal used in the manufacture of steel and aluminum containers through “lightweighting” programs. The Company recycles nearly 100% of scrap aluminum, steel and copper used in its manufacturing processes. Many of the Company’s programs for pollution prevention reduce operating costs and improve operating efficiencies.

The potential impact on the Company’s operations of climate change and potential future climate change regulation in the jurisdictions in which the Company operates is highly uncertain. See the risk factor entitled “The Company is subject to costs and liabilities related to stringent environmental and health and safety standards” in Part I, Item 1A of this Annual Report.

See Note P to the consolidated financial statements for additional information on environmental matters including the Company's accrual for environmental remediation costs.

CRITICAL ACCOUNTING POLICIES

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America which require that management make numerous estimates and assumptions. Actual results could differ from those estimates and assumptions, impacting the reported results of operations and financial position of the Company. The Company’s significant accounting policies are more fully described under Note A to the consolidated financial statements. Certain accounting policies, however, are considered to be critical in that (i) they are most important to the depiction of the Company’s financial condition and results of operations and (ii) their application requires management’s most subjective judgment in making estimates about the effect of matters that are inherently uncertain.

Asbestos Liabilities

The Company’s potential liability for asbestos cases is uncertain due to the difficulty of forecasting many factors, including the level of future claims, the rate of receipt of claims, the jurisdiction in which claims are filed, the nature of future claims (including the seriousness of alleged disease, whether claimants allege first exposure to asbestos before or during 1964 and the alleged link to Crown Cork), the terms of settlements of other defendants with asbestos-related liabilities, bankruptcy filings of other defendants (which may result in additional claims and higher settlement demands for non-bankrupt defendants) and the effect of state asbestos legislation (including the validity and applicability of the Pennsylvania legislation to non-Pennsylvania jurisdictions, where the substantial majority of the Company’s asbestos cases are filed). See Note O to the consolidated financial statements for additional information regarding the provision for asbestos-related costs.

At the end of each quarter, the Company considers whether there have been any material developments that would cause it to update its asbestos accrual calculations. Absent any significant developments in the asbestos litigation environment in general or with respect to the Company specifically, the Company updates its accrual calculations in the fourth quarter of each year. The Company estimates its liability without limitation to a specified time period and provides for the estimated amounts expected to be paid related to outstanding claims, projected future claims and legal costs.

Outstanding claims used in the accrual calculation are adjusted for factors such as claims filed in those states where the Company’s liability is limited by statute, claims alleging first exposure to asbestos after 1964 which are assumed to have no value and claims which are unlikely to ever be paid and are assumed to have a reduced or nominal value based on the length of time outstanding. Projected future claims are calculated based on actual data for the most recent five years and are adjusted to account for the expectation that a percentage of these claims will never be paid. Outstanding and projected claims are multiplied by the average settlement cost of claims for the most recent five years. As claims are not submitted or settled evenly throughout the year, it is difficult to predict at any time during the year whether the number of claims or average settlement cost over the five year period ending December 31 of such year will increase compared to the prior five year period.

In recent years, a higher percentage of Crown Cork's settlements have related to claims alleging serious disease (primarily mesothelioma) which are settled at higher dollar amounts. Accordingly, a higher percentage of claims projected into the future relate to serious diseases and are therefore valued at higher dollar amounts. As of December 31, 2022, more than 90% of the projected future claims in the Company's accrual calculation relate to claims alleging serious diseases such as mesothelioma.

The five year average settlement cost per claim was $13,100 in 2020, $13,000 in 2021 and $14,300 in 2022. If Crown Cork continues to settle a high percentage of claims alleging serious disease at higher dollar amounts, average settlement costs per claim are likely to increase and, if not offset by a reduction in overall claims and settlements, the Company may record additional charges in the future. A 10% change in either the average cost per claim or the number of projected claims would increase or decrease the estimated liability at December 31, 2022 by $22. A 10% increase in these two factors at the same time would increase the estimated liability at December 31, 2022 by $46. A 10% decrease in these two factors at the same time would decrease the estimated liability at December 31, 2022 by $42.

Goodwill Impairment

The Company performs a goodwill impairment review in the fourth quarter of each year or when facts and circumstances indicate goodwill may be impaired. In accordance with the accounting guidance, the Company may first perform a qualitative assessment on none, some, or all of its reporting units to determine whether further quantitative impairment testing is necessary. Factors that the Company may consider in its qualitative assessment include, but are not limited to, general economic conditions, changes in the markets in which the Company operates and changes in input costs that may affect revenue growth, gross margin percentages and cash flow trends over multiple periods.

The quantitative impairment test involves a number of assumptions and judgments, including the calculation of fair value for the Company's identified reporting units. The Company determines the estimated fair value for each reporting unit based on an average of the estimated fair values calculated using both market and income approaches. The Company uses an average of the two methods in estimating fair value because it believes they both provide an appropriate fair value for the reporting units. The Company's estimates of future cash flows include assumptions concerning future operating performance and economic conditions and may differ from actual future cash flows. Under the market approach, the Company utilizes significant assumptions relating to EBITDA and revenue multiples used in recent similar transactions, if any, and EBITDA and revenue multiples of similar type and size public companies. The appropriate multiple is applied to the respective financial results of the reporting unit to obtain an estimated fair value.

Under the income approach, fair value is calculated as the sum of the projected discounted cash flows of the reporting unit over the next five years and the terminal value at the end of those five years. The projected cash flows generally include moderate to no growth assumptions, depending on the reporting unit, unless there has recently been a material change in the business or a material change is forecasted. The discount rate used is based on the average weighted-average cost of capital of companies in the consumer and industrial packaging industries, which information is available through various sources, adjusted for specific risk premiums for each reporting unit.

The Company completed its annual review for 2022 and determined that no adjustments to the carrying value of goodwill were necessary. Although no goodwill impairment was recorded, there can be no assurances that future goodwill impairments will not occur.

Long-lived Assets Impairment

The Company performs an impairment review of its long-lived assets, including finite-lived intangible assets and property, plant and equipment, when facts and circumstances indicate the carrying value may not be recoverable from its undiscounted cash flows. Any impairment loss is measured by comparing the carrying amount of the asset to its fair value. The Company's estimates of future cash flows involve assumptions concerning future operating performance, economic conditions and technological changes that may affect the future useful lives of the assets. These estimates may differ from actual cash flows or useful lives.

In June 2022, the Company's Yangon, Myanmar beverage can plant was temporarily idled due to currency restrictions, which resulted in the inability to source U.S. dollars required to procure U.S. dollar raw materials. The Company performed a recoverability analysis for the long-lived asset group, which indicated that the carrying value of the asset group was recoverable as of December 31, 2022. Property, plant and equipment as of December 31 2022 was $56, including $25 of land and buildings and $31 of machinery and equipment.

Pension and Postretirement Benefits

Accounting for pensions and postretirement benefit plans requires the use of estimates and assumptions regarding numerous factors, including discount rates, rates of return on plan assets, compensation increases, health care cost increases, future rates of inflation, mortality and employee turnover. Actual results may differ from the Company's actuarial assumptions, which may have an impact on the amount of reported expense or liability for pensions or postretirement benefits. The Company recorded pension expense of $25 in 2022 and currently projects its 2023 pension expense to be $56, using foreign currency exchange rates in effect at December 31, 2022. The Company uses the spot yield curve approach to estimate the service and interest cost components of pension and postretirement benefits expense by applying the specific spot rates along the yield curve used to determine the benefit plan obligations to relevant projected cash outflows. The expected long-term rate of return on plan assets is determined by taking into consideration expected long-term returns associated with each major asset class based on long-term historical ranges, projected future outlook of each asset class, inflation assumptions and the expected net value from active management of the assets based on actual results.

The U.S. plan's assumed rate of return was 6.60 % in 2022 and is 7.15 % for 2023. A 0.50% change in the expected rates of return would change 2023 pension expense by approximately $6.

Discount rates were selected using a method that matches projected payouts from the plans to an actuarial determined yield curve based on market observable AA bond yields in the respective plan jurisdictions and currencies. In certain jurisdictions, government securities were used along with corporate bonds to develop country-specific yield curves to the extent that the underlying markets were not deemed sufficiently developed. A 0.50% change in the discount rates from those used at December 31, 2022 would change 2023 pension expense by approximately $3 and postretirement expense by less than $1. A 0.50% change in the discount rates from those used at December 31, 2022 would have changed the pension benefit obligation by approximately $64 and the postretirement benefit obligation by approximately $4 as of December 31, 2022. See Note R to the consolidated financial statements for additional information on pension and postretirement benefit obligations and assumptions.

As of December 31, 2022, the Company had a pre-tax unrecognized net loss in accumulated other comprehensive income of $712 related to its pension plans and a pre-tax unrecognized net gain in accumulated other comprehensive income of $2 related to its other postretirement benefit plans. Unrecognized gains and losses arise each year primarily due to changes in discount rates, differences in actual plan asset returns compared to expected returns, and changes in actuarial assumptions such as mortality. Unrecognized gains and losses are accumulated in other comprehensive income and the portion in each plan that exceeds 10% of the greater of that plan's assets or projected benefit obligation is amortized to income over future periods. The Company's pension expense for the year ended December 31, 2022 included charges of $49 for the amortization of accumulated net losses, and the Company estimates charges of $46 in 2023. Amortizable losses are being recognized over either the average expected life of inactive employees or the remaining service life of active participants depending on the status of the individual plans. The weighted average amortization periods range between 6 - 16 years. An increase of 10% in the number of years used to amortize unrecognized losses in each plan would decrease estimated charges for 2023 by $4. A decrease of 10% in the number of years would increase the estimated 2023 charge by $5.

RECENT ACCOUNTING GUIDANCE

In September 2022, the Financial Accounting Standards Board issued new guidance which requires enhanced disclosures of supplier finance programs. The guidance requires buyers in a supplier finance program to disclose sufficient information about the program's nature, activity during the period, changes from period to period, and potential magnitude. The amendments are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, except for the disclosure of rollforward information, which is effective for fiscal years beginning after December 15, 2023. Early adoption is permitted. The amendments should be applied retrospectively to each period in which a balance sheet is presented, except for disclosure of rollforward information, which should be applied prospectively. The Company is currently evaluating the impact of adopting this guidance on its disclosures.

See Note A to the consolidated financial statements for information on recently adopted accounting guidance.

FORWARD LOOKING STATEMENTS

Statements in this Annual Report, including those in “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in the discussions of the provision for asbestos under Note O and other contingencies under Note P to the consolidated financial statements included in this Annual Report and in discussions incorporated by reference into this Annual Report (including, but not limited to, those in the section titled “Compensation Discussion and Analysis” in the Company’s Proxy Statement), which are not historical facts (including any statements concerning plans and objectives of management for future operations or economic performance, or assumptions related thereto), are “forward-looking statements,” within the meaning of the federal securities laws. In addition, the Company and its representatives may from time to time make other oral or written statements which are also “forward-looking statements.” Forward-looking statements can be identified by words, such as “believes,” “estimates,” “anticipates,” “expects” and other words of similar meaning in connection with a discussion of future operating or financial performance. These may include, among others, statements relating to (i) the Company’s plans or objectives for future operations, products or financial performance, (ii) the Company’s indebtedness and other contractual obligations, (iii) the impact of an economic downturn or growth in particular regions, (iv) anticipated uses of cash, (v) cost reduction efforts and expected savings, (vi) the Company’s policies with respect to executive compensation, (vii) the Company's progress on sustainability and environmental matters and (viii) the expected outcome of contingencies, including with respect to asbestos-related litigation and pension and postretirement liabilities.

These forward-looking statements are made based upon management’s expectations and beliefs concerning future events impacting the Company and, therefore, involve a number of risks and uncertainties. Management cautions that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements.

Important factors that could cause the actual results of operations or financial condition of the Company to differ include, but are not necessarily limited to, the ability of the Company to expand successfully in international and emerging markets; the ability of the Company to repay, refinance or restructure its short and long-term indebtedness on adequate terms and to comply with the terms of its agreements relating to debt; the impact of Brexit; the Company’s ability to generate significant cash to meet its obligations and invest in its business and to maintain appropriate debt levels; restrictions on the Company’s use of available cash under its debt agreements; changes or differences in U.S. or international economic or political conditions, such as inflation or fluctuations in interest or foreign exchange rates (and the effectiveness of any currency or interest rate hedges), tax rates, and applicable tax laws (including with respect to taxation of unrepatriated non-U.S. earnings or as a result of the depletion of net loss or foreign tax credit carryforwards); the impact of foreign trade laws and practices; the collectability of receivables; war or acts of terrorism that may disrupt the Company’s production or the supply or pricing of raw materials impact the financial condition of customers or adversely affect the Company’s ability to refinance or restructure its remaining indebtedness; changes in the availability and pricing of raw materials (including aluminum can sheet, steel tinplate, energy, water, inks and coatings) and the Company’s ability to pass raw material, energy and freight price increases and surcharges through to its customers or to otherwise manage these commodity pricing risks; the Company’s ability to obtain and maintain adequate pricing for its products, including the impact on the Company’s revenue, margins and market share and the ongoing impact of price increases; energy and natural resource costs; the cost and other effects of legal and administrative cases and proceedings, settlements and investigations; the outcome of asbestos-related litigation (including the number and size of future claims and the terms of settlements, and the impact of bankruptcy filings by other companies with asbestos-related liabilities, any of which could increase Crown Cork’s asbestos-related costs over time, the adequacy of reserves established for asbestos-related liabilities, Crown Cork’s ability to obtain resolution without payment of asbestos-related claims by persons alleging first exposure to asbestos after 1964, and the impact of state legislation dealing with asbestos liabilities and any litigation challenging that legislation and any future state or federal legislation dealing with asbestos liabilities); the Company’s ability to realize deferred tax benefits; changes in the Company’s critical or other accounting policies or the assumptions underlying those policies; labor relations and workforce and social costs, including the Company’s pension and postretirement obligations and other employee or retiree costs; investment performance of the Company’s pension plans; costs and difficulties related to the acquisition of a business and integration of acquired businesses; the impact of any actual or potential dispositions, acquisitions or other strategic realignments (such as the Company's recently completed divestiture of its European Tinplate business), which may impact the Company’s operations, financial profile, investments or levels of indebtedness; the Company’s ability to realize efficient capacity utilization and inventory levels and to innovate new designs and technologies for its products in a cost-effective manner; competitive pressures, including new product developments, industry overcapacity, or changes in competitors’ pricing for products; the Company’s ability to achieve high capacity utilization rates for its equipment; the Company’s ability to maintain, develop and capitalize on competitive technologies for the design and manufacture of products and to withstand competitive and legal challenges to the proprietary nature of such technology; the Company’s ability to protect its information technology systems from attacks or catastrophic failure; the strength of the Company’s cyber-security (including with respect to human vulnerabilities associated with cyber-security risks); the Company’s ability to generate sufficient production capacity; the Company’s ability to improve and expand its existing product and product lines; the impact of overcapacity on the end-markets the Company serves; loss of customers, including the loss of any significant customers; changes in consumer preferences for different packaging products; the financial condition of the Company's vendors and customers; weather conditions, including their effect on demand for beverages and on crop yields for fruits and vegetables stored in food containers; the impact of natural disasters, including in emerging markets; the impact of the COVID-19 pandemic, as well as the quarantines and other governmental and non-governmental restrictions which have been imposed throughout the world in an effort to contain, mitigate, or vaccinate against it; changes in governmental regulations or enforcement practices, including with respect to environmental, health and safety matters and restrictions as to foreign investment or operation; the impact of increased governmental regulation on the Company and its products, including the regulation or restriction of the use of bisphenol-A; the impact of the Company's recent initiatives to generate additional cash, including the reduction of working capital levels and capital spending; the impact of the Company's comprehensive Board-led review of its portfolio and capital allocation/return; the ability of the Company to realize cost savings from its restructuring programs; the Company's ability to maintain adequate sources of capital and liquidity; costs and payments to certain of the Company's executive officers in connection with any termination of such executive officers or a change in control of the Company; the impact of existing and future legislation regarding refundable mandatory deposit laws in Europe for non-refillable beverage containers and the implementation of an effective return system; the impact of existing and future legislation regarding the taxation of sugar-sweetened beverages or energy drinks, the impact of tariffs and potential limits on steel supply in the U.S. from certain foreign countries; and changes in the Company's strategic areas of focus, which may impact the Company's operations, financial profile or levels of indebtedness.

Some of the factors noted above are discussed elsewhere in this Annual Report and prior Company filings with the SEC, including within Part I, Item 1A, "Risk Factors" in this Annual Report. In addition, other factors have been or may be discussed from time to time in the Company's SEC filings.

While the Company periodically reassesses material trends and uncertainties affecting the Company's results of operations and financial condition in connection with the preparation of "Management's Discussion and Analysis of Financial Condition and Results of Operations" and certain other sections contained in the Company's quarterly, annual or other reports filed with the SEC, the Company does not intend to review or revise any particular forward-looking statement in light of future events.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information set forth within "Management's Discussion and Analysis of Financial Condition and Results of Operations" under the captions "Market Risk" and "Forward Looking Statements" in this Annual Report is incorporated herein by reference.

In July 2017, the Financial Conduct Authority (the authority that regulates LIBOR) announced it intended to stop compelling banks to submit rates for the calculation of LIBOR after 2021. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rate Committee has announced the replacement of U.S. dollar LIBOR rates with a new index calculated by short-term repurchase agreements backed by U.S. Treasury securities called the Secured Overnight Financing Rate (SOFR). The first publication of SOFR was released in April 2018. In March 2021, the Financial Conduct Authority, and administrator, ICE Benchmark Administration, Limited, announced that the publication of the one-week and two-month USD LIBOR maturities and non-USD LIBOR maturities will cease immediately after December 31, 2021, with the remaining USD LIBOR maturities ceasing immediately after June 30, 2023. At December 31, 2022, the Company does not have contracts that are indexed to LIBOR. The LIBOR to SOFR transition is not expected to have a material impact on the Company's consolidated financial statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Financial Statements

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Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended). The Company's system of internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of the inherent limitations, a system of internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2022. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control - Integrated Framework (2013)*. Based on its assessment, management has concluded that, as of December 31, 2022, the Company's internal control over financial reporting was effective based on those criteria.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2022 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Crown Holdings, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Crown Holdings, Inc. and its subsidiaries (the "Company") as of December 31, 2022 and 2021, and the related consolidated statements of operations, of comprehensive income, of changes in shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2022, including the related notes and financial statement schedule listed in the accompanying index (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill Impairment Assessment - Transit Reporting Unit

As described in Notes A and F to the consolidated financial statements, the Company's consolidated goodwill balance was $3.0 billion as of December 31, 2022, of which $1.4 billion relates to the Transit reporting unit. Management performs a goodwill impairment review in the fourth quarter of each year or when facts and circumstances indicate goodwill may be impaired. Management determines the estimated fair value of the reporting unit based on an average of the estimated fair values using an income and a market approach. The income approach utilizes significant assumptions relating to revenue and Adjusted EBITDA (defined by the Company as net customer sales, less cost of products sold excluding depreciation and amortization, less selling and administrative expenses) margin growth rates, discount rates, and terminal year exit multiples. As disclosed by management, under the market approach, management utilizes significant assumptions relating to EBITDA and revenue multiples used in recent similar transactions, if any, and EBITDA and revenue multiples of similar type and size public companies.

The principal considerations for our determination that performing procedures relating to the goodwill impairment assessment of the Transit reporting unit is a critical audit matter are (i) the significant judgment by management when determining the fair value of the Transit reporting unit; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to revenue and Adjusted EBITDA margin growth rates, discount rate, terminal year exit multiple and EBITDA and revenue multiples; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill impairment assessment, including controls over the determination of the fair value of the Transit reporting unit. These procedures also included, among others (i) testing management's process for determining the fair value of the Transit reporting unit; (ii) evaluating the appropriateness of the income and market approaches; (iii) testing the completeness and accuracy of the underlying data used in the income and market approaches; and (iv) evaluating the reasonableness of the aforementioned significant assumptions used by management. Evaluating management's significant assumptions related to revenue and Adjusted EBITDA margin growth rates involved evaluating whether the significant assumptions used by management were reasonable considering (i) the current and past performance of the reporting units; (ii) the consistency with external market and industry data; and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of the appropriateness of the Company's income and market approaches and the evaluation of the reasonableness of the discount rate, terminal year exit multiple and EBITDA and revenue multiple significant assumptions.

/s/ PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania
February 27, 2023

We have served as the Company's auditor since 1928.

CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions except per share data)

For the Years Ended December 31	2022	2021	2020
Net sales	$ 12,943	$ 11,394	$ 9,392
Cost of products sold, excluding depreciation and amortization	10,643	9,029	7,359
Depreciation and amortization	460	447	422
Selling and administrative expense	556	583	533
Restructuring and other, net	(52)	(28)	30
Income from operations	1,336	1,363	1,048
Loss from early extinguishments of debt	11	68	—
Other pension and postretirement	(16)	1,515	43
Interest expense	284	253	290
Interest income	(15)	(9)	(8)
Foreign exchange	16	(45)	(2)
Income / (loss) from continuing operations before income taxes and equity in net earnings of affiliates	1,056	(419)	725
Provision for / (benefit from) income taxes	243	(57)	199
Equity in net earnings of affiliates	42	3	6
Net income / (loss) from continuing operations	855	(359)	532
Net (loss) / income from discontinued operations	—	(52)	156
Net income / (loss)	855	(411)	688
Net income from continuing operations attributable to noncontrolling interests	128	148	108
Net income from discontinued operations attributable to noncontrolling interests	—	1	1
Net income / (loss) attributable to Crown Holdings	$ 727	$ (560)	$ 579
Net income / (loss) from continuing operations attributable to Crown Holdings	727	(507)	424
Net (loss) / income from discontinued operations attributable to Crown Holdings	—	(53)	155
Net income / (loss) attributable to Crown Holdings	$ 727	$ (560)	$ 579
Earnings per common share attributable to Crown Holdings:			
Basic earnings / (loss) per common share from continuing operations	6.01	(3.89)	3.18
Basic (loss) / earnings per common share from discontinued operations	—	(0.41)	1.16
Basic	$ 6.01	$ (4.30)	$ 4.34
Diluted earnings / (loss) per common share from continuing operations	5.99	(3.89)	3.15
Diluted (loss) / earnings per common share from discontinued operations	—	(0.41)	1.15
Diluted	$ 5.99	$ (4.30)	$ 4.30

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

For the Years Ended December 31	2022	2021	2020
Net income / (loss)	$ 855	$ (411)	$ 688
Other comprehensive income / (loss), net of tax			
Foreign currency translation adjustments	(41)	601	(88)
Pension and other postretirement benefits	83	696	(15)
Derivatives qualifying as hedges	(40)	(2)	46
Total other comprehensive income / (loss)	2	1,295	(57)
Total comprehensive income	857	884	631
Net income attributable to noncontrolling interests	128	149	109
Translation adjustments attributable to noncontrolling interests	(2)	(1)	3
Pension and other postretirement benefits attributable to noncontrolling interests	1	—	—
Derivatives qualifying as hedges attributable to noncontrolling interests	(3)	1	2
Comprehensive income attributable to Crown Holdings	$ 733	$ 735	$ 517

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEETS
(in millions, except share data)

December 31	2022	2021
Assets		
Current assets		
Cash and cash equivalents	$ 550	$ 531
Receivables, net	1,843	1,889
Inventories	2,014	1,735
Prepaid expenses and other current assets	252	243
Current assets held for sale	—	97
Total current assets	4,659	4,495
Goodwill	2,951	3,007
Intangible assets, net	1,358	1,525
Property, plant and equipment, net	4,540	4,036
Operating lease right-of-use assets, net	221	191
Other non-current assets	572	604
Total assets	$ 14,301	$ 13,858
Liabilities and equity		
Current liabilities		
Short-term debt	$ 76	$ 75
Current maturities of long-term debt	109	135
Current portion of operating lease liabilities	44	42
Accounts payable	2,773	2,901
Accrued liabilities	930	966
Current liabilities held for sale	—	14
Total current liabilities	3,932	4,133
Long-term debt, excluding current maturities	6,792	6,052
Postretirement and pension liabilities	394	497
Non-current portion of operating lease liabilities	184	150
Other non-current liabilities	712	696
Commitments and contingent liabilities (Note P)		
Equity		
Noncontrolling interests	438	418
Preferred stock, authorized: 30,000,000; none issued (Note T)	—	—
Common stock, par value: $5.00; 500,000,000 shares authorized;		
185,744,072 shares issued; 119,945,302 and 126,131,799 shares outstanding in 2022 and 2021 (Note T)	600	630
Additional paid-in capital	—	—
Retained earnings	3,141	3,180
Accumulated other comprehensive loss	(1,892)	(1,898)
Crown Holdings shareholders' equity	1,849	1,912
Total equity	2,287	2,330
Total liabilities and equity	$ 14,301	$ 13,858

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS (in millions)

For the Years Ended December 31	2022	2021	2020
Cash flows from operating activities			
Net income / (loss)	$ 855	$ (411)	$ 688
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	460	463	481
Restructuring and other	(52)	(26)	34
Loss from disposal of discontinued operations	—	101	—
Pension and postretirement expense	12	1,548	76
Pension contributions	53	(236)	(27)
Asbestos payments	(21)	(19)	(21)
Stock-based compensation	29	33	32
Loss from early extinguishments of debt	11	68	—
Deferred income taxes	28	(248)	33
Equity earnings, net of distributions	(10)	2	(3)
Changes in assets and liabilities:			
Receivables	29	(590)	(186)
Inventories	(299)	(609)	(2)
Accounts payable and accrued liabilities	(149)	873	121
Prepaids and other assets	(44)	(40)	54
Other, net	(99)	(4)	35
Net cash provided by operating activities	803	905	1,315
Cash flows from investing activities			
Capital expenditures	(839)	(816)	(587)
Proceeds from sale of businesses, net of cash	182	2,255	—
Proceeds from sale of property, plant and equipment	15	44	16
Acquisitions of businesses, net of cash	(31)	—	—
Net investment hedges	26	25	28
Other	5	(1)	8
Net cash (used for) / provided by investing activities	(642)	1,507	(535)
Cash flows from financing activities			
Net change in revolving credit facility and short-term debt	268	12	29
Proceeds from long-term debt	2,953	144	110
Payments of long-term debt	(2,278)	(1,834)	(269)
Premiums paid to retire debt	(4)	(64)	—
Debt issuance costs	(25)	—	—
Foreign exchange derivatives related to debt	(11)	(25)	43
Dividends paid to noncontrolling interests	(100)	(122)	(87)
Dividends paid to shareholders	(106)	(105)	—
Common stock repurchased	(722)	(950)	(66)
Other	—	—	1
Net cash used for financing activities	(25)	(2,944)	(239)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(90)	(113)	34
Net change in cash, cash equivalents and restricted cash	46	(645)	575
Cash, cash equivalents and restricted cash at January 1	593	1,238	663
Cash, cash equivalents and restricted cash at December 31	$ 639	$ 593	$ 1,238

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS’ EQUITY
(in millions)

	Crown Holdings, Inc. Shareholders’ Equity						
	Common Stock	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Crown Equity	Noncontrolling Interests	Total Shareholders' Equity
Balance at January 1, 2020	$ 678	$ 207	$ 3,959	$ (3,131)	$ 1,713	$ 379	$ 2,092
Net income			579		579	109	688
Other comprehensive (loss) / income				(62)	(62)	5	(57)
Dividends declared					—	(87)	(87)
Restricted stock awarded	2	(2)			—		—
Stock-based compensation		32			32		32
Common stock issued		2			2		2
Common stock repurchased	(6)	(60)			(66)		(66)
Balance at December 31, 2020	$ 674	$ 179	$ 4,538	$ (3,193)	$ 2,198	$ 406	$ 2,604
Net (loss) / income			(560)		(560)	149	(411)
Other comprehensive income				1,295	1,295		1,295
Dividends declared			(105)		(105)	(122)	(227)
Restricted stock awarded	2	(3)			(1)		(1)
Stock-based compensation		17	16		33		33
Common stock issued		2			2		2
Common stock repurchased	(46)	(195)	(709)		(950)		(950)
Disposition of subsidiary with noncontrolling interests[(1)]					—	(15)	(15)
Balance at December 31, 2021	$ 630	$ —	$ 3,180	$ (1,898)	$ 1,912	$ 418	$ 2,330
Net income			727		727	128	855
Other comprehensive income				6	6	(4)	2
Dividends declared			(106)		(106)	(104)	(210)
Restricted stock awarded	2	(1)			1		1
Stock-based compensation		29			29		29
Common stock issued		2			2		2
Common stock repurchased	(32)	(30)	(660)		(722)		(722)
Balance at December 31, 2022	$ 600	$ —	$ 3,141	$ (1,892)	$ 1,849	$ 438	$ 2,287

[(1)] Relates to the sale of the European Tinplate business. See Note B for further details.
The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in millions, except share, per share, employee and statistical data)

A. Summary of Significant Accounting Policies

Business and Principles of Consolidation. The consolidated financial statements include the accounts of Crown Holdings, Inc. (the "Company") and its consolidated subsidiary companies (where the context requires, the "Company" shall include reference to the Company and its consolidated subsidiary companies).

The Company, 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's consumer packaging solutions primarily support the beverage and food industries, along with the personal care and household industries, through the development and sale of aluminum and steel cans. The Company's transit and protective packaging products include steel and plastic consumables and equipment, paper-based protective packaging, and plastic film consumables and equipment, which are sold into the metals, food and beverage, construction, agricultural, corrugated and general industries.

The financial statements were prepared in conformity with accounting principles generally accepted in the United States of America and reflect management's estimates and assumptions. Actual results could differ from those estimates, impacting reported results of operations and financial position. All intercompany accounts and transactions are eliminated in consolidation. In deciding which entities should be reported on a consolidated basis, the Company first determines whether the entity is a variable interest entity ("VIE"). If an entity is a VIE, the Company determines whether it is the primary beneficiary and therefore, should consolidate the VIE. If an entity is not a VIE, the Company consolidates those entities in which it has control, including certain subsidiaries that are not majority-owned. Certain of the Company's agreements with noncontrolling interests contain provisions in which the Company would surrender certain decision-making rights upon a change in control of the Company. Accordingly, consolidation of these operations may no longer be appropriate subsequent to a change in control of the Company, as defined in the agreements.

Investments in companies in which the Company does not have control, but has the ability to exercise significant influence over operating and financial policies, are accounted for by the equity method. The proportionate share of the net income resulting from these investments is reported in Equity in net earnings of affiliates in the Consolidated Statements of Operations. The carrying values of the Company's equity method investments are reported in Other non-current assets in the Consolidated Balance Sheets. Equity method investments are reported at cost and adjusted each period for the Company's share of the investee's income or loss and dividends paid, if any. The Company classifies distributions received from equity method investees using the cumulative earnings approach. The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable.

Foreign Currency Translation. For non-U.S. subsidiaries which operate in a local currency environment, assets and liabilities are translated into U.S. dollars at year-end exchange rates. Income, expense and cash flow items are translated at average exchange rates prevailing during the year. Translation adjustments for these subsidiaries are accumulated as a separate component of accumulated other comprehensive income in equity. For non-U.S. subsidiaries that use a U.S. dollar functional currency, local currency inventories and property, plant and equipment are translated into U.S. dollars at rates prevailing when acquired; all other assets and liabilities are translated at year-end exchange rates. Inventories charged to cost of sales and depreciation are remeasured at historical rates; all other income and expense items are translated at average exchange rates prevailing during the year. Gains and losses which result from remeasurement are included in earnings.

Revenue Recognition. The majority of the Company's revenues from metal packaging products are derived from multi-year requirement contracts with leading manufacturers and marketers of packaged consumer products for can sets, comprising a can and an end. As requirement contracts do not typically include fixed volumes, customers often purchase products pursuant to purchase orders or other communications which are short-term in nature. The can and the end are considered separate performance obligations because they are distinct and separately identifiable. Revenues from Transit Packaging are generally derived from individual purchase orders which may include multiple goods and services which are separate performance obligations because they are distinct and separately identifiable.

The Company manufactures certain products that have no alternative use to the Company once they are printed or manufactured to customer specifications. If the Company has an enforceable right to payment for custom products at all times in the manufacturing process, revenue is recognized over time. In each of the Company's geographic markets, revenue from beverage cans is primarily recognized over time using the units produced output method as beverage cans are generally printed for a specific customer in a continuous production process. The timing of revenue recognition for the Company's other products, including beverage ends and three-piece products, which includes food cans and ends and aerosol cans and ends, may vary as these products may be printed or customized depending upon customer preferences which can vary by geographic market. Revenue that is recognized over time for the Company's three-piece products and equipment business is generally recognized using the cost-to-cost input method as these products involve an intermediary step that results in customized work-in-process inventory. For products that follow a point in time model, revenue is generally recognized when title and risk of loss transfer.

Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services. Standalone selling prices for each performance obligation are generally stated in the contract. When the Company offers variable consideration in the form of volume rebates to customers, it estimates the most likely amount of revenue to which it is expected to be entitled and includes the estimate in the transaction price, limited to the amount which is probable will not result in reversal of cumulative revenue recognized when the variable consideration is resolved. When the Company offers customers options to purchase additional product at discounted prices, judgment is required to determine if the discounted prices represent material rights. If so, the transaction price allocated to the discount is based on its relative standalone price and is recognized upon purchase of the additional product. Customer payment terms are typically less than one year and as such, the Company has applied the practical expedient to exclude consideration of significant financing components from the determination of transaction price.

Taxes collected from customers and remitted to governmental authorities are excluded from net sales. Shipping and handling fees and costs from product sales are reported as cost of products sold and are accrued when the Company recognizes revenue over time before the shipping and handling activities occur. Costs to obtain a contract are generally immaterial but the Company has elected the practical expedient to expense these costs as incurred if the duration of the contract is one year or less.

Unbilled receivables are recorded for revenue recognized over time when the Company has determined that control has passed to the customer but the customer has not yet been invoiced because the Company does not have present right to payment. The Company generally has a present right to payment when title of product transfers. Unbilled receivables are included in receivables in the Consolidated Balance Sheet with a corresponding decrease to inventory.

Contract assets are recorded for revenue recognized over time when the Company has determined that control for a performance obligation has passed to the customer, but the right to invoice the customer is contingent upon the completion of the performance obligations included in the contract. Contract assets are classified as current as they are expected to be invoiced within one year and may not exceed their net realizable value.

Contract liabilities are established if the Company must defer the recognition of a portion of consideration received because it has to satisfy a future obligation. Contract liabilities are classified as current or noncurrent based on when the Company expects to recognize revenue.

Stock-Based Compensation. For awards with a service or market condition, compensation expense is recognized over the vesting period on a straight-line basis using the grant date fair value of the award and the estimated number of awards that are expected to vest. For awards with a performance condition, the Company assesses the probability of vesting at each reporting period and adjusts compensation cost based on its probability assessment. The Company's plans provide for stock awards which may include accelerated vesting upon retirement, disability, or death of eligible employees. The Company considers a stock-based award to be vested when the service period is no longer contingent on the employee providing future service. Accordingly, the related compensation cost is recognized immediately for awards granted to retirement-eligible individuals, or over the period from the grant date to the date that retirement eligibility is achieved if less than the stated vesting period.

Cash, Cash Equivalents and Restricted Cash. Cash equivalents represent highly liquid investments with maturities of three months or less from the time of purchase and are carried at cost, which approximates fair value because of the short maturity of those instruments. Outstanding checks in excess of funds on deposit are included in accounts payable. The Company generally classifies any cash that is legally restricted as to withdrawal or usage as restricted cash.

Accounts Receivable and Allowance for Credit Losses. Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The measurement of expected credit losses is based on past events, including historical experience, current conditions and forecasts that affect the collectability of accounts receivable.

Inventory Valuation. Inventories are stated at the lower of cost or net realizable value, with cost principally determined under the first-in, first-out ("FIFO") or average cost method.

Property, Plant and Equipment. Property, plant and equipment ("PP&E") is carried at cost less accumulated depreciation and includes expenditures for new facilities and equipment and those costs which substantially increase the useful lives or capacity of existing PP&E. Cost of constructed assets includes capitalized interest incurred during the construction and development period. Maintenance and repairs, including labor and material costs for planned major maintenance such as annual production line overhauls, are expensed as incurred. When PP&E is retired or otherwise disposed, the net carrying amount is eliminated with any gain or loss on disposition recognized in earnings at that time.

Depreciation is provided on a straight-line basis over the estimated useful lives of the assets described below (in years). The Company periodically reviews the estimated useful lives of its PP&E and, where appropriate, changes are made prospectively.

Land improvements	25
Buildings and building improvements	25 – 40
Machinery and equipment	3– 18

Goodwill and Intangible Assets. Assets and liabilities of acquired businesses are recorded under the acquisition method of accounting at their estimated fair values at the dates of acquisition. Goodwill represents costs in excess of fair values assigned to the underlying identifiable net assets of acquired businesses. Goodwill is carried at cost and reviewed for impairment annually in the fourth quarter of each year or when facts and circumstances indicate goodwill may be impaired. Goodwill is allocated to the reporting units at the time of each acquisition based on the relative fair values of the reporting units. In assessing goodwill for impairment, the Company may first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. Further quantitative assessment may then be required. The quantitative assessment involves a number of assumptions and judgments, including the calculation of fair value for the Company's identified reporting units. The Company determines the estimated fair value of each reporting unit based on an average of the estimated fair values using an income and a market approach. The income approach utilizes significant assumptions, including revenue and Adjusted EBITDA (a non-GAAP item defined by the Company as net customer sales, less cost of products sold excluding depreciation and amortization, less selling and administrative expenses) margin growth rates, discount rates and terminal year exit multiples. If the carrying value of a reporting unit exceeds its fair value, any impairment loss is measured by comparing the carrying value of the reporting unit to its fair value, not to exceed the carrying amount of goodwill.

Finite-lived intangible assets are carried at cost less accumulated amortization. Finite-lived intangibles are amortized on a straight-line basis over their estimated useful lives described below (in years).

Customer relationships	11 - 18
Trade names	8 - 27
Technology	6 - 8
Long-term supply contracts	15
Patents	8

Impairment or Disposal of Long-Lived Assets. In the event that facts and circumstances indicate that the carrying value of long-lived assets, primarily PP&E and finite-lived intangible assets, may be impaired, the Company performs a recoverability evaluation. If the evaluation indicates that the carrying value of an asset group is not recoverable from its undiscounted cash flows, an impairment loss is measured by comparing the carrying value of the asset to its fair value, based on discounted cash flows. Long-lived assets classified as held for sale are presented in the balance sheet at the lower of their carrying value or fair value less cost to sell.

Leases. The Company has operating and finance leases for land and buildings related to certain manufacturing facilities, warehouses and corporate offices, vehicle fleets and certain office and manufacturing equipment. Leases with an initial term of 12 months or less are not recorded on the balance sheet. The Company's lease terms include options to extend the lease when it is reasonably certain that the Company will exercise the option. Variable lease payment amounts that cannot be determined at commencement of the lease, such as increases in index rates, are not included in the measurement of the lease liabilities and corresponding right-of-use assets and are recognized in the period those payments are incurred. The Company separates lease and non-lease components of lease arrangements and allocates contract consideration based on standalone selling prices. Variable consideration is allocated to the lease and non-lease components to which the variable payments specifically relate. The discount rate implicit within the Company's leases is often not determinable and therefore the Company generally uses its incremental borrowing rate based on the information available at the commencement date of the lease in determining the present value of the lease payments. The incremental borrowing rate is determined based on lease term and the currency in which lease payments are made. The Company's leases do not contain any material residual value guarantees or material restrictive covenants.

Taxes on Income. The provision for income taxes is determined using the asset and liability approach. Deferred taxes represent the future expected tax consequences of differences between the financial reporting and tax bases of assets and liabilities based upon enacted tax rates and laws. The Company has made an accounting policy election to treat taxes due on future U.S. inclusions of certain intangible income of foreign subsidiaries as a current period expense when incurred.

Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Investment tax credits are accounted for using the deferral method. Income tax-related interest and penalties are reported as income tax expense.

Derivatives and Hedging. All outstanding derivative financial instruments are recognized in the balance sheet at their fair values. The impact on earnings from recognizing the fair values of these instruments depends on their intended use, their hedge designation and their effectiveness in offsetting changes in the fair values of the exposures they are hedging. Changes in the fair values of instruments designated to reduce or eliminate adverse fluctuations in the fair values of recognized assets and liabilities are reported currently in earnings along with changes in the fair values of the hedged items. Changes in the effective portions of the fair values of instruments used to reduce or eliminate adverse fluctuations in cash flows of anticipated or forecasted transactions are reported in equity as a component of accumulated other comprehensive income. Amounts in accumulated other comprehensive income are reclassified to earnings when the related hedged items impact earnings or the forecasted transactions become probable of not occurring. Changes in the fair values of derivative instruments that are not designated as hedges or do not qualify for hedge accounting treatment are reported currently in earnings. Amounts reported in earnings are classified consistent with the item being hedged.

The effectiveness of derivative instruments in reducing risks associated with the hedged exposures is assessed at inception and on an ongoing basis. Time value, a component of an instrument's fair value, is excluded in assessing effectiveness for fair value hedges, except hedges of firm commitments, and included for cash flow hedges.

Hedge accounting is discontinued prospectively when (i) the instrument is no longer effective in offsetting changes in fair value or cash flows of the underlying hedged item, (ii) the instrument expires, is sold, terminated or exercised, or (iii) designating the instrument as a hedge is no longer appropriate.

The Company formally documents all relationships between its hedging instruments and hedged items at inception, including its risk management objective and strategy for establishing various hedge relationships. Cash flows from hedging instruments are classified in the Consolidated Statements of Cash Flows consistent with the items being hedged.

Research and Development. Research, development and engineering costs of $34 in 2022, $47 in 2021, and $48 in 2020 were expensed as incurred and reported in selling and administrative expense in the Consolidated Statements of Operations. Substantially all engineering and development costs are related to developing new products or designing significant improvements to existing products or processes. Costs primarily include employee salaries and benefits and facility costs.

Reclassifications. Certain reclassifications of prior years' data have been made to conform to the current year presentation.

Recent Accounting and Reporting Pronouncements.

Recently Adopted Accounting Standards

On January 1, 2021, the Company adopted new guidance to simplify the accounting for income taxes by, among other things, reducing complexity in the interim-period accounting for year-to-date loss limitations and changes in tax laws. The guidance did not have a material impact on the Company's consolidated financial statements.

Recently Issued Accounting Standards

In September 2022, the Financial Accounting Standards Board issued new guidance which requires enhanced disclosures of supplier finance programs. The guidance requires buyers in a supplier finance program to disclose sufficient information about the program's nature, activity during the period, changes from period to period, and potential magnitude. The amendments are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, except for the disclosure of rollforward information, which is effective for fiscal years beginning after December 15, 2023. Early adoption is permitted. The amendments should be applied retrospectively to each period in which a balance sheet is presented, except for disclosure of rollforward information, which should be applied prospectively. The Company is currently evaluating the impact of adopting this guidance on its disclosures.

B. Divestitures

On August 31, 2021, the Company completed the sale (the "Transaction") of its European Tinplate business (the "Business") to Kouti B.V., an affiliate of KPS Capital Partners LP. The Business comprised the Company's European Food segment and its European Aerosol and Promotional Packaging reporting unit which was previously reported in Other. The Company received pre-tax proceeds of approximately €1.9 billion ($2.3 billion) from the Transaction and received a 20% minority interest in the Business. For the year ended December 31, 2021, the Company recorded a pre-tax loss of $101 and tax charges of $81 related to taxable gains on the sale of the Business.

Major components of net (loss) / income from discontinued operations were as follows:

For the Years Ended December 31	2021	2020
Net sales	$ 1,585	$ 2,183
Cost of products sold, excluding depreciation and amortization	1,301	1,823
Depreciation and amortization	16	59
Selling and administrative expense	60	81
Restructuring and other	2	4
Other pension and postretirement	1	2
Interest expense	6	10
Foreign exchange	—	3
Loss on sale of discontinued businesses	101	—
Transaction costs	34	—
Income from discontinued operations before tax	64	201
Provision for income taxes	116	45
Net (loss) / income from discontinued operations	(52)	156
Net income from discontinued operations attributable to noncontrolling interests	1	1
Net (loss) / income from discontinued operations attributable to Crown Holdings	$ (53)	$ 155

The Business had capital expenditures of $29 and $33 for the years ended December 31, 2021 and 2020.

The Company accounts for the minority interest received in the Business under the equity method. The Company's share of income of the Business was $34 for the year ended December 31, 2022 and a loss of $8 for the year ended December 31, 2021 and is reported in Equity in net earnings of affiliates in the Consolidated Statements of Operations. Additionally, the Company received a dividend payment from the Business of $26 in the year ended December 31, 2022.

In April 2022, the Company completed the sale of the Transit Packaging segment's Kiwiplan business and received pre-tax proceeds of $180. The Company recorded a pre-tax gain of $113 ($102, net of tax) on the sale, which is reported in Restructuring and other, net in the Consolidated Statements of Operations. The transaction did not represent a strategic shift that had a major effect on the Company's operations and financial results, and therefore did not qualify for reporting as a discontinued operation.

C. Cash, Cash Equivalents, and Restricted Cash

Cash, cash equivalents, and restricted cash included in the Company's Consolidated Balance Sheets and Statements of Cash Flows were as follows:

	2022	2021
Cash and cash equivalents	$ 550	$ 531
Restricted cash included in prepaid expenses and other current assets	89	61
Restricted cash included in other non-current assets	—	1
Total restricted cash	89	62
Total cash, cash equivalents and restricted cash	$ 639	$ 593

Amounts included in restricted cash primarily represent amounts required to be segregated by certain of the Company's receivables securitization agreements.

D. Receivables

	2022	2021
Accounts receivable	$ 1,132	$ 1,289
Less: allowance for credit losses	(22)	(20)
Net trade receivables	1,110	1,269
Unbilled receivables	363	325
Miscellaneous receivables	370	295
	$ 1,843	$ 1,889

The Company uses receivables securitization and factoring facilities in the normal course of business as part of managing its cash flows. The Company primarily accounts for transfers under these facilities as sales because it has met the criteria for control of the receivables to be considered transferred. The Company’s continuing involvement in the transfers is limited to servicing the receivables. The Company receives adequate compensation for servicing the receivables and no servicing asset or liability is recorded.

As of December 31, 2022 and 2021, the Company derecognized receivables of $1,342 and $1,011 related to the facilities. The Company recorded expenses of $41 for the year ended December 31, 2022 and $13 for the years ended December 31, 2021 and 2020 as interest expense.

In December 2021, the Company's Bowling Green plant sustained tornado damage, resulting in curtailment of operations. The Company resumed operations in March 2022. However, it continued to incur incremental costs, including freight and warehousing expenses, to meet customer demand as the plant returned to full operational capacity in 2022. The Company has property and business interruption insurance policies for weather related events that include these incremental expenses. The Company recognizes insurance recoveries for losses incurred as the recoveries become probable. Insurance recoveries for lost profits are not recognized until they are realizable.

During the year ended December 31, 2022, the Company received insurance proceeds of $94 for business interruption, including incremental expenses, and $22 for property damage. As of December 31, 2022, the Company has recorded an insurance receivable, within miscellaneous receivables, of $23 for incremental expenses incurred that the Company expects to be reimbursed under the terms of its insurance policy.

E. Inventories

	2022	2021
Raw materials and supplies	$ 1,352	$ 1,094
Work in process	156	120
Finished goods	506	521
	$ 2,014	$ 1,735

F. Goodwill

Changes in the carrying amount of goodwill by reportable segment for the years ended December 31, 2022 and 2021 were as follows:

	Americas Beverage	European Beverage	Transit Packaging	Other	Total
Balance at January 1, 2021	$ 839	$ 560	$ 1,561	$ 186	$ 3,146
Held for sale reclassification	—	—	(58)	—	(58)
Foreign currency translation	(14)	(25)	(42)	—	(81)
Balance at December 31, 2021	825	535	1,461	186	3,007
Goodwill acquired	—	—	6	—	6
Foreign currency translation	25	(44)	(39)	(4)	(62)
Balance at December 31, 2022	$ 850	$ 491	$ 1,428	$ 182	$ 2,951

Goodwill reclassified to current assets held for sale during 2021 related to the sale of the Transit Packaging segment's Kiwiplan business. See Note B for more information.

The carrying amount of goodwill at December 31, 2022 and 2021 was net of the following accumulated impairments:

	Americas Beverage	European Beverage	Other	Total
Accumulated impairments	$ 29	$ 73	$ 11	$ 113

G. Intangible Assets

Gross carrying amounts and accumulated amortization of finite-lived intangible assets by major class were as follows:

	December 31, 2022			December 31, 2021		
	Gross	Accumulated amortization	Net	Gross	Accumulated amortization	Net
Customer relationships	$ 1,356	$ (542)	$ 814	$ 1,363	$ (443)	$ 920
Trade names	530	(106)	424	544	(86)	458
Technology	157	(109)	48	158	(88)	70
Long term supply contracts	146	(76)	70	137	(63)	74
Patents	11	(9)	2	15	(12)	3
	$ 2,200	$ (842)	$ 1,358	$ 2,217	$ (692)	$ 1,525

Amortization expense for the years ended December 31, 2022, 2021, and 2020 was $159, $165 and $162.

During the year-ended December 31, 2021, $13 of intangible assets related to the sale of the Transit Packaging segment's Kiwiplan business were reclassified to current assets held for sale. See Note B for more information.

Annual amortization expense is estimated to be $157 for 2023, $146 for 2024, $141 for 2025, $132 for 2026 and $129 for 2027.

H. Property, Plant and Equipment

	2022	2021
Buildings and improvements	$ 1,422	$ 1,226
Machinery and equipment	5,576	5,372
Land and improvements	213	208
Construction in progress	844	612
	8,055	7,418
Less: accumulated depreciation and amortization	(3,515)	(3,382)
	$ 4,540	$ 4,036

Capitalized interest related to construction in progress was $28 and $22 for the years ended December 31, 2022 and 2021.

I. Leases

The components of lease expense for the years ended December 31, 2022, 2021 and 2020 were as follows:

	2022	2021	2020
Operating lease costs:			
Operating lease cost	$ 58	$ 48	$ 39
Short-term lease cost	2	3	5
Total operating lease costs	$ 60	$ 51	$ 44
Finance lease cost:			
Amortization of right-of-use assets	$ 1	$ 1	$ 1
Total finance lease costs	$ 1	$ 1	$ 1

Variable operating lease cost was $4 for the year ended December 31, 2022 and $3 for the years ended December 31, 2021 and 2020. Interest on finance lease liabilities was less than $1 for each of the years ended December 31, 2022, 2021, and 2020.

Supplemental cash flow information related to leases was as follows:

	2022	2021	2020
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	$ 53	$ 51	$ 44
Financing cash flows from finance leases	1	2	3
Right-of-use assets obtained in exchange for lease obligations:			
Operating leases	$ 87	$ 73	$ 42

Supplemental balance sheet information related to finance leases was as follows:

	2022	2021
Finance leases:		
Property, plant and equipment	$ 26	$ 26
Accumulated depreciation	(3)	(2)
Property, plant and equipment, net	$ 23	$ 24
Accrued liabilities	$ 2	$ 2
Other non-current liabilities	5	8
Total finance lease liabilities	$ 7	$ 10

The weighted average remaining lease term and weighted average discount rates for each year were as follows:

	2022	2021
Weighted average remaining lease term (years):		
Operating leases	10.3	10.8
Finance leases	5.2	5.7
Weighted average discount rate:		
Operating leases	4.2 %	4.3 %
Finance leases	2.9 %	3.2 %

Maturities of lease liabilities as of December 31, 2022 were as follows:

	Operating Leases	Finance Leases
2023	$ 46	$ 2
2024	37	2
2025	32	2
2026	26	1
2027	21	1
Thereafter	129	—
Total lease payments	291	8
Less imputed interest	(63)	(1)
	$ 228	$ 7

At December 31, 2022, the Company did not have material lease commitments that had not commenced.

J. Other Non-Current Assets

	2022	2021
Pension assets	$ 88	$ 158
Deferred taxes	113	150
Investments	158	161
Fair value of derivatives	91	51
Other	122	84
	$ 572	$ 604

K. Accrued Liabilities

	2022	2021
Salaries and employee benefits	$ 138	$ 169
Accrued taxes, other than on income	102	104
Income taxes	87	101
Accrued interest	52	47
Fair value of derivatives	35	32
Asbestos liabilities	25	25
Pension and postretirement liabilities	20	25
Restructuring	20	4
Other	451	459
	$ 930	$ 966

L. Restructuring and Other

The Company recorded restructuring and other items as follows:

	2022	2021	2020
Asset sales and impairments	$ (106)	$ (20)	$ 2
Restructuring	35	29	19
Other costs / (income)	14	(42)	9
Asbestos	5	5	—
	$ (52)	$ (28)	$ 30

2022 Activity

Asset sales and impairments primarily relates to the $113 gain on sale of the Kiwiplan business. See Note B for more information on the sale.

Restructuring included charges of $29 related to an overhead cost reduction program initiated by the Company's Transit Packaging segment. The Company expects to reduce headcount by approximately 600 employees.

See Note O for more information on the Company's provision for asbestos.

2021 Activity

Other costs / (income) included gains of $30 arising from a favorable court ruling in a lawsuit brought by certain of the Company's Brazilian subsidiaries asserting they were overcharged by local tax authorities for indirect taxes paid in prior years.

Asset sales and impairments included gains on various asset sales.

Restructuring primarily includes charges related to relocation of the Transit Packaging headquarters and headcount reductions across segments.

2020 Activity

Restructuring included charges of $19 related to an internal reorganization and headcount reductions within the Transit Packaging segment.

Restructuring charges by segment were as follows:

	2022	2021	2020
European Beverage	$ —	$ 3	$ —
Asia Pacific	—	1	1
Transit Packaging	35	19	19
Other	—	3	(1)
Corporate	—	3	—
	$ 35	$ 29	$ 19

Restructuring charges by type were as follows:

	2022	2021	2020
Termination benefits	$ 29	$ 10	$ 8
Other exit costs	6	19	11
	$ 35	$ 29	$ 19

At December 31, 2022, the Company had a restructuring accrual of $20, primarily related to the headcount reductions and other internal reorganizations within the Transit Packaging segment. The Company expects to pay these amounts over the next twelve months.

M. Debt

	2022		2021	
	Principal outstanding	Carrying amount	Principal outstanding	Carrying amount
Short-term debt	$ 76	$ 76	$ 75	$ 75
Long-term debt				
Senior secured borrowings:				
Revolving credit facilities	329	329	50	50
Term loan facilities				
U.S. dollar due 2027	1,800	1,792	—	—
U.S. dollar due 2024	—	—	1,002	997
Euro due 2027[1]	578	578	—	—
Euro due 2024[2]	—	—	344	344
Senior notes and debentures:				
€335 at 2.25% due 2023	—	—	381	380
€550 at 0.75% due 2023	—	—	626	624
€600 at 2.625% due 2024	642	640	683	680
€600 at 3.375% due 2025	642	640	683	679
U.S. dollar at 4.25% due 2026	400	397	400	396
U.S. dollar at 4.75% due 2026	875	869	875	867
U.S. dollar at 7.375% due 2026	350	348	350	348
€500 at 2.875% due 2026	536	532	570	565
U.S. dollar at 5.25% due 2030	500	494	—	—
U.S. dollar at 7.50% due 2096	40	40	40	40
Other indebtedness in various currencies:				
Fixed rate with rates in 2022 from 2.7% to 14.4% due through 2027	221	221	189	189
Variable rate with an average rate in 2022 of 1.5% due 2026	21	21	28	28
Total long-term debt	6,934	6,901	6,221	6,187
Less: current maturities	(109)	(109)	(136)	(135)
Total long-term debt, less current maturities	$ 6,825	$ 6,792	$ 6,085	$ 6,052

(1) €540 at December 31, 2022

(2) €303 at December 31, 2021

The estimated fair value of the Company's long-term borrowings, using a market approach incorporating level 2 inputs such as quoted market prices for the same or similar issues, was $6,922 at December 31, 2022 and $6,548 at December 31, 2021.

In March 2022, the Company issued $500 principal amount of 5.250% senior unsecured notes due 2030. The notes were issued at par by Crown Americas LLC, a subsidiary of the Company, and are unconditionally guaranteed by the Company and substantially all of its U.S. subsidiaries.

In August 2022, the Company amended the credit agreement governing its senior secured credit facilities. The amendment extended the agreement's maturity to August 2027 and increased the commitments under several of the Company's existing facilities. The Company's commitments under its credit agreement include $800 million in U.S. dollar denominated revolving commitments, $800 million in multicurrency revolving commitments, $50 million in Canadian dollar-denominated revolving commitments, $1.8 billion in Term Loan A commitments, and €540 million in Term Euro commitments.

In September 2022, the Company redeemed all of its €335 2.25% senior notes due 2023 and its €550 0.75% senior notes due 2023. In connection with the amended credit agreement and early redemption of senior notes, the Company recorded a loss from early extinguishment of debt of $11 in 2022 for premium payments and the write-off of deferred financing fees.

The revolving credit facilities include provisions for letters of credit up to $310 that reduce the amount of borrowing capacity otherwise available. At December 31, 2022, the Company's available borrowing capacity under the credit facilities was $1,252 equal to the facilities' aggregate capacity of $1,650 less $69 of outstanding letters of credit and $329 of credit facility borrowings. The interest rates on the facilities can vary from SOFR or EURIBOR, with a floor of zero, plus a margin of up to 1.60%, depending on the facility, based on the Company's leverage ratio. The revolving credit facilities and term loan facilities required the Company to maintain a leverage ratio of no greater than 5.00 times at December 31, 2022. The leverage ratio is calculated as total net debt divided by Consolidated EBITDA (as defined in the credit agreement). Total net debt is defined in the credit agreement as total debt less cash and cash equivalents. Consolidated EBITDA is calculated as the sum of, among other things, net income attributable to Crown Holdings, net income attributable to certain of the Company's subsidiaries, income taxes, interest expense, depreciation and amortization, and certain non-cash charges. The Company was in compliance with all covenants as of December 31, 2022.

At December 31, 2022, the U.S. dollar term loan interest rate was SOFR plus 1.35% and the Euro term loan interest rate was EURIBOR plus 1.25%.

The weighted average interest rates were as follows:

	2022	2021	2020
Short-term debt	3.8 %	0.6 %	2.1 %
Revolving credit facilities	2.5 %	1.2 %	1.8 %

Aggregate maturities of long-term debt, excluding unamortized discounts and debt issuance costs, for the five years subsequent to 2022 are $109, $852, $779, $2,315 and $2,339. Cash payments for interest during 2022, 2021 and 2020 were $270, $294, and $302.

N. Derivative and Other Financial Instruments

Fair Value Measurements

Under U.S. GAAP a framework exists for measuring fair value, providing a three-tier hierarchy of pricing inputs used to report assets and liabilities that are adjusted to fair value. Level 1 includes inputs such as quoted prices which are available in active markets for identical assets or liabilities as of the report date. Level 2 includes inputs other than those available in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 3 includes unobservable pricing inputs that are not corroborated by market data or other objective sources. The Company has no recurring items valued using Level 3 inputs other than certain pension plan assets.

The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of assets and liabilities measured at fair value and their placement within the fair value hierarchy.

The Company applies a market approach to value its commodity price hedge contracts. Prices from observable markets are used to develop the fair value of these financial instruments and they are reported under Level 2. The Company uses an income approach to value its foreign exchange forward contracts. These contracts are valued using a discounted cash flow model that calculates the present value of future cash flows under the terms of the contracts using market information as of the reporting date, such as foreign exchange spot and forward rates, and are reported under Level 2 of the fair value hierarchy.

Fair value disclosures for financial assets and liabilities that were accounted for at fair value on a recurring basis are provided below. In addition, see Note M for fair value disclosures related to debt.

Derivative Financial Instruments

In the normal course of business the Company is subject to risk from adverse fluctuations in currency exchange rates, interest rates and commodity prices. The Company manages these risks through a program that includes the use of derivative financial instruments, primarily swaps and forwards. Counterparties to these contracts are major financial institutions. The Company is exposed to credit loss in the event of nonperformance by these counterparties. The Company does not use derivative instruments for trading or speculative purposes.

The Company's objective in managing exposure to market and interest rate risk is to limit the impact on earnings and cash flow. The extent to which the Company uses such instruments is dependent upon its access to these contracts in the financial markets and its success using other methods, such as netting exposures in the same currencies to mitigate foreign exchange risk, using sales agreements that permit the pass-through of commodity price and foreign exchange rate risk to customers and borrowing both fixed and floating debt instruments to manage interest rate risk.

For derivative financial instruments accounted for in hedging relationships, the Company formally designates and documents, at inception, the financial instrument as a hedge of a specific underlying exposure, the risk management objective and the manner in which effectiveness will be assessed. The Company formally assesses, both at inception and at least quarterly thereafter, whether the hedging relationships are effective in offsetting changes in fair value or cash flows of the related underlying exposures. When a forecasted transaction is reasonably possible, but not probable of occurring, the hedge no longer qualifies for hedge accounting and the change in fair value from the date of the last effectiveness test is recognized in earnings. Any gain or loss which has accumulated in other comprehensive income at the date of the last effectiveness test is reclassified into earnings at the same time of the underlying exposure or when the forecasted transaction becomes probable of not occurring.

Cash Flow Hedges

The Company designates certain derivative financial instruments as cash flow hedges. No components of the hedging instruments are excluded from the assessment of hedge effectiveness. Changes in fair value of outstanding derivatives accounted for as cash flow hedges are recorded in accumulated other comprehensive income until earnings are impacted by the hedged transaction. Classification of the gain or loss in the Consolidated Statements of Operations upon reclassification from accumulated other comprehensive income is the same as that of the underlying exposure. Contracts outstanding at December 31, 2022 mature between one and twenty-four months.

The Company uses commodity forward contracts to hedge anticipated purchases of various commodities, including natural gas and electricity, and these exposures are hedged by a central treasury unit.

The Company also designates certain foreign exchange contracts as cash flow hedges of anticipated foreign currency denominated sales or purchases. The Company manages these risks at the operating unit level. Often, foreign currency risk is hedged together with the related commodity price risk.

The Company may also uses interest rate swaps to convert interest on floating rate debt to a fixed-rate.

The following tables set forth financial information about the impact on other comprehensive income ("OCI"), accumulated other comprehensive income ("AOCI") and earnings from changes in the fair value related to derivative instruments designated as cash flow hedges.

Derivatives in cash flow hedges	Amount of gain / (loss) recognized in AOCI 2022	2021
Foreign exchange	$ (1)	$ (5)
Interest rate	—	2
Commodities	(27)	74
	$ (28)	$ 71

Derivatives in cash flow hedges	Amount of gain / (loss) reclassified from AOCI into income 2022	2021	Affected line item in the Statements of Operations
Foreign exchange	$ (7)	$ (4)	Net sales
Commodities	(6)	(54)	Net sales
Foreign exchange	3	2	Cost of products sold, excluding depreciation and amortization
Commodities	29	147	Cost of products sold, excluding depreciation and amortization
	19	91	Income / (loss) from continuing operations before income taxes and equity in net earnings of affiliates
	(4)	(23)	Provision for / (benefit from) income taxes
	15	68	Net income / (loss) from continuing operations
Commodities	—	5	Net (loss) / income from discontinued operations
Total reclassified	$ 15	$ 73	Net income / (loss)

For the year ending December 31, 2023, a net loss of $13 ($11, net of tax) is expected to be reclassified to earnings for commodity and foreign exchange contracts. No material amounts were reclassified during the years ended December 31, 2022 and 2021 in connection with anticipated transactions that were no longer considered probable.

Fair Value Hedges and Contracts Not Designated as Hedges

The Company designates certain derivative financial instruments as fair value hedges of recognized foreign-denominated assets and liabilities, generally trade accounts receivable and payable and unrecognized firm commitments. The notional values and maturity dates of the derivative instruments coincide with those of the hedged items. Changes in fair value of the derivative financial instruments, excluding time value, are offset by changes in fair value of the related hedged items.

For the years ended December 31, 2022, and December 31, 2021, the Company recorded a loss of $19 and a gain of $3 from foreign exchange contracts designated as fair value hedges. These adjustments were reported within foreign exchange in the Consolidated Statements of Operations.

Certain derivative financial instruments, including foreign exchange contracts related to intercompany debt, were not designated or did not qualify for hedge accounting; however, they are effective economic hedges as the changes in their fair value, except for time value, are offset by changes from re-measurement of the related hedged items. The Company's primary use of these derivative instruments is to offset the earnings impact that fluctuations in foreign exchange rates have on certain monetary assets and liabilities denominated in nonfunctional currencies. Changes in fair value of these derivative instruments are immediately recognized in earnings as foreign exchange adjustments.

The following table sets forth the impact on earnings from derivatives not designated as hedges.

Derivatives not designated as hedges	Pre-tax amount of gain / (loss) recognized in earnings 2022	2021	Affected line item in the Statements of Operations
Foreign exchange	$ (2)	$ (3)	Net sales
Foreign exchange	7	(1)	Cost of products sold
Foreign exchange	(14)	(29)	Foreign exchange
	$ (9)	$ (33)	

Net Investment Hedges

The Company designates certain debt and derivative instruments as net investment hedges to manage foreign currency risk relating to net investments in subsidiaries denominated in foreign currencies.

For the years ended December 31, 2022 and 2021, the Company recorded a gain of $32 ($19, net of tax) and a gain of $103 ($103, net of tax) in other comprehensive income for certain debt instruments that are designated as hedges of its net investment in a euro-based subsidiary. As of December 31, 2022 and December 31, 2021, cumulative gains of $101 ($111, net of tax) and $69 ($92, net of tax) were recognized in accumulated other comprehensive income related to these net investment hedges and the carrying amount of the hedging instrument was approximately €538 ($576) at December 31, 2022.

The following tables set forth financial information about the impact on accumulated other comprehensive income from changes in the fair value of derivative instruments designated as net investment hedges.

Derivatives designated as net investment hedges	Amount of gain / (loss) recognized in AOCI 2022	2021
Foreign exchange	$ 32	$ 47

Gains and losses representing components excluded from the assessment of effectiveness on derivatives designated as net investment hedges are recognized in accumulated other comprehensive income.

Gains or losses on net investment hedges remain in accumulated other comprehensive income until disposal of the underlying assets.

Fair Values of Derivative Financial Instruments and Valuation Hierarchy

The following table sets forth the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2022 and December 31, 2021, respectively. The fair value of these financial instruments were reported under Level 2 of the fair value hierarchy.

	Balance Sheet classification	December 31, 2022	December 31, 2021	Balance Sheet classification	December 31, 2022	December 31, 2021
Derivatives designated as hedging instruments						
Foreign exchange contracts cash flow	Prepaid expenses and other current assets	$ 3	$ 3	Accrued liabilities	$ 2	$ 10
	Other non-current assets	1	—	Other non-current liabilities	—	—
Foreign exchange contracts fair value	Prepaid expenses and other current assets	4	1	Accrued liabilities	4	2
Commodities contracts cash flow	Prepaid expenses and other current assets	11	53	Accrued liabilities	27	17
	Other non-current assets	—	2	Other non-current liabilities	—	1
Net investment hedge	Other non-current assets	90	49	Other non-current liabilities	—	—
		$ 109	$ 108		$ 33	$ 30
Derivatives not designated as hedging instruments						
Foreign exchange contracts	Prepaid expenses and other current assets	$ 8	$ 3	Accrued liabilities	$ 2	$ 3
Total derivatives		$ 117	$ 111		$ 35	$ 33

Fair Value Hedge Carrying Amounts

Line item in the Balance Sheet in which the hedged item is included	Carrying amount of the hedged assets and liabilities: December 31, 2022	Carrying amount of the hedged assets and liabilities: December 31, 2021
Cash and cash equivalents	22	38
Receivables, net	16	21
Accrued liabilities	111	116

As of December 31, 2022 and 2021, the cumulative amounts of fair value hedging adjustments included in the carrying amount of the hedged assets and liabilities were net gains of $1, respectively.

Offsetting of Derivative Assets and Liabilities

Certain derivative financial instruments are subject to agreements with counterparties similar to master netting arrangements and are eligible for offset. The Company has made an accounting policy election not to offset the fair values of these instruments. In the table below, the aggregate fair values of the Company's derivative assets and liabilities are presented on both a gross and net basis, where appropriate.

	Gross amounts recognized in the Balance Sheet	Gross amounts not offset in the Balance Sheet	Net amount
Balance at December 31, 2022			
Derivative assets	$ 117	$ 13	$ 104
Derivative liabilities	35	13	22
Balance at December 31, 2021			
Derivative assets	$ 111	$ 19	$ 92
Derivative liabilities	33	19	14

Notional Values of Outstanding Derivative Instruments

The aggregate U.S. dollar-equivalent notional values of outstanding derivative instruments in the Consolidated Balance Sheets at December 31, 2022 and December 31, 2021 were:

	December 31, 2022	December 31, 2021
Derivatives designated as cash flow hedges:		
Foreign exchange	$ 287	$ 241
Commodities	230	261
Derivatives designated as fair value hedges:		
Foreign exchange	201	229
Derivatives designated as net investment hedges:		
Foreign exchange	875	875
Derivatives not designated as hedges:		
Foreign exchange	512	617

O. Asbestos-Related Liabilities

Crown Cork & Seal Company, Inc. ("Crown Cork") is one of many defendants in a substantial number of lawsuits filed throughout the United States by persons alleging bodily injury as a result of exposure to asbestos. These claims arose from the insulation operations of a U.S. company, the majority of whose stock Crown Cork purchased in 1963. Approximately ninety days after the stock purchase, this U.S. company sold its insulation assets and was later merged into Crown Cork.

Prior to 1998, amounts paid to asbestos claimants were covered by a fund made available to Crown Cork under a 1985 settlement with carriers insuring Crown Cork through 1976, when Crown Cork became self-insured. The fund was depleted in 1998 and the Company has no remaining coverage for asbestos-related costs.

The states of Alabama, Arizona, Arkansas, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Michigan, Mississippi, Nebraska, North Carolina, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Utah, West Virginia, Wisconsin and Wyoming have enacted legislation that limits asbestos-related liabilities under state law of companies such as Crown Cork that allegedly incurred these liabilities because they are successors by corporate merger to companies that had been involved with asbestos. The legislation, which applies to future and, with the exception of Arkansas, Georgia, South Carolina, South Dakota, West Virginia and Wyoming, pending claims at the time of enactment, caps asbestos-related liabilities at the fair market value of the predecessor's total gross assets adjusted for inflation. Crown Cork has paid significantly more for asbestos-related claims than the total value of its predecessor's assets adjusted for inflation. Crown Cork has integrated the legislation into its claims defense strategy. The Company cautions, however, that the legislation may be challenged and there can be no assurance regarding the ultimate effect of the legislation on Crown Cork.

In June 2003, the State of Texas enacted legislation that limits the asbestos-related liabilities in Texas courts of companies such as Crown Cork that allegedly incurred these liabilities because they are successors by corporate merger to companies that had been involved with asbestos. The Texas legislation, which applies to future and pending claims, caps asbestos-related liabilities at the total gross value of the predecessor's assets adjusted for inflation. Crown Cork has paid significantly more for asbestos-related claims than the total adjusted value of its predecessor's assets.

In October 2010, the Texas Supreme Court reversed a lower court decision, Barbara Robinson v. Crown Cork & Seal Company, Inc., No. 14-04-00658-CV, Fourteenth Court of Appeals, Texas, which had upheld the dismissal of an asbestos-related case against Crown Cork. The Texas Supreme Court held that the Texas legislation was unconstitutional under the Texas Constitution when applied to asbestos-related claims pending against Crown Cork when the legislation was enacted in June of 2003. The Company believes that the decision of the Texas Supreme Court is limited to retroactive application of the Texas legislation to asbestos-related cases that were pending against Crown Cork in Texas on June 11, 2003 and therefore, in its accrual, continues to assign no value to claims filed after June 11, 2003.

In December 2001, the Commonwealth of Pennsylvania enacted legislation that limits the asbestos-related liabilities of Pennsylvania corporations that are successors by corporate merger to companies involved with asbestos. The legislation limits the successor's liability for asbestos to the acquired company's asset value adjusted for inflation. Crown Cork has paid significantly more for asbestos-related claims than the acquired company's adjusted asset value. In November 2004, the legislation was amended to address a Pennsylvania Supreme Court decision (Ieropoli v. AC&S Corporation, et. al., No. 117 EM 2002) which held that the statute violated the Pennsylvania Constitution due to retroactive application. The Company cautions that the limitations of the statute, as amended, are subject to litigation and may not be upheld.

The Company further cautions that an adverse ruling in any litigation relating to the constitutionality or applicability to Crown Cork of one or more statutes that limits the asbestos-related liability of alleged defendants like Crown Cork could have a material impact on the Company.

The Company's approximate claims activity for the years ended 2022, 2021 and 2020 was as follows:

	2022	2021	2020
Beginning claims	57,000	56,000	56,000
New claims	1,500	2,000	1,500
Settlements or dismissals	(1,000)	(1,000)	(1,500)
Ending claims	57,500	57,000	56,000

For the years ended December 31, 2022, 2021, and 2020, the Company made cash payments of $21, $19, and $21 to settle asbestos claims and pay related legal and defense costs.

In the fourth quarter of each year, the Company performs an analysis of outstanding claims and categorizes by year of exposure and state filed. As of December 31, 2022 and December 31, 2021, the Company's outstanding claims were:

	2022	2021
Claimants alleging first exposure after 1964	17,000	17,000
Claimants alleging first exposure before or during 1964 filed in:		
Texas	13,000	13,000
Pennsylvania	1,500	1,500
Other states that have enacted asbestos legislation	6,000	6,000
Other states	20,000	19,500
Total claims outstanding	57,500	57,000

The outstanding claims in each period exclude approximately 19,000 inactive claims. Due to the passage of time, the Company considers it unlikely that the plaintiffs in these cases will pursue further action against the Company. The exclusion of these inactive claims had no effect on the calculation of the Company's accrual as the claims were filed in states, as described above, where the Company's liability is limited by statute.

With respect to claimants alleging first exposure to asbestos before or during 1964, the Company does not include in its accrual any amounts for settlements in states where the Company's liability is limited by statute except for certain pending claims in Texas as described earlier.

With respect to post-1964 claims, regardless of the existence of asbestos legislation, the Company does not include in its accrual any amounts for settlement of these claims because of increased difficulty of establishing identification of relevant insulation products as the cause of injury. Given its settlement experience with post-1964 claims, the Company does not believe that an adverse ruling in the Texas or Pennsylvania asbestos litigation cases, or in any other state that has enacted asbestos legislation, would have a material impact on the Company with respect to such claims.

As of December 31, the percentage of outstanding claims related to claimants alleging serious diseases (primarily mesothelioma and other malignancies) were as follows:

	2022	2021	2020
Total claims	24 %	24 %	23 %
Pre-1965 claims in states without asbestos legislation	43 %	42 %	41 %

Crown Cork has entered into arrangements with plaintiffs' counsel in certain jurisdictions with respect to claims which are not yet filed, or asserted, against it. However, Crown Cork expects claims under these arrangements to be filed or asserted against Crown Cork in the future. The projected value of these claims is included in the Company's estimated liability as of December 31, 2022.

Approximately 82% of the claims outstanding at the end of 2022 were filed by plaintiffs who do not claim a specific amount of damages or claim a minimum amount as established by court rules relating to jurisdiction; approximately 15% were filed by plaintiffs who claim damages of less than $5; approximately 3% were filed by plaintiffs who claim damages from $5 to less than $100 (36% of whom claim damages less than $25) and 14 claims were filed by plaintiffs who claim damages in excess of $100.

As of December 31, 2022, the Company's accrual for pending and future asbestos-related claims and related legal costs was $220, including $178 for unasserted claims. The Company determines its accrual without limitation to a specified time period. It is reasonably possible that the actual loss could be in excess of the Company's accrual. However, the Company is unable to estimate the reasonably possible loss in excess of its accrual due to uncertainty in the following assumptions that underlie the Company's accrual and the possibility of losses in excess of such accrual: the amount of damages sought by the claimant, the Company and claimant's willingness to negotiate a settlement, the terms of settlements of other defendants with asbestos-related liabilities, the bankruptcy filings of other defendants (which may result in additional claims and higher settlements for non-bankrupt defendants), the nature of pending and future claims (including the seriousness of alleged disease, whether claimants allege first exposure to asbestos before or during 1964 and the claimant's ability to demonstrate the alleged link to Crown Cork), the volatility of the litigation environment, the defense strategies available to the Company, the level of future claims, the rate of receipt of claims, the jurisdiction in which claims are filed, and the effect of state asbestos legislation (including the validity and applicability of the Pennsylvania legislation to non-Pennsylvania jurisdictions, where the substantial majority of the Company's asbestos cases are filed).

P. Commitments and Contingent Liabilities

The Company, along with others in most cases, has been identified by the EPA or a comparable state environmental agency as a Potentially Responsible Party ("PRP") at a number of sites and has recorded aggregate accruals of $12 for its share of estimated future remediation costs at these sites. The Company has been identified as having either directly or indirectly disposed of commercial or industrial waste at the sites subject to the accrual, and where appropriate and supported by available information, generally has agreed to be responsible for a percentage of future remediation costs based on an estimated volume of materials disposed in proportion to the total materials disposed at each site. The Company has not had monetary sanctions imposed nor has the Company been notified of any potential monetary sanctions at any of the sites.

The Company has also recorded aggregate accruals of $8 for remediation activities at various worldwide locations that are owned by the Company and for which the Company is not a member of a PRP group. Although the Company believes its accruals are adequate to cover its portion of future remediation costs, there can be no assurance that the ultimate payments will not exceed the amount of the Company's accruals and will not have a material effect on its results of operations, financial position and cash flow. Any possible loss or range of potential loss that may be incurred in excess of the recorded accruals cannot be estimated.

In March 2015, the Bundeskartellamt, or German Federal Cartel Office ("FCO"), conducted unannounced inspections of the premises of several metal packaging manufacturers, including a German subsidiary of the Company. The local court order authorizing the inspection cited FCO suspicions of anti-competitive agreements in the German market for the supply of metal packaging products. The Company conducted an internal investigation into the matter and discovered instances of inappropriate conduct by certain employees of German subsidiaries of the Company. The Company cooperated with the FCO and submitted a leniency application with the FCO which disclosed the findings of its internal investigation to date. In April 2018, the FCO discontinued its national investigation and referred the matter to the European Commission (the "Commission"). Following the referral, Commission officials conducted unannounced inspections of the premises of several metal packaging manufacturers, including Company subsidiaries in Germany, France and the U.K. The Company cooperated with the Commission and submitted a leniency application with the Commission with respect to the findings of its internal investigation in Germany. In July 2022, the Company reached a settlement with the Commission relating to the Commission's investigation, pursuant to which the Company agreed to pay a fine in the amount of $8. Fining decisions based on settlements can be appealed under EU law. The Company is seeking annulment of the Commission's fining decision on the basis that the referral of the case from the FCO to the Commission was unjustified. There can be no assurance regarding the outcome of such appeal.

In March 2017, U.S. Customs and Border Protection ("CBP") at the Port of Milwaukee issued a penalty notification alleging that certain of the Company's subsidiaries intentionally misclassified the importation of certain goods into the U.S. during the period 2004 -2009. CBP initially assessed a penalty of $18. The Company has acknowledged to CBP that the goods were misclassified and has paid all related duties, which CBP does not dispute. The Company has asserted that the misclassification was unintentional and disputes the penalty assessment by CBP. CBP has brought suit in the U.S. Court of International Trade seeking enforcement of the initial penalty against the Company. At the present time, based on the information available, the Company does not believe that a loss for the alleged intentional misclassification is probable. However, there can be no assurance that the Company will be successful in contesting the assessed penalty.

On October 7, 2021, the French *Autorité de la concurrence* (the French Competition Authority or "FCA") issued a statement of objections to 14 trade associations, one public entity and 101 legal entities from 28 corporate groups, including the Company, certain of its subsidiaries, other leading metal can manufacturers, certain can fillers and certain retailers in France. The FCA alleged violations of Articles 101 of the Treaty on the Functioning of the European Union and L.420-1 of the French Commercial Code. The statement of objections alleges, among other things, anti-competitive behavior in connection with the removal of bisphenol-A from metal packaging in France. The removal of bisphenol-A was mandated by French legislation that went into effect in 2015. If the FCA finds that the Company or its subsidiaries violated competition law, the FCA may levy fines. Proceedings with respect to this matter are ongoing and the Company is unable to predict the ultimate outcome including the amount of fines, if any, that may be levied by the FCA. The Company intends to vigorously defend against the allegations in the statement of objectives.

The Company and its subsidiaries are also subject to various other lawsuits and claims with respect to labor, environmental, securities, vendor and other matters arising out of the Company's normal course of business. While the impact on future financial results is not subject to reasonable estimation because considerable uncertainty exists, management believes that the ultimate liabilities resulting from such lawsuits and claims will not materially affect the Company's consolidated earnings, financial position or cash flow. The Company has various commitments to purchase materials, supplies and utilities as part of the ordinary conduct of business. At times, the Company guarantees the obligations of subsidiaries under certain of these contracts and is liable for such arrangements only if the subsidiary fails to perform its obligations under the contract.

The Company's basic raw materials for its products are aluminum and steel, both of which are purchased from multiple sources. The Company is subject to fluctuations in the cost of these raw materials and has periodically adjusted its selling prices to reflect these movements. There can be no assurance, however, that the Company will be able to fully recover any increases or fluctuations in raw material costs from its customers. The Company also has commitments for standby letters of credit and for purchases of capital assets.

At December 31, 2022, the Company was party to certain indemnification agreements covering environmental remediation, lease payments and other potential costs associated with properties sold or businesses divested. The Company accrues for costs related to these items when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Q. Other Non-Current Liabilities

	2022	2021
Deferred taxes	$ 374	$ 336
Asbestos liabilities	195	212
Income taxes payable	30	26
Postemployment benefits	20	21
Environmental	12	12
Finance lease liabilities	5	8
Other	76	81
	$ 712	$ 696

Income taxes payable includes unrecognized tax benefits as discussed in Note S.

R. Pension and Other Postretirement Benefits

Pensions. The Company sponsors various pension plans covering certain U.S. and non-U.S. employees, and participates in certain multi-employer pension plans. The benefits under the Company plans are based primarily on years of service and either the employees' remuneration near retirement or a fixed dollar multiple.

A measurement date of December 31 was used for all plans presented below.

The components of pension expense were as follows:

U.S. Plans	2022	2021	2020
Service cost	$ 19	$ 20	$ 18
Interest cost	31	25	38
Expected return on plan assets	(75)	(63)	(73)
Settlements	—	—	3
Curtailments and special termination benefits	1	9	—
Amortization of actuarial loss	44	58	56
Amortization of prior service cost	1	1	1
Net periodic cost	$ 21	$ 50	$ 43

Non-U.S. Plans	2022	2021	2020
Service cost	$ 9	$ 13	$ 10
Interest cost	13	32	52
Expected return on plan assets	(22)	(72)	(107)
Settlements	—	1,511	63
Amortization of actuarial loss	5	33	27
Amortization of prior service credit	(1)	—	—
Net periodic cost	$ 4	$ 1,517	$ 45

The settlement charge in 2021 arose from the irrevocable transfer of the Company's U.K. defined benefit pension plan (the "Plan") to an insurer. In 2021, the Company made a cash contribution of £196 to enable the Plan to purchase a bulk annuity insurance contract for the benefit of the Plan participants. The Company expects £127 ($153 using December 31, 2022 exchange rate) of the cash contribution to be repaid as the Plan sells its remaining illiquid assets, of which £101 ($122 using December 31, 2022 exchange rate) has been received to date, including $77 in 2022.

The settlement charge in 2020 arose from the payment of lump sum buy-outs to settle certain pension obligations using plan assets.

Additional pension expense of $5 in each of 2022, 2021 and 2020 was recognized for multi-employer plans.

The projected benefit obligations, accumulated benefit obligations, plan assets and funded status of the Company's U.S. and non-U.S. plans were as follows:

	U.S. Plans		Non-U.S. Plans	
	2022	2021	2022	2021
Projected Benefit Obligations				
Benefit obligations at January 1	$ 1,413	$ 1,505	$ 513	$ 3,172
Service cost	19	20	9	13
Interest cost	31	25	13	32
Plan participants' contributions	—	—	2	2
Amendments	1	2	—	(3)
Settlements	(9)	—	(9)	(2,982)
Curtailments	(2)	(10)	—	(7)
Special termination benefits	—	6	—	—
Actuarial (gain) / loss	(266)	(43)	(95)	444
Benefits paid	(93)	(92)	(30)	(165)
Foreign currency translation	—	—	(16)	7
Benefit obligations at December 31	$ 1,094	$ 1,413	$ 387	$ 513
Plan Assets				
Fair value of plan assets at January 1	$ 1,177	$ 1,152	$ 529	$ 3,518
Actual return on plan assets	(199)	115	(22)	(94)
Employer contributions	10	2	(63)	234
Plan participants' contributions	—	—	2	2
Settlements	(9)	—	(7)	(2,982)
Benefits paid	(93)	(92)	(31)	(165)
Foreign currency translation	—	—	(27)	16
Fair value of plan assets at December 31	$ 886	$ 1,177	$ 381	$ 529
Funded status	$ (208)	$ (236)	$ (6)	$ 16
Accumulated benefit obligations at December 31	$ 1,055	$ 1,361	$ 361	$ 474

For the year ended December 31, 2022, actuarial gains for the Company's U.S. and non-U.S. pension plans totaled $46. Actuarial gains and losses arise each year primarily due to changes in discount rates, differences in actual plan asset returns compared to expected returns, and changes in actuarial assumptions such as mortality. The gain in 2022 is primarily due to higher discount rates at the end of 2022 compared to 2021, partially offset by actual asset returns lower than expected returns.

U.S. pension plans with accumulated benefit obligations and projected benefit obligations in excess of plan assets were as follows:

	2022	2021
Projected benefit obligations	$ 1,094	$ 1,413
Accumulated benefit obligations	1,055	1,361
Fair value of plan assets	886	1,177

Non-U.S. pension plans with accumulated benefit obligations in excess of plan assets were as follows:

	2022	2021
Projected benefit obligations	$ 224	$ 284
Accumulated benefit obligations	204	253
Fair value of plan assets	134	147

Non-U.S. pension plans with projected benefit obligations in excess of plan assets were as follows:

	2022	2021
Projected benefit obligations	$ 224	$ 288
Accumulated benefit obligations	204	257
Fair value of plan assets	135	151

The Company's investment strategy in its U.S. plan is designed to generate returns that are consistent with providing benefits to plan participants within the risk tolerance of the plan. Asset allocation is the primary determinant of return levels and investment risk exposure.

The strategic ranges for asset allocation in the U.S. plans are as follows:

U.S. equities	45 %	to	55 %
International equities	7.5 %	to	12.5 %
Fixed income	15 %	to	25 %
Balanced funds	7.5 %	to	12.5 %
Real estate	7.5 %	to	12.5 %

Pension assets are classified into three levels. Level 1 asset values are derived from quoted prices which are available in active markets as of the report date. Level 2 asset values are derived from other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the report date. Level 3 asset values are derived from unobservable pricing inputs that are not corroborated by market data or other objective sources.

Level 1 Investments

Equity securities are valued at the latest quoted prices taken from the primary exchange on which the security trades. Mutual funds are valued at the net asset value (NAV) of shares held at year-end.

Level 2 Investments

Fixed income securities, including government issued debt, corporate debt, asset-backed and structured debt securities are valued using the latest bid prices or valuations based on a matrix system (which considers such factors as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and other reference data including market research publications). Derivatives, which consist mainly of interest rate swaps, are valued using a discounted cash flow pricing model based on observable market data.

Level 3 Investments

Hedge funds and private equity funds are valued at the NAV at year-end. The values assigned to private equity funds are based upon assessments of each underlying investment, incorporating valuations that consider the evaluation of financing and sale transactions with third parties, expected cash flows and market-based information, including comparable transactions, and performance multiples among other factors. Real estate investments are based on third party appraisals.

Investments Measured Using NAV per Share Practical Expedient

Investments measured using NAV per share as a practical expedient include investment funds that invest in global equity, emerging markets and fixed income. The global equity funds invest in equity securities of various market sectors including industrial materials, consumer discretionary goods and services, financial infrastructure, technology, and health care. The emerging markets funds invest in equity markets within financial services, consumer goods and services, energy, and technology.

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

The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the fair value of assets and their placement within the fair value hierarchy. The levels assigned to the defined benefit plan assets as of December 31, 2022 and 2021 are summarized in the tables below:

	2022		
	U.S. plan assets	Non-U.S. plan assets	Total
Level 1			
Cash and cash equivalents	$ 35	$ 19	$ 54
Global large cap equity	—	11	11
U.S. large cap equity	152	2	154
U.S. mid/small cap equity	246	19	265
Mutual funds – global equity	64	—	64
Mutual funds – U.S. equity	52	—	52
Mutual funds – fixed income	54	—	54
	603	51	654
Level 2			
Government issued debt securities	—	18	18
Corporate debt securities	42	2	44
Insurance contracts	—	94	94
Investment funds – fixed income	—	1	1
	42	115	157
Level 3			
Investment funds – real estate	135	68	203
Private equity	4	1	5
Real estate – direct	28	16	44
	167	85	252
Total assets in fair value hierarchy	812	251	1,063
Investments measured at NAV Practical Expedient (a)			
Investment funds – fixed income	68	19	87
Investment funds – global equity	—	108	108
Investment funds – emerging markets	5	—	5
Investment funds – real estate	—	3	3
	73	130	203
Total investments at fair value	$ 885	$ 381	$ 1,266

	2021		
	U.S. plan assets	Non-U.S. plan assets	Total
Level 1			
Cash and cash equivalents	$ 68	$ 21	$ 89
Global large cap equity	—	8	8
U.S. large cap equity	238	6	244
U.S. mid/small cap equity	332	25	357
Mutual funds – global equity	93	—	93
Mutual funds – U.S. equity	85	—	85
Mutual funds – fixed income	71	—	71
	887	60	947
Level 2			
Government issued debt securities	—	17	17
Corporate debt securities	61	3	64
Insurance contracts	—	110	110
Investment funds – fixed income	—	38	38
	61	168	229
Level 3			
Investment funds – real estate	79	92	171
Private equity	5	2	7
Real estate – direct	25	15	40
	109	109	218
Total assets in fair value hierarchy	1,057	337	1,394
Investments measured at NAV Practical Expedient (a)			
Investment funds – fixed income	112	25	137
Investment funds – global equity	—	167	167
Investment funds – emerging markets	7	—	7
	119	192	311
Total investments at fair value	$ 1,176	$ 529	$ 1,705

(a) Certain investments that are measured at fair value using the NAV per share practical expedient have not been classified in the fair value hierarchy.

Accrued income excluded from the tables above was as follows:

	2022	2021
U.S. plan assets	$ 1	$ 1
Non-U.S. plan assets	—	—

Plan assets include $265 and $357 of the Company's common stock at December 31, 2022 and 2021.

The following tables reconcile the beginning and ending balances of plan assets measured using significant unobservable inputs (Level 3).

	Hedge funds	Private equity	Real estate	Total
Balance at January 1, 2021	$ 2	$ 51	$ 307	$ 360
Foreign currency translation	—	—	(1)	(1)
Asset returns – assets held at reporting date	(1)	(48)	30	(19)
Asset returns – assets sold during the period	1	39	3	43
Purchases, sales and settlements, net	(2)	(35)	(128)	(165)
Balance at December 31, 2021	—	7	211	218
Foreign currency translation	—	—	(9)	(9)
Asset returns – assets held at reporting date	—	(2)	(9)	(11)
Asset returns – assets sold during the period	—	1	9	10
Purchases, sales and settlements, net	—	(1)	45	44
Balance at December 31, 2022	$ —	$ 5	$ 247	$ 252

The following table presents additional information about the pension plan assets valued using net asset value as a practical expedient:

	Fair Value	Redemption Frequency	Redemption Notice Period
Balance at December 31, 2022			
Investment funds – fixed income	$ 87	Semi-monthly	1- 5 days
Investment funds – global equity	108	Daily	10 days
Investment funds – emerging markets	5	Daily	30 days
Investment funds – real estate	3	Daily	10 days
Balance at December 31, 2021			
Investment funds – fixed income	$ 137	Semi-monthly	1- 5 days
Investment funds – global equity	167	Daily	10 days
Investment funds – emerging markets	7	Daily	30 days

The pension plan assets valued using net asset value as a practical expedient do not have any unfunded commitments.

Pension assets and liabilities included in the Consolidated Balance Sheets were:

	2022	2021
Non-current assets	$ 88	$ 158
Current liabilities	8	11
Non-current liabilities	294	367

The Company’s current liability at December 31, 2022, represents the expected required payments to be made for unfunded plans over the next twelve months. Total estimated 2023 employer contributions are $16 for the Company’s pension plans.

Changes in the net loss and prior service cost (credit) for the Company’s pension plans were:

	2022		2021		2020	
	Net loss	Prior service	Net loss	Prior service	Net loss	Prior service
Balance at January 1	$ 814	$ 2	$ 1,802	$ 8	$ 1,808	$ 8
Reclassification to net periodic benefit cost	(49)	(1)	(1,629)	(4)	(150)	(1)
Current year loss / (gain)	(45)	(1)	640	(2)	118	—
Amendments	—	—	(1)	—	—	1
Foreign currency translation	(8)	—	2	—	26	—
Balance at December 31	$ 712	$ —	$ 814	$ 2	$ 1,802	$ 8

Expected future benefit payments as of December 31, 2022 are:

	U.S. plans	Non-U.S. plans
2023	$ 91	$ 30
2024	101	29
2025	99	31
2026	85	31
2027	106	30
2028 - 2032	389	156

The weighted average actuarial assumptions used to calculate the benefit obligations at December 31 were:

U.S. Plans	2022	2021	2020
Discount rate	5.2 %	2.9 %	2.5 %
Compensation increase	5.0 %	4.7 %	4.7 %

Non-U.S. Plans	2022	2021	2020
Discount rate	4.9 %	2.5 %	1.4 %
Compensation increase	2.7 %	2.5 %	3.0 %

The weighted average actuarial assumptions used to calculate pension expense for each year were:

U.S. Plans	2022	2021	2020
Discount rate - service cost	3.3 %	3.1 %	3.6 %
Discount rate - interest cost	2.2 %	1.7 %	2.8 %
Compensation increase	4.7 %	4.7 %	4.7 %
Long-term rate of return	6.6 %	5.7 %	6.8 %

Non-U.S. Plans	2022	2021	2020
Discount rate - service cost	2.9 %	2.2 %	2.6 %
Discount rate - interest cost	2.6 %	1.8 %	1.9 %
Compensation increase	2.7 %	2.5 %	3.0 %
Long-term rate of return	4.3 %	3.3 %	3.3 %

The expected long-term rate of return on plan assets is determined by taking into consideration expected long-term returns associated with each major asset class based on long-term historical ranges, inflation assumptions and the expected net value from active management of the assets based on actual results.

Other Postretirement Benefit Plans. The Company sponsors unfunded plans to provide health care and life insurance benefits to certain retirees and survivors. Generally, the medical plans pay a stated percentage of medical expenses reduced by deductibles and other coverages. Life insurance benefits are generally provided by insurance contracts. The Company reserves the right, subject to existing agreements, to change, modify or discontinue the plans. A measurement date of December 31 was used for the plans presented below.

The components of net postretirement benefits cost were as follows:

Other Postretirement Benefits	2022	2021	2020
Service cost	$ 1	$ 1	$ 1
Interest cost	4	4	5
Amortization of prior service credit	(20)	(26)	(26)
Amortization of actuarial loss	2	4	4
Net periodic benefit credit	$ (13)	$ (17)	$ (16)

Changes in the benefit obligations were:

	2022	2021
Benefit obligations at January 1	$ 137	$ 163
Service cost	1	1
Interest cost	4	4
Actuarial (gain) / loss	(22)	(20)
Benefits paid	(11)	(10)
Foreign currency translation	(1)	(1)
Benefit obligations at December 31	$ 108	$ 137

Changes in the net (gain)/ loss and prior service credit for the Company's postretirement benefit plans were:

	2022		2021		2020	
	Net (gain) / loss	Prior service	Net loss	Prior service	Net loss	Prior service
Balance at January 1	$ 21	$ (20)	$ 45	$ (46)	$ 42	$ (72)
Reclassification to net periodic benefit cost	(2)	20	(4)	26	(4)	26
Current year (gain) / loss	(22)	—	(20)	—	7	—
Foreign currency translation	1	—	—	—	—	—
Balance at December 31	$ (2)	$ —	$ 21	$ (20)	$ 45	$ (46)

Expected future benefit payments are as follows:

	Benefit Payments
2023	$ 13
2024	11
2025	11
2026	10
2027	10
2028 - 2032	42

The assumed health care cost trend rates at December 31, 2022 were as follows:

Health care cost trend rate assumed for 2022	4.6 %
Rate that the cost trend rate gradually declines to	4.1 %
Year that the rate reaches the rate it is assumed to remain	2033

Weighted average discount rates used to calculate the benefit obligations at the end of each year and the cost for each year are presented below:

	2022	2021	2020
Benefit obligations	5.8 %	3.4 %	2.8 %
Service cost	7.8 %	5.9 %	4.1 %
Interest cost	5.7 %	3.6 %	3.3 %

Defined Contribution Benefit Plans. The Company also sponsors defined contribution benefit plans in certain jurisdictions including the U.S. and the U.K. The Company recognized expense of $13, $12, and $13 in 2022, 2021 and 2020 related to these plans.

S. Income Taxes

The components of income before income taxes were as follows:

	2022	2021	2020
U.S.	$ 295	$ 143	$ 97
Foreign	761	(562)	628
	$ 1,056	$ (419)	$ 725

The provision for income taxes consisted of the following:

	2022	2021	2020
Current tax:			
U.S. federal	$ 18	$ 2	$ —
State and foreign	190	239	161
	$ 208	$ 241	$ 161
Deferred tax:			
U.S. federal	$ 46	$ 46	$ 38
State and foreign	(11)	(344)	—
	35	(298)	38
Total	$ 243	$ (57)	$ 199

The provision for income taxes differs from the amount of income tax determined by applying the U.S. statutory federal income tax rate to pre-tax income as a result of the following items:

	2022	2021	2020
U.S. statutory rate at 21%	$ 222	$ (88)	$ 152
Tax on foreign income	(25)	(29)	27
Valuation allowance changes	33	26	(11)
State taxes	(2)	9	5
U.S. taxes on foreign income, net of credits	1	13	14
Tax contingencies	7	8	1
Tax law changes	2	(8)	4
Other items, net	5	12	7
Income tax provision / (benefit)	$ 243	$ (57)	$ 199

The Company benefits from certain incentives in Brazil which allow it to pay reduced income taxes. The incentives expire at various dates beginning in December 2025. These incentives increased net income attributable to the Company by $21 in 2022 and 2021 and $17 in 2020.

The Company paid taxes of $223, $253 and $189 in 2022, 2021 and 2020.

In 2022, taxes on foreign income includes income tax charges of $11 for the sale of the Company's Transit Packaging segment's Kiwiplan business in 2022.

During the year-ended December 31, 2022, the Company recorded a deferred tax asset of $21 for goodwill amortization and net operating loss carryforwards in Switzerland. The Company believes that it is more likely than not that these deferred tax assets will not be utilized prior to their expiration and has recorded a full valuation allowance.

On July 8, 2022, Pennsylvania enacted a corporate net income tax rate reduction over a nine year period. The income tax rate for the 2022 and 2023 tax years are 9.99% and 8.99%, respectively. Starting with the 2024 tax year, the income tax rate is reduced by 0.50% annually until it reaches 4.99% for the 2031 tax year. The remeasurement of the Company's deferred taxes had a $78 impact on the Company's state net operating loss carryforward and corresponding valuation allowance.

In 2021, tax on foreign income includes income tax charges of $42 in continuing operations for reorganizations and other transactions required to prepare the European Tinplate business for sale. Additionally, the Company recorded an income tax charge of $44 to establish a valuation allowance for deferred tax assets related to tax loss carryforwards in France. The Company believes that it is more likely than not that these tax loss carryforwards will not be utilized after the sale of the European Tinplate business.

In 2021, the Company also recorded a tax benefit of $18 related to a deferred tax valuation allowance release resulting from improved profitability in a Transit Packaging corporate entity. Additionally, the Company also recorded income tax benefits related to tax law changes in India, Turkey and the U.K.

As of December 31, 2022, the Company had not provided deferred taxes on approximately $1,700 of earnings in certain non-U.S. subsidiaries because such earnings are indefinitely reinvested in its international operations. Upon distribution of such earnings in the form of dividends or otherwise, the Company may be subject to incremental foreign tax. It is not practicable to estimate the amount of foreign tax that might be payable.

The components of deferred taxes at December 31 were:

	2022		2021	
	Assets	Liabilities	Assets	Liabilities
Tax carryforwards	$ 271	$ —	$ 346	$ —
Intangible assets	—	298	—	317
Property, plant and equipment	15	225	21	176
Pensions	87	20	105	13
Accruals and other	105	103	96	109
Asbestos	53	—	56	—
Postretirement and postemployment benefits	25	—	31	—
Lease liabilities	32	—	29	—
Right of use assets	—	30	—	28
Valuation allowances	(173)	—	(227)	—
Total	$ 415	$ 676	$ 457	$ 643

Tax carryforwards expire as follows:

Year	Amount
2023	$ 6
2024	6
2025	16
2026	17
2027	10
Thereafter	92
Unlimited	124

Tax carryforwards expiring after 2027 include $54 of U.S. state tax loss carryforwards. The unlimited category includes $33 of Luxembourg tax loss carryforwards and $68 of French tax loss carryforwards.

Realization of any portion of the Company's deferred tax assets is dependent upon the availability of taxable income in the relevant jurisdictions. The Company considers all sources of taxable income, including (i) taxable income in any available carryback period, (ii) the reversal of taxable temporary differences, (iii) tax-planning strategies, and (iv) taxable income expected to be generated in the future other than from reversing temporary differences. The Company also considers whether there have been cumulative losses in recent years. The Company records a valuation allowance when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company's valuation allowances at December 31, 2022 include $84 primarily related to the portion of U.S. state tax loss carryforwards that the Company does not believe are more likely than not to be utilized prior to their expiration. The Company's ability to utilize state tax loss carryforwards is impacted by several factors including taxable income, expiration dates, limitations imposed by certain states on the amount of loss carryforwards that can be used in a given year to offset taxable income and whether the state permits the Company to file a combined return.

Management's estimate of the appropriate valuation allowance in any jurisdiction involves a number of assumptions and judgments, including the amount and timing of future taxable income. Should future results differ from management's estimates, it is possible there could be future adjustments to the valuation allowances that would result in an increase or decrease in tax expense in the period such changes in estimates are made.

A reconciliation of unrecognized tax benefits follows:

	2022	2021	2020
Balance at January 1	$ 48	$ 42	$ 39
Additions for prior year tax positions	7	9	1
Lapse of statute of limitations	(1)	(1)	—
Settlements	(6)	—	—
Foreign currency translation	(2)	(2)	2
Balance at December 31	$ 46	$ 48	$ 42

The Company's unrecognized tax benefits include potential liabilities related to transfer pricing, foreign withholding taxes, and non-deductibility of expenses.

The total interest and penalties recorded in income tax expense was less than $1 in 2022, 2021 and 2020. As of December 31, 2022, unrecognized tax benefits of $46, if recognized, would affect the Company's effective tax rate.

The Company's unrecognized tax benefits are not expected to increase over the next twelve months and are expected to decrease as open tax years lapse or claims are settled. The Company is unable to estimate a range of reasonably possible changes in its unrecognized tax benefits in the next twelve months as it is unable to predict when, or if, the tax authorities will commence their audits, the time needed for the audits, and the audit findings that will require settlement with the applicable tax authorities, if any.

The tax years that remained subject to examination by major tax jurisdictions as of December 31, 2022 were, 2010 and subsequent years for Germany; 2013 and subsequent years for India; 2016 and subsequent years for Italy and the U.K.; 2017 and subsequent years for Mexico; 2018 and subsequent years for Spain, France, Brazil and Canada; and 2019 and subsequent years for the U.S. The U.S. also remains subject to exam for 2017 and 2018, specifically as it relates to the transition tax incurred related to the 2017 Tax Act. In addition, tax authorities in certain jurisdictions, including France, Belgium and the U.S., may examine earlier years when tax carryforwards that were generated in those years are subsequently utilized.

T. Capital Stock

A summary of common share activity for the years ended December 31 follows (in shares):

	2022	2021	2020
Common shares outstanding at January 1	126,131,799	134,801,030	135,577,878
Shares repurchased	(6,574,610)	(9,121,328)	(1,240,328)
Restricted stock issued to employees, net of forfeitures	370,178	435,129	439,700
Shares issued to non-employee directors	17,935	16,968	23,780
Common shares outstanding at December 31	119,945,302	126,131,799	134,801,030

The Company declared and paid dividends of $0.88 per share in 2022. Additionally, on February 23, 2023, the Company's Board of Directors declared a dividend of $0.24 per share payable on March 23, 2023, to shareholders of record as of March 9, 2023.

On December 9, 2021, the Company's Board of Directors authorized the repurchase of an aggregate amount of $3,000 of Company common stock through the end of 2024. Share repurchases under the Company's program may be made in the open market or through privately negotiated transactions, and at times and in such amounts as management deems appropriate. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate and regulatory requirements and other market conditions. The Company uses the par value method of accounting for its stock repurchases. The excess of the fair value over par value is first charged to paid-in capital, if any, and then to retained earnings. The Company repurchased $722 of its shares during 2022.

The Company is not obligated to acquire any shares of its common stock and the share repurchase program may be suspended or terminated at any time at the Company's discretion. Share repurchases are subject to the terms of the Company's debt agreements, market conditions and other factors.

The Board of Directors has the authority to issue, at any time or from time to time, up to 30 million shares of preferred stock and has authority to fix the designations, number and voting rights, preferences, privileges, limitations, restrictions, conversion rights and other special or relative rights, if any, of any class or series of any class of preferred stock that may be desired, provided the shares of any such class or series of preferred stock shall not be entitled to more than one vote per share when voting as a class with holders of the Company's common stock.

Dividends are payable when declared by the Company's Board of Directors and in accordance with the restrictions set forth in the Company's debt agreements. While the Company's debt agreements impose restrictions on the Company's ability to pay dividends and repurchase common stock, the debt agreements generally permit dividends and common stock repurchases provided that the Company is in compliance with applicable financial and other covenants and meets certain liquidity requirements.

U. Accumulated Other Comprehensive Loss Attributable to Crown Holdings

The following table provides information about the changes in each component of accumulated other comprehensive income/ (loss) for the years ended December 31, 2022 and 2021.

	Defined benefit plans	Foreign currency translation	Gains and losses on cash flow hedges	Total
Balance at January 1, 2021	$ (1,464)	$ (1,759)	$ 30	$ (3,193)
Other comprehensive (loss) / income before reclassifications	(419)	48	71	(300)
Amounts reclassified from accumulated other comprehensive income	1,115	553	(73)	1,595
Other comprehensive income / (loss)	696	601	(2)	1,295
Balance at December 31, 2021	(768)	(1,158)	28	(1,898)
Other comprehensive (loss) / income before reclassifications	57	(39)	(22)	(4)
Amounts reclassified from accumulated other comprehensive income	25	—	(15)	10
Other comprehensive income / (loss)	82	(39)	(37)	6
Balance at December 31, 2022	$ (686)	$ (1,197)	$ (9)	$ (1,892)

See Note N and Note R for further details of amounts reclassified from accumulated other comprehensive income related to cash flow hedges and defined benefit plans.

During the year-ended December 31, 2021, the Company reclassified $553 of foreign currency translation as a result of the sale of the European Tinplate business.

V. Revenue

For the years ended December 31, 2022, 2021 and 2020, the Company recognized revenue as follows:

	2022	2021	2020
Revenue recognized over time	$ 6,937	$ 6,097	$ 5,032
Revenue recognized at a point in time	6,006	5,297	4,360
Total	$ 12,943	$ 11,394	$ 9,392

See Note Y for further disaggregation of the Company's revenue.

The Company has applied the practical expedient to exclude disclosure of remaining performance obligations as its binding orders typically have a term of one year or less.

Contract assets are typically recognized for work in process related to the Company's three-piece printed products and equipment business. Contract assets and liabilities are reported in a net position on a contract-by-contract basis. The Company had net contract assets of $18 and $23 as of December 31, 2022 and 2021 included in prepaid and other current assets. For the year ended December 31, 2022, the Company satisfied performance obligations related to contract assets at December 31, 2021 related to the Company's equipment business and also recorded new contract assets primarily related to work in process for the equipment business.

W. Stock-Based Compensation

The Company’s shareholder-approved stock-based incentive compensation plans provide for the granting of awards in the form of stock options, deferred stock, restricted stock or stock appreciation rights (“SARs”). The awards may be subject to the achievement of certain performance goals as determined by the Compensation Committee designated by the Company’s Board of Directors. There have been no awards of SARs. In April 2022, the Company's shareholders approved the 2022 Stock-Based Incentive Plan (the "Plan") which allowed for a total of 2.8 million shares to be issued under future awards. At December 31, 2022, there were 4.6 million authorized shares available for future awards.

Restricted and Deferred Stock

Annually, the Company awards shares of restricted stock to certain senior executives in the form of time-vesting restricted stock and performance-based shares. The time-vesting restricted stock vests ratably over three years.

The performance-based share awards are subject to either a market condition or a performance condition. For awards subject to a market condition, the metric is the Company’s Total Shareholder Return (“TSR”), which includes share price appreciation and dividends paid, during the three-year term of the award measured against the TSR of a peer group of companies. For awards subject to a performance condition, the metric is the Company's average return on invested capital over the three-year term.

The performance-based shares cliff vest at the end of three years. The number of performance-based shares that will ultimately vest is based on the level of performance achieved, ranging between 0% and 200% of the shares originally awarded, and is settled in shares of common stock. Participants who terminate employment because of disability, death or, subject to Company approval, retirement, receive accelerated vesting of their service condition to the date of termination and, if approved, performance restrictions laps on the original vesting date.

The Company also issues shares of time-vesting restricted stock to U.S. employees and deferred stock to non-U.S. employees which vest ratably over three to five years.

A summary of restricted and deferred stock activity follows:

	Number of shares
Non-vested shares outstanding at January 1, 2022	1,284,206
Awarded:	
Time-vesting	190,442
Performance-based	207,212
Released:	
Time-vesting	(348,062)
Performance-based	(305,492)
Forfeitures:	
Time-vesting	(73,188)
Performance-based	(12,283)
Non-vested shares outstanding at December 31, 2022	942,835

The average grant-date fair value of restricted stock awarded in 2022, 2021 and 2020 follows:

	2022	2021	2020
Time-vesting	$ 96.29	$ 100.08	$ 70.07
Performance-based	111.84	100.99	72.08

The fair values of the performance-based awards that include a market condition were calculated using a Monte Carlo valuation model and the following weighted average assumptions:

	2022	2021	2020
Risk-free interest rate	1.0 %	0.2 %	1.6 %
Expected term (years)	3	3	3
Expected stock price volatility	34.8 %	35.5 %	22.0 %

At December 31, 2022, unrecognized compensation cost related to outstanding restricted and deferred stock was $42. The weighted average period over which the expense is expected to be recognized is 2.0 years. The aggregate market value of the shares released on the vesting dates was $70 in 2022.

X. Earnings Per Share

The following table summarizes basic and diluted earnings per share ("EPS"). Basic EPS excludes all potentially dilutive securities and is computed by dividing net income attributable to Crown Holdings by the weighted average number of common shares outstanding during the period. Diluted EPS includes the effect of stock options and restricted stock, when dilutive, as calculated under the treasury stock method.

	2022	2021	2020
Net income / (loss) from continuing operations attributable to Crown Holdings	727	(507)	424
Net income / (loss) from discontinued operations attributable to Crown Holdings	—	(53)	155
Net income / (loss) attributable to Crown Holdings	$ 727	$ (560)	$ 579
Weighted average shares outstanding:			
Basic	120.86	130.38	133.53
Add: dilutive stock options and restricted stock	0.52	—	1.03
Diluted	121.38	130.38	134.56
Earnings per common share attributable to Crown Holdings:			
Basic earnings / (loss) per common share from continuing operations	6.01	(3.89)	3.18
Basic earnings / (loss) per common share from discontinued operations	—	(0.41)	1.16
Basic earnings / (loss) per share	$ 6.01	$ (4.30)	$ 4.34
Diluted earnings / (loss) per common share from continuing operations	5.99	(3.89)	3.15
Diluted earnings / (loss) per common share from discontinued operations	—	(0.41)	1.15
Diluted earnings / (loss) per share	$ 5.99	$ (4.30)	$ 4.30
Contingently issuable shares excluded from the computation of diluted earnings per share because the effect would have been anti-dilutive	0.7	1.0	0.7

Y. Segment Information

The Company's business is generally organized by product line and geography. The Company has determined that it has the following reportable segments: Americas Beverage, European Beverage, Asia Pacific and Transit Packaging. Other includes the Company's food can, aerosol can and closures businesses in North America, and beverage tooling and equipment operations in the U.S. and U.K.

The Company evaluates performance and allocates resources based on segment income. Segment income, which is not a defined term under GAAP, is defined by the Company as income from operations adjusted to exclude intangibles amortization charges, Restructuring and other, net and the impact of fair value adjustments related to inventory acquired in an acquisition. Segment income should not be considered in isolation or as a substitute for net income data prepared in accordance with GAAP and may not be comparable to calculations of similarly titled measures by other companies.

The tables below present information about operating segments reported as continuing operations for the three years ended December 31, 2022, 2021 and 2020:

2022	External sales	Inter-segment sales	Depreciation	Capital expenditures	Segment income
Americas Beverage	$ 5,126	$ 7	$ 128	$ 380	$ 742
European Beverage	2,114	89	48	282	144
Asia Pacific	1,615	—	62	51	172
Transit Packaging	2,545	36	41	64	281
Total reportable segments	11,400	132	279	777	$ 1,339
Other	1,543	103	18	61	
Corporate and unallocated items	—	—	4	1	
Total	$ 12,943	$ 235	$ 301	$ 839	

2021	External sales	Inter-segment sales	Depreciation	Capital expenditures	Segment income
Americas Beverage	$ 4,441	$ —	$ 108	$ 508	$ 756
European Beverage	1,843	133	51	55	259
Asia Pacific	1,322	—	61	68	182
Transit Packaging	2,530	25	41	58	318
Total reportable segments	10,136	158	261	689	$ 1,515
Other	1,258	114	17	58	
Corporate and unallocated items	—	—	4	40	
Total	$ 11,394	$ 272	$ 282	$ 787	

2020	External sales	Inter-segment sales	Depreciation	Capital expenditures	Segment income
Americas Beverage	$ 3,565	$ 2	$ 93	$ 333	$ 652
European Beverage	1,473	39	47	72	215
Asia Pacific	1,168	—	56	69	175
Transit Packaging	2,018	13	45	40	254
Total reportable segments	8,224	54	241	514	$ 1,296
Other	1,168	100	15	30	
Corporate and unallocated items	—	—	4	10	
Total	$ 9,392	$ 154	$ 260	$ 554	

The company does not disclose total assets by segment as it is not provided to the chief operating decision maker.

Intersegment sales primarily include sales of cans, ends and parts and equipment used in the manufacturing process.

Corporate and unallocated items include corporate and administrative costs, technology costs, and unallocated items such as stock-based compensation.

A reconciliation of segment income of reportable segments to income before income taxes for the three years ended December 31, 2022, 2021 and 2020 follows:

	2022	2021	2020
Segment income of reportable segments	$ 1,339	$ 1,515	$ 1,296
Other	240	144	114
Corporate and unallocated items	(136)	(159)	(170)
Restructuring and other	52	28	(30)
Amortization of intangibles	(159)	(165)	(162)
Loss from early extinguishments of debt	(11)	(68)	—
Other pension and postretirement	16	(1,515)	(43)
Interest expense	(284)	(253)	(290)
Interest income	15	9	8
Foreign exchange	(16)	45	2
Income / (loss) from continuing operations before income taxes and equity in net earnings of affiliates	$ 1,056	$ (419)	$ 725

For the three years ended December 31, 2022, 2021 and 2020, intercompany profit of $19, $8 and $9 was eliminated within segment income of other.

For the years ended December 31, 2022 and 2021, two customers each accounted for 12% and 11%, of the Company's consolidated net sales. For the year ended December 31, 2020 the same two customers accounted for 11% and 10%, of the Company's consolidated net sales. These customers are global beverage companies served by the Company's beverage operations in the Americas, Europe and Asia.

Sales by major product were:

	2022	2021	2020
Metal beverage cans and ends	$ 8,096	$ 6,982	$ 5,716
Transit packaging	2,545	2,530	2,018
Metal food cans and ends	1,099	789	733
Other products	598	580	451
Other metal packaging	605	513	474
Consolidated net sales	$ 12,943	$ 11,394	$ 9,392

The following table provides sales and long-lived asset information for the major countries in which the Company operates. Long-lived assets comprises property, plant and equipment.

	Net Sales			Long-Lived Assets	
	2022	2021	2020	2022	2021
United States	$ 4,740	$ 4,182	$ 3,586	$ 1,557	$ 1,259
Mexico	1,080	896	681	464	437
Brazil	1,011	933	706	530	510
Canada	893	782	662	95	97
Vietnam	547	342	270	282	285
United Kingdom	521	412	234	262	96
Other	4,151	3,847	3,253	1,350	1,352
Consolidated total	$12,943	$11,394	$ 9,392	$ 4,540	$ 4,036

SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS AND RESERVES
(In millions)

COLUMN A	COLUMN B	COLUMN C Additions		COLUMN D	COLUMN E	COLUMN F
Description	Balance at beginning of period	Charged to costs and expense	Charged to other accounts	Acquisitions	Deductions – write-offs	Balance at end of period
For the year ended December 31, 2022						
Allowances deducted from assets to which they apply:						
Deferred tax assets	227	(49)	(3)	—	(2)	173
For the year ended December 31, 2021						
Allowances deducted from assets to which they apply:						
Deferred tax assets	204	38	(3)	—	(12)	227
For the year ended December 31, 2020						
Allowances deducted from assets to which they apply:						
Deferred tax assets	242	(11)	1	—	(28)	204

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

As of the end of the period covered by this Annual Report on Form 10-K, management, including the Company’s Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of its disclosure controls and procedures. Based upon that evaluation and as of the end of the period for which this report is made, the Company’s Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures were effective to ensure that information to be disclosed in reports that the Company files and submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and terms of the Securities and Exchange Commission, and to ensure that information required to be disclosed in the reports that the Company files or submits under the Exchange Act is accumulated and communicated to the Company’s management, including its Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

The Company’s report on internal control over financial reporting is included in Part II, Item 8 of this Annual Report on Form 10-K.

There has been no change in internal control over financial reporting that occurred during the quarter ended December 31, 2022 that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this Item is set forth in the Company's Proxy Statement within the sections entitled "Election of Directors," "Section 16(a) Beneficial Ownership Reporting Compliance" and "Corporate Governance" and is incorporated herein by reference.

The following table sets forth certain information concerning the principal executive officers of the Company, including their ages and positions.

Name	Age	Title	Year Assumed Present Title
Timothy J. Donahue	60	President and Chief Executive Officer	2016
Kevin C. Clothier	54	Senior Vice President and Chief Financial Officer	2022
Gerard H. Gifford	67	Executive Vice President and Chief Operating Officer	2017
Djalma Novaes, Jr.	62	President – Americas Division	2015
Hock Huat Goh	68	President – Asia Pacific Division	2018
Matthew R. Madeksza	59	President – Transit Packaging Division	2022
Christy L. Kalaus	43	Vice President and Corporate Controller	2022

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item is set forth in the Company's Proxy Statement within the sections entitled "Executive Compensation," "Compensation Discussion and Analysis" and "Corporate Governance" and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Certain information required by this Item is set forth in the Company's Proxy Statement within the sections entitled "Proxy Statement – Meeting, April 27, 2023" and "Common Stock Ownership of Certain Beneficial Owners, Directors and Executive Officers" and is incorporated herein by reference.

The following table provides information as of December 31, 2022 with respect to shares of the Company's Common Stock that may be issued under its equity compensation plans:

	Equity Compensation Plan Information		
Plan category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected In Column (a)) (c)
Equity compensation plans approved by security holders	162,674	—	5,303,240
Equity compensation plans not approved by security holders			
Total	162,674	—	5,303,240

(1) Includes the 2013 and 2022 Stock-Based Incentive Compensation Plans.

(2) Includes 162,674 shares of deferred stock awarded from the 2013 and 2022 Stock-Based Incentive Compensation Plans during each year from 2018 through 2022. The shares are time-vesting and will be issued up to four years from their grant date. The weighted-average exercise price in the table does not include these shares.

(3) Includes 4,756,499, 688,735 and 20,680 shares available for issuance at December 31, 2022 under the 2013 and 2022 Stock Based Incentive Compensation Plans, the Company's Employee Stock Purchase Plan, and the Stock Compensation Plan for Non-Employee Directors.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this Item is set forth in the Company's Proxy Statement within the sections entitled "Election of Directors," "Corporate Governance" and "Executive Compensation" and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this Item is set forth in the Company's Proxy Statement within the sections entitled "Principal Accounting Fees and Services" and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

a) The following documents are filed as part of this report:

(1) All Financial Statements (see Part II, Item 8)

Management’s Report on Internal Control Over Financial Reporting

Report of Independent Registered Public Accounting Firm

Consolidated Statements of Operations for the years ended December 31, 2022, 2021 and 2020

Consolidated Statements of Comprehensive Income for the years ended December 31, 2022, 2021 and 2020

Consolidated Balance Sheets as of December 31, 2022 and 2021

Consolidated Statements of Cash Flows for the years ended December 31, 2022, 2021 and 2020

Consolidated Statements of Changes in Shareholders' Equity for the years ended December 31, 2022, 2021 and 2020

Notes to Consolidated Financial Statements

(2) Financial Statement Schedules:

Schedule II – Valuation and Qualifying Accounts and Reserves for the years ended December 31, 2022, 2021 and 2020

All other schedules have been omitted because they are not applicable or the required information is included in the Consolidated Financial Statements.

(3) Exhibits

3.a Articles of Incorporation of Crown Holdings, Inc., as amended (incorporated by reference to Exhibit 3.a of the Registrant’s Annual Report on Form 10-K for the year ended December 31, 2004 (File No. 000-50189)).

3.b Amended and Restated By-Laws of Crown Holdings, Inc. (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K dated December 13, 2022 (File No. 001-41550)).

4.a Specimen certificate of Registrant’s Common Stock (incorporated by reference to Exhibit 4.a of the Registrant’s Annual Report on Form 10-K for the year ended December 31, 1995 (File No. 1-2227)).

4.b Indenture, dated December 17, 1996, among Crown Cork & Seal Company, Inc., Crown Cork & Seal Finance PLC, Crown Cork & Seal Finance S.A. and the Bank of New York, as trustee (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K dated December 17, 1996 (File No. 1-2227)).

4.c Form of the Registrant's 7-3/8% Debentures Due 2026 (incorporated by reference to Exhibit 99.1 of the Registrant's Current Report on Form 8-K dated December 17, 1996 (File No. 1-2227)).

4.d Officers' Certificate for 7-3/8% Debentures Due 2026 (incorporated by reference to Exhibit 99.6 of the Registrant's Current Report on Form 8-K dated December 17, 1996 (File No. 1-2227)).

4.e Form of the Registrant's 7-1/2% Debentures Due 2096 (incorporated by reference to Exhibit 99.2 of the Registrant's Current Report on Form 8-K dated December 17, 1996 (File No. 1-2227)).

4.f Officers' Certificate for 7-1/2% Debentures Due 2096 (incorporated by reference to Exhibit 99.7 of the Registrant's Current Report on From 8-K dated December 17, 1996 (File No. 1-2227)).

4.g Terms Agreement, dated December 12, 1996 (incorporated by reference to Exhibit 1.1 of the Registrant's Current Report on Form 8-K dated December 17, 1996 (File No. 1-2227)).

4.h Form of Bearer Security Depositary Agreement (incorporated by reference to Exhibit 4.2 of the Registrant's Registration Statement on Form S-3, dated November 26, 1996, amended December 5 and 10, 1996 (File No. 333-16869)).

4.i Supplemental Indenture to Indenture dated December 17, 1996, dated as of February 25, 2003, between Crown Cork & Seal Company, Inc., as Issuer and Guarantor, Crown Cork & Seal Finance PLC, as Issuer, Crown Cork & Seal Finance S.A., as Issuer, Crown Holdings, Inc., as Additional Guarantor and Bank One Trust Company, N.A., as Trustee (incorporated by reference to Exhibit 4.5 of the Registrant's Current Report on Form 8-K dated February 26, 2003 (File No. 000-50189)).

4. j Indenture, dated as of September 15, 2016, by and among Crown European Holdings S.A., as Issuer, the Guarantors named therein, U.S. Bank National Association, as Trustee, and the other parties thereto, relating to the €600 million 2.625% Senior Notes due 2024 (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K dated September 19, 2016 (File No. 000-50189)).

4. k Indenture, dated as of September 15, 2016, by and among Crown Americas LLC and Crown Americas Capital Corp. V, as Issuers, the Guarantors named therein and U.S. Bank National Association, as Trustee, relating to the $400 million 4.250% Senior Notes due 2026 (incorporated by reference to Exhibit 4.2 of the Registrant's Current Report on Form 8-K dated September 19, 2016 (File No. 000-50189)).

4.l Indenture, dated as of May 5, 2015, among Crown European Holdings S.A., the Guarantors (as defined therein), U.S. Bank National Association, as trustee, Elavon Financial Services Limited, UK Branch, as paying agent, and Elavon Financial Services Limited, as registrar and transfer agent, relating to the €600 million 3.375% Senior Notes due 2025 (incorporated by reference to Exhibit 10.1 of the Registrant's Quarterly Report on Form 10-Q dated July 30, 2015 (File No. 000-50189)).

4.m Amended & Restated Credit Agreement, dated April 7, 2017, by and among Crown Americas LLC, Crown European Holdings S.A., Crown Metal Packaging Canada LP, each of the Subsidiary Borrowers from time to time party thereto, Crown Holdings, Inc., Crown Cork & Seal Company, Inc., Crown International Holdings, Inc., each other Credit Party from time to time party thereto, Deutsche Bank AG Canada Branch, Deutsche Bank AG London Branch, Deutsche Bank AG New York Branch, and various Lenders referred to therein (incorporated by reference to Exhibit 4 of the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 (File No. 000-50189)).

4.n First Amendment to Amended and Restated Credit Agreement, dated as of December 28, 2017, among Crown Americas LLC, Crown European Holdings S.A., Crown Metal Packaging Canada LP, each of the Subsidiary Borrowers party thereto, Crown Holdings, Inc., Crown Cork & Seal Company, Inc. and Crown International Holdings, Inc., each other Credit Party from time to time party thereto, Deutsche Bank AG New York Branch, Deutsche Bank AG, London Branch, Deutsche Bank AG, Canada Branch, and various Lenders referred to therein (incorporated by reference to Exhibit 4 of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2017 (File No. 000-50189)).

4.o Incremental Amendment No. 1, dated as of January 29, 2018, among Crown Americas LLC, Crown European Holdings S.A., Crown Metal Packaging Canada LP, each of the Subsidiary Borrowers party thereto, Crown Holdings, Inc., Crown Cork & Seal Company, Inc. and Crown International Holdings, Inc., each other Credit Party from time to time party thereto, Deutsche Bank AG New York Branch, Deutsche Bank AG, London Branch, Deutsche Bank AG, Canada Branch, and various Lenders referred to therein (incorporated by reference to Exhibit 4.1 of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2017).

4.p Indenture, dated as of January 26, 2018, by and among Crown European Holdings S.A., as Issuer, the Guarantors named therein, U.S. Bank National Association, as Trustee, and the other parties thereto, relating to the €335 million 2.250% Senior Notes due 2023 and the €500 million 2.875% Senior Notes due 2026 (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K dated February 1, 2018 (File No. 000-50189)).

4.q Indenture, dated as of January 26, 2018, by and among Crown Americas LLC and Crown Americas Capital Corp. VI, as Issuers, the Guarantors named therein and U.S. Bank National Association, as Trustee, relating to the $875 million 4.750% Senior Notes due 2026 (incorporated by reference to Exhibit 4.2 of the Registrant's Current Report on Form 8-K dated February 1, 2018 (File No. 000-50189)).

4.r Registration Rights Agreement, dated as of January 26, 2018, by and among Crown Holdings, Inc., Crown Americas LLC and Crown Americas Capital Corp. VI, Citigroup Global Markets Inc., as representative of the initial purchasers, and the Guarantors (as defined therein), relating to the $875 million 4.750% Senior Notes due 2026 (incorporated by reference to Exhibit 4.3 of the Registrant's Current Report on Form 8-K dated February 1, 2018 (File No. 000-50189)).

4.s Second Amendment to Amended and Restated Credit Agreement, First Amendment to the U.S. Guarantee Agreement and First Amendment to U.S. Indemnity, Subrogation and Contribution Agreement, dated as of March 23, 2018, among Crown Americas LLC, Crown European Holdings S.A., Crown Metal Packaging Canada LP, each of the Subsidiary Borrowers from time to time party thereto, Crown Holdings, Inc., Crown Cork & Seal Company, Inc. and Crown International Holdings, Inc., each other Credit Party from time to time party thereto, Deutsche Bank AG New York Branch, Deutsche Bank AG, London Branch, Deutsche Bank AG, Canada Branch, and various Lenders referred to therein (incorporated by reference to Exhibit 4.cc of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2018).

4.t Incremental Amendment No. 2 and Third Amendment to Amended and Restated Credit Agreement, dated as of December 13, 2019, among Crown Americas LLC, Crown European Holdings S.A., Crown Metal Packaging Canada LP, each of the Subsidiary Borrowers from time to time party thereto, Crown Holdings, Inc., Crown Cork & Seal Company, Inc., and Crown International Holdings, Inc., each other Credit Party from time to time party thereto, Deutsche Bank AG New York Branch, Deutsche Bank AG London Branch, Deutsche Bank AG, Canada Branch, and the various Lenders referred to therein (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K/A dated February 28, 2020 (File No. 000-50189)).

4.u Fourth Amendment to Amended and Restated Credit Agreement, dated as of October 4, 2021, among Crown Americas LLC, Crown European Holdings S.A., Crown Metal Packaging Canada LP, each of the Subsidiary Borrowers from time to time party thereto, Crown Holdings, Inc., Crown Cork & Seal Company, Inc. and Crown International Holdings, Inc., each other Credit Party from time to time party thereto, Deutsche Bank AG New York Branch, Deutsche Bank AG, London Branch, Deutsche Bank AG, Canada Branch, and various Lenders referred to therein.

4. v Purchase Agreement, dated as of March 14, 2022, by and among Crown Holdings, Inc., Crown Americas LLC, BNP Paribas Securities Corp., Citigroup Global Markets Inc. and Mizuho Securities USA LLC, as representatives of the initial purchasers, and the Guarantors (as defined therein) (incorporated by reference to Exhibit 10.1 of the Registrant’s Current Report on Form 8-K dated March 17, 2022 (File No. 000-50189)).

4.w Indenture, dated as of March 17, 2022, among Crown Americas LLC, as Issuer, the Guarantors named therein and U.S. Bank National Association, as Trustee, relating to the $500 million 5.25% Senior Notes due 2030 (incorporated by reference to Exhibit 4.1 of the Registrant’s Current Report on Form 8-K dated March 21, 2022 (File No. 000-50189)).

4.x Registration Rights Agreement, dated as of March 17, 2022, by and among Crown Holdings, Inc., Crown Americas LLC, BNP Paribas Securities Corp., Citigroup Global Markets Inc. and Mizuho Securities USA LLC, as representatives of the initial purchasers, and the Guarantors (as defined therein), relating to the $500 million 5.25% Senior Notes due 2030 (incorporated by reference to Exhibit 4.2 of the Registrant’s Current Report on Form 8-K dated March 21, 2022 (File No. 000-50189)).

4.y Incremental Amendment No. 3 and Fifth Amendment, dated August 8, 2022, to Amended and Restated Credit Agreement, dated April 7, 2017, among Crown Holdings, Inc., Crown Americas LLC, Crown European Holdings S.A., the Subsidiary Borrowers party thereto, Crown Metal Packaging Canada LP, Crown Cork & Seal Company, Inc., the Parent Guarantors party thereto, the other Credit Parties party thereto, the Lenders party thereto, Deutsche Bank AG Canada Branch, Deutsche Bank AG London Branch, and Deutsche Bank AG New York Branch (incorporated by reference to Exhibit 4.z of the Registrant’s Current Report on Form 8-K dated August 11, 2022 (File No. 000-50189)).

4.z Description of the Registrant’s Securities (incorporated by reference to Exhibit 4.ff of the Registrant’s Annual Report on Form 10-k for the year ended December 31, 2019 (File No. 000-50189)).

4.aa Other long-term agreements of the Registrant are not filed pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, and the Registrant agrees to furnish copies of such agreements to the Securities and Exchange Commission upon its requests.

10.a Employment Contracts:

(1) Employment Agreement, dated December 30, 2015, between Crown Holdings, Inc. and Timothy J. Donahue (incorporated by reference to Exhibit 10.1 of the Registrant’s Current Report on Form 8-K dated January 5, 2016 (File No. 000-50189)).

(2) First amendment to the employment contract, effective June 1, 2012, between Crown Holdings, Inc. and Gerard Gifford, dated as of July 24, 2013 (incorporated by reference to Exhibit 10.3 of the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 (File No 000-50189)).

(3) Executive Employment Agreement, effective June 1, 2012, between Crown Holdings, Inc. and Gerard Gifford (incorporated by reference to Exhibit 10.1 of the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 (File No 000-50189)).

(4) Employment contract between Crown Holdings, Inc. and Djalma Novaes Jr., dated February 26, 2015 (incorporated by reference to Exhibit 10.c(11) of the Registrant’s Annual Report on Form 10-K for the year ended December 31, 2014 (File No. 000-50189)).

(5) Executive Employment Agreement, effective May 1, 2016, between Crown Holdings, Inc. and Robert Bourque, Jr. (incorporated by reference to Exhibit 10.2 of the Registrant’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 (File No. 000-50189)).

(6) Employment Agreement, dated January 7, 2022, between Crown Holdings, Inc. and Kevin C. Clothier (incorporated by reference to Exhibit 10.1 of the Registrant’s Periodic Report on Form 8-K filed January 11, 2022 (File No. 000-50189)).

10.b Crown Holdings, Inc. Economic Profit Incentive Plan, effective as of January 1, 2018 (incorporated by reference to Exhibit 10.b of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2018 (File No. 000-50189)).

10.c Crown Holdings, Inc. Senior Executive Retirement Plan, as amended and restated as of January 1, 2008 (incorporated by reference to Exhibit 10.l of the Registrant’s Annual Report on Form 10-K for the year ended December 31, 2007 (File No. 000-50189)).

10.d Senior Executive Retirement Agreements:

(1) Senior Executive Retirement Agreement between Crown Holdings, Inc. and Timothy J. Donahue, dated May 3, 2007 (incorporated by reference to Exhibit 10.4(e) of the Registrant’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 (File No. 000-50189)).

(2) Senior Executive Retirement Agreement, effective June 1, 2012, between Crown Holdings, Inc. and Gerard Gifford (incorporated by reference to Exhibit 10.2 of the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 (File No 000-50189)).

(3) Amendment No. 1 to the Senior Executive Retirement Agreement, effective June 1, 2012, between Crown Holdings, Inc. and Gerard Gifford dated December 28, 2012 (incorporated by reference to Exhibit 10.m(7) of the Registrant’s Annual Report on Form 10-K for the year ended December 31, 2012 (File No. 000-50189)).

(4) Senior Executive Retirement Agreement between Crown Holdings, Inc. and Djalma Novaes Jr., dated February 26, 2015 (incorporated by reference to Exhibit 10.f(9) of the Registrant’s Annual Report on Form 10-K for the year ended December 31, 2014 (File No. 000-50189)).

(5) Senior Executive Retirement Agreement, effective May 1, 2016, between Crown Holdings, Inc. and Robert Bourque, Jr. (incorporated by reference to Exhibit 10.3 of the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 (File No. 000-50189)).

(6) Amendment No. 2 to the Senior Executive Retirement Agreement, effective as of May 17, 2016, between Crown Holdings, Inc. and Gerard Gifford (incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K dated May 18, 2016 (File No. 000-50189)).

(7) Amended and Restated Senior Executive Retirement Agreement, effective as of June 1, 2017, between Crown Holdings, Inc. and Gerard Gifford (incorporated by reference to Exhibit 10.c of the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 (File No. 000-50189)).

(8) Amendment No.1 to Amend and Restate Senior Executive Retirement Agreement, effective October 21, 2020, between Crown Holdings, Inc. and Gerard Gifford (incorporated by reference to Exhibit 10.d of the Registrant's Quarterly Report on Form 10-Q for the Quarter ended September 30, 2020 (File No. 1-50189)).

10.e Form of Agreement for Non-Qualified Stock Option Awards under Crown Holdings, Inc. 2004 Stock-Based Incentive Compensation Plan (incorporated by reference to Exhibit 10.6 of the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2004 (File No. 000-51089)).

10.f Crown Holdings, Inc. Deferred Compensation Plan for Directors, as Amended and Restated, effective January 1, 2008 (incorporated by reference to Exhibit 10.w of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 000-50189)).

10.g Crown Holdings, Inc. Stock Compensation Plan for Non-Employee Directors, dated as of April 22, 2004 (incorporated by reference to the Registrant's Definitive Proxy Statement on Schedule 14A, filed with the Securities and Exchange Commission on March 19, 2004 (File No. 000-50189)).

10.h Amendment No. 1, effective April 1, 2005, to the Crown Holdings, Inc. Stock Compensation Plan for Non-Employee Directors, dated as of April 22, 2004 (incorporated by reference to Exhibit 10 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005 (File No. 000-50189)).

10.i Crown Holdings, Inc. 2013 Stock-Based Incentive Compensation Plan (incorporated by reference to the Registrant's Definitive Proxy Statement on Schedule 14A, filed with the Securities and Exchange Commission on March 18, 2013 (File No. 000-50189)).

10.j Form of Agreement for Restricted Stock Awards under Crown Holdings, Inc. 2013 Stock-Based Incentive Compensation Plan (incorporated by reference to Exhibit 10.1 of the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013 (File No. 000-50189)).

10.k Form of Agreement for Deferred Stock Awards under Crown Holdings, Inc. 2013 Stock-Based Incentive Compensation Plan (incorporated by reference to Exhibit 10.2 of the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013 (File No. 000-50189)).

10.l Crown Cork & Seal Company, Inc. Restoration Plan, dated July 28, 2010 (incorporated by reference to Exhibit 10.3 of the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 (File No. 000-50189)).

10.m Amendment No. 1, effective July 1, 2011, to the Crown Cork & Seal Company, Inc. Restoration Plan (incorporated by reference to Exhibit 10.4 of the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 (File No. 000-50189)).

10.n Amendment No. 1, effective February 28, 2020, to the Crown Holdings, Inc. 2013 Stock-Based Incentive Compensation Plan (incorporated by reference to Exhibit 10.2 of the Registrant's Quarterly Report on From 10-Q for the quarter ended March 31, 2020 (File No. 000-50189)).

10.o Amendment No. 2, effective February 25, 2021, to the Crown Holdings, Inc. 2013 Stock-Based Incentive Compensation Plan.

10.p Transaction Bonus Agreement, effective April 16, 2021, by, and between Crown Holdings, Inc. and Didier Sourisseau (incorporated by reference to Exhibit 10(d)(12) of the Registrant's Periodic Report on Form 8-K filed July 23, 2022 (File No. 000-50189)).

10.q Consulting Agreement, effective August 1, 2021, by, and between Crown Holdings, Inc. and Didier Sourisseau (incorporated by reference to Exhibit 10(d)(13) of the Registrant's Periodic Report on Form 8-K filed July 23, 2022 (File No. 000-50189)).

10.r Separation Letter Agreement, dated as of October 26, 2022, between Crown Holdings, Inc. and Robert Bourque, Jr.

10.s Executive Employment Agreement, effective January 1, 2023, between Crown Holdings, Inc. and Carlos Baila.

10.t Crown Holdings, Inc. 2022 Stock-Based Incentive Compensation Plan (incorporated by reference to the Registrant's Definitive Proxy Statement on Schedule 14A, filed with the Securities and Exchange Commission on March 21, 2022 (File No. 000-50189)).

10.u Crown Cork & Seal Company, Inc. Amended and Restated Restoration Plan (incorporated by reference to Exhibit 10.o of the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 (File No. 000-50189)).

10.v Executive Employment Agreement, effective 25 October, 2022, between Crown Holdings, Inc. and Matthew R. Madeksza (incorporated by reference to Exhibit 10.p of the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 (File No. 000-50189)).

10.w Share and Asset Purchase Agreement, dated as of April 8, 2021, by and among the Company, Crown Cork & Seal Deutschland Holdings GmbH, Blitz F21-387 GmbH, Kouti B.V. and Macsco 20.10 Limited (incorporated by reference to Exhibit 2.1 of the Registrant's Current Report on Form 8-K dated April 13, 2021 (File No. 000-50189)).

10.x Director Appointment and Nomination Agreement, dated as of December 12, 2022, by and between the Icahn Group and Crown Holdings, Inc. (incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K dated December 13, 2022 (File No. 001-41550)).

10.y Crown Holdings, Inc. Deferred Compensation Plan for Directors, as Amended and Restated, effective February 23, 2023 (incorporated by reference to Exhibit 10.y of the Registrant's Annual Report on Form 10-K for the year ended December 31, 2022.

Exhibits 10.c through 10.v are management contracts or compensatory plans or arrangements required to be filed as exhibits pursuant to Item 14(c) of this Report.

21 Subsidiaries of Registrant.

22 List of Guarantors.

23 Consent of Independent Registered Public Accounting Firm.

31.1 Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities and Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities and Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, executed by Timothy J. Donahue, President and Chief Executive Officer of Crown Holdings, Inc. and Kevin C. Clothier, Senior Vice President and Chief Financial Officer of Crown Holdings, Inc.

101 The following financial information from the Registrant’s Annual Report on Form 10-K for the year ended December 31, 2022 formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Consolidated Statements of Operations for the twelve months ended December 31, 2022, 2021 and 2020, (ii) Consolidated Statements of Comprehensive Income for the twelve months ended December 31, 2022, 2021 and 2020; (iii) Consolidated Balance Sheets as of December 31, 2022 and December 31, 2021, (iv) Consolidated Statements of Cash Flows for the twelve months ended December 31, 2022, 2021 and 2020, (v) Consolidated Statements of Changes in Shareholders' Equity for the twelve months ended December 31, 2022, 2021 and 2020 and (vi) Notes to Consolidated Financial Statements.

104 Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded with the XBRL document.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Crown Holdings, Inc.
Registrant

By: /s/ Christy L. Kalaus
Christy L. Kalaus
Vice President and Corporate Controller

Date: February 27, 2023

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Timothy J. Donahue, Kevin C. Clothier and Adam J. Dickstein, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities to sign any and all amendments to the Annual Report on Form 10-K for the Company's 2022 fiscal year, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their respective substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated above.

SIGNATURE	TITLE
/s/ Timothy J. Donahue Timothy J. Donahue	Chairman of the Board, President and Chief Executive Officer
/s/ Kevin C. Clothier Kevin C. Clothier	Senior Vice President and Chief Financial Officer
/s/ Christy L. Kalaus Christy L. Kalaus	Vice President and Corporate Controller

DIRECTORS

/s/ Richard H. Fearon Richard H. Fearon	/s/ B. Craig Owens B. Craig Owens
/s/ Andrea J. Funk Andrea J. Funk	/s/ Angela M. Snyder Angela M. Snyder
/s/ Stephen J. Hagge Stephen J. Hagge	/s/ Caesar F. Sweitzer Caesar F. Sweitzer
/s/ Jesse A. Lynn Jesse A. Lynn	/s/ Andrew J. Teno Andrew J. Teno
James H. Miller	/s/ Marsha C. Williams Marsha C. Williams
/s/ Josef M. Müller Josef M. Müller	/s/ Dwayne A. Wilson Dwayne A. Wilson

Financial Highlights

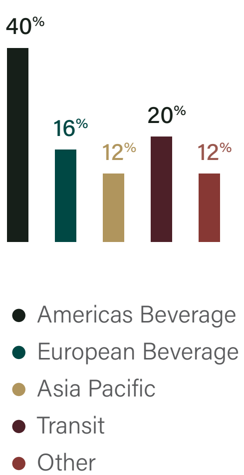
(in millions, except share price and employee data)

	2022	2021	2020
NET SALES	$12,943	$11,394	$9,392
INCOME FROM OPERATIONS	1,336	1,363	1,048
NET INCOME/(LOSS) INCOME ATTRIBUTABLE TO CROWN	727	(560)	579
PER AVERAGE COMMON SHARE:			
EARNINGS (LOSS) ATTRIBUTABLE TO CROWN HOLDINGS - DILUTED	$5.99	($4.30)	$4.30
MARKET PRICE (CLOSING)*	82.21	110.62	100.20
NUMBER OF EMPLOYEES	25,698	26,109	33,264
SHARES OUTSTANDING AT DECEMBER 31	119,945,302	126,131,799	134,801,030
AVERAGE SHARES OUSTANDING - DILUTED	121,376,604	131,348,050	134,560,915

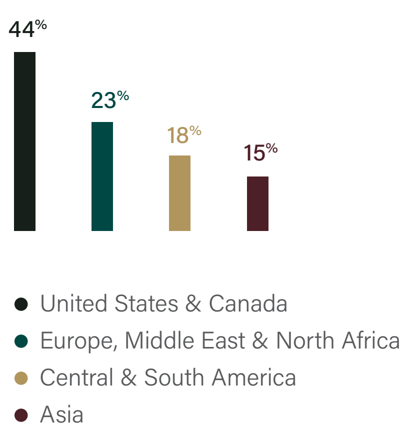
*Source: New York Stock Exchange – Composite Transactions

Net Sales

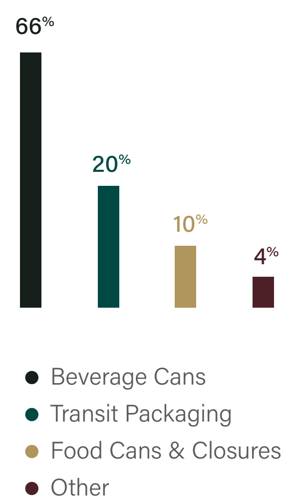
BY SEGMENT



BY GEOGRAPHIC AREA



BY PRODUCT



Please visit our website www.crowncork.com
to read more of our story and obtain additional information.

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