UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

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

FOR THE QUARTERLY PERIOD ENDED September 30, 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.)**

770 Township Line Road	**Yardley**	**PA**	**19067**
(Address of principal executive offices)			**(Zip Code)**

215-698-5100
(registrant’s telephone number, including area code)

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

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 filing 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 and posted 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 whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an 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. (Check one)

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

Emerging growth company ☐
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2). Yes ☐ No ☒

There were 119,946,169 shares of Common Stock outstanding as of October 28, 2022.

PART I – FINANCIAL INFORMATION

CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	$ 3,259	$ 2,920	$ 9,931	$ 8,340
Cost of products sold, excluding depreciation and amortization	2,726	2,322	8,134	6,548
Depreciation and amortization	115	113	346	336
Selling and administrative expense	122	148	419	438
Restructuring and other, net	(1)	(11)	(75)	(42)
Income from operations	297	348	1,107	1,060
Loss from early extinguishments of debt	11	—	11	—
Other pension and postretirement	(5)	(1)	(13)	(4)
Interest expense	76	66	194	203
Interest income	(3)	(2)	(9)	(5)
Foreign exchange	15	—	12	(1)
Income from continuing operations before taxes and equity in net earnings of affiliates	203	285	912	867
Provision for income taxes	55	74	218	285
Equity in net earnings of affiliates	10	5	39	10
Net income from continuing operations	158	216	733	592
Net loss from discontinued operations	—	(85)	—	(43)
Net income	158	131	733	549
Net income from continuing operations attributable to noncontrolling interests	31	29	95	107
Net income from discontinued operations attributable to noncontrolling interests	—	—	—	1
Net income attributable to Crown Holdings	$ 127	$ 102	$ 638	$ 441
Net income from continuing operations attributable to Crown Holdings	$ 127	$ 187	$ 638	$ 485
Net loss from discontinued operations attributable to Crown Holdings	—	(85)	—	(44)
Net income attributable to Crown Holdings	$ 127	$ 102	$ 638	$ 441
Earnings per common share attributable to Crown Holdings:				
Basic earnings per common share from continuing operations	1.06	1.45	5.26	3.68
Basic loss per common share from discontinued operations	—	(0.66)	—	(0.34)
Basic	$ 1.06	$ 0.79	$ 5.26	$ 3.34
Diluted earnings per common share from continuing operations	1.06	1.44	5.23	3.65
Diluted loss per common share from discontinued operations	—	(0.65)	—	(0.33)
Diluted	$ 1.06	$ 0.79	$ 5.23	$ 3.32

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	**2021**	**2022**	**2021**
Net income	$ 158	$ 131	$ 733	$ 549
Other comprehensive income / (loss), net of tax:				
Foreign currency translation adjustments	(55)	517	(84)	526
Pension and other postretirement benefits	12	19	30	49
Derivatives qualifying as hedges	(18)	(6)	(62)	26
Total other comprehensive income / (loss)	(61)	530	(116)	601
Total comprehensive income	97	661	617	1,150
Net income attributable to noncontrolling interests	31	29	95	108
Translation adjustments attributable to noncontrolling interests	(2)	(1)	(6)	(2)
Derivatives qualifying as hedges attributable to noncontrolling interests	(1)	—	(4)	2
Comprehensive income attributable to Crown Holdings	$ 69	$ 633	$ 532	$ 1,042

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

CONSOLIDATED BALANCE SHEETS (Condensed)
(In millions)
(Unaudited)

	September 30, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	$ 368	$ 531
Receivables, net	2,124	1,889
Inventories	2,184	1,735
Prepaid expenses and other current assets	274	243
Current assets held for sale	17	97
Total current assets	4,967	4,495
Goodwill	2,841	3,007
Intangible assets, net	1,345	1,525
Property, plant and equipment, net	4,265	4,036
Operating lease right-of-use assets, net	207	191
Other non-current assets	599	604
Total assets	$ 14,224	$ 13,858
Liabilities and equity		
Current liabilities		
Short-term debt	$ 83	$ 75
Current maturities of long-term debt	94	135
Current portion of operating lease liabilities	41	42
Accounts payable	2,888	2,901
Accrued liabilities	904	966
Current liabilities held for sale	—	14
Total current liabilities	4,010	4,133
Long-term debt, excluding current maturities	6,709	6,052
Postretirement and pension liabilities	444	497
Non-current portion of operating lease liabilities	172	150
Other non-current liabilities	754	696
Commitments and contingent liabilities (*Note J*)	—	—
Noncontrolling interests	469	418
Crown Holdings shareholders' equity	1,666	1,912
Total equity	2,135	2,330
Total liabilities and equity	$ 14,224	$ 13,858

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

CONSOLIDATED STATEMENTS OF CASH FLOWS (Condensed)
(In millions)
(Unaudited)

	Nine Months Ended September 30,	
	2022	**2021**
Cash flows from operating activities		
Net income	$ 733	$ 549
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and amortization	346	352
Loss on sale of discontinued businesses	—	89
Loss on debt extinguishment	11	—
Restructuring and other, net	(75)	(40)
Pension expense	21	36
Pension contributions	55	(287)
Stock-based compensation	23	27
Working capital changes and other	(980)	(481)
Net cash provided by operating activities	134	245
Cash flows from investing activities		
Capital expenditures	(607)	(512)
Net investment hedge	26	25
Proceeds from sale of businesses, net of cash received	182	2,255
Proceeds from sale of property, plant and equipment	15	24
Acquisition of businesses, net of cash acquired	(31)	—
Other	3	(1)
Net cash (used for) / provided by investing activities	(412)	1,791
Cash flows from financing activities		
Net change in revolving credit facility and short-term debt	415	(35)
Proceeds from long-term debt	2,954	80
Payments of long-term debt	(2,263)	(64)
Debt issuance costs	(25)	—
Premiums paid to retire debt	(4)	—
Foreign exchange derivatives related to debt	(8)	(13)
Payments of finance leases	(2)	(2)
Dividends paid to noncontrolling interests	(34)	(56)
Dividends paid to shareholders	(80)	(79)
Common stock issued	1	1
Common stock repurchased	(722)	(745)
Net cash provided by / (used for) financing activities	232	(913)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(95)	(34)
Net change in cash, cash equivalents and restricted cash	(141)	1,089
Cash, cash equivalents and restricted cash at January 1	593	1,238
Cash, cash equivalents and restricted cash at September 30	$ 452	$ 2,327

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

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(In millions)
(Unaudited)

	Crown Holdings, Inc. Shareholders' Equity							
	Common Stock	Paid-in Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Crown Equity	Noncontrolling Interests	Total Shareholders' Equity
Balance at January 1, 2022	$ 929	$ —	$ 3,180	$ (1,898)	$ (299)	$ 1,912	$ 418	$ 2,330
Net income			216			216	30	246
Other comprehensive income				59		59	3	62
Dividends declared			(27)			(27)		(27)
Dividends paid to noncontrolling interests						—	(11)	(11)
Restricted stock awarded			(1)		1	—		—
Stock-based compensation			10			10		10
Common stock repurchased			(335)		(15)	(350)		(350)
Balance at March 31, 2022	$ 929	$ —	$ 3,043	$ (1,839)	$ (313)	$ 1,820	$ 440	$ 2,260
Net income			295			295	34	329
Other comprehensive loss				(107)		(107)	(10)	(117)
Dividends declared			(26)			(26)		(26)
Dividends paid to noncontrolling interests						—	(13)	(13)
Restricted stock awarded			(1)		1	—		—
Stock-based compensation			6			6		6
Common stock issued			1			1		1
Common stock repurchased			(239)		(11)	(250)		(250)
Balance at June 30, 2022	$ 929	$ —	$ 3,079	$ (1,946)	$ (323)	$ 1,739	$ 451	$ 2,190
Net income			127			127	31	158
Other comprehensive loss				(58)		(58)	(3)	(61)
Dividends declared			(27)			(27)		(27)
Dividends paid to noncontrolling interests						—	(10)	(10)
Restricted stock awarded						—		—
Stock-based compensation			7			7		7
Common stock issued						—		—
Common stock repurchased			(116)		(6)	(122)		(122)
Balance at September 30, 2022	$ 929	$ —	$ 3,070	$ (2,004)	$ (329)	$ 1,666	$ 469	$ 2,135

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

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(In millions)
(unaudited)

	Crown Holdings, Inc. Shareholders' Equity							
	Common Stock	Paid-in Capital	Accumulated Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Crown Equity	Noncontrolling Interests	Total Shareholders' Equity
Balance at January 1, 2021	$ 929	$ 179	$ 4,538	$ (3,193)	$ (255)	$ 2,198	$ 406	$ 2,604
Net income			211			211	34	245
Other comprehensive loss				(5)		(5)	—	(5)
Dividends declared			(27)			(27)		(27)
Dividends paid to noncontrolling interests						—	(9)	(9)
Restricted stock awarded		(1)			1	—		—
Stock-based compensation		11				11		11
Common stock issued		1				1		1
Common stock repurchased		(11)			(1)	(12)		(12)
Balance at March 31, 2021	$ 929	$ 179	$ 4,722	$ (3,198)	$ (255)	$ 2,377	$ 431	$ 2,808
Net income			128			128	45	173
Other comprehensive income				75		75	1	76
Dividends declared			(26)			(26)		(26)
Dividends paid to noncontrolling interests						—	(15)	(15)
Restricted stock awarded		(1)			1	—		—
Stock-based compensation		6				6		6
Common stock repurchased		(184)	(100)		(14)	(298)		(298)
Balance at June 30, 2021	$ 929	$ —	$ 4,724	$ (3,123)	$ (268)	$ 2,262	$ 462	$ 2,724
Net income			102			102	29	131
Other comprehensive income / (loss)				$ 531		531	(1)	530
Dividends declared			(26)			(26)		(26)
Dividends paid to noncontrolling interests						—	(32)	(32)
Stock-based compensation			10			10		10
Common stock repurchased			(414)		(21)	(435)		(435)
Disposition of subsidiary with noncontrolling interests [1]						—	(15)	(15)
Balance at September 30, 2021	$ 929	$ —	$ 4,396	$ (2,592)	$ (289)	$ 2,444	$ 443	$ 2,887

[1] The amount disposed in 2021 relates to discontinued operations. See Note C for further details.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In millions, except per share and statistical data)
(Unaudited)

A. Statement of Information Furnished

The condensed consolidated financial statements ("consolidated financial statements") include the accounts of Crown Holdings, Inc. and its consolidated subsidiaries (the "Company"). The accompanying unaudited interim consolidated financial statements have been prepared in accordance with Form 10-Q instructions. In the opinion of management, these consolidated financial statements contain all adjustments of a normal and recurring nature necessary for a fair statement of the financial position of the Company as of September 30, 2022 and the results of its operations for the three and nine months ended September 30, 2022 and 2021 and of its cash flows for the nine months ended September 30, 2022 and 2021. The results reported in these consolidated financial statements are not necessarily indicative of the results that may be expected for the entire year. These results have been determined on the basis of accounting principles generally accepted in the United States of America ("GAAP"), the application of which requires management's utilization of estimates, and actual results may differ materially from the estimates utilized.

Certain information and footnote disclosures normally included in financial statements presented in accordance with GAAP have been condensed or omitted. The year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by GAAP. The accompanying consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021.

B. Accounting and Reporting Developments

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.

C. 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 from discontinued operations for the three and nine months ended September 30, 2021 were as follows:

	Three Months Ended September 30,	Nine Months Ended September 30,
	2021	2021
Net sales	$ 466	$ 1,585
Cost of products sold, excluding depreciation and amortization	393	1,301
Depreciation and amortization	—	16
Selling and administrative expense	17	60
Restructuring and other	2	2
Other pension and postretirement	—	1
Interest expense	2	6
Foreign exchange	1	—
Loss on sale of discontinued businesses	19	89
Transaction costs	26	34
Income from discontinued operations before tax	6	76
Provision for income taxes	91	119
Net loss from discontinued operations	(85)	(43)
Net income from discontinued operations attributable to noncontrolling interests	—	1
Net loss from discontinued operations attributable to Crown Holdings	$ (85)	$ (44)

The Business had capital expenditures of $29 for the nine months ended September 30, 2021.

The Company accounted for the minority interest received in the Business under the equity method. The Company's share of income of the Business was $9 and $32, respectively, for the three and nine months ended September 30, 2022 and is reported in Equity in net earnings of affiliates in the Consolidated Statement of Operations.

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 Statement 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.

D. Cash, Cash Equivalents, and Restricted Cash

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

	September 30, 2022	December 31, 2021
Cash and cash equivalents	$ 368	$ 531
Restricted cash included in prepaid expenses and other current assets	84	61
Restricted cash included in other non-current assets	—	1
Total restricted cash	84	62
Total cash, cash equivalents and restricted cash	$ 452	$ 593

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

E. Receivables

	September 30, 2022	December 31, 2021
Accounts receivable	$ 1,332	$ 1,289
Less: allowance for credit losses	(21)	(20)
Net trade receivables	1,311	1,269
Unbilled receivables	414	325
Miscellaneous receivables	399	295
Receivables, net	$ 2,124	$ 1,889

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 will continue to incur incremental costs, including freight and warehousing expenses, to meet customer demand as the plant returns to full operational capacity. 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 nine months ended September 30, 2022, the Company received insurance proceeds of $60 for business interruption, including incremental expenses, and $17 for property damage. As of September 30, 2022, the Company has recorded an insurance receivable, within miscellaneous receivables, of $40 for incremental expenses incurred that the Company expects to be reimbursed under the terms of its insurance policy.

F. Inventories

	September 30, 2022	December 31, 2021
Raw materials and supplies	$ 1,388	$ 1,094
Work in process	172	120
Finished goods	624	521
	$ 2,184	$ 1,735

G. Intangible Assets

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

	September 30, 2022			December 31, 2021		
	Gross	Accumulated amortization	Net	Gross	Accumulated amortization	Net
Customer relationships	$ 1,314	$ (501)	$ 813	$ 1,363	$ (443)	$ 920
Trade names	507	(96)	411	544	(86)	458
Technology	150	(99)	51	158	(88)	70
Long term supply contracts	139	(71)	68	137	(63)	74
Patents	10	(8)	2	15	(12)	3
	$ 2,120	$ (775)	$ 1,345	$ 2,217	$ (692)	$ 1,525

Net income from continuing operations for the three and nine months ended September 30, 2022 and 2021 included amortization expense of $40 and $119 and $42 and $125.

H. Restructuring and Other

The Company recorded restructuring and other items as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Asset sales and impairments	$ —	$ (13)	$ (115)	$ (14)
Restructuring	(4)	7	34	21
Other costs / (income)	3	(5)	6	(49)
	$ (1)	$ (11)	$ (75)	$ (42)

For the nine months ended September 30, 2022, asset sales and impairments primarily relates to the $113 gain on sale of the Kiwiplan business. See Note C for more information on the sale. For the three and nine months ended September 30, 2021, asset sales and impairments includes gains on various asset sales.

For the nine months ended September 30, 2022, restructuring included $29 of charges 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.

For the three and nine months ended September 30, 2021, restructuring primarily included charges related to internal reorganizations within the Transit Packaging division and headcount reductions across segments.

For the nine months ended September 30, 2021, other income included gains of $30 arising from favorable court rulings in lawsuits brought by certain of the Company's Brazilian subsidiaries asserting they were overcharged by the local tax authorities for indirect taxes paid in prior years.

At September 30, 2022, the Company had a restructuring accrual of $24, 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.

I. Asbestos-Related Liabilities

Crown Cork & Seal Company, Inc. (“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.

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.

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.

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 claims 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 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 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.

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, 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 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.

During the nine months ended September 30, 2022, the Company paid $16 to settle asbestos claims and pay related legal and defense costs and had claims activity as follows:

Beginning claims	57,000
New claims	1,000
Settlements or dismissals	(1,000)
Ending claims	57,000

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

Claimants alleging first exposure after 1964	17,000
Claimants alleging first exposure before or during 1964 filed in:	
Texas	13,000
Pennsylvania	1,500
Other states that have enacted asbestos legislation	6,000
Other states	19,500
Total claims outstanding	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 the Company's settlement experience with post-1964 claims, it 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:

	2021	2020
Total claims	24 %	23 %
Pre-1965 claims in states without asbestos legislation	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 September 30, 2022.

As of September 30, 2022, the Company's accrual for pending and future asbestos-related claims and related legal costs was $221, including $180 for unasserted claims. The Company determines its accrual without limitation to a specific 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 (which was not specified for approximately 82% of the claims outstanding at the end of 2021), 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).

J. 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 Commissions'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 objections.

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.

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 September 30, 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.

K. Derivative and Other Financial Instruments

Fair Value Measurements

Under 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 later in this note. In addition, see Note L 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 comprehensive income is the same as that of the underlying exposure. Contracts outstanding at September 30, 2022 mature between one and twenty-seven months.

The Company uses commodity forward contracts to hedge anticipated purchases of various commodities, primarily aluminum, 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 generally hedged together with the related commodity price risk.

The Company may also use 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 of derivative instruments.

	Amount of gain/(loss) recognized in OCI		Amount of gain/(loss) recognized in OCI	
	Three Months Ended September 30,		Nine Months Ended September 30,	
Derivatives in cash flow hedges	2022	2021	2022	2021
Foreign exchange	$ 1	$ 2	$ (4)	$ 1
Interest Rate	—	—	—	2
Commodities	(24)	21	(40)	76
	$ (23)	$ 23	$ (44)	$ 79

	Amount of gain/(loss) reclassified from AOCI into income		Amount of gain/(loss) reclassified from AOCI into income		
	Three Months Ended September 30,		Nine Months Ended September 30,		
Derivatives in cash flow hedges	2022	2021	2022	2021	Affected line items in the Statement of Operations
Foreign exchange	$ (1)	$ 2	$ (7)	$ 1	Net sales
Commodities	6	$ (15)	(8)	(35)	Net sales
Foreign exchange	2	—	1	—	Cost of products sold, excluding depreciation and amortization
Commodities	(9)	45	39	100	Cost of products sold, excluding depreciation and amortization
	(2)	32	25	66	Income from continuing operations before taxes and equity in net earnings of affiliates
	1	(7)	(6)	(16)	Provision for income taxes
	(1)	25	19	50	Net income from continuing operations
Commodities	—	4	—	5	Net loss from discontinued operations
Total reclassified	$ (1)	$ 29	$ 19	$ 55	Net income

For the twelve-month period ending September 30, 2023, a net loss of $33 ($27, net of tax) is expected to be reclassified to earnings for commodity and foreign exchange contracts. No material amounts were reclassified during the nine months ended September 30, 2022 and 2021 in connection with anticipated transactions that were considered probable of not occurring.

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 three and nine months ended September 30, 2022, the Company recorded losses of $4 and $19 from foreign exchange contracts designated as fair value hedges. For the three and nine months ended September 30, 2021, the Company recorded gains of $7 and $1 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 quality for hedge accounting; however, they are effective economic hedges as the changes in their fair value, except for time value, are offset by changes arising 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.

	Pre-tax amounts of gain/(loss) recognized in income on derivative		Pre-tax amounts of gain/(loss) recognized in income on derivative		
	Three Months Ended September 30,		Nine Months Ended September 30,		
Derivatives not designated as hedges	2022	2021	2022	2021	Affected line item in the Statement of Operations
Foreign exchange	$ —	$ —	$ (3)	$ (1)	Net sales
Foreign exchange	5	—	9	—	Cost of products sold
Foreign exchange	(12)	(7)	(26)	(18)	Foreign exchange
	$ (7)	$ (7)	$ (20)	$ (19)	

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 and reduce the variability in the functional currency equivalent cash flows.

During the three and nine months ended September 30, 2022, the Company recorded gains of $30 ($20, net of tax) and $80 ($56, 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. During the three and nine months ended September 30, 2021, the Company recorded gains of $40 ($40, net of tax) and $81 ($81, net of tax) in other comprehensive income for these net investment hedges. As of September 30, 2022 and December 31, 2021, cumulative gains of $149 ($148, net of tax) and gains of $69 ($92, net of tax) were recognized in accumulated other comprehensive income related to these net investment hedges and the carrying amount of the hedged net investment was €535 ($524) at September 30, 2022.

The following tables set forth the impact on AOCI from changes in the fair value of derivative instruments designated as net investment hedges.

	Amount of gain / (loss) recognized in AOCI		Amount of gain / (loss) recognized in AOCI	
	Three Months ended September 30,		Nine months ended September 30,	
Derivatives designated as net investment hedges	2022	2021	2022	2021
Foreign exchange	$ 36	$ 16	$ 75	$ 42

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 September 30, 2022 and December 31, 2021, respectively. The fair values of these financial instruments were reported under Level 2 of the fair value hierarchy.

	Balance Sheet classification	September 30, 2022	December 31, 2021	Balance Sheet classification	September 30, 2022	December 31, 2021
Derivatives designated as hedging instruments						
Foreign exchange contracts cash flow	Prepaid expenses and other current assets	$ 8	$ 3	Accrued liabilities	$ 3	$ 10
Foreign exchange contracts fair value	Prepaid expenses and other current assets	6	1	Accrued liabilities	4	2
Commodities contracts cash flow	Prepaid expenses and other current assets	16	53	Accrued liabilities	54	17
	Other non-current assets	2	2	Other non-current liabilities	5	1
Net investment hedge	Other non-current assets	147	49	Other non-current liabilities	—	—
		$ 179	$ 108		$ 66	$ 30
Derivatives not designated as hedging instruments						
Foreign exchange contracts	Prepaid expenses and other current assets	$ 17	$ 3	Accrued liabilities	$ 22	$ 3
		$ 17	$ 3		$ 22	$ 3
Total derivatives		$ 196	$ 111		$ 88	$ 33

Line item in the Balance Sheet in which the hedged item is included	Carrying amount of the hedged assets / liabilities: September 30, 2022	Carrying amount of the hedged assets / liabilities: December 31, 2021
Cash and cash equivalents	$ 26	$ 38
Receivables, net	15	21
Accounts payable	122	116

As of September 30, 2022 and December 31, 2021, the cumulative amounts of fair value hedging adjustments included in the carrying amount of the hedged assets and liabilities were a net loss of $2 and a net gain of $1.

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 within the statement of financial position. 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 September 30, 2022			
Derivative assets	$196	$18	$178
Derivative liabilities	88	18	70
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 September 30, 2022 and December 31, 2021 were:

	September 30, 2022	December 31, 2021
Derivatives designated as cash flow hedges:		
Foreign exchange	$ 219	$ 241
Commodities	311	261
Derivatives designated as fair value hedges:		
Foreign exchange	222	229
Derivatives designated as net investment hedges:		
Foreign exchange	875	875
Derivatives not designated as hedges:		
Foreign exchange	567	617

L. Debt

The Company's outstanding debt was as follows:

	September 30, 2022		December 31, 2021	
	Principal outstanding	Carrying amount	Principal outstanding	Carrying amount
Short-term debt	$ 83	$ 83	$ 75	$ 75
Long-term debt				
Senior secured borrowings:				
Revolving credit facilities	421	421	50	50
Term loan facilities				
U.S. dollar due 2027	1,800	1,791	—	—
U.S. dollar due 2024	—	—	1,002	997
Euro due 2027[1]	529	529	—	—
Euro due 2024[1]	—	—	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	588	586	683	680
€600 at 3.375% due 2025	588	586	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	491	487	570	565
U.S. dollar at 5.25% due 2030	500	493	—	—
U.S. dollar at 7.50% due 2096	40	40	40	40
Other indebtedness in various currencies	256	256	217	217
Total long-term debt	6,838	6,803	6,221	6,187
Less current maturities	(94)	(94)	(136)	(135)
Total long-term debt, less current maturities	6,744	6,709	6,085	6,052

(1) €540 and €303 at September 30, 2022 and 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 $6,691 at September 30, 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. The Company paid $7 in issuance costs that will be amortized over the term of the notes.

In August 2022, the Company amended the credit agreement governing its senior secured credit facilities. The Amendment extends the agreement’s maturity to August 2027 and increases 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. At September 30, 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%. At December 31, 2021, the U.S. dollar term loan interest rate was LIBOR plus 1.20% and the Euro term loan interest rate was EURIBOR plus 1.20%.

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 the third quarter of 2022 for premium payments and the write-off of deferred financing fees.

M. Pension and Other Postretirement Benefits

The components of net periodic pension and other postretirement benefits costs for the three and nine months ended September 30, 2022 and 2021 were as follows:

Pension benefits – U.S. plans	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Service cost	$ 5	$ 5	$ 15	$ 16
Interest cost	7	6	22	18
Expected return on plan assets	(19)	(16)	(56)	(47)
Recognized prior service cost	—	1	—	1
Recognized net loss	11	15	35	45
Curtailment loss	1	—	1	—
Net periodic cost	$ 5	$ 11	$ 17	$ 33

Pension benefits – Non-U.S. plans	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Service cost	$ 4	$ 3	$ 8	$ 10
Interest cost	3	9	9	27
Expected return on plan assets	(5)	(20)	(16)	(61)
Recognized net loss	1	8	3	27
Net periodic cost	$ 3	$ —	$ 4	$ 3

Other postretirement benefits	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Service cost	$ —	$ 1	$ —	$ 1
Interest cost	1	1	3	2
Recognized prior service credit	(5)	(6)	(15)	(19)
Recognized net loss	—	1	2	3
Net periodic benefit	$ (4)	$ (3)	$ (10)	$ (13)

In October 2021, the trustees of the Company's U.K. defined benefit pension plan (the "Plan") entered into a transaction to fully insure all of its U.K. pension liabilities. In 2021, the Company made a cash contribution to enable the Plan to purchase a bulk annuity insurance contract for the benefit of the Plan participants. The Company recorded a settlement charge of $1,511 in the fourth quarter of 2021, upon irrevocable transfer of the Plan's obligations. The Company expects £127 ($141 as of September 30, 2022) of the cash contribution to be repaid as the Plan sells its remaining illiquid assets, of which £93 ($104) has been received to date.

The components of net periodic cost / (benefit) other than the service cost component are included in other pension and postretirement in the Consolidated Statement of Operations.

The following table provides information about amounts reclassified from accumulated other comprehensive income.

Details about accumulated other comprehensive income components	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021	Affected line items in the statement of operations
Actuarial losses	$ 13	$ 24	$ 40	$ 75	Other pension and postretirement
Prior service credit	(5)	(5)	(15)	(18)	Other pension and postretirement
Settlement loss	1	—	1	—	Other pension and postretirement
	9	19	26	57	Income from continuing operations before taxes and equity in net earnings of affiliates
	(2)	(5)	(6)	(13)	Provision for income taxes
	7	14	20	44	Net income from continuing operations
Actuarial losses	—	9	—	9	Net loss from discontinued operations
Total reclassified	$ 7	$ 23	$ 20	$ 53	Net income from continuing operations attributable to Crown Holdings

Amortization of prior service credits of $15 for the nine months ended September 30, 2022, primarily relates to prior service credits which arose from postretirement plan amendments in prior years. These prior service credits are expected to be fully amortized to income in 2022.

N. Capital Stock

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 repurchased $722 of its shares during the nine months ended September 30, 2022 and $950 of its shares during the twelve months ended December 31, 2021.

For the three and nine months ended September 30, 2022, the Company declared and paid cash dividends of $0.22 per share and $0.66 per share. Additionally, on October 27, 2022, the Company's Board of Directors declared a dividend of $0.22 per share payable on November 25, 2022 to shareholders of record as of November 10, 2022.

O. Accumulated Other Comprehensive Income

The following table provides information about the changes in each component of accumulated other comprehensive income.

	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 income / (loss) before reclassifications	(4)	(25)	79	50
Amounts reclassified from accumulated other comprehensive income	53	553	(55)	551
Other comprehensive income	49	528	24	601
Balance at September 30, 2021	$ (1,415)	$ (1,231)	$ 54	$ (2,592)
Balance at January 1, 2022	$ (768)	$ (1,158)	$ 28	$ (1,898)
Other comprehensive income / (loss) before reclassifications	10	(78)	(44)	(112)
Amounts reclassified from accumulated other comprehensive income	20	—	(14)	6
Other comprehensive income / (loss)	30	(78)	(58)	(106)
Balance at September 30, 2022	$ (738)	$ (1,236)	$ (30)	$ (2,004)

See Note K and Note M for further details of amounts related to cash flow hedges and defined benefit plans.

P. Revenue

The Company recognized revenue as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Revenue recognized over time	$ 1,733	$ 1,527	$ 5,333	$ 4,448
Revenue recognized at a point in time	1,526	1,393	4,598	3,892
Total revenue	$ 3,259	$ 2,920	$ 9,931	$ 8,340

See Note S 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 $25 and $23 as of September 30, 2022 and December 31, 2021 included in prepaid and other current assets. During the three and nine months ended September 30, 2022, the Company satisfied performance obligations related to contract assets at December 31, 2021 and also recorded new contract assets primarily related to work in process for the equipment business.

Q. Income Tax

As of September 30, 2022, the Company recorded a deferred tax asset of $18 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.

For the three and nine months ended September 30, 2021, the Company recorded income tax charges of $11 and $42 in continuing operations for reorganizations and other transactions required to prepare the European Tinplate business for sale. Additionally, for the nine months ended September 30, 2021, the Company also recorded income tax benefits of $8 related to tax law changes in India and the U.K. and an income tax charge of $40 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 C for more information regarding the sale of the European Tinplate business.

In August 2022, the Inflation Reduction Act of 2022 (the "IRA") was signed into law in the U.S.. The Company does not expect the IRA to have a material impact on the Company's consolidated financial statements, including its annual estimated effective tax rate.

R. Earnings Per Share

The following table summarizes the computations of basic and diluted earnings per share attributable to the Company.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net income from continuing operations attributable to Crown Holdings	$ 127	$ 187	$ 638	$ 485
Net loss from discontinued operations attributable to Crown Holdings	—	(85)	—	(44)
Net income attributable to Crown Holdings	$ 127	$ 102	$ 638	$ 441
Weighted average shares outstanding:				
Basic	119.7	128.7	121.4	131.9
Dilutive stock options and restricted stock	0.5	1.0	0.7	1.0
Diluted	120.2	129.7	122.1	132.9
Earnings per common share attributable to Crown Holdings:				
Basic earnings per common share from continuing operations	$ 1.06	$ 1.45	$ 5.26	$ 3.68
Basic loss per common share from discontinued operations	—	(0.66)	—	(0.34)
Basic earnings per share	$ 1.06	$ 0.79	$ 5.26	$ 3.34
Diluted earnings per common share from continuing operations	$ 1.06	$ 1.44	$ 5.23	$ 3.65
Diluted loss per common share from discontinued operations	—	(0.65)	—	(0.33)
Diluted earnings per share	$ 1.06	$ 0.79	$ 5.23	$ 3.32

For the three and nine months ended September 30, 2022, 0.1 million and 0.4 million contingently issuable common shares were excluded from the computation of diluted earnings per share because the effect would be anti-dilutive.

For the nine months ended September 30, 2021, 0.1 million contingently issuable common shares were excluded from the computation of diluted earnings per share because the effect would be anti-dilutive.

S. Segment Information

The Company evaluates performance and allocates resources based on segment income, which is not a defined term under GAAP. The Company defines segment income as income from operations adjusted to exclude intangibles amortization charges and provisions for restructuring and other. Segment income should not be considered in isolation or as a substitute for net income 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 the Company's operating segments.

	External Sales Three Months Ended September 30,		External Sales Nine Months Ended September 30,	
	2022	2021	2022	2021
Americas Beverage	$ 1,312	$ 1,151	$ 3,916	$ 3,240
European Beverage	552	513	1,661	1,381
Asia Pacific	375	280	1,220	941
Transit Packaging	609	644	1,957	1,838
Other	411	332	1,177	940
Total	$ 3,259	$ 2,920	$ 9,931	$ 8,340

The primary sources of revenue included in Other are 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.

	Intersegment Sales Three Months Ended September 30,		Intersegment Sales Nine Months Ended September 30,	
	2022	2021	2022	2021
Americas Beverage	$ —	$ —	$ 7	$ —
European Beverage	28	36	88	108
Transit Packaging	9	7	23	20
Other	12	38	61	98
Total	$ 49	$ 81	$ 179	$ 226

Intersegment sales primarily include sales of cans, ends and parts and equipment used in the manufacturing process.

	Segment Income Three Months Ended September 30,		Segment Income Nine Months Ended September 30,	
	2022	2021	2022	2021
Americas Beverage	$ 185	$ 190	$ 565	$ 575
European Beverage	20	76	129	216
Asia Pacific	35	32	143	131
Transit Packaging	75	83	210	235
Total reportable segments	$ 315	$ 381	$ 1,047	$ 1,157

A reconciliation of segment income of reportable segments to income before income taxes is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Segment income of reportable segments	$ 315	$ 381	$ 1,047	$ 1,157
Segment income of other	50	39	206	111
Corporate and unallocated items	(29)	(41)	(102)	(125)
Restructuring and other, net	1	11	75	42
Amortization of intangibles	(40)	(42)	(119)	(125)
Loss from early extinguishments of debt	(11)	—	(11)	—
Other pension and postretirement	5	1	13	4
Interest expense	(76)	(66)	(194)	(203)
Interest income	3	2	9	5
Foreign exchange	(15)	—	(12)	1
Income from continuing operations before taxes and equity in net earnings of affiliates	$ 203	$ 285	$ 912	$ 867

For the three and nine months ended September 30, 2022, intercompany profits of $2 and $11 were eliminated within segment income of other.

For the three and nine months ended September 30, 2021, intercompany profits of $4 and $8 were eliminated within segment income of other.

Corporate and unallocated items includes corporate and division administrative costs, technology costs, and unallocated items such as stock-based compensation.

PART I - FINANCIAL INFORMATION

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

(dollars in millions)

Introduction

The following discussion presents management's analysis of the results of operations for the three and nine months ended September 30, 2022 compared to 2021 and changes in financial condition and liquidity from December 31, 2021. This discussion should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, along with the consolidated financial statements and related notes included in and referred to within this 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.

The Company's capital allocation strategy also focuses on maintaining a strong balance sheet with a 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 Twentyby30, 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 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, in the Results of Operations.

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 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

Item 2. Management's Discussion and Analysis (Continued)

referred to in the discussion below for Transit Packaging are primarily related to the euro and various other currencies. 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.

Net Sales and Segment Income

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	$ 3,259	$ 2,920	$ 9,931	$ 8,340

Three months ended September 30, 2022 compared to 2021

Net sales increased primarily due to the pass-through of higher material costs and 6% higher sales unit volumes in the Company's global beverage can businesses driven by volumes in Brazil, Mexico and Vietnam, partially offset by $127 from the impact of unfavorable foreign currency translation.

Nine months ended September 30, 2022 compared to 2021

Net sales increased primarily due to the pass-through of higher material costs and 4% higher sales unit volumes in the Company's global beverage can businesses, partially offset by $280 from the impact of unfavorable foreign currency translation.

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. To meet volume requirements in these markets, the Company began commercial production at a new two-line plant in Bowling Green, Kentucky in the second quarter of 2021 and on a third line at its Olympia, Washington plant in the third quarter of 2021. The Company also announced construction of a new two-line plant in Martinsville, Virginia which is expected to commence operations in November 2022 and a new two-line plant in Mesquite, Nevada which is expected to commence operations in 2023.

In December 2021, the Bowling Green plant sustained tornado damage, resulting in curtailment of operations at the plant. The Company resumed operations in March 2022. However, it will continue to incur incremental costs, including freight and warehousing expenses, to meet customer demand as the plant returns to full operational capacity and during a temporary shut-down period expected to begin in late 2022 to complete final repairs to the plant. The Company has property and business interruption insurance policies for weather related events that include these incremental expenses. The Company recognizes insurance recoveries for incremental costs incurred as the recoveries become probable. The plant is expected to be fully operational by the end of 2022.

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 on second lines at its Rio Verde, Brazil facility in 2021 and its Monterrey, Mexico facility in April 2022. Additionally, the Company began commercial production on the first of two lines at a new facility in Uberaba, Brazil in May 2022 and the second line began commercial production in October 2022.

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

Item 2. Management's Discussion and Analysis (Continued)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	$ 1,312	$ 1,151	$ 3,916	$ 3,240
Segment income	185	190	565	575

Three months ended September 30, 2022 compared to 2021

Net sales increased primarily due to the pass-through of higher aluminum costs, 8% higher sales unit volumes in both Mexico and Brazil, partially offset by 6% lower sales unit volumes in North America.

Segment income decreased primarily due lower sales unit volumes in North America and $2 of increased depreciation associated with recent capacity additions, partially offset by contractual pass-through mechanisms put in place to recover inflation and higher sales unit volumes in Mexico and Brazil.

Nine months ended September 30, 2022 compared to 2021

Net sales increased primarily due to the pass-through of higher aluminum costs and 5% higher sales unit volumes in Mexico, partially offset by lower sales unit volumes in Brazil and North America.

Segment income decreased primarily due to lower sales unit volumes in Brazil and North America and $13 of increased depreciation associated with recent capacity additions, partially offset by contractual pass-through mechanisms put in place to recover inflation and higher sales unit volumes in Mexico.

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. The Company has begun construction of a new plant in Peterborough, U.K. and new can lines in the Agoncillo, Spain and Parma, Italy plants which are expected to commence operations in 2023.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	$ 552	$ 513	$ 1,661	$ 1,381
Segment income	20	76	129	216

Three and nine months ended September 30, 2022 compared to 2021

Net sales increased primarily due to the pass-through of higher aluminum costs and 3% and 5% higher sales unit volumes partially offset by $65 and $136 from the impact of unfavorable foreign currency translation for the three and nine months ended September 30, 2022.

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 $2 and $8 from the impact of unfavorable foreign currency translation for the three and nine months ended September 30, 2022 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.

Item 2. Management's Discussion and Analysis (Continued)

Asia Pacific

The Company's Asia Pacific segment consists of beverage, food and specialty packaging can operations in Cambodia, China, Indonesia, Malaysia, Myanmar, Singapore, Thailand and Vietnam. In recent years, the beverage can market in Southeast Asia has been growing. In 2021, the Company began commercial production at a new beverage can plant in Vung Tau, Vietnam and on a second line in the Hanoi, Vietnam beverage can plant. Additionally, the Company expects to commercialize production on a third line in its Phnom Penh, Cambodia beverage can plant during 2022.

In June 2022, the Company's Yangon, Myanmar beverage can plant was temporarily idled due to currency restrictions. For the nine months ended September 30, 2022, the plant had net sales of $17 and segment income of less than $1. Property, plant and equipment as of September 30, 2022 was $57, including $26 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:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	$ 375	$ 280	$ 1,220	$ 941
Segment income	35	32	143	131

Three and nine months ended September 30 ,2022 compared to 2021

Net sales increased due to the pass-through of higher raw material costs and 14% and 26% higher sales unit volumes for the three and nine months ended September 30, 2022, primarily in Vietnam as 2021 was negatively impacted by coronavirus lockdowns. The unfavorable impact of foreign currency translation was $12 and $29 for the three and nine months ended September 30, 2022.

Segment income increased primarily due to higher sales unit volumes partially offset by a mismatch in contractual aluminum pass-through provisions whereby higher cost inventory was sold at lower prices. 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.

Transit Packaging

The Transit Packaging segment includes the Company's global industrial and protective solutions and equipment and tools businesses. Industrial and protective solutions includes steel strap, plastic strap and industrial film and other related products that are used in a wide range of industries, and transit protection products used for a wide range of industrial and consumer products. Equipment and tools includes manual, semi-automatic and automatic equipment and tools used in end-of-line operations to apply industrial solutions consumables.
Net sales and segment income in the Transit Packaging segment were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	$ 609	$ 644	$ 1,957	$ 1,838
Segment income	75	83	210	235

Three months ended September 30, 2022 compared to 2021

Net sales decreased primarily due to $44 from the impact of unfavorable foreign currency translation and lower sales unit volumes, partially offset by the pass through of higher raw material costs.

Item 2. Management's Discussion and Analysis (Continued)

Segment income decreased primarily due to lower sales unit volumes and $6 from the impact of unfavorable foreign currency translation, partially offset by inflationary price increases in the protective packaging business and costs savings from headcount reductions across the business.

Nine months ended September 30, 2022 compared to 2021

Net sales increased primarily due to the pass through of higher raw material costs, partially offset by $104 from the impact of unfavorable foreign currency translation and lower sales unit volumes.

Segment income decreased primarily due to lower sales unit volumes, the unfavorable impact of higher cost inventory from the prior year in the steel strap business and $14 from the impact of unfavorable foreign currency translation, partially offset by inflationary price increases in the protective packaging business and costs savings from headcount reductions across the business.

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. Additionally, the Company will add a third two-piece food can line to its Owatonna, Minnesota plant before the end of 2022.

Net sales and segment income in Other were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	$ 411	$ 332	$ 1,177	$ 940
Segment income	50	39	206	111

Three months ended September 30, 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 in North America, partially offset by 20% lower aerosol sales unit volumes and $6 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 lower aerosol sales unit volumes.

Nine months ended September 30, 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 in North America, partially offset by 15% lower aerosol sales unit volumes and $12 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 $4 from the impact of unfavorable foreign currency translation. The benefit arising from lower cost inventory from prior year-end was $35 for the nine months ended September 30, 2022.

Item 2. Management's Discussion and Analysis (Continued)

Corporate and unallocated

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Corporate and unallocated expense	$ (29)	$ (41)	$ (102)	$ (125)

Corporate and unallocated expenses decreased for the three and nine months ended September 30, 2022 due to higher incentive compensation costs in 2021.

For the nine months ended September 30, 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 nine months ended September 30, 2022 the benefit from restructuring and other was primarily due to the $113 gain from the sale of the Transit Packaging segment's Kiwiplan business, partially offset by $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.

Loss on debt extinguishment

For the three and nine months ended September 30, 2022 the $11 loss on debt extinguishment included premium payments and the write-off of deferred financing fees related to the refinancing of the Company's revolving credit and term loan facilities and the redemption of the Company's €335 2.25% senior notes due 2023 and its €550 0.75% senior notes due 2023. See Note L for more information on the Company's refinancing actions.

Interest expense

For the three months ended September 30, 2022 compared to 2021, interest expense increased from $66 to $76 due to higher interest rates. For the nine months ended September 30, 2022 compared to 2021, interest expense decreased from $203 to $194 due to lower outstanding debt balances partially offset by higher interest rates.

Provision for income taxes

The effective rate for the nine months ended September 30, 2022, decreased as compared to 2021, primarily due to prior year income tax charges of $42 for reorganizations and other transactions required to prepare the European Tinplate business for sale and an income tax charge of $40 to establish a valuation allowance for deferred tax assets related to tax loss carryforwards in France. See Note C for more information related to the sale of the European Tinplate business.

Equity in net earnings of affiliates

For the three and nine months ended September 30, 2022 compared to 2021, equity in net earnings of affiliates increased from $5 to $10 and $10 to $39 due to the 20% ownership interest received after the sale of Company's European Tinplate business in August 2021.

Net income attributable to noncontrolling interest

For the nine months ended September 30, 2022 compared to 2021, net income from noncontrolling interests decreased from $107 to $95 primarily due to lower earnings in the Company's beverage can operations in Brazil. The nine months ended September 30, 2021 included a benefit of $30 related to a favorable court ruling in a lawsuit brought by

Item 2. Management's Discussion and Analysis (Continued)

certain of the Company's Brazilian subsidiaries asserting they were overcharged by the local tax authorities for indirect taxes paid in prior years.

Liquidity and Capital Resources

Cash from Operations

Cash provided by operating activities decreased from $245 for the nine months ended September 30, 2021 to $134 for the nine months ended September 30, 2022. The decrease in cash provided by operating activities was primarily due to increases in working capital, partially offset by higher earnings and $69 received for partial reimbursement of the contribution made in 2021 to fully settle the U.K. pension plan obligation, which is included in Pension contributions in the Consolidated Statements of Cash Flows. See Note L for more information regarding the settlement of the U.K. pension plan obligations.

Days sales outstanding for trade receivables, excluding the impact of unbilled receivables, decreased from 37 days as of December 31, 2021 to 36 days as of September 30, 2022.

Inventory turnover increased from 59 days at December 31, 2021 to 64 days at September 30, 2022. Inventory has increased from $1,735 at December 31, 2021 to $2,184 due to inventory builds in certain segments.

Days outstanding for trade payables decreased from 112 days at December 31, 2021 to 93 days at September 30, 2022 as prior year included the payables impact of inventory built in anticipation of market growth.

Investing Activities

Cash flow from investing activities decreased from an inflow of $1,791 for the nine months ended September 30, 2021 to an outflow of $412 for the nine months ended September 30, 2022 primarily due to the proceeds received from the sale of the European Tinplate business in 2021 and higher capital expenditures in 2022.

The Company currently expects capital expenditures in 2022 to be approximately $850.

Financing Activities

Financing activities used cash of $913 for the nine months ended September 30, 2021 and provided cash of $232 for the nine months ended September 30, 2022.

The Company had higher net borrowings in 2022 primarily related to the refinancing of the Company's revolving credit and term loan facilities and the redemption of the Company's €335 2.25% senior notes due 2023 and its €550 0.75% senior notes due 2023. See Note L for more information.

Liquidity

As of September 30, 2022, $307 of the Company's $368 of cash and cash equivalents was located outside the U.S.. The Company funds its cash needs in the U.S. through cash flows from operations in the U.S., distributions from certain foreign subsidiaries, borrowings under its revolving credit facility and the acceleration of cash receipts under its receivable securitization facilities. Of the cash and cash equivalents located outside the U.S., $249 was held by subsidiaries for which earnings are considered indefinitely reinvested.

As of September 30, 2022, the Company had $1,159 of borrowing capacity available under its revolving credit facility, equal to the total facility of $1,650 less outstanding standby letters of credit of $70 and $421 of credit facility borrowings. The Company could have borrowed this amount at September 30, 2022 and still have been in compliance with its leverage ratio covenants. The Company's net total leverage ratio, as defined by the credit agreement, of 3.2 to 1.0 at September 30, 2022 was in compliance with the covenant requiring a ratio of no greater than 5.0 to 1.0. The maximum net total leverage ratio under the agreement reduces to 4.5 to 1.0 at December 31, 2023.

In March 2022, the Company amended its securitization facility to increase the program limit from $500 to $700. This securitization facility expires in July 2023.

Item 2. Management's Discussion and Analysis (Continued)

Capital Resources

As of September 30, 2022, the Company had approximately $270 of capital commitments primarily related to its global beverage can businesses. The Company expects to fund these commitments primarily through cash flows from operations.

Contractual Obligations

There were no material changes to the Company's contractual obligations provided within Part II, Item 7, “Management's Discussion and Analysis of Financial Condition and Results of Operations” of the Company's Annual Report on Form 10-K for the year ended December 31, 2021, which information is incorporated herein by reference.

Supplemental Guarantor Financial Information

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 United States, 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 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. IV, Crown Americas Capital Corp. V, Crown Americas Capital Corp. VI, the Parent, and substantially all of the Company’s subsidiaries in the United States.

Crown Cork Obligor Group

	Nine Months Ended September 30, 2022
Net sales	$ —
Gross Profit	—
Income from operations	(3)
Net income from continuing operations[1]	(45)
Net income attributable to Crown Holdings[1]	(45)

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

	September 30, 2022	December 31, 2021
Current assets	$ 16	$ 7
Non-current assets	21	27
Current liabilities	57	72
Non-current liabilities[1]	6,078	5,286

(1) Includes payables of $5,231 and $4,560 due to non-guarantor subsidiaries as of September 30, 2022 and December 31, 2021

Item 2. Management's Discussion and Analysis (Continued)

Crown Americas Obligor Group

	Nine Months Ended September 30, 2022
Net sales[1]	$ 4,060
Gross profit[2]	665
Income from operations[2]	338
Net income attributable to continuing operations[3]	285
Net income attributable to Crown Holdings[3]	285

(1) Includes $404 of sales to non-guarantor subsidiaries
(2) Includes $40 of gross profit related to sales to non-guarantor subsidiaries
(3) Includes $23 of income related to intercompany interest and technology royalties with non-guarantor subsidiaries

	September 30, 2022	December 31, 2021
Current assets[1]	$ 1,186	$ 1,078
Non-current assets[2]	3,825	3,495
Current liabilities[3]	1,339	1,330
Non-current liabilities[4]	6,183	4,761

(1) Includes receivables of $54 and $48 due from non-guarantor subsidiaries as of September 30, 2022 and December 31, 2021
(2) Includes receivables of $283 and $180 due from non-guarantor subsidiaries as of September 30, 2022 and December 31, 2021
(3) Includes payables of $34 and $35 due to non-guarantor subsidiaries as of September 30, 2022 and December 31, 2021
(4) Includes payables of $1281 and $1,397 due to non-guarantor subsidiaries as of September 30, 2022 and December 31, 2021

Commitments and Contingent Liabilities

Information regarding the Company's commitments and contingent liabilities appears in Part I within Item 1 of this report under Note J entitled “Commitments and Contingent Liabilities,” to the consolidated financial statements, and in Part II within Item 1A of this report which information is incorporated herein by reference.

Critical Accounting Policies

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. which require that management make numerous estimates and assumptions.

Actual results could differ from these estimates and assumptions, impacting the reported results of operations and financial condition of the Company. Part II, Item 7, “Management's Discussion and Analysis of Financial Condition and Results of Operations” and Note A to the consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 describe the significant accounting estimates and policies used in the preparation of the consolidated financial statements. Updates to the Company's accounting policies related to new accounting pronouncements, as applicable, are included in the notes to the consolidated financial statements included in this Quarterly Report on Form 10-Q.

Forward Looking Statements

Statements included herein, including, but not limited to, those in “Management's Discussion and Analysis of Financial Condition and Results of Operations” and in the discussions of asbestos in Note I and commitments and contingencies in Note J to the consolidated financial statements included in this Quarterly Report on Form 10-Q, and also in Part I, Item 1, “Business” and Item 3, “Legal Proceedings” and in Part II, Item 7, “Management's Discussion and Analysis of Financial Condition and Results of Operations,” within the Company's Annual Report on Form 10-K for the year ended December 31, 2021, which are not historical facts (including any statements concerning the direct or indirect impact of the COVID-19 pandemic and the Russia-Ukraine war, objectives of management for capacity additions, share repurchases, dividends, future operations or economic performance, or assumptions related thereto, including the potential for higher interest rates and energy prices), 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 oral or written statements which are also “forward-looking statements.”

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.

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 U.S. Securities and Exchange Commission (“SEC”), the Company does not intend to review or revise any particular forward-looking statement in light of future events.

A discussion of important factors that could cause the actual results of operations or financial condition of the Company to differ from expectations has been set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 within Part II, Item 7: “Management's Discussion and Analysis of Financial Condition and Results of Operations” under the caption “Forward Looking Statements” and is incorporated herein by reference. Some of the factors are also discussed elsewhere in this Form 10-Q (including under Item 1A of Part II below) and in prior Company filings with the SEC. In addition, other factors have been or may be discussed from time to time in the Company's SEC filings.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of business the Company is subject to risk from adverse fluctuations in foreign exchange and 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 the counterparties. These instruments are not used for trading or speculative purposes. The extent to which the Company uses such instruments is dependent upon its access to these contracts in the financial markets and its success in using other methods, such as netting exposures in the same currencies to mitigate foreign exchange risk and using sales arrangements that permit the pass-through of commodity prices and foreign exchange rate risks to customers. The Company's objective in managing its exposure to market risk is to limit the impact on earnings and cash flow. For further discussion of the Company's use of derivative instruments and their fair values at September 30, 2022, see Note K to the consolidated financial statements included in this Quarterly Report on Form 10-Q.

As of September 30, 2022, the Company had $2.9 billion principal floating interest rate debt. A change of 0.25% in these floating interest rates would change annual interest expense by approximately $7 million before tax.

Item 4. Controls and Procedures

As of the end of the period covered by this Quarterly Report on Form 10-Q, 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 quarter 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. Disclosure controls and procedures 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 SEC, and 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.

There has been no change in internal controls over financial reporting that occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding the Company's potential asbestos-related liabilities and other litigation, see Note I entitled "Asbestos-Related Liabilities" and Note J entitled "Commitments and Contingent Liabilities" to the consolidated financial statements within Part I, Item 1 of this Quarterly Report on Form 10-Q, which information is incorporated herein by reference.

Item 1A. Risk Factors

The information set forth in this report should be read in conjunction with the risk factors discussed in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2021. Such risks are not the only risks facing the Company. Additional risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial may also materially adversely affect the Company's business, financial condition and/or operating results.

Item 2. Unregistered Sale of Equity Securities and Use of Proceeds

The following table provides information about the Company's purchases of equity securities during the three months ended September 30, 2022. The table excludes 66,104 shares surrendered to cover taxes on the vesting of restricted stock during the three months ended September 30, 2022.

	Total number of shares purchased	Average price per share	Total number of shares purchased as part of publicly announced programs(1)	Approximate dollar value of shares that may yet be purchased under the programs as of the end of the period (millions of dollars)
July	—	$ —	—	$ 2,415
August	1,193,700	$ 96.79	1,193,700	$ 2,299
September	—	$ —	—	$ 2,299
	1,193,700		1,193,700	

(1) 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. 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 3. Defaults Upon Senior Securities

There were no events required to be reported under Item 3 for the nine months ended September 30, 2022.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

10.p	Executive Employment Agreement, effective 25 October, 2022, between Crown Holdings, Inc. and Matthew R. Madeksza
22	List of Guarantor Subsidiaries
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities 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 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 Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 formatted in inline XBRL (eXtensible Business Reporting Language): (i) Consolidated Statements of Operations for the three and nine months ended September 30, 2022 and 2021, (ii) Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2022 and 2021, (iii) Consolidated Balance Sheets as of September 30, 2022 and December 31, 2021, (iv) Consolidated Statements of Cash Flows for the nine months ended September 30, 2022 and 2021, (v) Consolidated Statements of Changes in Equity for the three and nine months ended September 30, 2022 and 2021 and (vi) Notes to Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

SIGNATURE

Pursuant to the requirements 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: November 1, 2022

EXECUTIVE EMPLOYMENT AGREEMENT

THIS IS AN EMPLOYMENT AGREEMENT ("Agreement"), effective 25 October, 2022, ("Effective Date") between Crown Holdings, Inc. ("Crown" and, with its subsidiaries, the "Company") and Matthew R. Madeksza (the "Executive").

Background

WHEREAS, the Executive is currently employed by the Company.

WHEREAS, the Company desires to assure itself of the continued employment of the Executive with the Company and to encourage his continued attention and dedication to the best interests of the Company.

WHEREAS, the Executive desires to remain and continue in the employment of the Company in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and intending to be legally bound hereby, the parties agree as follows:

Terms

1. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

1.1. "Board" shall mean the Board of Directors of Crown.
1.2. "Cause" shall mean the termination of the Executive's employment with the Company as a result of:

a. the Executive's willful failure to perform such services as may be reasonably delegated or assigned to the Executive by the Board, Crown's Chief Executive Officer or any other executive to whom the Executive reports;

b. the failure by the Executive to devote his full-time best effort to the performance of his duties under the Agreement (other than any such failure resulting from the Executive's incapacity due to physical or mental illness);

c. the breach by the Executive of any provision of Sections 6, 7, 8 or 9 hereof;

d. the willful engaging by the Executive in misconduct which is materially injurious to the Company, monetarily or otherwise; or

e. the Executive's conviction of, or a plea of nolo contendere to, a felony or a crime involving moral turpitude.

1.3. "Change in Control" shall mean any of the following events:

a. a "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned, directly or indirectly, by the stockholders of Crown in substantially the same proportions as their ownership of stock of Crown, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of Crown representing 50% or more of the combined voting power of Crown's then outstanding securities; or

b. during any period of two consecutive years, individuals who at the beginning of such period constitute the Board and any new director (other than a director designated by a person who has entered into an agreement with Crown to effect a transaction described in Section 1.3(a), Section 1.3(c) or Section 1.3(d) hereof) whose election by the Board or nomination for election by Crown's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

c. Crown merges or consolidates with any other corporation, other than in a merger or consolidation that would result in the voting securities of Crown outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least 75% of the combined voting power of the voting securities of Crown or such surviving entity outstanding immediately after such merger or consolidation; or

d. the complete liquidation of Crown or Crown sells or otherwise disposes of all or substantially all of Crown's assets.

1.4. "Code" means the Internal Revenue Code of 1986, as amended from time to time.

1.5 "Good Reason" shall mean:

a. the assignment to the Executive, without the Executive's express written approval, of duties or responsibilities, inconsistent, in a material respect, with the Executive's title and position on the date of a Change in Control or a material reduction in the Executive's duties, responsibilities or authority from those in effect on the date of a Change in Control;

b. following a Change in Control, a reduction by the Company in the Executive's Base Salary (as defined in Section 4.1 below) or in the other compensation and benefits, in the aggregate, payable to the Executive hereunder, or a material adverse change in the terms or conditions on which any such compensation or benefits are payable;

c. following a Change in Control, the Company's failure, without the express consent of the Executive, to pay the Executive any amounts otherwise vested and due hereunder or under any plan or policy of the Company;

d. following a Change in Control, a relocation of the Executive's primary place of employment, without the Executive's express written approval, to a location more than

50 miles from the location at which the Executive performed his duties on the date of such Change in Control; or

e. the failure or refusal of Crown's Successor (as defined in Section 14 below) to expressly assume this Agreement in writing, and all of the duties and obligations of the Company hereunder in accordance with Section 14.

1.6 "Short-Term Disability" shall mean the temporary incapacity of the Executive that, as determined by the Board in a uniformly-applied manner, renders the Executive temporarily incapable of engaging in his usual executive function and as a result, the Executive is under the direct care and treatment of a physician who certifies to such incapacity.

1.7 "Total Disability" shall mean that a qualified physician designated by the Company has determined that the Executive:

a. is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or

b. is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company.

2. Position and Duties. The Company agrees to continue to employ the Executive and the Executive hereby agrees to continue to be employed by the Company, upon the terms, conditions and limitations set forth in this Agreement. The Executive shall serve as President of the Company's Transit Packaging Division (or in such other position as agreed to by the parties), with the customary duties, authorities and responsibility of such position of a publicly-traded corporation and such other duties, authorities and responsibility (a) as have been agreed upon by the Company and the Executive or (b) as may from time to time be delegated to the Executive by the Board, Crown's Chief Executive Officer or any other executive to whom the Executive reports as are consistent with such position. In addition, for no additional compensation, the Executive shall serve in such other positions as reasonably requested by the Board, Crown's Chief Executive Officer or any other executive to whom the Executive reports. The Executive agrees to perform the duties and responsibilities called for hereunder to the best of his ability and to devote his full time, energies and skills to such duties, with the understanding that he may participate in charitable and similar activities and may have business interests in passive investments which may, from time to time, require portions of his time, but such activities shall be done in a manner consistent with his obligations hereunder.

3. Term. The Executive's employment under this Agreement shall commence on the Effective Date and unless sooner terminated as provided in Article 5 shall continue for a period of one year (the "Initial Term"). Except as otherwise provided herein, unless either party gives written notice to the other party at least 30 days before any anniversary of the Effective Date that the term hereunder shall not be extended beyond its then term (a "Nonrenewal Notice"), the term of the Agreement shall automatically be extended for an additional one year period from each anniversary, subject to the same terms, conditions and limitations as applicable to the Initial

Term unless amended or terminated as provided herein (each such additional one year period a "Renewal Term"). For purposes of this Agreement, the Initial Term and all subsequent Renewal Terms shall be collectively referred to as the "Term" of the Agreement.

4. Compensation and Benefits.

4.1. Base Salary. The Company shall pay to the Executive for the performance of his duties under this Agreement an initial base salary of $525,000 per year (the "Base Salary"), payable in accordance with the Company's normal payroll practices. Thereafter, the rate of the Executive's Base Salary will be reviewed and adjusted as appropriate in accordance with the Company's regular compensation review practices. Effective as of the date of any such increase, the Base Salary so increased shall be considered the new Base Salary for all purposes of this Agreement.

4.2. Incentive Bonus. During the Term, in addition to Base Salary, for each calendar year ending during the Term, the Executive shall participate in, and shall have the opportunity to receive a cash bonus in an amount to be determined in accordance with, the Company's existing incentive bonus plan or any successor bonus plan, program or arrangement established by the Company for the benefit of its executive officers (the "Incentive Bonus Payment").

4.3. Employee Benefits. During the Term, the Executive shall be eligible to participate in the applicable employee benefit plans, programs and policies of the Company (or other applicable affiliate as agreed to by the parties) that are now or hereafter made available to its salaried personnel generally, as such plans, programs and policies may be in effect from time to time, in each case to the extent that the Executive is eligible under the terms of such plans, programs and policies and the Executive's participation therein is not duplicative of other benefits provided by the Company. Without limiting the generality of the foregoing, the Executive shall also be eligible to participate in Crown's Restoration Plan (the "Restoration Plan") and Crown's equity-based incentive plans as maintained by Crown from time to time for the benefit of senior executives. For purposes of the Restoration Plan, the Executive (i) will be treated as a participant under Rider 1 of the Crown Cork & Seal Company, Inc. Pension Plan and (ii) will become 100% vested in his "Supplemental Retirement Benefit" under the Restoration Plan upon completing five years of continuous employment with the Company (measured from the Effective Date of this Agreement) or on such earlier date provided for under the Restoration Plan.

4.4. Vacation. The Executive shall be entitled to vacation in accordance with the Company's vacation policy.

4.5. Reimbursement of Expenses. During the Term, the Company will reimburse the Executive in accordance with the Company's expense reimbursement policy as in effect from time to time for expenses reasonably and properly incurred by him in performing his duties, provided that such expenses are incurred and accounted for in accordance with the policies and procedures presently or hereinafter established by the Company.

4.6. Short-Term Disability. In the event that the Executive incurs a Short-Term Disability, the Executive shall be entitled to six months of Base Salary and incentive payments, payable in accordance with the Company's normal payroll practices, provided that all payments under this provision shall be reduced dollar-for-dollar by any other short-term disability benefits the Executive is entitled to under any other Company-sponsored short-term disability plan or arrangement and shall cease as of the earliest of the Executive's cessation of Short-Term Disability, the occurrence of Total Disability, death or the first day of the month following the month in which the Executive attains age 65 (the "Normal Retirement Date").

4.7. Medical Examination Benefit. During the Term, the Executive shall be entitled to reimbursement for actual costs incurred, up to $2,500 per calendar year, for an annual physical and related medical examinations.

5. Termination.

5.1. Death. The Executive's employment under this Agreement shall terminate immediately upon the Executive's death, and the Company shall have no further obligations under this Agreement, except to pay to the Executive's estate (or his beneficiary, as may be appropriate) (a) any Base Salary earned through his date of death, to the extent theretofore unpaid, (b) a pro-rated Incentive Bonus Payment for the year in which the Executive's death occurs, equal to the product of (i) the actual Incentive Bonus Payment for the year of termination multiplied by (ii) a fraction, the numerator of which is the number of completed days in the year of termination during which the Executive was employed by the Company and the denominator of which is 365, and provided that such amount will be paid in the normal course and shall only be paid if the Executive would have become entitled to such amount if he had not terminated his employment, and (c) such retirement and other benefits earned and vested (if applicable) by the Executive as of the date of his death under any employee benefit plan of the Company in which the Executive participates, including without limitation all vested benefits due under the Restoration Plan and other retirement plans, all of the foregoing to be paid in the normal course for such payments and in accordance with the terms of such plans.

5.2. Disability. If the Executive is unable to perform his duties under this Agreement because of a Total Disability, the Company may terminate the Executive's employment by giving written notice to the Executive. Such termination shall be effective as of the date of such notice and the Company shall have no further obligations under this Agreement, except to pay to the Executive (a) any Base Salary earned through the date of such termination, to the extent theretofore unpaid, (b) Total Disability benefits as described below, (c) a pro-rated Incentive Bonus Payment equal to the product of (i) the actual Incentive Bonus Payment for the year of termination multiplied by (ii) a fraction, the numerator of which is the number of completed days in the year of termination during which the Executive was employed by the Company and the denominator of which is 365, and provided that such amount will be paid in the normal course and shall only be paid if the Executive would have become entitled to such amount if he had not terminated his employment, and (d) such retirement and other benefits earned and vested (if applicable) by the Executive as of the date of his termination under any employee benefit plan of the Company in which the Executive participates, including without limitation all vested benefits due under the Restoration Plan and other retirement plans, all of the foregoing to be paid in the normal course for such payments and in accordance with the terms of such plans. In the event that the Executive incurs a Total Disability, the Executive shall be entitled to an annual disability benefit equal to 75% of his Base Salary, payable in accordance with the Company's normal payroll practices, provided that all payments under this provision shall be reduced dollar-for-dollar by Social Security disability benefits and any other long-term disability benefits the

Executive is entitled to under any other Company-sponsored or Company funded long-term disability plan or arrangements and shall cease as of the earliest of the Executive's cessation of Total Disability, death or attainment of his Normal Retirement Date.

5.3. Retirement. The Executive's voluntary termination of employment at or after attaining his Normal Retirement Date shall be treated as a retirement termination under this Agreement. Unless Section 5.7 is applicable, upon such termination, the Company shall have no further obligations under this Agreement, except to pay to the Executive (a) any Base Salary earned through the date of the Executive's retirement, to the extent theretofore unpaid, (b) a pro-rated Incentive Bonus Payment equal to the product of (i) the actual Incentive Bonus Payment for the year of termination multiplied by (ii) a fraction, the numerator of which is the number of completed days in the year of termination during which the Executive was employed by the Company and the denominator of which is 365, and provided that such amount will be paid in the normal course and shall only be paid if the Executive would have become entitled to such amount if he had not terminated his employment, and (c) such retirement, incentive and other benefits earned and vested (if applicable) by the Executive as of the date of his retirement under any employee benefit plan of the Company in which the Executive participates, including without limitation all vested benefits due under the Restoration Plan and other retirement plans, all of the foregoing to be paid in the normal course for such payments and in accordance with the terms of such plans.

5.4. Voluntary Termination. At any time during the Term, upon 30 days' written notice to the Company, the Executive may voluntarily terminate his employment with the Company. Unless Section 5.7 is applicable, upon such termination the Company shall have no further obligations under this Agreement except to pay to the Executive (a) any Base Salary earned to the date of the Executive's termination of employment, to the extent theretofore unpaid, and (b) such retirement and other benefits earned by the Executive and vested (if applicable) as of the date of his termination under the terms of any employee benefit plan of the Company in which the Executive participates, including without limitation all vested benefits due under the Restoration Plan and other retirement plans, all of the foregoing to be paid in the normal course for such payments and in accordance with the terms of such plans. In addition, at the discretion of the Board, the Company may pay to the Executive a pro-rated Incentive Bonus Payment equal to the product of (i) the actual Incentive Bonus Payment for the year of termination multiplied by (ii) a fraction, the numerator of which is the number of completed days in the year of termination during which the Executive was employed by the Company and the denominator of which is 365, and provided that such amount will be paid in the normal course and shall only be paid if the Executive would have become entitled to such amount if he had not terminated his employment; provided that Executive's receipt of such pro-rated Incentive Bonus Payment shall be contingent on the Executive's prior execution and non-revocation of a release of claims in favor of the Company and its affiliates in the form attached as Exhibit A (the "Release").

5.5. Termination For Cause. The Board may terminate the Executive's employment and the Company's obligations under this Agreement at any time for Cause by giving written notice to the Executive. The Company's required notice of termination shall specify the event or circumstances that constitute Cause. Executive's termination shall be effective as of the date of such notice. Upon termination of the Executive's employment for Cause, the obligations of the Company under this Agreement shall terminate, except for the obligation to pay to the Executive

(a) any Base Salary earned through the date of such termination, to the extent theretofore unpaid, and (b) such retirement and other benefits earned and vested (if applicable) by the Executive as of such termination under any employee benefit plan of the Company in which the Executive participates, all of the foregoing to be paid in the normal course for such payments and in accordance with the terms of such plans.

5.6. Involuntary Termination by the Company without Cause Prior to a Change in Control. The Company may terminate the Executive's employment without Cause at any time during the Term, upon thirty (30) days' written notice; provided that during such notice period, the Company, in its absolute discretion, may relieve the Executive of all his duties, responsibilities and authority with respect to the Company and restrict the Executive's access to Company property. For purposes of this Section 5.6, the Company's delivery of a Nonrenewal Notice to the Executive shall be treated as termination without Cause on the last day of the then current Term. If the Company so terminates the Executive's employment without Cause at any time other than the 12-month period following a Change in Control, the Company's obligations under this Agreement shall terminate except for the Company's obligation to pay to the Executive the following: (a) any Base Salary earned through the date of the Executive's termination of employment, to the extent theretofore unpaid, (b) a pro-rated Incentive Bonus Payment equal to the product of (i) the actual Incentive Bonus Payment for the year of termination multiplied by (ii) a fraction, the numerator of which is the number of completed days in the year of termination during which the Executive was employed by the Company and the denominator of which is 365, and provided that such amount will be paid in the normal course and shall only be paid if the Executive would have become entitled to such amount if he had not terminated his employment, (c) a lump-sum payment equal to the Executive's Base Salary, payable within 60 days following the Executive's termination of employment, provided, however that if the Executive is a "Specified Employee," as that term is defined in Section 409A of the Code, any payments under this clause, if so required, shall be made on the date that is six months and one day after the date of the Executive's termination hereunder and (d) such retirement and other benefits earned by the Executive and vested (if applicable) as of the date of his termination under the terms of any employee benefit plan of the Company in which the Executive participates, including without limitation all vested benefits due under the Restoration Plan and other retirement plans all of the foregoing to be paid in the normal course for such payments and in accordance with the terms of such plans. In no event shall the payment in clause (c) be included for purposes of the Restoration Plan. Notwithstanding anything herein to the contrary, the payments described in clauses (b) and (c) shall be contingent on the Executive's prior execution and non-revocation of the Release within 60 days following his termination date and shall be paid as specified above or such later date as may be required to comply with Section 409A of the Code.

5.7. Involuntary Termination by the Company or by the Executive for Good Reason Following a Change in Control. If the Company terminates the Executive's employment without Cause during the 12-month period following a Change in Control, or the Executive voluntarily terminates his employment for Good Reason during the 12-month period following a Change in Control, the Company's obligations under this Agreement shall terminate except for the Company's obligation to pay to the Executive the following: (a) any Base Salary earned through the date of the Executive's termination of employment, to the extent theretofore unpaid, (b) a lump-sum payment equal to three times the sum of the Executive's Base Salary and average Incentive Bonus Payment paid or payable to the Executive for the three completed years prior to the year of such termination, payable within 60 days following the Executive's termination of employment, provided, however, that if the Executive is a Specified Employee, such payment if so required, shall be made on the date that is six months and one day after the date of the Executive's termination hereunder, (c) such retirement and other benefits earned by the Executive and vested (if applicable) as of the date of his termination under the terms of any employee benefit plan of the Company in which the Executive participates, including without limitation all vested benefits due under the Restoration Plan and other retirement plans, all of the foregoing to be paid in the normal course for such payments and in accordance with the terms of such plans, and (d) all outstanding stock options and restricted stock held by the Executive shall become immediately vested and such stock options shall become exercisable and shall remain exercisable for a period of 30 days or such longer period as provided under the terms of such option. In no event shall the payment in clause (b) be included for purposes of the Restoration Plan. Notwithstanding anything herein to the contrary, the payment described in clause (b) and vesting described in clause (d) shall be contingent on the Executive's prior execution and non-revocation of the Release within 60 days following his termination date and shall be paid as specified above or such later date as may be required to comply with Section 409A of the Code.

5.8. Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise, nor shall any profits, income or earnings or other benefits from any source whatsoever create any mitigation, offset, reduction or any other obligation on the part of Executive hereunder.

5.9. Excise Taxes. If any payment or benefit, or the acceleration of any payment or benefit, the Executive would receive from the Company under this Agreement or otherwise in connection with a Change in Control (collectively, the "Payments") would be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then either (a) such Payments will be reduced or delayed by the minimum amount necessary such that no portion of the Payments is subject to the Excise Tax, or (b) the full amount of the Payments shall be made, whichever, after taking into account all applicable taxes, including the Excise Tax, results in the Executive's receipt, on an after-tax basis, of the greater amount. If a reduction or delay in the Payments is necessary, such reduction or delay will occur in the following order: (1) cancellation of accelerated vesting of stock and option awards (reduced from the highest value to the lowest value under Section 280G of the Code) with the understanding that such awards may be replaced with the right to an equivalent cash payment at such future time because of the delisting of the underlying stock; (2) reduction or delay of cash payments (reduced from the latest payment to the earliest payment); and (3) reduction of other benefits payable to the Executive (reduced from the highest value to the lowest value under Section 280G of the Code). The Company will select a reputable third party professional firm to make all determinations required to be made under this provision. The Company will bear all reasonable expenses with respect to the determinations by such firm required to be made hereunder. For the avoidance of doubt, neither the Company nor any of its affiliates shall have any obligation to indemnify, gross-up or otherwise pay or reimburse the Executive for any Excise Tax assessed on any payment or benefit made or provided, or required to be made or provided, to the Executive by the Company under this Agreement or otherwise.

5.10. Resignation. Upon the termination of the Executive's employment for whatever reason, the Executive shall be deemed to have automatically resigned without claims for compensation from any position he holds with the Company.

6. Confidential Information. Except as required in the performance of his duties to the Company under this Agreement, the Executive shall not, during or after the Term of this Agreement, use for himself or others, or disclose to others, any confidential information including without limitation, trade secrets, data, know-how, design, developmental or experimental work, Company relationships, computer programs, proprietary information bases and systems, data bases, customer lists, business plans, financial information of or about the Company or any of its affiliates, customers or clients, unless authorized in writing to do so by the Board or Crown's Chief Executive Officer, but excluding any information generally available to the public or information (except information related to the Company) which Executive possessed prior to his employment with the Company. The Executive understands that this undertaking applies to the information of either a technical or commercial or other nature and that any information not made available to the general public is to be considered confidential. The Executive acknowledges that such confidential information as is acquired and used by the Company or its affiliates is a special, valuable and unique asset. All records, files, materials and confidential information obtained by Executive in the course of his employment with the Company are confidential and proprietary and shall remain the exclusive property of the Company or its affiliates, as the case may be. Notwithstanding the foregoing, (i) nothing in this Section or Agreement shall prohibit the Executive from reporting possible violations of federal law or regulation to any governmental agency or entity or self-regulatory organization or making disclosures that are protected under the whistleblower provisions of applicable law or regulation (and the Executive shall not be required to obtain the written consent of the Company prior to making any such reports or disclosures); and (ii) in accordance with the Defend Trade Secrets Act of 2016, (A) the Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (I) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (II) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (B) if the Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Executive may disclose a trade secret to his attorney and use the trade secret information in the court proceeding, if the Executive files any document containing the trade secret under seal and does not disclose the trade secret except pursuant to court order.

7. Return of Documents and Property. Upon the termination of Executive's employment from the Company, or at any time upon the request of the Company, Executive (or his heirs or personal representative) shall deliver to the Company (a) all documents and materials containing confidential information relating to the business or affairs of the Company or any of its affiliates, customers or clients and (b) all other documents, materials and other property belonging to the Company or its affiliates, customers or clients that are in the possession or under the control of Executive.

8. Noncompetition. By and in consideration of the salary and benefits to be provided by the Company hereunder, including the severance arrangements set forth herein, and further in consideration of the Executive's exposure to the proprietary information of the Company, the Executive agrees, unless the Executive requests in writing to the Board, and is thereafter authorized in writing to do so by the Board, that (a) during his employment under this Agreement, and (b)(i) for the one year period following the termination of employment prior to a Change in Control or (ii) the two year period following the termination of employment following

a Change in Control, the Executive shall not directly or indirectly, own, manage, operate, join, control or participate in the ownership, management, operation or control of, or be employed or otherwise connected in any manner with, including without limitation as a consultant, any business which at any relevant time during said period directly or indirectly competes with the Company or any of its affiliates in any country in which the Company does business. Notwithstanding the foregoing, the Executive shall not be prohibited during the non-competition period described above from being a passive investor where he owns not more than five percent of the issued and outstanding capital stock of any publicly-held company. The Executive further agrees that during said period, the Executive shall not, directly or indirectly, solicit or induce, or attempt to solicit or induce, any employee of the Company to terminate employment with the Company or hire any employee of the Company.

9. Nondisparagement. The Executive shall not, whether in writing or orally, in any forum, malign, denigrate or disparage the Company, its affiliates or any of their respective predecessors or successors, or any of the current or former directors, officers, employees, shareholders, partners, members, agents or representatives of any of the foregoing, with respect to any of their respective past or present activities, or otherwise publish (whether in writing or orally) in any forum statements that tend to portray any of the aforementioned parties in an unfavorable light. Disclosure of information that the Executive is required to disclose pursuant to any applicable law, court order, subpoena, compulsory process of law or governmental decree shall not constitute a violation or breach of this Section; provided that the Executive delivers written notice of such required disclosure to the Company or its designee promptly before making such disclosure if such notice is not prohibited by applicable law, court order, subpoena, compulsory process of law or governmental decree.

10. Enforcement. The Executive acknowledges that (i) the Executive's work for the Company has given and will continue to give him access to the confidential affairs and proprietary information of the Company; (ii) the covenants and agreements of the Executive contained in Sections 6, 7, 8 and 9 are essential to the business and goodwill of the Company; and (iii) Crown would not have entered into this Agreement but for the covenants and agreements set forth in Sections 6, 7, 8 and 9. The Executive further acknowledges that in the event of his breach or threat of breach of Sections 6, 7, 8 or 9 of this Agreement, the Company, in addition to any other legal remedies which may be available to it, shall be entitled to appropriate injunctive relief and/or specific performance in order to enforce or prevent any violations of such provisions, and the Executive and the Company hereby confer jurisdiction to enforce such provisions upon the courts of any jurisdiction within the geographical scope of such provisions.

11. Notices. All notices and other communications provided for herein that one party intends to give to the other party shall be in writing and shall be considered given when mailed or couriered, return receipt requested, or personally delivered, either to the party or at the addresses set forth below (or to such other address as a party shall designate by notice hereunder):

If to the Company:

Crown Holdings, Inc.
770 Township Line Road
Yardley, PA 19067
Attention: Chief Executive Officer

If to the Executive, notice shall be sent to the Executive's address on file with the Company.

12. Amendments. This Agreement may be amended, modified or superseded only by a written instrument executed by both of the parties hereto.

13. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Company and the Executive and their respective heirs, executors, personal representatives, successors and permitted assigns.

14. Assignability. This Agreement shall not be assignable, in whole or in part, by either party, without the prior written consent of the other party, provided that (i) this Agreement shall be binding upon and shall be assigned by Crown to any person, firm or corporation with which Crown may be merged or consolidated or which may acquire all or substantially all of the assets of Crown, or its successor ("Crown's Successor"), (ii) Crown shall require Crown's Successor to expressly assume in writing all of Crown's obligations under this Agreement and (iii) Crown's Successor shall be deemed substituted for Crown for all purposes of this Agreement.

15. Arbitration. Except as provided in Section 10 of this Agreement, any controversy or claim arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration in Philadelphia, Pennsylvania in accordance with the rules of the American Arbitration Association, and judgment upon any award so rendered may be entered in any court having jurisdiction thereof. The determination of the arbitrator(s) shall be conclusive and binding on the Company and the Executive, and judgment may be entered on the arbitrator(s)' award in any court having jurisdiction.

16. Governing Law. Except to the extent such laws are superseded by Federal laws, this Agreement shall be governed by the laws of the Commonwealth of Pennsylvania without reference to principles of conflict of laws.

17. Entire Agreement. This Agreement contains the entire Agreement between the parties relative to its subject matter, superseding all prior agreements or understandings of the parties relating thereto. In the event of any conflict between this Agreement and the terms of any benefit plan or any other agreement, the terms of this Agreement will control.

18. Waiver. Any term or provision of this Agreement may be waived in writing at any time by the party entitled to the benefit thereof. The failure of either party at any time to require performance of any provision of this Agreement shall not affect such party's right at a later time to enforce such provision. No consent or waiver by either party to any default or to any breach of a condition or term in this Agreement shall be deemed or construed to be a consent or waiver to any other breach or default.

19. Withholding of Taxes. All payments made by the Company to the Executive under this Agreement shall be subject to the withholding of such amounts, if any, relating to tax, and other payroll deductions as the Company may reasonably determine it should withhold pursuant to any applicable law or regulation.

20. Survival. Anything contained in this Agreement to the contrary notwithstanding, the provisions of Sections 6, 7, 8, 9, 13, 14, 15, 16 and 17, (and the other provisions of this Agreement to the extent necessary to effectuate the survival of Sections 6, 7, 8, 9, 13, 14, 15, 16 and 17), shall survive termination of this Agreement and any termination of the Executive’s employment hereunder.

21. Invalidity of Portion of Agreement. If any provision of this Agreement or the application thereof to either party shall be invalid or unenforceable to any extent, the remainder of this Agreement shall not be affected thereby and shall be enforceable to the fullest extent of the law. If any clause or provision hereof is determined by any court of competent jurisdiction to be unenforceable because of its scope or duration, the parties expressly agree that such court shall have the power to reduce the duration and/or restrict the scope of such clause or provision to the extent necessary to permit enforcement of such clause or provision in reduced or restricted form.

22. Compliance with Code Section 409A. This Agreement is intended to comply with Code Section 409A (to the extent applicable) and the parties hereto agree to interpret, apply and administer this Agreement in the least restrictive manner necessary to comply therewith and without resulting in any increase in the amounts owed hereunder by the Company. If the Executive’s termination of employment hereunder does not constitute a "separation from service" within the meaning of Code Section 409A, then any amounts payable hereunder on account of a termination of the Executive’s employment and which are subject to Code Section 409A shall not be paid until the Executive has experienced a "separation from service" within the meaning of Code Section 409A. In addition, no reimbursement or in-kind benefit shall be subject to liquidation or exchange for another benefit and the amount available for reimbursement, or in-kind benefits provided, during any calendar year shall not affect the amount available for reimbursement, or in-kind benefits to be provided, in a subsequent calendar year. Any reimbursement to which the Executive is entitled hereunder shall be made no later than the last day of the calendar year following the calendar year in which such expenses were incurred. For purposes of the application of Code Section 409A, each payment in a series of payments will be deemed a separate payment.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first written above.

Crown Holdings, Inc.

/s/Timothy J. Donahue

President and Chief Executive Officer

Executive

/s/Matthew R. Madeksza

Exhibit A

GENERAL RELEASE

NOTICE

This is a very important document and you should thoroughly review and understand the terms and effect of this document before signing it. By signing this General Release you will be releasing the Company from all liability to you. Therefore, you should consult with an attorney before signing the General Release. You have 60 days to consider this document. If you have not returned a signed copy of the General Release by that time, we will assume that you have elected not to sign the General Release. If you choose to sign the General Release, you will have an additional 7 days following the date of your signature to revoke the General Release by providing written notice to the Company to be received during such 7-day revocation period and the General Release shall not become effective or enforceable until the revocation period has expired without revocation.

RELEASE

In consideration of pay and benefits provided to me by Crown Holdings, Inc. as set forth in my Employment Agreement, dated 25 October, 2022, and other good and valuable consideration to which I would not otherwise be entitled, I, Matthew R. Madeksza, on behalf of myself, my heirs, assigns, executors, agents and representatives, hereby release and discharge Crown Holdings, Inc. and its affiliates, parents, subsidiaries, successors, and predecessors, and all of their respective shareholders, employees, agents, officers and directors (hereinafter collectively referred to as the "Company") from any and all claims, demands, charges, complaints and/or causes of action, known or unknown, which I may have or could claim to have against the Company arising at any time up to and including the date of my signing of this General Release. This General Release includes, but is not limited to, all claims arising from or during my employment or as a result of the termination of my employment and all claims arising under federal, state or local laws prohibiting employment discrimination based upon age, race, sex, religion, disability, handicap, national origin or any other protected characteristic, including, but not limited to any and all claims arising under the Age Discrimination in Employment Act, as amended, Title VII of the Civil Rights Act, as amended, the Americans with Disabilities Act, and all similar state or local laws, and/or any claims arising out of any legal restrictions, expressed or implied, on the Company's right to control or terminate the employment of its employees. Notwithstanding the foregoing, this General Release does not apply to claims for (i) amounts payable to me under Section 5 of my Employment Agreement or (ii) payments due to me under any outstanding stock option, restricted stock or other equity award agreement between me and the Company.

I further agree that I will not file (or join, or accept any relief in) a lawsuit against the Company pleading or asserting any claims released in this General Release. If I breach this promise, and the action is found to be barred in whole or in part by this General Release, I agree to pay the attorneys' fees and costs, or the proportions thereof, incurred by the Company in defending against those claims that are found to be barred by this General Release. Nothing in this paragraph precludes me from challenging the validity of this General Release under the requirements of the Age Discrimination in Employment Act, and I shall not be responsible for reimbursing the attorneys' fees and costs of the Company in connection with such a challenge to the validity of the release. However, I acknowledge that this General Release applies to all claims I have under the Age Discrimination in Employment Act, and that, unless this General Release is held to be invalid, all of my claims under that Act shall be extinguished. I further acknowledge and agree that nothing in this General Release precludes or prevents me from filing a charge with the U.S. Equal Employment Opportunity Commission or other government agency. I agree that I will not seek or accept any relief obtained on my behalf by any government agency, private party, class, or otherwise with respect to any claims released in this General Release, provided that this General Release does not limit my right to receive an award for information provided to any government agency.

I further acknowledge and agree that nothing in this General Release, or the confidentiality and non-disparagement provisions of the employment agreement prohibit me or the Company or any person or entity from (i) reporting possible violation of federal law or regulation to any governmental agency or entity or self-regulatory organization or making disclosures that are protected under the whistleblower provisions of federal law or regulation, or (ii) supplying truthful information to any governmental authority or in response to any lawful subpoena or other legal process.

Further, nothing in this General Release shall preclude or prevent me from filing a charge with, providing information to, communicating with or cooperating with any governmental agency, including but not limited to the U.S. Equal Employment Opportunity Commission. I agree that I will not seek or accept any relief obtained on my behalf by any governmental agency, private party, class, or otherwise with respect to any claims released in this General Release provided that this General Release does not limit my right to receive an award for information provided to any governmental agency.

By signing below, I acknowledge that I have carefully read and fully understand the provisions of this General Release. I further acknowledge that I am signing this General Release knowingly and voluntarily and without duress, coercion or undue influence. This General Release constitutes the total and complete understanding between me and the Company relating to the subject matter covered by this General Release, and all other prior or contemporaneous written or oral agreements or representations, if any, relating to the subject matter covered by this General Release are null and void. Neither the Company nor its agents, representatives or attorneys have made any representations to me concerning the terms or effects of this General Release other than those contained herein. It is also expressly understood and agreed that the terms of this General Release may not be altered except in a writing signed by both me and the Company.

I agree and acknowledge that I have carefully read and understand this General Release, including the Section labeled "Notice" on the top of the first page; that I understand, in particular that I am agreeing to release all legal claims against the Company; that I sign this General Release knowingly and voluntarily; that I have been advised to consult with an attorney before signing it; and that this General Release shall not be subject to claims of fraud, duress and/or mistake.

INTENDING TO BE LEGALLY BOUND, I hereby set my hand below:

SIGNED BY:

________________________ ____________________
________________ Date

WITNESSED BY:

________________________ ____________________
Witness signature Date

Exhibit 22 - List of Guarantor Subsidiaries

The following subsidiaries of Crown Holdings, Inc. (the "Company") were, as of September 30, 2022, guarantors of the Company's $350 principal 7.375% senior notes due 2026 and $40 principal 7.5% senior notes due 2096:

NAME	**STATE OR COUNTRY OF INCORPORATION OR ORGANIZATION**
Crown Cork & Seal Company, Inc.	Pennsylvania

The following subsidiaries of the Company were, as of September 30, 2022, guarantors of the Company's $400 principal 4.25% senior notes due 2026, $875 principal 4.75% senior notes due 2026 and $500 principal 5.250% senior notes due 2030:

NAME	**STATE OR COUNTRY OF INCORPORATION OR ORGANIZATION**
Crown Cork & Seal Company, Inc.	Pennsylvania
CROWN Americas LLC	Pennsylvania
Crown Consultants, Inc.	Pennsylvania
Crown Americas Capital Corp.	Delaware
Crown Americas Capital Corp. IV	Delaware
Crown Americas Capital Corp. V	Delaware
Crown Americas Capital Corp. VI	Delaware
CROWN Beverage Packaging, LLC	Delaware
CROWN Beverage Packaging Puerto Rico, Inc.	Delaware
Crown Cork & Seal Company (DE), LLC	Delaware
CROWN Cork & Seal USA, Inc.	Delaware
Crown International Holdings, Inc.	Delaware
CROWN Packaging Technology, Inc.	Delaware
Foreign Manufacturers Finance Corporation	Delaware
Signode Industrial Group Holdings US Inc	Delaware
Signode Industrial Group LLC	Delaware
Signode Industrial Group US Inc	Delaware
Signode International IP Holdings LLC	Delaware
Signode Pickling Holding LLC	Delaware
Signode US IP Holdings LLC	Delaware
TopFrame LLC	Delaware
Package Design and Manufacturing, Inc.	Michigan
Simplimatic Engineering Holdings, LLC	Ohio
Simplimatic Automation LLC	Ohio
SE International Holdings	Ohio
SE International Holdings II	Ohio
SEH Real Estate Holdings LLC	Virginia

EXHIBIT 31.1

CERTIFICATION

I, Timothy J. Donahue, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Crown Holdings, Inc. ("the registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2022 /s/ Timothy J. Donahue

Timothy J. Donahue

Chairman, President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Kevin C. Clothier, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Crown Holdings, Inc. (“the registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

    c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 1, 2022 /s/ Kevin C. Clothier
Kevin C. Clothier
Chief Financial Officer

EXHIBIT 32

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Crown Holdings, Inc. (the “Company”) on Form 10-Q for the period ending September 30, 2022 (the “Report”), each of the undersigned officers certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial position and results of operations of the Company.

Date: November 1, 2022 /s/ Timothy J. Donahue
Timothy J. Donahue
Chairman, President and Chief Executive Officer

Date: November 1, 2022 /s/ Kevin C. Clothier
Kevin C. Clothier
Senior Vice President
and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission as an exhibit to this Quarterly Report on Form 10-Q and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.