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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2023

☐ 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 001-07349

Ball Corporation

State of Indiana (State or other jurisdiction of incorporation or organization)	**35-0160610** (I.R.S. Employer Identification No.)
9200 West 108th Circle **Westminster, Colorado** (Address of registrant's principal executive office)	**80021** (Zip Code)

Registrant's telephone number, including area code: **(303) 469-3131**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, without par value	BALL	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **NONE**

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such 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 pursuant to Rule 405 of Regulation S-T during the preceding 12 months. 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.

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of voting stock held by non-affiliates of the registrant was $18.33 billion based upon the closing market price and common shares outstanding as of June 30, 2023.

Number of shares and rights outstanding as of the latest practicable date.

Class	Outstanding at February 15, 2024
Common Stock, without par value	315,642,486 shares

DOCUMENTS INCORPORATED BY REFERENCE

1. Proxy statement to be filed with the Commission within 120 days after December 31, 2023, to the extent indicated in Part III.

Ball Corporation
ANNUAL REPORT ON FORM 10-K
For the year ended December 31, 2023

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PART I.

Item 1. Business

Ball Corporation and its consolidated subsidiaries (collectively, Ball, the company, we or our) is one of the world's leading suppliers of aluminum packaging for the beverage, personal care and household products industries. The company was organized in 1880 and incorporated in the state of Indiana, United States of America (U.S.), in 1922. Our sustainable, aluminum packaging products are produced for a variety of end uses and are manufactured in facilities around the world. We also provide aerospace and other technologies and services to governmental and commercial customers within our aerospace segment. In 2023, our total consolidated net sales were $14.03 billion. Our packaging businesses were responsible for 86 percent of our net sales, with the remaining 14 percent contributed by our aerospace business. In the third quarter of 2023, Ball entered into a Stock Purchase Agreement with BAE Systems, Inc. (BAE), to sell all of the outstanding equity interests in Ball's aerospace business to BAE. On February 16, 2024, the company completed the divestiture of the aerospace business. See Note 4 for further details.

Our largest product line is aluminum beverage containers and we also produce extruded aluminum aerosol containers, recloseable aluminum bottles across multiple consumer categories, aluminum slugs and aluminum cups.

We sell our aluminum packaging products globally to large multinational beverage, personal care and household products companies with which we have developed long-term relationships. This is evidenced by our high customer retention and large number of long-term supply contracts. While we have a diversified customer base, we sell a significant portion of our packaging products to major companies and brands, as well as to numerous regional customers. Our significant customers include top consumer packaging and beverage companies.

Our aerospace business is a leader in delivering solutions ranging from entire missions to contributing component level expertise through the design, development and manufacture of innovative systems for intelligence surveillance and reconnaissance, civil, commercial and national security aerospace markets. It produces spacecraft, instruments and sensors, radio frequency systems and components, data exploitation solutions and a variety of advanced technologies and products that enable weather prediction and climate change monitoring as well as deep space missions. In the third quarter of 2023, Ball entered into a Stock Purchase Agreement with BAE Systems, Inc. (BAE), to sell all of the outstanding equity interests in Ball's aerospace business to BAE. On February 16, 2024, the company completed the divestiture of the aerospace business. See Note 4 for further details.

We are headquartered in Westminster, Colorado, and our stock is listed for trading on the New York Stock Exchange under the ticker symbol BALL.

Our Strategy

Advance sustainable aluminum packaging solutions at scale by leveraging our world-class talent, customer and supply chain partnerships, innovative product portfolio and capable manufacturing footprint to deliver single-use, limited-use and reusable aluminum cans, bottles and cups. Maintain a clear and disciplined financial strategy focused on executing an efficient operating model to deliver comparable diluted earnings per share growth of 10 percent to 15 percent per annum over the long-term, maximize cash flow, increase Economic Value Added (EVA®) dollars and return value to shareholders.

The cash generated by our businesses is used primarily: (1) to finance the company's operations, (2) to fund growth capital investments, (3) to service the company's debt and (4) to return value to our shareholders via stock buybacks and dividend payments. From time to time, we have evaluated and expect to continue to evaluate possible transactions that we believe will benefit the company and our shareholders, which may include strategic acquisitions, divestitures of parts of our company or equity investments. At any time, we may be engaged in discussions or negotiations at various stages of development with respect to one or more possible transactions or may have entered into non-binding letters of intent. As part of any such initiatives, we may participate in processes being run by other companies or leading our own activities. The compensation of many of our employees is tied directly to the company's performance through our EVA®-based incentive programs.

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Sustainability

At Ball Corporation, we deliver circular aluminum packaging solutions. Our business is aligned around cohesive operating priorities focused on constant innovation, product capabilities, sustainability and financial stewardship.

Our approach to sustainability has evolved over the past 20 years. Today, Ball's sustainability strategy is driven by high standards around carbon footprint reduction, the circularity of our products and closed-loop recycling. Utilizing strategic partnerships, we work across the value chain towards our 2030 Sustainability Goals in line with our customers' needs. Climate leadership and driving real circularity are cornerstones of our business strategy and influence how we manage and operate our businesses, serve our customers, care for the environment and our communities, secure profits and drive long-term prosperity.

We focus our sustainability efforts on environmental, social and governance (ESG) impacts. This is exhibited through our Climate Transition Plan commitment to achieve a science-based 55 percent reduction in our greenhouse gas (GHG) footprint by 2030 and net zero carbon emissions prior to 2050, in part by reaching 100 percent renewable electricity globally by 2030. In addition, our focus on the health and safety of our employees, diversity and inclusion (D&I), and employee development enables Ball to utilize the unmatched talent of our people to maintain an agile workforce.

Our innovation and manufacturing teams around the world focus on continuously improving operational efficiency. This focus drives improved processes, including products designed for optimum metal efficiency, real time energy monitoring, and reuse of water, as well as the minimization of waste and spoilage within our manufacturing plants. Our commitment extends beyond our walls and includes purchasing aluminum from Aluminum Stewardship Initiative (ASI) certified sustainable sources and reducing value chain emissions, all in order to facilitate achievement of Ball's and its customers' GHG reduction objectives.

Today's consumers are choosing brands based on their sustainability and circularity credentials. Ball customers understand this growing priority and their unique position in impacting the environment, especially through the packaging materials they use. Infinitely recyclable aluminum unlocks the full potential of packaging to help customers convey their values and purpose to consumers. We are committed to moving toward a truly circular economy, where materials can be, and actually are, used again and again.

Aluminum cans, bottles and cups are an attractive option for sustainability-conscious brands with commitments to real world recyclability and increasing their usage of recycled materials in consumer packaging. Unlike plastic, glass, cartons or compostable containers, aluminum containers are designed to be recycled infinitely without losing quality and retain a high economic value, pushing aluminum collection, sorting and recycling rates to the highest of any beverage packaging material. That is why 75 percent of all aluminum ever produced is still in use today. In addition, growing sustainability compliance costs for substrates with less favorable circularity credentials continue to see their costs of ownership rise in several regions.

Aluminum beverage packaging is the leader in real recycling, where the package is collected and then transformed into an item of equal value (product-to-product or material-to-material recycling). In the case of aluminum cans, bottles or cups, which are mono-material, the aluminum can be recycled and made back into the same product in as little as 60 days. In contrast, only 10 percent of all plastic ever produced has been recycled and is mostly only downcycled. Downcycled products, including but not limited to when plastic is converted to become part of a sneaker or fibers in a carpet, are not sustainable because eventually those products end up in landfills. Real recycling happens when the value of the product being recycled is maintained from one use to another.

Because recycling aluminum saves resources and uses significantly less energy than primary aluminum production, we are innovating and collaborating with our customers, supply chain, industry groups and other public and private partners to establish and financially support initiatives to increase recycling rates around the world. We work together to create effective collection and recycling systems, and educate consumers about the sustainability and circularity benefits of aluminum packaging.

Our aerospace business plays a role in sustainability as well. More and more, our systems are measuring key elements of the physical environment, supporting environmental monitoring, and operational weather forecasting programs, as well as providing environmental intelligence on weather, the Earth's climate system, precipitation, drought, GHG emissions and air pollution, as well as wildlife, vegetation and other biodiversity measurements. The data captured through Ball built instruments and satellites enable and enhance understanding of the Earth's ecosystem and help scientists to pinpoint more accurately what type of GHGs and pollutants are being emitted, where they are coming from, and a precise idea of where they are moving.

At Ball, we believe our people and our culture enable our success and make it possible for us to deliver on our promises to customers, investors, communities and all of our stakeholders. We continue to invest in hiring, training and retaining our employees at every level across the organization to ensure we have the right people with the right skills in the right roles, and are providing them with opportunities to advance their careers. In 2023, we introduced our expanded global diversity and inclusion strategy and goals, which will help to ensure that we have a sustainable workforce, and foster a safe and inclusive work environment where everyone feels they belong and are valued for their differences and contributions. A focus on diversity and inclusion among individuals and teams helps to unleash ideas and fuel innovation, driving growth and economic value throughout our global organization.

A healthy and sustainable business also depends on thriving communities. Ball's commitment to the communities where we live and operate is an integral part of our corporate culture, as we continue to support organizations, programs and civic initiatives that advance sustainable livelihoods. Community engagement is how our company and our employees enrich the places where we live and work beyond providing jobs, benefits and paying local taxes. Through the Ball Foundation, corporate giving, employee giving and volunteerism, we invest in the future of the communities that sustain us. Each year Ball and its employees donate, volunteer and support non-profit organizations centered on building sustainable communities through recycling, education, and disaster preparedness and relief initiatives.

The company's focus towards sustainability has been recognized by external organizations. For the fifth year in a row, Ball received an A- score in CDP's climate change program. In addition, Ball maintained a MSCI AA ESG rating, was included on the 2023 Dow Jones Sustainability Index, and was recognized as one of America's Most Responsible Companies by Newsweek.

Human Capital and Employees

Ball Corporation's people are its greatest asset and we are proud to outline the material aspects of our human capital program. At the end of 2023, the company and its subsidiaries employed approximately 21,000 employees, including approximately 10,000 employees in the U.S. Details of collective bargaining agreements are included within Item 1A, Risk Factors of this annual report.

Our Culture

Embracing our rich 144-year history, we "know who we are," a company that respects and values each of our employees and their collective desire to deliver value to all our stakeholders. We embrace our diversity and are "one Ball" in valuing:

- Uncompromising integrity;
- Being close to our customers;
- Behaving like owners;
- Focusing on attention to detail; and
- Being innovative.

Diversity and Inclusion

D&I is key to the sustained success of our business. We established a dedicated D&I function in 2015 to build on our longstanding commitment to D&I across the company and included D&I as an integral part of our goals for sustainability. Over the past eight years, we have made meaningful progress on D&I, which has been recognized by external organizations, including Forbes, which recognized Ball as #1 among "America's Best Employers for Diversity" in 2019, the American Association of People with Disabilities (AAPD), which recognized Ball as a best place to work for disability inclusion on the 2022 Disability Equality Index, and the Human Rights Campaign Foundation, which listed Ball among the "Best Places to Work for LGBTQ Equality" in six out of the last seven years, including a perfect score on its Corporate Equality Index list in 2021 and 2022. Our dedicated D&I function reports directly to our Chief Human Resources Officer, and we understand that the key to success is shared accountability rather than designating a single owner for this critical area. Our focus to date has been on our Global D&I Strategy which identifies enterprise wide goals related to gender, race and ethnicity (where applicable) and inclusion trainings that reside in our corporate learning management system to provide access and instruction to all Ball employees.

As we move forward, we continue to accelerate our D&I efforts. In June 2020, we instituted a new global cloud-based human capital management platform that has – among many other talent-focused features – enabled us to more fully understand employee demographics and identify how we can better enhance our diversity around the world. We will also launch our Global Inclusion Council sponsored by our Chief Executive Officer and Chief Human Resource Officer. We continue to evolve our talent acquisition process and focus on diversity for internships, candidate slates, interview panels, talent reviews and succession planning. Each of our business segment leaders has committed to help drive further D&I progress during 2024 and beyond. Currently, 45 percent of our board of directors is gender diverse and 36 percent is ethnically diverse, and 44 percent of our company's executive leadership team is gender diverse and 33 percent is ethnically diverse.

Talent

We seek to attract, develop and retain the best talent throughout the company. During the past decade, we established and expanded our talent management organization with dedicated talent acquisition and development functions that have implemented rigorous hiring and development processes, including standardized assessments for candidate selection, and an embedded "Inspire, Connect, Achieve" leadership framework, which details clear behaviors that we expect from our people leaders to ensure they align with our culture. We have also strengthened our succession planning through a holistic approach to developing key managers that includes challenging assignments, formal development plans and professional coaching.

Training and Development

Our global human capital management platform enables rigorous identification, analysis and development of talent around the world. In conjunction with that platform, the company utilizes an approach to performance management focused on development and continuous improvement. This approach emphasizes ongoing performance conversations between managers and employees and a focus on mitigating bias in performance conversations, resulting in an enhanced employee developmental experience and data points for our talent discussions. Additionally, all employees have access to create a personal development plan and we have resources to support employees in their personal and professional development, including:

- Continuous education through various tuition reimbursement programs, apprenticeship and instructional programs;
- A corporate academy platform designed to provide employees with a seamless and unified learning experience empowering them to thrive, grow, and reach their fullest potential;
- Monthly global leadership communications focused on real-time topics, such as supporting team wellbeing, working through stressful times, setting individual development goals, maximizing team performance, sharing practical steps to better enable our collective focus on D&I and sharing other best practice leadership behaviors;
- LinkedIn Learning platform for all corporate and packaging employees;
- Professional and personal development coaching opportunities by teaming with a global coaching firm;
- Intentional leadership programs for people leaders at all levels around our Inspire, Connect, and

Achieve leadership behaviors; and

- Annual compliance, antitrust, bribery, corruption and business code of conduct and ethics training for key management level, sales and supply chain employees.

Employee Engagement

At Ball, we aim to inspire and engage employees so they are focused on the work that matters most, perform their best work and choose Ball every day. To further that objective, our engagement approach focuses on clear communication and recognition. We communicate through quarterly employee town hall meetings, at both the corporate and operating division levels, with business and market updates and information on production, safety, quality and other operating metrics. We also communicate company information through news releases, executive communications, social media, digital signage, our weekly Ball eNews and BallConnect intranet, which are available to all employees. We have many recognition-oriented awards throughout our company, including our corporate and divisional awards of excellence, the Living Well Cup and global operations plant sustainability awards. We conduct regular company-wide engagement surveys, as well as periodic pulse surveys, which have generally indicated high levels of engagement and trust in Ball's leadership, key strategies and initiatives.

Total Rewards

Our global total rewards philosophy enables business performance by offering comprehensive total rewards that attract, retain, and motivate our employees and promote their overall wellbeing. In addition, our competitive pay positioning strategy allows employees to share in business success and be rewarded through a variety of compensation opportunities reflective of their individual potential and contributions. Total direct compensation is positioned in a competitive range of the applicable market median in each jurisdiction, differentiated based on tenure, skills, and performance, and designed to attract and retain the best talent.

Health, Safety and Wellness

The health, safety and wellness of all employees is a top priority at Ball. Our environmental, health and safety function and our operations executives partner to consistently reinforce policies and procedures that are designed to reduce workplace risks and ensure safe methods of plant production, including through regular training and reporting on injuries and lost-time incidents. We sponsor a variety of health and wellness programs designed to enhance the physical and mental well-being of our employees around the world. In addition, the Employee Assistance Program provides employees and their families access to mental health, stress management and other support resources essential to navigating life changes and challenges.

Additional information on our human capital programs can be found in the Ball Corporation Combined Annual and Sustainability Report, which is available at www.ball.com/sustainability.

Our Reportable Segments

Ball Corporation reports its financial performance in four reportable segments: (1) beverage packaging, North and Central America; (2) beverage packaging, Europe, Middle East and Africa (beverage packaging, EMEA); (3) beverage packaging, South America and (4) aerospace. Ball also has investments in the U.S., Guatemala, Panama and Vietnam that are accounted for using the equity method of accounting and, accordingly, those results are not included in segment sales or earnings. Additional financial information related to each of our segments is included in Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations, and in Note 3 to the consolidated financial statements within Item 8 of this Annual Report on Form 10-K (annual report).

Beverage Packaging, North and Central America, Segment

Beverage packaging, North and Central America, is Ball's largest segment, accounting for 43 percent of consolidated net sales in 2023. Aluminum beverage containers are primarily sold under multi-year supply contracts to fillers of carbonated soft drinks, beer, energy drinks and other beverages.

Aluminum beverage containers and ends are produced at 17 manufacturing facilities in the U.S., one in Canada and two in Mexico. The beverage packaging, North and Central America, segment also includes interests in three investments that are accounted for using the equity method. Ball permanently ceased production at its aluminum beverage can

manufacturing facility in St. Paul, Minnesota in the first quarter of 2023 and permanently ceased production at its aluminum beverage can manufacturing facility in Wallkill, New York in the third quarter of 2023. Additionally, in the fourth quarter of 2023, the company announced that it will permanently cease production at its aluminum beverage can manufacturing facility in Kent, Washington in the first half of 2024.

According to publicly available information and company estimates, the North American beverage container industry represents approximately 136 billion units. Five companies manufacture substantially all of the aluminum beverage containers in the U.S., Canada and Mexico. Ball shipped approximately 49 billion aluminum beverage containers in North and Central America in 2023, which represented approximately 36 percent of the aggregate shipments in these countries. Historically, sales volumes of metal beverage containers in North America tend to be highest during the period from April through September. All of the beverage containers produced by Ball in the U.S., Canada and Mexico are made of aluminum. In North and Central America, a diverse base of no fewer than seven global suppliers provide almost all of our aluminum can and end sheet requirements.

Beverage containers are sold based on price, quality, service, innovation and sustainability in a highly competitive market, which is relatively capital intensive and characterized by facilities that run more or less continuously in order to operate profitably. In addition, the aluminum beverage container competes aggressively with other packaging materials which include meaningful industry positions by the glass bottle in the packaged beer industry and the polyethylene terephthalate (PET) bottle in the carbonated soft drink and water industries.

We limit our exposure to changes in the cost of aluminum as a result of the inclusion of provisions in most of our aluminum beverage container sales contracts to pass through aluminum price changes, as well as through the use of derivative instruments.

Beverage Packaging, EMEA, Segment

The beverage packaging, EMEA, segment accounted for 24 percent of Ball’s consolidated net sales in 2023. Our EMEA region operations include 19 facilities throughout Europe and one facility each in Cairo, Egypt, and Manisa, Turkey. In the third quarter of 2022, Ball completed the sale of its aluminum beverage packaging business located in Russia, which included three aluminum beverage can manufacturing facilities. For the countries in which we currently operate, the beverage container market is approximately 90 billion containers, and we are the largest producer with an estimated 38 percent of shipments in this region. The regions served by our beverage packaging, EMEA, segment, including Egypt and Turkey, are highly regional in terms of sales growth rates and packaging mix. Four companies manufacture substantially all of the metal beverage containers in EMEA. Our EMEA beverage facilities, shipped 35 billion beverage containers in 2023, all of which were made from aluminum. During 2023, the company began production at its new aluminum beverage can manufacturing facilities in Pilsen, Czech Republic, and Kettering, U.K.

Historically, sales volumes of metal beverage containers in EMEA tend to be highest during the period from May through August, with a smaller increase in demand leading up to the winter holiday season in the U.K. Much like in other parts of the world, the aluminum beverage container competes aggressively with other packaging materials used by the beer and carbonated soft drink industries. The glass bottle is heavily utilized in the packaged beer industry, while the PET container is utilized in the carbonated soft drink, beer, juice and water industries. These trends are evolving, however, as customers, regulators and non-governmental organizations continue to press for more sustainable packaging in the wake of the global pollution crisis. More and more brands are choosing aluminum beverage packaging because of its infinite recyclability and other sustainability credentials. Using a new calculation implemented by the European Union (EU) in 2022, the overall recycling rate for aluminum beverage cans in the EU, Switzerland, Norway and Iceland was approximately 73 percent in 2020.

Raw material supply contracts in this region generally have longer term agreements. Six global aluminum suppliers provide almost all of our aluminum can and end sheet requirements. The company minimizes its exchange rate risk using derivative and supply contracts in local currencies. We limit our exposure to changes in the cost of aluminum as a result of the inclusion of provisions in our aluminum beverage container sales contracts to pass through aluminum price changes, as well as through the use of derivative instruments.

Beverage Packaging, South America, Segment

The beverage packaging, South America, segment accounted for 14 percent of Ball's consolidated net sales in 2023. Our operations consist of 12 facilities—9 in Brazil and one each in Argentina, Chile and Paraguay. For the countries where we operate, the South American beverage container market is approximately 41 billion containers, and we are the largest producer in this region with an estimated 47 percent of South American shipments in 2023. Four companies currently manufacture substantially all of the aluminum beverage containers in the regions served by our beverage packaging, South America, segment.

The company's South American beverage facilities shipped approximately 19 billion aluminum beverage containers in 2023. Historically, sales volumes of beverage containers in South America tend to be highest during the period from September through December. In South America, two global suppliers provide virtually all our aluminum can and end sheet requirements with certain requirements also being imported from Asia.

We limit our exposure to changes in the cost of aluminum as a result of the inclusion of provisions in our aluminum beverage container sales contracts to pass through aluminum price changes, as well as through the use of derivative instruments.

Aerospace Segment

Ball's aerospace segment, which accounted for 14 percent of consolidated net sales in 2023, provides aerospace and other technologies and services to governmental and commercial customers. The segment develops spacecraft, sensors and instruments, radio frequency systems and other advanced technologies for the civil, commercial and national security aerospace markets. The majority of the aerospace business involves work under contracts, generally from one to five years in duration, as a prime contractor or subcontractor for the U.S. Department of Defense (DoD), the National Aeronautics and Space Administration (NASA) and other U.S. government agencies. The company competes against both large and small prime contractors and subcontractors for these contracts. Contracts funded by the various agencies of the federal government represented 98 percent of segment sales in 2023. In the third quarter of 2023, Ball entered into a Stock Purchase Agreement with BAE Systems, Inc., to sell all of the outstanding equity interests in Ball's aerospace business to BAE. On February 16, 2024, the company completed the divestiture of the aerospace business. See Note 4 for further details.

Backlog represents the estimated transaction prices on performance obligations to our customers for which work remains to be performed. Backlog in the aerospace segment was $2.98 billion and $2.97 billion at December 31, 2023 and 2022, respectively, and consisted of the aggregate contract value of firm orders, excluding amounts previously recognized as revenue. The 2023 backlog includes $1.67 billion expected to be recognized in revenues during 2024, with the remainder expected to be recognized in revenues in the years thereafter. Amounts included in backlog for certain firm government orders, which are subject to annual funding, were $1.72 billion and $1.61 billion at December 31, 2023 and 2022, respectively. Year-over-year comparisons of backlog are not necessarily indicative of the trend of future operations, revenues and earnings due to the nature of varying delivery and milestone schedules on contracts, funding of programs and the uncertainty of timing of future contract awards. Uncertainties in the federal government budgeting process could delay the funding, or even result in cancellation of certain programs currently in our reported backlog.

Other

Other consists of a non-reportable operating segment (beverage packaging, other) that manufactures and sells aluminum beverage containers in India, Saudi Arabia and Myanmar; a non-reportable operating segment that manufactures and sells extruded aluminum aerosol containers and recloseable aluminum bottles across multiple consumer categories as well as aluminum slugs (aerosol packaging) throughout North America, South America, Europe, and Asia; a non-reportable operating segment that manufactures and sells aluminum cups (aluminum cups); undistributed corporate expenses; and intercompany eliminations and other business activities.

Beverage Packaging, Other

Our aluminum beverage packaging operations in the beverage packaging, other, segment consist of four facilities – two in India and one each in Saudi Arabia and Myanmar. Our aluminum can and end sheet requirements are provided by several suppliers. Our manufacturing facility in Saudi Arabia, Ball United Arab Can Manufacturing Company, is an investment 51 percent owned by Ball and consolidated in our results. Additionally, Ball has ownership interests in an equity method investment in Vietnam.

Aerosol Packaging

Our aluminum aerosol packaging operations manufacture and sell extruded aluminum aerosol containers, recloseable aluminum bottles across multiple consumer categories, and aluminum slugs, which represented less than 5 percent of Ball’s consolidated net sales in 2023. There are 8 manufacturing facilities that manufacture these products – four in Europe and one each in Canada, Brazil, Mexico and India. As a result of a plant fire, Ball permanently ceased production at its extruded aluminum slug manufacturing facility in Verona, Virginia, in the third quarter of 2023. The aerosol packaging market in these countries shipped approximately 6.5 billion aluminum aerosol units in 2023 and we are one of the major producers in this combined area with shipments of 1.5 billion aluminum aerosol packaging containers, representing approximately 23 percent of total shipments in these markets. Our aluminum aerosol requirements are provided by several suppliers. In 2021, our aerosol business operations launched a new extruded, recloseable aluminum bottle line to provide a circular solution to plastic bottle pollution in personal care and other product categories.

Aluminum Cups

The Ball aluminum cups business serves the growing demand for innovative, sustainable beverage packaging among customers and consumers. Aligned with our vision, the aluminum cups business leverages our years of experience and specialized expertise to provide another environmentally friendly offering to our industry-leading portfolio of aluminum packages. Sturdy, durable and cool to the touch, the infinitely recyclable Ball aluminum cup is produced at a dedicated manufacturing facility in Rome, Georgia. Ball plans to introduce additional offerings to round out its cups portfolio and intends to expand adoption of the cups to drinking establishments, parks and recreation, colleges and universities, hospitality, restaurants, retail, business and industry.

Patents

In the opinion of the company’s management, none of our active patents or groups of patents is material to the successful operation of our business as a whole. We manage our intellectual property portfolio to obtain the durations necessary to achieve our business objectives.

Research and Development

Research and development (R&D) efforts in our packaging segments are primarily directed toward packaging innovation, specifically the development of new features, sizes, shapes and types of containers, as well as new uses for existing containers. Other R&D efforts in these segments seek to improve manufacturing efficiencies and the overall sustainability of our products. Our packaging R&D activities are primarily conducted in a technical center located in Westminster, Colorado.

In our aerospace business, R&D activities focus on the design, development and manufacture of innovative aerospace products and systems. This includes the production of spacecraft, instruments and sensors, radio frequency and system components, data exploitation solutions and a variety of advanced aerospace technologies and products that enable deep space missions. Our aerospace R&D activities are conducted at various locations in the U.S. In the third quarter of 2023, Ball entered into a Stock Purchase Agreement with BAE Systems, Inc. (BAE), to sell all of the outstanding equity interests in Ball’s aerospace business to BAE. On February 16, 2024, the company completed the divestiture of the aerospace business. See Note 4 for further details.

Additional information regarding company R&D activity is contained in Note 1 to the consolidated financial statements within Item 8 of this annual report, as well as in Item 2, Properties.

Where to Find More Information

Ball Corporation is subject to the reporting and other information requirements of the Securities Exchange Act of 1934, as amended (Exchange Act). Reports and other information filed with the Securities and Exchange Commission (SEC) pursuant to the Exchange Act may be inspected and copied at the public reference facility maintained by the SEC in Washington, D.C. The SEC maintains a website at www.sec.gov containing our reports, proxy materials and other items. The company also maintains a website at www.ball.com/investors on which it provides a link to access Ball's SEC reports free of charge, under the link "Financials."

The company has established written Ball Corporation Corporate Governance Guidelines; a Ball Corporation Executive Officers and Board of Directors Business Ethics Statement; a Business Ethics Code of Conduct; and charters for its Audit Committee, Nominating/Corporate Governance Committee, Human Resources Committee and Finance Committee. These documents are available on the company's website at www.ball.com/investors, under the link "Corporate Governance." A copy may also be obtained upon request from the company's corporate secretary. The company's combined annual and sustainability report, and updates on Ball's sustainability progress are available at www.ball.com/sustainability.

The company will post on its website the nature of any amendments to the company's codes of ethics that apply to executive officers and directors, including the chief executive officer, chief financial officer and controller, and the nature of any waiver or implied waiver from any code of ethics granted by the company to any executive officer or director. These postings will appear on the company's website at www.ball.com/investors, under the link "Corporate Governance."

Nothing on our website, including postings to the "Corporate Governance" and "Financials" pages, or the Ball Corporation Combined Annual and Sustainability Report, or sections thereof, shall be deemed incorporated by reference into this annual report.

Item 1A. Risk Factors

Any of the following risks could materially and adversely affect our business, results of operations, cash flows and financial condition.

General Risks

If we do not effectively manage change and growth, our business could be adversely affected.

Our future revenue and operating results will depend on our ability to effectively manage the anticipated growth of our business. We have experienced fluctuations in the growth in demand for our products and services in recent years and are rebalancing our operations, managing our headcount, and developing new and innovative product offerings to balance our supply positions with our customers' requirements in each region. These circumstances have placed significant demands on our management as well as our financial and operational resources, and present several challenges, including:

- rebalancing manufacturing capacity, maintaining quality and optimizing production;
- identifying, attracting and retaining qualified personnel;
- developing and retaining our global sales, marketing and administrative infrastructure and capabilities;
- increasing our regulatory compliance capabilities, particularly in new lines of business;
- optimizing our expertise in a number of disciplines, including marketing, licensing, and merchandising; and
- implementing appropriate operational, financial and IT systems and internal controls.

Our business, operating results and financial condition are subject to particular risks in certain regions of the world.

We may experience an operating loss in one or more regions of the world for one or more periods, which could have a material adverse effect on our business, operating results or financial condition. Moreover, overcapacity, which often leads to lower prices, may develop over time in certain regions in which we operate even if demand continues to grow. More generally, supply and demand fluctuations could make it difficult for us to forecast and meet certain customers'

needs. Our ability to manage such operational fluctuations and to maintain adequate long-term strategies in the face of such developments will be critical to our continued growth and profitability.

The loss of a key customer, or a reduction in its requirements, could have a significant negative impact on our sales.

We sell a majority of our packaging products to a relatively limited number of major beverage, personal care and household product companies, some of which operate in multiple geographical markets we serve.

Although the majority of our customer contracts are long-term, these contracts, unless they are renewed, expire in accordance with their respective terms and are terminable under certain circumstances, such as our failure to meet quality, volume or market pricing requirements. Because we depend on a relatively limited number of major customers, our business, financial condition or results of operations could be adversely affected by the loss of any of these customers, a reduction in the purchasing levels of these customers, a strike or work stoppage by a significant number of these customers' employees or an adverse change in the terms of the supply agreements with these customers.

The primary customers for our aerospace segment are U.S. government agencies or their prime contractors. Our contracts with these customers are subject to several risks, including funding cuts and delays, technical uncertainties, budget changes, government shutdowns, competitive activity and changes in scope.

We have a significant level of debt that could have important consequences for our business and any investment in our securities.

The company had $8.62 billion of interest-bearing debt at December 31, 2023. Such indebtedness could have significant consequences for our business and any investment in our securities, including:

- increasing our vulnerability to adverse economic, industry or competitive developments;
- requiring more of our cash flows from operations to be dedicated to the payment of principal and interest on our indebtedness, thus limiting our cash flow available to fund our operations, capital expenditures and future business opportunities or the return of cash to our shareholders;
- restricting us from making additional acquisitions;
- limiting our ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions and general corporate or other purposes; and
- limiting our flexibility in planning for, or reacting to, changes in our business or market conditions and placing us at a competitive disadvantage compared to our competitors who may be less leveraged and who, therefore, may be able to take advantage of opportunities that our leverage prevents us from exploiting.

We face competitive risks from many sources that may negatively impact our profitability.

Competition within the packaging and aerospace industries is intense. Increases in productivity, combined with potential surplus capacity in the packaging industry, have maintained competitive pricing pressures. The principal methods of competition in the general packaging industry are price, innovation, sustainability, service and quality. In the aerospace industry, they are technical capability, cost and schedule. Some of our competitors may have greater financial, technical and marketing resources, and some may currently have excess capacity. Our current or potential competitors may offer products at a lower price or products that are deemed superior to ours. The global economic environment has resulted in reductions in demand for our products in some instances, which, in turn, could increase these competitive pressures.

We are subject to competition from alternative products, which could result in lower profits and reduced cash flows.

Our aluminum packaging products are subject to significant competition from substitute products, particularly plastic carbonated soft drink bottles made from PET, single serve and returnable beer bottles and other beverage containers made of glass, cardboard or other materials. Competition from plastic carbonated soft drink bottles is particularly intense in the U.S. and Europe, and competition from glass beer bottles has recently increased in Brazil. Certain of our aerospace products are also subject to competition from alternative products and solutions. There can be no assurance that our products will successfully compete against alternative products, which could result in a reduction in our profits or cash flows.

Our packaging businesses have a narrow product range, and our business would suffer if usage of our products decreased or if decreases occur in the demand for the beverages and other goods filled in our products.

The majority of our consolidated net sales were from the sale of beverage containers, and we expect to derive a significant portion of our future revenues and cash flows from the sale of beverage containers. Our business would suffer if the use of beverage containers decreased. Accordingly, broad acceptance by consumers of aluminum containers for a wide variety of beverages is critical to our future success. If demand for glass and PET bottles increases relative to aluminum containers, or the demand for aluminum containers does not develop as expected, our business, results of operations, cash flows and financial condition could be materially adversely affected.

Our business, financial condition, cash flows and results of operations are subject to risks resulting from broader geographic operations.

We derived approximately 44 percent of our consolidated net sales from outside of the U.S. for the year ended December 31, 2023. The sizeable scope of operations inside and outside of the U.S. may lead to more volatile financial results and make it more difficult for us to manage our business. Reasons for this include, but are not limited to, the following:

- political and economic instability;
- governments’ restrictive trade policies;
- the imposition or rescission of duties, taxes or government royalties;
- exchange rate risks;
- inflation of direct input costs;
- virus and disease outbreaks and responses thereto; and
- difficulties in enforcement of contractual obligations and intellectual property rights.

We are exposed to exchange rate fluctuations.

The company’s financial results are exposed to currency exchange rate fluctuations and a significant proportion of assets, liabilities and earnings are denominated in non-U.S. dollar currencies. The company presents its financial statements in U.S. dollars and has a significant proportion of its net assets, debt and income in non-U.S. dollar currencies, primarily the euro, as well as the currencies of Argentina, Egypt, Turkey and other emerging markets. The company’s financial results and capital ratios are therefore sensitive to movements in currency exchange rates.

We manage our exposure to currency fluctuations, particularly our exposure to fluctuations in the euro to U.S. dollar exchange rate to attempt to mitigate the effect of cash flow and earnings volatility associated with exchange rate changes. We primarily use derivative instruments to manage our currency exposures and, as a result, we experience gains and losses on these derivative positions which are offset, in part, by the impact of currency fluctuations on existing assets and liabilities.

We are vulnerable to fluctuations and disruptions in the supply and price of raw materials.

We purchase aluminum and other raw materials and packaging supplies, including dunnage, from several sources. While all such materials and supplies are available from independent suppliers, they are subject to fluctuations in price and availability attributable to a number of factors, including general economic conditions, commodity price fluctuations (particularly aluminum on the London Metal Exchange), the demand by other industries for the same raw materials and the availability of complementary and substitute materials. Although we enter into commodities purchase agreements from time to time and sometimes use derivative instruments to seek to manage our risk, we cannot ensure that our current suppliers of raw materials will be able to supply us with sufficient quantities at reasonable prices. Economic, financial, and operational factors, including strikes or labor shortages, as well as governmental action, could impact our suppliers, thereby causing supply shortages. Increases in raw material costs, including potential increases due to tariffs, sanctions, or other trade actions, could have a material adverse effect on our business, financial condition or results of operations. Global supply chain disruptions can negatively impact our results. In the Americas, Europe and Asia, some contracts do not allow us to pass along increased raw material costs and we generally use derivative agreements to seek to manage this risk. Our hedging procedures may be insufficient and our results could be materially impacted if costs of materials increase. Due to the fixed-price contracts, increased prices could decrease our sales volume over time. The delayed timing in recovering the pass-through of increasing raw material costs may also impact our short-term

profitability and certain costs due to price increases or supply chain inefficiencies may be unrecoverable, which would also impact our profitability.

We use estimates in accounting for many of our programs in our aerospace business, and changes in our estimates could adversely affect our future financial results.

We account for sales and profits on a portion of long-term contracts in our aerospace business in accordance with the percentage-of-completion method of accounting, using the cost-to-cost method to account for updates in estimates. The percentage-of-completion method of accounting involves the use of various estimating techniques to project revenues and costs at completion and various assumptions and projections related to the outcome of future events, including the quantity and timing of product deliveries, future labor performance and rates, and material and overhead costs. These assumptions involve various levels of expected performance improvements. Under the cost-to-cost method, the impact of updates in our estimates related to units shipped to date or progress made to date is recognized immediately. Given the significance of the judgments and estimates described above, it is likely that we could record materially different amounts if we used different assumptions or if the underlying circumstances or estimates were to change.

Our backlog includes both cost-type and fixed-price contracts. Cost-type contracts generally have lower profit margins than fixed-price contracts. Our earnings and margins may vary depending on the types of government contracts undertaken, the nature of the work performed under those contracts, the costs incurred in performing the work, the achievement of other performance objectives and their impact on our ability to receive fees. The fixed-price contracts could subject us to losses if we have cost overruns or if increases in our costs exceed the applicable escalation rate.

Net earnings and net assets could be materially affected by an impairment of goodwill.

We have a significant amount of goodwill recorded on our consolidated balance sheet as of December 31, 2023. We are required at least annually to test the recoverability of goodwill. The recoverability test of goodwill is based on the current fair value of our identified reporting units. Fair value measurement requires assumptions and estimates of many critical factors, including revenue and market growth, operating cash flows and discount rates. If general market conditions deteriorate in portions of our business, we could experience a significant decline in the fair value of our reporting units. This decline could lead to an impairment of all or a significant portion of the goodwill balance, which could materially affect our U.S. GAAP net earnings and net assets.

If the investments in Ball's pension plans, or in the multi-employer pension plans in which Ball participates, do not perform as expected, we may have to contribute additional amounts to the plans, which would otherwise be available for other general corporate purposes.

Ball maintains defined benefit pension plans covering substantially all of its employees in the United States, which are funded based on certain actuarial assumptions. The plans' assets consist primarily of common stocks, fixed-income securities and alternative investments. Market declines, longevity increases or legislative changes, such as the Pension Protection Act in the U.S., could result in a prospective decrease in our available cash flow and net earnings over time, and the recognition of an increase in our pension obligations could result in a reduction to our shareholders' equity. Additional risks exist related to the company's participation in multi-employer pension plans. Assets contributed to a multi-employer pension plan by one employer may be used to provide benefits to employees of other participating employers. If a participating employer in a multi-employer pension plan stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participants. This could result in increases to our contributions to the plans as well as pension expense.

Restricted access to capital markets could adversely affect our short-term liquidity and prevent us from fulfilling our obligations under the notes issued pursuant to our bond indentures.

A reduction in global market liquidity could:

- restrict our ability to fund working capital, capital expenditures, research and development expenditures and other business activities;
- increase our vulnerability to general adverse economic and industry conditions, including the credit risks stemming from the economic environment;
- limit our flexibility in planning for, or reacting to, changes in our businesses and the industries in which we operate;
- restrict us from making strategic acquisitions or exploiting business opportunities; and
- limit, along with the financial and other restrictive covenants in our debt, among other things, our ability to borrow additional funds, dispose of assets, pay cash dividends or refinance debt maturities.

If market interest rates increase, our variable-rate debt and any need to refinance debt will create higher debt service requirements, which adversely affects our cash flows. While we sometimes enter into agreements limiting our exposure, any such agreements may not offer complete protection from this risk.

The global credit, financial and economic environment could have a negative impact on our results of operations, financial position or cash flows.

The overall credit, financial and economic environment could have significant negative effects on our operations, including:

- the creditworthiness of customers, suppliers and counterparties could deteriorate resulting in a financial loss or a disruption in our supply of raw materials;
- volatile market performance could affect the fair value of our pension assets, potentially requiring us to make significant additional contributions to our defined benefit pension plans to maintain prescribed funding levels;
- a significant weakening of our financial position or operating results could result in noncompliance with our debt covenants; and
- reduced cash flows from our operations could adversely affect our ability to execute our long-term strategy to increase liquidity, reduce debt, repurchase our stock and invest in our businesses.

Changes in U.S. generally accepted accounting principles (U.S. GAAP) and SEC rules and regulations could materially impact our reported results.

U.S. GAAP and SEC accounting and reporting changes are common. These changes could have significant effects on our reported results when compared to prior periods and other companies and may even require us to retrospectively adjust prior periods. Additionally, material changes to the presentation of transactions in the consolidated financial statements could impact key ratios that investors, analysts and credit rating agencies use to assess or rate Ball’s performance and could ultimately impact our ability to access the credit markets in an efficient manner.

A material weakness in our internal control over financial reporting could, if not remediated, result in material misstatements in our financial statements.

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) under the Securities Exchange Act. A material weakness is defined as a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of annual or interim financial statements will not be prevented or detected on a timely basis. If a material weakness is identified, management could conclude that internal control over financial reporting is not effective based on criteria set forth by the Committee of Sponsoring Organization of the Treadway Commission in “*Internal Control—An Integrated Framework* (2013).” If a material weakness is identified, a remediation plan would be designed to address the material weakness. If remedial measures are insufficient to address the material weakness, or if additional material weaknesses in internal control are discovered or occur in the future, our consolidated financial statements may contain material misstatements and we could be required to restate our financial results. As of December 31, 2023, the company had no material weaknesses.

We face risks related to health epidemics, pandemics and other outbreaks, which could adversely affect our business.

Health epidemics, pandemics and other outbreaks could give rise to circumstances that cause one or more of the following risk factors to occur:

- We could lose key customers, customers could become insolvent or have a reduction in demand for our products and services;
- We could be subject to changes in laws and governmental regulations that adversely affect our business and operations;
- We could be subject to adverse fluctuations in currency exchange rates;
- We might lose key management and operating personnel;
- We may be subject to disruptions in the supply or price of our raw materials;
- We may face prolonged work stoppages at our facilities;
- We may be impacted by government budget constraints or government shutdowns;
- Our pension plan investments may not perform as expected, and we may be required to make additional contributions to our pension plans which would otherwise be available for other general corporate purposes;
- Our access to capital markets may be restricted, which could adversely affect our short-term liquidity and prevent us from fulfilling our obligations under the notes issued pursuant to our bond indentures;
- We may be subject to increased information technology (IT) security threats and reduced network access availability;
- Our operations and those of our principal customers and suppliers could be designated as non-essential in key markets; and
- A material weakness in our internal control over financial reporting or a material misstatement in our financial statements could occur.

Governmental and regulatory risks

Changes in laws and governmental regulations may adversely affect our business and operations.

We and our customers and suppliers are subject to various federal, state, provincial and local laws and regulations, which have been increasing in number and complexity. Each of our, and their, facilities is subject to federal, state, provincial and local licensing and regulation by health, environmental, workplace safety and other agencies in multiple jurisdictions. Requirements of worldwide governmental authorities with respect to manufacturing, manufacturing facility locations within the jurisdiction, product content and safety, climate change, workplace safety and health, environmental, expropriation of assets and other standards could adversely affect our ability to manufacture or sell our products, and the ability of our customers and suppliers to manufacture and sell their products. In addition, we face risks arising from compliance with and enforcement of numerous and complex federal, state, provincial and local laws and regulations.

Enacted regulatory developments regarding the reporting and use of “conflict minerals” mined from the Democratic Republic of the Congo and adjoining countries could affect the sourcing, availability and price of minerals used in the manufacture of certain of our products. As a result, there may only be a limited pool of suppliers who provide conflict-free materials, and we cannot give assurance that we will be able to obtain such products in sufficient quantities or at competitive prices. Also, because our supply chains are complex, we may face reputational challenges with our customers and other stakeholders if we are unable to sufficiently verify the origins of all materials used in the products that we sell. The compliance and reporting aspects of these regulations may result in incremental costs to the company. While deposit systems and other container-related legislation have been adopted in some jurisdictions, similar legislation has been defeated in public referenda and legislative bodies in many others. We anticipate that continuing efforts will be made to consider and adopt such legislation in the future. The packages we produce are widely used and perform well in U.S. states, Canadian provinces and European countries that have deposit systems, as well as in other countries worldwide.

Significant environmental, employment-related and other legislation and regulatory requirements exist and are also evolving. The compliance costs associated with current and proposed laws and potential regulations could be substantial, and any failure or alleged failure to comply with these laws or regulations could lead to litigation or governmental action, all of which could adversely affect our financial condition or results of operations.

Our aerospace segment is subject to certain risks specific to that business.

In our aerospace business, U.S. government contracts are subject to reduction or modification in the event of changes in requirements, and the government may also terminate contracts at its convenience pursuant to standard termination provisions. In such instances, Ball may be entitled to reimbursement for allowable costs and profits on authorized work that has been performed through the date of termination.

In addition, budgetary constraints and government shutdowns may result in further reductions to projected spending levels by the U.S. government. In particular, government expenditures are subject to the potential for automatic reductions, generally referred to as “sequestration.” Sequestration may occur in any given year, resulting in significant additional reductions to spending by various U.S. government defense and aerospace agencies on both existing and new contracts, as well as the disruption of ongoing programs. Even if sequestration does not occur, we expect that budgetary constraints and ongoing concerns regarding the U.S. national debt will continue to place downward pressure on agency spending levels. Due to these and other factors, overall spending on various programs could decline, which could result in significant reductions to revenue, cash flows, net earnings and backlog primarily in our aerospace segment.

As a U.S. government contractor, we could be adversely affected by changes in regulations or any negative findings from a U.S. government audit or investigation.

Our aerospace business operates in a highly regulated environment and is routinely audited and reviewed by the U.S. government and its agencies, such as the Defense Contract Audit Agency (DCAA) and Defense Contract Management Agency (DCMA). These agencies review performance under our contracts, our cost structure and our compliance with applicable laws, regulations and standards, as well as the adequacy of, and our compliance with, our internal control systems and policies. Business systems that are subject to review under the DoD Federal Acquisition Regulation Supplement (DFARS) are purchasing, estimating, material management and accounting, as well as property and earned value management. Any costs ultimately found to be unallowable or improperly allocated to a specific contract will not be reimbursed or must be refunded if already reimbursed. If an audit uncovers improper or illegal activities, we may be subject to civil and criminal penalties, sanctions or suspension or debarment from doing business with the U.S. government. Whether or not illegal activities are alleged, the U.S. government also has the ability to decrease or withhold certain payments when it deems systems subject to its review to be inadequate. If such actions were to result in suspension or debarment, this could have a material adverse effect on our business.

Our business faces the potential of increased regulation on some of the raw materials utilized in our packaging operations.

Our operations are subject to federal, state, provincial and local laws and regulations in multiple jurisdictions relating to some of the raw materials, including epoxy-based coatings utilized in our container making process. Epoxy-based coatings may contain Bisphenol-A (BPA). Scientific evidence evaluated by regulatory agencies in the U.S., Canada, Europe, Japan, Australia and New Zealand has consistently shown these coatings to be safe for food contact at current levels, and these regulatory agencies have stated that human exposure to BPA from epoxy-based container coatings is well below safe exposure limits set by government bodies worldwide. A significant change in these regulatory agency statements, adverse information concerning BPA or other chemicals present in our coatings, or rulings made within certain federal, state, provincial and local jurisdictions could have a material adverse effect on our business, financial condition or results of operations. Ball recognizes that significant interest exists in non-epoxy based coatings, and we have been proactively working with coatings suppliers and our customers to transition to alternative coatings. In addition, various U.S. states have passed or are contemplating legislation restricting, and the EU is reviewing a proposal to restrict, the use of materials that contain intentionally added per- and polyfluoroalkyl substances (PFAS), which may require the company to continue to incur costs to convert existing coatings to accommodate PFAS-free coatings. To mitigate these risks, the Company is working with its suppliers to require them to remove PFAS-containing coatings from our products.

Earnings and cash flows can be impacted by changes in tax laws.

As a U.S.-based multinational business, the company is subject to income tax in the U.S. and numerous jurisdictions outside the U.S., as well as recent OECD, European Commission and other trans-national initiatives that seek to impose minimum tax thresholds on most multi-national companies. The relevant tax rules and regulations are complex, often changing and, in some cases, are interdependent. If these or other tax rules and regulations should change, the company's earnings and cash flows could be impacted.

The company's worldwide provision for income taxes is determined, in part, through the use of significant estimates and judgments. Numerous transactions arise in the ordinary course of business where the ultimate tax determination is uncertain. The company undergoes tax examinations by various worldwide tax authorities on a regular basis. While the company believes its estimates of its tax obligations are reasonable, the final outcome after the conclusion of any tax examinations and any litigation could be materially different from what has been reflected in the company's historical financial statements.

Technological risks

Decreases in our ability to develop or apply new technology and know-how may affect our competitiveness.

Our success depends partially on our ability to improve production processes and services. We must also introduce new products and services to meet changing customer needs. If we are unable to implement better production processes or to develop new products through research and development or licensing of new technology, we may not be able to remain competitive with other manufacturers. As a result, our business, financial condition, cash flows or results of operations could be adversely affected.

Increased information technology (IT) security threats and more sophisticated and targeted computer crime could pose a risk to our systems, networks, products, solutions and services, as well as those of our suppliers and customers.

The company's IT systems, or any third party's system on which the company relies, as well as those of our suppliers and customers, could fail on their own accord or may be vulnerable to a variety of interruptions or shutdowns, including interruptions or shutdowns due to natural disasters, power outages or telecommunications failures, terrorist attacks or failures during the process of upgrading or replacing software or hardware. Increased global IT security threats and more sophisticated and targeted computer crime also pose a risk to the security of our systems and networks and the confidentiality, availability and integrity of our data, as well as to the security and data of our suppliers and customers. As a provider of products and services to government and commercial customers, our aerospace business in particular may be the target of cyber-attacks, including attempts to gain unauthorized access to classified or sensitive information and networks. The company has a number of shared service centers where many of the company's IT systems are concentrated and any disruption at such a location could impact the company's business within the operating zones served by the impacted service center.

While we attempt to mitigate all of these risks to our networks, systems and data by employing a number of measures, including employee training, comprehensive monitoring of our networks and systems, and maintenance of backup and protective systems, our systems, networks, products, solutions and services remain potentially vulnerable to advanced persistent threats or other IT disruptions. Depending on their nature and scope, such threats could potentially lead to the compromise of confidential information, improper use of our systems and networks, manipulation and destruction of data, defective products, harm to individuals or property, contractual or regulatory actions and fines, penalties and potential liabilities, production downtimes and operational disruptions, which in turn could adversely affect our reputation, competitiveness and results of operations. Data privacy and protection laws are evolving and present increasing compliance challenges, which may increase our costs, affect our competitiveness and could expose us to substantial fines or other penalties. In addition, a security breach that involves classified or other sensitive government information could subject us to civil or criminal penalties and could result in the loss of our secure facility clearance and other accreditation, loss of our government contracts, loss of access to classified information or debarment as a government contractor.

Human capital risks

If we fail to retain key management and personnel, we may be unable to implement our key objectives.

We believe our future success depends, in part, on our experienced management team. Unforeseen losses of key members of our management team without appropriate succession and/or compensation planning could make it difficult for us to manage our business and meet our objectives.

Prolonged work stoppages at facilities with union employees could jeopardize our financial position.

As of December 31, 2023, 8 percent of our North American employees and 39 percent of our European employees were covered by collective bargaining agreements. These collective bargaining agreements have staggered expirations during the next several years. Although we consider our employee relations to be generally good, a prolonged work stoppage or strike at any facility with union employees could have a material adverse effect on our business, financial condition, cash flows or results of operations. In addition, we cannot ensure that upon the expiration of existing collective bargaining agreements, new agreements will be reached without union action or that any such new agreements will be on terms satisfactory to us.

Environmental risks

Adverse weather and climate changes may result in lower sales.

We manufacture packaging products primarily for beverages. Unseasonable weather can reduce demand for certain beverages packaged in our containers. Climate change and the increasing frequency of severe weather events could have various effects on the demand for our products, our supply chain and the costs of inputs to our production and delivery of products in different regions around the world. Our plants' production may be prevented or curtailed due to severe or unanticipated weather and climate events.

Our business is subject to substantial environmental remediation and compliance costs.

Our operations are subject to federal, state, provincial and local laws and regulations in multiple jurisdictions relating to environmental hazards, such as emissions to air, discharges to water, the handling and disposal of hazardous and solid wastes and the clean-up of hazardous substances. We have been designated, along with numerous other companies, as a potentially responsible party for the clean-up of several hazardous waste sites. Additionally, there is increased focus on the regulation of greenhouse gas emissions and other environmental issues worldwide. We strive to mitigate such risks related to environmental issues, including through the purchase of renewable energy, the adoption of sustainable practices, and by positioning ourselves as a sustainability leader in our industry.

Item 1B. Unresolved Staff Comments

There were no matters required to be reported under this item.

Item 1C. Cybersecurity

Risk management and strategy

Ball Corporation is committed to maintaining a strong cybersecurity posture. We have a dedicated, globally distributed information security team that is responsible for leading information security strategy, standards and processes, which are integrated into our comprehensive enterprise risk management process.

The company employs a standards-based cybersecurity program aligned to the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF), including ongoing assessment and continuous improvement to address the rapidly evolving threat landscape. Ball partners closely with a strong network of external partners, including conducting annual assessments of the cyber risk management program against the NIST CSF.

Our information security team has designed and implemented formal processes for assessing, identifying and managing material risk from cybersecurity threats, both internally and related to the use of third-party service providers. Ball has strategically integrated its cyber incident assessment process with its well-defined incident response plan and processes.

In addition, we have aligned our incident response plan and process with our enterprise risk and global crisis management processes. These critical linkages ensure that we have an effective and efficient overall response to potential threats, with appropriate leadership governance involved in the ongoing cyber materiality assessment and determination.

In response to the ever-evolving cyber threat landscape, Ball utilizes external experts to support continuous improvement across our cyber program, processes and operations. This includes involving independent cybersecurity assessors and auditors to perform ongoing evaluation of our cyber program and operational maturity. Our collaboration with these third-parties includes regular audits, threat assessments, and consultation on cyber enhancements. These partnerships enable us to leverage specialized knowledge and insights to ensure our cybersecurity strategy and improvements remain aligned to critical improvements and address relevant threats and risks for Ball. In addition, we also augment and extend our cyber team, using a select few, trusted third-party partners, integrated as members of our global operations. This provides us with expanded global threat intel and enhances our ability to deliver continuous, global cyber operations 24/7.

We are aware of the increasing risks associated with third-party service providers and have implemented processes to oversee and manage these risks. Prior to engaging with third-party providers, Ball conducts thorough security assessments and also performs ongoing monitoring to ensure compliance with our cybersecurity standards. Third-party cyber incidents follow our incident response plan and processes, including full assessment and remediation. Our oversight of third-party cyber risk aids our ability to lessen and mitigate impacts related to data breaches and other security incidents originating from third-parties.

Ball faces risks from cybersecurity threats that could have a material adverse effect on the company, including its business strategy, results of operations, financial condition and reputation. Ball experiences cyber threats in the normal course of its business; however, prior cybersecurity incidents have not materially affected the company. Refer to Item 1A, Risk Factors – Technological Risks, for additional details on cybersecurity risks that could potentially materially affect the company, including its business strategy, results of operations, financial condition and reputation.

Governance

Ball’s Chief Information Security Director (CISD) reports to the Senior Vice President and Chief Information Officer (CIO) and leads the company’s cybersecurity team. The CISD is responsible for overseeing cybersecurity, including assessing and managing cybersecurity risk, and together with the CIO, providing comprehensive briefings to the executive leadership team with respect to the cybersecurity program and emerging or potential cybersecurity risks. The cybersecurity team has extensive experience selecting, deploying, and operating cybersecurity technologies, strategies and processes, and couples this knowledge with the use of external experts employed by Ball to protect the company from cyber threats.

Through our global security incident management plan, we aim to prevent potential cybersecurity incidents from becoming material with early detection, escalation, mitigation and remediation activities. If a cybersecurity threat is at risk of materially affecting our company, our cross-functional response team will enact our escalation processes to notify appropriate levels of management, along with the executive leadership team, disclosure committee, and Board of Directors, as necessary.

Our Board of Directors is responsible for providing oversight and governance with respect to IT and cybersecurity matters, which includes providing oversight over disclosure controls and procedures related to any cybersecurity breach occurrences and IT matters. Annually, the CIO briefs the Board of Directors on the company’s cybersecurity posture, the effectiveness of its risk management strategies, and the emerging threat landscape, which creates alignment of cybersecurity efforts with Ball’s risk management framework.

Item 2. Properties

The company's properties described below are well maintained, and management considers them to be adequate and utilized for their intended purposes.

Ball's corporate headquarters are located in Westminster, Colorado, U.S. and our aerospace segment management offices are located in Broomfield, Colorado, U.S. The operations of the aerospace segment occupy a variety of company-owned and leased facilities in Colorado, U.S., which comprise office, laboratory, research and development, engineering and test and manufacturing space. Other aerospace operations carry on business in smaller company owned and leased facilities in other U.S. locations outside of Colorado. In the third quarter of 2023, Ball entered into a Stock Purchase Agreement with BAE Systems, Inc. (BAE), to sell all of the outstanding equity interests in Ball's aerospace business to BAE. On February 16, 2024, the company completed the divestiture of the aerospace business. See Note 4 for further details.

Ball's manufacturing locations for significant packaging operations, which are owned or leased by the company, are set forth below. Facilities in the process of being constructed, or that have permanently ceased production, have been excluded from the list. In addition to the facilities listed, the company leases other warehousing space.

Beverage packaging, North and Central America, locations:
- Bowling Green, Kentucky
- Conroe, Texas
- Fairfield, California
- Findlay, Ohio
- Fort Atkinson, Wisconsin
- Fort Worth, Texas
- Glendale, Arizona
- Golden, Colorado
- Goodyear, Arizona
- Kapolei, Hawaii
- Kent, Washington (planned closure in the first half of 2024)
- Monterrey, Mexico
- Monticello, Indiana
- Pittston, Pennsylvania
- Queretaro, Mexico
- Rome, Georgia
- Saratoga Springs, New York
- Tampa, Florida
- Whitby, Ontario, Canada
- Williamsburg, Virginia

Beverage packaging, EMEA, locations:
- Belgrade, Serbia
- Bierne, France
- Cabanillas del Campo, Spain
- Cairo, Egypt
- Ejpovice, Czech Republic
- Fosie, Sweden
- Fredericia, Denmark
- Gelsenkirchen, Germany
- Kettering, United Kingdom
- La Selva, Spain
- Lublin, Poland
- Ludesch, Austria
- Manisa, Turkey
- Mantsala, Finland
- Milton Keynes, United Kingdom
- Mont, France
- Nogara, Italy
- Pilsen, Czech Republic

- Wakefield, United Kingdom
- Waterford, Ireland
- Widnau, Switzerland

Beverage packaging, South America, locations:
- Aguas Claras, Brazil
- Asuncion, Paraguay
- Brasilia, Brazil
- Buenos Aires, Argentina
- Extrema, Brazil
- Frutal, Brazil
- Jacarei, Sao Paulo, Brazil
- Manaus, Brazil
- Pouso Alegre, Brazil
- Recife, Brazil
- Santiago, Chile
- Tres Rios, Rio de Janeiro, Brazil

Beverage packaging, Other, locations:
- Dammam, Saudi Arabia
- Mumbai, India
- Sri City, India
- Yangon, Myanmar

Aerosol packaging locations:
- Ahmedabad, India
- Beaurepaire, France
- Bellegarde, France
- Devizes, United Kingdom
- Itupeva, Brazil
- San Luis Potosí, Mexico
- Sherbrooke, Quebec, Canada
- Velim, Czech Republic

Aluminum cups location:
- Rome, Georgia

Item 3. Legal Proceedings

Details of the company's legal proceedings are included in Note 22 to the consolidated financial statements within Item 8 of this annual report.

Item 4. Mine Safety Disclosures

Not applicable.

Part II.

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Ball Corporation common stock is listed for trading on the New York Stock Exchange under the ticker symbol BALL. There were 6,675 common shareholders of record on February 15, 2024.

Common Stock Repurchases

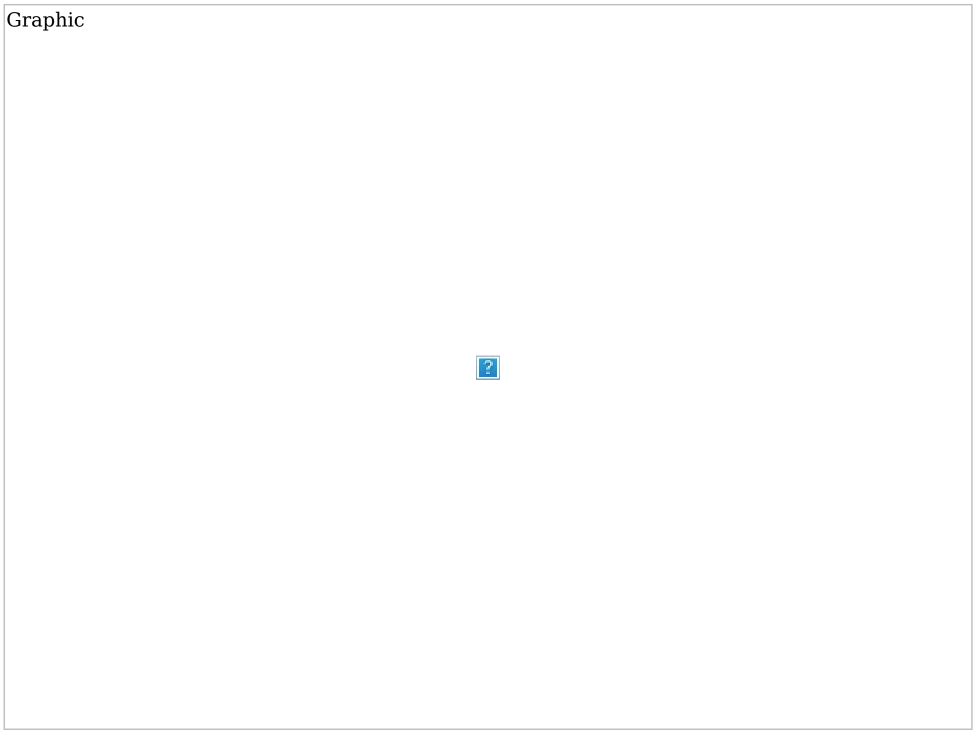
The following table summarizes the company's repurchases of its common stock during the fourth quarter of 2023.

Purchases of Securities				
($ in millions)	Total Number of Shares Purchased (a)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (a)	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (b)
October 1 to October 31, 2023	—	$ —	—	19,596,607
November 1 to November 30, 2023	—	—	—	19,596,607
December 1 to December 31, 2023	—	—	—	19,596,607
Total	—		—	

(a) Includes any open market purchases (on a trade-date basis), share repurchase agreements and/or shares retained by the company to settle employee withholding tax liabilities.
(b) The company has an ongoing repurchase program for which 50 million shares were authorized for repurchase by Ball's Board of Directors.

Shareholder Return Performance

The line graph below compares the annual percentage change in Ball Corporation's cumulative total shareholder return on its common stock with the cumulative total return of the Dow Jones Containers & Packaging Index and the S&P Composite 500 Stock Index for the five-year period ended December 31, 2023. The graph assumes $100 was invested on December 31, 2018, and that all dividends were reinvested. The Dow Jones Containers & Packaging Index total return has been weighted by market capitalization.



Total Return Analysis

	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
BALL	$ 100.00	$ 141.83	$ 205.93	$ 214.43	$ 115.30	$ 131.61
S&P 500	100.00	128.88	149.83	190.13	153.16	190.27
DJ US Containers & Packaging	100.00	125.59	118.34	108.85	80.30	104.72

Source: Refinitiv

Item 6. [Reserved]

Removing and reserving Item 6 of Part II.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's discussion and analysis should be read in conjunction with the consolidated financial statements and accompanying notes included in Item 8 of this Annual Report on Form 10-K (annual report), which include additional information about our accounting policies, practices and the transactions underlying our financial results. The preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires us to make estimates and assumptions that affect the reported amounts in our consolidated financial statements and the accompanying notes, including various claims and contingencies related to lawsuits, taxes, environmental and other matters arising during the normal course of business. We apply our best judgment, our knowledge of existing facts and circumstances and actions that we may undertake in the future in determining the estimates that affect our consolidated financial statements. We evaluate our estimates on an ongoing basis using our historical experience, as well as other factors we believe appropriate under the circumstances, such as current economic conditions, and adjust or revise our estimates as circumstances change. As future events and their effects cannot be determined with precision, actual results may differ from these estimates. Ball Corporation and its subsidiaries are referred to collectively as "Ball Corporation," "Ball," "the company," "we" or "our" in the following discussion and analysis.

OVERVIEW

Business Overview and Industry Trends

Ball Corporation is one of the world's leading aluminum packaging suppliers. Our packaging products are produced for a variety of end uses, are manufactured in facilities around the world and are competitive with other substrates, such as plastics and glass. In the aluminum packaging industry, sales and earnings can be increased by reducing costs, increasing prices, developing new products, expanding volumes and making strategic acquisitions. We also provide aerospace and other technologies and services to governmental and commercial customers. In the third quarter of 2023, Ball entered into a Stock Purchase Agreement with BAE Systems, Inc. (BAE), to sell all of the outstanding equity interests in Ball's aerospace business to BAE. On February 16, 2024, the company completed the divestiture of the aerospace business. See Note 4 for further details.

We sell our aluminum packaging products mainly to large, multinational beverage, personal care and household products companies with which we have developed long-term relationships. This is evidenced by our high customer retention and our large number of long-term supply contracts. While we have a diversified customer base, we sell a significant portion of our packaging products to major companies and brands, as well as to numerous regional customers. The overall global aluminum beverage and aerosol container industries are growing and are expected to continue to grow in the medium to long term. The primary customers for the products and services provided by our aerospace segment are U.S. government agencies or their prime contractors.

We purchase our raw materials from relatively few suppliers. We also have exposure to inflation, in particular the rising costs of raw materials, as well as other direct cost inputs. We mitigate our exposure to the changes in the costs of aluminum through the inclusion of provisions in contracts covering the majority of our volumes to pass through aluminum price changes, as well as through the use of derivative instruments. The pass through provisions generally result in proportional increases or decreases in sales and costs with a greatly reduced impact, if any, on net earnings; however, there may be timing differences of when the costs are passed through. Because of our customer and supplier concentration, our business, financial condition and results of operations could be adversely affected by the loss, insolvency or bankruptcy of a major customer or supplier or a change in a supply agreement with a major customer or supplier, although our contract provisions generally mitigate the risk of customer loss, and our long-term relationships represent a known, stable customer base.

The majority of our aerospace business involves work under contracts, generally from one to five years in duration, as a prime contractor or subcontractor for various U.S. government agencies. Intense competition and long operating cycles are key characteristics of the company's aerospace and defense industry where it is common for work on major programs to be shared among a number of companies. A company competing to be a prime contractor may, upon ultimate award of the contract to a competitor, become a subcontractor for the ultimate prime contracting company.

RESULTS OF OPERATIONS

Management's discussion and analysis for our results of operations on a consolidated and segment basis include a quantification of factors that had a material impact. Other factors that did not have a material impact, but that are significant to understand the results, are qualitatively described.

Refer to 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, 2022, as filed on February 21, 2023, for a comparison of our 2022 results of operations to the 2021 results.

Global Economic Environment

Recent data has indicated continued high inflation in the regions where we operate. Current and future inflationary effects may continue to be impacted by, among other things, supply chain disruptions, governmental stimulus or fiscal and monetary policies, changes in interest rates, and changing demand for certain goods and services. We cannot predict with any certainty the impact that rising interest rates, a global or any regional recession, or higher inflation may have on our customers or suppliers. Additionally, we are unable to predict the potential effects that any future pandemic, or the continuation or escalation of global conflicts, including the conflict between Russia and Ukraine and the rising instability in the Middle East, and related sanctions or market disruptions, may have on our business. It remains uncertain how long any of these conditions may last or how severe any of them may become.

Consolidated Sales and Earnings

	Years Ended December 31,		
($ in millions)	**2023**	**2022**	**2021**
Net sales	$ 14,029	$ 15,349	$ 13,811
Net earnings attributable to Ball Corporation	707	719	878
Net earnings attributable to Ball Corporation as a % of net sales	5 %	5 %	6 %

Sales in 2023 were $1,320 million lower compared to 2022 primarily due to a $554 million decrease from the 2022 sale of the Russian aluminum beverage packaging business, a $514 million decrease from lower volumes and a $305 million decrease from lower sales prices resulting mainly from lower aluminum prices net of the annual pass-through of inflationary costs.

Net earnings attributable to Ball Corporation in 2023 were $12 million lower compared to 2022 primarily due to an $129 million increase in interest expense, an $124 million decrease from lower volumes, an $86 million decrease from the 2022 sale of the Russian aluminum beverage packaging business and an $82 million increase in business consolidation costs and other activities, partially offset by an $184 million increase from higher sales prices resulting mainly from the annual pass-through of inflationary costs net of current year inflation, $80 million of cost savings from rightsizing production, a $49 million increase from contract mix and operational performance in the aerospace segment and a $36 million decrease in the income tax provision.

Cost of Sales (Excluding Depreciation and Amortization)

Cost of sales, excluding depreciation and amortization, was $11,359 million in 2023 compared to $12,766 million in 2022. These amounts represented 81 percent and 83 percent of consolidated net sales for the years ended 2023 and 2022, respectively. The decrease year-over-year is primarily due to lower manufacturing costs, including lower aluminum costs of $1.29 billion, and lower freight expenses of $176 million. We took actions to normalize inventory levels and reduce fixed and variable costs in 2023 that improved financial results.

Depreciation and Amortization

Depreciation and amortization expense was $686 million in 2023 compared to $672 million in 2022. These amounts represented 5 percent and 4 percent of consolidated net sales for the years ended 2023 and 2022, respectively. Amortization expense in 2023 and 2022 included $135 million for the amortization of acquired Rexam intangibles. The increase compared to the same period in 2022 is primarily due to the company's larger depreciable asset base, partially

offset by revised estimated useful lives of the company's manufacturing equipment, buildings and certain assembly and test equipment, as well as the sale of the Russian aluminum beverage packaging business. See Note 10 of these consolidated financial statements for additional discussion of the reduction in depreciation resulting from the 2022 revised estimated useful lives. See Note 4 for details and quantification regarding the sale of the Russian operations.

Selling, General and Administrative

Selling, general and administrative (SG&A) expenses were $558 million in 2023 compared to $626 million in 2022. These amounts represented 4 percent of consolidated net sales for the years ending 2023 and 2022. The decrease in SG&A expenses was primarily due to a $26 million increase in foreign exchange gains and a $23 million decrease in professional service costs.

Business Consolidation Costs and Other Activities

Business consolidation and other activities resulted in charges of $153 million in 2023 compared to charges of $71 million in 2022. These amounts represented 1 percent and less than 1 percent of consolidated net sales for 2023 and 2022, respectively. The amounts in 2023 included facility shutdown costs, transaction costs related to the sale of the aerospace business and a foreign exchange loss associated with the company's Argentina business. The amounts in 2022 included impairment losses on Russia's long-lived asset group, the gain on sale of Ball's Russian aluminum beverage packaging business, the gain on sale of Ball's remaining equity method investment in Ball Metalpack, facility shutdown costs and a charge related to a donation to the Ball Foundation. Further details and quantification regarding business consolidation costs and other activities are provided in Note 6.

Interest Expense

Total interest expense was $459 million in 2023 compared to $330 million in 2022. Interest expense, excluding the effect of debt refinancing and other costs, as a percentage of average borrowings increased by approximately 140 basis points from 3.5 percent in 2022 to 4.9 percent in 2023 due to an increase in global interest rates. As such, the increase in interest expense was primarily driven by an $132 million increase from higher weighted average interest rates on outstanding debt during the year, along with a $15 million increase from a larger amount of weighted average principal outstanding during the year.

Tax Provision

The company's effective tax rate is affected by recurring items such as income earned in non-U.S. jurisdictions with tax rates that differ from the U.S. tax rate and by discrete items that may occur in any given year but are not consistent from year to year.

The 2023 effective income tax rate was 15.1 percent compared to 18.0 percent for 2022. As compared with the statutory U.S. federal income tax rate of 21 percent, the 2023 effective income tax rate was reduced by 8.2 percent for the impact of the U.S. research and development credit, by 4.7 percent for non-U.S. rate differences including tax holidays, and by 4.7 percent for the impact of U.S. taxes on non-U.S. earnings including the foreign tax credit. These reductions were partially offset by an increase of 13.0 percent for changes in valuation allowances. While these items are expected to recur, the potential magnitude of each item is uncertain.

Further details of taxes on income are provided in Note 16 to the consolidated financial statements within Item 8 of this annual report.

RESULTS OF BUSINESS SEGMENTS

Segment Results

Ball's operations are organized and reviewed by management along its product lines and geographical areas, and its operating results are presented in the four reportable segments discussed below.

Beverage Packaging, North and Central America

($ in millions)	Years Ended December 31, 2023	2022	2021
Net sales	$ 5,963	$ 6,696	$ 5,856
Comparable operating earnings	710	642	681
Comparable operating earnings as a % of segment net sales	12 %	10 %	12 %

Ball permanently ceased production at its Phoenix, Arizona aluminum beverage can manufacturing facility in the fourth quarter of 2022, permanently ceased production at its aluminum beverage can manufacturing facility in St. Paul, Minnesota in the first quarter of 2023 and permanently ceased production at its aluminum beverage can manufacturing facility in Wallkill, New York in the third quarter of 2023. Additionally, the company announced it will permanently cease production at its aluminum beverage can manufacturing facility in Kent, Washington in the first half of 2024, and has permanently discontinued plans to construct the North Las Vegas beverage can plant.

Segment sales in 2023 were $733 million lower compared to 2022 primarily due to a $408 million decrease from lower volumes and a $325 million decrease from lower sales prices resulting mainly from lower aluminum prices net of the annual pass-through of inflationary costs.

Comparable operating earnings in 2023 were $68 million higher compared to 2022 primarily due to $54 million of fixed cost savings from rightsizing production through the facility actions noted above, $32 million of income recognized from the termination of a long term power supply contract that offsets higher energy costs, a $25 million increase from higher sales prices resulting mainly from the annual pass-through of inflationary costs net of current year inflation and $21 million of lower depreciation expense associated with the third quarter 2022 revision of estimated useful lives, partially offset by an $109 million decrease from lower volumes. Fixed and variable cost management and operational performance initiatives continue and are expected to improve results in 2024 and beyond.

Beverage Packaging, EMEA

($ in millions)	Years Ended December 31, 2023	2022	2021
Net sales	$ 3,395	$ 3,854	$ 3,509
Comparable operating earnings	354	358	452
Comparable operating earnings as a % of segment net sales	10 %	9 %	13 %

Segment sales in 2023 were $459 million lower compared to 2022 primarily due to a $554 million decrease from the 2022 sale of the Russian aluminum beverage packaging business and a $77 million decrease from lower volumes, partially offset by an $168 million increase from higher sales prices resulting mainly from the annual pass-through of inflationary costs net of lower aluminum prices.

Comparable operating earnings in 2023 were $4 million lower compared to 2022 primarily due to an $86 million decrease from the 2022 sale of the Russian aluminum beverage packaging business, a $46 million decrease from new facility start-up costs and a $27 million decrease from currency translation, partially offset by an $126 million increase from higher sales prices mainly from the annual pass-through of inflationary costs net of current year inflation.

During the third quarter of 2022, and further to the Russian invasion of Ukraine, the company sold its Russian business, composed of three manufacturing facilities, for total cash consideration of $530 million. The historical operations and results of the Russian aluminum beverage packaging business, including the gain on sale, are included in the beverage packaging, EMEA segment. See Note 4 of these consolidated financial statements within Item 8 of this annual report for additional discussion regarding the sale and its impact to Ball’s financial results.

A summary of the results of the Russian aluminum beverage packaging business and the non-Russian components of the beverage packaging, EMEA, segment, for the years ended December 31, 2022 and 2021, are shown below:

($ in millions)	Year Ended December 31, 2022	2021
Net sales		
Russia	$ 554	$ 594
Non-Russia	3,300	2,915
Beverage packaging, EMEA, segment	$ 3,854	$ 3,509
Comparable operating earnings		
Russia	$ 86	$ 129
Non-Russia	272	323
Beverage packaging, EMEA, segment	$ 358	$ 452

The Russian sales and comparable operating earnings figures in the above table include historical support by Russia for non-Russian regions. See Note 4 to the consolidated financial statements within Item 8 of this annual report for additional discussion regarding the sale.

Beverage Packaging, South America

($ in millions)	Years Ended December 31, 2023	2022	2021
Net sales	$ 1,960	$ 2,108	$ 2,016
Comparable operating earnings	266	275	348
Comparable operating earnings as a % of segment net sales	14 %	13 %	17 %

Ball permanently ceased production at its Santa Cruz, Brazil, aluminum beverage can manufacturing facility in the third quarter of 2022.

Segment sales in 2023 were $148 million lower compared to 2022 due to a decrease from lower sales prices resulting mainly from lower aluminum prices net of the annual pass-through of inflationary costs.

Comparable operating earnings in 2023 were $9 million lower compared to 2022 primarily due to a $27 million decrease from unfavorable fixed cost absorption, partially offset by a $3 million increase from higher sales prices resulting mainly from the annual pass-through of inflationary costs net of current year inflation.

Aerospace

($ in millions)	Years Ended December 31, 2023	2022	2021
Net sales	$ 1,967	$ 1,977	$ 1,911
Comparable operating earnings	219	170	169
Comparable operating earnings as a % of segment net sales	11 %	9 %	9 %

In the third quarter of 2023, Ball entered into a Stock Purchase Agreement with BAE Systems, Inc. (BAE), to sell all of the outstanding equity interests in Ball's aerospace business to BAE. On February 16, 2024, the company completed the divestiture of the aerospace business. See Note 4 for further details.

Segment sales in 2023 were $10 million lower compared to 2022, primarily due to a $22 million decrease from backlog liquidation timing, partially offset by a $12 million increase from favorable contract mix. Comparable operating earnings were $49 million higher, primarily due to a $31 million increase from favorable contract mix and an $18 million increase from operational performance.

Sales to the U.S. government, either directly as a prime contractor or indirectly as a subcontractor, represented 98 percent of segment sales in 2023 and 2022. The aerospace contract mix in 2023 consisted of 41 percent cost-type contracts, which are billed at our costs plus an agreed-upon and/or earned profit component, and 56 percent fixed-price contracts. The remaining sales were for time and materials contracts.

Backlog for the aerospace segment at December 31, 2023 and 2022, was $2.98 billion and $2.97 billion, respectively. The actual amount of funding received in the future may be higher or lower than our estimate of potential contract value. The segment has numerous outstanding bids for future contract awards. The backlog at December 31, 2023, consisted of 52 percent cost-type contracts. Comparisons of backlog are not necessarily indicative of the trend of future operations due to the nature of varying delivery and milestone schedules on contracts, funding of programs and the uncertainty of timing of future contract awards.

Management Performance Measures

Management internally uses various measures to evaluate company performance such as comparable operating earnings (earnings before interest, taxes and business consolidation and other non-comparable costs); comparable net earnings (earnings before business consolidation costs and other non-comparable costs after tax); comparable diluted earnings per share (comparable net earnings divided by diluted weighted average shares outstanding); return on average invested capital (net operating earnings after tax over the relevant performance period divided by average invested capital over the same period); economic value added (EVA®) dollars (net operating earnings after tax less a capital charge on average invested capital employed); earnings before interest and taxes (EBIT); earnings before interest, taxes, depreciation and amortization (EBITDA); and diluted earnings per share. In addition, management uses operating cash flows as a measure to evaluate the company's liquidity. We believe this information is also useful to investors as it provides insight into the earnings and cash flow criteria that management uses to make strategic decisions. These financial measures may be adjusted at times for items that affect comparability between periods, including business consolidation costs and other non-comparable items.

Nonfinancial measures used in the packaging businesses include production efficiency and spoilage rates; quality control figures; environmental, health and safety statistics; production and sales volume data; asset utilization rates and measures of sustainability. Additional measures used to evaluate financial performance in the aerospace segment include contract revenue realization, award and incentive fees realized, proposal win rates and backlog. References to sales volume data represent units shipped.

Many of the above noted financial measurements are presented on a non-U.S. GAAP basis and should be considered in connection with the consolidated financial statements within Item 8 of this annual report. Non-U.S. GAAP measures should not be considered in isolation and should not be considered superior to, or a substitute for, financial measures calculated in accordance with U.S. GAAP. A presentation of earnings in accordance with U.S. GAAP is available in Item 8 of this annual report.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

For information regarding the company's critical and significant accounting policies, as well as recent accounting pronouncements, see Note 1 and Note 2 to the consolidated financial statements within Item 8 of this annual report.

The company considers certain accounting estimates to be critical, as their application is made in accordance with generally accepted accounting principles that involve a significant level of estimation uncertainty and have had, or are reasonably likely to have, a material impact on the financial condition or results of operations. Detailed below is a discussion of why, to the extent the estimate is material, these estimates are subject to uncertainty and the sensitivity of the reported amounts to the methods, assumptions, and estimates underlying the estimate's calculation.

Revenue Recognition in the Aerospace Segment

Sales under fixed-price long-term contracts in the aerospace segment are primarily recognized using percentage-of-completion accounting under the cost-to-cost method. The company believes the accounting estimates related to revenue recognition in its aerospace segment are critical accounting estimates because they are highly reliant upon estimation throughout the segment's contracts with its customers. The recognition of revenue requires significant estimation on the part of management, including estimating techniques to project revenues and costs at completion and various assumptions and projections related to the outcome of future events, and evaluation of estimates of total contract revenue, total contract cost, and extent of progress toward completion. Aside from estimation of total contract cost and progress towards completion, total revenues in our aerospace segment are subject to uncertainty due to the total amount that will be paid by the customer giving rise to variable consideration. The primary types of variable consideration present in the company's contracts are cost reimbursements, performance award fees, incremental funding and finalization of government rates. The company's accounting policy around revenue recognition in its aerospace segment and further details of estimates used in revenue recognition in its aerospace segment can be found in Note 1 and Note 5, respectively, to the consolidated financial statements within Item 8 of this annual report.

Defined Benefit Pension Plans

The company has defined benefit plans which require management to make assumptions relating to the long-term rate of return on plan assets, discount rates used to determine the present value of future obligations and expenses, salary inflation rates, mortality rates and other assumptions. The company believes the accounting estimates related to its pension plans are critical accounting estimates because several of the company's defined benefit plans have significant asset and liability balances, and because the assumptions used are highly susceptible to change from period to period based on the performance of plan assets, actuarial valuations, market conditions and contracted benefit changes. These assumptions do not change during the company's fiscal year unless a remeasurement event occurs in one of the plans, such as a significant settlement. The assumptions used in accounting for the company's defined benefit plans and how they have changed over time, as well as the sensitivity of the plans to changes in their related assumptions, can be found in Note 17 to the consolidated financial statements within Item 8 of this annual report.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Cash Flows and Capital Expenditures

Our primary sources of liquidity are cash provided by operating activities and external borrowings. We believe that cash flows from operating activities and cash provided by short-term, long-term and committed revolver borrowings, when necessary, will be sufficient to meet our ongoing operating requirements, scheduled principal and interest payments on debt, dividend payments, anticipated share repurchases and anticipated capital expenditures. The following table summarizes our cash flows:

	Years Ended December 31,		
($ in millions)	**2023**	**2022**	**2021**
Cash flows provided by (used in) operating activities	$ 1,863	$ 301	$ 1,760
Cash flows provided by (used in) investing activities	(1,053)	(786)	(1,639)
Cash flows provided by (used in) financing activities	(662)	485	(894)

Cash flows provided by operating activities were $1,863 million in 2023, primarily driven by net earnings of $711 million, depreciation and amortization of $686 million, working capital inflows of $360 million and business consolidation and other costs of $153 million. On February 16, 2024, the company completed the divestiture of the aerospace business. We currently estimate a cash tax of $1.0 billion to be recorded as a cash outflow from operations in 2024. See Note 4 for further details. In an elevated interest rate environment, payment terms with our customers and vendors become a more important element of total mix of information used to negotiate our contract terms. At December 31, 2023, days sales outstanding, net of factored receivables, was 62 days; therefore, a change of one day in days sales outstanding will impact cash flows provided by (used in) operating activities by $38 million. At December 31, 2023, days payable outstanding was 118 days; therefore, a change of one day in days payable outstanding will impact cash flows provided by (used in) operating activities by $30 million. At December 31, 2023, days inventory outstanding was

52 days; therefore, a change of one day in days inventory outstanding will impact cash flows provided by (used in) operating activities by $30 million.

Cash flows used in investing activities were $1,053 million in 2023 primarily driven by $1.05 billion in capital expenditures. On February 16, 2024, the company completed the divestiture of the aerospace business. The proceeds from the sale will be recorded as a cash inflow from investing activities in 2024. See Note 4 for further details.

Cash flows used in financing activities were $662 million in 2023, primarily driven by the repayment of $1.00 billion of 4.00% senior notes, the $210 million net repayment of short-term loans, a net revolver repayment of $200 million and common stock dividends of $252 million, partially offset by the issuance of $1.00 billion of 6.00% senior notes due in 2029. See Note 15 for further details on the company's borrowings, and additional amounts available. On February 16, 2024, the company completed the divestiture of the aerospace business. The company plans to use $2.00 billion of the proceeds to repay debt and accelerate capital return to shareholders via $2.00 billion of share repurchases. See Note 4 for further details.

We have entered into several regional committed and uncommitted accounts receivable factoring programs with various financial institutions for certain of our accounts receivable. The programs are accounted for as true sales of the receivables, with limited recourse to Ball, and had combined limits of approximately $2.00 billion and $2.04 billion at December 31, 2023, and December 31, 2022, respectively. A total of $350 million and $488 million were available for sale under these programs at December 31, 2023 and 2022, respectively. The company has recorded $97 million, $67 million and $41 million of expense related to its factoring programs in 2023, 2022 and 2021, respectively, and has presented these amounts in selling, general, and administrative in its consolidated statements of earnings.

The company has several regional supplier finance programs with various financial institutions that act as the paying agent for certain payables of the company. The amount of obligations outstanding that the company confirmed as valid to the financial institutions under the company's programs was $709 million and $930 million at December 31, 2023 and 2022, respectively. Our payment terms are not dependent on whether the suppliers participate in the supplier finance programs or if the suppliers decide to factor their receivables with the financial institutions; therefore, we do not believe that future changes in the availability of supplier finance programs will have a significant impact on our liquidity.

Contributions to the company's defined benefit pension plans were $42 million and $124 million for the years ended 2023 and 2022, respectively, and such contributions are expected to be approximately $75 million for the full year of 2024. This estimate may change based on changes in the Pension Protection Act, actual plan asset performance and available company cash flow, among other factors.

As of December 31, 2023, approximately $687 million of our cash was held outside of the U.S. In the event that we would need to utilize any of the cash held outside of the U.S. for purposes within the U.S., there are no material legal or other economic restrictions regarding the repatriation of cash from any of the countries outside the U.S. where we have cash, other than market liquidity constraints that limit the ability to convert Egyptian pounds held by the company in Egypt with a U.S. dollar equivalent value of $110 million into other currencies. The company believes its U.S. operating cash flows and cash on hand, as well as availability under its long-term, revolving credit facilities, uncommitted short-term credit facilities and committed and uncommitted accounts receivable factoring programs, will be sufficient to meet the cash requirements of the U.S. portion of our ongoing operations, scheduled principal and interest payments on U.S. debt, dividend payments, capital expenditures and other U.S. cash requirements. If non-U.S. funds are needed for our U.S. cash requirements and we are unable to provide the funds through intercompany financing arrangements, we may be required to repatriate funds from non-U.S. locations where the company has previously asserted indefinite reinvestment of funds outside the U.S.

Based on its indefinite reinvestment assertion, the company has not provided deferred taxes on earnings in certain non-U.S. subsidiaries because such earnings are intended to be indefinitely reinvested in its international operations. It is not practical to estimate the additional taxes that might become payable if these earnings were remitted to the U.S.

Share Repurchases

The company's share repurchases totaled $3 million in 2023 and $618 million in 2022. The repurchases were completed using cash on hand, cash provided by operating activities, proceeds from the sale of businesses and available borrowings. On February 16, 2024, the company completed the divestiture of the aerospace business. The company plans to accelerate capital return to shareholders via share repurchases as a result of the divestiture. See Note 4 for further details.

In the second quarter of 2022, in a privately negotiated transaction, Ball entered into an accelerated share repurchase agreement to buy $300 million of its common shares using cash on hand and available borrowings. In the third quarter of 2022, Ball settled the agreement and received a total of 4.34 million shares with the average price paid per share of $69.06.

Debt Facilities and Refinancing

Given our cash flow projections and unused credit facilities that are available until June 2027, our liquidity is strong and is expected to meet our ongoing cash and debt service requirements. Total interest-bearing debt of $8.62 billion and $9.00 billion was outstanding at December 31, 2023 and 2022, respectively. On February 16, 2024, the company completed the divestiture of the aerospace business. We plan to repay a portion of outstanding debt as a result of the divestiture. See Note 4 for further details.

In November 2023, Ball redeemed the outstanding 4.00% senior notes due in the amount of $1.00 billion. In May 2023, Ball issued $1.00 billion of 6.00% senior notes due in 2029, and repaid the outstanding U.S. dollar revolving credit facility due in 2027 in the amount of $800 million. The remaining $200 million was used for general corporate purposes. During 2022, Ball issued $750 million of 6.875% senior notes due in 2028, redeemed $738 million of outstanding euro denominated 4.375% debt and completed the closing of its new revolving and term loan senior secured credit facilities that refinanced its existing senior secured credit facilities entered into in 2019.

The company’s senior credit facilities include a $1.35 billion term loan and long-term, multi-currency revolving facilities that mature in June 2027, which provide the company with up to the U.S. dollar equivalent of $1.75 billion. At December 31, 2023, approximately $1.69 billion was available under the company’s long-term, multi-currency committed revolving credit facilities. In addition to these facilities, the company had $196 million of committed short-term loans outstanding. The company also had approximately $964 million of short-term uncommitted credit facilities available at December 31, 2023, of which $13 million was outstanding and due on demand. At December 31, 2022, the company had $293 million of committed short-term loans outstanding and $112 million outstanding under short-term uncommitted credit facilities.

While ongoing financial and economic conditions in certain areas may raise concerns about credit risk with counterparties to derivative transactions, the company mitigates its exposure by allocating the risk among various counterparties and limiting exposure to any one party. We also monitor the credit ratings of our suppliers, customers, lenders and counterparties on a regular basis.

We were in compliance with all loan agreements at December 31, 2023, and for all prior years presented, and we have met all debt payment obligations. The U.S. note agreements and bank credit agreement contain certain restrictions relating to dividends, investments, financial ratios, guarantees and the incurrence of additional indebtedness. The most restrictive of our debt covenants requires us to maintain a leverage ratio (as defined) of no greater than 5.0 times, which will change to 4.5 times as of September 30, 2025. As of December 31, 2023, the company could borrow an additional $2.36 billion under its long-term multi-currency committed revolving facilities and short-term uncommitted credit facilities without violating our existing debt covenants. Additional details about our debt are available in Note 15 accompanying the consolidated financial statements within Item 8 of this annual report.

Defined Benefit Pension Plans

In November 2023, the Trustee Board of the U.K. defined benefit pension plan entered into an agreement with an insurance company for a bulk annuity purchase, or “buy-in,” for its U.K. defined benefit pension plan to reduce retirement plan risk, while delivering promised benefits to plan participants. This transaction allows the company to reduce volatility by removing investment, longevity, mortality, interest rate and inflation risk upon the transfer of significantly all of the pension plan assets to the insurer in exchange for the group annuity insurance contract. The plan will be frozen in April 2024 and the company anticipates the “buy-out” will occur within the next two years, which will trigger a pension settlement that will result in all plan balances, including accumulated pension components within other comprehensive income, being charged to expense as a noncash settlement charge. See Note 17 for further details.

The company closed its pension plans to all non-unionized new entrants in the United States effective for anyone hired after December 31, 2021. New employees instead receive a non-elective 401(k) company contribution that is expected to approximate the legacy pension benefit. Anyone employed by Ball prior to that date is unaffected by this change.

Other Liquidity Measures

Given the on-going growth projects in our businesses being undertaken to support EVA-enhancing contracted volumes, in 2024, we expect capital expenditures to be in the range of $650 million and we intend to return approximately $247 million to shareholders in the form of dividends. We further intend to utilize our operating cash flows to pay down debt and, to the extent available, repurchase Ball common stock or fund acquisitions that meet our rate of return criteria. On February 16, 2024, the company completed the divestiture of the aerospace business. We plan to accelerate capital return to shareholders via share repurchases and repay a portion of outstanding debt as a result of the divestiture. See Note 4 for further details.

We have committed contracts to purchase raw materials and we align these purchase commitments with long-term sales contracts with our customers such that any commitment to purchase aluminum and other direct materials corresponds to a contractual sale. These aluminum purchase commitments include pass-through provisions which generally result in proportional changes in both sales and costs of sales; however, there may be timing differences of when the costs are passed through.

The company's growth and asset maintenance plans require capital expenditures over the coming years, which will be funded by operating cash flows and external borrowings. Approximately $258 million of capital expenditures were contractually committed as of December 31, 2023. Maturities for Ball's long-term debt are disclosed in Note 15 to the consolidated financial statements within Item 8 of this annual report. Repayments of debt and other operational cash requirements will also be funded by operating cash flows and external borrowings. The company has no material off-balance sheet arrangements.

CONTINGENCIES, INDEMNIFICATIONS AND GUARANTEES

Details of the company's contingencies, legal proceedings, indemnifications and guarantees are available in Note 22 and Note 23 to the consolidated financial statements within Item 8 of this annual report. The company is routinely subject to litigation incidental to operating its businesses and has been designated by various federal, state, and international environmental agencies as a potentially responsible party, along with numerous other companies, for the clean-up of several hazardous waste sites. The company believes the matters identified will not have a material adverse effect upon its liquidity, results of operations or financial condition.

Guaranteed Securities

The company's senior notes are guaranteed on a full and unconditional, joint and several basis by the issuer of the company's senior notes and the subsidiaries that guarantee the notes (the obligor group). The entities that comprise the obligor group are 100 percent owned by the company. As described in the supplemental indentures governing the company's existing senior notes, the senior notes are guaranteed by any of the company's domestic subsidiaries that guarantee any other indebtedness of the company.

The following summarized financial information relates to the obligor group as of and for the years ended December 31, 2023 and 2022. Intercompany transactions, equity investments and other intercompany activity between obligor group subsidiaries have been eliminated from the summarized financial information. Investments in subsidiaries not forming part of the obligor group have also been eliminated.

($ in millions)	Year Ended December 31, 2023	Year Ended December 31, 2022
Net sales	$ 8,962	$ 9,975
Gross profit *(a)*	1,074	996
Net earnings	493	635
Net earnings attributable to Ball Corporation	493	635

(a) Gross profit is shown after depreciation and amortization related to cost of sales of $272 million and $261 million for the years ended December 31, 2023 and 2022, respectively.

($ in millions)	December 31, 2023	December 31, 2022
Current assets	$ 2,339	$ 2,478
Noncurrent assets	15,955	15,764
Current liabilities	5,163	6,032
Noncurrent liabilities	10,857	10,790

Included in the amounts disclosed in the tables above, at December 31, 2023 and 2022, the obligor group held receivables due from other subsidiary companies of $768 million and $477 million, respectively, long-term notes receivable due from other subsidiary companies of $10.20 billion and $9.89 billion, respectively, payables due to other subsidiary companies of $1.83 billion and $2.22 billion, respectively, and long-term notes payable due to other subsidiary companies of $2.32 billion and $2.21 billion, respectively.

For the years ended December 31, 2023 and 2022, the obligor group recorded the following transactions with other subsidiary companies: sales to them of $1.13 billion and $1.50 billion, respectively, net credits from them of $38 million and $19 million, respectively, and net interest income from them of $344 million and $329 million, respectively. During the years ended December 31, 2023 and 2022, the obligor group received dividends from other subsidiary companies of $814 million and $18 million, respectively.

A description of the terms and conditions of the company’s debt guarantees is located in Note 23 to the consolidated financial statements within Item 8 of this annual report.

FORWARD-LOOKING STATEMENTS

This report contains “forward-looking” statements concerning future events and financial performance. Words such as “expects,” “anticipates,” “estimates,” “believes,” and similar expressions typically identify forward looking statements, which are generally any statements other than statements of historical fact. Such statements are based on current expectations or views of the future and are subject to risks and uncertainties, which could cause actual results or events to differ materially from those expressed or implied. You should therefore not place undue reliance upon any forward-looking statements, and they should be read in conjunction with, and qualified in their entirety by, the cautionary statements referenced below. Ball undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Key factors, risks and uncertainties that could cause actual outcomes and results to be different are summarized in filings with the Securities and Exchange Commission, including Exhibit 99 in Ball’s Form 10-K, which are available on Ball’s website and at www.sec.gov. Additional factors that might affect: a) Ball’s packaging segments include product capacity, supply, and demand constraints and fluctuations and changes in consumption patterns; availability/cost of raw materials, equipment, and logistics; competitive packaging, pricing and substitution; changes in climate and weather and related events such as drought, wildfires, storms, hurricanes, tornadoes and floods; footprint adjustments and other manufacturing changes, including the startup of new facilities and lines; failure to achieve synergies, productivity improvements or cost reductions; unfavorable mandatory deposit or packaging laws; customer and supplier consolidation; power and supply chain interruptions; changes in major customer or supplier contracts or loss of a major customer or supplier; inability to pass through increased costs; war, political instability and sanctions, including relating to the situation in Russia and Ukraine and its impact on Ball’s supply chain and its ability to operate in Europe, the Middle East and Africa regions generally; changes in foreign exchange or tax rates; and tariffs, trade actions, or other governmental actions, including business restrictions and orders affecting goods produced by Ball or in its supply chain, including imported raw materials; and b) Ball as a whole include those listed above plus: the extent to which sustainability-related opportunities arise and can be capitalized upon; changes in senior management, succession, and the ability to attract and retain skilled labor; regulatory actions or issues including those related to tax, environmental, social and governance reporting, competition, environmental, health and workplace safety, including U.S. Federal Drug Administration and other actions or public concerns affecting products filled in Ball’s containers, or chemicals or substances used in raw materials or in the manufacturing process; technological developments and innovations; the ability to manage cyber threats; litigation; strikes; disease; pandemic; labor cost changes; inflation; rates of return on assets of Ball’s defined benefit retirement plans; pension changes; uncertainties surrounding geopolitical events and governmental policies, including policies, orders, and actions related to COVID-19; reduced cash flow; interest rates affecting Ball’s debt; successful or unsuccessful joint ventures, acquisitions and divestitures, and their effects on Ball’s operating results and business generally.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Financial Instruments and Risk Management

The company employs established risk management policies and procedures which seek to reduce the company’s commercial risk exposure to fluctuations in commodity prices, interest rates, currency exchange rates and prices of the company’s common stock with regard to common share repurchases and the company’s deferred compensation stock plan. However, there can be no assurance that these policies and procedures will be successful. Although the instruments utilized involve varying degrees of credit, market and interest risk, the counterparties to the agreements are expected to perform fully under the terms of the agreements. The company monitors counterparty credit risk, including lenders, on a regular basis, but Ball cannot be certain that all risks will be discerned or that its risk management policies and procedures will always be effective. Additionally, in the event of default under the company’s master derivative agreements, the non-defaulting party has the option to set off any amounts owed with regard to open derivative positions.

We have estimated our market risk exposure using sensitivity analysis. Market risk exposure has been defined as the changes in fair value of derivative instruments, financial instruments and commodity positions. To test the sensitivity of our market risk exposure, we have estimated the changes in fair value of market risk sensitive instruments assuming a hypothetical 10 percent adverse change in market prices or rates. The results of the sensitivity analyses are summarized below.

Commodity Price Risk

Aluminum

We manage commodity price risk in connection with market price fluctuations of aluminum through two different methods. First, we enter into container sales contracts that include aluminum-based pricing terms that generally reflect the same price fluctuations under commercial purchase contracts for aluminum sheet. The terms include fixed, floating or pass through aluminum component pricing. Second, we use certain derivative instruments, including option and forward contracts, as economic and cash flow hedges of commodity price risk where there are material differences between sales and purchase contracted pricing and volume.

Considering the effects of derivative instruments, the company’s ability to pass through certain raw material costs through contractual provisions, the market’s ability to accept price increases and the company’s commodity price exposures under its contract terms, a hypothetical 10 percent adverse change in the company’s aluminum prices would result in an estimated $3 million after-tax reduction in net earnings over a one-year period. Additionally, the company has currency exposures on raw materials and the effect of a 10 percent adverse change is included in the total currency exposure discussed below. Actual results may vary based on actual changes in market prices and rates.

Interest Rate Risk

Our objective in managing exposure to interest rate changes is to minimize the impact of interest rate changes on earnings and cash flows and to lower our overall borrowing costs. To achieve these objectives, we may use a variety of interest rate swaps, collars and options to manage our mix of floating and fixed-rate debt. Interest rate instruments held by the company at December 31, 2023, included pay-fixed interest rate swaps and options which effectively convert variable rate obligations to fixed-rate instruments.

Based on our interest rate exposure at December 31, 2023, assumed floating rate debt levels throughout the next 12 months and the effects of our existing derivative instruments, a 100-basis point increase in interest rates would result in an estimated $7 million after-tax reduction in net earnings over a one-year period. Actual results may vary based on actual changes in market prices and rates and the timing of these changes.

Currency Exchange Rate Risk

Our objective in managing exposure to currency fluctuations is to limit the exposure of cash flows and earnings from changes associated with currency exchange rate changes through the use of various derivative contracts. In addition, at times Ball manages earnings translation volatility through the use of currency option strategies, and the change in the fair value of those options is recorded in the company’s net earnings. Our currency translation risk results from the currencies in which we transact business. The company faces currency exposures in our global operations as a result of various factors including intercompany currency denominated loans, selling our products in various currencies, purchasing raw materials and equipment in various currencies and tax exposures not denominated in the functional currency. Sales contracts are negotiated with customers to reflect cost changes and, where there is not an exchange pass-through arrangement, the company may use derivative instruments to manage significant currency exposures.

Considering the company’s derivative financial instruments outstanding at December 31, 2023, and the various currency exposures, a hypothetical 10 percent reduction (U.S. dollar strengthening) in currency exchange rates compared to the U.S. dollar would result in an estimated $15 million after-tax reduction in net earnings over a one-year period. A hypothetical 10 percent adverse change in the U.S. dollar’s currency exchange rates would increase our forecasted average debt balance by approximately $165 million. Actual changes in market prices or rates may differ from hypothetical changes.

Although Ball's functional currency in Argentina is the U.S. dollar, a portion of its transactions are denominated in pesos. The company is currently placing increased importance on managing its currency exchange rate risk in Argentina given the devaluation of the country’s currency. This devaluation and economic conditions in Argentina make it difficult to manage currency exchange rate risk, and have an adverse effect on the company’s results of operations. Ball’s Argentinean business, which is presented in its beverage packaging, South America, reportable operating segment, represented approximately 1 percent of the company's total comparable operating earnings for the year ended December 31, 2023. In addition, our plant in Argentina accounted for approximately 2 percent of the company's 105 billion global beverage can unit shipments for the year ended December 31, 2023. During the fourth quarter of 2023, Argentina suddenly devalued its peso relative to the U.S. dollar by approximately 55%. As a result, Ball recorded a $22 million devaluation charge in business consolidation and other activities in the consolidated statement of earnings. Ball’s peso-denominated net assets in Argentina were approximately $20 million at December 31, 2023. As of December 31, 2023, Ball’s Argentinean business had net asset exposure of $404 million, which consisted primarily of working capital and property, plant and equipment.

Item 8. Financial Statements and Supplementary Data

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Ball Corporation

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Ball Corporation and its subsidiaries (the "Company") as of December 31, 2023 and 2022, and the related consolidated statements of earnings, of comprehensive earnings (loss), of shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2023, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

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

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

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are

recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Critical Audit Matters

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

Revenue Recognition - Estimated Costs at Completion for Aerospace Fixed-Price Contracts

As described in Notes 1 and 3 to the consolidated financial statements, net sales for the aerospace segment were $2.0 billion for the year ended December 31, 2023, including sales under fixed-price long-term contracts, which are primarily recognized using percentage-of-completion accounting under the cost-to-cost method. The percentage-of-completion method of accounting involves the use of various estimating techniques to project revenues and costs at completion and various assumptions and projections related to the outcome of future events, including the quantity and timing of product deliveries, future labor performance and rates, and material and overhead costs. Throughout the period of contract performance, management regularly evaluates and, if necessary, revises its estimates of total contract revenue, total contract cost, and extent of progress toward completion.

The principal considerations for our determination that performing procedures relating to revenue recognition - estimated costs at completion for aerospace fixed-price contracts is a critical audit matter are the significant judgment by management when determining the estimated costs at completion for such contracts. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures and in evaluating the related audit evidence over management's assumptions of estimated costs at completion for aerospace fixed-price contracts related to the availability and cost volatility of materials, subcontractor and vendor performance, and schedule and performance delays.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the accuracy of estimated costs at completion for aerospace fixed-price contracts. These procedures also included, among others, evaluating and testing management's process for determining the estimated costs at completion for a sample of aerospace fixed-price contracts, including assessing the reasonableness of the significant assumptions related to each contract. Evaluating the reasonableness of management's assumptions related to the availability and cost volatility of materials, subcontractor and vendor performance, and schedule and performance delays involved assessing the nature and status of the aerospace fixed-price contracts, performing retrospective reviews of the aerospace fixed-price contract estimates and changes in estimates over time, obtaining evidence to support estimated costs at completion, and assessing the reasonableness of factors considered and significant assumptions made by management in determining the estimated costs at completion used to recognize revenue.

/s/ PricewaterhouseCoopers LLP
Denver, Colorado
February 20, 2024

We have served as the Company's auditor since at least 1962. We have not been able to determine the specific year we began serving as auditor of the Company.

Consolidated Statements of Earnings
Ball Corporation

($ in millions, except per share amounts)	Years Ended December 31, 2023	2022	2021
Net sales	$ 14,029	$ 15,349	$ 13,811
Costs and expenses			
Cost of sales (excluding depreciation and amortization)	(11,359)	(12,766)	(11,085)
Depreciation and amortization	(686)	(672)	(700)
Selling, general and administrative	(558)	(626)	(593)
Business consolidation and other activities	(153)	(71)	(142)
	(12,756)	(14,135)	(12,520)
Earnings before interest and taxes	1,273	1,214	1,291
Interest expense	(459)	(312)	(270)
Debt refinancing and other costs	—	(18)	(13)
Total interest expense	(459)	(330)	(283)
Earnings before taxes	814	884	1,008
Tax (provision) benefit	(123)	(159)	(156)
Equity in results of affiliates, net of tax	20	7	26
Net earnings	711	732	878
Net earnings attributable to noncontrolling interests	4	13	—
Net earnings attributable to Ball Corporation	$ 707	$ 719	$ 878
Earnings per share:			
Basic	$ 2.25	$ 2.27	$ 2.69
Diluted	$ 2.23	$ 2.25	$ 2.65
Weighted average shares outstanding: ***(000s)***			
Basic	314,775	316,433	325,989
Diluted	317,022	320,008	331,615

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

Consolidated Statements of Comprehensive Earnings (Loss)
Ball Corporation

	Years Ended December 31,		
($ in millions)	**2023**	**2022**	**2021**
Net earnings	$ 711	$ 732	$ 878
Other comprehensive earnings (loss):			
Currency translation adjustment	55	99	19
Pension and other postretirement benefits	(414)	(73)	392
Derivatives designated as hedges	25	(181)	70
Total other comprehensive earnings (loss)	(334)	(155)	481
Income tax (provision) benefit	97	58	(109)
Total other comprehensive earnings (loss), net of tax	(237)	(97)	372
Total comprehensive earnings	474	635	1,250
Comprehensive earnings attributable to noncontrolling interests	4	13	—
Comprehensive earnings attributable to Ball Corporation	$ 470	$ 622	$ 1,250

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

Consolidated Balance Sheets
Ball Corporation

($ in millions)	December 31, 2023	December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	$ 695	$ 548
Receivables, net	2,334	2,594
Inventories, net	1,559	2,179
Other current assets	295	168
Total current assets	4,883	5,489
Noncurrent assets		
Property, plant and equipment, net	7,380	7,053
Goodwill	4,290	4,235
Intangible assets, net	1,309	1,417
Other assets	1,441	1,715
Total assets	$ 19,303	$ 19,909
Liabilities and Equity		
Current liabilities		
Short-term debt and current portion of long-term debt	$ 1,065	$ 1,408
Accounts payable	3,753	4,383
Accrued employee costs	333	236
Other current liabilities	1,034	981
Total current liabilities	6,185	7,008
Noncurrent liabilities		
Long-term debt	7,504	7,540
Employee benefit obligations	898	847
Deferred taxes	421	540
Other liabilities	458	447
Total liabilities	15,466	16,382
Equity		
Common stock (683,241,401 shares issued - 2023; 682,144,408 shares issued - 2022)	1,312	1,260
Retained earnings	7,763	7,309
Accumulated other comprehensive earnings (loss)	(916)	(679)
Treasury stock, at cost (367,551,366 shares - 2023; 368,036,369 shares - 2022)	(4,390)	(4,429)
Total Ball Corporation shareholders' equity	3,769	3,461
Noncontrolling interests	68	66
Total equity	3,837	3,527
Total liabilities and equity	$ 19,303	$ 19,909

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

Consolidated Statements of Cash Flows
Ball Corporation

($ in millions)	Years Ended December 31, 2023	2022	2021
Cash Flows from Operating Activities			
Net earnings	$ 711	$ 732	$ 878
Adjustments to reconcile net earnings to cash provided by (used in) operating activities:			
Depreciation and amortization	686	672	700
Business consolidation and other activities	153	71	142
Deferred tax provision (benefit)	(67)	(2)	35
Pension contributions	(42)	(124)	(216)
Other, net	62	(124)	101
Working capital changes, excluding effects of acquisitions and dispositions:			
Receivables	238	(305)	(863)
Inventories	626	(458)	(464)
Other current assets	(25)	(42)	(24)
Accounts payable	(510)	(83)	1,312
Accrued employee costs	93	(101)	(1)
Other current liabilities	(71)	84	159
Other, net	9	(19)	1
Cash provided by (used in) operating activities	1,863	301	1,760
Cash Flows from Investing Activities			
Capital expenditures	(1,045)	(1,651)	(1,726)
Business dispositions, net of cash sold	—	759	112
Other, net	(8)	106	(25)
Cash provided by (used in) investing activities	(1,053)	(786)	(1,639)
Cash Flows from Financing Activities			
Long-term borrowings	2,051	4,851	850
Repayments of long-term borrowings	(2,281)	(3,884)	(750)
Net change in short-term borrowings	(210)	394	(2)
Acquisitions of treasury stock	(3)	(618)	(766)
Common stock dividends	(252)	(254)	(229)
Other, net	33	(4)	3
Cash provided by (used in) financing activities	(662)	485	(894)
Effect of exchange rate changes on cash	4	(21)	(29)
Change in cash, cash equivalents and restricted cash	152	(21)	(802)
Cash, cash equivalents and restricted cash – beginning of year	558	579	1,381
Cash, cash equivalents and restricted cash – end of year	$ 710	$ 558	$ 579

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

Consolidated Statements of Shareholders' Equity
Ball Corporation

($ in millions; share amounts in thousands)	Ball Corporation and Subsidiaries							
	Common Stock		Treasury Stock					
	Number of Shares	Amount	Number of Shares	Amount	Retained Earnings	Accumulated Other Comprehensive Earnings (Loss)	Noncontrolling Interest	Total Equity
Balance at December 31, 2020	679,524	$ 1,167	(351,939)	$ (3,130)	$ 6,192	$ (954)	$ 62	$ 3,337
Net earnings	—	—	—	—	878	—	—	878
Other comprehensive earnings (loss), net of tax	—	—	—	—	—	372	—	372
Common dividends, net of tax benefits	—	—	—	—	(227)	—	—	(227)
Treasury stock purchases	—	—	(8,507)	(766)	—	—	—	(766)
Treasury shares reissued	—	—	345	33	—	—	—	33
Shares issued and stock compensation for stock options and other stock plans, net of shares exchanged	1,421	53	—	—	—	—	—	53
Dividends paid to noncontrolling interest	—	—	—	—	—	—	(4)	(4)
Other activity	—	—	—	9	—	—	—	9
Balance at December 31, 2021	680,945	1,220	(360,101)	(3,854)	6,843	(582)	58	3,685
Net earnings	—	—	—	—	719	—	13	732
Other comprehensive earnings (loss), net of tax	—	—	—	—	—	(97)	—	(97)
Common dividends, net of tax benefits	—	—	—	—	(253)	—	—	(253)
Treasury stock purchases	—	—	(8,417)	(618)	—	—	—	(618)
Treasury shares reissued	—	—	482	32	—	—	—	32
Shares issued and stock compensation for stock options and other stock plans, net of shares exchanged	1,199	40	—	—	—	—	—	40
Dividends paid to noncontrolling interest	—	—	—	—	—	—	(5)	(5)
Other activity	—	—	—	11	—	—	—	11
Balance at December 31, 2022	682,144	1,260	(368,036)	(4,429)	7,309	(679)	66	3,527
Net earnings	—	—	—	—	707	—	4	711
Other comprehensive earnings (loss), net of tax	—	—	—	—	—	(237)	—	(237)
Common dividends, net of tax benefits	—	—	—	—	(252)	—	—	(252)
Treasury stock purchases	—	—	(60)	(3)	—	—	—	(3)
Treasury shares reissued	—	—	545	29	—	—	—	29
Shares issued and stock compensation for stock options and other stock plans, net of shares exchanged	1,097	52	—	—	—	—	—	52
Dividends paid to noncontrolling interest	—	—	—	—	—	—	(2)	(2)
Other activity	—	—	—	13	(1)	—	—	12
Balance at December 31, 2023	683,241	$ 1,312	(367,551)	$ (4,390)	$ 7,763	$ (916)	$ 68	$ 3,837

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

Ball Corporation
Notes to the Consolidated Financial Statements

1. Critical and Significant Accounting Policies

The preparation of Ball Corporation's (collectively, Ball, the company, we or our) consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires Ball's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. These estimates are based on historical experience and various assumptions believed to be reasonable under the circumstances. Ball's management evaluates these estimates on an ongoing basis and adjusts or revises the estimates as circumstances change. As future events and their impacts cannot be determined with precision, actual results may differ from these estimates. In the opinion of management, the financial statements reflect all adjustments necessary to fairly present the results of the periods presented.

Critical Accounting Policies

The company considers certain accounting policies to be critical, as their application requires management's judgment about the impacts of matters that are inherently uncertain. Detailed below is a discussion of the accounting policies that management considers to be critical to the company's consolidated financial statements.

Revenue Recognition in the Aerospace Segment

Sales under fixed-price long-term contracts in the aerospace segment are primarily recognized using percentage-of-completion accounting under the cost-to-cost method.

At contract inception, the company assesses the goods and services promised in its contracts with customers and identifies a performance obligation for each promise to transfer goods or services to the customer. The performance obligation may be represented by a good or service (or a series of goods or services) that is distinct, or by a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. In each of these scenarios, the company treats the promise to transfer the customer goods or services as a single performance obligation. Backlog represents the estimated transaction prices on performance obligations to customers for which work remains to be performed.

To identify its performance obligations, the company considers all of the goods or services promised in the contract, regardless of whether they are explicitly stated or are implied by customary business practices.

The company has determined that the following distinct goods and services represent separate performance obligations:

- Manufacture and delivery of distinct spacecraft and/or hardware components;
- Research reports, for contracts where such reports are the sole or primary deliverable;
- Design, add-on or special studies for contracts where such studies have stand-alone value or a material right exists due to discounted pricing; and
- Warranty and performance guarantees beyond standard repair/replacement.

Performance obligations with no alternative use are recognized over time, when the company has an enforceable right to payment for efforts completed to-date. Because of sales contract payment schedules, limitations on funding, and contract terms, the company's sales and accounts receivable generally include amounts that have been earned but not yet billed. The company's payment terms vary by the type and location of the company's customer and the products or services offered. All payment terms are less than one year.

Ball Corporation
Notes to the Consolidated Financial Statements

Contracts are often modified to account for changes in contract specifications and requirements. The company considers contract modifications to exist when the modification either creates new or revised enforceable rights and obligations. Most of the company's contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract, and such contract modifications are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price, and the company's measure of progress for the performance obligation to which it relates, is recognized as an adjustment to sales (either as an increase or reduction of sales) on a cumulative catch-up basis.

Within the aerospace segment, performance obligations are recognized over time. Aerospace contracts involve specialized and unique products that are tailored to the specific needs of the customer, such as a spacecraft or other hardware conforming to the specifications required by the customer, and as such, no alternative use exists. When there is an enforceable right to payment at cost plus reasonable margin for performance completed to date, the sales are recorded over time as the goods are manufactured or services are performed. Determining a measure of progress requires management to make judgments that affect the timing of recording sales. The extent of progress towards completion is measured based on the ratio of costs incurred to date versus the total estimated costs upon completion of the performance obligation. The cost-to-cost method best depicts the transfer of assets to the customer as the company incurs costs on the company's contracts. The percentage-of-completion method of accounting involves the use of various estimating techniques to project revenues and costs at completion and various assumptions and projections related to the outcome of future events, including the quantity and timing of product deliveries, future labor performance and rates, and material and overhead costs. Throughout the period of contract performance, the company regularly evaluates and, if necessary, revises estimates of total contract revenue, total contract cost, and extent of progress toward completion.

The two primary types of long-term sales contracts utilized are cost-type contracts, which are agreements to perform for cost plus an agreed-upon profit component, and fixed price sales contracts, which are completed for a fixed price. Cost-type sales contracts can have different types of fee arrangements, including fixed-fee, cost, milestone and performance incentive fees, award fees or a combination thereof. At the inception of contract performance, the company estimates sales associated with base, incentive and other fees exclusive of any constraint. In other words, the company estimates sales to the extent that it is not probable a significant reversal will occur over the period of contract performance. The company has determined that the above provides a faithful depiction of the transfer of goods to the customer and is the best measure of depicting the company's performance as control is transferred to customers.

Due to the unique and customized nature of deliverables within aerospace contracts, a readily observable selling price for a similar good is not typically available; therefore, in making its determination of stand-alone selling price, the company generally applies the "expected cost plus a margin" approach (whereby the transaction price is allocated based on the relative amount of costs plus an appropriate margin). Use of the expected cost plus a margin approach requires Ball to determine the expected costs for each performance obligation, as well as an appropriate margin (i.e., cost-to-cost percentage of completion). The calculation is made at contract inception to determine the allocation of consideration.

Uncertainty as to the total amount that will be paid by the customer (such as the exact amount of costs that will be incurred and fees that will be earned by us to satisfy the contractual requirements) gives rise to variable consideration. To estimate variable consideration, the company applies the "most likely amount" method or the "expected value" method depending on the nature of the variable consideration. In certain cases, both methods may be used within a single contract if multiple forms of variable consideration exist. However, once a method has been applied to one form of variable consideration, it is applied consistently throughout the contract term.

The primary types of variable consideration present in the company's contracts are cost reimbursements, performance award fees, incremental funding and finalization of government rates. These types of arrangements are most commonly (though not exclusively) estimated based on the "most likely" method. Once variable consideration has been estimated, it will be constrained if a significant reversal of the cumulative amount of sales is probable in the context of the contract.

Ball Corporation
Notes to the Consolidated Financial Statements

Defined Benefit Pension Plans and Other Employee Benefits

The company has defined benefit plans and postretirement plans that provide certain medical benefits and life insurance for retirees and eligible dependents and, to a lesser extent, participates in multi-employer defined benefit plans for which Ball is not the sponsor. For the company-sponsored plans, the relevant accounting guidance requires that management make certain assumptions relating to the long-term rate of return on plan assets, discount rates used to determine the present value of future obligations and expenses, salary inflation rates, health care cost trend rates, mortality rates and other assumptions. The company believes the accounting estimates related to the company's pension and postretirement plans are critical accounting estimates because they are highly susceptible to change from period to period based on the performance of plan assets, actuarial valuations, market conditions and contracted benefit changes. The selection of assumptions is based on historical trends and known economic and market conditions at the time of valuation, as well as independent studies of trends performed by the company's actuaries. However, actual results may differ substantially from the estimates that were based on the critical assumptions.

The company recognizes the funded status of each defined benefit pension plan and other postretirement benefit plans in the consolidated balance sheet. Each overfunded plan is recognized as an asset, and each underfunded plan is recognized as a liability. Pension plan obligations are revalued annually, or when an event occurs that requires remeasurement, based on updated assumptions and information about the individuals covered by the plan. For pension plans, accumulated actuarial gains and losses in excess of a 10 percent corridor and the prior service cost are amortized on a straight-line basis from the date recognized over the average remaining service period of active participants or the average life expectancy for plans with significant inactive participants. For other postemployment benefits, the 10 percent corridor is not used. Costs related to defined benefit and other postretirement plans are included in cost of sales and selling, general and administrative expenses, while settlement and curtailment expenses are included in business consolidation expenses.

Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

The consolidated financial statements include the accounts of Ball, its consolidated subsidiaries, and variable interest entities in which the company is considered to be the primary beneficiary. Equity investments in which the company exercises significant influence but does not control and is not the primary beneficiary are accounted for using the equity method of accounting. Investments in which the company neither exercises significant influence over the investee, nor is the primary beneficiary of the investment, are accounted for using the cost method of accounting. Intercompany transactions are eliminated in consolidation.

Reclassifications

Certain prior year amounts have been reclassified in order to conform to the current year presentation.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and highly liquid investments with original maturities of three months or less.

Inventories

Inventories are stated at the lower of cost or net realizable value using either the first-in, first-out (FIFO) cost method of accounting or the average cost method. Inventory cost is calculated for each inventory component taking into consideration the appropriate cost factors, including fixed and variable overhead, material price volatility and production levels.

Ball Corporation
Notes to the Consolidated Financial Statements

Recoverability of Goodwill

On an annual basis, in the fourth quarter, and at interim periods as circumstances require, the company performs a qualitative analysis to determine whether it is more likely than not that the fair value of a reporting unit exceeds its carrying amount, which includes an evaluation as to whether there have been significant changes to macro-economic factors related to the reporting unit. If the qualitative analysis is not conclusive that it is more likely than not that a reporting unit's fair value exceeds its carrying amount, the company performs a quantitative impairment test to determine the fair value of the reporting unit and, if necessary, recognizes an impairment charge for the amount by which the carrying value exceeds the fair value. Due to recent variability in the results of the beverage packaging, South America, reporting unit, the company elected to perform a quantitative analysis in 2023 for this reporting unit and determined that the reporting unit was not impaired.

When performing a quantitative analysis, the company estimates fair value for a reporting unit using market and income approach valuation methodologies. Under the income approach, fair value is estimated as the present value of estimated future cash flows of each reporting unit. The projected cash flows incorporate various assumptions related to weighted average cost of capital (WACC) and growth rates that are specific to each reporting unit, including assumptions relating to net sales growth rates, terminal growth rates and EBITDA (a non-U.S. GAAP measure defined by the company as earnings before interest, taxes, depreciation and amortization) margin. Under the market approach, the company uses available information regarding multiples used in recent market transactions involving a transfer of controlling interests as well as publicly available trading multiples based upon the enterprise value of companies in either the packaging or aerospace and defense industries. The appropriate multiple is applied to forecasted EBITDA of each reporting unit to estimate fair value.

Impairment of Long-Lived Assets

Ball reviews long-lived assets for impairment when circumstances indicate the carrying amount of an asset or asset group may not be recoverable based on the undiscounted future cash flows of the asset. The company reviews long-lived assets for impairment at the individual asset or the asset group level for which the lowest level of independent cash flows can be identified. If the carrying amount of the asset or asset group is determined not to be recoverable, a write-down to fair value is recorded. Fair values are determined based on quoted market values, discounted cash flows or with the assistance of external appraisals, as applicable.

Depreciation and Amortization

Property, plant and equipment are carried at the cost of acquisition or construction. Repairs and maintenance costs, including labor and material costs for major improvements such as annual production line overhauls, are expensed as incurred, unless those costs substantially increase the useful lives or capacity of the existing assets. Assets are depreciated and amortized using the straight-line method over their estimated useful lives, generally 5 to 50 years for buildings and improvements and 2 to 23 years for machinery and equipment. Finite-lived intangible assets, excluding capitalized software costs, are generally amortized over their estimated useful lives of 3 to 18 years. Capitalized software is generally amortized over estimated useful lives of 3 to 7 years. The company periodically reviews these estimated useful lives and when appropriate, changes are made prospectively. During 2022, the company completed an evaluation of the estimated useful lives of its manufacturing equipment, buildings and certain assembly and test equipment. See Note 10 for additional discussion.

For certain business consolidation activities, accelerated depreciation may be required for the revised remaining useful life for assets designated to be scrapped or abandoned. The accelerated depreciation related to such activities is recorded as part of business consolidation and other activities in the appropriate period.

Ball Corporation
Notes to the Consolidated Financial Statements

Environmental Reserves

The company estimates its liability for environmental matters based on, among other factors, the degree of probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of loss. The company records the best estimate of a loss when the loss is considered probable. As additional information becomes available, the company reassesses the potential liability related to pending matters and revises the estimates.

Revenue Recognition in the Beverage and Aerosol Packaging Segments

The company recognizes sales of products in its packaging segments when a customer obtains control of promised goods or services, which occurs either over time or at a point in time.

At contract inception, the company assesses the goods and services promised in its contracts with customers and identifies a performance obligation for each promise to transfer goods or services to the customer. The performance obligation may be represented by a good or service (or a series of goods or services) that is distinct, or by a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. In each instance, the company treats the promise to transfer the customer goods or services as a single performance obligation.

To identify its performance obligations, the company considers all of the goods or services promised in the contract, regardless of whether they are explicitly stated or are implied by customary business practices.

The company has determined that the following distinct goods and services represent separate performance obligations:

- Manufacture of beverage containers, which may be generic or unique;
- Manufacture of aerosol containers, which may be generic or unique; and
- Manufacture of beverage and aerosol lids and ends, which may be generic or unique.

Performance obligations for products with no alternative use are recognized over time when the company has manufactured a unique item and has an enforceable right to payment. Conversely, generic products with alternative use are recognized at a point in time. Contracts may be short-term or long-term, with varying payment terms. Ball's payment terms vary by the type and location of the customer and the products or services offered. Customers pay in accordance with negotiated terms, which are typically triggered upon ownership transfer. All payment terms are less than one year. For all contracts, the transaction price is determined upon establishment of the contract that contains the final terms of the sale, including the description, quantity, and price of each product or service purchased.

Ball typically enters into master agreements with customers, which establish the terms and conditions for subsequent orders of goods. In the context of the revenue recognition standard, enforceable contracts are those that have an enforceable right to payment, which Ball typically has once a binding forecast or purchase order (or similar evidence) is in place and Ball produces under the contract. Within Ball's packaging segments, these enforceable contracts all have a duration of less than one year. Contracts that have an original duration of less than one year are excluded from the requirement to disclose remaining performance obligations, based on the company's election to use the practical expedient. The nature of the remaining performance obligations within these contracts, as well as the nature of the variability and how it will be resolved, are described in the section below.

Ball Corporation
Notes to the Consolidated Financial Statements

Within the company's beverage and aerosol operations, performance obligations are recognized both over time and at a point in time. The determination that sales should be recognized at a point in time most often results from the existence of an alternative use for the product. Cans and ends that are not customized for a customer prior to delivery are considered to have an alternative use, and sales are recognized at the point of control transfer. Determining when control transfer occurs requires management to make judgments that affect the timing of when sales are recognized. The current revenue accounting standard provides five indicators that a customer has obtained control of an asset: 1) present right to payment; 2) transfer of legal title; 3) physical possession; 4) significant risks and rewards of ownership; and 5) customer acceptance. The company considers control to have transferred for these products upon shipment or delivery, depending on the legal terms of the contract, because the company has a present right to payment at that time, the customer has legal title to the asset, the company has transferred physical possession of the asset and/or the customer has significant risks and rewards of ownership of the asset. The company determines that control transfers to a customer as described above and provides a faithful depiction of the transfer of goods.

For performance obligations related to products that are specialized with no alternative use (e.g., specialized sizes or customer-specific materials, or labeled with customer-specific artwork), the company transfers control and records sales over time. The recognition of sales occurs over time as goods are manufactured and Ball has an enforceable right to payment for those goods, which is an output method. Determining a measure of progress requires management to make judgments that impact the timing of when sales are recognized. The company has determined the above provides a faithful depiction of the transfer of goods to the customer. The number of units manufactured that have an enforceable right to payment is the best measure of depicting the company's performance as control is transferred. The customer obtains value as each unit is produced against a binding contract.

The enforceable right to payment may be explicit or implied in the contract. If the enforceable right to payment is not explicit in the contract, Ball must consider if there is an implied right based on customer relationships or previous business practices and applicable law. Typically, Ball has an enforceable right to payment of costs plus a reasonable margin once a binding forecast or purchase order (or similar evidence) is in place and Ball produces under the contract.

In making its determination of stand-alone selling price, Ball maximizes its use of observable inputs. Stand-alone selling price is then used to allocate total consideration proportionally to the various performance obligations within a contract.

To estimate variable consideration, the company may apply both the "expected value" method and "most likely amount" method based on the form of variable consideration, after considering which method would provide the best prediction of consideration to be received from the company's customers. The expected value method involves a probability-weighted determination of the expected amount, whereas the most likely amount method identifies the single most likely outcome in a range of possible amounts. In certain cases, both methods may be used within a single contract if multiple forms of variable consideration exist. However, once a method has been applied to one form of variable consideration, it is applied consistently throughout the contract term.

The primary types of variable consideration present in the company's contracts are per-unit price changes, volume discounts and rebates. Once variable consideration has been estimated, it will be constrained if a significant reversal of the cumulative amounts of sales is probable in the context of the contract.

Revenue Contract Costs

The company has determined there are no material costs that meet the capitalization criteria for costs to obtain or fulfill a contract.

Ball Corporation
Notes to the Consolidated Financial Statements

Revenue Recognition Practical Expedients

For contracts that have an original duration of one year or less, the company has elected the practical expedient applicable to such contracts and has not disclosed the transaction price for future performance obligations as of the end of each reporting period or when the company expects to recognize sales.

The company has also elected the sales tax practical expedient; therefore, sales and other taxes assessed by a governmental authority that are collected concurrent with revenue-producing activities are excluded from the transaction price.

For shipping and handling activities performed after a customer obtains control of the goods, the company has elected to account for these costs as activities to fulfill the promise to transfer the goods; therefore, these activities are not assessed as separate performance obligations.

The company has also elected the significant financing component practical expedient which allows management to not assess whether the contract has a significant financing component in circumstances where, at contract inception, the expected contract duration is less than one year.

Disaggregation of Sales

The company disaggregates net sales by reportable segments, as disclosed in Note 3, and based on the timing of transfer of control for goods and services, as disclosed in Note 5. The transfer of control for goods and services may occur at a point in time or over time; in other words, sales may be recognized over the course of the underlying contract, or they may occur at a single point in time based upon the transfer of control. The company determined that disaggregating sales into these categories achieves the disclosure objective to depict how the nature, amount, timing and uncertainty of sales and cash flows are affected by economic factors. As disclosed in Note 3, the company's business consists of four reportable segments, which encompass disaggregated product lines and geographical areas: (1) beverage packaging, North and Central America; (2) beverage packaging, EMEA; (3) beverage packaging, South America; and (4) aerospace.

Revenue Contract Balances

The company enters into contracts to sell beverage packaging, aerosol packaging, and aerospace products. The payment terms and conditions in customer contracts vary. Those customers that prepay are represented by the contract liabilities shown in Note 5, until the company's performance obligations are satisfied. Contract assets would exist when sales have been recorded (i.e., control of the goods or services has been transferred to the customer) but customer payment is contingent on a future event beyond the passage of time (i.e., satisfaction of additional performance obligations). Unbilled receivables, which are not classified as contract assets, represent arrangements in which sales have been recorded prior to billing and right to payment is unconditional.

Leases

The company enters into operating leases, the accounting guidance for which requires a lessee to recognize a right-of-use (ROU) asset and a lease liability. The guidance also requires a lessee to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term, generally on a straight line basis.

A contract is a lease or contains one when (1) the contract contains an explicitly or implicitly identified asset and (2) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract in exchange for consideration. The company assesses whether an arrangement is a lease, or contains a lease, upon inception of the contract.

Ball Corporation
Notes to the Consolidated Financial Statements

The company enters into operating leases for buildings, warehouses, office equipment, production equipment, aircraft, land and other types of equipment. When readily determinable, the discount rate used to calculate the lease liability is the rate implicit in the lease. Otherwise, the company uses its incremental borrowing rate based on the information available at lease commencement. The company's finance and short-term leases are immaterial.

Many of the company's leases include one or more renewal and/or termination options at the company's discretion, which are included in the determination of the lease term if the company is reasonably certain to exercise the option. The company also enters into lease agreements that have variable payments, such as those related to usage or adjustments to certain indexes. Variable lease payments are recognized in the period in which those payments are incurred. Certain leases also include residual value guarantees; however, these amounts are not probable to be owed and are not included in the calculation of the lease liability.

The company subleases all or portions of certain building and warehouse leases to third parties, all of which are classified as operating leases. Some of these arrangements offer the lessee renewal options.

Fair Value Measurements

Generally accepted accounting principles define fair value as the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price) and such principles also establish a fair value hierarchy that prioritizes the inputs used to measure fair value using the following definitions (from highest to lowest priority):

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

- Level 2 – Observable inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data by correlation or other means.

- Level 3 – Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable.

Acquisitions

The company records acquisitions resulting in the consolidation of an enterprise using the purchase method of accounting. Under this method, the acquiring company records the assets acquired, including intangible assets that can be identified and named, and liabilities assumed based on their estimated fair values at the date of acquisition. The purchase price in excess of the fair value of the assets acquired and liabilities assumed is recorded as goodwill. If the assets acquired, net of liabilities assumed, are greater than the purchase price paid, then a bargain purchase has occurred and the company will recognize the gain immediately in earnings. Among other sources of relevant information, the company uses independent appraisals and actuarial or other valuations to assist in determining the estimated fair values of the assets and liabilities. Various assumptions are used in the determination of these estimated fair values including discount rates, market and volume growth rates, product selling prices, production costs and other prospective financial information. Transaction costs associated with acquisitions are expensed as incurred and included in the business consolidation and other activities line of the consolidated statement of earnings.

For acquisitions where the company acquires a controlling interest and previously owned an equity investment in the entity, the company will recognize in earnings, upon the completion of the acquisition, a gain or loss related to the company's prior equity investment. This gain or loss is calculated based on the fair value of the equity investment as compared to the carrying value of the existing equity investment on the date of acquisition.

Ball Corporation
Notes to the Consolidated Financial Statements

When the company purchases additional interests of consolidated subsidiaries, the difference between the fair value and carrying value of the noncontrolling interests acquired is accounted for in the common stock line within shareholders' equity.

Business Consolidation and Other Activities

The company estimates its liabilities for business closure activities by accumulating detailed estimates of costs and asset sale proceeds, if any, for each business consolidation initiative. This includes the estimated costs of employee severance, pension and related benefits; impairment of property and equipment and other assets, including estimates of net realizable value; accelerated depreciation; termination payments for contracts and leases; contractual obligations; and any other qualifying costs related to the exit plan, disposal or restructuring. These estimated costs are grouped by specific projects within the overall plans and are then monitored on a periodic basis. Such charges represent management’s best estimates, however, they require assumptions about the plans that may change over time. Changes in estimates for individual locations and other matters are evaluated periodically to determine if a change in estimate is required for the overall plan. Subsequent changes to the original estimates are included in current earnings and identified as business consolidation gains or losses.

Stock-Based Compensation

Ball has a variety of restricted stock, stock option, and stock-settled appreciation rights (SSARs) plans, and the related stock-based compensation is primarily reported as part of selling, general and administrative expenses in the consolidated statements of earnings. The compensation expense associated with restricted stock grants is calculated using the fair value at the date of grant (closing stock price) and is amortized over the restriction period. For stock options and SSARs, the company has elected to use the Black-Scholes valuation model and amortizes the estimated fair value, determined at the date of grant, on a straight-line basis over the requisite service period (generally, the vesting period). The company’s deferred compensation stock program is subject to variable plan accounting and, accordingly, is valued at the closing price of the company’s common stock at the end of each reporting period.

Research and Development Costs

Research and development costs are expensed as incurred in connection with the company’s programs for the development of products and processes. Costs incurred in connection with these programs, the majority of which are included in cost of sales, amounted to $55 million, $55 million and $56 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Currency Translation

Assets and liabilities of non-U.S. operations with a functional currency other than the U.S. dollar are translated using period-end exchange rates, and revenues and expenses are translated using average exchange rates during each period. Translation gains and losses are reported in accumulated other comprehensive earnings (loss) as a component of shareholders’ equity.

Income Taxes

Deferred income taxes reflect the future tax consequences of differences between the tax bases of assets and liabilities and their financial reporting amounts at each balance sheet date, based upon enacted income tax laws and tax rates. Income tax expense or benefit is provided based on earnings reported in the financial statements. The provision for income tax expense or benefit differs from the amounts of income taxes currently payable because certain items of income and expense included in the consolidated financial statements are recognized in different time periods by taxing authorities.

Ball Corporation
Notes to the Consolidated Financial Statements

Deferred tax assets, including operating loss, capital loss and tax credit carryforwards, are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that any portion of these tax attributes will not be realized. In addition, from time to time, management must assess the need to accrue or disclose uncertain tax positions for proposed adjustments from various federal, state and non-U.S. tax authorities who regularly audit the company in the normal course of business. In making these assessments, management must often analyze complex tax laws of multiple jurisdictions, including many non-U.S. jurisdictions. The accounting guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The company records the related interest expense and penalties, if any, as tax expense in the tax provision.

Stranded taxes in accumulated other comprehensive earnings (loss) are reclassified to the consolidated statement of earnings when the activity that generated the deferred gains and losses has fully ceased.

Derivative Financial Instruments

The company uses derivative financial instruments for the purpose of hedging commercial risk exposures to fluctuations in interest rates, currency exchange rates, raw material costs and common share prices. The company’s derivative instruments are recorded in the consolidated balance sheets at fair value. The company values each derivative financial instrument either by using a single valuation technique based on observable market inputs performed internally or by obtaining valuation information from a reliable and observable market source. For a derivative designated as a cash flow hedge, the derivative's mark to fair value is initially recorded as a component of accumulated other comprehensive earnings (loss) and subsequently reclassified into earnings when the hedged item affects earnings, unless it is probable that the forecasted transaction will not occur. Derivatives that do not qualify for hedge accounting are marked to fair value with gains and losses immediately recorded in earnings. In the consolidated statements of cash flows, derivative activities are classified based on the cash flows of the items being hedged, except for those activities that are hedging the effect of exchange rate changes on cash, which are presented in investing activities.

Upon the dedesignation of an effective derivative contract, the gains or losses are deferred in accumulated other comprehensive earnings (loss) until the originally hedged item affects earnings unless it is probable the hedged item will not occur at which time it is recognized immediately. Any gains or losses incurred after the dedesignation date are recorded in earnings immediately.

Contingencies

The company is subject to various legal proceedings and claims, including those that arise in the ordinary course of business. The company records loss contingencies when it determines the outcome of the future event is probable of occurring and the amount of the loss can be reasonably estimated. Gain contingencies are recognized in the financial statements when they are realized or realizable.

The determination of a reserve for a loss contingency is based on management’s judgment of probability and estimates with respect to the likelihood of an outcome and valuation of the future event. Liabilities are recorded or adjusted when events or circumstances cause these judgments or estimates to change. In assessing whether a loss is probable, Ball may consider the following factors, among others: the nature of the litigation, claim or assessment; available information, opinions or views of legal counsel and other advisors; and the experience gained from similar cases by the company and others. The company provides disclosures for material contingencies when there is a reasonable possibility that a loss or an additional loss may be incurred.

Ball Corporation
Notes to the Consolidated Financial Statements

Risks and Uncertainties

Global Economic Environment

Recent data has indicated continued high inflation in the regions where we operate. Current and future inflationary effects may continue to be impacted by, among other things, supply chain disruptions, governmental stimulus or fiscal and monetary policies, changes in interest rates, and changing demand for certain goods and services. We cannot predict with any certainty the impact that rising interest rates, a global or any regional recession, or higher inflation may have on our customers or suppliers. Additionally, we are unable to predict the potential effects that any future pandemic, or the continuation or escalation of global conflicts, including the conflict between Russia and Ukraine and the rising instability in the Middle East, and related sanctions or market disruptions, may have on our business. It remains uncertain how long any of these conditions may last or how severe any of them may become.

Ball management has reviewed the estimates used in preparing the company's consolidated financial statements and the following have a reasonably possible likelihood of being affected, to a material extent, by the direct and indirect impacts of the current global economic environment in the near term.

- Estimates regarding the future financial performance of the business used in the impairment tests for goodwill, long-lived assets, equity method investments, recoverability of deferred tax assets and estimates regarding cash needs and associated indefinite reinvestment assertions;
- Estimates of recoverability for customer receivables;
- Estimates of net realizable value for inventory; and
- Estimates regarding the likelihood of forecasted transactions associated with hedge accounting positions at December 31, 2023, which could impact the company's ability to satisfy hedge accounting requirements and result in the recognition of income and/or expenses.

In addition to the above potential impacts on the estimates used in preparing financial statements, the current global economic environment has the potential to increase Ball's vulnerabilities to near-term severe impacts related to certain concentrations in its business. In line with other companies in the packaging and aerospace industries, Ball makes the majority of its sales and significant purchases to or from a relatively small number of global, or large regional, customers and suppliers. Furthermore, Ball makes the majority of its sales from a small number of product lines. The potential of the current global economic environment to affect a significant customer or supplier, or to affect demand for certain products to a significant degree, heightens the vulnerability of Ball to these concentrations.

Argentina

Although Ball's functional currency in Argentina is the U.S. dollar, a portion of its transactions are denominated in pesos. The company is currently placing increased importance on managing its currency exchange rate risk in Argentina given the devaluation of the country's currency. This devaluation and economic conditions in Argentina make it difficult to manage currency exchange rate risk, and have an adverse effect on the company's results of operations. Ball's Argentinean business is presented in its beverage packaging, South America, reportable operating segment. During the fourth quarter of 2023, Argentina suddenly devalued its peso relative to the U.S. dollar by approximately 55%. As a result, Ball recorded a $22 million devaluation charge in business consolidation and other activities in the consolidated statement of earnings. Ball's peso-denominated net assets in Argentina were approximately $20 million at December 31, 2023. As of December 31, 2023, Ball's Argentinean business had net asset exposure of $404 million, which consisted primarily of working capital and property, plant and equipment.

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2. Accounting Pronouncements

Recently Adopted Accounting Standards

Supplier Finance Programs

In 2022, new guidance was issued by the FASB with the goal of enhancing transparency around supplier finance programs. On January 1, 2023, Ball adopted all required disclosures effective for 2023, on a retrospective basis. The company will adopt the rollforward disclosure requirements, on a prospective basis, when they become effective in 2024.

The company has several regional supplier finance programs, all of which have substantially similar characteristics, with various financial institutions that act as the paying agent for certain payables of the company. The company establishes these programs through agreements with the financial institutions to enable more efficient payment processing to our suppliers while also providing our suppliers a potential source of liquidity to the extent they enter into a factoring agreement with the financial institutions. Our suppliers’ participation in the programs is voluntary, and the company is not involved in negotiations of the suppliers’ arrangements with the financial institutions to sell their receivables, and our rights and obligations to our suppliers are not impacted by our suppliers’ decisions to sell amounts under these programs. Under these supplier finance programs, the company pays the financial institutions the stated amount of confirmed invoices from its participating suppliers on the original maturity dates of the invoices, which vary based on the negotiated terms with each supplier. All payment terms are short-term in nature and are not dependent on whether the suppliers participate in the supplier finance programs or if the suppliers elect to receive early payment from the financial institutions. Our supplier finance programs do not include any of the following: guarantees to the financial institutions, assets pledged as securities or interest accruing on the obligation prior to the due date.

Based on the review of the facts and circumstances of our supplier finance programs, including but not limited to those noted above, the company has concluded that the characteristics of the obligations due under our supplier finance programs have not changed and remain those of standard accounts payables, rather than indicative of debt.

The amount of obligations outstanding that the company confirmed as valid to the financial institutions under the company's programs was $709 million and $930 million at December 31, 2023 and 2022, respectively. These amounts are classified within accounts payable on the consolidated balance sheets, and the associated payments are reflected in the cash flows from operating activities section of the consolidated statements of cash flows.

Government Assistance Disclosure

In 2021, new guidance was issued by the Financial Accounting Standards Board (FASB) related to the disclosure of government assistance received. The adoption of this new guidance did not have a material effect on the company’s consolidated financial statements.

New Accounting Guidance and Disclosure Requirements

Income Tax Disclosures

In 2023, new guidance was issued by the FASB with the goal of providing financial statement users with more information in the income tax rate reconciliation table and regarding income taxes paid. The company is currently assessing the impact that the adoption of this new guidance will have on its consolidated financial statements and expects to meet the disclosure requirements on a prospective basis in its 2025 annual report.

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Segment Reporting

In 2023, new guidance was issued by the FASB with the goal of providing financial statement users with more information about reportable segments, including more disaggregated expense information. The company is currently assessing the impact that the adoption of this new guidance will have on its consolidated financial statements and expects to meet the disclosure requirements on a retrospective basis in its 2024 annual report and interim periods thereafter.

3. Business Segment Information

Ball's operations are organized and reviewed by management along its product lines and geographical areas and presented in the four reportable segments outlined below.

Beverage packaging, North and Central America: Consists of operations in the U.S., Canada and Mexico that manufacture and sell aluminum beverage containers throughout those countries.

Beverage packaging, EMEA: Consists of operations in numerous countries throughout Europe, as well as Egypt and Turkey, that manufacture and sell aluminum beverage containers throughout those countries. Ball sold its former operations located in Russia during the third quarter of 2022. See Note 4 for further details. Ball's operations and results of its former Russian aluminum beverage packaging business are included in the results of the beverage packaging, EMEA, business through the date of the disposal in the third quarter of 2022.

Beverage packaging, South America: Consists of operations in Brazil, Argentina, Paraguay and Chile that manufacture and sell aluminum beverage containers throughout most of South America.

Aerospace: Consists of operations that manufacture and sell aerospace and other related products and provide services used in the defense, civil space and commercial space industries. In the third quarter of 2023, Ball entered into a Stock Purchase Agreement with BAE Systems, Inc., to sell all of the outstanding equity interests in Ball's aerospace business to BAE. On February 16, 2024, the company completed the divestiture of the aerospace business. See Note 4 for further details.

As presented in the tables below, Other consists of a non-reportable operating segment (beverage packaging, other) that manufactures and sells aluminum beverage containers in India, Saudi Arabia and Myanmar; a non-reportable operating segment that manufactures and sells extruded aluminum aerosol containers and recloseable aluminum bottles across multiple consumer categories as well as aluminum slugs (aerosol packaging) throughout North America, South America, Europe, and Asia; a non-reportable operating segment that manufactures and sells aluminum cups (aluminum cups); undistributed corporate expenses; and intercompany eliminations and other business activities.

The accounting policies of the segments are the same as those used in the consolidated financial statements, as discussed in Note 1. The company also has investments in operations in Guatemala, Panama, the U.S. and Vietnam that are accounted for under the equity method of accounting and, accordingly, those results are not included in segment sales or earnings. In 2021, Ball sold its minority-owned investment in South Korea. In the first quarter of 2022, Ball sold its remaining equity method investment in Ball Metalpack. Refer to Note 4 for additional details on both transactions.

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Major Customers

Net sales to major customers, as a percentage of consolidated net sales, were as follows:

	2023	2022	2021
U.S. Government	14 %	12 %	13 %
Anheuser-Busch InBev and affiliates	13 %	13 %	12 %
Coca-Cola Bottlers' Sales & Services Company LLC and affiliates	11 %	11 %	10 %

Summary of Net Sales by Geographic Area *(a)*

($ in millions)	U.S.	Brazil	Other	Consolidated
2023	$ 7,839	$ 1,408	$ 4,782	$ 14,029
2022	8,487	1,450	5,412	15,349
2021	7,284	1,458	5,069	13,811

(a) Revenue is attributed based on origin of sale and includes intercompany eliminations.

Summary of Net Long-Lived Assets by Geographic Area *(a)*

($ in millions)	U.S.	Brazil	Other	Consolidated
As of December 31, 2023	$ 4,186	$ 1,274	$ 3,361	$ 8,821
As of December 31, 2022	4,316	1,193	3,259	8,768

(a) Long-lived assets exclude goodwill and intangible assets.

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Summary of Business by Segment

($ in millions)	Years Ended December 31, 2023	2022	2021
Net sales			
Beverage packaging, North and Central America	$ 5,963	$ 6,696	$ 5,856
Beverage packaging, EMEA	3,395	3,854	3,509
Beverage packaging, South America	1,960	2,108	2,016
Aerospace	1,967	1,977	1,911
Reportable segment sales	13,285	14,635	13,292
Other	744	714	519
Net sales	$ 14,029	$ 15,349	$ 13,811
Comparable operating earnings			
Beverage packaging, North and Central America	$ 710	$ 642	$ 681
Beverage packaging, EMEA	354	358	452
Beverage packaging, South America	266	275	348
Aerospace	219	170	169
Reportable segment comparable operating earnings	1,549	1,445	1,650
Reconciling items			
Other *(a)*	12	(25)	(65)
Business consolidation and other activities	(153)	(71)	(142)
Amortization of acquired intangibles	(135)	(135)	(152)
Earnings before interest and taxes	1,273	1,214	1,291
Interest expense	(459)	(312)	(270)
Debt refinancing and other costs	—	(18)	(13)
Total interest expense	(459)	(330)	(283)
Earnings before taxes	$ 814	$ 884	$ 1,008

(a) Includes undistributed corporate expenses, net, of $74 million, $82 million and $72 million for the years ended December 2023, 2022 and 2021, respectively.

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($ in millions)	Years Ended December 31, 2023	2022	2021
Depreciation and amortization *(a)*			
Beverage packaging, North and Central America	$ 220	$ 219	$ 200
Beverage packaging, EMEA	178	185	223
Beverage packaging, South America	145	143	141
Aerospace	81	78	65
Reportable segment depreciation and amortization	624	625	629
Other	62	47	71
Depreciation and amortization	$ 686	$ 672	$ 700
Capital expenditures			
Beverage packaging, North and Central America	$ 311	$ 621	$ 697
Beverage packaging, EMEA	378	458	305
Beverage packaging, South America	129	267	334
Aerospace	106	142	198
Reportable segment capital expenditures	924	1,488	1,534
Other	121	163	192
Capital expenditures	$ 1,045	$ 1,651	$ 1,726

(a) Includes amortization of acquired Rexam intangibles.

The company does not disclose total assets by segment as it is not provided to the chief operating decision maker.

4. Acquisitions and Dispositions

Aerospace

In the third quarter of 2023, Ball entered into a Stock Purchase Agreement (Agreement) with BAE Systems, Inc. (BAE) and, for the limited purposes set forth therein, BAE Systems plc, to sell all outstanding equity interests in Ball's aerospace business. As of December 31, 2023, the Committee on Foreign Investment in the United States approved the closing of the transaction, but it was pending the approval, clearance, or waiting period expiration or termination required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, among other customary closing conditions. As of December 31, 2023, we were in the process of seeking such regulatory approval, clearance, or waiting period expiration or termination, but could not yet assert that it was probable that we would obtain the approval, clearance, or waiting period expiration or termination, or satisfy the other closing conditions. Due to these conditions, as of December 31, 2023, Ball's aerospace business did not meet the requirements for held for sale presentation in Ball's consolidated financial statements.

On February 13, 2024, the company received approval under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and completed the divestiture of the aerospace business on February 16, 2024, for a purchase price of $5.6 billion, subject to working capital adjustments and other customary closing adjustments under the terms of the Agreement. The result, using the net assets of the aerospace business as of December 31, 2023, is an estimated pre-tax gain of $4.8 billion and an estimated $4.5 billion in after-tax proceeds. These estimates are subject to customary closing adjustments to the purchase price under the terms of the Agreement. The transaction represents a strategic shift and therefore, beginning with Ball's quarterly report on Form 10-Q for the period ending March 31, 2024, the company's consolidated financial statements will reflect the aerospace business' historical financial results for periods prior to the divestiture as discontinued operations for all periods presented. Additionally, the completion of the divestiture results in the removal of the aerospace business from the company's obligor group, as the business will no longer guarantee the company’s senior notes and senior credit facilities. Also, on February 14, 2024, Ball announced a public tender of the $1.00 billion 5.25% senior notes due July 2025 and the $750 million 4.875% senior notes due March 2026.

Russia

In the first quarter of 2022, the company announced that it was pursuing the sale of its aluminum beverage packaging business located in Russia. In the second quarter of 2022, Ball experienced deteriorating conditions and determined this constituted a triggering event for its Russian long-lived asset group. As a result, Ball performed a Level 3 expected cash flow recoverability analysis, using an income valuation approach with various scenarios, including a near-term sale of the business, to estimate the fair value of the long-lived assets, and recorded an impairment loss of $435 million during the second quarter of 2022.

In the third quarter of 2022, the company completed the sale of its Russian aluminum beverage packaging business for total cash consideration of $530 million and recorded a gain on disposal of $222 million. When considering the impairment loss recorded during the second quarter 2022 of $435 million, the impairment loss net of gain on the sale of the Russian business was $213 million for the year ended December 31, 2022. The impairment loss in the second quarter and the gain on sale in the third quarter were recorded in business consolidation and other activities in the consolidated statement of earnings. Cash proceeds from the sale of $455 million, net of the cash on the disposed business, were received in the third quarter of 2022 and were presented in business dispositions, net of cash sold, in the consolidated statement of cash flows for the year ended December 31, 2022.

In connection with this sale, Ball entered into a call option agreement that is contingently exercisable between September 2025 and September 2032, and if it becomes exercisable, will provide Ball the right to repurchase the business subject to the status of sanctions and certain other contingencies outside of Ball’s control. The option price, if exercised, would provide a customary compounded annual rate of return to the purchaser based on defined cash flows associated with the purchase and operation of the business from the purchase date through the exercise date of the option. Because the option strike price could limit the residual returns generated by the purchaser, if exercised, the option represents a variable interest retained by Ball in the Russian business. Based on the terms of the option relative to current market conditions in Russia, we determined that the option had an immaterial value at the date of sale. Neither the option nor any other terms in the sales agreement resulted in Ball being the primary beneficiary of the business and, therefore, it was deconsolidated.

Ball Metalpack Investment

During the first quarter of 2022, Ball sold its remaining 49 percent owned equity method investment in Ball Metalpack to Sonoco, a global provider of consumer, industrial, healthcare and protective packaging, for total consideration of $298 million, all of which was received in cash in the first quarter of 2022. Ball’s carrying value of the investment before the sale was zero; therefore, a gain from the sale of $298 million is reported in business consolidation and other activities in the consolidated statement of earnings. Cash proceeds of $298 million related to the sale are presented in business dispositions, net of cash sold, in the consolidated statement of cash flows.

Ball also received proceeds from Ball Metalpack for the repayment of an outstanding promissory note and accrued interest of approximately $16 million, which was recorded as a gain in business consolidation and other activities in the consolidated statement of earnings.

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South Korea Investment

In the third quarter of 2021, Ball sold its minority-owned investment in South Korea. Consideration for the transaction was cash of $120 million, of which $110 million was received at closing and is presented in business dispositions, net of cash sold, within cash flows from investing activities in Ball's 2021 consolidated statement of cash flows. In the fourth quarter of 2022, the remaining $10 million was received and is presented in business dispositions, net of cash sold, within cash flows from investing activities in Ball's 2022 consolidated statement of cash flows. In the second quarter of 2021, the company recorded a loss of $5 million related to the disposal, which is presented in business consolidation and other activities in the consolidated statement of earnings.

5. Revenue from Contracts with Customers

The following table disaggregates the company's net sales based on the timing of transfer of control:

	($ in millions)		
Year Ended December 31,	**Point in Time**	**Over Time**	**Total**
2023	$ 2,363	$ 11,666	$ 14,029
2022	2,699	12,650	15,349
2021	2,459	11,352	13,811

The company did not have any contract assets at December 31, 2023, 2022, or 2021. The opening and closing balances of the company's current and noncurrent contract liabilities are as follows:

($ in millions)	**Contract Liabilities (Current)**	**Contract Liabilities (Noncurrent)**
Balance at December 31, 2021	$ 272	$ 38
Increase (decrease)	44	(26)
Balance at December 31, 2022	316	12
Increase (decrease)	21	(2)
Balance at December 31, 2023	$ 337	$ 10

During the year ended December 31, 2023, contract liabilities increased by $19 million, which is net of cash received of $984 million and amounts recognized as sales of $965 million, the majority of which related to current contract liabilities. The amount of sales recognized during the year ended December 31, 2023, that was included in the company's opening contract liabilities balance was $316 million, all of which related to current contract liabilities. The difference between the opening and closing balances of the company's contract liabilities primarily results from timing differences between the company's performance and the customer's payments. Current contract liabilities are classified within other current liabilities on the consolidated balance sheets and noncurrent contract liabilities are classified within other liabilities.

The company also recognized additional sales of $20 million and $8 million during the years ended December 31, 2023 and 2022, respectively, from performance obligations satisfied (or partially satisfied) in prior periods. These sales amounts are the result of changes in the transaction price of the company's contracts with customers.

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Transaction Price Allocated to Remaining Performance Obligations

The table below discloses: (1) the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period for contracts with an original duration of greater than one year, and (2) when the company expects to record sales on these multi-year contracts.

($ in millions)	Next Twelve Months	Thereafter	Total
Sales expected to be recognized on multi-year contracts in place as of December 31, 2023	$ 1,612	$ 1,312	$ 2,924

The contracts with an original duration of less than one year, which are excluded from the table above based on the company's election of the practical expedient, are primarily related to contracts where control will be fully transferred to the customers in less than one year. The nature of the remaining performance obligations within these contracts, as well as the nature of the variability and how it will be resolved, are described in Note 1.

6. Business Consolidation and Other Activities

Following is a summary of business consolidation and other activity (charges)/income included in the consolidated statements of earnings:

	Years Ended December 31,		
($ in millions)	2023	2022	2021
Beverage packaging, North and Central America	$ (78)	$ (74)	$ (6)
Beverage packaging, EMEA	5	(227)	(7)
Beverage packaging, South America	(31)	(29)	9
Other	(49)	259	(138)
	$ (153)	$ (71)	$ (142)

2023

During 2023, the company recorded charges of $153 million primarily related to facility closure costs of $94 million, transaction costs of $41 million related to the sale of the company's aerospace business and a $22 million foreign exchange loss associated with the company's Argentina business. See Note 4 for further details on the sale of the aerospace business. The facility closure costs during 2023 also include costs recorded to reflect the damage to assets, less insurance receipts, incurred as a result of the fire at the company's Verona, Virginia extruded aluminum slug manufacturing facility. During future periods, the company anticipates receiving additional insurance proceeds for replacement costs and business interruption coverage which will be recorded as a gain.

2022

During 2022, the company recorded charges of $71 million primarily related to the impairment losses on Russia's long-lived asset group net of gain on the sale of $213 million, facility closure costs of $55 million and a charge related to a donation of $30 million to The Ball Foundation, offset by a gain of $298 million for the sale of Ball's remaining equity method investment in Ball Metalpack. See Note 4 for further details on the Russia and Ball Metalpack transactions.

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2021

During 2021, the company recorded charges of $142 million primarily related to a noncash settlement loss of $138 million for the purchase of non-participating group annuity contracts and lump-sum payments to settle the projected pension benefit obligations for certain of Ball's U.S. defined benefit pension plans, which triggered settlement accounting. The settlement loss primarily reflects recognition of unamortized actuarial losses in these U.S. pension plans. See Note 17 for further details.

7. Supplemental Cash Flow Statement Disclosures

	December 31,	
($ in millions)	**2023**	**2022**
Beginning of period:		
Cash and cash equivalents	$ 548	$ 563
Current restricted cash (included in other current assets)	10	16
Total cash, cash equivalents and restricted cash	$ 558	$ 579
End of period:		
Cash and cash equivalents	$ 695	$ 548
Current restricted cash (included in other current assets)	15	10
Total cash, cash equivalents and restricted cash	$ 710	$ 558

The company's restricted cash is primarily related to receivables factoring programs and represents amounts collected from customers that have not yet been remitted to the banks as of the end of the reporting period.

Noncash investing activities include the acquisition of property, plant and equipment (PP&E) for which payment has not been made. These noncash capital expenditures are excluded from the consolidated statements of cash flows. A summary of the PP&E acquired but not yet paid for is as follows:

	December 31,	
($ in millions)	**2023**	**2022**
Beginning of period:		
PP&E acquired but not yet paid	$ 392	$ 540
End of period:		
PP&E acquired but not yet paid	$ 204	$ 392

8. Receivables, Net

	December 31,	
($ in millions)	**2023**	**2022**
Trade accounts receivable	$ 1,197	$ 1,373
Unbilled receivables	764	746
Less: Allowance for doubtful accounts	(15)	(12)
Net trade accounts receivable	1,946	2,107
Other receivables	388	487
	$ 2,334	$ 2,594

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Net accounts receivable under long-term contracts, due primarily from agencies of the U.S. government and their prime contractors, were $282 million at December 31, 2023 and 2022, and included $250 million and $267 million at December 31, 2023 and 2022, respectively, representing the recognized sales value of performance that was not yet billable to customers. The average length of the long-term contracts was approximately two years, and the average length remaining on those contracts at December 31, 2023, was six months. At December 31, 2023, $277 million of net accounts receivables is expected to be collected within the next year and is related to customary fees and cost withholdings that will be paid upon milestone or contract completions, as well as final overhead rate settlements.

Other receivables include income and indirect tax receivables, aluminum scrap sale receivables and other miscellaneous receivables.

The company has entered into several regional uncommitted and committed accounts receivable factoring programs with various financial institutions for certain receivables of the company. The programs are accounted for as true sales of the receivables and had combined limits of approximately $2.00 billion and $2.04 billion at December 31, 2023 and 2022, respectively. A total of $350 million and $488 million were available for sale under these programs as of December 31, 2023 and 2022, respectively. The company has recorded $97 million, $67 million and $41 million of expense related to its factoring programs in 2023, 2022 and 2021, respectively, and has presented these amounts in selling, general, and administrative in its consolidated statements of earnings.

9. Inventories, Net

($ in millions)	December 31, 2023	December 31, 2022
Raw materials and supplies	$ 1,209	$ 1,541
Work-in-process and finished goods	440	729
Less: Inventory reserves	(90)	(91)
	$ 1,559	$ 2,179

10. Property, Plant and Equipment, Net

($ in millions)	December 31, 2023	December 31, 2022
Land	$ 221	$ 187
Buildings	2,418	2,159
Machinery and equipment	8,119	7,277
Construction-in-progress	1,240	1,504
	11,998	11,127
Accumulated depreciation	(4,618)	(4,074)
	$ 7,380	$ 7,053

Property, plant and equipment are stated at historical or acquired cost. Depreciation expense amounted to $528 million, $507 million and $520 million for the years ended December 31, 2023, 2022 and 2021, respectively.

During 2022, the company completed an evaluation of the estimated useful lives of its manufacturing equipment, buildings and certain assembly and test equipment. The company utilized a third-party appraiser to assist in the evaluation, which was performed as a result of the company’s experience with the duration over which its equipment can be utilized. Effective July 1, 2022, Ball revised the estimated useful lives of its equipment and buildings, which resulted in a net reduction in depreciation expense of approximately $52 million ($40 million after tax, or $0.13 per diluted share) for the year ended December 31, 2023, and a net reduction in depreciation expense of approximately $49 million ($37

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million after tax, or $0.12 per diluted share) for the year ended December 31, 2022, as compared to the amount of depreciation expense that would have been recognized by utilizing the prior depreciable lives.

As discussed in Note 4, in the second quarter of 2022, Ball recorded a noncash impairment charge related to its Russian long-lived asset group, of which $296 million related to property, plant and equipment associated with the company's Russian aluminum beverage packaging business, which resulted in fully impairing the assets that were subsequently disposed through the sale of the Russia aluminum beverage packaging business.

11. Goodwill

($ in millions)	Beverage Packaging, North & Central America	Beverage Packaging, EMEA	Beverage Packaging, South America	Aerospace	Other	Total
Balance at December 31, 2021	$ 1,275	$ 1,483	$ 1,298	$ 40	$ 282	$ 4,378
Business dispositions	—	(101)	—	—	—	(101)
Effects of currency exchange	—	(40)	—	—	(2)	(42)
Balance at December 31, 2022	$ 1,275	$ 1,342	$ 1,298	$ 40	$ 280	$ 4,235
Effects of currency exchange	—	36	—	—	17	53
Other	2	—	—	—	—	2
Balance at December 31, 2023	$ 1,277	$ 1,378	$ 1,298	$ 40	$ 297	$ 4,290

During 2022, the company sold its Russian aluminum beverage packaging business, which resulted in a $101 million decrease in goodwill in the beverage packaging, EMEA, segment. See Note 4 for additional details.

12. Intangible Assets, Net

($ in millions)	December 31, 2023	December 31, 2022
Acquired customer relationships and other intangibles (net of accumulated amortization and impairment losses of $1.06 billion at December 31, 2023, and $914 million at December 31, 2022)	$ 1,197	$ 1,320
Capitalized software (net of accumulated amortization of $222 million at December 31, 2023, and $204 million at December 31, 2022)	98	80
Other intangibles (net of accumulated amortization of $51 million at December 31, 2023, and $99 million at December 31, 2022)	14	17
	$ 1,309	$ 1,417

Total amortization expense of intangible assets amounted to $158 million, $165 million and $180 million for the years ended December 31, 2023, 2022 and 2021, respectively including $135 million in 2023 and 2022, and $152 million in 2021 of amortization expense related to the acquired intangible assets. Based on intangible asset values and currency exchange rates as of December 31, 2023 total annual intangible asset amortization expense is expected to be $159 million, $160 million, $156 million, $151 million and $147 million for the years ending December 31, 2024 through 2028, respectively, and approximately $536 million combined for all years thereafter.

As discussed in Note 4, in the second quarter of 2022, Ball recorded a noncash impairment charge related to its Russian long-lived asset group, of which $131 million related to acquired customer relationships and other intangibles associated with the company's Russian aluminum beverage packaging business, which resulted in fully impairing the assets that were subsequently disposed through the sale of the Russian aluminum beverage packaging business.

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13. Other Assets

($ in millions)	December 31, 2023	December 31, 2022
Long-term pension assets	$ 41	$ 355
Right-of-use operating lease assets	440	434
Investments in affiliates	212	193
Long-term deferred tax assets	114	73
Other	634	660
	$ 1,441	$ 1,715

Investments in affiliates primarily includes the company's 50 percent ownership interest in an entity in Guatemala, a 50 percent ownership interest in an entity in Panama, a 50 percent ownership interest in an entity in Vietnam and an ownership interest of 50 percent in an entity in the U.S.

See Note 14, Note 16 and Note 17 for further details related to the company's long-term right-of-use operating lease assets, deferred tax assets and pension assets, respectively.

14. Leases

The components of lease expense were as follows:

($ in millions)	December 31, 2023	December 31, 2022
Operating lease expense	$ (117)	$ (110)
Financing lease expense	(2)	(2)
Variable lease expense	(17)	(22)
Sublease income	3	3
Net lease expense	$ (133)	$ (131)

Supplemental cash flow information related to leases was as follows:

($ in millions)	December 31, 2023	December 31, 2022
Cash paid for amounts included in the measurements of lease liabilities:		
Operating cash outflows for operating leases	$ (113)	$ (99)
Financing cash outflows for finance leases	(3)	(2)
ROU assets obtained in exchange for:		
Operating lease obligations	64	118

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Supplemental balance sheet information related to leases was as follows:

($ in millions)	Balance Sheet Location	December 31, 2023	December 31, 2022
Operating leases:			
Operating lease ROU asset	Other assets	$ 440	$ 434
Current operating lease liabilities	Other current liabilities	93	91
Noncurrent operating lease liabilities	Other liabilities	356	349
Finance leases:			
Finance lease ROU assets, net	Property, plant and equipment, net	8	11
Current finance lease liabilities	Short-term debt and current portion of long-term debt	3	2
Noncurrent finance lease liabilities	Long-term debt	7	10

Weighted average remaining lease term and weighted average discount rate for the company's leases were as follows:

	December 31, 2023	December 31, 2022
Weighted average remaining lease term in years:		
Operating leases	9	10
Finance leases	5	6
Weighted average discount rate:		
Operating leases	4.1 %	3.8 %
Finance leases	3.0 %	3.0 %

Maturities of lease liabilities are as follows:

($ in millions)	Operating Leases	Finance Leases
2024	$ 101	$ 3
2025	81	2
2026	65	2
2027	57	1
2028	48	1
Thereafter	176	2
Future value of lease liabilities	528	11
Less: Imputed interest	(79)	(1)
Present value of lease liabilities	$ 449	$ 10

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15. Debt and Interest Costs

Long-term debt and interest rates in effect consisted of the following:

($ in millions)	December 31, 2023	December 31, 2022
Senior Notes		
4.00% due November 2023	$ —	$ 1,000
0.875%, euro denominated, due March 2024	828	803
5.25% due July 2025	1,000	1,000
4.875% due March 2026	750	750
1.50%, euro denominated, due March 2027	607	589
6.875% due March 2028	750	750
6.00% due June 2029	1,000	—
2.875% due August 2030	1,300	1,300
3.125% due September 2031	850	850
Senior Credit Facility (at variable rates)		
U.S. dollar revolver due June 2027	—	200
Term A loan due June 2027 (6.71% - 2023)	1,325	1,350
Finance lease obligations	10	12
Other (including debt issuance costs)	(60)	(61)
	8,360	8,543
Less: Current portion	(856)	(1,003)
	$ 7,504	$ 7,540

The company's senior credit facilities include long-term multi-currency revolving facilities that mature in June 2027, which provide the company with up to the U.S. dollar equivalent of $1.75 billion. At December 31, 2023, $1.69 billion was available under these revolving credit facilities. In addition to these facilities, the company had $196 million of committed short-term loans outstanding. The company also had approximately $964 million of short-term uncommitted credit facilities available at December 31, 2023, of which $13 million was outstanding and due on demand. At December 31, 2022, the company had $293 million of committed short-term loans outstanding and $112 million outstanding under short-term uncommitted credit facilities. The weighted average interest rate of the outstanding short-term facilities was 19.95 percent at December 31, 2023, and 6.71 percent at December 31, 2022.

In November 2023, Ball redeemed the outstanding 4.00% senior notes due in the amount of $1.00 billion. In May 2023, Ball issued $1.00 billion of 6.00% senior notes due in 2029, and repaid the outstanding U.S. dollar revolving credit facility due in 2027 in the amount of $800 million.

The fair value of Ball's long-term debt was estimated to be $8.07 billion and $7.99 billion at December 31, 2023 and 2022, respectively, compared to its carrying value of $8.36 billion and $8.54 billion in 2023 and 2022, respectively. The fair value reflects the market rates at each period end for debt with credit ratings similar to the company's ratings and is classified as Level 2 within the fair value hierarchy. Rates currently available to the company for loans with similar terms and maturities are used to estimate the fair value of long-term debt, based on discounted cash flows.

Long-term debt obligations outstanding at December 31, 2023, have maturities (excluding unamortized debt issuance costs of $62 million) of $858 million, $1.05 billion, $819 million, $1.79 billion and $751 million in the years ending 2024 through 2028, respectively, and $3.15 billion thereafter.

Letters of credit outstanding at December 31, 2023 and 2022, were $57 million and $59 million, respectively.

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Total interest expense was $459 million, $330 million and $283 million, which included cash interest payments of $378 million, $312 million and $276 million, net of capitalized interest of $25 million, $10 million and $17 million and noncash financing fees of $17 million, $16 million and $13 million in 2023, 2022 and 2021, respectively.

The company's senior notes and senior credit facilities are guaranteed on a full and unconditional, joint and several basis by certain of its material subsidiaries. Each of the guarantor subsidiaries is 100 percent owned by Ball Corporation. These guarantees are required in support of these notes and credit facilities, are coterminous with the terms of the respective note indentures and would require performance upon certain events of default referenced in the respective guarantees. Note 23 provides further details about the company's debt guarantees of the company's senior notes and the subsidiaries that guarantee the notes (the obligor group).

The U.S. note agreements and bank credit agreement contain certain restrictions relating to dividend payments, share repurchases, investments, financial ratios, guarantees and the incurrence of additional indebtedness. The company's most restrictive debt covenant requires it to maintain a leverage ratio (as defined) of no greater than 5.0 times, which will change to 4.5 times as of September 30, 2025. Ball was in compliance with the leverage ratio requirement at December 31, 2023 and 2022.

16. Taxes on Income

The amount of earnings (loss) before income taxes is:

	Years Ended December 31,		
($ in millions)	**2023**	**2022**	**2021**
U.S.	$ 258	$ 496	$ 146
Non-U.S.	556	388	862
	$ 814	$ 884	$ 1,008

The provision (benefit) for income tax expense is:

	Years Ended December 31,		
($ in millions)	**2023**	**2022**	**2021**
Current			
U.S.	$ 10	$ 9	$ (20)
State and local	11	18	8
Non-U.S.	169	134	133
Total current	190	161	121
Deferred			
U.S.	(74)	90	(7)
State and local	6	7	(4)
Non-U.S.	1	(99)	46
Total deferred	(67)	(2)	35
Tax provision (benefit)	$ 123	$ 159	$ 156

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The income tax provision recorded within the consolidated statements of earnings differs from the provision determined by applying the U.S. statutory tax rate to pretax earnings as a result of the following:

	Years Ended December 31,		
($ in millions)	2023	2022	2021
Statutory U.S. federal income tax	$ 171	$ 186	$ 212
Increase (decrease) due to:			
Non-U.S. tax rate differences including tax holidays	(38)	(21)	(32)
Non-U.S. tax law and rate changes	3	12	43
Currency exchange (gain) loss on revaluation of deferred tax balances	(13)	(8)	4
Global intangible low-taxed income (GILTI)	4	5	18
Permanent differences on business dispositions or impairments	—	(12)	4
U.S. state and local taxes, net	13	20	4
U.S. taxes on non-U.S. earnings, net of tax deductions and credits	(38)	4	4
U.S. research and development credits	(67)	(28)	(50)
Uncertain tax positions, including interest	(4)	(10)	(19)
Change in valuation allowances	106	(4)	(3)
Equity compensation related impacts	(6)	14	(10)
U.S. CARES Act	—	—	(10)
Other, net	(8)	1	(9)
Provision (benefit) for taxes	$ 123	$ 159	$ 156
Effective tax rate expressed as a percentage of pretax earnings	15.1 %	18.0 %	15.5 %

The company generally intends to limit distributions from non-U.S. subsidiaries to earnings previously taxed in the U.S. As of December 31, 2023, the company has $2.32 billion of adjusted retained earnings in non-U.S. subsidiaries. Of these undistributed earnings, $943 million were previously subjected to U.S. federal income tax. The company has accrued approximately $61 million for estimated non-U.S. withholding taxes on portions of the non-U.S. earnings that are not indefinitely reinvested. The company has not provided deferred taxes on any other outside basis differences in its investments in other non-U.S. subsidiaries as these other outside basis differences are indefinitely reinvested. A determination of the unrecognized deferred taxes related to any of these other outside basis differences is not practicable.

Ball’s Serbian and Polish subsidiaries benefit from tax holidays which reduced income taxes by $6 million, $3 million and $2 million in 2023, 2022 and 2021, respectively. These tax holidays have expiration dates ranging from 2026 to 2036. Several of Ball’s Brazilian subsidiaries benefit from various tax holidays with expiration dates ranging from 2023 to 2032. These tax holidays reduced income tax by $71 million or $0.22 per share, $59 million or $0.18 per share and $74 million or $0.23 per share for 2023, 2022 and 2021, respectively.

On December 29, 2023, Brazil enacted legislation negatively impacting a minority of the tax holiday benefits the company expects to recognize from its Brazilian subsidiaries beginning in 2024. The company’s evaluation of this potential impact is ongoing.

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Net income tax payments were $179 million, $143 million and $136 million in 2023, 2022 and 2021, respectively.

The significant components of deferred tax assets and liabilities are as follows:

($ in millions)	December 31, 2023	December 31, 2022
Deferred tax assets:		
Deferred compensation	$ 81	$ 74
Accrued employee benefits	71	66
Accrued pensions	90	74
Capitalized research and development	289	113
Net operating losses, tax credits and other tax attributes	640	413
Deferred interest	178	105
Operating lease liabilities	102	93
Other	134	180
Total deferred tax assets	1,585	1,118
Valuation allowance	(386)	(275)
Net deferred tax assets	1,199	843
Deferred tax liabilities:		
Property, plant and equipment	(620)	(574)
Goodwill and other intangible assets	(448)	(484)
Pension assets	(11)	(89)
Deferred revenue *(a)*	(241)	—
Operating lease right of use assets	(96)	(91)
Other	(90)	(72)
Total deferred tax liabilities	(1,506)	(1,310)
Net deferred tax asset (liability)	$ (307)	$ (467)

(a) During 2023, the Internal Revenue Service issued guidance on the research and experimental expenditure capitalization requirements that were effective beginning January 1, 2022. Among other items, the notice provided additional guidance on the impacts the capitalization requirements have on the recognition of revenue for U.S. federal tax purposes. As a result of this new guidance, the company had a significant increase in deferred tax liabilities related to deferred revenue during the year.

The net deferred tax asset (liability) was included in the consolidated balance sheets as follows:

($ in millions)	December 31, 2023	December 31, 2022
Other assets	$ 114	$ 73
Deferred taxes	(421)	(540)
Net deferred tax asset (liability)	$ (307)	$ (467)

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At December 31, 2023, Ball has recorded deferred tax assets related to net operating and capital loss carryforwards of $333 million, deferred interest expense carryforwards of $178 million, and credit carryforwards for foreign taxes, research and development and various other business credits of $307 million. These attributes are spread across the regions in which the company operates, including Europe, North and Central America, Asia and South America. The majority of the attributes with expiration dates consist of $230 million of research and development credits which expire beginning 2037 through 2043, and $58 million of foreign tax credits which expire beginning 2027 through 2033. Each has been assessed for realization as of December 31, 2023.

In 2023, the company’s overall valuation allowances increased by a net $111 million. The increase was primarily due to losses incurred in various non-operating U.K. entities. The valuation allowance was further increased due to nondeductible U.K. interest expense, and operating losses related to the Argentinean beverage packaging business, driven by the sudden devaluation of the Argentine peso. Ball’s 2023 effective tax rate was impacted by $106 million of the net change in the valuation allowance.

In 2022, the company’s overall valuation allowances decreased by a net $28 million. The decrease was primarily due to currency exchange fluctuations and the reduction of the valuation allowance related to the Indian beverage packaging business. These decreases were partially offset by increases due to nondeductible U.K. interest expense and certain U.S. tax credits, none of which are expected to be utilized in future periods. Ball’s 2022 effective tax rate was impacted by $4 million of the net change in the valuation allowance.

In 2021, the company’s overall valuation allowances increased by a net $39 million. The increase to the valuation allowance was primarily due to enacted tax rate changes in the U.K. The valuation allowance was further increased due to nondeductible U.K. interest expense and operating losses incurred primarily in various U.S. state and non-U.S. jurisdictions, none of which are expected to be utilized in future periods. These increases were partially offset by reductions due to the utilization of previously unrealized operating losses. Ball’s 2021 effective tax rate was impacted by $3 million of the change in the valuation allowance.

A roll forward of the company’s unrecognized tax benefits, as included in other noncurrent liabilities, related to uncertain income tax positions at December 31 follows:

($ in millions)	**2023**	**2022**	**2021**
Balance at January 1	$ 32	$ 36	$ 55
Additions for tax positions of prior years	1	5	—
Reductions for settlements	(5)	—	—
Reductions due to lapse of statute of limitations	—	(7)	(17)
Reductions due to business dispositions	—	(1)	—
Effect of currency exchange rates	—	(1)	(2)
Balance at December 31	$ 28	$ 32	$ 36

The annual provisions for income taxes included a tax benefit related to uncertain tax positions, including interest and penalties, of $4 million in 2023, $10 million in 2022 and $19 million in 2021.

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At December 31, 2023, the amounts of unrecognized tax benefits that, if recognized, would reduce tax expense were $26 million, inclusive of interest, penalties and the indirect benefits of related items. The company and its subsidiaries file income tax returns in the U.S. federal, various state, local and non-U.S. jurisdictions. The U.S. federal statute of limitations is closed for years prior to 2014. With a few exceptions, the company is no longer subject to examination by state and local tax authorities for years prior to 2014. The company's significant non-U.S. filings are in Argentina, Brazil, Canada, Chile, the Czech Republic, Egypt, France, Germany, Italy, Mexico, the Netherlands, Paraguay, Poland, Serbia, Spain, Sweden, Switzerland, Turkey and the U.K. The company's non-U.S. statutes of limitations are generally open for years after 2018. At December 31, 2023, the company is either under examination or has been notified of a pending examination by tax authorities in Argentina, Brazil, the Czech Republic, Egypt, France, Germany, India, the Netherlands, Paraguay, Saudi Arabia, Spain, Switzerland, the U.K. and various U.S. states.

Due primarily to potential expiration of certain statutes of limitations and settlements, it is reasonably possible that a decrease of approximately $3 million in the total amount of unrecognized tax benefits may occur within the coming year, some of which would reduce income tax expense.

The company recognizes the accrual of interest and penalties related to unrecognized tax benefits in income tax expense. Ball recognized $1 million of tax benefit, $3 million of tax benefit and $2 million of tax benefit in 2023, 2022 and 2021, respectively, for potential interest on these items. At December 31, 2023, 2022 and 2021, the accrual for uncertain tax positions included potential interest expense of $3 million, $4 million and $6 million, respectively. The company accrued penalties of $2 million in 2021.

In July 2023, the U.K. enacted minimum tax legislation consistent with the Organization for Economic Co-operation and Development's (OECD) Pillar Two Framework that was supported by over 130 countries worldwide. The legislation will be effective for the company beginning on January 1, 2024. A significant number of other countries are also moving forward with similar legislation. The company is currently evaluating the potential impact this legislation may have on its consolidated financial statements beginning in 2024.

17. Employee Benefit Obligations

	December 31,	
($ in millions)	**2023**	**2022**
Underfunded defined benefit pension liabilities	$ 487	$ 423
Less: Current portion	(21)	(21)
Long-term defined benefit pension liabilities	466	402
Long-term retiree medical liabilities	90	94
Deferred compensation plans	280	286
Other	62	65
	$ 898	$ 847

The company's defined benefit plans for salaried employees, as well as those for hourly employees in Sweden, Switzerland, the U.K. and Ireland, provide pension benefits based on employee compensation and years of service. Plans for North American hourly employees provide benefits based on fixed rates for each year of service. While the German, Swedish and certain U.S. plans are not funded, the company maintains liabilities, and annual additions to such liabilities are generally tax-deductible. With the exception of the unfunded German, Swedish and certain U.S. plans, the company's policy is to fund the defined benefit plans in amounts at least sufficient to satisfy statutory funding requirements, taking into consideration deductibility under existing tax laws and regulations. The company closed its pension plans to all non-unionized new entrants in the United States effective for anyone hired after December 31, 2021. Anyone employed by Ball prior to that date is unaffected by this change.

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Defined Benefit Pension Plans

Amounts recognized in the consolidated balance sheets for the funded status of the company's defined benefit pension plans consisted of:

($ in millions)	December 31, 2023 U.S.	2023 Non-U.S.	2023 Total	2022 U.S.	2022 Non-U.S.	2022 Total
Long-term pension asset	$ —	$ 41	$ 41	$ —	$ 355	$ 355
Defined benefit pension liabilities *(a)*	(304)	(183)	(487)	(254)	(169)	(423)
Funded status	$(304)	$(142)	$(446)	$(254)	$ 186	$ (68)

(a) Included is an unfunded, non-qualified U.S. plan obligation of $22 million at December 31, 2023, that has been annuitized with a corresponding asset of $21 million. At December 31, 2022, the unfunded non-qualified U.S. plan obligation of $22 million was annuitized with a corresponding asset of $21 million.

An analysis of the change in benefit accounts for 2023 and 2022 follows:

($ in millions)	December 31, 2023 U.S.	2023 Non-U.S.	2023 Total	2022 U.S.	2022 Non-U.S.	2022 Total
Change in projected benefit obligation:						
Benefit obligation at prior year end	$1,671	$1,802	$3,473	$2,304	$ 3,189	$ 5,493
Service cost	53	5	58	88	10	98
Interest cost	86	86	172	54	47	101
Benefits paid	(142)	(125)	(267)	(200)	(140)	(340)
Net actuarial (gains) losses	62	322	384	(557)	(999)	(1,556)
Settlements and other	(2)	—	(2)	(20)	—	(20)
Other	3	—	3	2	(1)	1
Effect of exchange rates	—	101	101	—	(304)	(304)
Benefit obligation at year end	1,731	2,191	3,922	1,671	1,802	3,473
Change in plan assets:						
Fair value of assets at prior year end	1,417	1,988	3,405	1,960	3,530	5,490
Actual return on plan assets	130	62	192	(425)	(1,075)	(1,500)
Employer contributions *(a)*	17	2	19	100	3	103
Contributions to unfunded plans *(a)*	7	16	23	6	15	21
Benefits paid	(142)	(125)	(267)	(200)	(140)	(340)
Settlements and other	(2)	—	(2)	(24)	—	(24)
Other	—	1	1	—	2	2
Effect of exchange rates	—	105	105	—	(347)	(347)
Fair value of assets at end of year	1,427	2,049	3,476	1,417	1,988	3,405
Funded status	$ (304)	$ (142)	$ (446)	$ (254)	$ 186	$ (68)

(a) Employer contributions are presented in pension contributions in the operating activities section in the consolidated statements of cash flows for the years ended December 31, 2023 and 2022.

The company's German, Swedish and certain U.S. plans are unfunded and the liabilities are included in the consolidated balance sheets. Benefits are paid directly by the company to the participants.

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Amounts recognized in accumulated other comprehensive earnings (loss), including other postemployment benefits, consisted of:

($ in millions)	December 31, 2023 U.S.	2023 Non-U.S.	2023 Total	2022 U.S.	2022 Non-U.S.	2022 Total
Net actuarial (loss) gain	$(261)	$(428)	$(689)	$(208)	$(57)	$(265)
Net prior service (cost) credit	12	(43)	(31)	14	(43)	(29)
Tax effect and currency exchange rates	73	110	183	58	9	67
	$(176)	$(361)	$(537)	$(136)	$(91)	$(227)

Net actuarial losses increased by $424 million during 2023, principally due to the U.K defined benefit pension plan buy-in and a decrease in global discount rates.

The accumulated benefit obligation for all U.S. defined benefit pension plans was $1,640 million and $1,590 million at December 31, 2023 and 2022, respectively. The accumulated benefit obligation for all non-U.S. defined benefit pension plans was $2,189 million and $1,800 million at December 31, 2023 and 2022, respectively. Following is the information for defined benefit plans with a projected benefit obligation, or an accumulated benefit obligation, in excess of plan assets:

($ in millions)	December 31, 2023 U.S.	2023 Non-U.S.	2023 Total	2022 U.S.	2022 Non-U.S.	2022 Total
Projected benefit obligation	$ 1,731	$ 245	$ 1,976	$ 1,671	$ 181	$ 1,852
Accumulated benefit obligation	1,640	243	1,883	1,590	178	1,768
Fair value of plan assets *(a)*	1,427	63	1,490	1,417	11	1,428

(a) The German, Swedish and certain U.S. plans are unfunded and, therefore, there is no fair value of plan assets associated with these plans.

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Components of net periodic benefit cost were as follows:

	Years Ended December 31,								
	2023			2022			2021		
($ in millions)	U.S.	Non-U.S.	Total	U.S.	Non-U.S.	Total	U.S.	Non-U.S.	Total
Ball-sponsored plans:									
Service cost	$ 53	$ 5	$ 58	$ 88	$ 10	$ 98	$ 83	$ 13	$ 96
Interest cost	86	86	172	54	47	101	50	36	86
Expected return on plan assets	(115)	(101)	(216)	(108)	(61)	(169)	(117)	(65)	(182)
Amortization of prior service cost	1	2	3	1	2	3	1	3	4
Recognized net actuarial loss	3	1	4	28	4	32	45	5	50
Settlement losses and other charges *(a)*	4	—	4	14	—	14	135	—	135
Total net periodic benefit cost	$ 32	$ (7)	$ 25	$ 77	$ 2	$ 79	$ 197	$ (8)	$ 189

(a) Settlement losses and other charges resulted primarily from regular lump sum payments, purchases of non-participating group annuity contracts, headcount reduction actions and terminated vested buy-out activities. These settlement losses were recorded in business consolidation and other activities. The company's impacted U.S. pension obligations were remeasured in connection with the settlements.

Non-service pension income of $37 million in 2023, $33 million in 2022 and $42 million in 2021, is included in selling, general, and administrative (SG&A) expenses in the consolidated statements of earnings.

Contributions to the company's defined benefit pension plans are expected to be approximately $75 million in 2024. This estimate may change based on changes in the Pension Protection Act, actual plan asset performance and available company cash flow, among other factors. Benefit payments related to the plans are expected to be approximately $259 million, $260 million, $265 million, $265 million and $265 million for the years ending December 31, 2024 through 2028, respectively, and approximately $1.29 billion in total for the years ending December 31, 2029 through 2033.

Weighted average assumptions used to determine benefit obligations for the company's significant U.S. plans at December 31 were as follows:

	U.S.		
	2023	2022	2021
Discount rate	5.19 %	5.52 %	2.87 %
Rate of compensation increase	4.48 %	4.47 %	4.48 %

Weighted average assumptions used to determine benefit obligations for the company's significant European plans at December 31 were as follows:

	U.K.			Germany		
	2023	2022	2021	2023	2022	2021
Discount rate	3.95 %	5.01 %	1.81 %	3.14 %	3.69 %	1.12 %
Rate of compensation increase	3.50 %	3.50 %	3.50 %	2.69 %	2.68 %	2.50 %
Pension increase	3.34 %	3.43 %	3.64 %	2.18 %	1.80 %	1.70 %

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Weighted average assumptions used to determine net periodic benefit cost for the company's significant U.S. plans for the years ended December 31 were as follows:

	U.S.		
	2023	**2022**	**2021**
Discount rate	5.52 %	2.87 %	2.49 %
Rate of compensation increase	4.47 %	4.48 %	4.05 %
Expected long-term rate of return on assets	7.09 %	6.11 %	6.32 %

Weighted average assumptions used to determine net periodic benefit cost for the company's significant European plans for the years ended December 31 were as follows:

	U.K.			Germany		
	2023	**2022**	**2021**	**2023**	**2022**	**2021**
Discount rate	5.01 %	1.81 %	1.39 %	3.70 %	1.12 %	0.80 %
Rate of compensation increase	3.50 %	3.50 %	3.50 %	2.69 %	2.50 %	2.50 %
Pension increase	3.43 %	3.64 %	3.19 %	1.80 %	1.70 %	1.50 %
Expected long-term rate of return on assets	5.11 %	1.91 %	1.74 %	N/A	N/A	N/A

The discount and compensation increase rates used above to determine the December 31, 2023, benefit obligations will be used to determine net periodic benefit cost for 2024. A reduction of the expected return on pension assets assumption by one quarter of a percentage point would result in an approximate $9 million increase in 2024 pension expense, while a quarter of a percentage point reduction in the discount rate applied to the pension liability would result in an approximate $12 million increase to pension expense in 2024.

Accounting for pensions and postretirement benefit plans requires that the benefit obligation be discounted to reflect the time value of money at the measurement date and the rates of return currently available on high-quality, fixed-income securities whose cash flows (via coupons and maturities) match the timing and amount of future benefit plan payments. Other factors used in measuring the obligation include compensation increases, health care cost increases, future rates of inflation, mortality and employee turnover.

Actual results may differ from the company's actuarial assumptions, which may have an impact on the amount of reported expense or liability for pensions or postretirement benefits. In 2023, the company recorded pension expense of $25 million for Ball-sponsored plans, including $4 million of settlement and other charges, and the company currently expects its 2024 pension expense to be $46 million, using currency exchange rates in effect at December 31, 2023. The expected increase in pension expense is primarily the result of the United Kingdom defined benefit pension plan buy-in and a decrease in global discount rates.

The assumption related to the expected long-term rate of return on plan assets reflects the average rate of earnings expected on the funds invested to provide for pension benefits over the life of the plans. The assumption was based upon Ball's pension plan asset allocations, investment strategies and the views of its investment managers, consultants and other large pension plan sponsors. Some reliance was placed on the historical and expected asset returns of the company's plans. An asset-allocation optimization model was used to project future asset returns using simulation and asset class correlation. The analysis included expected future risk premiums, forward-looking return expectations derived from the yield on long-term bonds and the price earnings ratios of major stock market indexes, expected inflation levels and real risk-free interest rate assumptions and the fund's expected asset allocation.

The expected long-term rates of return on assets were calculated by applying the expected rate of return to a market-related value of plan assets at the beginning of the year, adjusted for the weighted average expected contributions and benefit payments. The market-related value of plan assets used to calculate the expected return was $3,683 million for 2023, $3,651 million for 2022 and $5,633 million for 2021.

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Defined Benefit Pension Plan Assets

Policies and Allocation Information

Pension investment committees or scheme trustees of the company and its relevant subsidiaries establish investment policies and strategies for the company's pension plan assets. The investment policies and strategies include the following common themes to: (1) provide for long-term growth of principal without undue exposure to risk, (2) minimize contributions to the plans, (3) minimize and stabilize pension expense and (4) achieve a rate of return equal to or above the market average for each asset class over the long term. The pension investment committees are required to regularly, but no less frequently than annually, review asset mix and asset performance, as well as the performance of the investment managers. Based on their reviews, which are generally conducted quarterly, investment policies and strategies are revised as appropriate.

Target asset allocations are set using a minimum and maximum range for each asset category as a percent of the total funds' market value. Following are the target asset allocations established as of December 31, 2023:

	U.S.	U.K.
Cash and cash equivalents	— %	0-5 %
Equity securities	20-40 %	0-5 %
Fixed income securities	40-70 %	— %
Insurance contract	— %	90-100 %
Alternative investments	5-25 %	— %

The actual weighted average asset allocations for Ball's defined benefit pension plans, which individually were within the established targets for each country for that year, were as follows at December 31:

	2023	2022
Cash and cash equivalents	2 %	2 %
Equity securities	16 %	16 %
Fixed income securities	25 %	77 %
Insurance contract	55 %	— %
Alternative investments	2 %	5 %
	100 %	100 %

Fair Value Measurements of Pension Plan Assets

Following is a description of the valuation methodologies used for pension assets measured at fair value:

Cash and cash equivalents: Consist of cash on deposit with brokers and short-term U.S. Treasury money market funds with a maturity of less than 90 days, and such amounts are shown net of receivables and payables for securities traded at period end but not yet settled. All cash and cash equivalents are stated at cost, which approximates fair value.

Corporate equity securities: Valued at the closing price reported on the active market on which the individual security is traded.

U.S. government and agency securities: Valued using the pricing of similar agency issues, live trading feeds from several vendors and benchmark yields.

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Corporate bonds and notes: Valued using market inputs including benchmark yields, reported trades, broker/dealer quotes, issuer spreads, benchmark securities, bids, offers and reference data including market research publications. Inputs may be prioritized differently at certain times based on market conditions.

Group Annuity insurance contract: Valued based on the calculated pension benefit obligation covered by the non-participating annuity contract at year-end.

Commingled funds: The shares held are valued at their net asset value (NAV) at year end.

NAV practical expedient: Includes certain commingled fixed income and equity funds as well as limited partnership and other funds. Certain of the partnership investments receive fair market valuations on a quarterly basis. Certain other commingled funds and partnerships invest in market-traded securities, both on a long and short basis. These investments are valued using quoted market prices.

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

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The company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of pension assets and liabilities and their placement within the fair value hierarchy levels. The fair value hierarchy levels assigned to the company's defined benefit plan assets are summarized in the tables below:

	December 31, 2023		
($ in millions)	**Level 1**	**Level 2**	**Total**
U.S. pension assets, at fair value:			
Cash and cash equivalents	$ —	$ 42	$ 42
U.S. government, agency and asset-backed securities:			
Municipal bonds	—	11	11
Treasury bonds	176	—	176
Other	—	11	11
Non-U.S. government bonds	—	14	14
Corporate bonds and notes:			
Basic materials	—	6	6
Communications	—	45	45
Consumer discretionary	—	19	19
Consumer staples	—	62	62
Energy	—	39	39
Financials	—	46	46
Industrials	—	41	41
Information technology	—	6	6
Private placement	—	1	1
Utilities	—	57	57
Total level 1 and level 2	$ 176	$ 400	576
Other investments measured at net asset value *(a)*			851
Total assets			$ 1,427

(a) Certain investments measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified within the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the change in plan assets reconciliation.

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($ in millions)	December 31, 2022 Level 1	Level 2	Total
U.S. pension assets, at fair value:			
Cash and cash equivalents	$ —	$ 13	$ 13
U.S. government, agency and asset-backed securities:			
Municipal bonds	—	11	11
Treasury bonds	147	—	147
Other	—	4	4
Non-U.S. government bonds	—	11	11
Corporate bonds and notes:			
Basic materials	—	4	4
Communications	—	18	18
Consumer discretionary	—	6	6
Consumer staples	—	17	17
Energy	—	12	12
Financials	—	99	99
Industrials	—	140	140
Information technology	—	8	8
Private placement	—	1	1
Utilities	—	49	49
Total level 1 and level 2	$ 147	$ 393	540
Other investments measured at net asset value (a)			877
Total assets			$ 1,417

(a) Certain investments measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified within the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the change in plan assets reconciliation.

($ in millions)	December 31, 2023	2022
U.K. pension assets, at fair value:		
Cash and cash equivalents	$ 31	$ 29
Equity commingled funds	20	51
U.K. government bonds	—	1,092
Other	4	20
Total level 1	55	1,192
Level 2: Investment funds - corporate bonds	—	688
Level 3: Insurance annuity contract	1,935	—
Other investments measured at net asset value *(a)*	—	56
Total assets	$1,990	$1,936

(a) Certain investments measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified within the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the change in plan assets reconciliation.

In November 2023, the Trustee Board of the U.K. defined benefit pension plan entered into an agreement with an insurance company for a bulk annuity purchase, or “buy-in,” for its U.K. defined benefit pension plan to reduce retirement plan risk, while delivering promised benefits to plan participants. This transaction allows the company to reduce volatility by removing investment, longevity, mortality, interest rate and inflation risk upon the transfer of

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significantly all of the pension plan assets to the insurer in exchange for the group annuity insurance contract. At this time the Company retains both the fair value of the annuity contract within plan assets and the pension benefit obligations related to these participants. The fair value of the annuity buy-in contract is $1.94 billion as of December 31, 2023 and is based on the calculated pension benefit obligations covered. The fair value of plan assets categorized as Level 3 during 2023 are related to the purchase of the group annuity insurance contract. The plan will be frozen in April 2024 and the company anticipates the "buy-out" will occur within the next two years, which will trigger a pension settlement that will result in all plan balances, including accumulated pension components within other comprehensive income, being charged to expense as a noncash settlement charge.

Other Postretirement Benefits

The company sponsors postretirement health care and life insurance plans for certain U.S. and Canadian employees. Employees may also qualify for long-term disability, medical and life insurance continuation and other postemployment benefits upon termination of active employment prior to retirement. All of the Ball-sponsored postretirement health care and life insurance plans are unfunded with the exception of life insurance benefits, which are self-insured. The benefit obligation associated with these plans was $99 million and $105 million as of December 31, 2023 and 2022, respectively, including current portions of $11 million for both years. Net periodic cost associated with these plans was income of $6 million, $4 million and $1 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Weighted average assumptions used to determine benefit obligations for the other postretirement benefit plans at December 31 were as follows:

	U.S.			Canada		
	2023	**2022**	**2021**	**2023**	**2022**	**2021**
Discount rate	5.10 %	5.45 %	2.79 %	4.50 %	5.00 %	2.75 %
Rate of compensation increase *(a)*	4.37 %	4.37 %	4.37 %	N/A	N/A	N/A

(a) The rate of compensation increase is not applicable for certain U.S. other postretirement benefit plans.

Weighted average assumptions used to determine net periodic benefit cost for the other postretirement benefit plans at December 31 were as follows:

	U.S.			Canada		
	2023	**2022**	**2021**	**2023**	**2022**	**2021**
Discount rate	5.45 %	2.79 %	2.39 %	5.00 %	2.75 %	2.25 %
Rate of compensation increase *(a)*	4.37 %	4.37 %	4.50 %	N/A	N/A	N/A

(a) The rate of compensation increase is not applicable for certain U.S. other postretirement benefit plans.

Deferred Compensation Plans

Certain management employees may elect to defer the payment of all or a portion of their annual incentive compensation and certain long-term stock-based compensation into the company's deferred compensation plan and/or the company's deferred compensation stock plan. The employee becomes a general unsecured creditor of the company with respect to any amounts deferred.

18. Shareholders' Equity

At December 31, 2023, the company had 1.1 billion shares of common stock and 15 million shares of preferred stock authorized, both without par value. Preferred stock includes 550,000 authorized but unissued shares designated as Series A Junior Participating Preferred Stock.

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Under its ongoing share repurchase program, the company repurchased $3 million, $618 million and $766 million of its shares during the years ended December 31, 2023, 2022, and 2021, respectively. In the second quarter of 2022, in a privately negotiated transaction, Ball entered into an accelerated share repurchase agreement to buy $300 million of its common shares using cash on hand and available borrowings. In the third quarter of 2022, Ball settled the agreement and received a total of 4.34 million shares with the average price per share paid of $69.06.

In the third quarter of 2021, Ball's board of directors increased the company's quarterly common share dividend by 33 percent to 20 cents per share.

Accumulated Other Comprehensive Earnings (Loss)

The activity related to accumulated other comprehensive earnings (loss) was as follows:

($ in millions)	Currency Translation (Net of Tax)	Pension and Other Postretirement Benefits (Net of Tax)	Derivatives Designated as Hedges (Net of Tax)	Accumulated Other Comprehensive Earnings (Loss)
Balance at December 31, 2021	$ (536)	$ (169)	$ 123	$ (582)
Other comprehensive earnings (loss) before reclassifications	192	(88)	64	168
Amounts reclassified into earnings	(90)	30	(205)	(265)
Balance at December 31, 2022	$ (434)	$ (227)	$ (18)	$ (679)
Other comprehensive earnings (loss) before reclassifications	54	(308)	8	(246)
Amounts reclassified into earnings	—	(2)	11	9
Balance at December 31, 2023	$ (380)	$ (537)	$ 1	$ (916)

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The following table provides additional details of the amounts reclassified into net earnings from accumulated other comprehensive earnings (loss):

($ in millions)	Years Ended December 31, 2023	2022	2021
Gains (losses) on cash flow hedges:			
Commodity contracts recorded in net sales	$ 43	$ 59	$ (121)
Commodity contracts recorded in cost of sales	(70)	119	153
Currency exchange contracts recorded in selling, general and administrative	5	81	90
Interest rate contracts recorded in interest expense	8	2	(2)
Total before tax effect	(14)	261	120
Tax benefit (expense) on amounts reclassified into earnings	3	(56)	(20)
Recognized gain (loss), net of tax	$ (11)	$ 205	$ 100
Amortization of pension and other postretirement benefits: *(a)*			
Actuarial gains (losses)	$ 4	$ (28)	$ (47)
Prior service income (expense)	(2)	(2)	(2)
Effect of settlement losses and other one-time charges	—	(10)	(135)
Total before tax effect	2	(40)	(184)
Tax benefit (expense) on amounts reclassified into earnings	—	10	45
Recognized gain (loss), net of tax	$ 2	$ (30)	$ (139)
Currency translation recorded in business consolidation and other activities from the sale of the Russian aluminum beverage packaging business	$ —	$ 90	$ —

(a) These components include the computation of net periodic benefit cost detailed in Note 17.

19. Stock-Based Compensation Programs

The company has shareholder-approved stock plans under which options and stock-settled appreciation rights (SSARs) have been granted to employees at the market value of the company's stock on the date of grant. In general, options and SSARs are exercisable in four equal installments commencing one year from the date of grant and terminating 10 years from the date of grant. A summary of outstanding stock option and SSAR activity for the year ended December 31, 2023, follows:

	Number of Shares	Weighted Average Exercise Price
Beginning of year	9,351,884	$ 52.07
Granted	1,220,253	56.64
Exercised	(1,422,034)	31.31
Canceled/forfeited	(245,098)	71.26
End of period	8,905,005	55.48
Vested and exercisable, end of year	6,289,374	$ 48.63
Reserved for future grants	11,286,918	

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The weighted average remaining contractual term for all options and SSARs outstanding at December 31, 2023, was 5.2 years and the aggregate intrinsic value (difference in exercise price and closing price at that date) was $90 million. The weighted average remaining contractual term for options and SSARs vested and exercisable at December 31, 2023, was 4.0 years and the aggregate intrinsic value was $89 million. The company received $26 million, $26 million and $33 million from options and SSARs exercised during 2023, 2022 and 2021, respectively, and the intrinsic value associated with these exercises was $35 million, $62 million and $84 million for the same periods, respectively. The excess tax benefit associated with the company’s stock compensation programs was $5 million for 2023, and was reported as a discrete item in the consolidated tax provision. The total fair value of options and SSARs vested during 2023, 2022 and 2021 was $19 million, $19 million and $18 million, respectively.

Based on the Black-Scholes option pricing model, options and SSARs granted in 2023, 2022 and 2021 have estimated weighted average fair values at the date of grant of $16.95 per share, $21.68 per share and $19.86 per share, respectively. The fair values were estimated using the following weighted average assumptions:

	2023 Grants	2022 Grants	2021 Grants
Expected dividend yield	1.41 %	0.92 %	0.70 %
Expected stock price volatility	30.11 %	25.56 %	25.08 %
Risk-free interest rate	3.52 %	1.77 %	0.61 %
Expected life of options (in years)	5.80 years	6.10 years	6.25 years

In addition to stock options and SSARs, the company issues to certain employees restricted shares and restricted stock units, which vest over various periods. Such restricted shares and restricted stock units generally vest in equal installments over five years.

Following is a summary of restricted stock activity for the year ended December 31, 2023:

	Number of Shares/Units	Weighted Average Grant Price
Beginning of year	1,204,502	$ 63.06
Granted	423,699	67.40
Vested	(109,332)	81.98
Canceled/forfeited	(173,624)	71.59
End of year	1,345,245	$ 57.44

For the years ended December 31, 2023, 2022 and 2021, the company recognized pretax expense of $33 million ($31 million after tax), $39 million ($34 million after tax) and $40 million ($35 million after tax), respectively, for all of its share-based compensation arrangements. At December 31, 2023, there was $56 million of total unrecognized compensation cost related to nonvested share-based compensation arrangements. This cost is expected to be recognized in earnings over a weighted average period of 2.2 years.

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20. Earnings Per Share

($ in millions, except per share amounts; shares in thousands)	Years Ended December 31, 2023	2022	2021
Net earnings attributable to Ball Corporation	$ 707	$ 719	$ 878
Basic weighted average common shares	314,775	316,433	325,989
Effect of dilutive securities	2,247	3,575	5,626
Weighted average shares applicable to diluted earnings per share	317,022	320,008	331,615
Per basic share	$ 2.25	$ 2.27	$ 2.69
Per diluted share	$ 2.23	$ 2.25	$ 2.65

Certain outstanding options and SSARs were excluded from the diluted earnings per share calculations because they were anti-dilutive. The excluded options and SSARs totaled approximately 4 million for the year ended December 31, 2023, 3 million for the year ended December 31, 2022, and 1 million for the year ended December 31, 2021.

The company declared and paid dividends of $0.80 per share in 2023 and 2022, and $0.70 per share in 2021.

21. Financial Instruments and Risk Management

Policies and Procedures

The company employs established risk management policies and procedures, which seek to reduce the company’s commercial risk exposure to fluctuations in commodity prices, interest rates, currency exchange rates and prices of the company’s common stock with regard to common share repurchases and the company’s deferred compensation stock plan. However, there can be no assurance these policies and procedures will be successful. Although the instruments utilized involve varying degrees of credit, market and interest risk, the counterparties to the agreements are expected to perform fully under the terms of the agreements. The company monitors counterparty credit risk, including lenders, on a regular basis, but Ball cannot be certain that all risks will be discerned or that its risk management policies and procedures will always be effective. Additionally, in the event of default under the company’s master derivative agreements, the non-defaulting party has the option to offset any amounts owed with regard to open derivative positions.

Commodity Price Risk - The company manages commodity price risk in connection with market price fluctuations of aluminum through two different methods. First, the company enters into container sales contracts that include aluminum-based pricing terms which generally reflect the same price fluctuations under commercial purchase contracts for aluminum sheet. The terms include fixed, floating or pass through aluminum component pricing. Second, the company uses certain derivative instruments, including option and forward contracts, as economic and cash flow hedges of commodity price risk where there are material differences between sales and purchase contracted pricing and volume.

Interest Rate Risk - The company’s objective in managing exposure to interest rate changes is to minimize the impact of interest rate changes on earnings and cash flows and to lower its overall borrowing costs. To achieve these objectives, the company may use a variety of interest rate swaps, collars and options to manage its mix of floating and fixed-rate debt.

Currency Exchange Rate Risk - The company’s objective in managing exposure to currency fluctuations is to limit the exposure of cash flows and earnings from changes associated with currency exchange rate changes through the use of various derivative contracts. In addition, at times the company manages earnings translation volatility through the use of currency option strategies, and the change in the fair value of those options is recorded in the company’s net earnings.

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The following table provides additional information related to the commercial risk management derivative instruments described above:

($ in millions)	December 31, 2023		
Commercial risk area	Commodity	Currency	Interest Rate
Notional amount of contracts	$ 1,162 *(a)*	$ 3,264	$ 600
Net gain (loss) included in AOCI, after-tax	(4) *(b)*	—	5
Net gain (loss) included in AOCI, after-tax, expected to be recognized in net earnings within the next 12 months	(4) *(b)*	—	5
Longest duration of forecasted cash flow hedge transactions in years	2	2	4

(a) Substantially all aluminum contracts received hedge accounting treatment as of December 31, 2023.
(b) Substantially all of this gain (loss) will be offset by pricing changes in sales and purchase contracts.

Common Stock Price Risk

The company's deferred compensation stock program is subject to variable plan accounting and, accordingly, is marked to fair value using the company's closing stock price at the end of the related reporting period. The company entered into total return swaps to reduce the company's earnings exposure to these fair value fluctuations that will be outstanding through June 2024, and which have a combined notional value of 2.3 million shares. Based on the current number of shares in the program, each $1 change in the company's stock price would have an insignificant impact on pretax earnings, net of the impact of related derivatives.

Fair Value Measurements

Ball has classified all applicable financial derivative assets and liabilities as Level 2 within the fair value hierarchy as of December 31, 2023 and 2022, and presented those values in the tables below. The company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

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		December 31, 2023		
($ in millions)	Balance Sheet Location	Derivatives Designated as Hedging Instruments	Derivatives not Designated as Hedging Instruments	Total
Assets:				
Commodity contracts		$ 20	$ —	$ 20
Currency contracts		65	13	78
Interest rate and other contracts		9	2	11
Total current derivative contracts	Other current assets	$ 94	$ 15	$ 109
Commodity contracts		$ 1	$ —	$ 1
Total noncurrent derivative contracts	Other noncurrent assets	$ 1	$ —	$ 1
Liabilities:				
Commodity contracts		$ 19	$ —	$ 19
Currency contracts		—	30	30
Interest rate and other contracts		3	—	3
Total current derivative contracts	Other current liabilities	$ 22	$ 30	$ 52
Commodity contracts		$ 1	$ —	$ 1
Total noncurrent derivative contracts	Other noncurrent liabilities	$ 1	$ —	$ 1

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		December 31, 2022		
($ in millions)	Balance Sheet Location	Derivatives Designated as Hedging Instruments	Derivatives not Designated as Hedging Instruments	Total
Assets:				
Commodity contracts		$ 11	$ —	$ 11
Currency contracts		—	28	28
Total current derivative contracts	Other current assets	$ 11	$ 28	$ 39
Currency contracts		$ 84	$ —	$ 84
Total noncurrent derivative contracts	Other noncurrent assets	$ 84	$ —	$ 84
Liabilities:				
Commodity contracts		$ 48	$ —	$ 48
Currency contracts		1	35	36
Other contracts		—	12	12
Total current derivative contracts	Other current liabilities	$ 49	$ 47	$ 96
Currency contracts		$ —	$ 1	$ 1
Total noncurrent derivative contracts	Other noncurrent liabilities	$ —	$ 1	$ 1

The company uses closing spot and forward market prices as published by the London Metal Exchange, the Chicago Mercantile Exchange, Reuters and Bloomberg to determine the fair value of any outstanding aluminum, currency, energy and interest rate spot and forward contracts. Option contracts are valued using a Black-Scholes model with observable market inputs for aluminum, currency and interest rates. The company values each of its financial instruments either internally using a single valuation technique, from a reliable observable market source or from third-party software. The present value discounting factor is based on the comparable time period Secured Overnight Financing Rate (SOFR), London Inter-Bank Offered Rate (LIBOR) or 12-month LIBOR. Ball performs validations of the company's internally derived fair values reported for the company's financial instruments on a quarterly basis utilizing counterparty valuation statements. The company additionally evaluates counterparty creditworthiness and, as of December 31, 2023, has not identified any circumstances requiring the reported values of the company's financial instruments be adjusted.

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The following tables provide the effects of derivative instruments in the consolidated statements of earnings and on accumulated other comprehensive earnings (loss):

($ in millions)	Location of Gain (Loss) Recognized in Earnings on Derivatives	Year Ended December 31, 2023 Cash Flow Hedge - Reclassified Amount from Accumulated Other Comprehensive Earnings (Loss)	Year Ended December 31, 2023 Gain (Loss) on Derivatives not Designated as Hedge Instruments
Commodity contracts - *manage exposure to customer pricing*	Net sales	$ 43	$ —
Commodity contracts - *manage exposure to supplier pricing*	Cost of sales	(70)	14
Interest rate contracts - *manage exposure for outstanding debt*	Interest expense	8	(8)
Currency contracts - *manage currency exposure*	Selling, general and administrative	5	(8)
Equity contracts	Selling, general and administrative	—	11
Total		$ (14)	$ 9

($ in millions)	Location of Gain (Loss) Recognized in Earnings on Derivatives	Year Ended December 31, 2022 Cash Flow Hedge - Reclassified Amount from Accumulated Other Comprehensive Earnings (Loss)	Year Ended December 31, 2022 Gain (Loss) on Derivatives not Designated as Hedge Instruments
Commodity contracts - *manage exposure to customer pricing*	Net sales	$ 59	$ —
Commodity contracts - *manage exposure to supplier pricing*	Cost of sales	119	33
Interest rate contracts - *manage exposure for outstanding debt*	Interest expense	2	11
Currency contracts - *manage currency exposure*	Selling, general and administrative	81	94
Equity contracts	Selling, general and administrative	—	(114)
Total		$ 261	$ 24

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($ in millions)	Location of Gain (Loss) Recognized in Earnings on Derivatives	Year Ended December 31, 2021 Cash Flow Hedge - Reclassified Amount from Accumulated Other Comprehensive Earnings (Loss)	Year Ended December 31, 2021 Gain (Loss) on Derivatives not Designated as Hedge Instruments
Commodity contracts - *manage exposure to customer pricing*	Net sales	$ (121)	$ —
Commodity contracts - *manage exposure to supplier pricing*	Cost of sales	153	18
Interest rate contracts - *manage exposure for outstanding debt*	Interest expense	(2)	—
Currency contracts - *manage currency exposure*	Selling, general and administrative	90	56
Equity contracts	Selling, general and administrative	—	5
Total		$ 120	$ 79

The changes in accumulated other comprehensive earnings (loss) for derivatives designated as hedges were as follows:

($ in millions)	Years Ended December 31, 2023	2022	2021
Amounts reclassified into earnings:			
Commodity contracts	$ 27	$ (177)	$ (32)
Interest rate contracts	(8)	(1)	2
Currency exchange contracts	(5)	(83)	(90)
Change in fair value of cash flow hedges:			
Commodity contracts	(3)	13	122
Interest rate contracts	14	1	—
Currency exchange contracts	—	66	68
Currency and tax impacts	(6)	40	(14)
	$ 19	$ (141)	$ 56

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22. Contingencies

Ball is subject to numerous lawsuits, claims or proceedings arising out of the ordinary course of business, including actions related to product liability; personal injury; the use and performance of company products; warranty matters; patent, trademark or other intellectual property infringement; contractual liability; the conduct of the company's business; tax reporting in domestic and non-U.S. jurisdictions; workplace safety and environmental and other matters. The company has also been identified as a potentially responsible party (PRP) at several waste disposal sites under U.S. federal and related state environmental statutes and regulations and may have joint and several liability for any investigation and remediation costs incurred with respect to such sites. In addition, the company has received claims alleging that employees in certain plants have suffered damages due to exposure to alleged workplace hazards. Some of these lawsuits, claims and proceedings involve substantial amounts, including as described below, and some of the environmental proceedings involve potential monetary costs or sanctions that may be material. Ball has denied liability with respect to many of these lawsuits, claims and proceedings and is vigorously defending such lawsuits, claims and proceedings. The company carries various forms of commercial, property and casualty, and other forms of insurance; however, such insurance may not be applicable or adequate to cover the costs associated with a judgment against Ball with respect to these lawsuits, claims and proceedings. The company estimates that potential liabilities for all currently known and estimable environmental matters are approximately $24 million in the aggregate, and such amounts have been included in other current liabilities and other noncurrent liabilities at December 31, 2023. Based on the information available at the present time, any reasonably possible loss that may be incurred in excess of the recorded accruals cannot be estimated.

On February 1, 2012, Ball Metal Beverage Container Corp. ("BMBCC") filed suit against Crown Technology Holding, Inc. ("Crown") in the United States District Court for the Southern District of Ohio seeking a declaratory judgment that the CDL beverage can end made and sold by BMBCC did not infringe certain U.S. patents held by Crown. In response, Crown filed a counterclaim alleging that the CDL ends made and sold by BMBCC infringed the subject patents and seeking damages. On September 25, 2019, the District Court granted BMBCC's motion for summary judgment holding that the patents at issue were invalid due to indefiniteness. On October 20, 2019, Crown appealed this decision to the Court of Appeals for the Federal Circuit ("CAFC"). On December 31, 2020, the CAFC in a non-precedential decision, vacated the decision of the District Court finding that the District Court had not considered an additional factor under a novel position advanced by the CAFC, and remanded the case to the District Court for further proceedings. On August 2, 2023, the District Court again granted summary judgment to Ball finding that patent claims at issue are invalid due to invalidity under the revised analytical framework specified by the CAFC. On August 4, 2023, Crown appealed this decision to the CAFC. Briefing for this appeal is in process and will conclude on February 20, 2024. Oral argument is expected to be scheduled during 2024 with a decision to follow. Based on the information available at the present time, the Company is unable to predict the ultimate outcome of this claim including the amount of any reasonably possible loss and we intend to vigorously defend this matter.

A former Rexam Personal Care site in Annecy, France, was found in 2003 to be contaminated following a leak of chlorinated solvents (TCE) from an underground feedline. The site underwent extensive investigation and an active remediation treatment system was put in place in 2006. The business operating from the site was sold to Albea in 2013 and in turn to a French company CATIDOM (operating as Reboul). Reboul vacated the site in September 2014, and the site reverted back to Rexam during the first quarter of 2015. As part of the site closure regulatory requirements, a regulatory permit (Prefectoral Order) was issued in June 2016, which included requirements to undertake a cost-benefit analysis and pilot studies of further treatment for the known residual solvent contamination following the shutdown of the current on-site treatment system. A management plan based on the findings of this analysis was proposed to the French environmental authorities in 2018. Following discussions with the authorities, the final proposals for remediation works and subsequent monitoring have been agreed and were included in a Prefectural Order issued by the French Authorities in December 2022. The remediation works were completed in November 2023 and ongoing monitoring of the site will now be performed as options for the future of the site are considered. Based on the information available at this time, the company does not believe that this matter will have a material adverse effect upon its liquidity, results of operations or financial condition.

The company's operations in Brazil are involved in various governmental assessments, which have historically mainly related to claims for taxes on the internal transfer of inventory, gross revenue taxes, and indirect tax incentives and deductibility of goodwill. In addition, one of the company's Brazilian subsidiaries received an income tax assessment focused on the disallowance of deductions associated with the acquisition price paid to a third party for a portion of its operations. Based on the information available at the present time, the Company is unable to predict the ultimate outcome of these claims including the amount of reasonably possible loss and intends to vigorously defend these matters.

On October 7, 2021, the French Autorité de la concurrence (the French Competition Authority or "FCA") issued a statement of objections to 14 trade associations, one public entity and 101 legal entities from 28 corporate groups, including the company, other leading metal can manufacturers, certain can fillers and certain retailers in France. The FCA alleged violations of Articles 101 of the Treaty on the Functioning of the European Union and L.420-1 of the French Commercial Code. The statement of objections alleged, among other things, anti-competitive behavior in connection with the removal of bisphenol-A from metal packaging in France. The removal of bisphenol-A was mandated by French legislation that went into effect in 2015. The oral hearing in the matter took place in January 2023. In December 2023, the FCA determined that the case against Ball was time barred and therefore the Company has no liability.

23. Indemnifications and Guarantees

General Guarantees

The company or its appropriate consolidated direct or indirect subsidiaries have made certain indemnities, commitments and guarantees under which the specified entity may be required to make payments in relation to certain transactions. These indemnities, commitments and guarantees include indemnities to the customers of the subsidiaries in connection with the sales of their packaging and aerospace products and services; guarantees to suppliers of subsidiaries of the company guaranteeing the performance of the respective entity under a purchase agreement, construction contract, renewable energy purchase contract or other commitment; guarantees in respect of certain non-U.S. subsidiaries' pension plans; indemnities for liabilities associated with the infringement of third-party patents, trademarks or copyrights under various types of agreements; indemnities to various lessors in connection with facility, equipment, furniture and other personal property leases for certain claims arising from such leases; indemnities to governmental agencies in connection with the issuance of a permit or license to the company or a subsidiary; indemnities pursuant to agreements relating to certain joint ventures; indemnities in connection with the sale of businesses or substantially all of the assets and specified liabilities of businesses; and indemnities to directors, officers and employees of the company to the extent permitted under the laws of the State of Indiana and the United States of America. The duration of these indemnities, commitments and guarantees varies and, in certain cases, is indefinite.

In addition, many of these indemnities, commitments and guarantees do not provide for any limitation on the maximum potential future payments the company could be obligated to make. As such, the company is unable to reasonably estimate its potential exposure under these items.

Ball Corporation
Notes to the Consolidated Financial Statements

The company has not recorded any material liabilities for these indemnities, commitments and guarantees in the accompanying consolidated balance sheets. The company does, however, accrue for payments under promissory notes and other evidences of incurred indebtedness and for losses for any known contingent liability, including those that may arise from indemnifications, commitments and guarantees, when future payment is both reasonably estimable and probable. Finally, the company carries specific and general liability insurance policies and has obtained indemnities, commitments and guarantees from third-party purchasers, sellers and other contracting parties, which the company believes would, in certain circumstances, provide recourse to certain claims arising from these indemnifications, commitments and guarantees.

Debt Guarantees

The company’s and its subsidiaries’ obligations under the senior notes and senior credit facilities (or, in the case of U.S. domiciled non-U.S. subsidiaries under the senior credit facilities, the obligations of non-U.S. credit parties only) are guaranteed on a full, unconditional and joint and several basis by certain of the company’s domestic subsidiaries and the domestic subsidiary borrowers, and obligations of other guarantors and the subsidiary borrowers under the senior credit facilities are guaranteed by the company, in each case with certain exceptions. These guarantees are required in support of the senior notes and senior credit facilities referred to above, are coterminous with the terms of the respective note indentures, senior notes and credit agreement, and they could be enforced by the holders of the obligations thereunder during the continuation of an event of default under the note indentures, the senior notes and/or the credit agreement. The maximum potential amounts which could be required to be paid under such guarantees are essentially equal to then-outstanding obligations under the respective senior notes or the credit agreement (or, in the case of U.S. domiciled non-U.S. subsidiaries under the senior credit facilities, the obligations of non-U.S. credit parties only), with certain exceptions. All obligations under the guarantees of the senior credit facilities are secured, with certain exceptions, by a valid first priority perfected lien or pledge on (i) 100 percent of the capital stock of each of the company's material wholly owned domestic subsidiaries directly owned by the company or any of its wholly owned domestic subsidiaries and (ii) 65 percent of the capital stock of each of the company's material wholly owned first-tier non-U.S. subsidiaries directly owned by the company or any of its wholly owned domestic subsidiaries. In addition, the obligations of certain non-U.S. borrowers and non-U.S. pledgors under the loan documents will be secured, with certain exceptions, by a valid first priority perfected lien or pledge on 100 percent of the capital stock of certain of the company's material wholly owned non-U.S. subsidiaries and material wholly owned U.S. domiciled non-U.S. subsidiaries directly owned by the company or any of its wholly owned material subsidiaries. The company is not in default under the above-referenced senior notes or senior credit facilities.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no matters required to be reported under this item.

Item 9A.Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Ball Corporation has established disclosure controls and procedures to ensure that information required to be disclosed by us in the reports that the company files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and that such information is accumulated and communicated to management of the company, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. As of December 31, 2023, Ball Corporation, under the supervision of the Chief Executive Officer and Chief Financial Officer of the company, has conducted an evaluation of the effectiveness of the design and operation of the company’s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) and the Chief Executive Officer and Chief Financial Officer have concluded that the company’s disclosure controls and procedures were effective.

Management’s Report on Internal Control Over Financial Reporting

Management of Ball Corporation is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, the company conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework described in “*Internal Control — Integrated Framework*” (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2023.

The effectiveness of our internal control over financial reporting as of December 31, 2023, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which is included herein.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2023, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

There were no matters required to be reported under this item.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

There were no matters required to be reported under this item.

Part III

Item 10. Directors, Executive Officers and Corporate Governance.

The executive officers of the company as of February 20, 2024, were as follows:

Nate C. Carey, 45, Vice President and Controller since November 2017; Assistant Controller from 2014 to November 2017.

Carey S. Causey, 46, Senior Vice President and Chief Growth Officer since January 2024; President, Beverage Packaging EMEA from 2021 to 2024; Vice President, Integrated Business Planning from 2020 to 2021; various other positions within the company, 2014 to 2020.

Daniel W. Fisher, 51, Chairman and Chief Executive Officer since April 2023; President and Chief Executive Officer from April 2022 to April 2023; President, Ball Corporation from January 2021 to April 2022; Senior Vice President, Ball Corporation, and Chief Operating Officer, Global Beverage Packaging, from December 2016 to January 2021; President, Beverage Packaging North and Central America from 2014 to 2016; various other positions within the company, 2010 to 2014.

Deron J. Goodwin, 58, Vice President and Treasurer since September 2022; Assistant Treasurer from 2016 to September 2022.

Ronald J. Lewis, 57, Senior Vice President, Chief Supply Chain and Operations Officer since January 2024; Senior Vice President, Ball Corporation, and Chief Operating Officer, Global Beverage Packaging, from 2021 to 2024; President, Beverage Packaging EMEA from 2019 to 2021; Chief Supply Chain Officer, Coca-Cola European Partners plc, 2016 to 2019.

Hannah Lim-Johnson, 52, Senior Vice President, Chief Legal Officer and Corporate Secretary since September 2023; Senior Vice President, Chief Legal Officer and Corporate Secretary, Meritor, Inc., 2020 to 2021.

Kathleen E. Pitre, 47, Senior Vice President and President, North and Central America since January 2024; President, Beverage Packaging North and Central America from 2021 to 2024; Chief Commercial and Sustainability Officer, Global Beverage Packaging from 2019 to 2021; various other positions within the company, 2004 to 2019.

Stacey Valy Panayiotou, 51, Senior Vice President and Chief Human Resources Officer since November 2021; Executive Vice President of Human Resources, Graphic Packaging International from 2019 to 2021; Senior Vice President, Global Talent and Development, The Coca-Cola Company, 2013 to 2019.

Fauze C. Villatoro, 47, Senior Vice President and President, South America since January 2024; President, Beverage Packaging South America from 2022 to 2024; Vice President, Commercial, Beverage Packaging South America from 2020 to 2022; various other positions within the company, 2016 to 2020.

Howard H. Yu, 52, Executive Vice President and Chief Financial Officer since September 2023; Senior Vice President and Chief Financial Officer, Envista Holdings Corporation, 2019 to 2023.

Other information required by Item 10 appearing under the captions “Director Nominees and Continuing Directors” and “Beneficial Ownership,” of the company’s proxy statement to be filed pursuant to Regulation 14A within 120 days after December 31, 2023, is incorporated herein by reference.

Item 11. Executive Compensation

The information required by Item 11 appearing under the caption “Executive Compensation” in the company’s proxy statement, to be filed pursuant to Regulation 14A within 120 days after December 31, 2023, is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by Item 12 appearing under the caption "Voting Securities and Principal Shareholders," in the company's proxy statement to be filed pursuant to Regulation 14A within 120 days after December 31, 2023, is incorporated herein by reference.

Securities authorized for issuance under equity compensation plans are summarized below:

	Equity Compensation Plan Information		
Plan Category	**Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (A)**	**Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (B)**	**Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (A)) (C)**
Equity compensation plans approved by security holders	8,905,005	$ 55.48	11,286,918
Equity compensation plans not approved by security holders	—	—	—
Total	8,905,005	$ 55.48	11,286,918

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by Item 13 appearing under the caption "Transactions with Related Persons, Promoters and Certain Control Persons," in the company's proxy statement to be filed pursuant to Regulation 14A within 120 days after December 31, 2023, is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by Item 14 appearing under the caption "Ratification of the Appointment of Independent Auditor," in the company's proxy statement to be filed pursuant to Regulation 14A within 120 days after December 31, 2023, is incorporated herein by reference.

Part IV.

Item 15. Exhibits and Financial Statement Schedules

(a) (1) ***Financial Statements*:**

The following documents are included in Part II, Item 8:

(2) ***Financial Statement Schedules:***

Financial statement schedules have been omitted, as they are either not applicable, are considered insignificant or the required information is included in the consolidated financial statements or notes thereto.

(3) ***Exhibits:***

Exhibit Number	Description of Exhibit
2.1	Stock Purchase Agreement, dated as of August 16, 2023, by and among Ball Corporation, BAE Systems, Inc., and, solely for the purposes set forth therein, BAE Systems plc. (Filed with.)
3.i	Amended Articles of Incorporation revised April 27, 2022 (filed by incorporation by reference to Exhibit 3.i of the Current Report on Form 8-K dated April 27, 2022) filed May 3, 2022.
3.ii	Bylaws of Ball Corporation as amended January 25, 2023. (Filed herewith.)
4.1(a)	Indenture, dated as of March 27, 2006, by and between Ball Corporation and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as Trustee (filed by incorporation by reference to the Current Report on Form 8-K dated March 27, 2006) filed March 30, 2006.
4.1(b)	Seventh Supplemental Indenture, dated as of March 9, 2012, among Ball Corporation, the guarantors named therein and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (filed by incorporation by reference to the Current Report on Form 8-K dated March 8, 2012) filed March 9, 2012.
4.1(c)	Eighth Supplemental Indenture dated as of May 16, 2013, among Ball Corporation, the guarantors named therein and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (filed by incorporation by reference to Exhibit 4.2 of the Current Report on Form 8-K dated May 16, 2013) filed May 17, 2013.

Exhibit Number	Description of Exhibit
4.1(d)	Tenth Supplemental Indenture, dated as of June 25, 2015, among Ball Corporation, the guarantors named therein and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (filed by incorporation by reference to Exhibit 4.2 of the Current Report on Form 8-K dated June 22, 2015) filed June 25, 2015.
4.1(e)	Indenture, dated as of November 27, 2015, by and between Ball Corporation and Deutsche Bank Trust Company Americas (filed by incorporation by reference to Exhibit 4.7 of the Registration Statement on Form S-3 dated November 27, 2015) filed November 27, 2015.
4.1(f)	First Supplemental Indenture, dated as of December 14, 2015, among Ball Corporation, the guarantors named therein and Deutsche Bank Trust Company Americas (filed by incorporation by reference to Exhibit 4.2 of the Current Report on Form 8-K dated December 14, 2015) filed December 16, 2015.
4.1(g)	Second Supplemental Indenture, dated as of December 14, 2015, among Ball Corporation, the guarantors named therein and Deutsche Bank Trust Company Americas (filed by incorporation by reference to Exhibit 4.4 of the Current Report on Form 8-K dated December 14, 2015) filed December 16, 2015.
4.1(h)	Third Supplemental Indenture, dated as of December 14, 2015, among Ball Corporation, the guarantors named therein and Deutsche Bank Trust Company Americas (filed by incorporation by reference to Exhibit 4.6 of the Current Report on Form 8-K dated December 14, 2015) filed December 16, 2015.
4.2(d)	Description of Ball Corporation's securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 (Filed herewith.)
10.2	Ball Corporation 1986 Deferred Compensation Plan, as amended July 1, 1994 (filed by incorporation by reference to the Quarterly Report on Form 10-Q for the quarter ended July 3, 1994) filed August 17, 1994.*
10.3	Ball Corporation 1988 Deferred Compensation Plan, as amended July 1, 1994 (filed by incorporation by reference to the Quarterly Report on Form 10-Q for the quarter ended July 3, 1994) filed August 17, 1994.*
10.4	Ball Corporation 1989 Deferred Compensation Plan, as amended July 1, 1994 (filed by incorporation by reference to the Quarterly Report on Form 10-Q for the quarter ended July 3, 1994) filed August 17, 1994.*
10.5	Amended and Restated Form of Severance Benefit Agreement that exists between the company and its executive officers, effective as of August 1, 1994, and as amended on January 24, 1996 (filed by incorporation by reference to the Quarterly Report on Form 10-Q for the quarter ended March 22, 1996) filed May 15, 1996, and as amended on December 17, 2008.*
10.6	Ball Corporation 1986 Deferred Compensation Plan for Directors, as amended October 27, 1987 (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 1990) filed April 1, 1991.*
10.7	Ball Corporation Economic Value Added Incentive Compensation Plan dated January 1, 1994 (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 1994) filed March 29, 1995, and as amended on August 11, 2011 (filed by incorporation by reference to Exhibit 10.7 of the Annual Report on Form 10-K for the year ended December 31, 2013) filed February 24, 2014, and as amended on April 26, 2016 (filed by incorporation by reference to Exhibit 10.7 of the Annual Report on Form 10-K for the year ended December 31, 2018), filed February 22, 2019.*
10.8	Ball Corporation 1997 Stock Incentive Plan (filed by incorporation by reference to the Form S-8 Registration Statement, No. 333-26361) filed May 1, 1997.*

Exhibit Number	Description of Exhibit
10.9	Ball Corporation 2005 Deferred Compensation Plan, effective January 1, 2005 (filed by incorporation by reference to Exhibit 10.1 of the Current Report on Form 8-K dated December 23, 2005) filed December 23, 2005, and as amended and restated on January 1, 2013 (filed by incorporation by reference to Exhibit 10.10 of the Annual Report on Form 10-K for the year ended December 31, 2013), filed February 24, 2014.*
10.10	Ball Corporation 2005 Deferred Compensation Company Stock Plan, effective January 1, 2005 (filed by incorporation by reference to Exhibit 10.2 of the Current Report on Form 8-K dated December 23, 2005) filed December 23, 2005, and as amended and restated on January 1, 2013 (filed by incorporation by reference to Exhibit 10.11 of the Annual Report on Form 10-K for the year ended December 31, 2013) , filed February 24, 2014. *
10.11	Ball Corporation 2005 Deferred Compensation Plan for Directors, effective January 1, 2005 (filed by incorporation by reference to Exhibit 10.3 of the Current Report on Form 8-K dated December 23, 2005) filed December 23, 2005, and as amended and restated on January 1, 2013 (filed by incorporation by reference to Exhibit 10.12 of the Annual Report on Form 10-K for the year ended December 31, 2013), filed February 24, 2014.*
10.12	Ball Corporation Long-Term Cash Incentive Plan dated October 25, 1994, amended and restated effective January 1, 2003 (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 2003) filed March 12, 2004, amended and restated as of April 26, 2016 (filed by incorporation by reference to Exhibit 10.12 to the Annual Report on Form 10-K for the year ended December 31, 2018), filed February 22, 2019.*
10.13	Ball Corporation 2005 Stock and Cash Incentive Plan filed by incorporation by reference to the Proxy Statement filed March 18, 2005.*
10.14	Ball Corporation 2010 Stock and Cash Incentive Plan filed by incorporation by reference to the Proxy Statement filed March 12, 2010.*
10.15	Ball Corporation Deposit Share Program for United States Participants as amended (filed by incorporation by reference to the Quarterly report on Form 10-Q for the quarter ended July 4, 2014) filed on August 11, 2004 and amended and restated as of July 27, 2016 (filed by incorporation by reference to Exhibit 10.15 to the Annual Report on Form 10-K for the year ended December 31, 2018), filed February 22, 2019.*
10.16	Ball Corporation Deposit Share Program for International Participants effective as of March 7, 2001 (filed by incorporation by reference to the 10-K for the year ended December 31, 2000), filed March 30, 2001, and amended and restated as of July 27, 2016 (filed by incorporation by reference to Exhibit 10.16 to the Annual Report on Form 10-K for the year ended December 31, 2018), filed February 22, 2019.*
10.17	Ball Corporation Directors Deposit Share Program, as amended and restated on July 27, 2016. This plan is referred to in Item 11, the Executive Compensation section of the Form 10-K (filed by incorporation by reference to the Quarterly Report on Form 10-Q for the quarter ended July 4, 2004) filed August 11, 2004, as amended and restated on July 27, 2016 (filed by incorporation by reference to Exhibit 10.17 to the Annual Report on Form 10-K for the year ended December 31, 2018), filed February 22, 2019.*
10.18	Ball Corporation 2013 Stock and Cash Incentive Plan filed by incorporation by reference to the Proxy Statement filed March 8, 2013, amended and restated on April 26, 2017 and filed as the Ball Corporation Amended and Restated 2013 Stock and Cash Incentive Plan (filed by incorporation by reference to the Proxy Statement filed March 15, 2017.)*

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Exhibit Number	Description of Exhibit
10.19	Ball Corporation 2017 Deferred Compensation Company Stock Plan for Directors, effective April 1, 2017 (filed by incorporation by reference to Exhibit 10.1 of the Quarterly Report on Form 10-Q for the quarter ended March 31, 2017) filed May 8, 2017.*
10.20	Credit Agreement, dated as of March 18, 2016, among Ball Corporation, certain subsidiaries of Ball Corporation party thereto as borrowers, Deutsche Bank AG New York Branch as administrative agent and collateral agent, and certain financial institutions party thereto as lenders and initial facing agents (filed by incorporation by reference to Exhibit 10.1 of the Current Report on Form 8-K dated March 18, 2016) filed March 18, 2016.
10.21	Retention Agreement, dated as of August 17, 2023, by and between David Kaufman and Ball Aerospace Technologies Corp. (Filed with.)*
11	Statement re: Computation of Earnings per Share (filed herewith in the notes to the consolidated financial statements in Item 8, “Financial Statements and Supplementary Data”.)
14	Ball Corporation Executive Officers and Board of Directors Business Ethics Statement, revised July 27, 2022 (filed by incorporation by reference to Exhibit 14 of the Annual Report on Form 10-K for the year ended December 31, 2022) filed February 21, 2023.
18.1	Letter re: Change in Accounting Principles regarding change in pension plan valuation measurement date (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 2002) filed March 27, 2003.
18.2	Letter re: Change in Accounting Principles regarding the change in accounting for certain inventories (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 2006) filed February 22, 2007.
18.3	Letter re: Change in Accounting Principles regarding the change in testing date for potential impairment of goodwill (filed by incorporation by reference to the Annual Report on Form 10-K for the year ended December 31, 2009) filed February 25, 2010.
21	List of Subsidiaries of Ball Corporation. (Filed herewith.)
22	Obligor group subsidiaries of Ball Corporation. (Filed herewith.)
23	Consent of Independent Registered Public Accounting Firm. (Filed herewith.)
24	Limited Power of Attorney. (Filed herewith.)
31.1	Certifications pursuant to Rule 13a-14(a) or Rule 15d-14(a), by Daniel W. Fisher, Chairman and Chief Executive Officer of Ball Corporation. (Filed herewith.)
31.2	Certifications pursuant to Rule 13a-14(a) or Rule 15d-14(a), by Howard H. Yu, Executive Vice President and Chief Financial Officer of Ball Corporation. (Filed herewith.)
32.1	Certifications pursuant to Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code, by Daniel W. Fisher, Chairman and Chief Executive Officer of Ball Corporation. (Furnished herewith.)
32.2	Certifications pursuant to Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code, by Howard H. Yu, Executive Vice President and Chief Financial Officer of Ball Corporation. (Furnished herewith.)

Exhibit Number	Description of Exhibit
97	Ball Corporation's Incentive Compensation Recoupment Policy. (Filed herewith.)
99	Cautionary statement for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. (Filed herewith.)
101.INS	Extensible Business Reporting Language (XBRL) Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definitions Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	The following financial information from Ball Corporation's Annual Report on Form 10-K for the year ended December 31, 2023, formatted in Inline XBRL (contained in Exhibit 101): (i) the Consolidated Statements of Earnings, (ii) the Consolidated Statements of Comprehensive Earnings, (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Shareholders' Equity and Comprehensive Earnings and (vi) Notes to the Consolidated Financial Statements. (Filed herewith.)

* Represents a management contract or compensatory plan or agreement.

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BALL CORPORATION
(Registrant)

By: /s/ Daniel W. Fisher
Daniel W. Fisher
Chairman and Chief Executive Officer
February 20, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

(1) Principal Executive Officer:

/s/ Daniel W. Fisher Daniel W. Fisher	Chairman and Chief Executive Officer February 20, 2024

(2) Principal Financial Officer:

/s/ Howard H. Yu Howard H. Yu	Executive Vice President and Chief Financial Officer February 20, 2024

(3) Principal Accounting Officer:

/s/ Nate C. Carey Nate C. Carey	Vice President and Controller February 20, 2024

(4) A Majority of the Board of Directors:

/s/ John Bryant * John Bryant	Director February 20, 2024
/s/ Michael J. Cave * Michael J. Cave	Director February 20, 2024
/s/ Daniel W. Fisher * Daniel W. Fisher	Chairman of the Board and Director February 20, 2024
/s/ Dune Ives * Dune Ives	Director February 20, 2024
/s/ Pedro H. Mariani * Pedro H. Mariani	Director February 20, 2024
/s/ Georgia R. Nelson * Georgia R. Nelson	Director February 20, 2024
/s/ Cynthia A. Niekamp * Cynthia A. Niekamp	Director February 20, 2024
/s/ Todd Penegor * Todd Penegor	Director February 20, 2024

/s/ Cathy D. Ross *	Director	
Cathy D. Ross	February 20, 2024	
/s/ Betty Sapp *	Director	
Betty Sapp	February 20, 2024	
/s/ Stuart A. Taylor II *	Director	
Stuart A. Taylor II	February 20, 2024	

* By Daniel W. Fisher as Attorney-in-Fact pursuant to a Limited Power of Attorney executed by the directors listed above, which Power of Attorney has been filed with the Securities and Exchange Commission.

BALL CORPORATION
(Registrant)

By: /s/ Daniel W. Fisher
Daniel W. Fisher
As Attorney-in-Fact
February 20, 2024