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 June 30, 2021

☐ **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 131,367,768 shares of Common Stock outstanding as of July 22, 2021.

PART I – FINANCIAL INFORMATION

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net sales	$ 2,856	$ 2,137	$ 5,420	$ 4,443
Cost of products sold, excluding depreciation and amortization	2,244	1,704	4,226	3,536
Depreciation and amortization	111	102	223	210
Selling and administrative expense	147	120	290	262
Restructuring and other	(31)	3	(31)	9
Income from operations	385	208	712	426
Other pension and postretirement	(2)	12	(3)	43
Interest expense	68	73	137	151
Interest income	(1)	(1)	(3)	(5)
Foreign exchange	1	(4)	(1)	(17)
Income from continuing operations before taxes	319	128	582	254
Provision for income taxes	146	39	211	73
Equity earnings in affiliates	3	2	5	3
Net income from continuing operations	176	91	376	184
Net (loss) / income from discontinued operations	(3)	50	42	71
Net income	173	141	418	255
Net income from continuing operations attributable to noncontrolling interests	(45)	(15)	(78)	(41)
Net income from discontinued operations attributable to noncontrolling interests	—	—	(1)	—
Net income attributable to Crown Holdings	$ 128	$ 126	$ 339	$ 214
Net income from continuing operations attributable to Crown Holdings	$ 131	$ 76	$ 298	$ 143
Net (loss) / income from discontinued operations attributable to Crown Holdings	(3)	50	41	71
Net income attributable to Crown Holdings	$ 128	$ 126	$ 339	$ 214
Earnings per common share attributable to Crown Holdings:				
Basic earnings per common share from continuing operations	0.98	0.57	2.23	1.07
Basic earnings per common share from discontinued operations	(0.02)	0.38	0.31	0.53
Basic	$ 0.96	$ 0.95	$ 2.54	$ 1.60
Diluted earnings per common share from continuing operations	0.97	0.57	2.22	1.06
Diluted earnings per common share from discontinued operations	(0.02)	0.37	0.30	0.53
Diluted	$ 0.95	$ 0.94	$ 2.52	$ 1.59

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	**2020**	**2021**	**2020**
Net income	$ 173	$ 141	$ 418	$ 255
Other comprehensive income / (loss), net of tax:				
Foreign currency translation adjustments	44	22	9	(297)
Pension and other postretirement benefits	15	(20)	30	237
Derivatives qualifying as hedges	17	22	32	(12)
Total other comprehensive loss	76	24	71	(72)
Total comprehensive income	249	165	489	183
Net income attributable to noncontrolling interests	(45)	(15)	(79)	(41)
Translation adjustments attributable to noncontrolling interests	—	(2)	1	1
Derivatives qualifying as hedges attributable to noncontrolling interests	(1)	(1)	(2)	1
Comprehensive income attributable to Crown Holdings	$ 203	$ 147	$ 409	$ 144

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

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

	June 30, 2021	December 31, 2020
Assets		
Current assets		
Cash and cash equivalents	$ 566	$ 1,173
Receivables, net	1,766	1,479
Inventories	1,492	1,263
Prepaid expenses and other current assets	295	202
Current assets held for sale	2,986	786
Total current assets	7,105	4,903
Goodwill	3,119	3,146
Intangible assets, net	1,651	1,755
Property, plant and equipment, net	3,783	3,652
Operating lease right-of-use assets, net	179	171
Other non-current assets	858	885
Non-current assets held for sale	—	2,179
Total	$ 16,695	$ 16,691
Liabilities and equity		
Current liabilities		
Short-term debt	$ 76	$ 104
Current maturities of long-term debt	94	67
Current portion of operating lease liabilities	42	43
Accounts payable	2,236	2,142
Accrued liabilities	946	903
Current liabilities held for sale	1,120	1,024
Total current liabilities	4,514	4,283
Long-term debt, excluding current maturities	7,879	8,023
Non-current portion of operating lease liabilities	141	132
Postretirement and pension liabilities	661	680
Other non-current liabilities	776	766
Non-current liabilities held for sale	—	203
Commitments and contingent liabilities *(Note J)*		
Noncontrolling interests	462	406
Crown Holdings shareholders’ equity	2,262	2,198
Total equity	2,724	2,604
Total	$ 16,695	$ 16,691

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

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

	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Cash flows from operating activities		
Net income	$ 418	$ 255
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and amortization	239	239
Loss on classification as held for sale	70	—
Restructuring and other	(23)	10
Pension expense	25	69
Pension contributions	(11)	(11)
Stock-based compensation	17	15
Working capital changes and other	(566)	(815)
Net cash provided by / (used for) operating activities	169	(238)
Cash flows from investing activities		
Capital expenditures	(325)	(199)
Net investment hedge	13	15
Other	1	—
Net cash used for investing activities	(311)	(184)
Cash flows from financing activities		
Net change in revolving credit facility and short-term debt	(40)	183
Proceeds from long-term debt	35	111
Payments of long-term debt	(36)	(41)
Foreign exchange derivatives related to debt	(8)	11
Payments of finance leases	(1)	(1)
Contributions from noncontrolling interests	—	2
Dividends paid to noncontrolling interests	(24)	(12)
Dividends paid to shareholders	(53)	—
Common stock issued	1	1
Common stock repurchased	(297)	(58)
Net cash (used for) / provided by financing activities	(423)	196
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(9)	(10)
Net change in cash, cash equivalents and restricted cash	(574)	(236)
Cash, cash equivalents and restricted cash at January 1	1,238	663
Cash, cash equivalents and restricted cash at June 30	$ 664	$ 427

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 paid to shareholders			(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 paid to shareholders			(26)			(26)		(26)
Dividends paid to noncontrolling interests						—	(15)	(15)
Restricted stock awarded		(1)			1	—		—
Stock-based compensation		6				6		6
Common stock issued						—		—
Common stock repurchased		(284)			(14)	(298)		(298)
Balance at June 30, 2021	$ 929	$ (100)	$ 4,824	$ (3,123)	$ (268)	$ 2,262	$ 462	$ 2,724

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (continued)
(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, 2020	$ 929	$ 207	$ 3,959	$ (3,131)	$ (251)	$ 1,713	$ 379	$ 2,092
Net income			88			88	26	114
Other comprehensive loss				(91)		(91)	(5)	(96)
Dividends paid to noncontrolling interests						—	(11)	(11)
Restricted stock awarded		(1)			1	—		—
Stock-based compensation		10				10		10
Common stock issued		1				1		1
Common stock repurchased		(52)			(5)	(57)		(57)
Balance at March 31, 2020	$ 929	$ 165	$ 4,047	$ (3,222)	$ (255)	$ 1,664	$ 389	$ 2,053
Net income			126			126	15	141
Other comprehensive income				21		21	3	24
Dividends paid to noncontrolling interests						—	(1)	(1)
Restricted stock awarded		(1)			1	—		—
Stock-based compensation		5				5		5
Common stock issued						—		—
Common stock repurchased					(1)	(1)		(1)
Balance at June 30, 2020	$ 929	$ 169	$ 4,173	$ (3,201)	$ (255)	$ 1,815	$ 406	$ 2,221

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

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

A. Statement of Information Furnished

The 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 June 30, 2021 and the results of its operations for the three and six months ended June 30, 2021 and 2020 and of its cash flows for the six months ended June 30, 2021 and 2020. 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, 2020.

B. Accounting and Reporting Developments

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

C. Discontinued Operations

On April 8, 2021, the Company entered into a Share and Asset Purchase Agreement which provides for the sale (the “Transaction”) of its European Tinplate business (the “Business”) to Kouti B.V., an affiliate of KPS Capital Partners LP. The Business comprises the Company’s European Food segment and its European Aerosol and Promotional Packaging reporting unit which is reported in the Company's other segments. The Company expects to receive pre-tax proceeds of approximately €1.9 billion ($2.2 billion at June 30, 2021) from the Transaction and retain a 20% minority interest in the Business.

The completion of the Transaction is subject to the fulfillment of various conditions, including, among others, receipt of approvals from antitrust regulators in certain jurisdictions. Completion of the Transaction is expected to occur during the third quarter of 2021. However, given the number of jurisdictions in which antitrust approval is required, there is no assurance that the Transaction can be completed on that timeframe.

Beginning with the quarterly period ended June 30, 2021, the assets and liabilities of the Business were presented as held for sale in the Company's Consolidated Balance Sheet and the results of operations were reported as discontinued operations in the Consolidated Statement of Operations. Upon reclassification of the assets and liabilities of the Business to held for sale, the Company recorded a loss of $70, primarily due to $600 of currency translation adjustments which will be reclassified from accumulated other comprehensive income upon completion of the sale. In connection with the closing of the Transaction, the Company expects to record additional charges including income tax expense related to taxable gains on the sale of the Business and pension settlement charges.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net sales	$ 605	$ 552	$ 1,119	$ 1,003
Cost of products sold, excluding depreciation and amortization	490	451	908	839
Depreciation and amortization	—	15	16	29
Selling and administrative expense	22	19	43	39
Restructuring and other	—	—	—	1
Other pension and postretirement	1	1	1	1
Interest expense	2	3	4	5
Foreign exchange	(1)	(1)	(1)	—
Loss on classification as held for sale	70	—	70	—
Transaction costs	6	—	8	—
Income from discontinued operations before tax	15	64	70	89
Provision for income taxes	18	14	28	18
Net (loss) / income from discontinued operations	$ (3)	$ 50	$ 42	$ 71

Major classes of assets and liabilities of the Business classified as held for sale were as follows.

	June 30, 2021	December 31, 2020
Receivables, net	$ 368	$ 324
Inventories	505	410
Prepaid expenses and other current assets	39	29
Goodwill	1,409	1,448
Intangible assets, net	117	126
Property, plant and equipment, net	545	545
Operating lease right-of-use assets, net	38	43
Other non-current assets	3	17
Loss on classification as held for sale	(70)	$ —
Total assets held for sale	$ 2,954	$ 2,942
Short-term debt	$ 1	$ 17
Current portion of operating lease liabilities	11	12
Accounts payable	673	723
Accrued liabilities	253	272
Postretirement and pension liabilities	76	82
Non-current portion of operating lease liabilities	27	32
Other non-current liabilities	79	89
Total liabilities held for sale	$ 1,120	$ 1,227

The table above excludes assets held for sale unrelated to the Business that are not material for disclosure.

The capital expenditures of the Business were as follows:

	June 30, 2021	June 30, 2020
Capital expenditures	$ 20	$ 8

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:

	June 30, 2021	December 31, 2020
Cash and cash equivalents	$ 566	$ 1,173
Restricted cash included in prepaid expenses and other current assets	96	64
Restricted cash included in other non-current assets	2	1
Total restricted cash	98	65
Total cash, cash equivalents and restricted cash	$ 664	$ 1,238

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

E. Receivables

	June 30, 2021	December 31, 2020
Accounts receivable	$ 1,310	$ 1,084
Less: allowance for credit losses	(26)	(20)
Net trade receivables	1,284	1,064
Unbilled receivables	284	248
Miscellaneous receivables	198	167
Receivables, net	$ 1,766	$ 1,479

F. Inventories

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

	June 30, 2021	December 31, 2020
Raw materials and supplies	$ 877	$ 800
Work in process	108	89
Finished goods	507	374
	$ 1,492	$ 1,263

G. Intangible Assets

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

	June 30, 2021			December 31, 2020		
	Gross	Accumulated amortization	Net	Gross	Accumulated amortization	Net
Customer relationships	$ 1,397	$ (397)	$ 1,000	$ 1,412	$ (346)	$ 1,066
Trade names	556	(76)	480	565	(65)	500
Technology	163	(78)	85	165	(67)	98
Long term supply contracts	142	(59)	83	142	(55)	87
Patents	14	(11)	3	13	(10)	3
	$ 2,272	$ (621)	$ 1,651	$ 2,297	$ (543)	$ 1,754

Net income from continuing operations for the three and six months ended June 30, 2021 and 2020 included amortization expense of $41 and $83 and $39 and $80.

H. Restructuring and Other

The Company recorded restructuring and other items as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Restructuring	$ 6	$ 3	$ 14	$ 6
Other (income) / costs	(36)	—	(44)	3
Asset impairments and sales	(1)	—	(1)	—
	$ (31)	$ 3	$ (31)	$ 9

For the three and six months ended June 30, 2021, other income includes 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.

For the three and six months ended June 30, 2020, restructuring included charges related to internal reorganizations within the Transit Packaging division, including headcount reductions.

At June 30, 2021, the Company had restructuring accruals of $9, primarily related to headcount reductions in its European and Transit Packaging divisions. 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.

In recent years, 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 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 six months ended June 30, 2021, the Company paid $5 to settle asbestos claims and pay related legal and defense costs and had claims activity as follows:

Beginning claims	56,000
New claims	800
Settlements or dismissals	(200)
Ending claims	56,600

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, 2020, the Company's outstanding claims were:

Claimants alleging first exposure after 1964	16,500
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	19,000
Total claims outstanding	56,000

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:

	2020	2019
Total claims	23 %	22 %
Pre-1964 claims in states without asbestos legislation	41 %	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 June 30, 2021.

As of June 30, 2021, the Company’s accrual for pending and future asbestos-related claims and related legal costs was $245, including $199 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 81% of the claims outstanding at the end of 2020), 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 U.S. Environmental Protection Agency or a comparable state environmental agency as a Potentially Responsible Party (“PRP”) at a number of sites and has recorded aggregate accruals of $10 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 $6 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 United Kingdom.

The Commission's investigation is ongoing and, to date, the Commission has not officially charged the Company or any of its subsidiaries with violations of competition law. The Company is cooperating with the Commission and submitted a leniency application with the Commission with respect to the findings of the investigation in Germany referenced above. This application may lead to the reduction of possible future penalties. At this stage of the investigation the Company believes that a loss is probable but is unable to predict the ultimate outcome of the Commission’s investigation and is unable to estimate the loss or possible range of losses that could be incurred, and has therefore not recorded a charge in connection with the actions by the Commission. If the Commission finds that the Company or any of its subsidiaries violated competition law, fines levied by the Commission could be material to the Company's operating results and cash flows for the periods in which they are resolved or become reasonably estimable.

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 and subsequently mitigated to $6. The Company has acknowledged to CBP that the goods were misclassified and has paid all related duties. The Company has asserted that the misclassification was unintentional and disputes the penalty assessment. At the present time, based on the information available, the Company does not believe that a loss for the alleged intentional misclassification is probable. There can be no assurance the Company will be successful in contesting the assessed penalty.

The Company and its subsidiaries are also subject to various other lawsuits and claims with respect to governmental, 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 course of business. The Company’s basic raw materials for its products are steel and aluminum, 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 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 June 30, 2021, 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 hedge no longer qualifies for hedge accounting, 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.

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 June 30, 2021 mature between one and twenty-three months.

When the Company discontinues hedge accounting because it is no longer probable that an anticipated transaction will occur in the originally specified period, changes to the fair value accumulated in other comprehensive income are recognized immediately in earnings.

The Company uses commodity forward contracts to hedge anticipated purchases of various commodities, including aluminum, fuel oil and natural gas, 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. Foreign currency risk is generally hedged with the related commodity price risk.

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

The following tables set forth financial information about the impact on other comprehensive income ("OCI"), accumulated other comprehensive income ("AOCI") and earnings from changes in the fair value of derivative instruments.

	Amount of gain/(loss) recognized in OCI		Amount of gain/(loss) recognized in OCI	
	Three Months Ended June 30,		Six Months Ended June 30,	
Derivatives in cash flow hedges	2021	2020	2021	2020
Foreign exchange	$ —	$ 2	$ (1)	$ 3
Interest Rate	1	—	2	(1)
Commodities	30	2	55	(37)
	$ 31	$ 4	$ 56	$ (35)

	Amount of gain/(loss) reclassified from AOCI into income		Amount of gain/(loss) reclassified from AOCI into income		
	Three Months Ended June 30,		Six Months Ended June 30,		
Derivatives in cash flow hedges	2021	2020	2021	2020	Affected line items in the Statement of Operations
Foreign exchange	$ —	$ (1)	$ 1	$ (2)	Net sales
Commodities	16	7	20	10	Net sales
Foreign exchange	—	1	—	—	Cost of products sold
Commodities	(36)	(29)	(55)	(40)	Cost of products sold
	(20)	(22)	(34)	(32)	Income from continuing operations before taxes
	5	7	9	9	Provision for income taxes
	(15)	(15)	(25)	(23)	Net income from continuing operations
Foreign exchange	1	(1)	—	(1)	Net (loss) / income from discontinued operations
Commodities	(1)	(1)	(1)	—	Net (loss) / income from discontinued operations
Total reclassified	$ (15)	$ (17)	$ (26)	$ (24)	Net income

For the twelve-month period ending June 30, 2022, a net gain of $63 ($51, net of tax) is expected to be reclassified to earnings for commodity and foreign exchange contracts. No material amounts were reclassified during the six months ended June 30, 2021 and 2020 in connection with anticipated transactions that were no longer considered probable.

Fair Value Hedges and Contracts Not Designated as Hedges

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

For the three and six months ended June 30, 2021, the Company recorded losses of $13 and $6 from foreign exchange contracts designated as fair value hedges. For both the three and six months ended June 30, 2020, the Company recorded a loss of $2 related to these contracts. 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 June 30,		Six Months Ended June 30,		
Derivatives not designated as hedges	2021	2020	2021	2020	Affected line item in the Statement of Operations
Foreign exchange	$ —	$ 1	$ (1)	$ —	Net sales
Foreign exchange	(1)	—	—	—	Cost of products sold
Foreign exchange	2	—	(11)	6	Foreign exchange
Foreign exchange	—	—	—	1	Net (loss) / income from discontinued operations
	$ 1	$ 1	$ (12)	$ 7	

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 six months ended June 30, 2021, the Company recorded a loss of $13 ($13, net of tax) and a gain of $41 ($41, 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 six months ended June 30, 2020, the Company recorded a loss of $26 ($26, net of tax) and a loss of less than $1 ($1, net of tax) in other comprehensive income for these net investment hedges. As of June 30, 2021 and December 31, 2020, cumulative gains of $8 ($31, net of tax) and losses of $33 ($10, 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 €1,138 ($1,348) at June 30, 2021.

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 June 30,		Six months ended June 30,	
Derivatives designated as net investment hedges	2021	2020	2021	2020
Foreign exchange	$ 4	$ (22)	$ 26	$ 39

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 June 30, 2021 and December 31, 2020, respectively. The fair values of these financial instruments were reported under Level 2 of the fair value hierarchy.

	Balance Sheet classification	June 30, 2021	December 31, 2020	Balance Sheet classification	June 30, 2021	December 31, 2020
Derivatives designated as hedging instruments						
Foreign exchange contracts cash flow	Other current assets	$ 9	$ 5	Accrued liabilities	$ 9	$ 5
	Current assets held for sale	3	4	Current liabilities held for sale	2	3
	Other non-current assets	—	—	Other non-current liabilities	1	1
Foreign exchange contracts fair value	Other current assets	1	2	Accrued liabilities	8	6
Commodities contracts cash flow	Other current assets	78	43	Accrued liabilities	23	11
	Current assets held for sale	7	2	Current liabilities held for sale	—	—
	Other non-current assets	8	4	Other non-current liabilities	—	—
Interest rate contracts cash flow	Other non-current assets	—	—	Other non-current liabilities	—	2
Net investment hedge	Other non-current assets	33	7	Other non-current liabilities	13	20
		$ 139	$ 67		$ 56	$ 48
Derivatives not designated as hedging instruments						
Foreign exchange contracts	Other current assets	$ 5	$ 9	Accrued liabilities	$ 8	$ 4
		$ 5	$ 9		$ 8	$ 4
Total derivatives		$ 144	$ 76		$ 64	$ 52

Fair Value Hedge Carrying Amounts

	Carrying amount of the hedged assets / liabilities	
Line item in the Balance Sheet in which the hedged item is included	June 30, 2021	December 31, 2020
Cash and cash equivalents	$ 24	$ 22
Receivables, net	13	11
Accounts payable	132	100

As of June 30, 2021 and December 31, 2020, the cumulative amount of fair value hedging adjustments included in the carrying amount of the hedge assets and liabilities were net gains of $7 and $4.

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 June 30, 2021			
Derivative assets	$144	$25	$119
Derivative liabilities	64	25	39
Balance at December 31, 2020			
Derivative assets	76	11	65
Derivative liabilities	52	11	41

Notional Values of Outstanding Derivative Instruments

The aggregate U.S. dollar-equivalent notional values of outstanding derivative instruments in the Consolidated Balance Sheets at June 30, 2021 and December 31, 2020 were:

	June 30, 2021	December 31, 2020
Derivatives designated as cash flow hedges:		
Foreign exchange	$ 850	$ 1,127
Commodities	204	248
Interest rate	—	200
Derivatives designated as fair value hedges:		
Foreign exchange	253	183
Derivatives designated as net investment hedges:		
Foreign exchange	1,775	1,075
Derivatives not designated as hedges:		
Foreign exchange	1,028	722

L. Debt

The Company's outstanding debt was as follows:

	June 30, 2021		December 31, 2020	
	Principal outstanding	Carrying amount	Principal outstanding	Carrying amount
Short-term debt	$ 76	$ 76	$ 104	$ 104
Long-term debt				
Senior secured borrowings:				
Revolving credit facilities	4	4	—	—
Term loan facilities				
U.S. dollar at LIBOR + 1.2% due 2024	1,016	1,011	1,029	1,023
Euro at EURIBOR + 1.2% due 2024[1]	368	368	387	387
Senior notes and debentures:				
€650 at 4.0% due 2022	770	768	794	791
U. S. dollar at 4.50% due 2023	1,000	998	1,000	997
€335at 2.25% due 2023	397	395	409	407
€550 at 0.75% due 2023	652	649	671	666
€600 at 2.625% due 2024	711	707	733	729
€600 at 3.375% due 2025	711	707	733	728
U.S. dollar at 4.25% due 2026	400	396	400	396
U.S. dollar at 4.75% due 2026	875	866	875	865
U.S. dollar at 7.375% due 2026	350	348	350	348
€500 at 2.875% due 2026	593	587	610	603
U.S. dollar at 7.50% due 2096	40	40	40	40
Other indebtedness in various currencies	129	129	110	110
Total long-term debt	8,016	7,973	8,141	8,090
Less current maturities	(94)	(94)	(67)	(67)
Total long-term debt, less current maturities	$ 7,922	$ 7,879	$ 8,074	$ 8,023

(1) €311 and €317 at June 30, 2021 and December 31, 2020

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 $8,417 at June 30, 2021 and $8,617 at December 31, 2020.

M. Pension and Other Postretirement Benefits

The components of net periodic pension and other postretirement benefits costs for the three and six months ended June 30, 2021 and 2020 were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
Pension benefits – U.S. plans	2021	2020	2021	2020
Service cost	$ 6	$ 5	$ 11	$ 10
Interest cost	6	9	12	19
Expected return on plan assets	(16)	(19)	(31)	(37)
Recognized net loss	15	14	30	28
Net periodic cost	$ 11	$ 9	$ 22	$ 20

Pension benefits – Non-U.S. plans	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Service cost	$ 4	$ 3	$ 7	$ 6
Interest cost	9	12	18	26
Expected return on plan assets	(21)	(22)	(41)	(53)
Settlement loss	—	19	—	56
Recognized net loss	10	4	19	13
Net periodic cost	$ 2	$ 16	$ 3	$ 48

Other postretirement benefits	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Interest cost	$ —	$ 1	$ 1	$ 2
Recognized prior service credit	(6)	(7)	(13)	(13)
Recognized net loss	1	1	2	2
Net periodic benefit	$ (5)	$ (5)	$ (10)	$ (9)

In the three and six months ended June 30, 2020, the Company recorded settlement charges related to the payment of lump sum buy-outs to settle certain non-U.S. pension obligations using plan assets.

The Company is currently in negotiations to transfer the outstanding benefit obligations related to one of its non-U.S. pension plans to an insurance company. If an agreement is reached, the Company will record a material settlement charge. As of December 31, 2020, the plan had a funded status of $510 and net actuarial losses in accumulated other comprehensive income of $750.

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 June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020	Affected line items in the statement of operations
Actuarial losses	$ 26	$ 19	$ 51	$ 43	Other pension and postretirement
Settlements	—	19	—	56	Other pension and postretirement
Prior service credit	(6)	(7)	(13)	(13)	Other pension and postretirement
	20	31	38	86	Income from continuing operations before taxes
	(5)	(3)	(8)	(7)	Provision for income taxes
Total reclassified	$ 15	$ 28	$ 30	$ 79	Net income from continuing operations attributable to Crown Holdings

N. 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, 2020	$ (1,449)	$ (1,668)	$ (14)	$ (3,131)
Other comprehensive income / (loss) before reclassifications	158	(296)	(35)	(173)
Amounts reclassified from accumulated other comprehensive income	79	—	24	103
Other comprehensive income / (loss)	237	(296)	(11)	(70)
Balance at June 30, 2020	$ (1,212)	$ (1,964)	$ (25)	$ (3,201)
Balance at January 1, 2021	$ (1,464)	$ (1,759)	$ 30	$ (3,193)
Other comprehensive income before reclassifications	—	10	56	66
Amounts reclassified from accumulated other comprehensive income	30	—	(26)	4
Other comprehensive income	30	10	30	70
Balance at June 30, 2021	$ (1,434)	$ (1,749)	$ 60	$ (3,123)

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

O. Revenue

For the three and six months ended June 30, 2021 and 2020, the Company recognized revenue as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Revenue recognized over time	$ 1,531	$ 1,192	$ 2,921	$ 2,457
Revenue recognized at a point in time	1,325	945	2,499	1,986
Total revenue	$ 2,856	$ 2,137	$ 5,420	$ 4,443

See Note R 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

The Company recorded contract assets of $23 and $20 in prepaid and other current assets as of June 30, 2021 and December 31, 2020. For the three and six months, the Company satisfied performance obligations related to contract assets at December 31, 2020 related to customized work-in-process inventory for the Company's equipment business and also recorded new contract assets related to this business.

P. Income Tax

For the three and six months ended June 30, 2021, the Company recorded income tax charges of $31 in continuing operations for reorganizations and other transactions required to prepare the European Tinplate business for sale. The Company also recorded 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.

During the three and six months ended June 30, 2021, the Company also recorded an income tax benefit of $5 related to a tax law change in the U.K.

Q. Earnings Per Share

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net income from continuing operations attributable to Crown Holdings	$ 131	$ 76	$ 298	$ 143
Net (loss) / income from discontinued operations attributable to Crown Holdings	(3)	50	41	71
Net income attributable to Crown Holdings	$ 128	$ 126	$ 339	$ 214
Weighted average shares outstanding:				
Basic	133.1	133.3	133.4	133.7
Dilutive restricted stock	1.1	0.7	1.0	0.8
Diluted	134.2	134.0	134.4	134.5
Earnings per common share attributable to Crown Holdings:				
Basic earnings per common share from continuing operations	$ 0.98	$ 0.57	$ 2.23	$ 1.07
Basic earnings per common share from discontinued operations	(0.02)	0.38	0.31	0.53
Basic earnings per share	$ 0.96	$ 0.95	$ 2.54	$ 1.60
Diluted earnings per common share from continuing operations	$ 0.97	$ 0.57	$ 2.22	$ 1.06
Diluted earnings per common share from discontinued operations	(0.02)	0.37	0.30	0.53
Diluted earnings per share	$ 0.95	$ 0.94	$ 2.52	$ 1.59

For the three and six months ended June 31, 2020, 0.3 million and 0.7 million contingently issuable common shares were excluded from the computation of diluted earnings per share because the effect would be anti-dilutive.

For the three and six months ended June 30, 2021, the Company declared and paid cash dividends of $.20 per share and $.40 per share. Additionally, on July 22, 2021, the Company's Board of Directors declared a dividend of $.20 per share payable on August 19, 2021 to shareholders of record on August 5, 2021.

R. 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, provisions for asbestos and restructuring and other, and the impact of fair value adjustments to inventory acquired in an acquisition.

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 June 30,		External Sales Six Months Ended June 30,	
	2021	2020	2021	2020
Americas Beverage	$ 1,096	$ 777	$ 2,089	$ 1,648
European Beverage	479	330	868	676
Asia Pacific	330	270	661	571
Transit Packaging	637	462	1,194	984
Total reportable segments	2,542	1,839	4,812	3,879
Other segments	314	298	608	564
Total	$ 2,856	$ 2,137	$ 5,420	$ 4,443

The primary sources of revenue included in other segments 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 June 30,		Intersegment Sales Six Months Ended June 30,	
	2021	2020	2021	2020
European Beverage	$ 36	$ 1	$ 72	$ 1
Transit Packaging	6	3	13	7
Total reportable segments	42	4	85	8
Other segments	30	36	60	54
Total	$ 72	$ 40	$ 145	$ 62

Intersegment sales primarily include sales of ends and components used to manufacture cans, such as printed and coated metal, as well as parts and equipment used in the manufacturing process.

	Segment Income Three Months Ended June 30,		Segment Income Six Months Ended June 30,	
	2021	2020	2021	2020
Americas Beverage	$ 197	$ 129	$ 385	$ 263
European Beverage	78	37	140	76
Asia Pacific	47	39	99	84
Transit Packaging	82	51	152	117
Total reportable segments	$ 404	$ 256	$ 776	$ 540

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Segment income of reportable segments	$ 404	$ 256	$ 776	$ 540
Segment income of other segments	36	29	72	49
Corporate and unallocated items	(45)	(35)	(84)	(74)
Restructuring and other	31	(3)	31	(9)
Amortization of intangibles	(41)	(39)	(83)	(80)
Other pension and postretirement	2	(12)	3	(43)
Interest expense	(68)	(73)	(137)	(151)
Interest income	1	1	3	5
Foreign exchange	(1)	4	1	17
Income from continuing operations before taxes	$ 319	$ 128	$ 582	$ 254

For the three and six months ended June 30, 2021, intercompany profits of $2 and $4 were eliminated within segment income of other segments.

For the three and six months ended June 30, 2020, intercompany profits of $5 were eliminated within segment income of other segments.

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 six months ended June 30, 2021 compared to 2020 and changes in financial condition and liquidity from December 31, 2020. 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, 2020, 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 grow its businesses in targeted growth markets, while improving operations and results in more mature markets through disciplined pricing, cost control and careful capital allocation.

The Company's global beverage can business continues to be a major strategic focus for organic growth. 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, although volumes in certain of those markets were negatively affected by the impact of the coronavirus pandemic in 2020. The Company continues to invest in capacity expansion to meet the accelerating demand.

The Company's primary capital allocation focus has been to reduce leverage, as was successfully accomplished following previous acquisitions, and to begin to return capital to its shareholders. In April 2021, the Company announced an agreement to sell its European Tinplate business (the "Business"). The Business comprises the Company’s European Food segment and its European Aerosol and Promotional Packaging reporting unit which is reported in the Company's other segments. The Company expects to receive pre-tax proceeds of approximately €1.9 billion ($2.2 billion at June 30, 2021) from the transaction and retain a 20% ownership stake in the business. The Company expects to use the net proceeds, after closing working capital adjustments, taxes and other transaction related costs, to further reduce debt, fund capital projects and repurchase shares over time under the $1.5 billion share repurchase program approved by its Board in February 2021.

In response to the ongoing coronavirus pandemic, the Company continues to take actions to ensure the safety of its employees. The Company has increased safety measures in its manufacturing facilities to protect the safety of its employees and the products they produce.

The Company’s products are a vital part of the support system to its customers and consumers. In addition to manufacturing containers that provide protection for food and beverages, the Company also produces closures for baby food, aerosol containers for cleaning and sanitizing products and numerous other products that provide for the safe and secure transportation of goods in transit.

The Company is working to keep its manufacturing facilities around the world operational and equipped with the resources required to meet continually evolving customer demand by delivering high quality products in a safe and timely manner. The Company is actively monitoring and managing supply chain challenges, including coordinating with its suppliers to identify and mitigate potential areas of risk and manage inventories.

The Company continues to actively elevate its industry-leading commitment to sustainability, which is a core value of the Company. In 2020, the Company debuted Twentyby30, a robust program that outlines twenty measurable environmental, social and governance goals to be completed by 2030 or sooner.

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

Results of Operations

In assessing performance, the key performance measure used by the Company is segment income, a non-GAAP measure generally defined by the Company as income from operations adjusted to exclude intangibles amortization charges, provisions for asbestos and 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 and Transit Packaging segments and the Canadian dollar and Mexican peso in the Company's Americas Beverage segment. The Company calculates the impact of foreign currency translation by multiplying or dividing, as appropriate, current year U.S. dollar results by the current year average foreign exchange rates and then multiplying or dividing, as appropriate, those amounts by the applicable prior year average exchange rates.

Net Sales and Segment Income

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net sales	$ 2,856	$ 2,137	$ 5,420	$ 4,443

Three months ended June 30, 2021 compared to 2020

Net sales increased primarily due to higher sales unit volumes in the Company's beverage can and transit packaging businesses, the pass through of higher material costs and $125 from the impact of foreign currency translation.

Six months ended June 30, 2021 compared to 2020

Net sales increased primarily due to higher sales unit volumes, the pass through of higher material costs and $177 from the impact of 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 on a new beverage can line at its Toronto, Ontario plant in January 2020 and on the third line at its Nichols, NY facility in June 2020. During the second quarter of 2021, the first line in the new Bowling Green, Kentucky facility began commercial shipments and a second line is scheduled for a late third quarter 2021 start-up. To meet the expanding requirements of specialty cans in the Pacific Northwest, the Company will construct a third line in its Olympia, Washington plant which is scheduled to begin production during the fourth quarter of 2021. The Company also announced construction of a new facility in Martinsville, Virginia which is expected to commence operations during the second quarter of 2022 and a new facility in the South West which is expected to commence commercial shipments in late second quarter of 2023.

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. A second line at the Company's Rio Verde, Brazil facility is expected to commence operations during the fourth quarter of 2021. The Company has also begun construction of a two-line facility in Uberaba, Brazil, with the first line expected to begin production during the second quarter of 2022 and the second line scheduled to start up during the fourth quarter of 2022.

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net sales	$ 1,096	$ 777	$ 2,089	$ 1,648
Segment income	197	129	385	263

Three months ended June 30, 2021 compared to 2020

Net sales increased primarily due to 21% higher sales unit volumes, the pass-through of higher aluminum costs and $47 from the impact of foreign currency translation. Sales unit volumes for the three months ended June 30, 2020 were unfavorably impacted by the coronavirus pandemic in Brazil and Mexico.

Segment income increased primarily due to higher sales unit volumes and $8 from the impact of foreign currency translation.

Six months ended June 30, 2021 compared to 2020

Net sales increased primarily due to 14% higher sales unit volumes, the pass-through of higher aluminum costs and $51 from the impact of foreign currency translation.

Segment income increased primarily due to higher sales unit volumes and improved pricing.

European Beverage

The Company's European Beverage segment manufactures steel and 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 Western European beverage can markets have been growing. In the second quarter of 2020, two beverage can lines in the Seville, Spain plant began commercial production of aluminum cans.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net sales	$ 479	$ 330	$ 868	$ 676
Segment income	78	37	140	76

Three months ended June 30, 2021 compared to 2020

Net sales increased primarily due to 25% higher sales unit volumes, $33 from the impact of foreign currency translation and the pass-through of higher aluminum costs.

Segment income increased primarily due to higher sales unit volumes and $5 from the impact of foreign currency translation.

Six months ended June 30, 2021 compared to 2020

Net sales increased primarily due to 16% higher sales unit volumes, $54 from the impact of foreign currency translation and the pass-through of higher aluminum costs.

Segment income increased primarily due to higher sales unit volumes and $7 from the impact of foreign currency translation.

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

Asia Pacific

The Company's Asia Pacific segment consists of beverage can operations in Cambodia, China, Indonesia, Malaysia, Myanmar, Singapore, Thailand and Vietnam and non-beverage can operations, primarily food cans and specialty packaging. In recent years, the beverage can market in Southeast Asia has been growing. In 2020, however, industry volumes decreased due to the impact of the coronavirus pandemic. The Company began commercial production at a one-line beverage can plant in Nong Khae, Thailand in July 2020. Additionally, the Company has begun construction of a one-line beverage can plant in Vung Tau, Vietnam, that is expected to begin commercial production in September 2021.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net sales	$ 330	$ 270	$ 661	$ 571
Segment income	47	39	99	84

Three months ended June 30, 2021 compared to 2020

Net sales increased due to 17% higher sales unit volumes, the pass-through of higher aluminum costs and $7 from the impact of foreign currency translation. Sales unit volumes for the three months ended June 30, 2020 were unfavorably impacted by the impact of the coronavirus pandemic.

Segment income increased primarily due to higher sales unit volumes.

Six months ended June 30, 2021 compared to 2020

Net sales increased due to 14% higher sales unit volumes, $13 from the impact of foreign currency translation and the pass-through of higher aluminum costs.

Segment income increased primarily due to higher sales unit volumes.

Transit Packaging

The Transit Packaging segment includes the Company's global consumables and equipment and tools businesses. Consumables include steel strap, plastic strap and industrial film and other related products that are used in a wide range of industries, and transit protection products that help prevent movement during transport 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 June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net sales	$ 637	$ 462	$ 1,194	$ 984
Segment income	82	51	152	117

Three months ended June 30, 2021 compared to 2020

Net sales increased primarily due to higher sales unit volumes, the pass-through of higher raw material prices and $29 from the impact of foreign currency translation. Sales unit volumes for the three months ended June 30, 2020 were unfavorably impacted by the coronavirus pandemic.

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

Segment income increased primarily due to higher sales unit volumes and $4 from the impact of foreign currency translation.

Six months ended June 30, 2021 compared to 2020

Net sales increased primarily due to higher sales unit volumes, the pass-through of higher raw material prices and $46 from the impact of foreign currency translation.

Segment income increased primarily due to higher sales unit volumes and $7 from the impact of foreign currency translation.

Other Segments

The Company's other segments include its food can, aerosol can and closures businesses in North America, and beverage tooling and equipment operations in the U.S. and U.K.

Net sales and segment income in non-reportable segments were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net sales	$ 314	$ 298	$ 608	$ 564
Segment income	36	29	72	49

Three months ended June 30, 2021 compared to 2020

Net sales increased primarily due to higher sales in the Company's beverage can equipment operations and $9 from the impact of foreign currency translation.

Segment income increased due to improved cost performance in the Company's North America food can business and higher sales in the Company's beverage can equipment operations.

Six months ended June 30, 2021 compared to 2020

Net sales increased primarily due to higher sales in the Company's beverage can equipment operations, the pass-through of higher tinplate costs and $13 from the impact of foreign currency translation.

Segment income increased due to lower tinplate carryover costs in the Company's North America food can business as compared to the six months ended June 30, 2020 and higher sales in the Company's beverage can equipment operations.

Corporate and Unallocated Expense

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Corporate and unallocated expense	$ (45)	$ (35)	$ (84)	$ (74)

Corporate and unallocated expenses included lower personnel, incentive compensation and other general costs resulting from the coronavirus pandemic for the three and six months ended June 30, 2020 compared to 2021.

Interest Expense

For the three months and six months ended June 30, 2021 compared to 2020, interest expense decreased from $73 to $68 and from $151 to $137 a due to lower outstanding debt balances.

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

Taxes on Income

The effective rate for the three and six months ended June 30, 2021, increased as compared to 2020, primarily due to income tax charges of $31 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. 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 related to the sale of the European Tinplate business.

The effective tax rate for the three and six months ended June 30, 2021 also included a benefit of $5 arising from a tax law change in the U.K.

The effective tax rate for the six months ended June 30, 2020, included a benefit of $4 arising from a tax law change in India.

Net Income Attributable to Noncontrolling Interests

For the three and six months ended June 30, 2021 compared to 2020, net income attributable to noncontrolling interests increased from $15 to $45 and $41 to $78 primarily due to higher earnings in the Company's beverage can operations in Brazil, including a favorable court ruling in a lawsuit brought by one of the Company's Brazilian subsidiaries asserting it was overcharged by the local tax authorities for indirect taxes paid in prior years.

Liquidity and Capital Resources

Cash from Operations

Operating activities used cash of $238 for the six months ended June 30, 2020 and provided cash of $169 for the six months ended June 30, 2021. The increase in cash provided by operating activities was primarily due to higher earnings and changes in working capital.

Days sales outstanding for trade receivables, excluding the impact of unbilled receivables, was 39 days as of June 30, 2020 as compared to 40 days as of June 30, 2021.

Inventory turnover was 62 days at June 30, 2020 compared to 57 days at June 30, 2021.

Days outstanding for trade payables was 81 days at June 30, 2020 compared to 90 days at June 30, 2021 due to higher raw material costs and sales unit volumes.

Investing Activities

Cash used for investing activities increased from $184 for the six months ended June 30, 2020 to $311 for the six months ended June 30, 2021 primarily due to increased capital expenditures related to capacity expansion projects in the Americas Beverage segment.

The Company currently expects capital expenditures in 2021 to be approximately $900.

Financing Activities

Financing activities provided cash of $196 for the six months ended June 30, 2020 and used cash of $423 for the six months ended June 30, 2021. The Company had higher net borrowings, repurchased $297 of capital stock and paid dividends to stockholders of $53 during the six months ended June 30, 2021.

Liquidity

As of June 30, 2021, $494 of the Company's $566 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

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

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., $404 was held by subsidiaries for which earnings are considered indefinitely reinvested. While based on current operating plans the Company does not foresee a need to repatriate these funds, if such earnings were repatriated the Company would be required to record any incremental taxes on the repatriated funds.

As of June 30, 2021, the Company had $1,583 of borrowing capacity available under its revolving credit facility, equal to the total facility of $1,650 less borrowings of $4 and outstanding standby letters of credit of $63. The Company could have borrowed this amount at June 30, 2021 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 3.4 to 1.0 at June 30, 2021 was in compliance with the covenant requiring a ratio of no greater than 5.0 to 1.0. The required net total leverage ratio under the agreement reduces to 4.5 to 1.0 at December 31, 2022.

Capital Resources

As of June 30, 2021, the Company had approximately $219 of capital commitments primarily related to its Americas Beverage segment. The Company expects to fund these commitments primarily through cash flows from operations and proceeds from the sale of its European Tinplate business.

Contractual Obligations

During the six months ended June 30, 2021 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, 2020, which information is incorporated herein by reference.

Supplemental Guarantor Financial Information

As disclosed in Note L, 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

	Six Months Ended June 30, 2021
Net sales	$ —
Gross Profit	—
Income from operations	(2)
Net income from continuing operations[1]	(38)
Net income attributable to Crown Holdings[2]	(44)

(1) Includes $18 of expense related to intercompany interest with non-guarantor subsidiaries
(2) Includes $18 of expense related to intercompany interest with non-guarantor subsidiaries and $6 of expense for discontinued operations

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

		June 30, 2021	December 31, 2020
Current assets	$	14	12
Non-current assets		91	118
Current liabilities		65	63
Non-current liabilities[1]		4,662	4,305

(1) Includes payables of $3,981 and $3,623 due to non-guarantor subsidiaries as of June 30, 2021 and December 31, 2020

Crown Americas Obligor Group

		Six Months Ended June 30, 2021
Net sales[1]	$	2,150
Gross profit[2]		354
Income from operations[2]		145
Net income from continuing operations[3]		45
Net income attributable to Crown Holdings[4]		36

(1) Includes $228 of sales to non-guarantor subsidiaries
(2) Includes $23 of gross profit related to sales to non-guarantor subsidiaries
(3) Includes $37 of income related to intercompany interest and technology royalties with non-guarantor subsidiaries
(4) Includes $37 of income related to intercompany interest and technology royalties with non-guarantor subsidiaries and $9 of expense for discontinued operations

		June 30, 2021		December 31, 2020
Current assets[1]	$	1,001	$	917
Non-current assets[2]		3,404		3,248
Current liabilities[3]		1,174		1,081
Non-current liabilities[4]		4,859		4,491

(1) Includes receivables of $50 and $45 due from non-guarantor subsidiaries as of June 30, 2021 and December 31, 2020
(2) Includes receivables of $188 and $142 due from non-guarantor subsidiaries as of June 30, 2021 and December 31, 2020
(3) Includes payables of $38 and $54 due to non-guarantor subsidiaries as of June 30, 2021 and December 31, 2020
(4) Includes payables of $439 and $31 due to non-guarantor subsidiaries as of June 30, 2021 and December 31, 2020

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, 2020 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 are included in Note B to the consolidated financial statements included in this Quarterly Report on Form 10-Q.

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

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, 2020, which are not historical facts (including any statements concerning the direct or indirect impact of the COVID-19 pandemic, plans, the sale of the Company's European Tinplate business (including whether the sale will ultimately be consummated within the expected timeframe or at all and whether the sale will ultimately prove to be beneficial to the Company) and objectives of management for capacity additions, share repurchases, dividends, future operations or economic performance, or assumptions related thereto), are “forward-looking statements” within the meaning of the federal securities laws. In addition, the Company and its representatives may, from time to time, make 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 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, 2020 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 June 30, 2021, see Note K to the consolidated financial statements included in this Quarterly Report on Form 10-Q.

As of June 30, 2021, the Company had $1.5 billion principal floating interest rate debt. A change of 0.25% in these floating interest rates would change annual interest expense by approximately $4 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, 2020. 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 June 30, 2021. The table excludes 5,318 shares surrendered to cover taxes on the vesting of restricted stock during the three months ended June 30,2021.

	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)
April	—	—	—	$ 1,500
May	—	—	—	$ 1,500
June	2,953,718	$ 100.61	2,953,718	$ 1,203
	2,953,718		2,953,718	

(1) In February 2021, the Company's Board of Directors authorized the repurchase of an aggregate amount of $1.5 billion of Company common stock through the end of 2023. 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 three months ended June 30, 2021.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On April 16, 2021, the Company entered into a Transaction Bonus Agreement with Didier Sourisseau which makes Mr. Sourisseau eligible for an exceptional bonus payment upon completion of the sale of the Company's European Tinplate business. Additionally, on May 27, 2021, the Company entered into a Consulting Agreement with Mr. Sourisseau which requires Mr. Sourisseau to perform various consulting services over a four year period. The Transaction Bonus and Consulting Agreement are attached as exhibits to this Form 10-Q and are incorporated by reference.

Item 6. Exhibits

12) Transaction Bonus Agreement, effective April 16, 2021, by, and between Crown Holdings, Inc. and Didier Sourisseau

13) Consulting Agreement, effective August 1, 2021, by, and between Crown Holdings, Inc. and Didier Sourisseau

List of Guarantor Subsidiaries

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.

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.

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 Thomas A. Kelly, Senior Vice President and Chief Financial Officer of Crown Holdings, Inc.

The following financial information from the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 formatted in inline XBRL (eXtensible Business Reporting Language): (i) Consolidated Statements of Operations for the three and six months ended June 30, 2021 and 2020, (ii) Consolidated Statements of Comprehensive Income for the three and six months ended June 30, 2021 and 2020, (iii) Consolidated Balance Sheets as of June 30, 2021 and December 31, 2020, (iv) Consolidated Statements of Cash Flows for the three months ended June 30, 2021 and 2020, (v) Consolidated Statements of Changes in Equity for the three and six months ended June 30, 2021 and 2020 and (vi) Notes to Consolidated Financial Statements.

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/ David A. Beaver
David A. Beaver
Vice President and Corporate Controller
(Chief Accounting Officer)

Date: July 23, 2021

Didier Sourisseau
Stockenstrasse 27
8802 Zürich
Switzerland

In Zug, on April 15, 2021

<u>Subject</u>: Titan transaction

Dear Didier,

Taking into account your efforts and your specific dedication to our sale project of the Food, Closures, Aerosols and Promotional Packaging business subject of the SAPA signed on 8 April 2021 between Crown Holdings, Inc. (hereinafter the “**Company**”) and Crown Cork & Seal Deutschland Holdings GmbH on the one hand, and Kouti B.V., Blitz F21-387 GmbH and Macsco 20.10 Limited on the other hand (hereinafter the “**Transaction**”), we are pleased to announce in this letter the following specific rewards.

1. **<u>Transaction Bonus</u>**

We have unilaterally and discretionarily decided to make you eligible to an exceptional bonus payment in view of that Transaction (hereinafter the “**Transaction Bonus**”).

Please find below the terms and conditions of eligibility, calculation and payment of this bonus.

It should be noted as a preliminary point that:

- this Transaction Bonus constitutes an exceptional payment which has been decided unilaterally and discretionarily. On this basis, it will not be considered nor treated as part of your contractual remuneration ;

- the payment of a Transactional Bonus would not give rise to any right to further similar payments to you in the future ;

- the Transaction Bonus paid would not be taken into account for the calculation of any components of your remuneration, as well as for any termination indemnity.

Amount of the Transaction Bonus

You are eligible to receive a Transaction Bonus of a gross amount of 1’000’000.- CHF (one million) Swiss Francs.

Terms of acquisition of the Transaction Bonus

You will benefit of the Transaction Bonus if the following conditions are satisfied:

- completion of the Transaction ;

- having conducted all the actions you will be entrusted and having provided all the necessary cooperation for a successful completion of the Transaction ;

- being effectively present at work for the whole period between the date of this letter and until the date on which the Transaction will be completed, without any notification of a termination of your employment contract by either of the parties.

Conditions of payment of the Transaction Bonus

If all the conditions for acquiring the Transaction Bonus are satisfied, its payment will be made on the usual pay date of the month following the month during which it was acquired. This payment will be taxable and subject to taxes and social security contributions. We, as your Employer, will make any deductions from the above mentioned payments to you or on your behalf as required by law.

In case of absence or suspension of your employment contract during that period, for any reason but with the exception of your paid leave or rest time, the Transaction Bonus will not be due and no prorata will apply, even if the Transaction is completed.

2. **Annual Bonus**

We confirm that the terms of your employment contract in relation to an annual bonus for 2021 will continue to apply after completion of the Transaction between you and your new employer in the KPS Capital group. Your annual bonus for 2021 will therefore be determined and paid in accordance with the rules described in your employment contract.

3. **Equity rights**

Pursuant to the letter agreements, dated January 7, 2019, January 9, 2020 and January 8, 2021 by and between you and the Company (the "**Award Letter**"), all deferred shares awarded to you under the Award Letters for which the deferral period has not ended as of the completion of the Transaction will be totally and permanently forfeited without further compensation.

4. SERP

Subject to the terms and conditions of Amendment No. 1 to the Senior Executive Retirement Agreement attached hereto as **Exhibit A**, the Company shall cause you to become 100% fully vested in your retirement benefits under the Crown Senior Executive Retirement Plan, upon the completion of the Transaction.

* *
*

Consideration

In consideration for the rewards mentioned in this letter, by counter-signing this letter, you irrevocably accept the transfer of your employment contract to a company of the Crown group which is expected to be transferred to one the companies of the KPS Capital group upon completion of the Transaction. Your acceptance of transfer is not dependent on completion of the Transaction.

You also acknowledge and accept that the payments and concessions referred to in this agreement shall fully and finally satisfy any and all claims, and any and all entitlements that you have, or may have, against us as your employer or any of our affiliates and/or group companies, arising out of or in connection with the employment relationship and/or your employment contract.

This Agreement is construed under and exclusively governed by Swiss law. Any controversy or dispute shall be resolved by the competent court in Zug.

Best regards,

Employer

/s/Sidonie Lécluse /s/ Gerard H. Gifford
Sidonie Lécluse Gerard H. Gifford
SVP Human Resources EMEA Executive Vice President
and Chief Operating Officer

Agreed & accepted:

/s/ Didier Sourisseau Date : 04/16/2021
Didier Sourisseau

CONSULTING AGREEMENT

Between

Crown Packaging European Division GmbH, Baarermatte, 6340 Baar, Switzerland

(“**Company**”)

And

Didier Sourisseau Consulting GmbH, Stockenstrasse 27, 8802 Kilchberg, Switzerland (in formation)

(“**Consultant**”)

(each a "**Party**", jointly the “**Parties**”)

concerning

Consulting Services

Preamble 3

1. Engagement of Consultant 3

2. Performance of services 3

3. Confidentiality 4

4. Intellectual property 4

5. Compliance 5

6. Compensation 5

7. Limited Liability 5

8. Term and Termination 5

9. Final provisions 6

10. Applicable law and jurisdiction 7

Preamble

A. WHEREAS the Company has the need for services in the field of investigations in its field of activity;

B. WHEREAS the Consultant has significant experience and direct knowledge of the Company's business and wishes to offer its expertise to the Company as a consultant;

C. WHEREAS the Company is of the opinion that Consultant's expertise, know-how and experience may be useful in relation to the investigations and therefore the Parties desire that the Consultant advises, and performs services for the Company, upon the terms and conditions set forth herein;

NOW, therefore, the Parties mutually agree as follows:

1. **Engagement of Consultant**

With effect from the 1st of August 2021, the Company hereby engages the Consultant as consultant of the Company.

2. **Performance of services**

2.1 **Services**

During the term of this Agreement, the Consultant shall provide services to the Company as set out in Annex A hereto, which the Parties may update from time to time (collectively referred to as "**Services**"). Consultant shall designate Didier Sourisseau to provide the Services and no other person shall perform the Services unless pre-approved by the Company.

The Consultant or any of its employees shall neither represent itself as an agent of the Company for any purpose, nor have any authority to act for or on behalf of the Company, unless expressly agreed otherwise in writing by the Parties.

2.2 **Diligence**

The Consultant shall use best efforts in the performance of the Services.

In the performance of the Services, the Consultant is committed to act in the best interests of Company and any of its subsidiaries, parents and affiliates (each a Crown Group Company, together the "**Crown Group**").

The Consultant shall

i. perform the Services in an ethical manner and comply with all applicable laws, regulations, codes and internal policies of the Company;

ii. promptly report to the Company any request or demand for any undue financial or other advantage of any kind received by the Consultant in connection with the performance of this Agreement.

In the performance of its obligations hereunder, the Consultant shall comply with the Company's Code of Business Conduct and Ethics, including related policies on social media, use of information and communication systems and anti-harassment and bullying.

3. **Confidentiality**

During the term and after its termination, the Consultant shall neither disclose to third parties nor make use of any confidential information, directly or indirectly, which the Consultant receives or learns during the performance of the Services or learned during the course of the previous employment by the Crown Group. Confidential information will comprise anything for which cannot be shown that it was already in the public domain at the relevant point in time, particularly information about any kind of know-how (e.g., inventions, developments, data collections, procedures and concepts, strategy, pricing, production output or capacity, business plans and relationships and customers) which is relevant for the Crown Group, or any of the Company's business partners.

The Parties agree that the contents of this Agreement shall not to be disclosed to any third party during and after the term of this Agreement, except if ordered by a governmental authority, court order, or to fulfill statutory reporting obligations.

4. **Intellectual property**

4.1 The rights to all inventions and designs related to any of the businesses of the Company or its affiliates, made or conceived in part or wholly by the Consultant individually or jointly during the term shall belong to the Company and are hereby assigned by the Consultant to fullest extent legally possible to the Company regardless of whether they are legally protected.

4.2 Other rights to any work products and any know-how which the Consultant or any of its employees create or in which creation the Consultant or any of its employees participate while performing the Services belong exclusively to the Company. To the extent that work products (e.g., software, reports, documentations) are protected by copyrights, the Consultant hereby assigns, and warrants and guarantees that its employees assign, to the Company any and all rights related to such work products, particularly the copyright and any and all rights of use, including the rights of production and duplication, of publishing, to use, to license or to sell, to distribute over data or online media, to modify and develop further as well to develop new products on the basis of the Consultant's work product or on the basis of parts of such work product.

4.3 The Consultant and any of its employees involved in the Services hereby waive the right to be named as author or inventor.

4.4 The Company is not obligated to exercise its rights set forth in the preceding paragraphs. The Company is entitled to designate itself as the exclusive owner of the patent rights, copyrights and other rights related to the work products.

4.5 The Consultant irrevocably appoints the Company to be its attorney in its name and on its behalf to execute documents, use the Consultant's name and do all things which are necessary or desirable for the Company to obtain for itself or its nominee the full benefit of this clause.

5. **Compliance**

The Consultant herewith declares that its activities under this Agreement and the Agreement itself are not in violation with any rules, laws or the terms of any other agreement previously entered into between the Consultant and any third party.

The Consultant warrants that any of its employee assigned to perform the Services will have a valid work permit from the Swiss competent authorities, and are insured in accordance with the requirements of statutory laws.

6. **Compensation**

Company will pay Consultant an annual fixed fee of CHF 125'000 exclusive VAT for the Services, payable in equal quarterly instalments in arrears upon presentation of an invoice.

At the end of every quarter of a year, the Consultant shall submit an invoice to the Company (attention Sidonie Lécluse, SVP Human Resources) which shall be payable within 30 (thirty) days from receipt of the invoice.

The Company will cover the Consultant's prior approved expenses necessary for the performance of the Services, such as for travel (train: first class, plane: economy class for European flights and business class for intercontinental flights) or lodging. The expenses will be reimbursed within 30 (thirty) days against presentation of respective receipts.

7. **Limited Liability**

The Consultant's liability for the performance of Services shall be limited to cases of gross negligence and wilful misconduct[MMQ1] .

8. **Term and Termination**

8.1 **Term**

The term of this Agreement shall become effective on the date of signature by both Parties ("**Effective Date**") and shall automatically end on the fourth anniversary of the Effective

Date ("**Expiration Date**"), unless prolonged by mutual written consent of the Parties. Notwithstanding the foregoing, this Agreement shall immediately terminate with no further payments required hereunder (except for payment in full for the current calendar quarter) on the death or disability of Didier Sourisseau.

8.2 **Termination**

Either Party may terminate this Agreement at any time by giving written notice [MMQ2] of termination to the other Party observing a notice period of 3 months. In the event of termination by notice before the Expiration Date, the following shall apply:

- If (a) the Consultant gives notice of termination without good cause or (b) the Company gives notice of termination with good cause attributable to the Consultant, the pro-rated annual fee for the then-current calendar year shall be payable until the date when this Agreement ends;
- If (a) the Consultant gives notice of termination with good cause attributable to the Company or (b) the Company gives notice of termination without good cause, the annual fee which would have been payable until the Expiration Date shall be paid to the Consultant in a lump sum on the date when this Agreement ends.

Good cause means any material breach of this Agreement by the other Party, which is not cured within a period of thirty days.

8.3 **Consequence of termination**

Upon termination of this Agreement, Consultant shall immediately return to the Company all correspondence, documents, specifications, papers, media and other property as well as copies thereof which were provided to or obtained by Consultant in connection with Consultants' performance of this Agreement.

9. **Final provisions**

9.1 **Independent Parties**

The Parties understand and acknowledge that they are independent parties and nothing in this Agreement is intended or shall be deemed to create a partnership, agency, employer/employee, joint venture or staff leasing relationship between the Parties.

9.2 **Assignment and subcontractors**

The Consultant may not assign any right or delegate or subcontract any obligation under this Agreement without prior written consent of the Company.

9.3 **Severability**

If any court of competent jurisdiction finds any provision of this Agreement void, illegal or unenforceable the remainder of this Agreement shall remain valid and enforceable to the extent permitted by applicable law. In such a case, the parties shall use their best efforts to replace the illegal, void or unenforceable provision with a provision that, to the extent permitted by applicable law, achieves the purposes intended under the illegal, void or unenforceable provision.

9.4 Waiver

The waiver by either Party of a breach by the other Party of any of the provisions of this Agreement will not be construed as a waiver of any succeeding breach of the same or other provisions; nor will any delay or omission on the part of either Party to exercise or avail itself of any right, power, or privilege that it has or may have hereunder operate as a waiver of any breach or default by the other Party.

9.5 Notices

Unless otherwise specifically provided, all notices required or permitted by this Agreement will be in writing and in English and may be delivered personally, or may be sent by email with certified signature, or registered mail or courier service, return receipt requested, addressed to the Party to be served at its business address last known to the Party serving the notice.

9.6 Entire Agreement and modifications

This Agreement constitutes the entire and only agreement between the Parties relating to the subject matter hereof and supersedes in their entirety all prior negotiations, representations, agreements and understandings between the Parties.

The Parties agree that no oral agreement or understanding, and no alteration or variation of the Agreement, shall bind either party unless made and executed in writing by the Parties.

10. Applicable law and jurisdiction

10.1 Governing Law

This Agreement shall exclusively be governed by and construed in accordance with the laws of Switzerland.

10.2 Jurisdiction

Any dispute, controversy or claim arising out of, or in relation to, this Agreement, including the validity, invalidity, breach, or termination thereof, shall be resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers' Arbitration Institution in force on the date when the Notice of Arbitration is submitted in accordance with these Rules.

The number of arbitrators shall be one and the seat of the arbitration shall be at the seat of the Company.

The arbitral proceedings shall be conducted in English.

SIGNATURE NEXT PAGE

Crown Packaging European Division GmbH

Zug, May 27th 2021

/s/ Sidonie Lécluse

Sidonie Lécluse

SVP Human Resources EMEA

/s/ Didier Sourisseau

Didier Sourisseau Consulting GmbH

Location and date : Zug, 06/07/21

Didier Sourisseau

Exhibit 22 - List of Guarantor Subsidiaries

The following subsidiaries of Crown Holdings, Inc. (the "Company") were, as of June 30, 2021, 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 June 30, 2021, guarantors of the Company's $1,000 principal 4.5% senior notes due 2023, $400 principal 4.25% senior notes due 2026, and $875 principal 4.75% senior notes due 2026:

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
Kiwiplan Inc.	Ohio

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: July 23, 2021 /s/ Timothy J. Donahue

Timothy J. Donahue

Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Thomas A. Kelly, 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: July 23, 2021 /s/ Thomas A. Kelly
Thomas A. Kelly
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 June 30, 2021 (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: July 23, 2021 /s/ Timothy J. Donahue
Timothy J. Donahue
President and Chief Executive Officer

Date: July 23, 2021 /s/ Thomas A. Kelly
Thomas A. Kelly
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.