



CRANE

2022
ANNUAL REPORT

DEAR SHAREHOLDERS,

LEGACY. PRIDE. COMMITMENT. PASSION. LEADERSHIP. RESULTS.

At any point in an organization's existence there are times when you look back and describe the occurrences that took place as a clear inflection point in its history. By that measure, 2022 can certainly be described as a year of inflection for Crane on many levels, and I am so proud of this incredible organization and our people.



- > We delivered strong financial results with record adjusted EPS of \$7.88 and a record adjusted operating margin of 17.7%*. These results were achieved despite significant, ongoing supply chain disruptions, persistent inflation, and unfavorable foreign exchange rates. We continued to differentiate by making significant progress driving organic growth initiatives, with accelerating results from new product development initiatives across all segments, as well as commercial excellence initiatives to better serve our customers. Excellent execution by our teams globally by remaining customer focused and providing exceptional value for the products and services we provide.
- > In March 2022, we announced our significant decision to separate into two independent public companies in early 2023. We believe this transaction will unlock substantial value for our shareholders, as each company is able to attract an investor base tailored to its respective financial and growth profile.
- > In August 2022, we announced the sale of a subsidiary holding all asbestos liabilities, related insurance assets, and approximately \$550 million of cash in a transaction that permanently removed all asbestos-related liabilities and obligations from our balance sheet. This transaction provides finality and certainty to investors regarding asbestos obligations, removes the distraction of asbestos-related risks, and eliminates ongoing payments for asbestos-related defense and indemnity costs which will increase free cash flow available to invest in our business, both organically and through acquisitions.
- > In May 2022, we divested Crane Supply. This transaction demonstrates our ongoing commitment to reshaping and restructuring our portfolio to accelerate growth, and it streamlines our Process Flow Technologies business with a greater focus on manufacturing highly engineered products for core, higher growth target markets including chemical, pharmaceutical, water and wastewater, and general industrial.
- > During 2022, we completed the \$300 million share repurchase program we announced in October 2021, repurchasing \$204 million of our shares, reflecting confidence in our medium- and long-term outlook, paired with our stock's discount to trading peers. Further, we returned approximately \$106 million to our shareholders through dividends.

Individually, each of these were significant achievements, and consistent with our decades-long track record of consistent and differentiated execution with a singular focus on shareholder value creation. Taken together, these actions are transformational, freeing us of historical legacy liabilities, and creating two new independent companies, each focused on their specific markets and growth strategies, and each with a strong financial, strategic, and cultural foundation.

SEPARATION WILL POSITION BOTH COMPANIES FOR SUSTAINABLE SHAREHOLDER VALUE CREATION

We believe that our plan to separate will result in two simplified businesses, each well-positioned to optimize investment and capital allocation, and to accelerate growth. Both businesses have a strong foundation with differentiated technology, industry leading positions, robust growth strategies, and significant opportunities for long-term, sustainable value creation.

Crane NXT, Co. will be a premier industrial technology business, with substantial global scale, a best-in-class margin profile, and strong free cash flow generation. In 2023, the Payment and Merchandising Technologies (“PMT”) business that will become Crane NXT is expected to achieve approximately \$1.4 billion in sales with a pre-corporate Adjusted EBITDA margin of approximately 30%*.

Crane NXT has market-leading brands, and it provides proprietary and trusted technology solutions to secure, detect and authenticate what matters most to its customers, with an opportunity to extend its core technology into several attractive adjacent markets.

After the separation, with a strong balance sheet and strong free cash flow, Crane NXT will be solidly positioned to drive earnings growth through continued investment in the business and value-enhancing acquisitions, while supporting a dividend in line with peers. Crane NXT’s shares are expected to continue to be listed on the NYSE under the ticker symbol “CXT.” Crane NXT will be led by Aaron Saak, with the executives currently leading Crane’s PMT business continuing to serve in senior positions.

I am extremely pleased that Aaron has agreed to lead NXT. He has a long and successful record of managing large and complex enterprises, he is adept at scaling businesses and integrating technology into product offerings, and he has a track record of identifying and integrating acquisitions focused on new technologies and diversification into adjacent high-growth markets. I am highly confident that his background and experience will help Crane NXT continue to execute on its strong and profitable core business, while concurrently pursuing new avenues of growth.

Crane Company will be a leading global provider of mission-critical, highly engineered products and solutions, with differentiated technology, respected brands, and leadership positions in its markets. After the separation, Crane Company will include the Aerospace & Electronics and Process Flow Technologies global strategic growth platforms, as well as the Engineered Materials segment.

In 2023, these businesses are expected to generate approximately \$2 billion in annual sales with a pre-corporate Adjusted EBITDA margin of approximately 19.5%*. The company will be well-positioned to accelerate organic growth in its large and attractive end markets, benefit from favorable secular trends, and apply its proven processes to drive new product development and commercial excellence. Crane Company is expected to have a strong, well-capitalized balance sheet underpinning a capital deployment strategy focused on supporting the company’s organic and inorganic strategic growth objectives, while providing a dividend in line with peers.

I will lead Crane Company, with Rich Maue continuing to serve as Chief Financial Officer. We expect Crane Company to be listed on the NYSE under the ticker symbol, “CR”.

“BEING CRANE”

While each post-separation company will go in their own direction, both companies retain the key aspects of Crane’s strong culture and management approach, providing a strong foundation for both companies. This includes our distinctive high-performance culture, our commitment to philanthropy, sustainability and equality, and the cadence and discipline of the Crane Business System.

*Please see non-GAAP Financial Measures tables for details.

That culture starts with the R.T. Crane resolution:

“I am resolved to conduct my business in the strictest honesty and fairness; to avoid all deception and trickery; to deal fairly with both customers and competitors; to be liberal and just toward employees; and to put my whole mind upon the business.”

Our founder R.T. Crane penned this resolution in 1855, and these words continue to guide us today. Ethics, Integrity, Honesty, Fairness for all stakeholders. While having a passion for our businesses. This has been, and remains, at the heart of our leadership principles and behavior at Crane, and we strive to live up to these ideals every day. While there are many facets to “Being Crane,” I am particularly proud of our efforts related to philanthropy, sustainability, and equality (PSE):

- **PHILANTHROPY:** Crane’s history of philanthropy started with our founder more than a century ago, and our teams around the world are engaged and excited by our efforts in this area. Today, these efforts have a substantial impact through charitable donations, support, and volunteerism in our communities across Crane and around the world.
- **SUSTAINABILITY:** We have a rigorous process to track, and targets to reduce, our greenhouse gas emissions, water and electricity usage, and waste generation. This focus is at the heart of our Crane Business System (CBS), whose core principle is the identification of waste, variation, and overburden on our associates and implementation of processes with the goal of driving improvement and efficiency. At Crane, this CBS philosophy drives appreciation and respect for our natural environment, a recognition that resources are limited, and our obligation to responsibly manage our environmental impact as part of the global community.
- **EQUALITY:** Crane remains firmly committed to our fundamental belief in the equality of all persons. We will continue to drive outstanding progress at addressing barriers and behaviors that are counter to “Being Crane,” while continuing to improve the diversity of our global workforce. We strongly believe that diversity in all its forms, and the inclusiveness of all associates, will continue to help Crane drive our customer focus and growth for generations to come.

I would like to give my personal thanks to our customers whose trust we continue to earn every day and never take for granted their decision to allow us to serve them, to our associates for the passion and excellence brought to the workplace every day, to our suppliers who have been through unprecedented times of uncertainty and disruption in supporting our partnership, to our shareholders for their confidence in us and their support, and finally our outstanding Board of Directors for their continued support, guidance, and wisdom through these unprecedented times and strategic decisions.

Crane. 168 years of incredible legacy, pride, commitment, passion, leadership, and results. As I complete my nineteenth year with Crane and ninth as CEO, I remain honored and humbled as a steward of this incredible organization. Even more exciting than our past is the opportunity we see in our new future ahead and that we will be delivering on as two teams energized by the inflection point at this juncture.

Sincerely,



Max H. Mitchell

President and Chief Executive Officer

NON-GAAP FINANCIAL DATA

FORWARD-LOOKING STATEMENTS—DISCLAIMER

This annual report contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements include all statements that are not historical statements of fact and those regarding our intent, belief, or expectations, including, but not limited to: statements regarding Crane Holdings, Co.'s (and Crane NXT, Co., as the company will be renamed following separation) ("Crane" or the "Company") and the ultimate spin-off company's ("SpinCo") portfolio composition and their relationship following the business separation; the anticipated timing, structure, benefits, and tax treatment of the separation transaction; benefits and synergies of the separation transaction; strategic and competitive advantages of each of Crane and SpinCo; future financing plans and opportunities; and business strategies, prospects and projected operating and financial results. In addition, there is also no assurance that the separation transaction will be completed, that Crane's Board of Directors will continue to pursue the separation transaction (even if there are no impediments to completion), that Crane will be able to separate its businesses or that the separation transaction will be the most beneficial alternative considered. We caution investors not to place undue reliance on any such forward-looking statements.

Words such as "anticipate(s)," "expect(s)," "intend(s)," "believe(s)," "plan(s)," "may," "will," "would," "could," "should," "seek(s)," and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. Although we believe that the assumptions underlying the forward-looking statements are reasonable, we can give no assurance that our expectations will be attained.

Risks and uncertainties that could cause actual results to differ materially from our expectations include, but are not limited to: changes in global economic conditions (including inflationary pressures) and geopolitical risks, including macroeconomic fluctuations that may harm our business, results of operation and stock price; the continuing effects from the coronavirus pandemic on our business and the global and U.S. economies generally; information systems and technology networks failures and breaches in data security, theft of

personally identifiable and other information, non-compliance with our contractual or other legal obligations regarding such information; our ability to source components and raw materials from suppliers, including disruptions and delays in our supply chain; demand for our products, which is variable and subject to factors beyond our control; governmental regulations and failure to comply with those regulations; fluctuations in the prices of our components and raw materials; loss of personnel or being able to hire and retain additional personnel needed to sustain and grow our business as planned; risks from environmental liabilities, costs, litigation, and violations that could adversely affect our financial condition, results of operations, cash flows and reputation; risks associated with conducting a substantial portion of our business outside the U.S.; being unable to identify or complete acquisitions, or to successfully integrate the businesses we acquire, or complete dispositions; adverse impacts from intangible asset impairment charges; potential product liability or warranty claims; being unable to successfully develop and introduce new products, which would limit our ability to grow and maintain our competitive position and adversely affect our financial condition, results of operations and cash flow; significant competition in our markets; additional tax expenses or exposures that could affect our financial condition, results of operations and cash flows; inadequate or ineffective internal controls; specific risks relating to our reportable segments, including Aerospace & Electronics, Process Flow Technologies, Payment & Merchandising Technologies and Engineered Materials; the ability and willingness of Crane and SpinCo to meet and/or perform their obligations under any contractual arrangements that are entered into among the parties in connection with the separation transaction and any of their obligations to indemnify, defend, and hold the other party harmless from and against various claims, litigation, and liabilities; and the ability to achieve some or all the benefits that we expect to achieve from the separation transaction.

Readers should carefully review Crane's financial statements and the notes thereto, as well as the section entitled "Risk Factors" in Item 1A of Crane's Annual Report on Form 10-K for the year ended December 31, 2022 and the other documents Crane and its subsidiaries file from time to time with the SEC. Readers should also carefully review the "Risk Factors" section

of the registration statement relating to the business separation, which has been filed by SpinCo with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements.

These forward-looking statements reflect management's judgment as of this date, and Crane assumes no (and disclaims any) obligation to revise or update them to reflect future events or circumstances.

We make no representations or warranties as to the accuracy of any projections, statements or information contained in this document. It is understood and agreed that any such projections, targets, statements, and information are not to be viewed as facts and are subject to significant business, financial, economic, operating, competitive and other risks, uncertainties and contingencies many of which are beyond our control, that no assurance can be given that any particular financial projections ranges, or targets will be realized, that actual results may differ from projected results and that such differences may be material. While all financial projections, estimates, and targets are necessarily speculative, we believe that the preparation of prospective financial information involves increasingly higher levels of uncertainty the further out the projection, estimate or target extends from the date of preparation. The assumptions and estimates underlying the projected, expected or target results are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the financial projections, estimates, and targets. The inclusion of financial projections, estimates, and targets in this annual report should not be regarded as an indication that we or our representatives, considered or consider the financial projections, estimates, and targets to be a reliable prediction of future events.

This annual report does not constitute an offer to sell, or a solicitation of an offer to buy, securities for sale.

NON-GAAP FINANCIAL MEASURES

Crane reports its financial results in accordance with U.S. generally accepted accounting principles ("GAAP"). This annual report includes certain non-GAAP financial measures, including adjusted net income, adjusted EPS, adjusted operating profit, adjusted operating margin, and pre-corporate Adjusted EBITDA margin, that are not prepared in accordance with GAAP.

These non-GAAP measures are an addition, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to operating income, net income or any other performance measures derived in accordance with GAAP. We believe that these non-GAAP measures of financial results (including on a forward-looking or projected basis) provide useful supplemental information to investors about Crane. Our management uses certain forward-looking non-GAAP measures to evaluate projected financial and operating results. However, there are a number of limitations related to the use of these non-GAAP measures and their nearest GAAP equivalents. For example, other companies may calculate non-GAAP measures differently or may use other measures to calculate their financial performance, and therefore our non-GAAP measures may not be directly comparable to similarly titled measures of other companies.

"Adjusted Operating Profit" and "Adjusted Operating Margin" add back to Operating Profit items which are outside of our core performance, some of which may or may not be non-recurring, and which we believe may complicate the interpretation of the Company's underlying earnings and operational performance. These items include income and expense such as: the loss on divestiture of asbestos-related assets and liabilities, transaction related expenses, and repositioning related (gains) charges. These items are not incurred in all periods, the size of these items is difficult to predict, and none of these items are indicative of the operations of the underlying businesses. We believe that non-GAAP financial measures that exclude these items provide investors with an alternative metric that can assist in predicting future earnings and profitability that are complementary to GAAP metrics.

"Adjusted Net Income" and "Adjusted EPS" exclude items which are outside of our core performance, some of which may or may not be non-recurring, and which we believe may complicate the presentation of the Company's underlying earnings and operational performance. These measures include income and expense items that impacted Operating Profit such as: the loss on divestiture of asbestos-related assets and liabilities, transaction related expenses, and repositioning related (gains) charges. Additionally, these non-GAAP financial measures exclude income and expense items that impacted Net Income and Earnings per Diluted Share such as: interest expense on the 364 Day Credit Agreement related to the asbestos transaction, tax benefit related to the divestiture of asbestos-related assets and liabilities, the impact of pension curtailments and

settlements, gain on the sale of business, deferred tax adjustment related to sale of business, discrete tax reserve adjustment and gain on the sale of property. These items are not incurred in all periods, the size of these items is difficult to predict, and none of these items are indicative of the operations of the underlying businesses. We believe that non-GAAP financial measures that exclude these items provide investors with an alternative metric that can assist in predicting future earnings and profitability that are complementary to GAAP metrics.

Reconciliations of certain forward-looking and projected non-GAAP measures for post-separation Crane and SpinCo, including Adjusted EBITDA and Adjusted EBITDA Margin, to the closest corresponding GAAP measure are not available without unreasonable efforts due to the high variability, complexity, and low visibility with respect to the charges excluded from these non-GAAP measures, which could have a potentially significant impact on our future GAAP results.

For post-separation Crane and SpinCo, Crane calculates “pre-corporate Adjusted EBITDA margin” as pre-corporate Adjusted EBITDA (earnings before interest, tax, depreciation and amortization expenses, before corporate overhead expense which includes director compensation, securities laws compliance costs, audit and professional fees, and other public company costs, and before Special Items which include transaction-related expenses such as tax charges, professional fees, and incremental corporate costs related to the proposed separation and other potential corporate transactions), divided by sales. These non-GAAP measures are an addition, and not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to operating income, net income or any other performance measures derived in accordance with GAAP.

Income Items	2022
Net sales	\$3,375
Operating profit (GAAP)	\$ 370
<i>Percentage of sales (operating margin)</i>	10.9%
Special items impacting operating profit	
Loss on divestiture of asbestos-related assets and liabilities	162
Transaction related expenses, net	50
Repositioning related charges (gains), net	15
Operating profit before special items (“adjusted”)	597
<i>Percentage of sales (“adjusted operating margin”)</i>	17.7%
Net income attributable to common shareholders (GAAP)	\$401
<i>Per share</i>	\$ 7.01
Special items, net of tax, impacting net income attributable to common shareholders	
Loss on divestiture of asbestos-related assets and liabilities	162
Transaction related expenses, net	43
Repositioning related charges (gains), net	11
Interest expense on 364-Day Credit Agreement related to asbestos transaction	5
Tax benefit related to divestiture of asbestos-related assets and liabilities	(7)
Impact of pension curtailments and settlements	9
Gain on sale of business	(185)
Deferred tax adjustment related to sale of business	21
Discrete tax reserve adjustment	(10)
Net income, net of tax, attributable to common shareholders before special items (adjusted)	\$451
<i>Per diluted share (“Adjusted EPS”)</i>	\$7.88

COMMITTEES

As of December 31, 2022, the Board of Directors of Crane Holdings, Co. had four standing committees, namely the Executive Committee, Audit Committee, Management Organization and Compensation Committee, and Nominating and Governance Committee.

Other than the Executive Committee, each committee is composed entirely of independent directors as defined by independence standards of the NYSE.

Following the separation in April 2023, referred to earlier in the CEO's letter to stockholders, Crane Holdings, Co., will change its name to Crane NXT, Co., and the Crane NXT, Co. Board of Directors is expected to continue with this same committee structure.

EXECUTIVE COMMITTEE

This committee, which meets when a quorum of the full Board of Directors cannot be readily obtained, may exercise any of the powers of the Board of Directors, except for: (i) approving an amendment of the Company's Certificate of Incorporation or By-Laws; (ii) adopting an agreement of merger or sale of substantially all of the Company's assets or dissolution of the Company; (iii) filling vacancies on the Board or any committee thereof; or (iv) electing or removing officers of the Company.

AUDIT COMMITTEE

This committee is the Board's principal agent in fulfilling legal and fiduciary obligations with respect to matters involving the accounting, auditing, financial reporting, internal control, legal compliance and risk management functions of the Company. This includes oversight of the integrity of financial statements, authority for retention and compensation of the Company's independent auditors, evaluation of qualifications, independence and performance of the Company's independent auditors, review of staffing and performance of the internal audit function, and oversight of the Company's compliance with legal and regulatory requirements.

MANAGEMENT ORGANIZATION AND COMPENSATION COMMITTEE

This committee's responsibilities include recommending to the Board of Directors all actions regarding compensation of the Chief Executive Officer, approving the compensation of all other executive officers, reviewing the compensation of other officers and business unit presidents, annual review of director compensation, administration of the Annual Incentive Plan and Stock Incentive Plan, and review and approval of significant changes or additions to the compensation policies and practices of the Company. This committee will provide the Chief Executive Officer with an annual performance review. It is also responsible for determining that a satisfactory system is in effect for development and orderly succession of senior managers throughout the Company.

NOMINATING AND GOVERNANCE COMMITTEE

This committee is responsible for identifying, screening, and recommending to the Board candidates for Board membership. It is responsible for sponsoring an annual self-assessment of the Board's performance as well as the performance of each committee of the Board. It is also responsible for determining the independence of the Company's Board members, and their fitness for service on the Board's various committees, and includes recommending the assignment of Board members to committees and appointment of committee chairs.

CRANE HOLDINGS, CO. DIRECTORS AND COMMITTEE ASSIGNMENTS AS OF DECEMBER 31, 2022

(Following separation, a list of the post-separation Crane NXT, Co. directors and committee assignments will be available on the "Investor" page of the Crane NXT, Co. website at www.cranenxt.com)

Martin R. Benante (2, 4)
Retired Chairman and
Chief Executive Officer
Curtiss-Wright Corporation
*Supplier of highly engineered products
and services to commercial, industrial,
defense, and energy markets*

Michael Dinkins (2, 4)
Retired Executive Vice President
and Chief Financial Officer
Integer Holdings Corporation
*Leader in advanced medical device
outsourcing*

Ronald C. Lindsay (2, 4)
Retired Chief Operating Officer
Eastman Chemical Co.
*Manufacturer of specialty chemicals,
plastic compounds & acetate fibers*

Ellen McClain (2, 3)
President
Year Up
*Not-for-profit provider of job
training services*

Charles G. McClure, Jr. (3, 4)
Managing Partner
Michigan Capital Advisors
*Private equity firm investing in global
automotive and transportation suppliers*

Max H. Mitchell (1)
President and Chief Executive Officer
of Crane Holdings, Co.

Jennifer M. Pollino (1, 3, 4)
Retired Executive Vice President
Goodrich Corporation
*Diversified aerospace and industrial
manufacturer*

John S. Stroup (2, 3)
Operating Advisor
Clayton, Dubilier & Rice
*Private equity manager that invests
in and builds businesses*

James L. L. Tullis (1, 3)
Chairman of the Board of Crane
Holdings, Co.
Chairman
Tullis Health Investors
*Venture capital investor in the
health care industry*

EXECUTIVE OFFICERS OF CRANE HOLDINGS, CO. AS OF DECEMBER 31, 2022

(Following separation, a list of the post-separation Crane NXT, Co. executive officers will be available on the "Investor" page of the Crane NXT, Co. website at www.cranenxt.com)

Max H. Mitchell
President and Chief Executive Officer

Aaron W. Saak
Crane NXT President and Chief
Executive Officer

Alejandro Alcalá
Senior Vice President

Christina Cristiano
Vice President, Controller & Chief
Accounting Officer

Anthony M. D'Iorio
Senior Vice President, General Counsel
and Secretary

Kurt F. Gallo
Senior Vice President

Tamara S. Polmanteer
Senior Vice President, Chief Human
Resources Officer

Richard A. Maue
Senior Vice President and Chief
Financial Officer

Scott A. Grisham
Senior Vice President, Business
Development & Strategy

Edward S. Switzer
Vice President, Treasurer and Tax

(1) Member of the Executive Committee

(2) Member of the Audit Committee

(3) Member of the Management Organization and Compensation Committee

(4) Member of the Nominating and Governance Committee

A stylized graphic of a crane is centered on the page. The crane is composed of several geometric shapes: a thick dark grey diagonal line for the tower, a horizontal grey line for the jib, and a vertical grey line for the counterweight. The word "CRANE" is written in a bold, black, sans-serif font within a white rectangular box with a thin grey border, positioned in the center of the crane's tower.

CRANE

2022
FORM 10-K

**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, 2022

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

For the transition period from _____ to _____.

Commission file number 1-1657

CRANE HOLDINGS, CO.

(Exact name of Registrant as specified in its charter)

Delaware

88-0706021

State of or other jurisdiction of incorporation or organization:

(I.R.S. Employer identification No.)

100 First Stamford Place

Stamford

CT

06902

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (203) 363-7300

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, par value \$1.00	CR	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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

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

(check one):

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

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 Exchange Act). Yes No

Based on the closing stock price of \$87.56 on June 30, 2022, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the voting common equity held by nonaffiliates of the registrant was \$4,110,716,971.

The number of shares outstanding of the registrant's common stock, par value \$1.00, was 56,432,314 at January 31, 2023.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the 2023 Annual Meeting of Stockholders are incorporated herein by reference in Part III of this Annual Report on Form 10-K to the extent stated herein. Such proxy statement will be filed with the Securities and Exchange Commission within 120 days of the registrant's fiscal year ended December 31, 2022.

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FORWARD-LOOKING INFORMATION

This Annual Report on Form 10-K contains information about Crane Holdings, Co., some of which includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements other than historical information or statements about our current condition. You can identify forward-looking statements by the use of terms such as: “believes,” “contemplates,” “expects,” “may,” “will,” “could,” “should,” “would,” or “anticipates,” other similar phrases, or the negatives of these terms.

We have based the forward-looking statements relating to our operations on our current expectations, estimates and projections about us and the markets we serve. We caution you that these statements are not guarantees of future performance and involve risks and uncertainties. These statements should be considered in conjunction with the discussion in Part I, the information set forth under Item 1A, “Risk Factors” and with the discussion of the business included in Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” We have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. Accordingly, our actual outcomes and results may differ materially from what we have expressed or forecast in the forward-looking statements. Any differences could result from a variety of factors, including the following:

- The effect of changes in economic conditions in the markets in which we operate, including financial market conditions, end markets for our products, fluctuations in raw material prices, inflationary pressures, supply chain disruptions and access to key raw materials, and the financial condition of our customers and suppliers;
- The impact of the COVID-19 pandemic which had and may continue to have an adverse impact on our operations and financial performance, as well as on the operations and financial performance of many of the customers and suppliers in industries that we serve; as well as the effects of any government imposed vaccine mandates on the workforce;
- Our ongoing need to attract and retain highly qualified personnel and key management;
- Economic, social and political instability, currency fluctuation and other risks of doing business outside of the United States;
- Competitive pressures, including the need for technology improvement, successful new product development and introduction and any inability to pass increased costs of raw materials to customers;
- Our ability to successfully complete our pending separation as planned;
- Our ability and willingness of the parties to meet and/or perform their obligations under any contractual arrangements that are entered into among the parties in connection with our previously announced proposed business separation and any of their obligations to indemnify, defend and hold the other party harmless from and against various claims, litigation and liabilities;
- Our ability to achieve some or all the benefits that we expect to achieve from our proposed business separation;
- Our ability to successfully integrate acquisitions and to realize synergies and opportunities for growth and innovation;
- Our ability to successfully value acquisitions;
- The ability of the U.S. government to terminate our government contracts;
- Our ability to predict the timing and award of substantial contracts in our banknote business;
- The impact of commercial air traffic levels which are affected by a different array of factors including pandemic health concerns, general economic conditions and global corporate travel spending, or terrorism;
- A reduction in congressional appropriations that affect defense spending;
- The outcomes of legal proceedings, claims and contract disputes;
- Adverse effects as a result of further increases in environmental remediation activities, costs and related claims;

- Investment performance of our pension plan assets and fluctuations in interest rates, which may affect the amount and timing of future pension plan contributions; and
- Adverse effects of changes in tax, environmental and other laws and regulations in the United States and other countries in which we operate.

Part I

Reference herein to “Crane,” “we,” “us” and “our” refer to Crane Holdings, Co. and our subsidiaries unless the context specifically states or implies otherwise. Amounts in the following discussion are presented in millions, except employee, square feet, number of properties, share and per share data, or unless otherwise stated.

Executive Officers of the Registrant

Name	Position	Business Experience	Age	Executive Officer Since
Max H. Mitchell	President and Chief Executive Officer	President, Chief Executive Officer and Director since 2014. President and Chief Operating Officer from 2013 through 2014. Executive Vice President and Chief Operating Officer from 2011 to 2013.	59	2004
Alejandro Alcala	Executive Vice President	Executive Vice President, Aerospace and Electronics since February 2023, Senior Vice President through 2023, Process Flow Technologies and operations in China, India and the Middle East & Africa since March 2020. President, Crane ChemPharma & Energy from 2014 to March 2020. President, Crane Pumps & Systems from 2013 to 2014.	48	2020
Christina Cristiano	Vice President, Controller and Principal Accounting Officer	Vice President, Controller and Principal Accounting Officer since May 2019. Vice President, Controller of Global Accounting and Statutory Reporting of Thomson Reuters from 2011 to May 2019.	50	2019
Anthony M. D'Iorio	Executive Vice President, General Counsel and Secretary	Executive Vice President since 2023. Senior Vice President from February 2021 through January 2023. Vice President, General Counsel and Secretary since February 2018. Deputy General Counsel from 2013 through February 2018. Assistant General Counsel from 2005 through 2013.	59	2018
Kurt F. Gallo	Senior Vice President	Senior Vice President, Payment & Merchandising Technologies and Engineered Materials since April 2019. President, Crane Payment Solutions since 2012 and its successor, Crane Payment Innovation since 2014.	58	2019
Scott A. Grisham	Senior Vice President, Business Development and Strategy	Senior Vice President, Business Development and Strategy since April 2021. Vice President, Business Development & Strategy of Colfax Corporation from 2014 to April 2021.	47	2021
Richard A. Maue	Executive Vice President and Chief Financial Officer	Executive Vice President since February 2023. Senior Vice President from January 2019 through January 2023. Chief Financial Officer since 2013. Principal Accounting Officer from 2007 through May 2019. Vice President - Finance from 2013 through January 2019.	52	2007
Tamara S. Polmanteer	Executive Vice President, Chief Human Resources Officer	Executive Vice President since February 2023. Senior Vice President, from 2021 through January, 2023. Chief Human Resources Officer since March 2021. Chief Human Resources Officer of Aleris from 2016 through 2020. Senior Vice President, Chief Human Resource Officer of Daymon Worldwide from 2011 through 2016.	57	2021
Aaron W. Saak	Crane NXT President and Chief Executive Officer	Crane NXT President and Chief Executive Officer since November 2022. President and Chief Executive Officer of Mobility Solutions from June 2022 and President of Gilbarco Veeder-Root, from February 2018 to November 2022.	49	2022
Edward S. Switter	Vice President, Treasurer and Tax	Vice President, Treasurer and Tax since September 2016. Vice President, Tax from 2011 through September 2016.	48	2011

Item 1. Business

General

We are a diversified manufacturer of highly engineered industrial products. Our operations are currently comprised of four segments: Aerospace & Electronics (“A&E”), Process Flow Technologies (“PFT”), Payment & Merchandising Technologies (“P&MT”), and Engineered Materials (“EM”). Our primary end markets include aerospace, defense and space, process industries, non-residential and municipal construction, payment automation solutions, banknote design and production, along with a wide range of general industrial and certain consumer related end markets.

We have been committed to the highest standards of business conduct since inception in 1855 when our founder, R.T. Crane, resolved “to conduct my business in the strictest honesty and fairness; to avoid all deception and trickery; to deal fairly with both customers and competitors; to be liberal and just toward employees; and to put my whole mind upon the business.” Our strategy is to grow earnings and cash flow by focusing on the manufacturing of highly engineered industrial products for specific markets where our scale is a relative advantage, and where we can compete based on our proprietary and differentiated technology, our deep vertical expertise, and our responsiveness to unique and diverse customer needs. We continuously evaluate our portfolio, pursue acquisitions that complement our existing businesses and selectively divest businesses where appropriate. We strive to foster a performance-based culture focused on productivity and continuous improvement, to attract and retain a committed management team whose interests are directly aligned with those of our shareholders, and to maintain a focused, efficient corporate structure.

We operate a comprehensive set of business processes, philosophies and operational excellence tools to drive continuous improvement throughout our businesses (collectively, the Crane Business System). Beginning with a core value of integrity, we incorporate “Voice of the Customer” teachings (specific processes designed to capture our customers’ requirements) and a broad range of tools into a disciplined strategy deployment process to continuously improve safety, quality, delivery, cost and growth. An embedded intellectual capital development process helps ensure that we attract, develop, promote and retain talent to drive continuity and repeatable results.

Recent Transactions

Holding Company Reorganization

On May 16, 2022, Crane Co., a Delaware corporation (“Crane Co.”), completed its previously announced reorganization merger pursuant to the Agreement and Plan of Merger, dated as of February 28, 2022 (the “Reorganization Agreement”), by and among Crane Co., Crane Holdings, Co., a Delaware corporation (“Crane Holdings”), and Crane Transaction Company, LLC, a Delaware limited liability company and, as of immediately prior to the consummation of such merger, a wholly-owned subsidiary of Crane Holdings (“Merger Sub”). The Reorganization Agreement provided for the merger of Crane Co. and Merger Sub, with Crane Co. surviving the merger as a wholly-owned subsidiary of Crane Holdings (the “Reorganization Merger”).

Following the Reorganization Merger, on May 16, 2022, Crane Co. converted from a Delaware corporation into a Delaware limited liability company named “Crane LLC” (such conversion, together with the Reorganization Merger, the “Reorganization”). Following the Reorganization, substantially all of the assets of Crane LLC were distributed, assigned, transferred, conveyed and delivered to, and certain non-asbestos related liabilities of Crane LLC were assumed by, Crane Holdings. On May 17, 2022, Crane LLC converted from a Delaware limited liability company to a Delaware corporation named “Crane Co.” Subsequently, on May 26, 2022, Crane Co. filed a Certificate of Amendment to its Certificate of Incorporation (the “Certificate of Amendment”) with the Secretary of State of the State of Delaware, which became effective upon filing, pursuant to which the Crane Co. officially changed its name from “Crane Co.” to “Redco Corporation”. The “Crane Co.” name has been reserved for future use by Crane Holdings.

Divestiture of asbestos-related assets and liabilities

On August 12, 2022, Crane Holdings, Co., Crane Company, a wholly-owned subsidiary of Crane Holdings, Co., and Redco Corporation (“Redco”), then a wholly-owned subsidiary of Crane Company that held asbestos liabilities and related insurance assets, entered into a Stock Purchase Agreement (the “Redco Purchase Agreement”) with Spruce Lake Liability Management Holdco LLC (“Redco Buyer”), an unrelated third party and long-term liability management company specializing in the acquisition and management of legacy corporate liabilities whereby Crane Company transferred to Redco Buyer all of the issued and outstanding shares of Redco (the “Redco Sale”). In connection with the Redco Sale, Crane Holdings, Co., on behalf of Crane Company, contributed approximately \$550 million in cash to Redco, which was funded by a combination of short-

term borrowings and cash on hand. As a result of the Redco Sale, all asbestos obligations and liabilities, related insurance assets and associated deferred tax assets have been removed from Crane Holdings, Co.'s consolidated balance sheets effective August 12, 2022. A loss on the divestiture of asbestos-related assets and liabilities of \$162.4 million was recognized in the consolidated statements of operations for the year ended December 31, 2022.

Sale of Crane Supply

On April 8, 2022, the Company entered into an agreement to sell the Crane Supply business for CAD 380 million on a cash-free and debt-free basis. Subsequent to net working capital and other closing adjustments, the sale closed on May 31, 2022 for CAD 402 million. In August 2022, the Company received CAD 5 million related to a final working capital adjustment. The Company recognized a total gain on sale of \$232.5 million.

Pending Separation

On March 30, 2022, the Company announced that its Board of Directors unanimously approved a plan to pursue a separation into two independent, publicly-traded companies (the "Separation"), Crane Company and Crane NXT, Co. Upon completion of the pending Separation, Crane Holdings, Co. will be renamed "Crane NXT, Co." and will continue to operate our Payment & Merchandising Technologies segment. The new company distributed to our stockholders in the Separation, Crane Company, will hold our Aerospace & Electronics and Process Flow Technologies global growth platforms, as well as our Engineered Materials segment. The Separation is expected to occur through a tax-free distribution of all of the outstanding shares of Crane Company common stock to holders of our common stock and is expected to be completed in April, 2023, subject to the satisfaction of customary conditions and final approval by Crane Holdings, Co.'s Board of Directors. On February 7, 2023, the SEC declared effective the registration statement of Crane Company on Form 10. Each of our stockholders will receive one share of Crane Company common stock for every one share of our common stock held on March 23, 2023, the record date for the distribution.

For additional information regarding the Separation, including risk factors, see the Information Statement of Crane Company, filed as Exhibit 99.1 to Amendment No. 1 to the registration statement on Form 10 filed by Crane Company with the SEC on January 23, 2023.

Termination of Agreement to Sell Engineered Materials

On May 16, 2021, we entered into an agreement to sell the Engineered Materials segment to Grupo Verzatec S.A. de C.V. ("Verzatec") for \$360 million on a cash-free and debt-free basis. In the second quarter of 2021, the assets and liabilities of the segment were classified as held for sale. On May 26, 2022, Verzatec terminated the sale agreement and paid \$7.5 million to the Company in termination fees, which is presented within Miscellaneous income, net on the Consolidated Statements of Operations. As such, as of June 30, 2022 the Engineered Materials segment is no longer classified as assets held for sale and is presented herein as continuing operations for all periods presented.

Reportable Segments

For additional information on recent business developments and other information about us and our business, please refer to the information set forth under the captions, "Management's Discussion and Analysis of Financial Condition and Results of Operations," in Part II, Item 7 of this report, as well as in Part II, Item 8 under Note 3, "Segment Information," in the Notes to Consolidated Financial Statements for sales, operating profit and assets employed by each segment.

Aerospace & Electronics

The Aerospace & Electronics segment supplies critical components and systems, including original equipment and aftermarket parts, primarily for the commercial aerospace, and the military aerospace, defense and space markets. The commercial market and military market accounted for 57% and 43%, respectively, of total segment sales in 2022. Sales to original equipment manufacturers ("OEMs") and aftermarket customers were 72% and 28%, respectively, in 2022.

We provide mission critical systems that require high reliability and high accuracy, such as pressure sensors for aircraft engine control, aircraft braking systems for fighter jets, power conversion solutions for spacecraft and lubrication systems for the harshest and most hazardous environmental conditions. Crane has differentiated proprietary technology and know-how supporting many of the fundamental technologies that are supporting solutions where we are often sole source in the areas where we compete, with a track record for performance, reliability and continued innovation. A&E's integrated capabilities include the following:

- **Power Solutions:** Provides enabling technology to accelerate electrification of air, land, space and sea vehicles and systems.
- **Sensing Systems:** Provides components and systems for condition and position sensing, and pressure and flow measurement, with high-accuracy, reliability and engineering to excel in rugged aerospace environments.

- **Fluid & Thermal Management:** Designs and manufactures positive displacement pumps, centrifugal pumps and true mass flowmeters for aerospace and defense applications.
- **Landing Systems:** Provides hydraulic and electric brake control systems with antiskid and autobrake functionality, as well as electronic and hydraulic subsystems for landing gear control.
- **Microwave Solutions:** Designs and manufactures high-performance RF and IF components and millimeter-wave systems and subsystems for defense, space and commercial end-use customers.

A&E has a solid long term growth profile driven by positions on market leading platforms, recent new program wins and continued investment in technology readiness. The segment is also positioned to benefit from underlying market growth driven by increasing new commercial aircraft deliveries, air passenger travel growth, defense investment, ongoing maintenance, repair and overhaul organizations (“MRO”) requirements and emerging applications in the space market, as well as a strong trend driving greater electrification for aerospace and defense applications. Our unique position to drive sustained growth is driven by differentiated technology investment focused on high-growth market segments, including Low Earth Orbit satellite constellations, next-generation aircraft engines, advanced ground and sea-based radar systems, as well as high-power and bi-directional power conversion for numerous emerging commercial and military applications, including more-electric and hybrid-electric ground vehicles and hybrid-electric and pure electric-propulsion aircraft.

Facilities are located in the United States, Taiwan, and France.

Process Flow Technologies

The Process Flow Technologies segment is a provider of highly engineered fluid handling equipment for mission critical applications that require high reliability. The segment is comprised of Process Valves and Related Products, Pumps and Systems and Commercial Valves.

- **Process Valves and Related Products:** Manufactures a wide range of on/off isolation valves, including check valves, sleeved plug valves, lined valves, process ball valves, high performance butterfly valves, bellows sealed globe valves, aseptic and industrial diaphragm valves and multi / quarter-turn valves actuation. Other related products include lined pipe, fittings and hoses, air operated diaphragm and peristaltic pumps, instrumentation and sampling systems, valve positioning and control systems, valve diagnostic and calibration systems. Across the portfolio, the primary focus is on chemical, pharmaceutical and general industrial end markets. Manufacturing facilities, along with sales and service centers, are located across North America, Europe, the Middle East, Asia and Australia.
- **Pumps and Systems:** Manufactures pumps products for water and wastewater applications, primarily in the United States municipal and industrial markets.
- **Commercial Valves:** Manufactures valves and related products for the non-residential construction, gas utility and municipal markets. The primary geographies served by the manufacturing operations are the United Kingdom, the Middle East and continental Europe.

Our portfolio strategically targets the higher growth and less cyclical chemical, general industrial, water and wastewater and pharmaceutical industries. We expect these industries to be outsized growth segments of the market, driven by investment in sustainability and clean energy, aging infrastructure, tightening wastewater regulations and an aging population with a growing demand for healthcare.

Crane has a strong track record of innovation and being a pioneer in the industry, “writing the book” on the flow of fluids with Technical Paper 410, which is still used as a definitive authority on the topic for engineers, professionals and other practitioners. By focusing on accelerating the rate of innovation through R&D investment, we have driven incremental market capture and significantly improved new product sales vitality to support long term profitable growth.

Payment & Merchandising Technologies

The Payment & Merchandising Technologies segment consists of Crane Payment Innovations (“CPI”) and Crane Currency. CPI provides electronic equipment and associated software leveraging extensive and proprietary core capabilities with various detection and sensing technologies for applications including payment verification and authentication. CPI also provides automation solutions, field service solutions, and remote diagnostics and productivity enhancing software solutions. Key R&D and manufacturing facilities are located in the United States, the United Kingdom, Mexico, Japan, Switzerland, and Germany, with additional sales offices across the world. Crane Currency is a pioneer in advanced, proprietary micro-optics technology

for securing physical products. It provides a broad portfolio of engaging visual effects in features that aid in verification, thereby increasing the level of security and public trust in the authenticity of products including banknotes, consumer goods, and industrial products. Additionally, Crane Currency has provided banknote substrate to the U.S. Government since 1879, and today, customers for its advanced technology include more than 50 central banks around the world, and a growing number of consumer and industrial companies. Facilities are located in the United States, Sweden and Malta.

Engineered Materials

The Engineered Materials segment manufactures fiberglass-reinforced plastic ("FRP") panels and coils, primarily for use in the manufacturing of recreational vehicles ("RVs"), and in commercial and industrial buildings applications, with some additional applications including trailers and other transportation-related products. Engineered Materials sells the majority of its products directly to RV, trailer, and truck manufacturers, and it uses distributors and retailers to serve the commercial and industrial construction markets. Manufacturing facilities are located in the United States.

Other Matters Relating to Our Business as a Whole

Competitive Conditions

Our businesses participate in markets that are highly competitive. Because of the diversity of products manufactured and sold, our businesses typically have a different set of competitors in each geographic area and end market in which they participate. Accordingly, it is not possible to estimate the number of competitors, or precise market share; however, we believe that we are a principal competitor in most of our markets. Our primary basis of competition is providing high quality products, with technological differentiation, at competitive prices, with superior customer service and timely delivery.

Our products are sold into primary end markets which include aerospace, defense and space, process industries, non-residential and municipal construction, payment automation solutions, banknote design and production, along with a wide range of general industrial and certain consumer related end markets. As such, our revenues depend on numerous unpredictable factors, including changes in market demand, general economic conditions, customer capital spending, timing and amount of contract awards and credit availability. Since our products are sold in such a wide variety of markets, we do not believe that we can reliably quantify or predict the potential effects of changes in any of the aforementioned factors. Our engineering and product development activities are focused on improving existing products, customizing existing products for particular customer requirements, as well as the development of new products. We own numerous patents, trademarks, copyrights, trade secrets and licenses to intellectual property, no one of which is of such importance that termination would materially affect our business. From time to time, however, we do engage in litigation to protect our intellectual property.

Raw Materials

Our manufacturing operations employ a wide variety of raw materials, including steel, copper, cast iron, electronic components, aluminum, plastics, cotton, flax and various petroleum-based products. We purchase raw materials from a large number of independent sources around the world. Although market forces have at times, including in 2022, caused increases in the costs of key raw materials, there have been no raw materials shortages that have had a material adverse impact on our business. We believe that we will generally be able to obtain adequate supplies of major raw material requirements or reasonable substitutes at acceptable costs. For a further discussion of risks related to raw materials, please refer to Item 1A. "Risk Factors."

Government Contracts

We have agreements relating to the sale of products to government entities, primarily involving products in our Aerospace & Electronics and Payment & Merchandising Technologies segments and, to a lesser extent, our Process Flow Technologies segment. As a result, we are subject to various statutes and regulations that apply to companies doing business with the government. The laws and regulations governing government contracts differ from those governing private contracts. For example, some government contracts require disclosure of cost and pricing data and impose certain sourcing conditions that are not applicable to private contracts. Our failure to comply with these laws could result in suspension of these contracts, criminal or civil sanctions, administrative penalties and fines or suspension or debarment from government contracting or subcontracting for a period of time. For a further discussion of risks related to compliance with government contracting requirements, please refer to Item 1A. "Risk Factors."

Environmental Compliance and Climate Change

We are regulated by federal, state and international environmental laws governing our use, transport and disposal of substances and control of emissions. Our manufacturing facilities generally do not produce significant volumes or quantities of byproducts that would be considered hazardous waste or otherwise harmful to the environment if not properly handled or maintained. Accordingly, continued compliance with these existing laws has not had a material impact on our capital expenditures or earnings.

However, we occasionally engage in environmental remediation activities as required by federal and state laws. In addition, we may be exposed to other environmental costs including participation in the characterization and remediation of federal Superfund sites, or analogous state sites. When it is reasonably probable we will pay remediation costs at a site, and those costs can be reasonably estimated, we accrue a liability for such future costs with a related charge against our earnings. For further discussion of environmental related risks, please refer to Item 1A. "Risk Factors." For further discussion of our environmental matters, please refer to Part II, Item 8 under Note 12, "Commitments and Contingencies," in the Notes to Consolidated Financial Statements.

Human Capital Resources

To remain a leading manufacturer of highly engineered industrial products, it is important that we continue to attract, develop, and retain exceptional talent across our global enterprise.

The Company has a diverse global workforce located in 34 countries, spanning six continents. At December 31, 2022, we employed approximately 11,000 persons worldwide, of which substantially all were full time employees. In the United States, we employed approximately 5,900 people across 100 locations. At December 31, 2022, approximately 4% of our U.S. employees were represented by a union under a collective bargaining agreement. Employees based in some foreign countries may, from time to time, be represented by works councils or unions or subject to collective bargaining agreements. We consider our relations with our employees to be good.

To be an employer of choice and maintain the strength of our workforce, we consistently assess the current business environment and labor market to refine our compensation and benefits programs and other resources available to our associates. We are committed to developing our associates personally and professionally by leveraging a structured and disciplined Intellectual Capital ("IC") process. Our regular IC cadence includes constructive reviews and various talent and leadership development initiatives conducted by the executive management team and provided throughout an associate's career. We are also committed to an inclusive and high-performance culture at all levels of the organization, based on trust and respect.

The manufacture and production of our products requires the use of a variety of tools, equipment, materials, and supplies. At Crane, we are strongly committed to the health and safety of our associates and strive to continuously adhere to global regulatory safety requirements and to reduce the incidence and severity of job-related injuries. We utilize strict compliance protocols, training programs, effective risk management practices, and sound science in our operations to minimize risk to our associates.

Beginning in 2020, in response to the COVID-19 pandemic, we implemented flexible remote work options and health and safety protocols and procedures across all of our global offices, manufacturing and distribution facilities to ensure the safety and well-being of our associates. These protocols included proper hygiene, social distancing, mask use and temperature screenings and other health and safety standards as required by federal, state and local government agencies, taking into consideration guidelines of the Centers for Disease Control and Prevention in the U.S., and other similar public health authorities in our international locations. Today, we continue to deploy various work options and protocols in response to the significantly reduced health risks compared to the initial and early period of the pandemic.

For a discussion of risks related to employee relations, please refer to Item 1A. "Risk Factors."

Available Information

We file annual, quarterly and current reports and amendments to these reports, proxy statements and other information with the U.S. Securities and Exchange Commission (“SEC”). The SEC maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers, like us, that file electronically with the SEC. The address of the SEC’s website is www.sec.gov.

We also make our filings available free of charge through our Internet website, as soon as reasonably practicable after filing such material electronically with, or furnishing such material, to the SEC. Also posted on our website are our Corporate Governance Guidelines, Standards for Director Independence, Crane Holdings, Co. Code of Ethics and the charters and a brief description of each of the Audit Committee, the Management Organization and Compensation Committee and the Nominating and Governance Committee. These items are available in the “Investors – Corporate Governance” section of our website at www.craneco.com. The content of our website is not part of this report.

Item 1A. Risk Factors

Our business, financial condition, results of operations and cash flows may be affected by a number of factors including, but not limited to those set forth below. This discussion should be considered in conjunction with the discussion under the caption “Forward-Looking Information” preceding Part I, the information set forth under Item 1, “Business” and with the discussion of the business included in Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” These risks comprise the material risks of which we are aware. If any of the events or developments described below or elsewhere in this Annual Report on Form 10-K, or in any documents that we subsequently file publicly were to occur, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Risks Relating to Our Business

Macroeconomic fluctuations may harm our business, results of operations and stock price.

Our business, financial condition, operating results and cash flows may be adversely affected by changes in global economic conditions and geopolitical risks, including credit market conditions, trade policies, levels of consumer and business confidence, commodity prices and availability, inflationary pressures, exchange rates, levels of government spending and deficits, political conditions, and other challenges that could affect the global economy including impacts associated with any economic sanctions imposed against Russia, including any territory within the Ukraine that Russia has occupied, in response to their invasion of the Ukraine. These economic and geopolitical conditions could affect businesses such as ours in a number of ways. Such conditions could have an adverse impact on our flexibility to react to changing economic and business conditions and on our ability to fund our operations, grow through operations or refinance maturing debt balances at economically favorable interest rates. In addition, restrictions on credit availability could adversely affect the ability of our customers to obtain financing for significant purchases and could result in decreases in or cancellation of orders for our products and services as well as impact the ability of our customers to make payments. Similarly, credit restrictions may adversely affect our supplier base and increase the potential for one or more of our suppliers to experience financial distress or bankruptcy. See “Specific Risks Related to Our Business Segments.”

Our ability to source components and raw materials from our suppliers could be disrupted or delayed in our supply chain which could adversely affect our results of operations.

Our operations require significant amounts of necessary components and raw materials. We deploy a continuous, company-wide process to source our components and raw materials from fewer suppliers, and to obtain parts from suppliers in low-cost countries where possible. Due to a variety of global factors, our business has been experiencing, and may continue to experience, supply chain disruptions from an insufficient availability of certain components and raw materials and substantial freight delays in obtaining them. If we are unable to timely source these components or raw materials, our operations may be disrupted, or we could experience a delay or temporary stoppage in certain of our manufacturing operations. We believe that our supply management and production practices are based on an appropriate balancing of the foreseeable risks and the costs of alternative practices. Nonetheless, reduced availability or interruption in supplies, whether resulting from more stringent regulatory requirements; supplier financial condition; increases in duties and tariff costs; disruptions in transportation; an outbreak of a severe public health pandemic, such as the COVID-19 pandemic; severe weather; the occurrence or threat of wars, including Russia’s invasion of Ukraine or other conflicts, could have an adverse effect on our financial condition, results of operations and cash flows.

The prices of our components and raw materials could fluctuate dramatically, which may adversely affect our profitability.

The costs of certain components and raw materials that are critical to our profitability can be volatile which can have a significant impact on our profitability. The costs in our business segments are affected by fluctuations in the price of metals such as steel and copper as well as other raw materials such as resin, electronic components, cotton, and flax. We have seen a period of sustained price increases for components and raw materials that may continue into the future as demand increases and supply may remain constrained, which has resulted in, and may continue to result in, increased costs for us. While we have taken actions aimed at securing an adequate supply of raw materials at prices which are favorable to us, if the prices of critical components and raw materials continue to increase or we are unable to pass increased costs of components and raw materials to customers, our operating profit could be adversely affected.

The COVID-19 pandemic had and may continue to have an adverse impact on our operations and financial performance, as well as on the operations and financial performance of many of the customers and suppliers in industries that we serve. The COVID-19 pandemic continues to present business challenges, and we continue to experience impacts related to COVID-19, primarily in disruptions in global supply chains, delays in supplier deliveries, higher raw material prices, delays in deliveries to customers, travel restrictions, site access and quarantine restrictions, and employee absences. Because the severity,

magnitude and duration of the COVID-19 pandemic and its continuing economic consequences remain uncertain and rapidly changing, it is difficult to predict the extent of the pandemic's impact on our operations and financial performance.

Information systems and technology networks failures and breaches in data security, personally identifiable and other information, non-compliance with our contractual or other legal obligations regarding such information, or a violation of our privacy and security policies with respect to such information, could adversely affect us.

We are dependent on information technology networks and systems, including the Internet, to process, transmit and store electronic information, and, in the normal course of our business, we collect and retain certain types of personally identifiable and other information pertaining to our customers, stockholders and employees. The legal, regulatory and contractual environment surrounding information security and privacy is constantly evolving and companies that collect and retain such information are under increasing attack by cyber-criminals around the world. A theft, loss, fraudulent use or misuse of customer, vendor, employee or our proprietary data by cybercrime or otherwise, non-compliance with our contractual or other legal obligations regarding such data or a violation of our privacy and security policies with respect to such data could adversely impact our reputation and could result in costs, fines, litigation or regulatory action against us. Security breaches can create system disruptions and shutdowns that could result in disruptions to our operations. We cannot be certain that advances in criminal capabilities, new vulnerabilities or other developments will not compromise or breach the security solutions protecting our information technology, networks and systems. A cyber-attack on our information systems technology or those of our partners, vendors, suppliers could adversely affect our ability to process orders, maintain proper levels of inventory, collect accounts receivable and pay expenses; all of which could have an adverse effect on our results of operations, financial condition and cash flows. Failure to effectively prevent, detect and recover from security breaches, including attacks on information technology and infrastructure by hackers; viruses; breaches due to employee error or actions; or other disruptions could seriously harm our operations as well as the operations of our customers and suppliers. Such serious harm can involve, among other things, misuse of our assets, business disruptions, loss of data, unauthorized access to trade secrets and confidential business information, unauthorized access to personal information, legal claims or proceedings, reporting errors, processing inefficiencies, negative media attention, reputational harm, loss of sales, remediation and increased insurance costs, and interference with regulatory compliance. We have experienced and expect to continue to experience some of these types of cybersecurity threats and incidents, which could be material in the future.

Demand for our products is variable and subject to factors beyond our control, which could result in unanticipated events significantly impacting our results of operations.

A substantial portion of our sales is concentrated in industries that are cyclical in nature or subject to market conditions which may cause customer demand for our products to be volatile. Reductions in demand by these industries would reduce the sales and profitability of the affected business segments.

- In our Aerospace & Electronics segment, a significant decline in demand for air travel, or a decline in airline profitability generally, could result in reduced orders for aircraft and could also cause airlines to reduce their purchases of repair parts from our businesses. In addition, our Aerospace & Electronics segment could be impacted to the extent that our major aircraft manufacturing customers encounter problems which impact their production rates and, correspondingly, reduce purchases of our products (for example, the grounding of the 737 MAX and associated suspension of 737 MAX production announced by Boeing in December 2019 reduced our sales and operating profit in 2020), or if pricing pressure from aircraft customers caused the manufacturers to press their suppliers to lower prices and/or extend payment terms; in addition, demand for military and defense products is dependent upon government spending in certain areas which can vary year to year.
- Our Process Flow Technologies segment is dependent on global economic conditions, customer capital spending and commodity prices. Deterioration in any of these economic factors could result in sales and profits falling below our current outlook.
- Our Payment & Merchandising Technologies segment could be affected by sustained weakness in certain geographic markets or certain end markets such as gaming, retail or banking, as well as low employment levels, office occupancy rates and factors affecting vending operator profitability such as higher fuel, food and equipment financing costs; results could also be impacted by unforeseen advances in payment processing technologies. In addition, our results in this segment are subject to significant variability due to the timing and size of contract awards by central banks for banknote production and actual order rates, particularly with the U.S. government.
- In our Engineered Materials segment, sales and profits could be affected by declines in demand for RVs, building materials or truck trailers; results could also be impacted by unforeseen changes in capacity or price increases related to certain raw materials, in particular, resin.

Our businesses are subject to extensive governmental regulation; failure to comply with those regulations could adversely affect our financial condition, results of operations, cash flows and reputation.

We are required to comply with various import and export control laws, which may affect our transactions with certain customers, particularly in our Aerospace & Electronics, Process Flow Technologies and Payment & Merchandising Technology segments, as discussed more fully under “Specific Risks Relating to Our Business Segments.” In certain circumstances, export control and economic sanctions, and other trade-related regulations may prohibit the export of certain products, services and technologies, and in other circumstances we may be required to obtain an export license before exporting the controlled item. A failure to comply with these requirements might result in suspension of these contracts and suspension or debarment from government contracting or subcontracting. For example, compliance with regulations related to the sourcing of conflict-free minerals mined from the democratic Republic of Congo and adjoining countries could limit the pool of suppliers who can provide conflict-free minerals to us, and as a result, may cause us to incur additional expenses and may create challenges for us to obtain conflict-free minerals at competitive prices. In addition, we are subject to the Foreign Corrupt Practices Act, which prohibits U.S. companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business, or securing any improper advantage. We are also subject to the anti-bribery laws of other jurisdictions. Failure to comply with any of these and similar regulations could result in civil and criminal liability, monetary and non-monetary penalties, fines, disruptions to our business, limitations on our ability to export products and services, and damage to our reputation.

We compete with other manufacturing businesses for highly qualified employees in the countries in which we operate, and we may not be able to retain our personnel or hire and retain additional personnel needed for us to sustain and grow our business as planned.

Our business segments and corporate offices are dependent upon highly qualified personnel, and we generally are dependent upon the continued efforts of key management employees. A number of factors may adversely affect the labor force available to us or increase labor costs, including high employment levels, federal unemployment subsidies, including enhanced or expanded unemployment benefits offered in response to the ongoing COVID-19 pandemic, and other government regulations. We have recently observed an overall tightening and increasingly competitive labor market which has, and could continue to result in higher compensation costs. While we believe we have a robust intellectual capital process, we may have difficulty retaining key personnel or locating and hiring additional qualified personnel. The loss of the services of any of such personnel or our failure to attract and retain other qualified and experienced personnel on acceptable terms could impair our ability to successfully sustain and grow our business, which could have an adverse effect on our results of operations and financial condition.

We conduct a substantial portion of our business outside the U.S. and face risks inherent in non-domestic operations.

Net sales by destination outside the U.S. were 41% of our consolidated amounts in 2022. We expect that non-U.S. sales will continue to account for a significant portion of our revenues for the foreseeable future. In addition, our operations outside the U.S. are subject to the risks associated with conducting business internationally, including, but not limited to:

- economic and political instability, including the risk of geopolitical conflict or territorial incursions, in the countries and regions in which we operate;
- the risks of fluctuations in foreign currency exchange rates, primarily the euro, the British pound and the Japanese yen, could adversely affect our reported results, primarily in our Process Flow Technologies and Payment & Merchandising Technologies segments, as amounts earned in other countries are translated into U.S. dollars for reporting purposes; and
- changes in the U.S. government's approach to trade policy, including in some cases renegotiating and terminating certain existing bilateral or multi-lateral trade agreements. The adoption and expansion of trade restrictions, the occurrence of a trade war, or other governmental action related to tariffs or trade agreements or policies has the potential to adversely impact demand for our products, our costs, our customers, our suppliers, and the U.S. economy, which in turn could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- The COVID-19 pandemic had and may continue to have an adverse impact on our operations and financial performance, as well as on the operations and financial performance of many of the customers and suppliers in industries that we serve. The COVID-19 pandemic continues to present business challenges, and we continue to experience impacts related to COVID-19, primarily in disruptions in global supply chains, delays in supplier deliveries, higher raw material prices, delays in deliveries to customers, travel restrictions, site access and quarantine restrictions, and employee absences. Because the severity, magnitude and duration of the COVID-19 pandemic and

its continuing economic consequences remain uncertain and rapidly changing, it is difficult to predict the extent of the pandemic's impact on our operations and financial performance.

Net periodic pension (benefit) cost and pension contributions associated with our retirement benefit plans may fluctuate significantly depending upon changes in actuarial assumptions and future market performance of plan assets.

Total net periodic pension benefit and pension contributions were \$2.3 million and \$19.7 million, respectively in 2022. The costs of our defined benefit pension plans are dependent upon various factors, including rates of return on investment assets, discount rates for future payment obligations, and expected mortality, among other things. In addition, funding requirements for benefit obligations of our pension plans are subject to legislative and other government regulatory actions. Variances in related estimates could have an adverse effect on our financial condition, results of operations and cash flows.

Our business could be harmed if we are unable to protect our intellectual property.

We rely on a combination of trade secrets, patents, trademarks, copyrights and confidentiality procedures to protect our products and technology. Existing trade secret, patent, trademark and copyright laws offer only limited protection. Our patents could be invalidated or circumvented. In addition, others may develop substantially equivalent, or superseding proprietary technology, or competitors may offer equivalent non-infringing products in competition with our products, thereby substantially reducing the value of our proprietary rights. The laws of some foreign countries in which our products are or may be manufactured or sold may not protect our products or intellectual property rights to the same extent as do the laws of the U.S. We cannot assure that the steps we take to protect our intellectual property will be adequate to prevent misappropriation of our technology. We could incur significant and/or unexpected costs in our efforts to successfully avoid, manage, defend and litigate intellectual property matters. Our inability to protect our intellectual property could have an adverse effect on our financial condition, results of operations and cash flows.

We may be unable to identify or to complete acquisitions, or to successfully integrate the businesses we acquire.

We have evaluated, and expect to continue to evaluate, a wide array of potential acquisition transactions. Our acquisition program attempts to address the potential risks inherent in assessing the value, strengths, weaknesses, contingent or other liabilities, systems of internal control and potential profitability of acquisition candidates, as well as other challenges such as retaining the employees and integrating the operations of the businesses we acquire. Integrating acquired operations involves significant risks and uncertainties, including:

- Maintenance of uniform standards, controls, policies and procedures;
- Unplanned expenses associated with the integration efforts;
- Inability to achieve planned facility repositioning savings or related efficiencies from recent and ongoing investments; and
- Unidentified issues not discovered in the due diligence process, including legal contingencies.

There can be no assurance that suitable acquisition opportunities will be available in the future, that we will continue to acquire businesses or that any business acquired will be integrated successfully or prove profitable, which could adversely impact our growth rate. Our ability to achieve our growth goals depends in part upon our ability to identify and successfully acquire, finance and integrate companies and businesses at appropriate prices and realize anticipated cost savings.

Our future results of operations and financial condition could be adversely impacted by intangible asset impairment charges.

As of December 31, 2022, we had goodwill and other intangible assets, net of accumulated amortization, of \$1,944.1 million, which represented approximately 44% of our total assets. Our goodwill is subject to an impairment test on an annual basis and is also tested whenever events and circumstances indicate that goodwill may be impaired. Any excess goodwill resulting from the impairment test must be written off in the period of determination. Intangible assets (other than goodwill) are generally amortized over the useful life of such assets. In addition, from time to time, we may acquire or make an investment in a business that will require us to record goodwill based on the purchase price and the value of the acquired assets. We may subsequently experience unforeseen issues with such business that adversely affect the anticipated returns of the business or value of the intangible assets and trigger an evaluation of the recoverability of the recorded goodwill and intangible assets for such business. Future determinations of significant write-offs of goodwill or intangible assets as a result of an impairment test or any accelerated amortization of other intangible assets could have an adverse effect on our financial condition and results of operations.

Our operations expose us to the risk of environmental liabilities, costs, litigation and violations that could adversely affect our financial condition, results of operations, cash flows and reputation.

Our operations are subject to extensive environmental and health and safety laws and regulations in the jurisdictions in which they operate, which impose limitations on the discharge of pollutants into the ground, air and water and establish standards for the generation, treatment, use, storage and disposal of solid and hazardous wastes. We must also comply with various health and safety regulations in the U.S. and abroad in connection with our operations. The costs of compliance with these regulations results in ongoing costs that may increase over time. Failure to comply with any of these laws could result in civil and criminal liability, substantial monetary and non-monetary penalties and damage to our reputation. In addition, we cannot provide assurance that our costs related to remedial efforts or alleged environmental damage associated with past or current waste disposal practices or other hazardous materials handling practices will not exceed our estimates or adversely affect our financial condition, results of operations and cash flows.

We may be unable to improve productivity, reduce costs and align manufacturing capacity with customer demand.

We are committed to continuous productivity improvement, and we continue to evaluate opportunities to reduce costs, simplify or improve global processes, and increase the reliability of order fulfillment and satisfaction of customer needs. In order to operate more efficiently and control costs, from time to time we execute restructuring activities, which include workforce reductions and facility consolidations. For example, we recorded pre-tax restructuring charges of \$32.1 million for the 2020 repositioning program related to actions to reduce our global workforce in response to the adverse economic impact of COVID-19 and integration actions related to the Cummins-Allison acquisition. At the end of 2022, we took modest cost reduction actions in response to continued global economic uncertainty. While these are proactive actions to increase our productivity and operating effectiveness, our inability to adequately respond to potential declines in global demand for our products and services and properly align our cost base could have an adverse effect on our financial condition, results of operations and cash flows.

We could face potential product liability or warranty claims, we may not accurately estimate costs related to such claims, and we may not have sufficient insurance coverage available to cover such claims.

Our products are used in a wide variety of commercial applications and certain residential applications, including, in many cases, in severe service or mission critical applications. We face an inherent business risk of exposure to product liability or other claims in the event our products are alleged to be defective or that the use of our products is alleged to have resulted in harm to others or to property. We may in the future incur liability if product liability lawsuits against us are successful. Moreover, any such lawsuits, whether or not successful, could result in adverse publicity to us, which could cause our sales to decline.

In addition, consistent with industry practice, we provide warranties on many of our products and we may experience costs of warranty or breach of contract claims if our products have defects in manufacture or design or they do not meet contractual specifications. We estimate our future warranty costs based on historical trends and product sales, but we may fail to accurately estimate those costs and thereby fail to establish adequate warranty reserves for them.

While we maintain insurance coverage with respect to certain liability claims, that insurance coverage may not be adequate to cover all claims that may arise or we may not be able to maintain adequate insurance coverage in the future at an acceptable cost. Any liabilities not covered by insurance or that exceed our established reserves could have an adverse effect on our financial condition, results of operations and cash flows.

We may be unable to successfully develop and introduce new products, which would limit our ability to grow and maintain our competitive position and adversely affect our financial condition, results of operations and cash flow.

Our growth depends, in part, on continued sales of existing products, as well as the successful development and introduction of new products or technologies, which face the uncertainty of customer acceptance and reaction from competitors. Any delay in the development or launch of a new product could result in our not being the first to market, which could compromise our competitive position. Further, the development and introduction of new products may require us to make investments in specialized personnel and capital equipment, increase marketing efforts and reallocate resources away from other uses. We also may need to modify our systems and strategy in light of new products that we develop. If we are unable to develop and introduce new products in a cost-effective manner or otherwise manage effectively the operations related to new products, our financial condition, results of operations and cash flows could be adversely impacted.

We face significant competition which may adversely impact our financial condition, results of operations, and cash flows in the future.

While we are a principal competitor in most of our markets, all of our markets are highly competitive. The competitors in many of our business segments can be expected in the future to improve technologies, reduce costs and develop and

introduce new products. The ability of our business segments to achieve similar advances will be important to our competitive positions. Competitive pressures, including those discussed above, could cause one or more of our business segments to lose market share or could result in significant price erosion, either of which could have an adverse effect on our financial condition, results of operations and cash flows.

Fluctuations in interest rates could affect our financial results.

A portion of our indebtedness bears interest at variable rates that are linked to changing market interest rates. As a result, an increase in market interest rates would increase our interest expense and our debt service obligations. As of December 31, 2022, we had approximately \$400.0 million of indebtedness that bears interest at variable rates. This amount represented approximately 32% of our total indebtedness. As of December 31, 2022, a hypothetical 1% increase in prevailing interest rates would increase our 2022 interest expense by approximately \$4.0 million.

Additional tax expense or exposures could affect our financial condition, results of operations and cash flows.

We are subject to income taxes in the U.S. and various international jurisdictions. Our financial condition, results of operations and cash flow could be affected by changes to any or all of the following: tax laws, regulations, accounting principles and judicial rulings, the geographic mix of our earnings, the valuation of our deferred tax assets and liabilities, and the results of audits and examinations of previously filed tax returns.

If our internal controls are found to be ineffective, our financial results or our stock price may be adversely affected.

We believe that we currently have adequate internal control procedures in place for future periods, including processes related to newly acquired businesses; however, increased risk of internal control breakdowns generally exists in any business environment that is decentralized such as ours. In addition, if our internal control over financial reporting is found to be ineffective, investors may lose confidence in the reliability of our financial statements, which may adversely affect our stock price.

Specific Risks Relating to Our Reportable Segments

Aerospace & Electronics

Our Aerospace & Electronics segment sales are primarily affected by conditions in the commercial aerospace industry which is cyclical in nature, and by changes in defense spending by the U.S. government.

Commercial aircraft are procured primarily by airlines, and airline capital spending can be affected by a number of factors including credit availability and related cost, current and expected fuel prices, and current and forecast air traffic demand levels. Air traffic levels are affected by a different array of factors including general economic conditions and global corporate travel spending, although other non-economic events can also adversely impact airline traffic, including terrorism or pandemic health concerns, such as the COVID-19 pandemic. Our commercial business is also affected by the market for business jets where demand is typically tied to corporate profitability levels, and the freight markets which are most heavily influenced by general economic conditions. Demand for our commercial aftermarket business is closely tied to total aircraft flight hours. Any decrease in demand for new aircraft or equipment, or use of existing aircraft and equipment, would likely result in decreased sales of our products and services. In addition, our commercial business could also be impacted to the extent that our major aircraft manufacturing customers encounter problems which impact their production rates and, correspondingly, reduce purchases of our products (for example, the grounding of the 737 MAX and associated suspension of 737 MAX production announced by Boeing in December 2019 reduced our sales and operating profit in 2020), or if pricing pressure from aircraft customers caused the manufacturers to press their suppliers to lower prices and/or extend payment terms.

The defense portion of the segment's business is dependent primarily on U.S. government spending, and to a lesser extent, foreign government spending, on the specific military platforms and programs where our business participates. Any reduction in appropriations for these platforms or programs could impact the performance of our business. Our sales to defense customers are also affected by the level of activity in military flight operations.

We rely on certain subcontractors and suppliers to provide and produce raw materials, integrated components and sub-assemblies. The Aerospace and Defense industry is experiencing continued disruptions due to the lingering impacts of COVID-19, global supply chain constraints, and labor instability. If one or more of our suppliers or subcontractors continue to experience delivery delays or other performance problems, we may be unable to meet commitments to our customers and our financial position, results of operations and cash flows may continue to be adversely impacted. In some instances, we depend upon a single source of supply. Any service disruption from one of these suppliers, either due to circumstances beyond the supplier's control, such as geopolitical developments, could have a material adverse effect on our ability to meet commitments to our customers or increase our operating costs.

We are required to comply with various export control laws, which may affect our transactions with certain customers. In certain circumstances, export control and economic sanctions regulations may prohibit the export of certain products, services and technologies, and in other circumstances we may be required to obtain an export license before exporting the controlled item. We are also subject to investigation and audit for compliance with the requirements governing government contracts, including requirements related to procurement integrity, manufacturing practices and quality procedures, export control, employment practices, the accuracy of records and the recording of costs and information security requirements. A failure to comply with these requirements could result in suspension of these contracts, and suspension or debarment from government contracting or subcontracting. Failure to comply with any of these regulations could result in civil and criminal liability, monetary and non-monetary penalties, fines, disruptions to our business, limitations on our ability to export products and services, and damage to our reputation.

Due to the lengthy research and development cycle involved in bringing commercial and military products to market, we cannot accurately predict the demand levels that will exist once a given new product is ready for market. In addition, if we are unable to develop and introduce new products in a cost-effective manner or otherwise effectively manage the introduction of new products and/or programs, our results of operations and financial condition could be adversely impacted. Demand for our products could also be adversely impacted by industry consolidation that could result in greater acceptance of competitors' products.

Process Flow Technologies

Our Process Flow Technologies segment competes in markets that are fragmented and highly competitive. The business competes against large, well established global companies, as well as smaller regional and local companies. We compete based on our products' quality, reliability and safety, our brand reputation, value-added technical expertise and customer support and consistent on-time delivery.

Demand for our Process Flow Technologies products is heavily dependent on our customers' level of new capital investment and planned maintenance expenditures. Customer spending typically depends on general economic conditions, availability of credit, and expectations of future demand. Slowing global economic growth, volatility in commodity prices, including the price of oil could all contribute to lower levels of customer spending, and project delays or cancellations.

A portion of this segment's business is subject to government contracting rules and regulations. Failure to comply with these requirements could result in suspension or debarment from government contracting or subcontracting, civil and criminal liability, monetary and non-monetary penalties, disruptions to our business, limitations on our ability to export products and services, or damage to our reputation. At our foreign operations, results could also be adversely impacted by a weakening of local currencies against the U.S. dollar. Our Process Flow Technologies business has the greatest exposure to the euro, British pound and Canadian dollar, and lesser exposure to several other currencies.

Payment & Merchandising Technologies

Our Payment & Merchandising Technologies segment sales are dependent on capital spending in a variety of end markets and across numerous geographies. The level of capital expenditures by our customers depends on general economic conditions, availability of credit, and expectations of future demand. In addition, our results in this segment are subject to significant variability due to the timing and size of contract awards by central banks for banknote production and actual order rates, particularly with the U.S. government.

This business regularly develops and markets new products. Delays in the product development process, the inability of new products to meet targeted performance measures, or the discovery of a successful counterfeit of our security technology products could hurt future sales. This business is also directly and indirectly exposed to changes in government regulations; for example, changes in gaming regulations could influence the spending patterns of our casino operator customers, or changes in anti-money laundering regulations could result in additional technical requirements for our products. We are also subject to investigation and audit for compliance with the requirements governing government contracts, including requirements related to procurement integrity, manufacturing practices and quality procedures, export control, employment practices, the accuracy of records and the recording of costs and information security requirements. A failure to comply with these requirements could result in suspension of these contracts, and suspension or debarment from government contracting or subcontracting. Failure to comply with any of these regulations could result in civil and criminal liability, monetary and non-monetary penalties, fines, disruptions to our business, limitations on our ability to export products and services, and damage to our reputation.

At our foreign operations, results could also be adversely impacted by a weakening of local currencies against the U.S. dollar; this business has the greatest exposure to the euro, British pound, the Japanese yen, and the Mexican peso, although there is lesser exposure to several other currencies. In addition, our facility in Mexico operates under the Mexican Maquiladora

program. This program provides for reduced tariffs and eased import regulations; we could be adversely affected by changes in such program, or by our failure to comply with its requirements.

Engineered Materials

Our Engineered Materials segment manufactures and sells fiberglass reinforced plastic (“FRP”) panels and coils, primarily for use in the manufacturing of RVs, trucks, and trailers, with additional applications in commercial and industrial building construction. Demand in these end markets is dependent on general economic conditions, credit availability, and consumer and corporate spending levels. A decline in demand in any of these end markets, including a significant change in RV industry capacity; a loss of market share to alternative materials such as, for example, non-reinforced plastic, PVC, tile, stainless steel, epoxy paint, wood, and aluminum; or customer pricing pressure would result in lower sales and profits for this business. Profitability could also be adversely affected by an increase in the price of resin or fiberglass if we are unable to pass the incremental costs on to our customers. Additional risks include the loss of a principal supplier.

Item 1B. Unresolved Staff Comments

None

Item 2. Properties

The following is a summary of our principal facilities as of December 31, 2022:

Facilities - Owned												
Location	Aerospace & Electronics		Process Flow Technologies		Payment & Merchandising Technologies		Engineered Materials		Corporate		Total	
	Number	Area (sq. ft.)	Number	Area (sq. ft.)	Number	Area (sq. ft.)	Number	Area (sq. ft.)	Number	Area (sq. ft.)	Number	Area (sq. ft.)
Manufacturing												
United States	6	731,575	6	698,573	8	1,516,331	4	644,333	—	—	24	3,590,812
Europe	—	—	6	753,616	3	732,713	—	—	—	—	9	1,486,329
Other international	—	—	4	509,925	2	294,666	—	—	—	—	6	804,591
	6	731,575	16	1,962,114	13	2,543,710	4	644,333	—	—	39	5,881,732
Non-Manufacturing												
United States	—	—	2	98,510	6	154,500	—	—	—	—	8	253,010
Canada	—	—	—	—	—	—	—	—	—	—	—	—
Europe	—	—	2	73,780	1	11,000	—	—	—	—	3	84,780
Other international	—	—	—	—	—	—	—	—	—	—	—	—
	—	—	4	172,290	7	165,500	—	—	—	—	11	337,790
Facilities - Leased												
Location	Aerospace & Electronics		Process Flow Technologies		Payment & Merchandising Technologies		Engineered Materials		Corporate		Total	
	Number	Area (sq. ft.)	Number	Area (sq. ft.)	Number	Area (sq. ft.)	Number	Area (sq. ft.)	Number	Area (sq. ft.)	Number	Area (sq. ft.)
Manufacturing												
United States	—	—	2	97,220	1	141,049	—	—	—	—	3	238,269
Canada	—	—	1	20,572	—	—	—	—	—	—	1	20,572
Europe	1	19,418	4	822,573	1	15,718	—	—	—	—	6	857,709
Other international	1	63,653	2	111,594	—	—	—	—	—	—	3	175,247
	2	83,071	9	1,051,959	2	156,767	—	—	—	—	13	1,291,797
Non-Manufacturing												
United States	2	8,348	6	186,765	51	428,795	3	78,950	3	39,875	65	742,733
Canada	—	—	1	11,200	5	16,327	—	—	—	—	6	27,527
Europe	2	1,596	7	50,864	3	293,069	—	—	—	—	12	345,529
Other international	—	—	18	126,367	5	20,394	—	—	—	—	23	146,761
	4	9,944	32	375,196	64	758,585	3	78,950	3	39,875	106	1,262,550

In our opinion, these properties have been well maintained, are in good operating condition and contain all necessary equipment and facilities for their intended purposes.

Item 3. Legal Proceedings.

Discussion of legal matters is incorporated by reference to Part II, Item 8 under Note 12, "Commitments and Contingencies," in the Notes to Consolidated Financial Statements.

Item 4. Mine Safety Disclosures.

Not applicable.

Part II

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

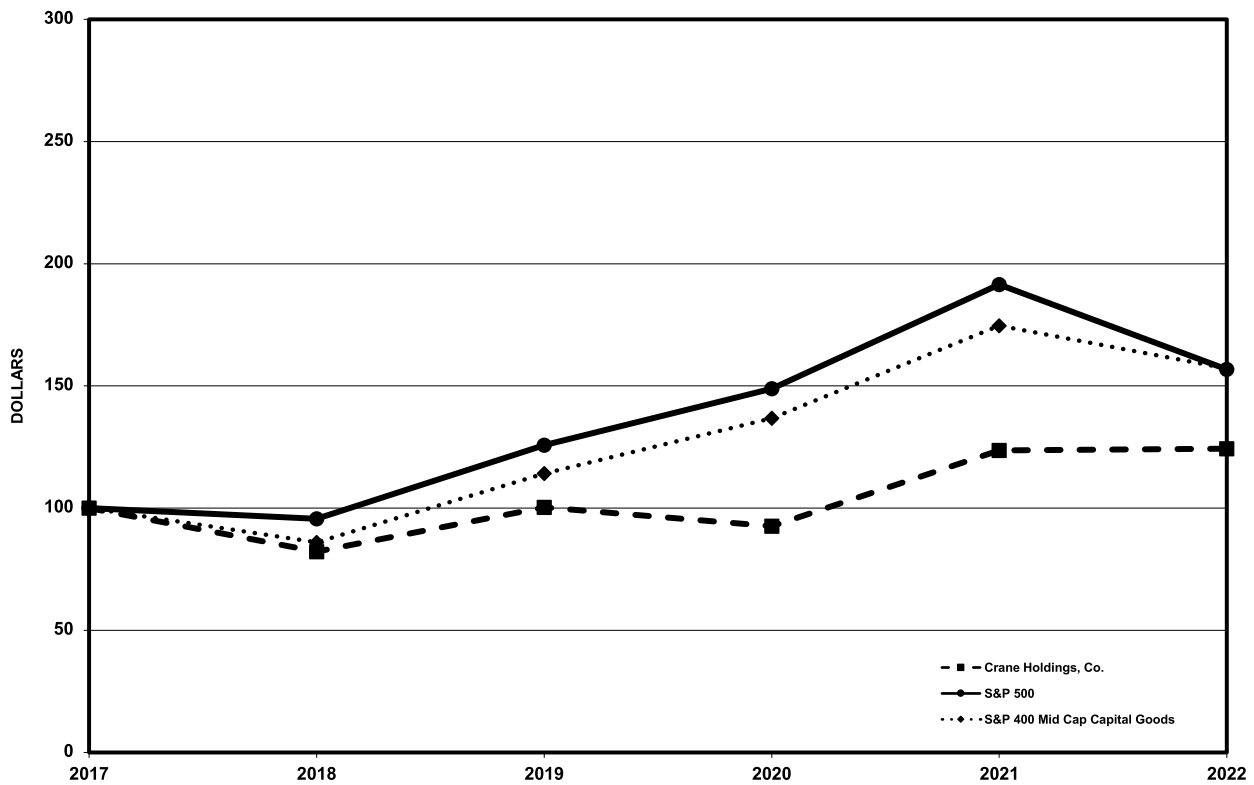
Market Information

Crane Holdings, Co. common stock is traded on the New York Stock Exchange (“NYSE”) under the symbol “CR”. As of December 31, 2022, there were 1,623 holders of record of Crane Holdings, Co. common stock.

Stock Performance Graph

The following chart compares the total stockholder returns (stock price increase plus reinvested dividends) on our common stock from December 31, 2017 through December 31, 2022 with the total stockholder returns for the S&P 500 Index and the S&P MidCap Capital Goods Index. The graph assumes that the value of the investment in the common stock and each index was \$100 on December 31, 2017 and that all dividends were reinvested.

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN
Among Crane Holdings, Co., S&P 500, and S&P 400 Mid Cap Capital Goods
Fiscal Year Ending December 31,



		2017	2018	2019	2020	2021	2022
Crane Holdings, Co.	(\$)	100	82	100	93	124	124
S&P 500	(\$)	100	96	126	149	191	157
S&P 400 Mid Cap Capital Goods	(\$)	100	86	114	137	175	157

Purchases of Equity Securities

On October 25, 2021, the Company announced that its Board of Directors authorized the Company to purchase up to \$300 million of its common stock through a share repurchase program (the "Program") that calls for shares to be purchased in the open market from time-to-time at prevailing prices in accordance with federal securities laws. All remaining availability under the Program as of March 31, 2022 was repurchased in April 2022 prior to the Program expiring on April 22, 2022. We did not make any open-market share repurchases of our common stock during the remainder of 2022. We routinely receive shares of our common stock as payment for stock option exercises and the withholding taxes due on stock option exercises and the vesting of restricted share units from stock-based compensation program participants.

Equity Compensation Plans

For information regarding equity compensation plans, see Item 12 of this annual report on Form 10-K.

Item 6. Supplementary Financial Information

(in millions, except per share data) For year ended December 31,	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
<u>2022</u>					
Net sales	\$ 871.4	\$ 864.3	\$ 815.1	\$ 824.1	\$ 3,374.9
Cost of sales	526.1	535.7	485.6	487.7	2,035.1
Gross profit	345.3	328.6	329.5	336.4	1,339.8
Operating profit (loss)	147.0	124.4	(31.2)	129.3	369.5
Net income (loss) attributable to common shareholders	105.0	258.2	(59.3)	97.2	401.1
Basic earnings (loss) per share	\$ 1.84	\$ 4.60	\$ (1.06)	\$ 1.73	\$ 7.11
Diluted earnings (loss) per share	\$ 1.81	\$ 4.54	\$ (1.06)	\$ 1.71	\$ 7.01
<u>2021</u>					
Net sales	\$ 833.5	\$ 855.5	\$ 893.8	\$ 825.2	\$ 3,408.0
Cost of sales	513.6	523.5	556.4	526.8	2,120.3
Gross profit	319.9	332.0	337.4	298.4	1,287.7
Operating profit	146.6	144.5	144.8	93.3	529.2
Net income attributable to common shareholders	108.4	138.3	116.6	72.1	435.4
Basic earnings per share	\$ 1.86	\$ 2.36	\$ 1.99	\$ 1.25	\$ 7.46
Diluted earnings per share	\$ 1.84	\$ 2.33	\$ 1.96	\$ 1.22	\$ 7.36

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

The following discussion and analysis of our financial condition and results of operations should be read together with our consolidated financial statements and related notes included under Item 8 of this Annual Report on Form 10-K.

We are a diversified manufacturer of highly engineered industrial products. Our operations are currently comprised of four segments: Aerospace & Electronics, Process Flow Technologies, Payment & Merchandising Technologies, and Engineered Materials. Our primary end markets include commercial and military aerospace, defense and space, chemical production, pharmaceutical production, water and wastewater, non-residential and municipal construction, energy, banknote design and production, payment automation solutions, along with a wide range of general industrial and certain consumer related end markets.

Our strategy is to grow earnings and cash flow by focusing on the manufacturing of highly engineered industrial products for specific markets where our scale is a relative advantage, and where we can compete based on our proprietary and differentiated technology, our deep vertical expertise, and our responsiveness to unique and diverse customer needs. We continuously evaluate our portfolio, pursue acquisitions that complement our existing businesses and are accretive to our growth profile, selectively divest businesses where appropriate, and pursue internal mergers to improve efficiency. We strive to foster a performance-based culture focused on productivity and continuous improvement, to attract and retain a committed management team whose interests are directly aligned with those of our shareholders, and to maintain a focused, efficient corporate structure.

We will continue to execute this strategy while remaining committed to the values of our founder, R.T. Crane, who resolved to conduct business "in the strictest honesty and fairness; to avoid all deception and trickery; to deal fairly with both customers and competitors; to be liberal and just toward employees; and to put my whole mind upon the business."

Due to rounding, numbers presented throughout this report may not add up precisely to totals we provide and percentages may not precisely reflect the absolute figures.

Recent Transactions

Holding Company Reorganization

On May 16, 2022, Crane Co., a Delaware corporation ("Crane Co."), completed its previously announced reorganization merger pursuant to the Agreement and Plan of Merger, dated as of February 28, 2022 (the "Reorganization Agreement"), by and among Crane Co., Crane Holdings, Co., a Delaware corporation ("Crane Holdings"), and Crane Transaction Company, LLC, a Delaware limited liability company and, as of immediately prior to the consummation of such merger, a wholly-owned subsidiary of Crane Holdings ("Merger Sub"). The Reorganization Agreement provided for the merger of Crane Co. and Merger Sub, with Crane Co. surviving the merger as a wholly-owned subsidiary of Crane Holdings (the "Reorganization Merger").

Following the Reorganization Merger, on May 16, 2022, Crane Co. converted from a Delaware corporation into a Delaware limited liability company named "Crane LLC" (such conversion, together with the Reorganization Merger, the "Reorganization"). Following the Reorganization, substantially all of the assets of Crane LLC were distributed, assigned, transferred, conveyed and delivered to, and certain non-asbestos related liabilities of Crane LLC were assumed by, Crane Holdings. On May 17, 2022, Crane LLC converted from a Delaware limited liability company to a Delaware corporation named "Crane Co." Subsequently, on May 26, 2022, Crane Co. filed a Certificate of Amendment to its Certificate of Incorporation (the "Certificate of Amendment") with the Secretary of State of the State of Delaware, which became effective upon filing, pursuant to which the Crane Co. officially changed its name from "Crane Co." to "Redco Corporation". The "Crane Co." name has been reserved for future use by Crane Holdings.

Divestiture of asbestos-related assets and liabilities

On August 12, 2022, Crane Holdings, Co., Crane Company, a wholly-owned subsidiary of Crane Holdings, Co., and Redco Corporation ("Redco"), then a wholly-owned subsidiary of Crane Company that held asbestos liabilities and related insurance assets, entered into a Stock Purchase Agreement (the "Redco Purchase Agreement") with Spruce Lake Liability Management Holdco LLC ("Redco Buyer"), an unrelated third party and long-term liability management company specializing in the acquisition and management of legacy corporate liabilities whereby Crane Company transferred to Redco Buyer all of the issued and outstanding shares of Redco (the "Redco Sale"). In connection with the Redco Sale, Crane Holdings, Co., on behalf of Crane Company, contributed approximately \$550 million in cash to Redco, which was funded by a combination of short-term borrowings and cash on hand. As a result of the Redco Sale, all asbestos obligations and liabilities, related insurance assets and associated deferred tax assets have been removed from Crane Holdings, Co.'s consolidated balance sheets effective August 12, 2022. A loss on the divestiture of asbestos-related assets and liabilities of \$162.4 million was recognized in the consolidated statements of operations for the year ended December 31, 2022.

Sale of Crane Supply

On April 8, 2022, the Company entered into an agreement to sell the Crane Supply business for CAD 380 million on a cash-free and debt-free basis. Subsequent to net working capital and other closing adjustments, the sale closed on May 31, 2022 for CAD 402 million. In August 2022, the Company received CAD 5 million related to a final working capital adjustment. The Company recognized a total gain on sale of \$232.5 million.

Pending Separation

On March 30, 2022, the Company announced that its Board of Directors unanimously approved a plan to pursue a separation into two independent, publicly-traded companies (the "Separation"), Crane Company and Crane NXT, Co. Upon completion of the pending Separation, Crane Holdings, Co. will be renamed "Crane NXT, Co." and will continue to operate our Payment & Merchandising Technologies segment. The new company distributed to our stockholders in the Separation, Crane Company, will hold our Aerospace & Electronics and Process Flow Technologies global growth platforms, as well as our Engineered Materials segment. The Separation is expected to occur through a tax-free distribution of all of the outstanding shares of Crane Company common stock to holders of our common stock and is expected to be completed in April, 2023, subject to the satisfaction of customary conditions and final approval by Crane Holdings, Co.'s Board of Directors. On February 7, 2023, the SEC declared effective the registration statement of Crane Company on Form 10. Each of our stockholders will receive one share of Crane Company common stock for every one share of our common stock held on March 23, 2023, the record date for the distribution.

For additional information regarding the Separation, including risk factors, see the Information Statement of Crane Company, filed as Exhibit 99.1 to Amendment No. 1 to the registration statement on Form 10 filed by Crane Company with the SEC on January 23, 2023.

Termination of Agreement to Sell Engineered Materials

On May 16, 2021, we entered into an agreement to sell the Engineered Materials segment to Grupo Verzatec S.A. de C.V. ("Verzatec") for \$360 million on a cash-free and debt-free basis. In the second quarter of 2021, the assets and liabilities of the segment were classified as held for sale. On May 26, 2022, Verzatec terminated the sale agreement and paid \$7.5 million to the Company in termination fees, which is presented within Miscellaneous income, net on the Consolidated Statements of Operations. As such, as of June 30, 2022 the Engineered Materials segment is no longer classified as assets held for sale and is presented herein as continuing operations for all periods presented.

Results from Operations - For the Years ended December 31, 2022, 2021 and 2020

(in millions, except %)	For the year ended December 31,			2022 vs 2021 Favorable / (Unfavorable) Change		2021 vs 2020 Favorable / (Unfavorable) Change	
	2022	2021	2020	\$	%	\$	%
Net sales:							
Aerospace & Electronics	\$ 667.3	\$ 638.3	\$ 650.7	\$ 29.0	4.5 %	\$ (12.4)	(1.9)%
Process Flow Technologies	1,109.4	1,196.6	1,005.8	(87.2)	(7.3)%	190.8	19.0 %
Payment & Merchandising Technologies	1,339.9	1,345.1	1,104.8	(5.2)	(0.4)%	240.3	21.8 %
Engineered Materials	258.3	228.0	175.6	30.3	13.3 %	52.4	29.8 %
Total net sales	\$3,374.9	\$ 3,408.0	\$ 2,936.9	\$ (33.1)	(1.0)%	\$ 471.1	16.0 %
Sales growth:							
Core business				\$ 219.6	6.4 %	\$ 395.5	13.5 %
Foreign exchange				(113.6)	(3.3)%	70.6	2.4 %
Acquisitions/dispositions				(139.1)	(4.1)%	5.0	0.2 %
Total sales growth				\$ (33.1)	(1.0)%	\$ 471.1	16.0 %
Cost of sales	\$2,035.1	\$ 2,120.3	\$ 1,930.7	\$ 85.2	4.0 %	\$ (189.6)	(9.8)%
Selling, general and administrative	\$ 797.5	\$ 775.4	\$ 698.1	\$ (22.1)	(2.9)%	\$ (77.3)	(11.1)%
Restructuring charges (gains), net	\$ 10.4	\$ (16.9)	\$ 32.3	\$ (27.3)	(161.5)%	\$ 49.2	NM
Acquisition-related and integration charges	—	—	\$ 12.9	—	—	\$ 12.9	NM
Loss on divestiture of asbestos-related assets and liabilities	\$ 162.4	—	—	\$ (162.4)	NM	—	—
Operating profit (loss):							
Aerospace & Electronics	\$ 120.3	\$ 110.0	\$ 100.7	\$ 10.3	9.4 %	\$ 9.3	9.2 %
Process Flow Technologies	168.2	182.5	97.7	(14.3)	(7.8)%	84.8	86.8 %
Payment & Merchandising Technologies	333.1	307.5	100.6	25.6	8.3 %	206.9	205.7 %
Engineered Materials	32.6	26.9	22.7	5.7	21.2 %	4.2	18.5 %
Corporate expense	(284.7)	(97.7)	(58.8)	(187.0)	(191.4)%	(38.9)	(66.2)%
Total operating profit	\$ 369.5	\$ 529.2	\$ 262.9	\$ (159.7)	(30.2)%	\$ 266.3	101.3 %
Operating margin:							
Aerospace & Electronics	18.0 %	17.2 %	15.5 %				
Process Flow Technologies	15.2 %	15.2 %	9.7 %				
Payment & Merchandising Technologies	24.9 %	22.9 %	9.1 %				
Engineered Materials	12.6 %	11.8 %	12.9 %				
Total operating margin	10.9 %	15.5 %	9.0 %				

Items Affecting Comparability of Reported Results

The comparability of our results for the years ended December 31, 2022, 2021 and 2020 is affected by the following significant items:

Divestiture of asbestos-related assets and liabilities

In 2022, we recognized a loss on the divestiture of asbestos-related assets and liabilities of \$162.4 million. Please refer to item 8 under Note 12, "Commitments and Contingencies" in the Notes to Consolidated Financial Statements for further discussion.

Sale of Crane Supply

In 2022, we recognized a gain on sale of \$232.5 million related to the sale of Crane Supply, which is presented within Gain on sale of business on the Consolidated Statements of Operations.

Termination of Agreement to Sell Engineered Materials

On May 26, 2022, Verzatec terminated the sale agreement and paid \$7.5 million to the Company in termination fees, which is presented within Miscellaneous income, net on the Consolidated Statements of Operations.

Restructuring and Related (Gains) Charges, net

In 2022, we recorded net pre-tax restructuring and related charges of \$14.9 million primarily related to modest cost reduction efforts across our businesses in response to continued macroeconomic uncertainty. In 2021, we recorded total pre-tax restructuring and related gains of \$9.6 million primarily related to a gain on the sale of real estate. In 2020, we recorded total pre-tax restructuring and related charges of \$37.4 million primarily in response to the adverse economic impact of COVID-19 and integration actions related to the Cummins-Allison acquisition.

Transaction Related Expenses

In 2022, we recorded pre-tax transaction related expenses of \$49.8 million most of which related to the planned separation, coupled with expenses associated with defending the asbestos liability and to a lesser extent, divestiture costs related to the intended sale of Engineered Materials and the completed sale of Crane Supply.

During 2021, we recorded pre-tax transaction related expenses of \$8.2 million related to the previously proposed divestiture of Engineered Materials and other professional fees.

Acquisition-Related and Integration Charges

During 2020, we recorded pre-tax acquisition-related and integration charges of \$12.9 million. Please refer to Item 8 under Note 2, "Acquisitions" in the Notes to Consolidated Financial Statements for further discussion.

OVERALL**2022 compared with 2021**

Sales decreased by \$33.1 million, or 1.0%, to \$3,374.9 million in 2022. The year-over-year lower sales included:

- an increase in core sales of \$219.6 million, or 6.4%;
- unfavorable foreign currency translation of \$113.6 million, or 3.3%; and
- a decrease in sales related to the sale of Crane Supply of \$139.1 million, or 4.1%.

Cost of sales decreased by \$85.2 million, or 4.0%, to \$2,035.1 million in 2022. The decrease is primarily related to the sale of Crane Supply of \$102.4 million, or 4.8%, favorable foreign currency translation of \$72.6 million, or 3.4%, the impact of lower volumes of \$46.8 million, or 2.2%, and strong productivity of \$59.5 million, or 2.8%, partially offset by an increase in material, labor and other manufacturing costs of \$169.0 million, or 8.0%, and unfavorable mix of \$34.6 million, or 1.6%.

Selling general and administrative expenses increased by \$22.1 million, or 2.9%, to \$797.5 million in 2022. The increase was driven primarily by increased costs of \$72.8 million, or 9.4%, including transaction related expenses of \$41.6 million, or 5.4%, supporting the Crane Supply and asbestos divestiture as well as the planned Separation, partially offset by favorable foreign currency translation of \$21.9 million, or 2.8%, the impact of the sale of Crane Supply of \$16.5 million, or 2.1%, and strong productivity of \$7.8 million, or 1%.

Operating profit decreased by \$159.7 million, or 30.2%, to \$369.5 million in 2022. The decrease in operating profit is primarily related to the loss on divestiture of asbestos-related assets and liabilities of \$162.4 million, coupled with the divested

operating profit of \$20.2 million related to the sale of Crane Supply. Operating segment performance was strong across the Company, with pricing actions and strong productivity more than offsetting higher material, labor and other manufacturing costs. Operating profit in 2022 included net restructuring and related charges of \$14.9 million and transaction related expenses of \$49.8 million. Operating profit in 2021 included net restructuring and related gains of \$9.6 million and transaction related expenses of \$8.2 million.

2021 compared with 2020

Sales increased by \$471.1 million, or 16.0%, to \$3,408.0 million in 2021. The year-over-year higher sales included:

- an increase in core sales of \$395.5 million, or 13.5%, largely driven by end markets that continued to recover from the 2020 impact of the COVID-19 pandemic;
- favorable foreign currency translation of \$70.6 million, or 2.4%; and
- an increase in sales related to acquisitions of \$5.0 million, or 0.2%.

Cost of sales increased by \$189.6 million, or 9.8%, to \$2,120.3 million in 2021, primarily related to \$175.2 million, or 9.1%, to support the higher sales volumes, and an increase in material, labor and other manufacturing costs of \$94.2 million, or 4.9%. Cost of Sales also increased \$46.8 million, or 2.4%, related to unfavorable foreign currency translation. These increases were offset by higher productivity of \$68.9 million, or 3.6%, and favorable mix of \$53.5 million, or 2.8%.

Selling, general and administrative expense increased \$77.3 million, or 11.1%, to \$775.4 million in 2021, primarily related to a proportionate increase to the higher sales in the period, including higher compensation costs of \$57.6 million, or 8.3%, which was primarily related to higher incentive compensation, driven by above-budget performance. The remaining increase primarily relates to unfavorable foreign currency translation of \$12.9 million, or 1.8%.

Operating profit increased by \$266.3 million, or 101.3%, to \$529.2 million in 2021. The increase in operating profit reflected higher operating profit in each of our segments, partially offset by higher corporate costs. Operating profit in 2021 included net restructuring and related gains of \$9.6 million and transaction related expenses of \$8.2 million. Operating profit in 2020 included restructuring and related charges of \$37.4 million and acquisition-related and integration charges of \$12.9 million.

Comprehensive income

(in millions) For the year ended December 31,	2022	2021	2020
Net income before allocation to noncontrolling interests	\$ 401.1	\$ 435.4	\$ 181.1
Other comprehensive (loss) income, net of tax			
Currency translation adjustment	(93.3)	(69.2)	70.4
Changes in pension and postretirement plan assets and benefit obligation, net of tax	30.0	96.0	(53.6)
Other comprehensive (loss) income, net of tax	(63.3)	26.8	16.8
Comprehensive income before allocation to noncontrolling interests	337.8	462.2	197.9
Less: Noncontrolling interests in comprehensive income (loss)	(0.2)	0.6	(0.5)
Comprehensive income attributable to common shareholders	\$ 338.0	\$ 461.6	\$ 198.4

For the year ended December 31, 2022, comprehensive income before allocation to noncontrolling interests was \$337.8 million compared to \$462.2 million in 2021. The \$124.4 million decrease was primarily driven by \$34.3 million of lower net income before allocation to noncontrolling interests, a \$66.0 million decrease primarily related to changes in pension discount rates and a \$24.1 million unfavorable impact of foreign currency translation adjustments, primarily related to the British pound and euro.

For the year ended December 31, 2021, comprehensive income before allocation to noncontrolling interests was \$462.2 million compared to \$197.9 million in 2020. The \$264.3 million increase was primarily driven by \$254.3 million of higher net income before allocation to noncontrolling interests and a \$149.6 million increase primarily related to changes in pension discount rates, coupled with improved asset performance, partially offset by a \$139.6 million unfavorable impact of foreign currency translation adjustments, primarily related to the British pound, Canadian dollar and euro.

AEROSPACE & ELECTRONICS

(in millions, except %) For the year ended December 31,	2022	2021	2020
Net sales by product line:			
Commercial Original Equipment	\$ 250.5	\$ 229.4	\$ 226.4
Military Original Equipment	231.2	239.7	258.7
Commercial Aftermarket	129.3	104.5	93.0
Military Aftermarket	56.3	64.7	72.6
Total net sales	\$ 667.3	\$ 638.3	\$ 650.7
Cost of sales	\$ 417.7	\$ 399.6	\$ 428.2
Selling, general and administrative ^(a)	\$ 129.3	\$ 128.7	\$ 121.8
Operating profit	\$ 120.3	\$ 110.0	\$ 100.7
Assets	\$ 663.3	\$ 604.7	\$ 593.9
Backlog	\$ 613.1	\$ 459.8	\$ 491.2
Operating margin	18.0 %	17.2 %	15.5 %

(a) Selling, general and administrative expense includes net restructuring charges of \$1.5 million, \$0.0 million and \$6.5 million in 2022, 2021 and 2020, respectively.

2022 compared to 2021

Aerospace & Electronics sales increased \$29.0 million, or 4.5%, to \$667.3 million in 2022. Price was the primary contribution to the growth for the year. The commercial market and military market accounted for 57% and 43%, respectively, of total segment sales in 2022. Sales to OEM and aftermarket customers in 2022 were 72% and 28% of total segment sales, respectively.

- Sales of Commercial Original Equipment increased by \$21.1 million, or 9.2%, to \$250.5 million in 2022, reflecting strong demand from aircraft manufacturers as the industry aircraft build rates continue to recover from the COVID-19 related slowdown, partially offset by material availability constraints.
- Sales of Military Original Equipment decreased by \$8.5 million, or 3.5%, to \$231.2 million in 2022, primarily reflecting lower shipments due to order timing and material availability constraints.
- Sales of Commercial Aftermarket increased by \$24.8 million, or 23.7%, to \$129.3 million in 2022, reflecting strong demand from the airlines due to improving air traffic as the industry continues to recover from the COVID-19 related slowdown, along with higher pricing.
- Sales of Military Aftermarket decreased by \$8.4 million, or 13.0%, to \$56.3 million in 2022, primarily reflecting timing of government orders for certain programs and material availability constraints.

Cost of sales increased \$18.1 million, or 4.5%, to \$417.7 million in 2022 compared to 2021, primarily reflecting \$29.5 million, or 7.4%, of increased material, labor and other manufacturing costs supporting the higher sales, partially offset by \$14.3 million, or 3.6%, of productivity gains.

Selling, general and administrative expense increased by \$0.6 million, or 0.5%, to \$129.3 million in 2022, as higher selling and engineering costs were offset by lower administrative costs.

Operating profit increased \$10.3 million, or 9.4%, to \$120.3 million in 2022 compared to 2021, primarily due to productivity gains of \$16.0 million, or 14.5%, partially offset by increased material, labor and other costs of \$2.4 million, or 2.2%, and unfavorable mix of \$2.1 million, or 1.9%.

2021 compared to 2020

A&E sales decreased \$12.4 million, or 1.9%, to \$638.3 million in 2021 compared to 2020. The commercial market and military market accounted for 52% and 48%, respectively, of total segment sales in 2021. Sales to OEM and aftermarket customers in 2021 were 74% and 26% of total sales, respectively.

- Sales of Commercial Original Equipment increased by \$3.0 million, or 1.3%, to \$229.4 million in 2021 compared to 2020.
- Sales of Military Original Equipment decreased by \$19.0 million, or 7.3%, to \$239.7 million in 2021 compared to 2020, primarily reflecting challenging comparisons to particularly strong sales growth during the prior three years.

- Sales of Commercial Aftermarket increased by \$11.5 million, or 12.4%, to \$104.5 million in 2021 compared to 2020, primarily reflecting higher demand driven by a rebound in commercial air traffic following the 2020 impact of the COVID-19 pandemic.
- Sales of Military Aftermarket decreased by \$7.9 million, or 10.9%, to \$64.7 million in 2021 compared to 2020, primarily reflecting particularly strong sales in the prior year.

Cost of sales decreased \$28.6 million, or 6.7%, to \$399.6 million in 2021 compared to 2020, primarily related to increased productivity of \$14.0 million, or 3.3%, and improved mix of \$12.2 million, or 2.8%.

Selling, general and administrative expense increased \$6.9 million, or 5.7%, to \$128.7 million in 2021 compared to 2020, primarily related to higher compensation costs of \$10.7 million, or 8.8%, offset by restructuring charges \$6.5 million, or 5.3%, in 2020, which did not repeat in 2021.

Operating profit increased by \$9.3 million, or 9.2%, to \$110.0 million in 2021 compared to 2020, primarily as a result of savings from 2020 repositioning actions of \$19.0 million, or 18.9%, and productivity benefits of \$16.5 million, or 16.4%, largely offset by the impact of lower sales volumes of \$21.3 million, or 21.2%.

Process Flow Technologies

(in millions, except %) For the year ended December 31,	2022	2021	2020
Net sales by product line:			
Process Valves and Related Products	\$ 749.8	\$ 717.1	\$ 631.6
Commercial Valves	232.2	374.2	286.3
Pumps and Systems	127.4	105.3	87.9
Total net sales	\$ 1,109.4	\$ 1,196.6	\$ 1,005.8
Cost of sales	\$ 697.8	\$ 791.5	\$ 689.5
Selling, general and administrative ^(a)	\$ 243.4	\$ 222.6	\$ 218.6
Operating profit	\$ 168.2	\$ 182.5	\$ 97.7
Assets	\$ 1,064.7	\$ 1,240.4	\$ 1,106.1
Backlog	\$ 368.8	\$ 357.9	\$ 313.4
Operating margin	15.2 %	15.2 %	9.7 %

(a) Selling, general and administrative expense includes net restructuring charges of \$2.3 million in 2022, net restructuring gain of \$13.2 million in 2021 and net restructuring charges of \$6.1 million in 2020.

2022 compared to 2021

Sales decreased by \$87.2 million, or 7.3%, to \$1,109.4 million in 2022, driven by lost sales associated with the divestiture of Crane Supply of \$139.1 million, or 11.6%, and unfavorable foreign currency translation of \$46.6 million, or 3.9%, partially offset by higher core sales of \$98.3 million, or 8.2%. Core sales growth was driven primarily by pricing, with modestly higher volumes.

- Sales of Process Valves and Related Products increased by \$32.7 million, or 4.6%, to \$749.8 million in 2022. The increase reflected higher core sales of \$63.6 million, or 8.9%, driven by higher pricing, offset by unfavorable foreign currency translation of \$31.1 million, or 4.3%, as the euro weakened against the U.S. dollar. Demand remained strong across Chemical, Pharmaceutical and General Industrial end markets.
- Sales of Commercial Valves decreased by \$142.0 million, or 37.9%, to \$232.2 million in 2022, primarily driven by lost sales associated with the divestiture of Crane Supply of \$139.1 million, or 37.2%, and unfavorable foreign currency translation of \$15.1 million, or 4.0%, as the British pound weakened against the U.S. dollar, partially offset by an increase in core sales of \$12.2 million, or 3.3%. The higher core sales reflected higher demand in Canadian non-residential construction markets.
- Sales of Pumps and Systems increased by \$22.1 million, or 21.0%, to \$127.4 million in 2022, primarily driven by higher sales to municipal customers and non-residential construction end markets.

Cost of sales decreased by \$93.7 million, or 11.8%, to \$697.8 million, primarily related to \$102.4 million of divested cost related to the sale of Crane Supply, or 12.9%, favorable foreign currency of \$30.0 million, or 3.8%, and productivity gains of \$17.1 million, or 2.2%, partially offset by a \$45.3 million, or 5.7%, increase in material, labor and other manufacturing costs and unfavorable mix of \$16.1 million, or 2.0%.

Selling, general and administrative expense increased by \$20.8 million, or 9.3%, to \$243.4 million primarily reflecting higher administrative and selling costs of \$36.1 million, or 16.2%, and lower net restructuring gains of \$15.5 million, or 7.0%, partially offset by favorable currency translation of \$10.6 million, or 4.8%, and the divested cost related to the sale of Crane Supply of \$16.5 million, or 7.4%.

Operating profit decreased by \$14.3 million, or 7.8%, to \$168.2 million in 2022. The decrease is primarily due to divested operating profit of \$20.2 million related to the sale of Crane Supply, or 11.1%, and lower net restructuring gains of \$15.5 million, or 8.5%, partially offset by productivity gains of \$20.1 million, or 11.0%.

2021 compared to 2020

Sales increased by \$190.8 million, or 19.0%, to \$1,196.6 million in 2021 compared to 2020, driven by higher core sales of \$145.2 million, or 14.5%, favorable foreign currency translation of \$40.6 million, or 4.0% and a benefit from the January 2020 acquisition of Instrumentation & Sampling ("I&S") of \$5.0 million, or 0.5%.

- Sales of Process Valves and Related Products increased by \$85.5 million, or 13.5%, to \$717.1 million in 2021 compared to 2020. The increase reflected higher core sales of \$66.2 million, or 10.5%, favorable foreign currency translation of \$14.3 million, or 2.3%, primarily reflecting the strengthening of the euro against the U.S. dollar, and a

benefit from the acquisition of I&S of \$5.0 million, or 0.8%. The higher core sales primarily reflected broad based strengthening across chemical, pharmaceutical, and general industrial end markets that continue to recover from the 2020 impact of the COVID-19 pandemic.

- Sales of Commercial Valves increased by \$87.9 million, or 30.7%, to \$374.2 million in 2021 compared to 2020, primarily driven by a core sales increase of \$62.3 million, or 21.8%, and favorable foreign currency translation of \$25.6 million, or 8.9%, as the Canadian dollar and British pound strengthened against the U.S. dollar. The higher core sales reflected higher demand in Canadian non-residential construction markets, and to a lesser extent, higher demand in UK non-residential construction markets.
- Sales of Pumps and Systems increased by \$17.4 million, or 19.8%, to \$105.3 million in 2021 compared to 2020, primarily reflecting higher demand from municipal and non-residential construction end markets.

Cost of sales increased \$102.0 million, or 14.8%, to \$791.5 million in 2021 compared to 2020, primarily related to higher volumes of \$62.7 million, or 9.1%, increased material, labor and other manufacturing costs of \$29.4 million, or 4.3%, and unfavorable foreign currency translation of \$27.5 million, or 4.0%, partially offset by increased productivity of \$21.9 million, or 3.2%.

Selling, general and administrative expense increased \$4.0 million, or 1.8%, to \$222.6 million in 2021 compared to 2020, primarily related to higher compensation costs of \$17.5 million, or 8.0%, partially offset by a restructuring gain in 2021 of \$13.2 million.

Operating profit increased by \$84.8 million, or 86.8%, to \$182.5 million in 2021 compared to 2020. The increase primarily reflected the impact of higher sales volumes of \$45.2 million, or 46.3%, productivity benefits of \$24.7 million, or 25.3%, lower restructuring costs of \$16.4 million, or 16.8%, which included a gain on the sale of real estate related to prior repositioning actions, and the absence of acquisition-related and integration charges of \$6.3 million, or 6.4%, partially offset by \$7.8 million, or 8.0%, of other items, net.

PAYMENT & MERCHANDISING TECHNOLOGIES

(in millions, except %) For the year ended December 31,	2022	2021	2020
Net sales by product line:			
Payment Acceptance and Dispensing Products	\$ 874.3	\$ 805.7	\$ 670.8
Banknotes and Security Products	465.6	539.4	434.0
Total net sales	\$ 1,339.9	\$ 1,345.1	\$ 1,104.8
Cost of sales	\$ 713.7	\$ 746.2	\$ 682.8
Selling, general and administrative ^(a)	\$ 293.1	\$ 291.4	\$ 321.4
Operating profit	\$ 333.1	\$ 307.5	\$ 100.6
Assets	\$ 2,125.9	\$ 2,096.5	\$ 2,215.3
Backlog	\$ 565.6	\$ 438.0	\$ 347.6
Operating margin	24.9 %	22.9 %	9.1 %

(a) Selling, general and administrative expense includes net restructuring charges of \$6.2 million in 2022, net restructuring gains of \$3.7 million in 2021, and net restructuring charges of \$19.1 million in 2020.

2022 compared to 2021

Sales decreased \$5.2 million, or 0.4%, to \$1,339.9 million in 2022, driven by unfavorable foreign currency translation of \$65.3 million, or 4.9%, offset by higher core sales of \$60.1 million, or 4.5%. The higher core sales were driven by higher pricing, partially offset by lower volumes.

- Sales of Payment Acceptance and Dispensing Products increased \$68.6 million, or 8.5%, to \$874.3 million in 2022. The increase reflected higher core sales of \$103.6 million, or 12.8%, partially offset by unfavorable foreign currency translation of \$35.0 million, or 4.3%, primarily reflecting the weakening of the British pound and Japanese Yen against the U.S. dollar. The core sales growth primarily reflected higher sales to Gaming customers and strong pricing across all end markets.
- Sales of Banknotes and Security Products decreased \$73.8 million, or 13.7%, to \$465.6 million in 2022. The decrease reflected lower core sales of \$43.6 million, or 8.1%, and unfavorable foreign currency translation of \$30.2 million, or 5.6%, as the euro weakened against the U.S. dollar. The core sales decline primarily reflected lower sales to international customers after a record-sales year in 2021.

Cost of sales decreased by \$32.5 million, or 4.4%, to \$713.7 million, primarily related to favorable foreign currency translation of \$42.1 million, or 5.6%, the impact of lower volumes of \$37.7 million, or 5.1%, and productivity gains of \$26.4 million, or 3.5%, partially offset by an increase in material, labor and other manufacturing costs of \$59.4 million, or 8.0%, and unfavorable mix of \$14.4 million, or 1.9%.

Selling, general and administrative expense increased by \$1.7 million, or 0.6%, to \$293.1 million, primarily due to net restructuring charges of \$6.2 million, or 2.1%, and higher selling costs of \$6.0 million, or 2.1%, partially offset by favorable foreign currency translation of \$11.3 million, or 3.9%.

Operating profit increased by \$25.6 million, or 8.3%, to \$333.1 million in 2022. The increase primarily reflected higher pricing net of inflation, and productivity, of \$92.9 million, or 30.2%, partially offset by lower volumes of \$31.1 million, or 10.1%, unfavorable mix of \$14.4 million, or 4.7%, unfavorable foreign currency translation of \$11.8 million, or 3.8%, and higher restructuring charges of \$9.9 million, or 3.2%.

2021 compared to 2020

Sales increased \$240.3 million, or 21.8%, to \$1,345.1 million in 2021 compared to 2020, reflecting higher core sales of \$210.6 million, or 19.1%, and favorable foreign currency translation of \$29.7 million, or 2.7%.

- Sales of Payment Acceptance and Dispensing Products increased \$134.9 million, or 20.1%, to \$805.7 million in 2021 compared to 2020. The increase reflected higher core sales of \$123.3 million, or 18.4%, and favorable foreign currency translation of \$11.6 million, or 1.7%, primarily reflecting the strengthening of the British pound against the U.S. dollar. The core sales increase primarily reflected higher sales to gaming, retail, vending and transportation customers as end markets continued to recover from the 2020 impact of the COVID-19 pandemic.

- Sales of Banknotes and Security Products increased \$105.4 million, or 24.3%, to \$539.4 million in 2021 compared to 2020. The increase reflected higher core sales of \$87.3 million, or 20.1%, and favorable foreign currency translation of \$18.1 million, or 4.2%, as the euro strengthened against the U.S. dollar. The core sales increase reflected substantially higher sales of banknotes, globally.

Cost of sales increased \$63.4 million, or 9.3%, to \$746.2 million in 2021 compared to 2020, primarily reflecting a \$91.3 million, or 13.4%, increase in costs proportionate to the higher sales volumes, increased material, labor and other manufacturing costs of \$29.2 million, or 4.3%, and unfavorable foreign currency translation of \$19.3 million, or 2.8%, partially offset by favorable mix of \$41.9 million, or 6.1%, and increased productivity of \$31.5 million, or 4.6%.

Selling, general and administrative expense decreased \$30.0 million, or 9.3%, to \$291.4 million in 2021 compared to 2020, primarily related to a \$19.1 million restructuring charge in 2020 which did not repeat in 2021 and a \$3.7 million restructuring gain in 2021.

Operating profit increased by \$206.9 million, or 205.7%, to \$307.5 million in 2021 compared to 2020. The increase primarily reflected the impact of higher sales volumes of \$100.7 million, or 100.1%, favorable mix of \$41.9 million, or 41.7%, productivity benefits of \$34.7 million, or 34.5%, lower restructuring and related costs of \$23.5 million, or 23.4%, and acquisition-related and integration charges of \$6.5 million, or 6.5%, which did not repeat in the current year, partially offset by \$0.4 million, or 0.4% of other items, net.

Engineered Materials

(in millions, except %) For the year ended December 31,	2022	2021	2020
Net sales by product line:			
FRP - Recreational Vehicles	\$ 111.9	\$ 102.5	\$ 68.9
FRP - Building Products	112.5	94.9	83.1
FRP - Transportation	33.9	30.6	23.6
Total net sales	\$ 258.3	\$ 228.0	\$ 175.6
Cost of sales	\$ 206.2	\$ 181.3	\$ 134.5
Selling, general and administrative ^(a)	\$ 19.5	\$ 19.8	\$ 18.4
Operating profit	\$ 32.6	\$ 26.9	\$ 22.7
Assets	\$ 218.6	\$ 220.5	\$ 217.3
Backlog	\$ 16.2	\$ 20.1	\$ 12.8
Operating margin	12.6 %	11.8 %	12.9 %

(a) Selling, general and administrative expense includes net restructuring charges of \$0.4 million, \$0.0 million and \$0.6 million in 2022, 2021 and 2020 respectively.

2022 compared to 2021

Sales increased by \$30.3 million, or 13.3%, to \$258.3 million in 2022 with higher pricing more than offsetting a decline in volume, primarily related to softening end market demand in the RV industry. The increase reflected higher sales to building products customers and recreational vehicle manufacturers.

Cost of sales increased by \$24.9 million, or 13.7%, to \$206.2 million, primarily related to higher increase in material, labor and other manufacturing costs of \$36.7 million, or 20.2%, offset by the impact of the lower volumes of \$12.2 million, or 6.7%.

Selling, general and administrative expense decreased by \$0.3 million, or 1.5%, to \$19.5 million primarily reflecting lower selling costs.

Operating profit increased by \$5.7 million, or 21.2%, to \$32.6 million in 2022, primarily reflecting higher pricing net of inflation, and productivity gains, of \$16.8 million, or 62.5%, partially offset by the impact of the lower volumes of \$11.1 million, or 41.3%.

2021 compared to 2020

Engineered Materials sales increased \$52.4 million, or 29.8%, to \$228.0 million in 2021 compared to 2020, primarily due to higher core sales to RV manufacturers, and to a lesser extent, to building product and transportation customers. Core sales increases included end markets recovering from the 2020 impact of the COVID-19 pandemic as well as higher pricing to offset higher raw material costs.

Cost of sales increased \$46.8 million, or 34.8%, to \$181.3 million in 2021 compared to 2020, primarily related to increased material, labor and other manufacturing costs of \$32.4 million, or 24.1%, and \$16.2 million, or 12.0%, of increased costs proportionate to the higher sales volumes.

Operating profit increased by \$4.2 million, or 18.5%, to \$26.9 million in 2021 compared to 2020. The increase primarily reflected the impact of higher sales volumes of \$9.5 million, or 41.9%, offset by increased material, labor and other costs of \$7.4 million, or 32.6%.

CORPORATE

(in millions) For the year ended December 31,	2022	2021	2020
Corporate expense	\$ (122.3)	\$ (97.7)	\$ (58.8)
Loss on divestiture of asbestos-related assets and liabilities	(162.4)	—	—
Total Corporate expense	\$ (284.7)	\$ (97.7)	\$ (58.8)

Total Corporate expense increased by \$187.0 million, or 191.4%, in 2022, primarily related to the loss on divestiture of asbestos related assets and liabilities of \$162.4 million, or 166.2%, and higher transaction related expenses of \$33.9 million, or 34.7%, partially offset by slightly lower compensation and benefit costs.

Total Corporate expense increased by \$38.9 million, or 66.2%, in 2021 compared to 2020 primarily related to higher compensation and benefit costs of \$19.0 million, or 32.3%, and transaction related expenses of \$8.2 million, or 13.9%.

INTEREST AND MISCELLANEOUS INCOME, NET

(in millions) For the year ended December 31,	2022	2021	2020
Interest income	\$ 3.4	\$ 1.4	\$ 2.0
Interest expense	\$ (52.2)	\$ (46.9)	\$ (55.3)
Gain on sale of business	\$ 232.5	\$ —	\$ —
Miscellaneous income, net	\$ 9.8	\$ 19.1	\$ 14.9

2022 compared to 2021

Interest expense increased \$5.3 million, or 11.3%, primarily due to interest paid for the 364-day credit facility that was entered into on August 11, 2022. The \$232.5 million gain on sale of business relates to the divestiture of Crane Supply. Miscellaneous income, net, decreased \$9.3 million, or 48.7%, primarily reflecting a loss on the settlement of a pension plan.

2021 compared to 2020

Interest expense decreased \$8.4 million, or 15.2%, in 2021 compared to 2020 resulting from the repayment of the 364-day credit facility, entered into on April 16, 2020 (the "2020 364-Day Credit Agreement") in April 2021 and lower amounts outstanding under the commercial paper facility beginning in the second quarter of 2021. Miscellaneous income, net, increased \$4.2 million, or 28.2%, primarily reflecting a gain on sale of a property.

INCOME TAX

(in millions, except %) For the year ended December 31,	2022	2021	2020
Income before tax — U.S.	\$ 133.6	\$ 342.1	\$ 124.9
Income before tax — non-U.S.	429.4	160.7	99.6
Income before tax — worldwide	\$ 563.0	\$ 502.8	\$ 224.5
Provision for income taxes	\$ 161.9	\$ 67.4	\$ 43.4
Effective tax rate	28.8 %	13.4 %	19.3 %

Our effective tax rate is affected by a number of items, both recurring and discrete, including the amount of income we earn in different jurisdictions and their respective statutory tax rates, acquisitions and dispositions, changes in the valuation of our

deferred tax assets and liabilities, changes in tax laws, regulations and accounting principles, the continued availability of statutory tax credits and deductions, and examinations initiated by tax authorities around the world. See "Application of Critical Accounting Policies" included later in this Item 7 for additional information about our provision for income taxes. A reconciliation of the statutory U.S. federal tax rate to our effective tax rate is set forth in Item 8 under Note 9, "Income Taxes" in the Notes to Consolidated Financial Statements.

LIQUIDITY AND CAPITAL RESOURCES

(in millions) For the year ended December 31,	2022	2021	2020
Net cash (used for) provided by:			
Operating activities	\$ (151.6)	\$ 498.5	\$ 309.5
Investing activities	264.0	(0.3)	(229.1)
Financing activities	106.0	(557.9)	55.1
Effect of exchange rates on cash and cash equivalents	(39.4)	(12.7)	21.6
Increase (decrease) in cash and cash equivalents	\$ 179.0	\$ (72.4)	\$ 157.1

Our operating philosophy is to deploy cash provided from operating activities, when appropriate, to provide value to shareholders by reinvesting in existing businesses, by making acquisitions that will strengthen and complement our portfolio, by divesting businesses that are no longer strategic or aligned with our portfolio and where such divestitures can generate capacity for strategic investments and initiatives that further optimize our portfolio, and by paying dividends and/or repurchasing shares. At any given time, and from time to time, we may be evaluating one or more of these opportunities, although we cannot assure you if or when we will consummate any such transaction.

Our current cash balance, together with cash we expect to generate from future operations along with our commercial paper program or borrowings available under our revolving credit facility is expected to be sufficient to finance our short- and long-term capital requirements, as well as to fund payments associated with our environmental liabilities and expected pension contributions. In addition, we believe our investment grade credit ratings afford us adequate access to public and private debt markets.

In August 2022, we entered a new \$400 million senior unsecured 364-day Credit Agreement (the "364 Day Credit Agreement"). The proceeds were used to partially fund the \$550 million contribution related to the divestiture of asbestos-related assets and liabilities. Please see Item 8 under Note 13, "Financing" to our Consolidated Financial Statements for additional details.

In July 2021, we entered a \$650 million, 5-year Revolving Credit Agreement, which replaced the prior \$550 million revolving credit facility. We also increased the size of our Commercial Paper Program ("CP Program") to permit the issuance of short-term, unsecured commercial paper notes in an aggregate principal amount outstanding not to exceed \$650 million at any time (up from \$550 million, previously). See Item 8 under Note 13, "Financing," and Note 14, "Fair Value Measurements" in the Notes to our Consolidated Financial Statements for details regarding our financing arrangements.

On April 15, 2021, we repaid the amount outstanding under a prior credit agreement which was entered into to enhance financial flexibility and maintain maximum liquidity in response to the uncertainty in the global markets resulting from the COVID-19 pandemic.

Operating Activities

Cash used for operating activities, a key source of our liquidity, was \$151.6 million in 2022, compared to cash provided by operating activities of \$498.5 million in 2021. The increase in cash used by operating activities was primarily driven by the \$550.0 million payment related to the divestiture of asbestos-related assets, together with increased working capital investments supporting higher levels of demand across most businesses.

Cash provided by operating activities was \$498.5 million in 2021, compared to \$309.5 million in 2020. The increase in cash provided by operating activities was primarily driven by higher net income, partially offset by higher asbestos-related payments. Net asbestos-related payments in 2021 and 2020 were \$44.9 million and \$31.1 million, respectively.

Investing Activities

Cash flows relating to investing activities consist primarily of cash provided by divestitures of businesses or assets, capital expenditures and cash used for acquisitions. Capital expenditures are made primarily for increasing capacity, replacing equipment, supporting new product development, and improving information systems. Cash provided by investing activities was \$264.0 million in 2022, compared to cash used for investing activities of \$0.3 million in 2021. The increase in cash provided by investing activities was primarily related to \$318.1 million of proceeds related to the divestiture of Crane Supply.

Cash used for investing activities was \$0.3 million in 2021, compared to cash used for investing activities of \$229.1 million in 2020. Cash used for investing activities in 2020 was driven by the acquisition of I&S for \$169.2 million. There were no similar acquisitions in 2021. In addition, there was \$30 million of net proceeds from the sale of marketable securities in 2021 compared to \$30 million of cash used for the purchase of marketable securities in 2020.

Financing Activities

Financing cash flows consist primarily of dividend payments to shareholders, share repurchases, repayments of indebtedness, proceeds from the issuance of long-term debt and commercial paper and proceeds from the issuance of common stock. Cash provided by financing activities was \$106.0 million in 2022, compared to cash used for financing activities of \$557.9 million in 2021. The increase in cash provided by financing activities was primarily driven by \$399.4 million in net borrowings from the 2022 364-Day Credit Agreement, compared to a \$348.1 million repayment of the outstanding amount under the 364-Day Credit Agreement in 2021. This was partially offset by \$107.4 million increase in share repurchases.

Cash used for financing activities was \$557.9 million in 2021, compared to cash provided by financing activities of \$55.1 million in 2020. The increase in cash used for financing activities was driven by the \$348.1 million repayment of the outstanding amount under the 2020 364-Day Credit Agreement in 2021, compared to proceeds of \$343.9 million received from the 2020 364-Day Credit Agreement in 2020.

Financing Arrangements

Total net debt was \$1,243.0 million and \$842.4 million as of December 31, 2022 and 2021, respectively. Our indebtedness as of December 31, 2022 was as follows:

- \$399.6 million related to the 364-Day Credit Agreement due in 2023;
- \$299.7 million of 4.45% notes due 2023;
- \$198.6 million of 6.55% notes due 2036; and
- \$346.5 million of 4.20% notes due 2048.

As of December 31, 2022, our total debt to total capitalization ratio was 39.5%, computed as follows:

(in millions)	
Short-term borrowings	\$ 699.3
Long-term debt	\$ 543.7
Total debt	\$ 1,243.0
Equity	1,904.0
Capitalization	\$ 3,147.0
Total indebtedness to capitalization	39.5 %

See Item 8 under Note 13, "Financing," in the Notes to Consolidated Financial Statements for details regarding our financing arrangements.

Credit Ratings

As of December 31, 2022, our senior unsecured debt was rated BBB by S&P Global Ratings with a Stable outlook and Baa2 with a Stable outlook by Moody's Investors Service. We believe that these ratings afford us adequate access to the public and private debt markets.

Contractual Obligations

Under various agreements, we are obligated to make future cash payments in fixed amounts. These include payments under our short-term and long-term debt agreements and rent payments required under operating lease agreements. The following table summarizes our fixed cash obligations as of December 31, 2022:

(in millions)	Payment due by Period				
	Total	2023	2024 -2025	2026 -2027	2028 and after
Debt ^(a)	\$ 1,250.0	\$ 700.0	\$ —	\$ —	\$ 550.0
Fixed interest payments	565.1	40.6	55.6	55.6	413.3
Operating lease payments	131.5	22.1	31.3	18.2	59.9
Purchase obligations	288.0	270.3	14.4	3.0	0.3
Pension and postretirement benefits ^(b)	557.6	54.3	110.0	112.6	280.7
Other long-term liabilities reflected on Consolidated Balance Sheets ^(c)	—	—	—	—	—
Total	\$ 2,792.2	\$ 1,087.3	\$ 211.3	\$ 189.4	\$ 1,304.2

(a) Debt includes scheduled principal payments.

(b) Pension benefits are funded by the respective pension trusts. The postretirement benefit component of the obligation is approximately \$1.6 million per year for which there is no trust and will be directly funded by us. Pension benefits are included through 2032.

(c) As the timing of future cash outflows is uncertain, the following long-term liabilities (and related balances) are excluded from the above table: long-term environmental liability \$17.6 and gross unrecognized tax benefits \$28.2 and related gross interest and penalties \$4.8.

Capital Structure

The following table sets forth our capitalization:

(in millions, except %) December 31,	2022	2021
Short-term borrowings	\$ 699.3	\$ —
Long-term debt	543.7	842.4
Total debt	1,243.0	842.4
Less cash and cash equivalents	657.6	478.6
Net debt ^(a)	585.4	363.8
Equity	1,904.0	1,835.1
Net capitalization ^(a)	\$ 2,489.4	\$ 2,198.9
Net debt to equity ^(a)	30.7%	19.8%
Net debt to net capitalization ^(a)	23.5%	16.5%

^(a) Net debt, a non-GAAP measure, represents total debt less cash and cash equivalents. Net debt is comprised of components disclosed above which are presented on our Consolidated Balance Sheets. Net capitalization, a non-GAAP measure, represents Net Debt plus Equity. We report our financial results in accordance with U.S. generally accepted accounting principles (U.S. GAAP). However, management believes that certain non-GAAP financial measures, which include the presentation of net debt and net capitalization, provide useful information about our ability to satisfy our debt obligation with currently available funds. Management also uses these non-GAAP financial measures in making financial, operating, planning and compensation decisions and in evaluating our performance. Non-GAAP financial measures, which may be inconsistent with similarly captioned measures presented by other companies, should be viewed in the context of the definitions of the elements of such measures we provide and in addition to, and not as a substitute for, our reported results prepared and presented in accordance with U.S. GAAP.

In 2022, equity increased \$68.9 million as a result of net income before allocation to noncontrolling interests of \$401.1 million, changes in pension and postretirement plan assets and benefit obligations, net of tax of \$30.0 million and the impact of equity-based awards and related settlement activities of \$40.4 million. These increases were partially offset by share repurchases of \$203.7 million, cash dividends of \$105.6 million and currency translation adjustment of \$93.3 million.

APPLICATION OF CRITICAL ACCOUNTING ESTIMATES

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. Certain accounting policies require us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. On an ongoing basis, we evaluate our estimates and assumptions, and the effects of revisions are reflected in the financial statements in the period in which they are determined to be necessary. The accounting estimates described below are those that most frequently require us to make estimates and judgments and, therefore, are critical to understanding our results of operations. We have discussed the development and selection of these accounting estimates and the related disclosures with the Audit Committee of our Board of Directors. Our significant accounting policies are more fully described in Item 8 under Note 1, "Nature of Operations and Significant Accounting Policies" in the Notes to Consolidated Financial Statements.

Revenue Recognition. We primarily generate revenue through the manufacture and sale of engineered industrial products. Each product within a contract generally represents a separate performance obligation, as we do not provide a significant service of integrating or installing the products, the products do not customize each other, and the products can function independently of each other. Control of products generally transfers to the customer at a point in time, as the customer does not control the products as they are manufactured. We exercise judgment and consider the timing of right to payment, transfer of risk and rewards, transfer of title, transfer of physical possession, and customer acceptance when determining when control transfers to the customer. As a result, revenue from the sale of products is generally recognized at a point in time - either upon shipment or delivery - based on the specific shipping terms in the contract.

When products are customized or products are sold directly to the U.S. government or indirectly to the U.S. government through subcontracts, revenue is recognized over time because control is transferred continuously to customers, as the contract progresses. We exercise judgment to determine whether the products have an alternative use to us. When an alternative use does not exist for these products and we are entitled to payment for performance completed to date which includes a reasonable profit margin, revenue is recognized over time. When a contract with the U.S. government or subcontract for the U.S. government contains clauses indicating that the U.S. government owns any work-in-progress as the contracted product is being built, revenue is recognized over time. The measure of progress applied by us is the cost-to-cost method as this provides the most faithful depiction of the pattern of transfer of control. Under this method, we measure progress by comparing costs incurred to date to the total estimated costs to provide the performance obligation. This method effectively reflects our progress toward completion, as this methodology includes any work-in-process amounts as part of the measure of progress. Costs incurred represent work performed, which corresponds with, and thereby depicts, the transfer of control to the customer. Total revenue recognized and cost estimates are updated monthly. In 2022, the Company recognized approximately \$120 million in revenue over time related to contracts in progress as of December 31, 2022.

These estimates are subject to uncertainties and require judgment. Estimates of contract costs include labor hours and rates, and material costs. These estimates consider historical performance, the complexity of the work to be performed, the estimated time to complete the project, and other economic factors such as inflation and market rates. We update our estimates on a periodic basis and any revisions to such estimates are recorded in earnings in the period in which they are determined. Provisions for estimated losses, if any, on uncompleted long-term contracts, are made in the period in which such losses are determined. We do not believe that any discrete event or adjustment to an individual contract within the aggregate changes in contract estimates for 2022, 2021 or 2020 was material to the consolidated statements of income for such annual periods.

Income Taxes. We account for income taxes in accordance with ASC Topic 740 "Income Taxes" ("ASC 740"), which requires an asset and liability approach for the financial accounting and reporting of income taxes. Under this method, deferred income taxes are recognized for the expected future tax consequences of differences between the tax bases of assets and liabilities and their reported amounts in the financial statements. These balances are measured using the enacted tax rates expected to apply in the year(s) in which these temporary differences are expected to reverse. The effect of a change in tax rates on deferred income taxes is recognized in income in the period when the change is enacted.

Based on consideration of all available evidence regarding their utilization, we record net deferred tax assets to the extent that it is more likely than not that they will be realized. Where, based on the weight of all available evidence, it is more likely than not that some amount of a deferred tax asset will not be realized, we establish a valuation allowance for the amount that, in our judgment, is sufficient to reduce the deferred tax asset to an amount that is more likely than not to be realized. The evidence we consider in reaching such conclusions includes, but is not limited to; (1) future reversals of existing taxable temporary differences, (2) future taxable income exclusive of reversing taxable temporary differences, (3) taxable income in prior carryback year(s) if carryback is permitted under the tax law, (4) cumulative losses in recent years, (5) a history of tax losses or credit carryforwards expiring unused, (6) a carryback or carryforward period that is so brief it limits realization of tax

benefits, and (7) a strong earnings history exclusive of the loss that created the carryforward and support showing that the loss is an aberration rather than a continuing condition.

We account for unrecognized tax benefits in accordance with ASC 740, which prescribes a minimum probability threshold that a tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation, based solely on the technical merits of the position. The tax benefit recognized is the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement.

We recognize interest and penalties related to unrecognized tax benefits within the income tax expense line of the Consolidated Statement of Operations, while accrued interest and penalties are included within the related tax liability line of the Consolidated Balance Sheets.

Goodwill and Other Intangible Assets. As of December 31, 2022, we had \$1,527.5 million of goodwill and \$416.6 million of net intangible assets, of which \$67.3 million were intangibles with indefinite useful lives, consisting of trade names. As of December 31, 2021, we had \$1,583.8 million of goodwill and \$467.1 million of net intangible assets, of which \$70.6 million were intangibles with indefinite useful lives, consisting of trade names.

Our business acquisitions have typically resulted in the recognition of goodwill and other intangible assets. We follow the provisions under ASC Topic 350, "Intangibles – Goodwill and Other" ("ASC 350") as it relates to the accounting for goodwill in the Consolidated Financial Statements. These provisions require that we, on at least an annual basis, evaluate the fair value of the reporting units to which goodwill is assigned and attributed and compare that fair value to the carrying value of the reporting unit to determine if an impairment has occurred. We perform our annual impairment testing during the fourth quarter. Impairment testing takes place more often than annually if events or circumstances indicate a change in status that would indicate a potential impairment. We believe that there have been no events or circumstances which would more likely than not reduce the fair value of our reporting units below its carrying value. A reporting unit is an operating segment unless discrete financial information is prepared and reviewed by segment management for businesses one level below that operating segment (a "component"), in which case the component would be the reporting unit. As of December 31, 2022, we had six reporting units.

When performing our annual impairment assessment, we compare the fair value of each of our reporting units to our respective carrying value. Goodwill is potentially impaired when the net book value of the reporting unit exceeds its estimated fair value. Fair values are established primarily by discounting estimated future cash flows at an estimated cost of capital which varies for each reporting unit and which, as of our most recent annual impairment assessment, ranged between 9.5% and 11.5% (a weighted average of 10.8%), reflecting the respective inherent business risk of each of the reporting units tested. This methodology for valuing our reporting units (commonly referred to as the Income Method) has not changed since the adoption of the provisions under ASC 350. The determination of discounted cash flows is based on the businesses' strategic plans and long-range planning forecasts, which change from year to year. The revenue growth rates included in the forecasts represent best estimates based on current and forecasted market conditions. Profit margin assumptions are projected by each reporting unit based on the current cost structure and anticipated net cost increases/reductions.

There are inherent uncertainties related to these assumptions, including changes in market conditions, and management judgment is necessary in applying them to the analysis of goodwill impairment. In addition to the foregoing, for each reporting unit, market multiples are used to corroborate discounted cash flow results where fair value is estimated based on earnings multiples determined by available public information of comparable businesses. While we believe we have made reasonable estimates and assumptions to calculate the fair value of our reporting units, it is possible a material change could occur. If actual results are not consistent with management's estimates and assumptions, goodwill and other intangible assets may then be determined to be overstated and a charge would need to be taken against net earnings. Furthermore, to evaluate the sensitivity of the fair value calculations on the goodwill impairment test, we applied a hypothetical, reasonably possible 10% decrease to the fair values of each reporting unit. The effects of this hypothetical 10% decrease would still result in a fair value calculation exceeding our carrying value for each of our reporting units. No impairment charges have been required during 2022, 2021 or 2020.

Intangibles with indefinite useful lives are tested annually for impairment, or when events or changes in circumstances indicate the potential for impairment. If the carrying amount of an indefinite lived intangible asset exceeds its fair value, the intangible asset is written down to its fair value. Fair value is calculated using relief from royalty method. We amortize the cost of definite-lived intangibles over their estimated useful lives.

We review all our definite-lived intangible assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Examples of events or changes in circumstances could include, but are not limited to, a prolonged economic downturn, current period operating or cash flow losses combined with a history of

losses or a forecast of continuing losses associated with the use of an asset or asset group, or a current expectation that an asset or asset group will be sold or disposed of before the end of its previously estimated useful life. Recoverability is based upon projections of anticipated future undiscounted cash flows associated with the use and eventual disposal of the definite-lived intangible asset (or asset group), as well as specific appraisal in certain instances. Reviews occur at the lowest level for which identifiable cash flows are largely independent of cash flows associated with other long-lived assets or asset groups and include estimated future revenues, gross profit margins, operating profit margins and capital expenditures which are based on the businesses' strategic plans and long-range planning forecasts, which change from year to year. The revenue growth rates included in the forecasts represent our best estimates based on current and forecasted market conditions, and the profit margin assumptions are based on the current cost structure and anticipated net cost increases or reductions. There are inherent uncertainties related to these assumptions, including changes in market conditions, and management's judgment in applying them to the analysis. If the future undiscounted cash flows are less than the carrying value, then the definite-lived intangible asset is considered impaired and a charge would be taken against net earnings based on the amount by which the carrying amount exceeds the estimated fair value. Judgments that we make which impact these assessments relate to the expected useful lives of definite lived assets and its ability to realize any undiscounted cash flows in excess of the carrying amounts of such assets and are affected primarily by changes in the expected use of the assets, changes in technology or development of alternative assets, changes in economic conditions, changes in operating performance and changes in expected future cash flows. Since judgment is involved in determining the recoverable amount of definite-lived intangible assets, there is risk that the carrying value of our definite-lived intangible assets may require adjustment in future periods. Historical results to date have generally approximated expected cash flows for the identifiable cash flow generating level. We believe there have been no events or circumstances which would more likely than not reduce the fair value of our indefinite-lived or definite-lived intangible assets below their carrying value. As of the last annual assessment, fair values have been substantially in excess of carrying values.

Environmental. For environmental matters, we record a liability for estimated remediation costs when it is probable that we will be responsible for such costs and they can be reasonably estimated. Generally, third party specialists assist in the estimation of remediation costs. The environmental remediation liability as of December 31, 2022 is substantially all for the former manufacturing site in Goodyear, Arizona (the "Goodyear Site"). Estimates of our environmental liabilities at the Goodyear Site are based on currently available facts, present laws and regulations and current technology available for remediation, and are recorded on an undiscounted basis. These estimates consider our prior experience in the Goodyear Site investigation and remediation, as well as available data from, and in consultation with, our environmental specialists. Estimates at the Goodyear Site are subject to significant uncertainties caused primarily by the dynamic nature of the Goodyear Site conditions, the range of remediation alternatives available, together with the corresponding estimates of cleanup methodology and costs, as well as ongoing, required regulatory approvals, primarily from the EPA. During the fourth quarter of 2019, we received conceptual agreement from the EPA on an alternative remediation strategy which is expected to further reduce the contaminant plume. Accordingly, we recorded a pre-tax charge of \$18.9 million, net of reimbursements, to extend our forecast period through 2027 and reflect our revised workplan. The total estimated gross liability was \$24.8 million and \$32.3 million as of December 31, 2022 and 2021, respectively.

On July 31, 2006, we entered into a consent decree with the U.S. Department of Justice on behalf of the Department of Defense and the Department of Energy pursuant to which, among other things, the U.S. Government reimburses us for 21% of qualifying costs of investigation and remediation activities at the Goodyear Site. We have recorded a receivable of \$4.8 million and \$7.3 million for the expected reimbursements from the U.S. Government in respect of the aggregate liability as of December 31, 2022 and 2021, respectively.

Pension Plans. In the United States, we sponsor a defined benefit pension plan that covers approximately 12% of all U.S. employees. Effective January 1, 2013, pension eligible non-union employees no longer earn future benefits in the domestic defined benefit pension plan. The benefits are based on years of service and compensation on a final average pay basis, except for certain hourly employees where benefits are fixed per year of service. Charges to expense are based upon costs computed by an independent actuary. Contributions are intended to provide for future benefits earned to date. Additionally, a number of our non-U.S. subsidiaries sponsor defined benefit pension plans that cover approximately 12% of all non-U.S. employees. The benefits are typically based upon years of service and compensation. Most of these plans are funded by company contributions to pension funds, which are held for the sole benefit of plan participants and beneficiaries.

The expected return on plan assets component of net periodic benefit cost is determined by applying the assumed expected return on plan assets to the fair value of plan assets. For one of the U.K. pension plans, a market-related value of assets is used in lieu of the fair value of plan assets for this purpose. The net actuarial loss (gain) is amortized to the extent that it exceeds 10% of the greater of the fair value of plan assets and the projected benefit obligation. The amortization period is the average life expectancy of plan participants for most plans. The amortization period for plans with a significant number of active participants accruing benefits is the average future working lifetime of plan participants. The prior service cost (credit) is amortized over the average future working lifetime of plan participants whose prior service benefits were changed.

The net periodic pension benefit was \$2.3 million, \$6.8 million and \$6.8 million in 2022, 2021 and 2020, respectively. The net periodic pension benefit was the same in 2021 compared to 2020, driven by lower interest costs for both U.S. and non-U.S. plans offset by higher amortization of a net loss. Employer cash contributions were \$19.7 million, \$26.7 million and \$26.1 million in 2022, 2021 and 2020, respectively.

Holding all other factors constant, a decrease in the expected long-term rate of return on plan assets by 0.25 percentage points would have increased 2022 pension expense by \$1.3 million for U.S. pension plans and \$0.9 million for non-U.S. pension plans. Also, holding all other factors constant, a decrease in the discount rate used to determine net periodic pension cost by 0.25 percentage points would have decreased 2022 pension expense by \$0.1 million for U.S. pension plans and increased 2022 pension expense by \$0.5 million for non-U.S. pension plans.

Recent Accounting Pronouncements

Information regarding new accounting pronouncements is included in Item 8 under Note 1 to the Consolidated Financial Statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Our cash flows and earnings are subject to fluctuations from changes in interest rates and foreign currency exchange rates. We manage our exposures to these market risks through internally established policies and procedures and, when deemed appropriate, through the use of interest-rate swap agreements and forward exchange contracts. We do not enter into derivatives or other financial instruments for trading or speculative purposes.

Total net debt outstanding was \$1,243.0 million as of December 31, 2022, which was at fixed rates of interest ranging from 4.20% to 6.55% and variable rates of interest of;

- (a) a base rate (determined in a customary manner), plus a margin of 0.25% or 0.50% that is determined based upon the ratings by S&P and Moody's of the Company's senior unsecured long-term debt (the "Index Debt Rating") or
- (b) an adjusted Term SOFR (determined in a customary manner) for an interest period to be selected by the Company, plus a margin of 1.25% or 1.50% that is determined based upon the Index Debt Rating.

The following is an analysis of the potential changes in interest rates and currency exchange rates based upon sensitivity analysis that models effects of shifts in rates. These are not forecasts.

- 68% of our year-end portfolio is comprised of fixed-rate debt; therefore, the effect of a market change in interest rates would not be significant. As of December 31, 2022, a hypothetical 1% increase in prevailing interest rates would increase our variable rate interest expense by approximately \$4.0 million.
- Based on a sensitivity analysis as of December 31, 2022, a 10% change in the foreign currency exchange rates for the year ended December 31, 2022 would have impacted our net earnings by approximately \$15.2 million, due primarily to the British pound, euro and Canadian dollar. This calculation assumes that all currencies change in the same direction and proportion relative to the U.S. dollar and there are no indirect effects, such as changes in non-U.S. dollar sales volumes or prices.

Item 8. Financial Statements and Supplementary Data

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Crane Holdings, Co. and subsidiaries have been prepared by management in conformity with accounting principles generally accepted in the United States of America and, in the judgment of management, present fairly and consistently the Company's financial position and results of operations and cash flows. These statements by necessity include amounts that are based on management's best estimates and judgments and give due consideration to materiality.

Management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control system was designed to provide reasonable assurance to the Company's management and board of directors regarding the preparation and fair presentation of published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2022. In making its assessment, management has utilized the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in its Internal Control—Integrated Framework, released in 2013. Based on our assessment we believe that, as of December 31, 2022, the Company's internal control over financial reporting is effective based on those criteria.

Deloitte & Touche LLP, the independent registered public accounting firm that also audited the Company's consolidated financial statements included in this Annual Report on Form 10-K, audited the internal control over financial reporting as of December 31, 2022, and issued their related attestation report which is included herein.

/s/ Max H. Mitchell

Max H. Mitchell
President and Chief Executive Officer
(Principal Executive Officer)

/s/ Richard A. Maue

Richard A. Maue
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

The Section 302 certifications of the Company's Chief Executive Officer and its Principal Financial Officer have been filed as Exhibit 31 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Crane Holdings, Co.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Crane Holdings, Co. and subsidiaries (the "Company") as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive income, cash flows, and changes in equity, for each of the three years in the period ended December 31, 2022 and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 1, 2023, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the 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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the 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 – Over-Time Basis — Refer to Note 1 to the financial statements

Audit Matter Description

The Company recognizes revenue as they fulfill their performance obligations and transfer control of products to their customers. The Company has certain revenue contracts with the U.S. government or indirectly to the U.S. government through subcontracts. The clauses of those contracts stipulate that any amounts included in work-in-progress are the property of the U.S. government as they own any work-in progress as the contracted product is being built. The Company uses the cost-to-cost method of determining their progress, measuring progress by comparing costs incurred to date to the total estimated costs to provide the performance obligation. In 2022, the Company recognized approximately \$120 million in revenue over time related to contracts in progress as of December 31, 2022.

We identified revenue recognized over time as a critical audit matter because of the judgments necessary for management to determine the margin to be used to estimate revenue for the overtime revenue. This required a high degree of auditor judgment when performing audit procedures to audit management's estimates of margin at completion used to recognize revenue over time and evaluating the results of those procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures performed related to the recognition of revenue recognized over-time included the following, among others:

- We tested the effectiveness of controls related to the revenue recognized over-time, including management's controls over costs incurred to date and estimates of margin at completion, as well as the accurate classification of contracts in the system during the order entry process.
- We selected a sample of contracts with customers that were recognized over time and we performed the following:
 - Evaluated whether the contracts were properly included in management's calculation of long-term contract revenue based on the terms and conditions of each contract, including whether continuous transfer of control to the customer occurred as progress was made toward fulfilling the performance obligation.
 - Evaluated the appropriateness and consistency of the methods of calculation and assumptions used by management to develop the margin at completion applied to determine the revenue recognized.
- We tested the mathematical accuracy of management's calculation of revenue recognized.
- We observed the Company's physical inventory counts to test the existence of inventory related to contracts with the U.S. government.
- We evaluated management's ability to estimate future costs and margins at completion accurately by comparing actual costs and margins at completion for similar contracts that were previously completed to management's historical estimates for such contracts.

/s/ Deloitte & Touche LLP
Stamford, Connecticut
March 1, 2023

We have served as the Company's auditor since 1979.

CONSOLIDATED STATEMENT OF OPERATIONS

(in millions, except per share data)	For the year ended December 31,		
	2022	2021	2020
Net sales	\$ 3,374.9	\$ 3,408.0	\$ 2,936.9
Operating costs and expenses:			
Cost of sales	2,035.1	2,120.3	1,930.7
Selling, general and administrative	797.5	775.4	698.1
Loss on divestiture of asbestos-related assets and liabilities	162.4	—	—
Restructuring charges (gains), net	10.4	(16.9)	32.3
Acquisition-related and integration charges	—	—	12.9
Operating profit	369.5	529.2	262.9
Other income (expense):			
Interest income	3.4	1.4	2.0
Interest expense	(52.2)	(46.9)	(55.3)
Gain on sale of business	232.5	—	—
Miscellaneous income, net	9.8	19.1	14.9
Total other income (expense)	193.5	(26.4)	(38.4)
Income before income taxes	563.0	502.8	224.5
Provision for income taxes	161.9	67.4	43.4
Net income before allocation to noncontrolling interests	401.1	435.4	181.1
Less: Noncontrolling interest in subsidiaries' earnings	—	—	0.1
Net income attributable to common shareholders	\$ 401.1	\$ 435.4	\$ 181.0
Earnings per share:			
Basic	\$ 7.11	\$ 7.46	\$ 3.10
Diluted	\$ 7.01	\$ 7.36	\$ 3.08
Average shares outstanding:			
Basic	56.4	58.4	58.3
Diluted	57.2	59.2	58.8

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions)	For the year ended December 31,		
	2022	2021	2020
Net income before allocation to noncontrolling interests	\$ 401.1	\$ 435.4	\$ 181.1
Components of other comprehensive (loss) income, net of tax			
Currency translation adjustment	(93.3)	(69.2)	70.4
Changes in pension and postretirement plan assets and benefit obligation, net of tax	30.0	96.0	(53.6)
Other comprehensive (loss) income, net of tax	(63.3)	26.8	16.8
Comprehensive income before allocation to noncontrolling interests	337.8	462.2	197.9
Less: Noncontrolling interests in comprehensive (loss) income	(0.2)	0.6	(0.5)
Comprehensive income attributable to common shareholders	\$ 338.0	\$ 461.6	\$ 198.4

See Notes to Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS

(in millions, except shares and per share data)	Balance as of December 31,	
	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 657.6	\$ 478.6
Current insurance receivable - asbestos	—	13.7
Accounts receivable, net	474.7	483.0
Inventories, net	439.8	449.1
Other current assets	179.8	118.7
Total current assets	1,751.9	1,543.1
Property, plant and equipment, net	509.9	555.6
Insurance receivable - asbestos	—	60.0
Long-term deferred tax assets	8.3	17.7
Intangible assets, net	416.6	467.1
Goodwill	1,527.5	1,583.8
Other assets	176.0	259.3
Total assets	\$ 4,390.2	\$ 4,486.6
Liabilities and equity		
Current liabilities:		
Short-term borrowings	\$ 699.3	\$ —
Accounts payable	286.6	273.7
Current asbestos liability	—	62.3
Accrued liabilities	464.2	442.7
U.S. and foreign taxes on income	38.1	10.6
Total current liabilities	1,488.2	789.3
Long-term debt	543.7	842.4
Accrued pension and postretirement benefits	153.2	231.9
Long-term deferred tax liability	162.4	76.9
Long-term asbestos liability	—	549.8
Other liabilities	138.7	161.2
Commitments and contingencies (Note 12)		
Equity:		
Preferred shares, par value 0.01; 5,000,000 shares authorized	—	—
Common shares, par value \$1.00; 200,000,000 shares authorized; 72,426,389 shares issued; 56,325,382 and 57,835,865 shares outstanding in 2022 and 2021, respectively	72.4	72.4
Capital surplus	373.8	363.9
Retained earnings	2,822.8	2,527.3
Accumulated other comprehensive loss	(503.3)	(440.2)
Treasury stock; 16,101,007 and 14,590,274 treasury shares in 2022 and 2021, respectively	(864.3)	(691.1)
Total shareholders' equity	1,901.4	1,832.3
Noncontrolling interest	2.6	2.8
Total equity	1,904.0	1,835.1
Total liabilities and equity	\$ 4,390.2	\$ 4,486.6

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	For the year ended December 31,		
	2022	2021	2020
Operating activities:			
Net income before allocations to noncontrolling interests	\$ 401.1	\$ 435.4	\$ 181.1
Non-cash loss on divestiture of asbestos-related assets and liabilities	148.9	—	—
Gain on sale of business	(232.5)	—	—
Gain on sale of property	(2.8)	(18.5)	—
Depreciation and amortization	118.9	121.1	127.5
Stock-based compensation expense	24.2	24.9	22.3
Defined benefit plans and postretirement credit	(1.3)	(8.0)	(7.1)
Deferred income taxes	(17.6)	(9.6)	18.1
Cash (used for) provided by operating working capital	(2.2)	38.0	39.1
Defined benefit plans and postretirement contributions	(21.8)	(29.4)	(28.4)
Environmental payments, net of reimbursements	(5.8)	(5.8)	(4.2)
Asbestos related payments, net of insurance recoveries	(29.3)	(44.9)	(31.1)
Divestiture of asbestos-related assets and liabilities	(550.0)	—	—
Other	18.6	(4.7)	(7.8)
Total (used for) provided by operating activities	\$ (151.6)	\$ 498.5	\$ 309.5
Investing activities:			
Proceeds from disposition of capital assets	\$ 4.3	\$ 23.6	\$ 4.5
Capital expenditures	(58.4)	(53.9)	(34.1)
Proceeds from sale of business	318.1	—	—
Purchase of marketable securities	—	(10.0)	(90.0)
Proceeds from sale of marketable securities	—	40.0	60.0
Payment for acquisition - net of cash acquired	—	—	(169.5)
Total provided by (used for) investing activities	\$ 264.0	\$ (0.3)	\$ (229.1)
Financing activities:			
Dividends paid	\$ (105.9)	\$ (100.6)	\$ (100.4)
Reacquisition of shares on open market	(203.7)	(96.3)	(70.0)
Stock options exercised, net of shares reacquired	16.2	14.2	5.1
Debt issuance costs	—	—	(1.3)
Proceeds from issuance of commercial paper with maturities greater than 90 days	—	—	251.3
Repayments of commercial paper with maturities greater than 90 days	—	(27.1)	(296.7)
Net repayments from issuance of commercial paper with maturities of 90 days or less	—	—	(76.8)
Proceeds from revolving credit facility	—	—	77.2
Repayments of revolving credit facility	—	—	(77.2)
Proceeds from term loan	399.4	—	343.9
Repayment of term loan	—	(348.1)	—
Total provided by (used for) financing activities	\$ 106.0	\$ (557.9)	\$ 55.1

(in millions)	For the year ended December 31,		
	2022	2021	2020
Effect of exchange rates on cash and cash equivalents	\$ (39.4)	\$ (12.7)	\$ 21.6
Increase (decrease) in cash and cash equivalents	179.0	(72.4)	157.1
Cash and cash equivalents at beginning of period	478.6	551.0	393.9
Cash and cash equivalents at end of period	\$ 657.6	\$ 478.6	\$ 551.0
Detail of cash (used for) provided by operating working capital			
Accounts receivable	\$ (46.8)	\$ (58.8)	\$ 138.5
Inventories	(54.7)	(18.2)	35.4
Other current assets	(8.0)	(18.4)	(5.8)
Accounts payable	53.3	59.3	(102.6)
Accrued liabilities	28.8	53.8	4.8
U.S. and foreign taxes on income	25.2	20.3	(31.2)
Total	\$ (2.2)	\$ 38.0	\$ 39.1
Supplemental disclosure of cash flow information:			
Interest paid	\$ 47.6	\$ 44.4	\$ 53.8
Income taxes paid	\$ 147.2	\$ 56.3	\$ 46.5

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions, except share data)	Common Shares Issued at Par Value	Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Shareholders' Equity	Noncontrolling Interest	Total Equity
BALANCE DECEMBER 31, 2019	\$ 72.4	\$ 315.6	\$ 2,112.2	\$ (483.7)	\$ (542.8)	1,473.7	\$ 2.6	1,476.3
Net income	—	—	181.0	—	—	181.0	0.1	181.1
Cash dividends (\$1.72 per share)	—	—	(100.4)	—	—	(100.4)	—	(100.4)
Reacquisition on open market of 1,221,233 shares	—	—	—	—	(70.0)	(70.0)	—	(70.0)
Exercise of stock options, net of shares reacquired of 183,320	—	—	—	—	8.9	8.9	—	8.9
Stock-based compensation	—	22.3	—	—	—	22.3	—	22.3
Impact from settlement of share-based awards, net of shares acquired	—	(7.2)	—	—	3.3	(3.9)	—	(3.9)
Changes in pension and postretirement plan assets and benefit obligation, net of tax	—	—	—	(53.6)	—	(53.6)	—	(53.6)
Currency translation adjustment	—	—	—	70.9	—	70.9	(0.5)	70.4
BALANCE DECEMBER 31, 2020	72.4	330.7	2,192.8	(466.4)	(600.6)	1,528.9	2.2	1,531.1
Net income	—	—	435.4	—	—	435.4	—	435.4
Cash dividends (\$1.72 per share)	—	—	(100.9)	—	—	(100.9)	—	(100.9)
Reacquisition on open market of 943,048 shares	—	—	—	—	(96.3)	(96.3)	—	(96.3)
Exercise of stock options, net of shares reacquired of 553,655	—	—	—	—	16.5	16.5	—	16.5
Stock-based compensation	—	24.9	—	—	—	24.9	—	24.9
Impact from settlement of share-based awards, net of shares acquired	—	8.3	—	—	(10.7)	(2.4)	—	(2.4)
Changes in pension and postretirement plan assets and benefit obligation, net of tax	—	—	—	96.0	—	96.0	—	96.0
Currency translation adjustment	—	—	—	(69.8)	—	(69.8)	0.6	(69.2)
BALANCE DECEMBER 31, 2021	72.4	363.9	2,527.3	(440.2)	(691.1)	1,832.3	2.8	1,835.1
Net income	—	—	401.1	—	—	401.1	—	401.1
Cash dividends (\$1.88 per share)	—	—	(105.6)	—	—	(105.6)	—	(105.6)
Reacquisition on open market of 1,959,069 shares	—	—	—	—	(203.7)	(203.7)	—	(203.7)
Exercise of stock options, net of shares reacquired of 324,465 shares	—	—	—	—	21.9	21.9	—	21.9
Stock-based compensation	—	24.2	—	—	—	24.2	—	24.2
Impact from settlement of share-based awards, net of shares acquired	—	(14.3)	—	—	8.6	(5.7)	—	(5.7)
Changes in pension and postretirement plan assets and benefit obligation, net of tax	—	—	—	30.0	—	30.0	—	30.0
Currency translation adjustment	—	—	—	(93.1)	—	(93.1)	(0.2)	(93.3)
BALANCE DECEMBER 31, 2022	\$ 72.4	\$ 373.8	\$ 2,822.8	\$ (503.3)	\$ (864.3)	\$ 1,901.4	\$ 2.6	\$ 1,904.0

See Notes to Consolidated Financial Statements

Note 1 – Nature of Operations and Significant Accounting Policies*Nature of Operations*

We are a diversified manufacturer of highly engineered industrial products currently comprised of four reporting segments: Process Flow Technologies, Payment & Merchandising Technologies, Aerospace & Electronics and Engineered Materials. Our primary end markets include commercial and military aerospace, defense and space, chemical production, pharmaceutical production, water and wastewater, non-residential and municipal construction, energy, banknote design and production, payment automation solutions, along with a wide range of general industrial and certain consumer related end markets. See Note 3, “Segment Information” for the relative size of these segments in relation to the total company (both net sales and total assets).

Holding Company Reorganization

On May 16, 2022, Crane Co., a Delaware corporation (“Crane Co.”), completed its previously announced reorganization merger pursuant to the Agreement and Plan of Merger, dated as of February 28, 2022 (the “Reorganization Agreement”), by and among Crane Co., Crane Holdings, Co., a Delaware corporation (“Crane Holdings”), and Crane Transaction Company, LLC, a Delaware limited liability company and, as of immediately prior to the consummation of such merger, a wholly-owned subsidiary of Crane Holdings (“Merger Sub”). The Reorganization Agreement provided for the merger of Crane Co. and Merger Sub, with Crane Co. surviving the merger as a wholly-owned subsidiary of Crane Holdings (the “Reorganization Merger”).

Following the Reorganization Merger, on May 16, 2022, Crane Co. converted from a Delaware corporation into a Delaware limited liability company named “Crane LLC” (such conversion, together with the Reorganization Merger, the “Reorganization”). Following the Reorganization, substantially all of the assets of Crane LLC were distributed, assigned, transferred, conveyed and delivered to, and certain non-asbestos related liabilities of Crane LLC were assumed by, Crane Holdings. On May 17, 2022, Crane LLC converted from a Delaware limited liability company to a Delaware corporation named “Crane Co.” Subsequently, on May 26, 2022, Crane Co. filed a Certificate of Amendment to its Certificate of Incorporation (the “Certificate of Amendment”) with the Secretary of State of the State of Delaware, which became effective upon filing, pursuant to which the Crane Co. officially changed its name from “Crane Co.” to “Redco Corporation”. The “Crane Co.” name has been reserved for future use by Crane Holdings.

Divestiture of asbestos-related assets and liabilities

On August 12, 2022, Crane Holdings, Co., Crane Company, a wholly-owned subsidiary of Crane Holdings, Co., and Redco Corporation (“Redco”), then a wholly-owned subsidiary of Crane Company that held liabilities including asbestos liabilities and related insurance assets, entered into a Stock Purchase Agreement (the “Redco Purchase Agreement”) with Spruce Lake Liability Management Holdco LLC (“Redco Buyer”), an unrelated third party and long-term liability management company specializing in the acquisition and management of legacy corporate liabilities whereby Crane Company transferred to Redco Buyer all of the issued and outstanding shares of Redco (the “Redco Sale”). In connection with the Redco Sale, Crane Holdings, Co., on behalf of Crane Company, contributed approximately \$550 million in cash to Redco, which was funded by a combination of short-term borrowings and cash on hand. As a result of the Redco Sale, all asbestos obligations and liabilities, related insurance assets and associated deferred tax assets have been removed from Crane Holdings, Co.’s consolidated balance sheets effective August 12, 2022. A loss on the divestiture of asbestos-related assets and liabilities of \$162.4 million was recognized in the consolidated statements of operations for the year ended December 31, 2022.

Sale of Crane Supply

On April 8, 2022, the Company entered into an agreement to sell the Crane Supply business for CAD 380 million on a cash-free and debt-free basis. Subsequent to net working capital and other closing adjustments, the sale closed on May 31, 2022 for CAD 402 million. In August 2022, the Company received CAD 5 million related to a final working capital adjustment. The Company recognized a total gain on sale of \$232.5 million.

Pending Separation

On March 30, 2022, the Company announced that its Board of Directors unanimously approved a plan to pursue a separation into two independent, publicly-traded companies (the “Separation”). The Separation is expected to occur through a tax-free distribution and is expected to be completed in April, 2023, subject to the satisfaction of customary conditions and final approval by Crane Holdings, Co.’s Board of Directors.

Termination of Agreement to Sell Engineered Materials

On May 16, 2021, we entered into an agreement to sell the Engineered Materials segment to Grupo Verzatec S.A. de C.V. (“Verzatec”) for \$360 million on a cash-free and debt-free basis. In the second quarter of 2021, the assets and liabilities of the segment were classified as held for sale. On May 26, 2022, Verzatec terminated the sale agreement and paid \$7.5 million to the

Company in termination fees, which is presented within Miscellaneous income on the Consolidated Statements of Operations. As such, as of June 30, 2022 the Engineered Materials segment is no longer classified as assets held for sale and is presented herein as continuing operations for all periods presented.

Significant Accounting Policies

Accounting Principles. Our consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The consolidated financial statements include the accounts of Crane Holdings, Co. and our subsidiaries. All intercompany balances and transactions have been eliminated upon consolidation. As used in these notes, the terms "we," "us," "our," "Crane" and the "Company" mean Crane Holdings, Co. and our subsidiaries unless the context specifically states or implies otherwise.

Basis of presentation. Certain amounts in the prior years' consolidated financial statements have been reclassified to conform to the current year presentation.

Due to rounding, numbers presented throughout this report may not add up precisely to totals we provide, and percentages may not precisely reflect the absolute figures.

Use of Estimates. Our accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results may differ from those estimated. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period in which they are determined to be necessary. Estimates are used when accounting for such items as asset valuations, allowance for doubtful accounts, depreciation and amortization, impairment assessments, reserve for excess and obsolete inventory, reserve for warranty provision, restructuring provisions, employee benefits, taxes, environmental liability and contingencies.

Currency Translation. Assets and liabilities of subsidiaries that prepare financial statements in currencies other than the U.S. dollar are translated at the rate of exchange in effect on the balance sheet date; results of operations are translated at the monthly average rates of exchange prevailing during the year. The related translation adjustments are included in accumulated other comprehensive income (loss) in a separate component of equity.

Revenue Recognition. In accordance with Accounting Standards Codification ("ASC") Topic 606 "Revenue from Contracts with Customers," we recognize revenue when control of the promised goods or services in a contract transfers to the customer, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. We account for a contract when both parties have approved and committed to the terms, each party's rights and payment obligations under the contract are identifiable, the contract has commercial substance, and it is probable that we will collect substantially all of the consideration. When shipping and handling activities are performed after the customer obtains control of product, we elect to account for shipping and handling as activities to fulfill the promise to transfer the product. In determining the transaction price of a contract, we exercise judgment to determine the total transaction price when it includes estimates of variable consideration, such as rebates and milestone payments. We generally estimate variable consideration using the expected value method and consider all available information (historical, current, and forecasted) in estimating these amounts. Variable consideration is only included in the transaction price to the extent that it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. We elect to exclude from the transaction price all taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction and collected by us from a customer.

We primarily generate revenue through the manufacture and sale of engineered industrial products. Each product within a contract generally represents a separate performance obligation, as we do not provide a significant service of integrating or installing the products, the products do not customize each other, and the products can function independently of each other. Control of products generally transfers to the customer at a point in time, as the customer does not control the products as they are manufactured. We exercise judgment and consider the timing of right to payment, transfer of risk and rewards, transfer of title, transfer of physical possession, and customer acceptance when determining when control transfers to the customer. As a result, revenue from the sale of products is generally recognized at a point in time - either upon shipment or delivery - based on the specific shipping terms in the contract. When products are customized or products are sold directly to the U.S. government or indirectly to the U.S. government through subcontracts, revenue is recognized over time because control is transferred continuously to customers, as the contract progresses. We exercise judgment to determine whether the products have an alternative use to us. When an alternative use does not exist for these products and we are entitled to payment for performance completed to date which includes a reasonable profit margin, revenue is recognized over time. When a contract with the U.S. government or subcontract for the U.S. government contains clauses indicating that the U.S. government owns any work-in-progress as the contracted product is being built, revenue is recognized over time. The measure of progress applied by us is the cost-to-cost method as this provides the most faithful depiction of the pattern of transfer of control. Under this method, we measure progress by comparing costs incurred to date to the total estimated costs to provide the performance obligation. This

method effectively reflects our progress toward completion, as this methodology includes any work-in-process amounts as part of the measure of progress. Costs incurred represent work performed, which corresponds with, and thereby depicts, the transfer of control to the customer. Total revenue recognized and cost estimates are updated on a monthly basis. In 2022, the Company recognized approximately \$120 million in revenue over time related to contracts in progress as of December 31, 2022.

When there are multiple performance obligations in a single contract, the total transaction price is allocated to each performance obligation based on their relative standalone selling prices. We maximize the use of observable data inputs and consider all information (including market conditions, segment-specific factors, and information about the customer or class of customer) that is reasonably available. The standalone selling price for our products and services is generally determined using an observable list price, which differs by class of customer.

Revenue recognized from performance obligations satisfied in previous periods (for example, due to changes in the transaction price or estimates), was not material in any period.

Payment for products is due within a limited time period after shipment or delivery, and we generally do not offer extended payment terms. Payment is typically due within 30-90 calendar days of the respective invoice dates. Customers generally do not make large upfront payments. Any advanced payments received do not provide us with a significant benefit of financing, as the payments are meant to secure materials used to fulfill the contract, as opposed to providing us with a significant financing benefit.

When an unconditional right to consideration exists, we record these amounts as receivables. When amounts are dependent on factors other than the passage of time in order for payment from a customer to become due, we record a contract asset. Contract assets represent unbilled amounts that typically arise from contracts for customized products or contracts for products sold directly to the U.S. government or indirectly to the U.S. government through subcontracts, where revenue recognized using the cost-to-cost method exceeds the amount billed to the customer. Contract assets are assessed for impairment and recorded at their net realizable value. Contract liabilities represent advance payments from customers. Revenue related to contract liabilities is recognized when control is transferred to the customer.

We pay sales commissions related to certain contracts, which qualify as incremental costs of obtaining a contract. However, the sales commissions generally relate to contracts for products or services satisfied at a point in time or over a period of time less than one year. As a result, we apply the practical expedient that allows an entity to recognize incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that would have been recognized is one year or less.

See Note 4, "Revenue" for further details.

Cost of Goods Sold. Cost of goods sold includes the costs of inventory sold and the related purchase and distribution costs. In addition to material, labor and direct overhead and inventoried cost, cost of goods sold include allocations of other expenses that are part of the production process, such as inbound freight charges, purchasing and receiving costs, inspection costs, warehousing costs, amortization of production related intangible assets and depreciation expense. We also include costs directly associated with products sold, such as warranty provisions.

Selling, General and Administrative Expenses. Selling, general and administrative expenses are recognized as incurred. Such expenses include the costs of promoting and selling products and include such items as compensation, advertising, sales commissions and travel. Also included are costs related to compensation for other operating activities such as executive office administrative and engineering functions, as well as general operating expenses such as office supplies, non-income taxes, insurance and office equipment rentals.

Income Taxes. We account for income taxes in accordance with ASC Topic 740 "Income Taxes" ("ASC 740") which requires an asset and liability approach for the financial accounting and reporting of income taxes. Under this method, deferred income taxes are recognized for the expected future tax consequences of differences between the tax bases of assets and liabilities and their reported amounts in the financial statements. These balances are measured using the enacted tax rates expected to apply in the year(s) in which these temporary differences are expected to reverse. The effect of a change in tax rates on deferred income taxes is recognized in income in the period when the change is enacted.

Based on consideration of all available evidence regarding their utilization, we record net deferred tax assets to the extent that it is more likely than not that they will be realized. Where, based on the weight of all available evidence, it is more likely than not that some amount of a deferred tax asset will not be realized, we establish a valuation allowance for the amount that, in management's judgment, is sufficient to reduce the deferred tax asset to an amount that is more likely than not to be realized. The evidence we consider in reaching such conclusions includes, but is not limited to, (1) future reversals of existing taxable temporary differences, (2) future taxable income exclusive of reversing taxable temporary differences, (3) taxable income in prior carryback year(s) if carryback is permitted under the tax law, (4) cumulative losses in recent years, (5) a history of tax losses or credit carryforwards expiring unused, (6) a carryback or carryforward period that is so brief it limits realization of tax benefits,

and (7) a strong earnings history exclusive of the loss that created the carryforward and support showing that the loss is an aberration rather than a continuing condition.

We account for unrecognized tax benefits in accordance with ASC 740, which prescribes a minimum probability threshold that a tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation, based solely on the technical merits of the position. The tax benefit recognized is the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement.

We recognize interest and penalties related to unrecognized tax benefits within the income tax expense line of our Consolidated Statement of Operations, while accrued interest and penalties are included within the related tax liability line of our Consolidated Balance Sheets.

Earnings Per Share. Our basic earnings per share calculations are based on the weighted average number of common shares outstanding during the year. Potentially dilutive securities include outstanding stock options, restricted share units, deferred stock units and performance-based restricted share units. The dilutive effect of potentially dilutive securities is reflected in diluted earnings per common share by application of the treasury method. Diluted earnings per share gives effect to all potential dilutive common shares outstanding during the year.

(in millions, except per share data) For the year ended December 31,	2022	2021	2020
Net income attributable to common shareholders	\$ 401.1	\$ 435.4	\$ 181.0
Average basic shares outstanding	56.4	58.4	58.3
Effect of dilutive share-based awards	0.8	0.8	0.5
Average diluted shares outstanding	57.2	59.2	58.8
Basic earnings per share	\$ 7.11	\$ 7.46	\$ 3.10
Diluted earnings per share	\$ 7.01	\$ 7.36	\$ 3.08

The computation of diluted earnings per share excludes the effect of the potential exercise of stock options when the average market price of the common stock is lower than the exercise price of the related stock options. During 2022, 2021 and 2020, the number of stock options excluded from the computation was 0.4 million, 1.2 million and 2.1 million, respectively.

Cash and Cash Equivalents. Cash and cash equivalents include highly liquid investments with original maturities of three months or less that are readily convertible to cash and are not subject to significant risk from fluctuations in interest rates. As a result, the carrying amount of cash and cash equivalents approximates fair value.

Accounts Receivable, Net. Accounts receivable are carried at net realizable value. The allowance for doubtful accounts was \$14.1 million and \$10.4 million as of December 31, 2022 and 2021, respectively. The allowance for doubtful accounts activity was not material to our financial results for the years ended December 31, 2022 and 2021. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers and relatively small account balances within the majority of our customer base and their dispersion across different businesses. We periodically evaluate the financial strength of our customers and believe that our credit risk exposure is limited.

Inventories, net. Inventories consist of the following:

(in millions) December 31,	2022	2021
Finished goods	\$ 83.3	\$ 147.3
Finished parts and subassemblies	70.7	59.5
Work in process	39.9	37.0
Raw materials	245.9	205.3
Total inventories, net	\$ 439.8	\$ 449.1

Inventories, net include the costs of material, labor and overhead and are stated at the lower of cost or net realizable value. Domestic inventories are stated at either the lower of cost or net realizable value using the last-in, first-out ("LIFO") method or the lower of cost or net realizable value using the first-in, first-out ("FIFO") method. Inventories held in foreign locations are primarily stated at the lower of cost or market using the FIFO method. The LIFO method is not being used at our foreign locations as such a method is not allowable for tax purposes. Changes in the levels of LIFO inventories have increased cost of sales by \$8.4 million, \$3.6 million and \$2.3 million for the years ended December 31, 2022, 2021 and 2020 respectively. The portion of

inventories costed using the LIFO method was 37.2% and 30.1% of consolidated inventories as of December 31, 2022, and 2021, respectively. If inventories that were valued using the LIFO method had been valued under the FIFO method, they would have been higher by \$38.8 million and \$30.4 million as of December 31, 2022 and 2021, respectively. The reserve for excess and obsolete inventory was \$99.3 million and \$98.6 million as of December 31, 2022, and 2021, respectively.

Valuation of Long-Lived Assets. We review our long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Examples of events or changes in circumstances could include, but are not limited to, a prolonged economic downturn, current period operating or cash flow losses combined with a history of losses or a forecast of continuing losses associated with the use of an asset or asset group, or a current expectation that an asset or asset group will be sold or disposed of before the end of its previously estimated useful life. Recoverability is based upon projections of anticipated future undiscounted cash flows associated with the use and eventual disposal of the long-lived asset (or asset group), as well as specific appraisal in certain instances. Reviews occur at the lowest level for which identifiable cash flows are largely independent of cash flows associated with other long-lived assets or asset groups. If the future undiscounted cash flows are less than the carrying value, then the long-lived asset is considered impaired and a loss is recognized based on the amount by which the carrying amount exceeds the estimated fair value. Judgments which impact these assessments relate to the expected useful lives of long-lived assets and our ability to realize any undiscounted cash flows in excess of the carrying amounts of such assets, and are affected primarily by changes in the expected use of the assets, changes in technology or development of alternative assets, changes in economic conditions, changes in operating performance and changes in expected future cash flows. Since judgment is involved in determining the recoverable amount of long-lived assets, there is risk that the carrying value of our long-lived assets may require adjustment in future periods.

Property, Plant and Equipment, net. Property, plant and equipment, net consists of the following:

(in millions) December 31,	2022	2021
Land	\$ 76.4	\$ 80.8
Buildings and improvements	284.5	281.5
Machinery and equipment	889.9	926.2
Gross property, plant and equipment	1,250.8	1,288.5
Less: accumulated depreciation	740.9	732.9
Property, plant and equipment, net	\$ 509.9	\$ 555.6

Property, plant and equipment is stated at cost and depreciation is calculated by the straight-line method over the estimated useful lives of the respective assets, which range from 10 to 25 years for buildings and improvements and three to 10 years for machinery and equipment. Depreciation expense was \$76.1 million, \$75.1 million and \$77.2 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Goodwill and Other Intangible Assets. Our business acquisitions have typically resulted in the recognition of goodwill and other intangible assets. We follow the provisions under ASC Topic 350, "Intangibles – Goodwill and Other" ("ASC 350") as it relates to the accounting for goodwill in the Consolidated Financial Statements. These provisions require that we, on at least an annual basis, evaluate the fair value of the reporting units to which goodwill is assigned and attributed and compare that fair value to the carrying value of the reporting unit to determine if an impairment has occurred. We perform our annual impairment testing during the fourth quarter. Impairment testing takes place more often than annually if events or circumstances indicate a change in status that would indicate a potential impairment. We believe that there have been no other events or circumstances which would more likely than not reduce the fair value of our reporting units below its carrying value. A reporting unit is an operating segment unless discrete financial information is prepared and reviewed by segment management for businesses one level below that operating segment (a "component"), in which case the component would be the reporting unit. As of December 31, 2022, we had six reporting units.

When performing our annual impairment assessment, we compare the fair value of each of our reporting units to our respective carrying value. Goodwill is considered to be potentially impaired when the net book value of the reporting unit exceeds its estimated fair value. Fair values are established primarily by discounting estimated future cash flows at an estimated cost of capital which varies for each reporting unit and which, as of our most recent annual impairment assessment, ranged between 9.5% and 11.5% (a weighted average of 10.8%), reflecting the respective inherent business risk of each of the reporting units tested. This methodology for valuing our reporting units (commonly referred to as the Income Method) has not changed since the adoption of the provisions under ASC 350. The determination of discounted cash flows is based on the businesses' strategic plans and long-range planning forecasts, which change from year to year. The revenue growth rates included in the forecasts represent best estimates based on current and forecasted market conditions. Profit margin assumptions are projected by each reporting unit based on the current cost structure and anticipated net cost increases/reductions. There are inherent uncertainties related to these assumptions, including changes in market conditions, and management judgment is necessary in

applying them to the analysis of goodwill impairment. In addition to the foregoing, for each reporting unit, market multiples are used to corroborate discounted cash flow results where fair value is estimated based on earnings multiples determined by available public information of comparable businesses. While we believe we have made reasonable estimates and assumptions to calculate the fair value of our reporting units, it is possible a material change could occur. If actual results are not consistent with management's estimates and assumptions, goodwill and other intangible assets may then be determined to be overstated and a charge would need to be taken against net earnings. No impairment charges have been required during 2022, 2021 or 2020.

Changes to goodwill are as follows:

(in millions)	Aerospace & Electronics	Process Flow Technologies	Payment & Merchandising Technologies	Engineered Materials	Total
Balance as of December 31, 2020	\$ 202.5	\$ 360.0	\$ 875.2	\$ 171.3	\$ 1,609.0
Adjustments to purchase price allocations	—	(0.1)	—	—	\$ (0.1)
Currency translation	—	(10.5)	(14.6)	—	\$ (25.1)
Balance as of December 31, 2021	\$ 202.5	\$ 349.4	\$ 860.6	\$ 171.3	\$ 1,583.8
Disposal on sale of business	—	(22.3)	—	—	\$ (22.3)
Currency translation	(0.2)	(9.8)	(24.0)	—	\$ (34.0)
Balance as of December 31, 2022	\$ 202.3	\$ 317.3	\$ 836.6	\$ 171.3	\$ 1,527.5

For the year ended December 31, 2022, adjustments within the Process Flow Technologies segment of \$22.3 million relate to the disposition of the Crane Supply business.

For the year ended December 31, 2021, adjustments within the Process Flow Technologies segment of \$0.1 million represent the finalization of the purchase price allocation for the acquisition of CIRCOR International, Inc.'s Instrumentation & Sampling Business ("I&S").

Intangibles with indefinite useful lives are tested annually for impairment, or when events or changes in circumstances indicate the potential for impairment. If the carrying amount of an indefinite lived intangible asset exceeds its fair value, the intangible asset is written down to its fair value. Fair value is calculated using relief from royalty method. We amortize the cost of definite-lived intangibles over their estimated useful lives.

In addition to annual testing for impairment of indefinite-lived intangible assets, we review all of our definite-lived intangible assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Examples of events or changes in circumstances could include, but are not limited to, a prolonged economic downturn, current period operating or cash flow losses combined with a history of losses or a forecast of continuing losses associated with the use of an asset or asset group, or a current expectation that an asset or asset group will be sold or disposed of before the end of its previously estimated useful life. Recoverability is based upon projections of anticipated future undiscounted cash flows associated with the use and eventual disposal of the definite-lived intangible asset (or asset group), as well as specific appraisal in certain instances. Reviews occur at the lowest level for which identifiable cash flows are largely independent of cash flows associated with other long-lived assets or asset groups and include estimated future revenues, gross profit margins, operating profit margins and capital expenditures which are based on the businesses' strategic plans and long-range planning forecasts, which change from year to year. The revenue growth rates included in the forecasts represent our best estimates based on current and forecasted market conditions, and the profit margin assumptions are based on the current cost structure and anticipated net cost increases or reductions. There are inherent uncertainties related to these assumptions, including changes in market conditions, and management's judgment in applying them to the analysis. If the future undiscounted cash flows are less than the carrying value, then the definite-lived intangible asset is considered impaired and a charge would be taken against net earnings based on the amount by which the carrying amount exceeds the estimated fair value. Judgments that we make which impact these assessments relate to the expected useful lives of definite-lived assets and its ability to realize any undiscounted cash flows in excess of the carrying amounts of such assets, and are affected primarily by changes in the expected use of the assets, changes in technology or development of alternative assets, changes in economic conditions, changes in operating performance and changes in expected future cash flows. Since judgment is involved in determining the recoverable amount of definite-lived intangible assets, there is risk that the carrying value of our definite-lived intangible assets may require adjustment in future periods. Historical results to date have generally approximated expected cash flows for the identifiable cash flow generating level.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2022, we had \$416.6 million of net intangible assets, of which \$67.3 million were intangibles with indefinite useful lives, consisting of trade names. As of December 31, 2021, we had \$467.1 million of net intangible assets, of which \$70.6 million were intangibles with indefinite useful lives, consisting of trade names.

Changes to intangible assets are as follows:

(in millions) December 31,	2022	2021	2020
Balance at beginning of period, net of accumulated amortization	\$ 467.1	\$ 520.3	\$ 505.1
Additions	—	—	52.5
Amortization expense	(41.7)	(44.5)	(48.4)
Currency translation and other	(8.8)	(8.7)	11.1
Balance at end of period, net of accumulated amortization	\$ 416.6	\$ 467.1	\$ 520.3

For the year ended December 31, 2020, additions to intangible assets represent the preliminary purchase price allocation related to the January 2020 acquisition of I&S.

A summary of intangible assets follows:

(in millions)	Weighted Average Amortization Period of Finite Lived Assets (in years)	December 31, 2022			December 31, 2021		
		Gross Asset	Accumulated Amortization	Net	Gross Asset	Accumulated Amortization	Net
Intellectual property rights	15.1	\$ 132.1	\$ 59.1	\$ 73.0	\$ 136.8	\$ 59.2	\$ 77.6
Customer relationships and backlog	18.4	635.5	329.8	305.7	651.7	308.8	342.9
Drawings	40.0	11.1	10.7	0.4	11.1	10.6	0.5
Other	11.7	141.3	103.8	37.5	142.1	96.0	46.1
Total	17.9	\$ 920.0	\$ 503.4	\$ 416.6	\$ 941.7	\$ 474.6	\$ 467.1

Future amortization expense associated with intangibles is expected to be:

Year	(in millions)
2023	\$ 41.8
2024	\$ 41.0
2025	\$ 35.7
2026	\$ 35.5
2027	\$ 33.9
2028 and after	\$ 161.4

Accumulated Other Comprehensive Loss

The tables below provide the accumulated balances for each classification of accumulated other comprehensive loss, as reflected on the Consolidated Balance Sheets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(in millions)	Defined Benefit Pension and Other Postretirement Items	Currency Translation Adjustment	Total ^(a)
Balance as of December 31, 2019	\$ (344.3)	\$ (139.4)	(483.7)
Other comprehensive (loss) income before reclassifications	(67.4)	70.9	3.5
Amounts reclassified from accumulated other comprehensive loss	13.8	—	13.8
Net period other comprehensive (loss) income	(53.6)	70.9	17.3
Balance as of December 31, 2020	(397.9)	(68.5)	(466.4)
Other comprehensive (loss) income before reclassifications	78.0	(69.8)	8.2
Amounts reclassified from accumulated other comprehensive loss	18.0	—	18.0
Net period other comprehensive (loss) income	96.0	(69.8)	26.2
Balance as of December 31, 2021	(301.9)	(138.3)	(440.2)
Other comprehensive income (loss) before reclassifications	19.5	(93.1)	(73.6)
Amounts reclassified from accumulated other comprehensive loss	10.5	—	10.5
Net period other comprehensive income (loss)	30.0	(93.1)	(63.1)
Balance as of December 31, 2022	\$ (271.9)	\$ (231.4)	\$ (503.3)

(a) Net of tax benefit of \$106.6 million, \$117.9 million and \$148.2 million for 2022, 2021, and 2020, respectively.

The table below illustrates the amounts reclassified out of each component of accumulated other comprehensive loss for the years ended December 31, 2022, 2021 and 2020. Amortization of pension and postretirement components have been recorded within "Miscellaneous income, net" on the Consolidated Statements of Operations.

(in millions)	Amount Reclassified from Accumulated Other Comprehensive Loss		
December 31,	2022	2021	2020
Amortization of pension items:			
Prior service costs	\$ (0.1)	\$ (0.1)	\$ (0.3)
Net loss	15.2	23.4	19.1
Amortization of postretirement items:			
Prior service costs	(1.1)	(1.1)	(1.1)
Total before tax	\$ 14.0	\$ 22.2	\$ 17.7
Tax impact	3.5	4.2	3.9
Total reclassifications for the period	\$ 10.5	\$ 18.0	\$ 13.8

Recent Accounting Pronouncements

The Company considered the applicability and impact of all Accounting Standards Updates issued by the Financial Accounting Standards Board (FASB) and determined them to be either not applicable or are not expected to have a material impact on the Company's Consolidated Statement of Operations, Balance Sheets and Cash Flows.

Note 2 – Acquisitions

Acquisitions are accounted for in accordance with ASC Topic 805, “Business Combinations” (“ASC 805”). Accordingly, we make an initial allocation of the purchase price at the date of acquisition based upon our understanding of the fair value of the acquired assets and assumed liabilities. We obtain this information during due diligence and through other sources. In the months after closing, as we obtain additional information about these assets and liabilities, including through tangible and intangible asset appraisals, we are able to refine estimates of fair value and more accurately allocate the purchase price. Only items identified as of the acquisition date are considered for subsequent adjustment to the purchase price allocation. We will make appropriate adjustments to the purchase price allocation prior to completion of the measurement period, as required.

In order to allocate the consideration transferred for our acquisitions, the fair values of all identifiable assets and liabilities must be established. For accounting and financial reporting purposes, fair value is defined under ASC Topic 820, “Fair Value Measurement and Disclosure” as the price that would be received upon sale of an asset or the amount paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market participants are assumed to be buyers and sellers in the principal (most advantageous) market for the asset or liability. Additionally, fair value measurements for an asset assume the highest and best use of that asset by market participants. Use of different estimates and judgments could yield different results.

Instrumentation & Sampling Business Acquisition

On January 31, 2020, we completed the acquisition of I&S for \$172.3 million on a cash-free and debt-free basis, subject to a later adjustment reflecting I&S' net working capital, cash, the assumption of certain debt-like items, and I&S' transaction expenses. We funded the acquisition through short-term borrowings consisting of \$100 million of commercial paper and \$67 million from our revolving credit facility, and cash on hand. In August 2020, we received \$3.1 million related to the final working capital adjustment which resulted in net cash paid of \$169.2 million.

I&S designs, engineers and manufactures a broad range of critical fluid control instrumentation and sampling solutions used in severe service environments which complements our existing portfolio of chemical, refining, petrochemical and upstream oil and gas applications. I&S has been integrated into the Process Flow Technologies segment. The amount allocated to goodwill reflects the expected sales synergies, manufacturing efficiency and procurement savings. Goodwill from this acquisition is not deductible for tax purposes.

Allocation of Consideration Transferred to Net Assets Acquired

The following amounts represent the determination of the fair value of identifiable assets acquired and liabilities assumed from our acquisition of I&S. The fair value of certain assets and liabilities has been completed as required by ASC 805.

Net assets acquired (in millions)	
Total current assets	\$ 21.0
Property, plant and equipment	11.0
Other assets	6.0
Intangible assets	52.5
Goodwill	106.0
Total assets acquired	\$ 196.5
Total current liabilities	\$ 8.1
Other liabilities	19.2
Total assumed liabilities	\$ 27.3
Net assets acquired	\$ 169.2

The amounts allocated to acquired intangible assets, and their associated weighted-average useful lives which were determined based on the period in which the assets are expected to contribute directly or indirectly to our future cash flows, consist of the following:

Intangible Assets (<i>dollars in millions</i>)	Intangible Fair Value	Weighted Average Life
Trademarks/trade names	\$ 2.6	13
Customer relationships	49.0	14
Backlog	0.9	1
Total acquired intangible assets	\$ 52.5	

The fair values of the trademark and trade name intangible assets were determined by using an income approach, specifically the relief-from-royalty approach, which is a commonly accepted valuation approach. This approach is based on the assumption that in lieu of ownership, a firm would be willing to pay a royalty in order to exploit the related benefits of this asset. Therefore, a portion of I&S' earnings, equal to the after-tax royalty that would have been paid for the use of the asset, can be attributed to our ownership. The trade names are being amortized on a straight-line basis (which approximates the economic pattern of benefits) over the estimated economic life of 13 years.

The fair values of the customer relationships and backlog intangible assets were determined by using an income approach which is a commonly accepted valuation approach. Under this approach, the net earnings attributable to the asset or liability being measured are isolated using the discounted projected net cash flows. These projected cash flows are isolated from the projected cash flows of the combined asset group over the remaining economic life of the intangible asset or liability being measured. Both the amount and the duration of the cash flows are considered from a market participant perspective. Our estimates of market participant net cash flows considered historical and projected pricing, operational performance including market participant synergies, aftermarket retention, product life cycles, material and labor pricing, and other relevant customer, contractual and market factors. Where appropriate, the net cash flows were adjusted to reflect the potential attrition of existing customers in the future, as existing customers are expected to decline over time. The attrition-adjusted future cash flows are then discounted to present value using an appropriate discount rate. The customer relationship asset is being amortized on a straight-line basis (which approximates the economic pattern of benefits) over the estimated economic life of 14 years.

Supplemental Pro Forma Data

I&S' results of operations have been included in our financial statements for the period subsequent to the completion of the acquisition on January 31, 2020. Consolidated pro forma revenue and net income attributable to common shareholders has not been presented since the impact is not material to our financial results for the period.

Acquisition-Related Costs

Acquisition-related costs are being expensed as incurred. For the year ended December 31, 2020, we recorded \$12.9 million of integration and transaction costs. Acquisition-related costs are recorded within "Acquisition-related and integration charges" in our Consolidated Statements of Operations.

Note 3 – Segment Information

In accordance with ASC Topic 280, "Segment Reporting," for purposes of segment performance measurement, we do not allocate to the business segments items that are of a non-operating nature, including charges which occur from time to time related to our asbestos liability and our legacy environmental liabilities, as such items are not related to current business activities; or corporate organizational and functional expenses of a governance nature. "Corporate expenses-before asbestos and environmental charges" consist of corporate office expenses including, compensation, benefits, occupancy, depreciation, and other administrative costs. Assets of the business segments exclude general corporate assets, which principally consist of cash and cash equivalents, deferred tax assets, insurance receivables, certain property, plant and equipment, and certain other assets.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. We account for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Our segments are reported on the same basis used internally for evaluating performance and for allocating resources. We currently have four reporting segments: Process Flow Technologies, Payment & Merchandising Technologies, Aerospace & Electronics and Engineered Materials.

A brief description of each of our current segments is as follows:

Aerospace & Electronics

The Aerospace & Electronics segment supplies critical components and systems, including original equipment and aftermarket parts, primarily for the commercial aerospace, and the military aerospace, defense and space markets. Its brands have decades of proven experience, and in many cases invented the critical technologies in their respective markets. The business designs and delivers proven systems, reliable components, and flexible power solutions that excel in tough and mission-critical environments. Products and services are organized into six integrated solutions: Sensing Components & Systems, Electrical Power Solutions, Fluid Management Solutions, Landing & Control Systems, and Microwave Solutions.

Process Flow Technologies

The Process Flow Technologies segment is a provider of highly engineered fluid handling equipment for mission critical applications that require high reliability. The segment is comprised of Process Valves and Related Products, Commercial Valves, and Pumps and Systems. Process Valves and Related Products include on/off valves and related products for critical and demanding applications in the chemical, oil & gas, power, and general industrial end markets globally. Commercial Valves includes the manufacturing and distribution of valves and related products for the non-residential construction, general industrial, and to a lesser extent, municipal markets. Pumps and Systems include pumps and related products primarily for water and wastewater applications in the industrial, municipal, commercial and military markets.

Payment & Merchandising Technologies

The Payment & Merchandising Technologies segment consists of Crane Payment Innovations ("CPI") and Crane Currency. CPI provides electronic equipment and associated software leveraging extensive and proprietary core capabilities with various detection and sensing technologies for applications including verification and authentication of payment transactions. CPI also provides advanced automation solutions, and processing systems, field service solutions, and remote diagnostics and productivity software solutions. Crane Currency provides advance security solutions based on proprietary micro-optic technology for the global banknote industry.

Engineered Materials

The Engineered Materials segment manufactures fiberglass-reinforced plastic ("FRP") panels and coils, primarily for use in the manufacturing of recreational vehicles ("RVs"), truck bodies and trailers (Transportation), with additional applications in commercial and industrial buildings (Building Products).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Financial information by reportable segment is set forth below:

(in millions) December 31,	2022	2021	2020
Net Sales:			
Aerospace & Electronics	\$ 667.3	\$ 638.3	\$ 650.7
Process Flow Technologies	1,109.4	1,196.6	1,005.8
Payment & Merchandising Technologies	1,339.9	1,345.1	1,104.8
Engineered Materials	258.3	228.0	175.6
TOTAL NET SALES	\$ 3,374.9	\$ 3,408.0	\$ 2,936.9
Operating profit:			
Aerospace & Electronics	\$ 120.3	\$ 110.0	\$ 100.7
Process Flow Technologies	168.2	182.5	97.7
Payment & Merchandising Technologies	333.1	307.5	100.6
Engineered Materials	32.6	26.9	22.7
Corporate	(284.7)	(97.7)	(58.8)
TOTAL OPERATING PROFIT ^(a)	\$ 369.5	\$ 529.2	\$ 262.9
Capital expenditures:			
Aerospace & Electronics	\$ 9.3	\$ 14.1	\$ 9.8
Process Flow Technologies	23.9	18.8	13.7
Payment & Merchandising Technologies	21.3	18.6	9.3
Engineered Materials	3.8	2.2	1.2
Corporate	0.1	0.2	0.1
TOTAL CAPITAL EXPENDITURES	\$ 58.4	\$ 53.9	\$ 34.1
Depreciation and amortization:			
Aerospace & Electronics	\$ 14.1	\$ 14.7	\$ 14.2
Process Flow Technologies	19.5	22.0	21.6
Payment & Merchandising Technologies	78.2	81.3	85.9
Engineered Materials	5.8	1.6	3.7
Corporate	1.3	1.5	2.1
TOTAL DEPRECIATION AND AMORTIZATION	\$ 118.9	\$ 121.1	\$ 127.5

(a) For the year ended December 31, 2022, operating profit includes a loss on divestiture of asbestos-related assets and liabilities of \$162.4 million and net restructuring charges of \$10.4 million. For the year ended December 31, 2021, operating profit included a restructuring gain of \$16.9 million. For the year ended December 31, 2020, operating profit included acquisition-related and integration charges of \$12.9 million and net restructuring charges of \$32.3 million. See Note 15, "Restructuring Charges" for discussion of the restructuring charges.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Net sales by geographic region:

(in millions) December 31,	2022	2021	2020
Net sales ^(a)			
United States	\$ 1,990.4	\$ 1,858.1	\$ 1,862.7
Canada	183.3	293.6	162.9
United Kingdom	131.9	140.9	270.9
Continental Europe	475.8	411.2	480.1
Other international	593.5	704.2	160.3
TOTAL NET SALES	\$ 3,374.9	\$ 3,408.0	\$ 2,936.9

(a) Net sales by geographic region are based on the destination of the sale.

Balance sheet items by reportable segment is set forth below:

(in millions) December 31,	2022	2021
Goodwill:		
Aerospace & Electronics	\$ 202.3	\$ 202.5
Process Flow Technologies	317.3	349.4
Payment & Merchandising Technologies	836.6	860.6
Engineered Materials	171.3	171.3
TOTAL GOODWILL	\$ 1,527.5	\$ 1,583.8

Assets:		
Aerospace & Electronics	\$ 663.3	\$ 604.7
Process Flow Technologies	1,064.7	1,240.4
Payment & Merchandising Technologies	2,125.9	2,096.5
Engineered Materials	218.6	220.5
Corporate	317.7	324.5
TOTAL ASSETS	\$ 4,390.2	\$ 4,486.6

Long-lived assets by geographic region:

(in millions) December 31,	2022	2021
Long-lived assets ^(a)		
United States	\$ 310.3	\$ 324.4
Canada	0.8	18.2
Europe	213.4	231.3
Other international	66.3	62.8
Corporate	11.6	15.6
TOTAL LONG-LIVED ASSETS	\$ 602.4	\$ 652.3

(a) Long-lived assets, net by geographic region are based on the location of the business unit.

Note 4 - Revenue

Disaggregation of Revenues

The following table presents net sales disaggregated by product line for each segment:

(in millions) December 31,	2022	2021	2020
Aerospace & Electronics			
Commercial Original Equipment	\$ 250.5	\$ 229.4	\$ 226.4
Military Original Equipment	231.2	239.7	258.7
Commercial Aftermarket Products	129.3	104.5	93.0
Military Aftermarket Products	56.3	64.7	72.6
Total Aerospace & Electronics	\$ 667.3	\$ 638.3	\$ 650.7
Process Flow Technologies			
Process Valves and Related Products	\$ 749.8	\$ 717.1	\$ 631.6
Commercial Valves	232.2	374.2	286.3
Pumps and Systems	127.4	105.3	87.9
Total Process Flow Technologies	\$ 1,109.4	\$ 1,196.6	\$ 1,005.8
Payment & Merchandising Technologies			
Payment Acceptance and Dispensing Products	\$ 874.3	\$ 805.7	\$ 670.8
Banknotes and Security Products	465.6	539.4	434.0
Total Payment & Merchandising Technologies	\$ 1,339.9	\$ 1,345.1	\$ 1,104.8
Engineered Materials			
FRP- Recreational Vehicles	\$ 111.9	\$ 102.5	\$ 68.9
FRP- Building Products	112.5	94.9	83.1
FRP- Transportation	33.9	30.6	23.6
Total Engineered Materials	\$ 258.3	\$ 228.0	\$ 175.6
Total Net Sales	\$ 3,374.9	\$ 3,408.0	\$ 2,936.9

Remaining Performance Obligations

The transaction price allocated to remaining performance obligations represents the transaction price of firm orders which have not yet been fulfilled, which we also refer to as total backlog. As of December 31, 2022, backlog was \$1,563.7 million. We expect to recognize approximately 90% of our remaining performance obligations as revenue in 2023, an additional 7% by 2024 and the balance thereafter.

Contract Assets and Contract Liabilities

Contract assets represent unbilled amounts that typically arise from contracts for customized products or contracts for products sold directly to the U.S. government or indirectly to the U.S. government through subcontracts, where revenue recognized using the cost-to-cost method exceeds the amount billed to the customer. Contract assets are assessed for impairment and recorded at their net realizable value. Contract liabilities represent advance payments from customers. Revenue related to contract liabilities is recognized when control is transferred to the customer. We report contract assets, which are included within "Other current assets" in our Consolidated Balance Sheets, and contract liabilities, which are included within "Accrued liabilities" on our Consolidated Balance Sheets, on a contract-by-contract net basis at the end of each reporting period. Net contract assets and contract liabilities consisted of the following:

(in millions) December 31,	2022	2021
Contract assets	\$ 88.6	\$ 73.0
Contract liabilities	\$ 142.9	\$ 101.1

During 2022 we recognized revenue of \$87.1 million related to contract liabilities as of December 31, 2021.

Note 5 – Research and Development

Research and development costs are expensed when incurred and are included in “Selling, general and administrative” in our Consolidated Statements of Operations.

(in millions) December 31,	2022	2021	2020
Research and Development Costs	\$ 83.1	\$ 82.7	\$ 74.6

Note 6 – Pension and Postretirement Benefits*Pension Plan*

In the United States, we sponsor a defined benefit pension plan that covers approximately 12% of all U.S. employees. Effective January 1, 2013, pension eligible non-union employees no longer earn future benefits in the domestic defined benefit pension plan. The benefits are based on years of service and compensation on a final average pay basis, except for certain hourly employees where benefits are fixed per year of service. Charges to expense are based upon costs computed by an independent actuary. Contributions are intended to provide for future benefits earned to date. Additionally, a number of our non-U.S. subsidiaries sponsor defined benefit pension plans that cover approximately 12% of all non-U.S. employees. The benefits are typically based upon years of service and compensation. Most of these plans are funded by company contributions to pension funds, which are held for the sole benefit of plan participants and beneficiaries.

In December 2022, we settled the pension plan for the salaried non-bargaining employees of Crane Canada Co. and recognized a loss of \$7.0 million, net of tax. Excess plan assets have been reclassified to current receivables and will be recognized upon final approval from regulatory authorities which is expected in 2023. We estimate that the Company will receive a distribution of approximately \$43 million after distributions to plan participants.

Postretirement Plans

Postretirement health care and life insurance benefits are provided for certain employees hired before January 1, 1990, who meet minimum age and service requirements. We also have postretirement medical and Medicare supplement that cover substantially all former full-time U.S. employees of Crane Currency.

A summary of the projected benefit obligations, fair value of plan assets and funded status is as follows:

(in millions) December 31,	Pension Benefits		Postretirement Benefits	
	2022	2021	2022	2021
Change in benefit obligation:				
Benefit obligation at beginning of year	\$ 1,152.1	\$ 1,259.8	\$ 28.1	\$ 30.0
Service cost	5.5	6.0	0.2	0.3
Interest cost	22.4	18.4	0.7	0.6
Plan participants' contributions	0.4	0.4	—	—
Amendments	0.7	(0.7)	—	—
Actuarial (gain) loss	(291.2)	(64.8)	(7.3)	(0.2)
Settlements	(9.9)	(6.1)	—	—
Curtailments	(1.0)	0.5	—	—
Benefits paid	(48.8)	(49.5)	(2.1)	(2.6)
Foreign currency exchange and other	(40.1)	(10.9)	—	—
Administrative expenses paid	(0.2)	(1.0)	—	—
Benefit obligation at end of year	\$ 789.9	\$ 1,152.1	\$ 19.6	\$ 28.1
Change in plan assets:				
Fair value of plan assets at beginning of year	\$ 1,081.4	\$ 1,024.1	\$ —	\$ —
Actual return on plan assets	(227.9)	96.2	—	—
Employer contributions	19.7	26.7	2.1	2.6
Plan participants' contributions	0.4	0.4	—	—
Settlements	(64.9)	(6.1)	—	—
Benefits paid	(48.8)	(49.5)	(2.1)	(2.6)
Foreign currency exchange and other	(45.2)	(8.8)	—	—
Administrative expenses paid	(0.9)	(1.6)	—	—
Fair value of plan assets at end of year	\$ 713.8	\$ 1,081.4	\$ —	\$ —
Funded status	\$ (76.1)	\$ (70.7)	\$ (19.6)	\$ (28.1)

In the U.S., 2022 actuarial gains in the projected benefit obligation were primarily the result of an increase in the discount rate. Other sources of gains or losses such as plan experience, updated census data and minor adjustments to actuarial assumptions generated combined losses of less than 1% of expected year end obligations. In the Non-U.S. countries, 2022 actuarial gains in the projected benefit obligation were primarily the result of increases in discount rates. Other sources of gains or losses such as plan experience, updated census data, changes to forecast inflation, mortality table updates and minor adjustments to other actuarial assumptions generated combined losses of approximately 3% of expected year end obligations.

In the U.S., 2021 actuarial gains in the projected benefit obligation were primarily the result of an increase in the discount rate. Other sources of gains or losses such as plan experience, updated census data and minor adjustments to actuarial assumptions generated combined losses of less than 1% of expected year end obligations. In the Non-U.S. countries, 2021 actuarial gains in the projected benefit obligation were primarily the result of increases in discount rates. Other sources of gains or losses such as plan experience, updated census data, changes to forecast inflation, mortality table updates and minor adjustments to other actuarial assumptions generated combined gains of 2% of expected year end obligations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Amounts recognized on our Consolidated Balance Sheets consist of:

(in millions) December 31,	Pension Benefits		Postretirement Benefits	
	2022	2021	2022	2021
Other assets	\$ 56.5	\$ 132.1	\$ —	\$ —
Current liabilities	(1.6)	(1.5)	(2.2)	(2.5)
Accrued pension and postretirement benefits	(131.0)	(201.3)	(17.4)	(25.6)
Funded status	\$ (76.1)	\$ (70.7)	\$ (19.6)	\$ (28.1)

Amounts recognized in accumulated other comprehensive loss consist of:

(in millions) December 31,	Pension Benefits		Postretirement Benefits	
	2022	2021	2022	2021
Net actuarial loss (gain)	\$ 367.0	\$ 400.0	\$ (8.4)	\$ (1.1)
Prior service credit	(1.3)	(1.6)	(2.0)	(3.1)
Total recognized in accumulated other comprehensive loss	\$ 365.7	\$ 398.4	\$ (10.4)	\$ (4.2)

The projected benefit obligation, accumulated benefit obligation and fair value of plan assets for the U.S. and Non-U.S. plans, are as follows:

(in millions) December 31,	Pension Obligations/Assets					
	U.S.		Non-U.S.		Total	
	2022	2021	2022	2021	2022	2021
Projected benefit obligation	\$ 499.7	\$ 669.7	\$ 290.2	\$ 482.4	\$ 789.9	\$ 1,152.1
Accumulated benefit obligation	499.7	669.7	285.1	473.6	784.8	1,143.3
Fair value of plan assets	401.7	522.2	312.1	559.2	713.8	1,081.4

Information for pension plans with an accumulated benefit obligation in excess of plan assets is as follows:

(in millions) December 31,	2022	2021
Projected benefit obligation	\$ 537.1	\$ 771.6
Accumulated benefit obligation	\$ 533.4	\$ 720.1
Fair value of plan assets	\$ 404.5	\$ 525.2

Components of net periodic (benefit) cost are as follows:

(in millions) For the year ended December 31,	Pension Benefits			Postretirement Benefits		
	2022	2021	2020	2022	2021	2020
Net Periodic (Benefit) Cost:						
Service cost	\$ 5.5	\$ 6.0	\$ 6.4	\$ 0.2	\$ 0.3	\$ 0.3
Interest cost	22.4	18.4	26.1	0.7	0.6	0.9
Expected return on plan assets	(56.4)	(54.6)	(57.5)	—	—	—
Amortization of prior service cost	(0.1)	(0.1)	(0.3)	(1.1)	(1.1)	(1.1)
Amortization of net loss (gain)	15.2	23.4	19.1	—	—	—
Recognized curtailment (gain) loss	(1.0)	(1.3)	(2.3)	—	—	—
Settlement loss	12.1	1.4	1.7	—	—	—
Net periodic (benefit) cost	\$ (2.3)	\$ (6.8)	\$ (6.8)	\$ (0.2)	\$ (0.2)	\$ 0.1

The weighted average assumptions used to determine benefit obligations are as follows:

For the year ended December 31,	Pension Benefits			Postretirement Benefits		
	2022	2021	2020	2022	2021	2020
U.S. Plans:						
Discount rate	5.43 %	2.89 %	2.62 %	5.40 %	2.70 %	2.30 %
Rate of compensation increase	N/A	N/A	N/A	N/A	N/A	N/A
Interest credit rate	3.62 %	1.47 %	0.93 %	N/A	N/A	N/A
Non-U.S. Plans:						
Discount rate	4.27 %	1.58 %	1.07 %	N/A	N/A	N/A
Rate of compensation increase	3.33 %	3.08 %	3.10 %	N/A	N/A	N/A
Interest credit rate	1.81 %	0.33 %	0.29 %	N/A	N/A	N/A

The weighted-average assumptions used to determine net periodic benefit cost are as follows:

For the year ended December 31,	Pension Benefits			Postretirement Benefits		
	2022	2021	2020	2022	2021	2020
U.S. Plans:						
Discount rate	2.89 %	2.62 %	3.34 %	2.70 %	2.30 %	3.20 %
Expected rate of return on plan assets	6.50 %	6.50 %	7.25 %	N/A	N/A	N/A
Rate of compensation increase	N/A	N/A	N/A	N/A	N/A	N/A
Interest credit rate	1.47 %	0.93 %	2.83 %	N/A	N/A	N/A
Non-U.S. Plans:						
Discount rate	1.58 %	1.07 %	1.70 %	N/A	N/A	N/A
Expected rate of return on plan assets	4.50 %	4.45 %	5.31 %	N/A	N/A	N/A
Rate of compensation increase	3.08 %	3.10 %	2.89 %	N/A	N/A	N/A
Interest credit rate	0.33 %	0.29 %	0.22 %	N/A	N/A	N/A

The long-term expected rate of return on plan assets assumptions were determined with input from independent investment consultants and plan actuaries, utilizing asset pricing models and considering historical returns. The discount rates used by us for valuing pension liabilities are based on a review of high-quality corporate bond yields with maturities approximating the remaining life of the projected benefit obligations.

In the U.S. plan, the 6.50% expected rate of return on assets assumption for 2022 reflected a long-term target comprised of an asset allocation range of 25%-75% equity securities, 15%-35% fixed income securities, 10%-35% alternative assets and 0%-10% cash and cash equivalents. As of December 31, 2022, the actual asset allocation for the U.S. plan was 64.3% equity securities, 22.1% fixed income securities, 11.4% alternative assets and 2.1% cash and cash equivalents.

For the non-U.S. plans, the 4.50% expected rate of return on assets assumption for 2022 reflected a weighted average of the long-term asset allocation targets for our various non-U.S. plans. As of December 31, 2022, the actual weighted average asset allocation for the non-U.S. plans was 15.3% equity securities, 33.2% fixed income securities, 45.4% alternative assets/other and 6.2% cash and cash equivalents.

The assumed health care cost trend rates are as follows:

December 31,	2022	2021
Health care cost trend rate assumed for next year	7.00 %	7.25 %
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50 %	4.50 %
Year that the rate reaches the ultimate trend rate	2033	2033

Assumed health care cost trend rates have a significant effect on the amounts reported for our health care plans.

Plan Assets

Our pension plan target allocations and weighted-average asset allocations by asset category are as follows:

Asset Category December 31,	Target Allocation	Actual Allocation	
		2022	2021
Equity securities	15%-75%	43 %	44 %
Fixed income securities	15%-75%	27 %	31 %
Alternative assets/Other	0%-45%	26 %	22 %
Cash and money market	0%-10%	4 %	3 %

Independent investment consultants are retained to assist in executing the plans' investment strategies. A number of factors are evaluated in determining if an investment strategy will be implemented in our pension trusts. These factors include, but are not limited to, investment style, investment risk, investment manager performance and costs. We periodically review investment managers and their performance in relation to our plans' investment objectives.

The primary investment objective of our various pension trusts is to maximize the value of plan assets, focusing on capital preservation, current income and long-term growth of capital and income. The plans' assets are typically invested in a broad range of equity securities, fixed income securities, alternative assets and cash instruments.

Equity securities include investments in large, mid, and small-capitalization companies located in both developed countries and emerging markets around the world. Fixed income securities include government bonds of various countries, corporate bonds that are primarily investment-grade, and mortgage-backed securities. Alternative assets include investments in real estate and hedge funds employing a wide variety of strategies. In 2021, equity securities included Crane Holdings, Co. common stock, which represented 4% of plan assets as of December 31, 2021. There were no holdings of Crane Holdings, Co. common stock in 2022.

The fair value of our pension plan assets as of December 31, 2022, by asset category, are as follows:

(in millions)	Active Markets for Identical Assets Level 1	Other Observable Inputs Level 2	Unobservable Inputs Level 3	Net Asset Value ("NAV") Practical Expedient ^(a)	Total Fair Value
Cash Equivalents and Money Markets	\$ 27.8	\$ —	\$ —	\$ —	\$ 27.8
Common Stocks					
Actively Managed U.S. Equities	31.8	—	—	—	31.8
Commingled and Mutual Funds					
U.S. Equity Funds	152.3	—	—	—	152.3
Non-U.S. Equity Funds	74.3	—	—	47.8	122.1
U.S. Fixed Income, Government and Corporate	88.9	—	—	—	88.9
Registered Investment Company	23.3	—	—	—	23.3
Collective Trust	—	—	16.5	18.8	35.3
Non-U.S. Fixed Income, Government and Corporate	—	—	—	103.5	103.5
International Balanced Funds	—	—	—	1.8	1.8
Property Funds	21.7	—	—	—	21.7
Alternative Investments					
Insurance / Annuity Contract(s)	—	13.4	—	—	13.4
Hedge Funds and LDI	—	—	—	60.1	60.1
International Property Funds	—	—	—	31.8	31.8
Total Fair Value	\$ 420.1	\$ 13.4	\$ 16.5	\$ 263.8	\$ 713.8

(a) Investments are measured at fair value using the net asset value per share practical expedient, and therefore, are not classified in the fair value hierarchy.

In 2022, the pension plan's asset classified as Level 3 constitutes an insurance contract valued annually on an actuarial basis.

The fair value of our pension plan assets as of December 31, 2021, by asset category, are as follows:

(in millions)	Active Markets for Identical Assets Level 1	Other Observable Inputs Level 2	Unobservable Inputs Level 3	Net Asset Value ("NAV") Practical Expedient ^(a)	Total Fair Value
Cash Equivalents and Money Markets	\$ 30.5	\$ —	\$ —	\$ —	\$ 30.5
Common Stocks					
Actively Managed U.S. Equities	112.8	—	—	—	112.8
Commingled and Mutual Funds					
U.S. Equity Funds	129.1	—	—	—	129.1
Non-U.S. Equity Funds	93.7	—	—	139.3	233.0
U.S. Fixed Income, Government and Corporate	116.2	—	—	—	116.2
Registered Investment Company	34.0	—	—	—	34.0
Collective Trust	—	—	21.7	19.0	40.7
Non-U.S. Fixed Income, Government and Corporate	—	—	—	222.6	222.6
International Balanced Funds	—	—	—	2.1	2.1
Property Funds	29.0	—	—	—	29.0
Alternative Investments					
Insurance / Annuity Contract(s)	—	14.7	—	—	14.7
Hedge Funds and LDI	—	—	—	64.0	64.0
International Property Funds	—	—	—	52.7	52.7
Total Fair Value	\$ 545.3	\$ 14.7	\$ 21.7	\$ 499.7	\$ 1,081.4

(a) Investments are measured at fair value using the net asset value per share practical expedient, and therefore, are not classified in the fair value hierarchy.

In 2021, the pension plan's asset classified as Level 3 constitutes an insurance contract valued annually on an actuarial basis.

Cash Flows

We expect, based on current actuarial calculations, to contribute cash of approximately \$20.0 million to our defined benefit pension plans during 2023. Cash contributions in subsequent years will depend on a number of factors including the investment performance of plan assets.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Estimated future payments (in millions)	Pension Benefits	Postretirement Benefits
2023	\$ 52.0	\$ 2.3
2024	52.0	2.2
2025	53.7	2.1
2026	53.7	1.9
2027	55.2	1.8
2028 to 2032	273.0	7.7
Total payments	\$ 539.6	\$ 18.0

Supplemental Executive Retirement Plan

We also have a non-qualified Supplemental Executive Retirement Plan ("SERP"). The SERP, which is not funded, is intended to provide retirement benefits for certain executive officers who were formerly employees of Crane Currency. Benefit amounts are based upon years of service and compensation of the participating employees. We recorded a pre-tax settlement loss of \$0.1 million in 2022. There were no pre-tax settlement gains or losses recorded in 2021. Accrued SERP benefits, which were recorded in Accrued liabilities and Accrued pension and postretirement benefits in the Consolidated Balance Sheets, were \$2.2 million and \$3.7 million as of December 31, 2022 and 2021, respectively. Employer contributions made to the SERP, which were recorded in Selling, general and administrative expenses in the Consolidated Statement of Operations, were \$1.0 million, \$0.2 million and \$0.2 million in 2022, 2021 and 2020, respectively.

Defined Contribution Plans

We sponsor savings and investment plans that are available to our eligible employees including employees of our subsidiaries. We made contributions to the plans of \$13.1 million, \$12.0 million and \$11.8 million in 2022, 2021 and 2020, respectively.

In addition to participant deferral contributions and company matching contributions on those deferrals, we provide a 3% non-matching contribution to eligible participants. We made non-matching contributions to these plans of \$15.5 million, \$14.6 million and \$14.5 million in 2022, 2021 and 2020, respectively.

Note 7 – Stock-Based Compensation Plans

At December 31, 2022, we had stock-based compensation awards outstanding under the following shareholder-approved plans: the 2013 Stock Incentive Plan (the "2013 Plan"), 2018 Stock Incentive Plan (the "2018 Plan") and 2018 Amended and Restated Stock Incentive Plan (the "2018 Amended & Restated Plan"), applicable to employees and non-employee directors.

The 2013 Plan was approved by the Board of Directors and stockholders at the annual meeting in 2013. The 2013 Plan originally authorized the issuance of up to 9,500,000 shares of stock pursuant to awards under the plan. In 2018, in view of the limited number of shares remaining available under the 2013 Plan, the Board of Directors and stockholders approved the adoption of the 2018 Plan which authorized the issuance of up to 6,500,000 shares of Crane Holdings, Co. stock. In 2021, the Board of Directors and stockholders approved the adoption of the 2018 Amended and Restated Stock Incentive Plan which authorized the issuance of up to 4,710,000 shares of Crane Holdings, Co. stock. No further awards will be made under the 2013 Plan or 2018 Plan.

The stock incentive plans are used to provide long-term incentive compensation through stock options, restricted share units, performance-based restricted share units and deferred stock units.

Stock Options

Options are granted under the Stock Incentive Plan to officers and other key employees and directors at an exercise price equal to the closing price on the date of grant. Unless otherwise determined by the Compensation Committee which administers the plan, options become exercisable at a rate of 25% after the first year, 50% after the second year, 75% after the third year and 100% after the fourth year from the date of grant. All options granted to directors and options granted to officers and employees after 2014 expire 10 years after the date of grant.

We determine the fair value of each grant using the Black-Scholes option pricing model. The weighted-average assumptions for grants made during the years ended December 31, 2022, 2021 and 2020 are as follows:

	2022	2021	2020
Dividend yield	2.05 %	3.06 %	3.05 %
Volatility	33.96 %	36.28 %	27.15 %
Risk-free interest rate	1.92 %	0.50 %	1.23 %
Expected lives in years	7.2	5.2	5.2

Expected dividend yield is based on our dividend rate. Expected stock volatility was determined based upon the historical volatility for the four-year period preceding the date of grant. The risk-free interest rate was based on the yield curve in effect at the time the options were granted, using U.S. constant maturities over the expected life of the option. The expected lives of the awards represent the period of time that options granted are expected to be outstanding.

Activity in our stock option plans for the year ended December 31, 2022 were as follows:

Option Activity	Number of Shares (in 000's)	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)
Options outstanding as of January 1, 2022	2,071	\$ 74.82	
Granted	115	101.72	
Exercised	(390)	73.37	
Canceled	(104)	71.40	
Options outstanding as of December 31, 2022	1,692	\$ 77.19	5.84
Options exercisable as of December 31, 2022	1,070	\$ 75.72	4.85

Included in our share-based compensation was expense recognized for our stock option awards of \$5.1 million, \$6.2 million and \$6.6 million in 2022, 2021 and 2020, respectively.

The weighted-average fair value of options granted during 2022, 2021 and 2020 was \$32.51, \$20.82 and \$15.18, respectively. The total fair value of shares vested during 2022, 2021 and 2020 was \$5.6 million, \$6.3 million and \$6.2 million, respectively. The total intrinsic value of options exercised during 2022, 2021 and 2020 was \$11.8 million, \$36.4 million and \$4.1 million, respectively. The aggregate intrinsic value of exercisable options was \$26.5 million, \$33.9 million and \$29.5 million as of December 31, 2022, 2021 and 2020, respectively.

The total cash received from these option exercises during 2022, 2021 and 2020 was \$22.8 million, \$26.4 million and \$8.9 million, respectively. The tax benefit realized for the tax deductions from these option exercises was \$1.8 million, \$5.5 million and \$0.5 million as of December 31, 2022, 2021 and 2020, respectively.

As of December 31, 2022, there was \$6.1 million of total future compensation cost related to unvested share-based awards to be recognized over a weighted-average period of 1.25 years.

Restricted Share Units and Performance-Based Restricted Share Units

Restricted share units vest at a rate of 25% after the first year, 50% after the second year, 75% after the third year and 100% after the fourth year from the date of grant and are subject to forfeiture restrictions which lapse over time. The vesting of performance-based restricted share units is determined in three years based on relative total shareholder return for Crane Holdings, Co. compared to the S&P Midcap 400 Capital Goods Group, with payout potential ranging from 0% to 200% but capped at 100% if our three year total shareholder return is negative.

Included in our share-based compensation was expense recognized for our restricted share unit and performance-based restricted share unit awards of \$19.1 million, \$18.7 million and \$15.7 million in 2022, 2021 and 2020, respectively. The tax benefit (detriment) for the vesting of the restricted share units was \$1.2 million, \$(0.1) million and \$(0.1) million as of December 31, 2022, 2021 and 2020, respectively.

As of December 31, 2022, there was \$30.3 million of total future compensation cost related to restricted share unit and performance-based restricted share unit awards, to be recognized over a weighted-average period of 1.94 years.

Changes in our restricted share units for the year ended December 31, 2022 were as follows:

Restricted Share Unit Activity	Restricted Share Units (in 000's)	Weighted Average Grant-Date Fair Value
Restricted share units as of January 1, 2022	548	\$ 82.84
Restricted share units granted	186	101.33
Restricted share units vested	(148)	83.38
Restricted share units forfeited	(44)	83.99
Performance-based restricted share units granted	64	120.68
Performance-based restricted share units vested	(64)	93.05
Performance-based restricted share units forfeited	(13)	92.24
Restricted share units as of December 31, 2022	529	\$ 92.96

Note 8 - Leases

Arrangements that explicitly or implicitly relate to property, plant and equipment are assessed at inception to determine if the arrangement is or contains a lease. Generally, we enter into operating leases as the lessee and recognize right-of-use assets and lease liabilities based on the present value of future lease payments over the lease term.

We lease certain vehicles, equipment, manufacturing facilities, and non-manufacturing facilities. We have leases with both lease components and non-lease components, such as common area maintenance, utilities, or other repairs and maintenance. For all asset classes, we applied the practical expedient to account for each separate lease component and its associated non-lease component(s) as a single lease component.

We identify variable lease payments, such as maintenance payments based on actual activities performed or costs incurred, at lease commencement by assessing the nature of the payment provisions, including whether the payments are subject to a minimum.

Certain leases include options to renew for an additional term or company-controlled options to terminate. We generally determine it is not reasonably certain to assume the exercise of renewal options because there is no economic incentive to renew. As termination options often include penalties, we generally determine it is reasonably certain that termination options will not be exercised because there is an economic incentive not to terminate. Therefore, these options generally do not impact the lease term or the determination or classification of the right-of-use asset and lease liability.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In the third quarter of 2017, we entered a seven-year lease for a used airplane which includes a maximum residual value guarantee of \$11.1 million if the fair value of the airplane is less than \$14.4 million at the end of the lease term. We do not believe it is probable that any amount will be owed under this guarantee. Therefore, no amount related to the residual value guarantee is included in the lease payments used to measure the right-of-use asset and lease liability. We have not entered any other leases where a residual value guarantee is provided to the lessor.

We do not enter arrangements where restrictions or covenants are imposed by the lessor that, for example, relate to incurring additional financial obligations. Furthermore, we also have not entered into any significant sublease arrangements.

We use our collateralized incremental borrowing rate based on the information available at commencement date to determine the present value of future payments and the appropriate lease classification. The rate implicit in the lease is generally unknown, as we generally operate in the capacity of the lessee.

Our Consolidated Balance Sheet includes the following related to leases:

(in millions) December 31,	Classification	2022	2021
Assets			
Operating right-of-use assets	Other assets	\$ 92.5	\$ 96.8
Liabilities			
Current lease liabilities	Accrued liabilities	\$ 19.0	\$ 22.7
Long-term lease liabilities	Other liabilities	78.6	79.4
Total lease liabilities		\$ 97.6	\$ 102.1

The components of lease cost were as follows:

(in millions) December 31,	2022	2021	2020
Operating lease cost	\$ 29.1	\$ 31.9	\$ 33.1
Variable lease cost	6.9	6.3	7.2
Total lease cost	\$ 36.0	\$ 38.2	\$ 40.3

The weighted average remaining lease terms and discount rates for our operating leases were as follows:

December 31,	2022	2021
Weighted-average remaining lease term - operating leases	11.4	9.4
Weighted-average discount rate - operating leases	3.9 %	3.6 %

Supplemental cash flow information related to our operating leases were as follows:

(in millions) December 31,	2022	2021	2020
Cash paid for amounts included in measurement of operating lease liabilities - operating cash flows	\$ 23.5	\$ 26.9	\$ 26.5
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 29.7	\$ 17.0	\$ 10.0

Future minimum operating lease payments are as follows:

(in millions)	December 31, 2022
2023	\$ 22.1
2024	18.0
2025	13.3
2026	10.0
2027	8.3
Thereafter	59.8
Total future minimum operating lease payments	\$ 131.5
Imputed interest	33.9
Present value of lease liabilities reported	\$ 97.6

Note 9 – Income Taxes

Provision for Income Taxes

Our income before taxes is as follows:

(in millions) For year ended December 31,	2022	2021	2020
U.S. operations	\$ 133.6	\$ 342.1	\$ 124.9
Non-U.S. operations	429.4	160.7	99.6
Total	\$ 563.0	\$ 502.8	\$ 224.5

Our provision (benefit) for income taxes consists of:

(in millions) For the year ended December 31,	2022	2021	2020
Current:			
U.S. federal tax	\$ 80.7	\$ 39.0	\$ 11.3
U.S. state and local tax	8.4	3.7	1.6
Non-U.S. tax	90.4	34.2	12.4
Total current	179.5	76.9	25.3
Deferred:			
U.S. federal tax	9.2	(8.2)	16.5
U.S. state and local tax	(13.7)	(1.9)	(0.1)
Non-U.S. tax	(13.1)	0.6	1.7
Total deferred	(17.6)	(9.5)	18.1
Total provision for income taxes *	\$ 161.9	\$ 67.4	\$ 43.4

* Included in the above amounts are excess tax benefits from share-based compensation of \$3.0 million \$5.5 million and \$0.6 million in 2022, 2021 and 2020, respectively, which were reflected as reductions in our provision for income taxes in 2022, 2021 and 2020.

A reconciliation of the statutory U.S. federal tax rate to our effective tax rate is as follows:

For the year ended December 31,	2022	2021	2020
Statutory U.S. federal tax rate	21.0 %	21.0 %	21.0 %
Increase (reduction) from:			
Income taxed at non-U.S. rates	(2.3)%	0.2 %	(3.1)%
Non-U.S. income inclusion, net of tax credits	2.0 %	(1.5)%	2.3 %
State and local taxes, net of federal benefit	(1.1)%	0.2 %	0.5 %
U.S. research and development tax credit	(0.8)%	(0.5)%	(2.3)%
U.S. deduction for foreign - derived intangible income	(1.3)%	(1.0)%	(0.5)%
Deferred tax asset related to the sale of a subsidiary	3.7 %	(4.1)%	— %
Nondeductible loss due to Asbestos Divestiture	6.4 %	— %	— %
Other	1.2 %	(0.9)%	1.4 %
Effective tax rate	28.8 %	13.4 %	19.3 %

As of December 31, 2022, we have made the following determinations with regard to our non-U.S. earnings:

(in millions)	Permanently reinvested	Not permanently reinvested
Amount of earnings	\$ 425.5	\$ 1,454.3
Associated tax	NA *	\$ 15.3

* Determination of U.S. income taxes and non-U.S. withholding taxes due upon repatriation of this \$425.5 million of earnings is not practicable because the amount of such taxes depends upon circumstances existing in numerous taxing jurisdictions at the time the remittance occurs.

Tax Related to Comprehensive Income

During 2022, 2021 and 2020, tax provision (benefit) of \$12.7 million, \$29.9 million and \$(13.5) million, respectively, related to changes in pension and post-retirement plan assets and benefit obligations, were recorded to accumulated other comprehensive loss.

Deferred Taxes and Valuation Allowances

The components of deferred tax assets and liabilities included in our Consolidated Balance Sheets are as follows:

(in millions) December 31,	2022	2021
Deferred tax assets:		
Asbestos-related liabilities	\$ —	\$ 138.9
Tax loss and credit carryforwards	97.7	111.2
Inventories	31.9	29.3
Deferred tax asset related to the sale of a subsidiary	—	20.6
Capitalized Research and Development	17.8	—
Pension and Post Retirement Benefits	8.4	24.1
Accrued Bonuses and Stock Based Compensation	10.2	10.4
Other	32.4	25.5
Total	\$ 198.4	\$ 360.0
Less: valuation allowance	99.7	141.5
Total deferred tax assets, net of valuation allowance	\$ 98.7	\$ 218.5
Deferred tax liabilities:		
Basis difference in fixed assets	\$ (39.3)	\$ (47.4)
Basis difference in intangible assets	(198.2)	(208.2)
Deferred Tax on Non-U.S. Unremitted Earnings	(15.3)	(14.3)
Other	—	(7.8)
Total deferred tax liabilities	\$ (252.8)	\$ (277.7)
Net deferred tax asset (liability)	\$ (154.1)	\$ (59.2)
Balance sheet classification:		
Long-term deferred tax assets	8.3	17.7
Long-term deferred tax liability	(162.4)	(76.9)
Net deferred tax asset (liability)	\$ (154.1)	\$ (59.2)

As of December 31, 2022, we had U.S. federal, U.S. state and non-U.S. tax loss and credit carryforwards that will expire, if unused, as follows:

(in millions) Year of expiration	U.S. Federal Tax Credits	U.S. Federal Tax Losses	U.S. State Tax Credits	U.S. State Tax Losses	Non- U.S. Tax Losses	Total
2023-2027	\$ —	\$ —	\$ 2.7	\$ 111.2	\$ 4.2	
After 2027	4.8	0.7	0.9	760.7	3.7	
Indefinite	—	—	20.8	10.5	117.5	
Total tax carryforwards	\$ 4.8	\$ 0.7	\$ 24.4	\$ 882.4	\$ 125.4	
Deferred tax asset on tax carryforwards	\$ 4.8	\$ 0.1	\$ 19.3	\$ 44.2	\$ 29.4	\$ 97.8
Valuation allowance on tax carryforwards	(4.8)	(0.1)	(19.0)	(42.8)	(24.7)	(91.4)
Net deferred tax asset on tax carryforwards	\$ —	\$ —	\$ 0.3	\$ 1.4	\$ 4.7	\$ 6.4

As of December 31, 2022 and 2021, we determined that it was more likely than not that \$91.4 million and \$106.4 million, respectively, of our deferred tax assets related to tax loss and credit carryforwards will not be realized. As a result, we recorded a valuation allowance against these deferred tax assets. We also determined that it is more likely than not that a

portion of the benefit related to U.S. state and non-U.S. deferred tax assets other than tax loss and credit carryforwards will not be realized. Accordingly, as of December 31, 2022 and 2021, a valuation allowance of \$8.3 million and \$35.1 million, respectively, was established against these U.S. state and non-U.S. deferred tax assets. Our total valuation allowance as of December 31, 2022 and 2021 was \$99.7 million and \$141.5 million, respectively.

Unrecognized Tax Benefits

A reconciliation of the beginning and ending amount of our gross unrecognized tax benefits, excluding interest and penalties, is as follows:

(in millions)	2022	2021	2020
Balance of liability as of January 1,	\$ 31.6	\$ 34.0	\$ 39.8
Increase as a result of tax positions taken during a prior year	—	0.7	5.4
Decrease as a result of tax positions taken during a prior year	(0.6)	(0.3)	(0.4)
Increase as a result of tax positions taken during the current year	3.1	2.6	1.8
Decrease as a result of settlements with taxing authorities	—	(0.8)	(2.5)
Reduction as a result of a lapse of the statute of limitations	(5.9)	(4.6)	(10.1)
Balance of liability as of December 31,	\$ 28.2	\$ 31.6	\$ 34.0

As of December 31, 2022, 2021 and 2020, the amount of our unrecognized tax benefits that, if recognized, would affect our effective tax rate was \$30.3 million, \$33.5 million and \$32.6 million, respectively. The difference between these amounts and those reflected in the table above relates to (1) offsetting tax effects from other tax jurisdictions, and (2) interest expense, net of deferred taxes.

We recognize interest and penalties related to unrecognized tax benefits as a component of our income tax expense. During the years ended December 31, 2022, 2021 and 2020, we recognized interest and penalty (income)/ expense of \$(0.1) million, \$(2.6) million and \$0.5 million, respectively, in our Consolidated Statements of Operations. As of December 31, 2022 and 2021, we had accrued \$4.8 million and \$4.9 million, respectively, of interest and penalties related to unrecognized tax benefits on our Consolidated Balance Sheets.

During the next twelve months, it is reasonably possible that our unrecognized tax benefits could change by \$7.5 million due to settlements of income tax examinations, the expiration of statutes of limitations or other resolution of uncertainties. However, if the ultimate resolution of income tax examinations results in amounts that differ from this estimate, we will record additional income tax expense or benefit in the period in which such matters are effectively settled.

Income Tax Examinations

Our income tax returns are subject to examination by the U.S. federal, U.S. state and local, and non-U.S. tax authorities. With few exceptions, the years for which we filed returns that are open to examination are as follows:

Jurisdiction	Year
U.S. federal	2019 - 2021
U.S. state and local	2016 - 2021
Non-U.S.	2016 - 2021

Currently, we and our subsidiaries are under examination in various jurisdictions, including Germany (2016 through 2019), Canada (2013 through 2018) and Luxembourg (2017 through 2018).

Note 10 – Accrued Liabilities

Accrued liabilities consist of:

(in millions) December 31,	2022	2021
Employee related expenses	\$ 156.6	\$ 181.9
Warranty	7.4	8.6
Current lease liabilities	19.0	22.7
Contract liabilities	142.9	101.1
Other	138.3	128.4
Total	\$ 464.2	\$ 442.7

We accrue warranty liabilities when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Warranty provision is included in "Cost of sales" in our Consolidated Statements of Operations.

Note 11 – Other Liabilities

A summary of the other liabilities is as follows:

(in millions) December 31,	2022	2021
Environmental	\$ 17.6	\$ 25.8
Long-term lease liabilities	78.6	79.4
Other	42.5	56.0
Total	\$ 138.7	\$ 161.2

Note 12 - Commitments and ContingenciesAsbestos Liability

On August 12, 2022, Crane Holdings, Co., Crane Company, a wholly-owned subsidiary of Crane Holdings, Co., and Redco, then a wholly-owned subsidiary of Crane Company that held liabilities including asbestos liabilities and related insurance assets, entered into the Redco Purchase Agreement with Redco Buyer, an unrelated third party and long-term liability management company specializing in the acquisition and management of legacy corporate liabilities, whereby Crane Company transferred to Redco Buyer all of the issued and outstanding shares of Redco. In connection with the Redco Sale, Crane Holdings, Co., on behalf of Crane Company, contributed approximately \$550 million in cash to Redco, which was funded by a combination of short-term borrowings and cash on hand. Concurrent with the completion of the Redco Sale, Redco Buyer contributed \$83 million in cash to Redco. Pursuant to the terms of the Redco Purchase Agreement, Crane Company and Redco Buyer will each indemnify the other for breaches of representations and warranties, breaches of covenants and obligations and certain liabilities, subject to the terms of the Redco Purchase Agreement. While indemnification by each of Crane Company and Redco Buyer to the other party for breach of representations and warranties is capped at \$83 million, in each case, based on the terms and subject to certain limitations as set forth in the Redco Purchase Agreement, liability of each of Crane Company and Redco Buyer for breaches of covenants and obligations and for indemnified liabilities is generally uncapped. Such covenants and obligations include that Redco has agreed to indemnify Crane Company and its affiliates for all claims arising out of asbestos liabilities, and Crane Company has agreed to indemnify Redco and its affiliates for all other historical liabilities of Redco, which include certain potential environmental liabilities. Crane Holdings, Co. has guaranteed the full payment and performance of Crane Company's indemnification obligations under the Redco Purchase Agreement. Upon consummation of the previously announced separation transaction pursuant to which, among other things, all outstanding shares of Crane Company will be distributed to Crane Holdings, Co.'s stockholders, Crane Holdings, Co. will be released from its guarantee of Crane Company's indemnification obligations under the Redco Purchase Agreement.

As a result of the Redco Sale, all asbestos obligations and liabilities, related insurance assets and associated deferred tax assets of Redco have been removed from Crane Holdings, Co.'s consolidated balance sheets effective August 12, 2022 and the

Company no longer has any obligation with respect to pending and future asbestos claims. As such, Redco has been deconsolidated from our 2022 financial results, as we no longer maintain control of the entity. Therefore, for the year ended December 31, 2022, all asbestos obligations and liabilities, related insurance assets and associated deferred tax assets of Redco are no longer reported on the consolidated balance sheet. The Company recorded a loss on the divestiture of asbestos-related assets and liabilities of \$162.4 million in the third quarter of 2022, including transaction expenses of \$13.5 million.

The following is a summary of the loss on divestiture of asbestos-related assets and liabilities:

(in millions)	
Cash	\$ (550.0)
Current insurance receivable	(13.8)
Long-term insurance receivable	(49.4)
Deferred tax asset	(107.9)
Current asbestos liability	62.5
Long-term asbestos liability	509.7
Loss on divestiture of asbestos-related assets and liabilities, before transaction costs	(148.9)
Transaction costs	(13.5)
Loss on divestiture of asbestos-related assets and liabilities	\$ (162.4)

The gross settlement and defense costs incurred (before insurance recoveries and tax effects) by us for the years ended December 31, 2022, 2021 and 2020 totaled \$35.8 million, \$55.2 million and \$50.9 million, respectively. Our total pre-tax payments for settlement and defense costs, net of funds received from insurers, for the years ended December 31, 2022, 2021 and 2020 totaled \$29.3 million, \$44.9 million and \$31.1 million, respectively. Detailed below are the comparable amounts for the periods indicated.

(in millions)			
For the year ended December 31,	2022	2021	2020
Settlement / indemnity costs incurred ^(a)	\$ 29.4	\$ 40.6	\$ 35.3
Defense costs incurred ^(a)	6.4	14.6	15.6
Total costs incurred	\$ 35.8	\$ 55.2	\$ 50.9
Settlement / indemnity payments	\$ 33.8	\$ 42.6	\$ 24.7
Defense payments	6.1	15.4	16.7
Insurance receipts	(10.6)	(13.1)	(10.3)
Pre-tax cash payments, net	\$ 29.3	\$ 44.9	\$ 31.1

(a) Before insurance recoveries and tax effects.

Other Contingencies

Environmental Matters

For environmental matters, we record a liability for estimated remediation costs when it is probable that we will be responsible for such costs and they can be reasonably estimated. Generally, third party specialists assist in the estimation of remediation costs. The environmental remediation liability as of December 31, 2022 is substantially related to the former manufacturing site in Goodyear, Arizona (the "Goodyear Site") discussed below. On June 21, 2021, we completed the sale of substantially all of the property associated with what we have historically called the Goodyear Site for \$8.7 million, retaining only a small parcel on which our remediation and treatment systems are located. We will continue to be responsible for all remediation costs associated with the Goodyear Site.

Pursuant to the terms of the Redco Purchase Agreement (referenced above), Crane Company and Redco Buyer will each indemnify the other for breaches of representations and warranties, breaches of covenants and obligations and certain liabilities, subject to the terms of the Redco Purchase Agreement. Such covenants and obligations include that Crane Company has agreed to indemnify Redco and its affiliates for all other historical liabilities of Redco, which include certain potential environmental liabilities. Crane Holdings, Co. has guaranteed the full payment and performance of Crane Company's indemnification obligations under the Redco Purchase Agreement. Upon consummation of the previously announced

separation transaction pursuant to which, among other things, all outstanding shares of Crane Company will be distributed to Crane Holdings, Co.'s stockholders, Crane Holdings, Co. will be released from its guarantee of Crane Company's indemnification obligations under the Redco Purchase Agreement. Prior to the effective date of the Redco Sale, the U.S. Department of Justice agreed that Crane Holdings, Co. and ultimately Crane Company following the above-referenced separation transaction, will be primarily liable for the Goodyear Site. The New Jersey Department of Environmental Protection agreed to transfer the liability of the Roseland Site to Crane Holdings, Co., and a further transfer of this environmental liability to Crane Company upon effectiveness of the separation transaction is expected. The potential liability for the Crab Orchard Site referenced below remains a direct obligation of Redco. As noted above, however, Crane Company, and Crane Holdings, Co. (as guarantor until the time of the separation transaction), have agreed to indemnify Redco Buyer against the Goodyear, Roseland, and Crab Orchard environmental liabilities. Thus, references below to "we", and "us" refer to Crane Holdings, Co. in its capacity as the primarily responsible party for the Goodyear and Roseland Sites, and as indemnitor to the Redco Buyer on the Crab Orchard Site.

Goodyear Site

The Goodyear Site was operated by Unidynamics/Phoenix, Inc. ("UPI"), which became an indirect subsidiary in 1985 when Crane Co. (n/k/a Redco) acquired UPI's parent company, UniDynamics Corporation. UPI is now an indirect subsidiary of Crane Holdings, Co. and will become an indirect subsidiary of Crane Company following the separation transaction. UPI manufactured explosive and pyrotechnic compounds, including components for critical military programs, for the U.S. Government at the Goodyear Site from 1962 to 1993, under contracts with the U.S. Department of Defense and other government agencies and certain of their prime contractors. In 1990, the U.S. Environmental Protection Agency ("EPA") issued administrative orders requiring UPI to design and conduct certain remedial actions, which UPI has done. Groundwater extraction and treatment systems have been in operation at the Goodyear Site since 1994. On July 26, 2006, we entered a consent decree with the EPA with respect to the Goodyear Site providing for, among other things, a work plan for further investigation and remediation activities (inclusive of a supplemental remediation investigation and feasibility study). During the third quarter of 2014, the EPA issued a Record of Decision ("ROD") amendment permitting, among other things, additional source area remediation resulting in us recording a charge of \$49.0 million, extending the accrued costs through 2022. Following the 2014 ROD amendment, we continued our remediation activities and explored an alternative strategy to accelerate remediation of the site. During the fourth quarter of 2019, we received conceptual agreement from the EPA on our alternative remediation strategy which is expected to further reduce the contaminant plume. Accordingly, in 2019, we recorded a pre-tax charge of \$18.9 million, net of reimbursements, to extend our forecast period through 2027 and reflect our revised workplan. The total estimated gross liability was \$24.8 million and \$32.3 million as of December 31, 2022 and 2021, respectively and as described below, a portion is reimbursable by the U.S. Government. The current portion of the total estimated liability was \$7.7 million and \$7.1 million as of December 31, 2022 and 2021, respectively, and represents our best estimate, in consultation with our technical advisors, of total remediation costs expected to be paid during the twelve-month period. It is not possible at this point to reasonably estimate the amount of any obligation in excess of our current accruals through the 2027 forecast period because of the aforementioned uncertainties, in particular, the continued significant changes in the Goodyear Site conditions and additional expectations of remediation activities experienced in recent years.

On July 31, 2006, we entered into a consent decree with the U.S. Department of Justice on behalf of the Department of Defense and the Department of Energy pursuant to which, among other things, the U.S. Government reimburses us for 21% of qualifying costs of investigation and remediation activities at the Goodyear Site. As of December 31, 2022 and 2021, we recorded a receivable of \$4.8 million and \$7.3 million, respectively, for the expected reimbursements from the U.S. Government in respect of the aggregate liability as at that date. The receivable is reduced as reimbursements and other payments from the U.S. Government are received.

Other Environmental Matters

Roseland, NJ Site

The Roseland Site was operated by Resistoflex Corporation ("Resistoflex"), which became an indirect subsidiary in 1985 when Crane Co. (n/k/a Redco) acquired Resistoflex's parent company, UniDynamics Corporation. Resistoflex manufactured specialty lined pipe and fittings at the site from the 1950s until it was closed in the mid-1980s. We undertook an extensive soil remediation effort at the Roseland Site following our closure and had been monitoring the Site's condition in the years that followed. In response to changes in remediation standards, in 2014 we began to conduct further site characterization and delineation studies at the Site. We are in the late stages of our remediation activities at the Site, which include a comprehensive delineation of contaminants of concern in soil, groundwater, surface water, sediment, and indoor air in certain buildings, all in accordance with the New Jersey Department of Environmental Protection guidelines and directives.

Marion, IL Site

Crane Co. (n/k/a Redco) has been identified as a potentially responsible party (“PRP”) with respect to environmental contamination at the Crab Orchard National Wildlife Refuge Superfund Site (the “Crab Orchard Site”). The Crab Orchard Site is located near Marion, Illinois, and consists of approximately 55,000 acres. Beginning in 1941, the United States used the Crab Orchard Site for the production of ordnance and other related products for use in World War II. In 1947, about half of the Crab Orchard Site was leased to a variety of industrial tenants whose activities (which continue to this day) included manufacturing ordnance and explosives. Unidynamics Corporation formerly leased portions of the Crab Orchard Site and conducted manufacturing operations at the Crab Orchard Site from 1952 until 1964. General Dynamics Ordnance and Tactical Systems, Inc. (“GD-OTS”) is in the process of conducting a remedial investigation and feasibility study for a portion of the Crab Orchard Site (the “AUS-OU”), which includes an area where we maintained operations, pursuant to an Administrative Order on Consent. A remedial investigation report was approved in February 2015, and work on the feasibility study is underway. It is unclear when the final feasibility study will be completed, or when a final Record of Decision may be issued. As noted above, we have agreed to indemnify Redco Buyer against the Crab Orchard environmental liabilities, and accordingly we act as Redco’s agent with respect to such liabilities.

GD-OTS asked Crane Co. (n/k/a Redco) to participate in a voluntary, multi-party mediation exercise with respect to response costs that GD-OTS has incurred or will incur with respect to the AUS-OU, and Crane Co. (n/k/a Redco), the U.S. Government, and other PRPs entered into a non-binding mediation agreement in 2015. We have stepped into Redco’s position as a participant in the mediation. The first phase of the mediation, involving certain former munitions or ordnance storage areas, began in November 2017, but did not result in a multi-party settlement agreement. Subsequently, Redco entered discussions directly with GD-OTS and reached an agreement, as of July 13, 2021, to contribute toward GD-OTS’s past RI-FS costs associated with the first-phase areas for an immaterial amount. We, as indemnitor, have also agreed to pay a modest percentage of future RI-FS costs and the United States’ claimed past response costs relative to the first-phase areas, a sum that has proven to be and we expect to continue to be, in the aggregate, an immaterial amount. We understand that GD-OTS has also reached agreements with the U.S. Government and the other participating PRPs related to the first-phase areas of concern.

Negotiations between GD-OTS, the U.S. Government and remaining participants are underway with respect to resolution of the U.S. Government’s liability for, and contribution claims with respect to, the remaining areas of the site, including those portions of the Crab Orchard Site where Redco’s predecessor conducted manufacturing and research activities. The participants have reached agreement in principle on a framework for resolving the U.S. Government’s share of response costs, subject to consummation of a mutually-agreeable consent decree, but we at present cannot predict whether or when these negotiations will result in a definitive agreement, or when any determination of the ultimate allocable shares of GD-OTS and U.S. Government response costs for which we may be liable is likely to be completed. It is not possible at this time to reasonably estimate the total amount of any obligation for remediation of the Crab Orchard Site as a whole because the allocation among PRPs, selection of remediation alternatives, and concurrence of regulatory authorities have not yet advanced to the stage where a reasonable estimate can be made. Insurers with contractual coverage obligations for this site have been notified of this potential liability and have been providing defense and indemnity coverage, subject to reservations of rights.

Other Proceedings

We regularly review the status of lawsuits, claims and proceedings that have been or may be asserted against us relating to the conduct of our business, including those pertaining to product liability, patent infringement, commercial, employment, employee benefits, environmental and stockholder matters. We record a provision for a liability for such matters when it is considered probable that a liability has been incurred and the amount of the loss can be reasonably estimated. These provisions, if any, are reviewed quarterly and adjusted as additional information becomes available. If either or both of the criteria are not met, we assess whether there is at least a reasonable possibility that a loss, or additional losses, may have been incurred. If there is a reasonable possibility that a loss or additional loss may have been incurred for such matters, we disclose the estimate of the amount of loss or range of loss, disclose that the amount is immaterial, or disclose that an estimate of loss cannot be made, as applicable. We believe that as of December 31, 2022 2021 and 2020, there was no reasonable possibility that a material loss, or any additional material losses, may have been incurred for such matters, and that adequate provision has been made in our financial statements for the potential impact of all such matters.

Note 13 – Financing

Our debt as of December 31, 2022 and 2021 consisted of the following:

(in millions) December 31,	2022	2021
364-Day Credit Agreement	\$ 399.6	\$ —
4.45% notes due December 2023	299.7	—
Total short-term borrowings	\$ 699.3	\$ —
4.45% notes due December 2023	\$ —	\$ 299.4
6.55% notes due November 2036	198.6	198.5
4.20% notes due March 2048	346.5	346.3
Other deferred financing costs associated with credit facilities	(1.4)	(1.8)
Total long-term debt	\$ 543.7	\$ 842.4

Debt discounts and debt issuance costs totaled \$5.6 million and \$5.7 million as of December 31, 2022 and 2021, respectively, and have been netted against the aggregate principal amounts of the related debt in the components of the debt table above.

364-Day Credit Agreement - On August 11, 2022, the Company entered a new senior unsecured 364-day credit facility (the “364-Day Credit Agreement”) under which it borrowed term loans denominated in U.S. dollars (the “Term Loans”) in an aggregate principal amount of \$400 million. Interest on the Term Loans accrues at a rate per annum equal to, at the Company’s option, (a) a base rate (determined in a customary manner), plus a margin of 0.25% or 0.50% that is determined based upon the ratings by S&P and Moody’s of the Company’s senior unsecured long-term debt (the “Index Debt Rating”) or (b) an adjusted Term SOFR (determined in a customary manner) for an interest period to be selected by the Company, plus a margin of 1.25% or 1.50% that is determined based upon the Index Debt Rating. The 364-Day Credit Agreement contains customary affirmative and negative covenants for credit facilities of this type.

Commercial paper program - On July 28, 2021, we increased the size of the commercial paper program (“CP Program”) to permit the issuance of short-term, unsecured commercial paper notes in an aggregate principal amount not to exceed \$650 million at any time outstanding. We may issue short-term, unsecured commercial paper notes pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933, as amended. Prior to this increase, the CP Program permitted us to issue commercial paper notes in an aggregate principal amount not to exceed \$550 million at any time outstanding. The other terms and conditions of the CP Program remain the same. Amounts available under the CP Program may be borrowed, repaid and re-borrowed from time to time. The notes will have maturities of up to 397 days from date of issue. The notes rank at least *pari passu* with all of our other unsecured and unsubordinated indebtedness. As of December 31, 2022 and 2021, there was no outstanding borrowings, respectively.

4.45% notes due December 2023 - In December 2013, we issued 10 year notes having an aggregate principal amount of \$300 million. The notes are unsecured, senior obligations that mature on December 15, 2023 and bear interest at 4.45% per annum, payable semi-annually on June 15 and December 15 of each year. The notes have no sinking fund requirement, but may be redeemed, in whole or in part, at our option. These notes do not contain any material debt covenants or cross default provisions. If there is a change in control of the Company, and if as a consequence, the notes are rated below investment grade by both Moody’s Investors Service and Standard & Poor’s, then holders of the notes may require us to repurchase them, in whole or in part, for 101% of the principal amount plus accrued and unpaid interest. Debt issuance costs are deferred and included in long-term debt and are amortized as a component of interest expense over the term of the notes. Including debt issuance cost amortization, these notes have an effective annualized interest rate of 4.56%. The notes were issued under an indenture dated as of December 13, 2013. The indentures contain certain restrictions, including a limitation that restricts our ability and the ability of certain of our subsidiaries to create or incur secured indebtedness, enter into certain sale and leaseback transactions, and consolidate, merge or transfer all or substantially all of our assets and the assets of our subsidiaries.

6.55% notes due November 2036 - In November 2006, we issued 30 year notes having an aggregate principal amount of \$200 million. The notes are unsecured, senior obligations of us that mature on November 15, 2036 and bear interest at 6.55% per annum, payable semi-annually on May 15 and November 15 of each year. The notes have no sinking fund requirement, but may be redeemed, in whole or in part, at the option of us. These notes do not contain any material debt covenants or cross default provisions. If there is a change in control of the Company, and if as a consequence, the notes are rated below investment grade by both Moody’s Investors Service and Standard & Poor’s, then holders of the notes may require us to

repurchase them, in whole or in part, for 101% of the principal amount plus accrued and unpaid interest. Debt issuance costs are deferred and included in long-term debt and are amortized as a component of interest expense over the term of the notes. Including debt issuance cost amortization, these notes have an effective annualized interest rate of 6.67%. The notes were issued under an indenture dated as of April 1, 1991. The indentures contain certain restrictions, including a limitation that restricts our ability and the ability of certain of our subsidiaries to create or incur secured indebtedness, enter into certain sale and leaseback transactions, and consolidate, merge or transfer all or substantially all of our assets and the assets of our subsidiaries.

4.20% notes due March 2048 - On February 5, 2018, we completed a public offering of \$350 million aggregate principal amount of 4.20% Senior Notes due 2048 (the "2048 Notes"). The 2048 Notes bear interest at a rate of 4.20% per annum and mature on March 15, 2048. Interest on the 2048 Notes is payable on March 15 and September 15 of each year, commencing on September 15, 2018. These notes do not contain any material debt covenants or cross default provisions. If there is a change in control of the Company, and if as a consequence, the notes are rated below investment grade by both Moody's Investors Service and Standard & Poor's, then holders of the notes may require us to repurchase them, in whole or in part, for 101% of the principal amount plus accrued and unpaid interest. Debt issuance costs are deferred and included in long-term debt and are amortized as a component of interest expense over the term of the notes. Including debt issuance cost amortization, these notes have an effective annualized interest rate of 4.29%. The notes were issued under an indenture dated as of February 5, 2018. The indentures contain certain restrictions, including a limitation that restricts our ability and the ability of certain of our subsidiaries to create or incur secured indebtedness, enter into certain sale and leaseback transactions, and consolidate, merge or transfer all or substantially all of our assets and the assets of our subsidiaries.

Other - As of December 31, 2022, we had open standby letters of credit of \$66.8 million issued pursuant to a \$170.3 million uncommitted Letter of Credit Reimbursement Agreement, and certain other credit lines. As of December 31, 2021, we had open standby letters of credit of \$49.5 million issued pursuant to a \$162.7 million uncommitted Letter of Credit Reimbursement Agreement, and certain other credit lines.

Revolving Credit Facility - On July 28, 2021, we entered into a \$650 million, 5-year Revolving Credit Agreement (the "2021 Facility"), which replaced the \$550 million revolving credit facility that we had entered into in December 2017. The 2021 Facility allows us to borrow, repay, or to the extent permitted by the agreement, prepay and re-borrow funds at any time prior to the stated maturity date. Interest on loans made under the 2021 Facility accrues, at our option, at a rate per annum equal to (1) a base rate, plus a margin ranging from 0.00% to 0.50% depending upon the ratings by S&P and Moody's of our senior unsecured long-term debt (the "Index Debt Rating"), or (2) an adjusted LIBO rate or the applicable replacement rate (determined based on "hardwired" LIBOR transition provisions consistent with those published by the Alternative References Rates Committee) for an interest period to be selected by us, plus a margin ranging from 0.805% to 1.50% depending upon the Index Debt Rating. The 2021 Facility contains customary affirmative and negative covenants for credit facilities of this type, including limitations on us and our subsidiaries with respect to indebtedness, liens, mergers, consolidations, liquidations and dissolutions, sales of all or substantially all assets, transactions with affiliates and hedging arrangements. We must also maintain a debt to capitalization ratio not to exceed 0.65 to 1.00 at all times. The 2021 Facility also provides for customary events of default, including failure to pay principal, interest or fees when due, failure to comply with covenants, any representation or warranty made by us or any of our material subsidiaries being false in any material respect, default under certain other material indebtedness, certain insolvency or receivership events affecting us and our material subsidiaries, certain ERISA events, material judgments and a change in control of us. The undrawn portion of this revolving credit agreement is also available to serve as a backstop facility for the issuance of commercial paper. As of December 31, 2022 and 2021, there were no outstanding borrowings.

As of December 31, 2022, our total debt to total capitalization ratio was 39.5%, computed as follows:

(in millions)	
Total debt	\$ 1,243.0
Equity	1,904.0
Capitalization	\$ 3,147.0
Total indebtedness to capitalization	39.5 %

Note 14 - Fair Value Measurements

Accounting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are to be considered from the perspective of a market participant that holds the asset or owes the liability. The standards also establish a fair value

hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standards describe three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical or similar assets and liabilities.

Level 2: Quoted prices for identical or similar assets and liabilities in markets that are not active or observable inputs other than quoted prices in active markets for identical or similar assets and liabilities. Level 2 assets and liabilities include over-the-counter derivatives, principally forward foreign exchange contracts, whose value is determined using pricing models with inputs that are generally based on published foreign exchange rates and exchange traded prices, adjusted for other specific inputs that are primarily observable in the market or can be derived principally from or corroborated by observable market data.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Valuation Technique

The carrying value of our financial assets and liabilities, including cash and cash equivalents, accounts receivable, commercial paper and accounts payable approximate fair value, without being discounted, due to the short periods during which these amounts are outstanding.

We are exposed to certain risks related to our ongoing business operations, including market risks related to fluctuation in currency exchange. We use foreign exchange contracts to manage the risk of certain cross-currency business relationships to minimize the impact of currency exchange fluctuations on our earnings and cash flows. We do not hold or issue derivative financial instruments for trading or speculative purposes. Foreign exchange contracts not designated as hedging instruments had a notional value of \$89.7 million and \$3.0 million as of December 31, 2022 and 2021, respectively. Our derivative assets and liabilities include foreign exchange contract derivatives that are measured at fair value using internal models based on observable market inputs such as forward rates and interest rates. Based on these inputs, the derivatives are classified within Level 2 of the valuation hierarchy. Such derivative receivable amounts are recorded within "Other current assets" on our Consolidated Balance Sheets and were \$5.9 million and \$0.0 million as of the years ended December 31, 2022 and 2021, respectively. Such derivative liability amounts are recorded within "Accrued liabilities" on our Consolidated Balance Sheets and there were no derivative liabilities for the years ended December 31, 2022 and 2021, respectively.

Available-for-sale securities consist of rabbi trust investments that hold marketable securities for the benefit of participants in our Supplemental Executive Retirement Plan. These investments are measured at fair value using quoted market prices in an active market and are therefore classified within Level 1 of the valuation hierarchy. The fair value of available-for-sale securities was \$0.4 million and \$1.6 million as of December 31, 2022 and 2021, respectively. These investments are included in "Other assets" on our Consolidated Balance Sheets.

Long-term debt rates currently available to us for debt with similar terms and remaining maturities are used to estimate the fair value for debt issues that are not quoted on an exchange. The estimated fair value of long-term debt is measured using Level 2 inputs and was \$753.1 million and \$984.9 million as of December 31, 2022 and 2021, respectively.

Note 15 – Restructuring**Overview**

2022 Repositioning - In the fourth quarter of 2022, in response to economic uncertainty, we initiated modest workforce reductions of approximately 300 employees, or about 3% of our global workforce. We expect to complete the program in the fourth quarter of 2023. We recorded a charge of \$14.4 million for the year ended December 31, 2022.

2020 Repositioning - In the second quarter of 2020, we initiated actions in response to the adverse economic impact of COVID-19 and integration actions related to the Cummins-Allison acquisition. These actions include workforce reductions of approximately 1,200 employees, or about 11% of our global workforce, and the exiting of two leased office facilities and one leased warehouse facility. We have completed this program and do not expect to incur additional restructuring charges. We recorded restructuring gain of \$3.7 million for the year ended December 31, 2021. We recorded a charge of \$32.1 million for the year ended December 31, 2020.

2019 Repositioning - In the fourth quarter of 2019, we initiated actions to consolidate two manufacturing operations in Europe within our Process Flow Technologies segment. In 2020, we recorded additional severance costs related to the final negotiation with the works council/union at both locations. These actions, taken together, included workforce reductions of approximately 180 employees, or less than 1% of our global workforce. We expect to complete the program in the fourth quarter of 2023. We recorded a gain of \$4.0 million in 2022. We recorded charges of \$0.1 million and \$6.1 million for the years ended December 31, 2021 and 2020, respectively.

2017 Repositioning - In the fourth quarter of 2017, we initiated broad-based repositioning actions designed to improve profitability. These actions included headcount reductions of approximately 300 employees, or about 3% of our global workforce, and select facility consolidations in North America and Europe. In 2020, we adjusted the estimate downward to reflect the impact of employees that chose to voluntarily terminate prior to receiving severance at the conclusion of the actions in North America. In 2021, we recorded a gain on sale of real estate related to these actions. We completed the program and do not expect to incur additional restructuring charges. We recorded a restructuring gain of \$13.3 million and \$6.2 million for the years ended December 31, 2021 and 2020 respectively.

Other Restructuring - In the second quarter of 2020, we recorded other restructuring costs within our Payment & Merchandising Technologies segment. We do not expect to incur additional restructuring charges.

Restructuring Charges (Gains), Net

We recorded restructuring charges (gains) which are reflected in the Consolidated Statements of Operations, as follows:

<i>(in millions) For the year ended December 31,</i>	2022	2021	2020
Aerospace & Electronics	\$ 1.5	\$ —	\$ 6.5
Process Flow Technologies	2.3	(13.2)	6.1
Payment & Merchandising Technologies	6.2	(3.7)	19.1
Engineering Materials	0.4	—	0.6
Total restructuring charges (gains), net	\$ 10.4	\$ (16.9)	\$ 32.3

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following table summarizes our restructuring charges (gains) by program, cost type and segment for the years ended December 31, 2022, 2021 and 2020:

<i>(in millions)</i>	December 31, 2022			December 31, 2021			December 31, 2020		
	Severance	Other	Total	Severance	Other	Total	Severance	Other	Total
Aerospace & Electronics	\$ 1.5	\$ —	\$ 1.5	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Process Flow Technologies	6.3	\$ —	6.3	—	—	—	—	—	—
Payment & Merchandising Technologies	5.7	\$ 0.5	6.2	—	—	—	—	—	—
Engineered Materials	0.4	\$ —	0.4	—	—	—	—	—	—
2022 Repositioning	13.9	0.5	14.4	—	—	—	—	—	—
Aerospace & Electronics	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 6.5	\$ —	\$ 6.5
Process Flow Technologies	—	—	—	(0.1) ^(a)	—	(0.1)	3.8	—	3.8
Payment & Merchandising Technologies	—	—	—	(0.8) ^(a)	(2.8)	(3.6)	16.6	4.6 ^(b)	21.2
Engineered Materials	—	—	—	—	—	—	0.6	—	0.6
2020 Repositioning	—	—	—	(0.9) ^(a)	(2.8)	(3.7)	27.5	4.6	32.1
Process Flow Technologies	\$ (1.2) ^(a)	\$ (2.8) ^(c)	\$ (4.0)	\$ 0.1	\$ —	\$ 0.1	\$ 6.1	\$ —	\$ 6.1
2019 Repositioning	(1.2) ^(a)	(2.8) ^(c)	(4.0)	0.1	—	0.1	6.1	—	6.1
Process Flow Technologies	\$ —	\$ —	\$ —	\$ (0.4) ^(a)	\$ (12.7) ^(c)	\$ (13.1)	\$ (3.8)	\$ —	\$ (3.8)
Payment & Merchandising Technologies	—	—	—	(0.2) ^(a)	—	(0.2)	(0.9)	(1.5) ^(c)	(2.4)
2017 Repositioning	—	—	—	(0.6) ^(a)	(12.7) ^(c)	(13.3)	(4.7)	(1.5) ^(c)	(6.2)
Payment & Merchandising Technologies	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 0.3	\$ —	\$ 0.3
Other Restructuring	—	—	—	—	—	—	0.3	—	0.3
Total	\$ 12.7	\$ (2.3)	\$ 10.4	\$ (1.4)	\$ (15.5)	\$ (16.9)	\$ 29.2	\$ 3.1	\$ 32.3

(a) Reflects changes in estimates for increases and decreases in costs related to our restructuring programs.

(b) Primarily reflects non-cash charges related to the impairment of ROU assets and leasehold improvements associated with the exit of the three leased facilities in 2020.

(c) Reflects a pre-tax gain related to the sale of real estate.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following table summarizes the cumulative restructuring costs incurred through December 31, 2022. We do not expect to incur additional facility consolidation costs to complete these actions as of December 31, 2022.

<i>(in millions)</i>	Cumulative Restructuring Costs		
	Severance	Other	Total
Aerospace & Electronics	\$ 1.5	\$ —	\$ 1.5
Process Flow Technologies	6.3	—	6.3
Payment & Merchandising Technologies	5.7	0.5	6.2
Engineered Materials	0.4	—	0.4
2022 Repositioning	13.9	0.5	14.4
Aerospace & Electronics	\$ 6.5	\$ —	\$ 6.5
Process Flow Technologies	3.7	—	3.7
Payment & Merchandising Technologies	15.8	1.8	17.6
Engineered Materials	0.6	—	0.6
2020 Repositioning	26.6	1.8	28.4
Process Flow Technologies	14.9	(2.8)	12.1
2019 Repositioning	14.9	(2.8)	12.1
Aerospace & Electronics	1.3	(1.4)	(0.1)
Process Flow Technologies	13.1	(12.7)	0.4
Payment & Merchandising Technologies	11.5	0.7	12.2
2017 Repositioning	\$ 25.9	\$ (13.4)	\$ 12.5

Restructuring Liability

The following table summarizes the accrual balances related to these restructuring charges by program:

<i>(in millions)</i>	2022 Repositioning	2020 Repositioning	2019 Repositioning	2017 Repositioning	Total
Severance:					
Balance as of December 31, 2020 ^(c)	\$ —	\$ 4.2	\$ 16.0	\$ 4.7	\$ 24.9
Expense ^(a)	—	—	0.1	—	0.1
Adjustments ^(b)	—	(0.9)	—	(0.5)	(1.4)
Utilization	—	(3.3)	(4.6)	(3.5)	(11.4)
Balance as of December 31, 2021 ^(c)	\$ —	\$ —	\$ 11.5	\$ 0.7	\$ 12.2
Charges (Gain) ^(a)	14.4	—	(1.2)	—	13.2
Adjustments ^(b)	—	—	—	—	—
Utilization	(0.2)	—	(7.9)	(0.7)	(8.8)
Balance as of December 31, 2022 ^(c)	\$ 14.2	\$ —	\$ 2.4	\$ —	\$ 16.6

(a) Included within "Restructuring charges (gains), net" in the Consolidated Statements of Operations

(b) Included within "Restructuring charges (gains), net" in the Consolidated Statements of Operations and reflects changes in estimates for increases and decreases in costs

(c) Included within Accrued Liabilities in the Consolidated Balance Sheets

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

None

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. The Company's Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures as of the end of the year covered by this annual report. The Company's disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in the reports that are filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms and the information is accumulated and communicated to the Company's Chief Executive Officer and Principal Financial Officer to allow timely decisions regarding required disclosure. Based on this evaluation, the Company's Chief Executive Officer and Principal Financial Officer have concluded that these controls are effective as of the end of the year covered by this annual report.

Change in Internal Controls over Financial Reporting. During the fourth quarter ended December 31, 2022, there have been no changes in the Company's internal control over financial reporting, identified in connection with our evaluation thereof, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Design and Evaluation of Internal Control over Financial Reporting. Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, we included a report of our management's assessment of the design and effectiveness of our internal controls as part of this Annual Report on Form 10-K for the year ended December 31, 2022. Our independent registered public accounting firm also attested to, and reported on, our management's assessment of the effectiveness of internal control over financial reporting. Our management's report and our independent registered public accounting firm's attestation report are set forth in Item 8 of this Annual Report on Form 10-K under the captions entitled "Management's Responsibility for Financial Reporting" and "Report of Independent Registered Public Accounting Firm."

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Crane Holdings, Co.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Crane Holdings, Co. and subsidiaries (the “Company”) as of December 31, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2022, of the Company and our report dated March 1, 2023, expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying “Management’s Responsibility for Financial Reporting” appearing in Item 8. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the 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 audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) 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.

/s/ Deloitte & Touche LLP

Stamford, Connecticut

March 1, 2023

Item 9B. Other Information

None

Item 9C. Disclosure Regarding Foreign Jurisdictions That Prevent Inspections

Not Applicable.

Part III**Item 10. Directors, Executive Officers and Corporate Governance**

The information required by Item 10 is incorporated by reference to the definitive proxy statement with respect to the 2023 Annual Meeting of Shareholders which the Company expects to file with the Commission pursuant to Regulation 14A on or about June 5, 2023 except that such information with respect to Executive Officers of the Registrant is included, pursuant to Instruction 3, paragraph (b) of Item 401 of Regulation S-K, under Part I. The Company's Corporate Governance Guidelines, the charters of its Management Organization and Compensation Committee, its Nominating and Governance Committee and its Audit Committee and its Code of Ethics are available at www.craneco.com/governance. The information on our website is not part of this report.

Item 11. Executive Compensation

The information required by Item 11 is incorporated by reference to the definitive proxy statement with respect to the 2023 Annual Meeting of Shareholders which the Company expects to file with the Commission pursuant to Regulation 14A on or about June 5, 2023.

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

Except the information required by Section 201(d) of Regulation S-K which is set forth below, the information required by Item 12 is incorporated by reference to the definitive proxy statement with respect to the 2023 Annual Meeting of Shareholders which the Company expects to file with the Commission pursuant to Regulation 14A on or about June 5, 2023.

As of December 31, 2022:	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans
	(a)	(b)	(c)
Equity compensation plans approved by security holders:			
2018 Stock Incentive Plan (and predecessor plans)	2,148,776 ^a	\$ 75.45	—
2018 Amended and Restated Stock Incentive Plan	436,752	\$ 101.72	4,520,597
Equity compensation plans not approved by security holders			
	—	\$ —	—
Total	2,585,528	\$ 77.19	4,520,597

^a Includes 386,078 restricted share units ("RSUs"), 120,260 deferred stock units ("DSUs") and 387,678 performance-based restricted share units ("PRSUs"), assuming the maximum potential payout percentage. Actual numbers of shares may vary, depending on actual performance. If the PRSUs included in this total vest at the target performance level as opposed to the maximum level, the aggregate awards outstanding would be 2,391,689. Column (b) does not take RSUs, PRSUs or DSUs into account because they do not have an exercise price.

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

The information required by Item 13 is incorporated by reference to the definitive proxy statement with respect to the 2023 Annual Meeting of Shareholders which the Company expects to file with the Commission pursuant to Regulation 14A on or about June 5, 2023.

Item 14. Principal Accounting Fees and Services

The information required by Item 14 is incorporated by reference to the definitive proxy statement with respect to the 2023 Annual Meeting of Shareholders which the Company expects to file with the Commission pursuant to Regulation 14A on or about June 5, 2023.

Item 15. Exhibits and Financial Statement Schedules

(a) Consolidated Financial Statements:

	<u>Page Number</u>
Report of Independent Registered Public Accounting Firm (PCAOB ID No. 34)	<u>Page 46</u>
Consolidated Statements of Operations	<u>Page 48</u>
Consolidated Statements of Comprehensive Income	<u>Page 49</u>
Consolidated Balance Sheets	<u>Page 50</u>
Consolidated Statements of Cash Flows	<u>Page 51</u>
Consolidated Statements of Changes in Equity	<u>Page 53</u>
Notes to Consolidated Financial Statements	<u>Page 54</u>

(b) Exhibits

Exhibit No.	Description
Exhibit 10.1	<u>Offer Letter, dated September 27, 2022, between the Company and Aaron Saak (filed herewith).</u> *
Exhibit 21	<u>Subsidiaries of the Registrant.</u>
Exhibit 23.1	<u>Consent of Independent Registered Public Accounting Firm.</u>
Exhibit 31.1	<u>Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a).</u>
Exhibit 31.2	<u>Certification of Principal Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a).</u>
Exhibit 32.1	<u>Certification of Chief Executive Officer pursuant to Rule 13a-14(b) or 15d-14(b).</u>
Exhibit 32.2	<u>Certification of Principal Financial Officer pursuant to Rule 13a-14(b) or 15d-14(b).</u>
Exhibit 101.INS	XBRL Instance Document
Exhibit 101.SCH	XBRL Taxonomy Extension Schema Document
Exhibit 101.CAL	XBRL Taxonomy Calculation Linkbase Document
Exhibit 101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
Exhibit 101.LAB	XBRL Taxonomy Label Linkbase Document
Exhibit 101.PRE	XBRL Taxonomy Presentation Linkbase Document
Exhibit 104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

* Management Contracts or Compensatory Plans, Contracts or Arrangements.

Exhibits to Form 10-K — Documents incorporated by reference:

- (2) Plan of acquisition, reorganization, liquidation, or succession
 - 2.1 Agreement and Plan of Merger, dated February 28, 2022, by and among Crane Co., Crane Holdings, Co., and Crane Transaction Company, LLC (included as Appendix A to the proxy statement/prospectus included in Amendment No. 2 to Crane Holdings, Co.'s Registration Statement on Form S-4 (Registration No. 333-263119) filed on April 14, 2022) (incorporated by reference to Exhibit 2.1 to Crane Holdings, Co.'s Current Report on Form 8-K12G3 filed on May 16, 2022).
 - 2.2 Stock Purchase Agreement, dated as of August 12, 2022, by and among Crane Holdings, Co., Crane Company, Redco Corporation and Spruce Lake Liability Management Holdco LLC (incorporated by reference to Exhibit 2.1 to Crane Holdings, Co.'s Current Report on Form 8-K filed on August 15, 2022).
- (3) Certificate of Incorporation and Bylaws:
 - (3)(a) Amended and Restated Certificate of Incorporation of Crane Holdings, Co. (incorporated by reference to Exhibit 3.1 to Crane Holdings, Co.'s Current Report on Form 8-K12G3 filed on May 16, 2022).
 - 3 (b) Amended and Restated By-laws of Crane Holdings, Co. (incorporated by reference to Exhibit 3.2 to Crane Holdings, Co.'s Current Report on Form 8-K12G3 filed on May 16, 2022).
- (4) Instruments Defining the Rights of Security Holders:
 - (4)(a) Indenture dated as of April 1, 1991 between the Registrant and the Bank of New York (incorporated by reference to Exhibit 4.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2005).
 - (4)(a)(1) First Supplemental Indenture to the Indenture dated April 1, 1991, dated as of May 16, 2022, between Crane Holdings, Co. and U.S. Bank Trust Company, National Association (incorporated by reference to Exhibit 4.5 to Crane Holdings, Co.'s Current Report on Form 8-K12G3 filed on May 16, 2022).
 - (4)(b)(1) Indenture, dated as of December 13, 2013, between the Company and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on December 13, 2013).
 - (4)(b)(2) First Supplemental Indenture to the Indenture dated December 13, 2013, dated as of May 16, 2022, between Crane Holdings, Co. and U.S. Bank Trust Company, National Association (incorporated by reference to Exhibit 4.2 to Crane Holdings, Co.'s Current Report on Form 8-K12G3 filed on May 16, 2022).
 - (4)(b)(3) Form of Note for 4.450% Notes due 2023 (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on December 13, 2013).
 - (4)(c)(1) Indenture, dated as of dated as of February 5, 2018, between the Company and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on February 5, 2018).
 - (4)(c)(2) First Supplemental Indenture to the Indenture dated February 5, 2018, dated as of May 16, 2022, between Crane Holdings, Co. and U.S. Bank Trust Company, National Association (incorporated by reference to Exhibit 4.8 to Crane Holdings, Co.'s Current Report on Form 8-K12G3 filed on May 16, 2022).
 - (4)(c)(3) Form of Note for 4.200% Senior Notes due 2048 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on February 5, 2018).
 - (4)(d) Description of Registrant's Securities Registered Pursuant to Section 12 of the Exchange Act (incorporated by reference to Exhibit 4.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2019).
- (10)
 - 10(a) Form of Commercial Paper Dealer Agreement by and between Crane Holdings, Co. and the respective commercial paper dealer party thereto (incorporated by reference to Exhibit 10.2 to Crane Holdings, Co.'s Current Report on Form 8-K12G3 filed on May 16, 2022).
 - 10(b) \$650 million 5-Year Revolving Credit Agreement, dated as of July 28, 2021 (incorporated by reference to the Registrant's Current Report on Form 8-K filed on July 28, 2021).
 - 10(c) Amendment No. 1, dated as of May 16, 2022, by and among Crane Holdings, Co., Crane Co., CR Holdings C.V., each Lender party thereto, and JPMorgan Chase Bank, N.A. (incorporated by reference to Exhibit 10.1 to Crane Holdings, Co.'s Current Report on Form 8-K filed on May 16, 2022).
 - 10(d) 364-Day Credit Agreement, dated as of August 11, 2022, by and among Crane Holdings, Co., as borrower, the financial institutions party thereto, as lenders, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to Crane Holdings, Co.'s Current Report on Form 8-K filed on August 15, 2022).
- (iii) Management Contracts or Compensatory Plans, Contracts or Arrangements
 - (a) The 2011 Annual Incentive Plan (incorporated by reference to Appendix A to the Company's Proxy Statement filed on March 9, 2011).
 - (b) The Crane Co. 2013 Stock Incentive Plan (incorporated by reference to Appendix A to the Company's Proxy Statement filed on March 11, 2013).
 - (c) The Crane Co. 2018 Stock Incentive Plan (incorporated by reference to Appendix A to the Company's Proxy Statement filed on March 15, 2018).
 - (d) The Crane Co. Amended & Restated 2018 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on April 26, 2001).

- (e) 2007 Non-Employee Director Compensation Plan (incorporated by reference to Appendix B to the Company's Proxy Statement filed on March 9, 2007).
- (f) The Crane Co. 2009 Non-Employee Director Compensation Plan (incorporated by reference to Appendix B to the Company's Proxy Statement filed on March 6, 2009).
- (g) The Crane Co. Benefit Equalization Plan, effective February 25, 2008 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008).
- (h) The Crane Co. Benefit Equalization Plan as amended effective January 1, 2013 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed December 11, 2013).
- (i) Form of Employment/Severance Agreement between the Company and certain executive officers, which provides for the continuation of certain employee benefits upon a change in control (incorporated by reference to Exhibit 10.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2010). Agreements in this form have been entered into with all executive officers.
- (j) Form of Indemnification Agreement between the Company and each of its director and executive officers (incorporated by reference to Exhibit 10.3(i) to the Company's Annual Report on Form 10-K filed February 23, 2021).
- (k) Time-sharing Agreement dated January 31, 2014 between the Company and Max H. Mitchell (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on January 31, 2014).
- (l) Amendment, dated August 31, 2017, to Time Sharing Agreement with M. Mitchell (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2017).
- (m) Time-sharing Agreement, dated April 27, 2020 between the Company and James L.L. Tullis (incorporated by reference to Exhibit 10.3(l) to the Company's Annual Report on Form 10-K filed February 23, 2021).

Item 16. Form 10-K Summary

Not applicable.

Part IV
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.

CRANE HOLDINGS, CO.
(Registrant)

By /s/ MAX H. MITCHELL

Max H. Mitchell
President and Chief Executive Officer
Date 3/1/2023

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.

Officers

/s/ MAX H. MITCHELL

Max H. Mitchell
President, Chief
Executive Officer and
Director

Date 3/1/2023

/s/ RICHARD A. MAUE

Richard A. Maue
Executive Vice
President
Chief Financial Officer
(Principal Financial Officer)

Date 3/1/2023

/s/ CHRISTINA CRISTIANO

Christina Cristiano
Vice President, Controller
Chief Accounting Officer
(Principal Accounting Officer)

Date 3/1/2023

Directors

/s/ JAMES L.L. TULLIS

James L.L. Tullis

Date 3/1/2023

/s/ MARTIN R. BENANTE

Martin R. Benante

Date 3/1/2023

/s/ MICHAEL DINKINS

Michael Dinkins

Date 3/1/2023

/s/ RONALD C. LINDSAY

Ronald C. Lindsay

Date 3/1/2023

/s/ ELLEN MCCLAIN

Ellen McClain

Date 3/1/2023

/s/ CHARLES G. MCCLURE, JR.

Charles G. McClure, Jr.

Date 3/1/2023

/s/ JENNIFER M. POLLINO

Jennifer M. Pollino

Date 3/1/2023

/s/ JOHN S. STROUP

John S. Stroup

Date 3/1/2023

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SHAREHOLDER INFORMATION AS OF DECEMBER 31, 2022

Following the separation into two public companies in April 2023 (Crane NXT, Co. and Crane Company), as referenced earlier in the CEO's letter to stockholders, Crane Holdings, Co. will change its name to Crane NXT, Co. References have been added below to reflect this change where appropriate.

CRANE HOLDINGS, CO. (AND CRANE NXT, CO. POST SEPARATION) INTERNET SITE

Copies of Crane Holdings, Co.'s report on Form 10-K for 2022 as filed with the Securities and Exchange Commission as well as other financial reports and news may be read and downloaded at www.craneco.com, and at the Crane NXT, Co. website at www.cranenxt.com.

ANNUAL MEETING

The Crane NXT, Co. annual meeting of shareholders will be held virtually online via live webcast at 10:00 a.m. Eastern Daylight Time, on Monday, June 5, 2023 at www.meetnow.global/MDWD6FQ.

STOCK LISTING

As of December 31, 2022, Crane Holdings, Co. common stock traded on the New York Stock Exchange under the symbol CR. Following separation in April 2023, Crane NXT, Co.'s stock is expected to trade on the New York Stock Exchange under the symbol CXT, and Crane Company is expected to trade on the New York Stock Exchange under the symbol CR.

AUDITORS

Deloitte & Touche LLP
695 East Main Street
Stamford, CT 06901

EQUAL EMPLOYMENT OPPORTUNITY POLICY

Crane Holdings, Co. (and Crane NXT, Co. post separation) is an equal opportunity employer. It is the policy of the Company to recruit, hire, promote and transfer to all job classifications without regard to race, color, religion, national origin or ancestry, age, sex, pregnancy, marital status, sexual orientation or gender identity, physical or mental disability, military status, veteran status, or any other characteristics protected by law in all aspects of the employment process and relationship.

ENVIRONMENT, HEALTH AND SAFETY POLICY

Crane Holdings, Co. (and Crane NXT, Co. post separation) is committed to protecting the environment by taking responsibility to prevent serious or irreversible environmental degradation through efficient operations and activities. The Company recognizes environmental management among its highest priorities, and has established policies and programs that are integral and essential elements of the business plan of each of the business units.

STOCK TRANSFER AGENT AND REGISTRAR

For customer service, changes of address, transfer of stock certificates, and general correspondence:

Computershare Trust Company, N.A.

PO Box 43006
Providence, RI 02940-3006
Toll free: +1 (877) 373-6374
International: +1 (781) 575-2725
www.computershare.com/investor

Private Couriers/Registered Mail:

Computershare Trust Company, N.A.

150 Royall Street
Suite 101
Canton, MA 02021

BOND TRUSTEE AND PAYING AGENT

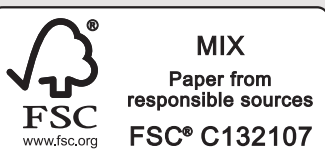
U.S. Bank Global Corporate Trust

Toll free: +1 (800) 934-6802
CityPlace I
185 Asylum Street, 27th Floor
Hartford, CT 06103
www.usbank.com

DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN

Crane Holdings, Co. (and Crane NXT, Co. post separation) has authorized Computershare Trust Company, N.A. to offer the Computershare Investment Plan, a dividend reinvestment and stock purchase plan for Crane Holdings, Co. (and Crane NXT, Co. post separation) shareholders. Investors can manage their reinvestment plan elections by logging into their account at www.computershare.com/investor. The terms of the dividend reinvestment plan can be accessed online at www.computershare.com/investor by selecting "Invest Now" and searching for Crane Holdings, Co. (and Crane NXT, Co. post separation), or plan materials can be requested by phone at +1 (781) 575-2725 or +1 (877) 373-6374 (toll free).

CRANE



CRANE HOLDINGS, CO.
EXECUTIVE OFFICES
100 FIRST STAMFORD PLACE

STAMFORD, CT 06902
203.363.7300

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