UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

# FORM 8-K

## CURRENT REPORT

**Pursuant to Section 13 or 15(d) of**
**The Securities Exchange Act of 1934**

**September 4, 2024**
Date of Report (Date of earliest event reported)

# O-I GLASS, INC.

(Exact name of registrant as specified in its charter)

| | | |
|---|---|---|
| **Delaware** | **1-9576** | **22-2781933** |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

| | |
|---|---|
| **One Michael Owens Way** | |
| **Perrysburg, Ohio** | **43551-2999** |
| (Address of principal executive offices) | (Zip Code) |

**(567) 336-5000**
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**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, $.01 par value | OI | The New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**ITEM 7.01. REGULATION FD DISCLOSURE.**

O-I Glass, Inc. (the "Company") has approved the closure of four furnaces, which includes a single-furnace plant, in the Americas segment. These closures are part of the Company's previously communicated Fit to Win initiative to reduce redundant capacity and begin to optimize its network. Additional furnace closures and other restructuring actions are expected later in 2024.

The furnace and plant closures are expected to occur within the next six months. The Company intends to facilitate the closures in a respectful manner for the approximately 200 people impacted. Current customers of the impacted plants will continue to be served by the same plant or by other plants in the Company's network.

Subject to finalization of certain estimates, the Company expects to record charges associated with the above closures of approximately $20 million in the third quarter of 2024. Major components of the charges include approximately $14 million for impairment of plant-related assets, such as furnaces and machinery, and $6 million for one-time employee separation benefits and other costs related to the closings (of which approximately $5 million relate to future cash expenditures).

In addition, the Company's Chief Executive Officer, Gordon Hardie, and Chief Financial Officer, John Haudrich, are scheduled to present at the UBS Global Materials Conference (the "Conference") on Wednesday, September 4, 2024 at 3:30 p.m., Eastern Time.

A live webcast of the presentation will be available at the following link: https://event.webcasts.com/viewer/event.jsp?ei=1685068&tp_key=3c947d5317. The replay from the Conference will be posted within 24 hours of the presentation and will be archived through this link for 90 days following the completion of the Conference. A copy of the presentation slides, which will be discussed at the Conference, is attached hereto as Exhibit 99.1 and will also be available on the Company's website, www.o-i.com/investors.

The information contained in this Item 7.01 and in Exhibit 99.1 hereto is furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, nor shall it be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Forward-Looking Statements**

This Current Report on Form 8-K contains "forward-looking" statements related to the Company within the meaning of Section 21E of the Exchange Act and Section 27A of the Securities Act. Forward-looking statements reflect the Company's current expectations and projections about future events at the time, and thus involve uncertainty and risk. The words "expect," "intend," "will," "anticipate" and other similar expressions generally identify forward-looking statements.

It is possible that the Company's future results may differ from expectations due to a variety of factors including, but not limited to: (1) the general political, economic and competitive conditions in markets and countries where the Company has operations, including uncertainties related to economic and social conditions, trade disputes, disruptions in the supply chain, competitive pricing pressures, inflation or deflation, changes in tax rates and laws, war, civil disturbance or acts of terrorism, natural disasters, public health issues and weather, (2) cost and availability of raw materials, labor, energy and transportation (including impacts related to the current Ukraine-Russia and Israel-Hamas conflicts and disruptions in supply of raw materials caused by transportation delays), (3) competitive pressures from other glass container producers and alternative forms of packaging or consolidation among competitors and customers, (4) changes in consumer preferences or customer inventory management practices, (5) the continuing consolidation of the Company's customer base, (6) the Company's ability to improve its glass melting technology, known as the MAGMA program, and implement it within the timeframe expected, (7) unanticipated supply chain and operational disruptions, including higher capital spending, (8) the Company's ability to achieve expected benefits from margin expansion and profitability initiatives, such as its Fit to Win program, including expected impacts from production curtailments and furnace closures, (9) seasonality of customer demand, (10) the failure of the Company's joint venture partners to meet their obligations or commit additional capital to the joint venture, (11) labor shortages, labor cost increases or strikes, (12) the Company's ability to acquire or divest businesses, acquire and expand plants, integrate operations of acquired businesses and achieve expected benefits from acquisitions, divestitures or expansions, (13) the Company's ability to generate sufficient future cash flows to ensure the Company's goodwill is not impaired, (14) any increases in the underfunded status of the Company's pension plans, (15) any failure or disruption of the Company's information technology, or those of third parties on which the Company relies, or any cybersecurity or data privacy incidents affecting the Company or its third-party service providers, (16) risks related to the Company's indebtedness or changes in capital availability or cost, including interest rate fluctuations and the ability of the Company to generate cash to service indebtedness and refinance debt on favorable terms, (17) risks associated with operating in foreign countries, (18) foreign currency fluctuations relative to the U.S. dollar, (19) changes in tax laws or U.S. trade policies, (20) the Company's ability to comply with various environmental legal requirements, (21) risks related to recycling and recycled content laws and regulations, (22) risks related to climate-change and air emissions, including related laws or regulations and increased ESG scrutiny and changing expectations from stakeholders, and the other risk factors discussed in the Company's filings with the SEC.

It is not possible to foresee or identify all such factors. Any forward-looking statements in this Current Report on Form 8-K are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate in the circumstances. Forward-looking statements are not a guarantee of future performance, and actual results or developments may differ materially from expectations. The Company does not assume any obligation to update or supplement any particular forward-looking statements contained in this Current Report on Form 8-K.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

(d) Exhibits.

| Exhibit No. | Description |
|---|---|
| 99.1 | UBS Global Materials Presentation |
| 104 | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101) |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

| | | |
|---|---|---|
| | O-I GLASS, INC. | |
| Date: September 4, 2024 | By: | /s/ John A. Haudrich |
| | Name: | John A. Haudrich |
| | Title: | Senior Vice President and Chief Financial Officer |

Exhibit 99.1

# PRESENTERS

**Gordon Hardie**
President and CEO

**John Haudrich**
SVP and CFO

# SAFE HARBOR COMMENTS

This presentation contains "forward-looking" statements related to O-I Glass, Inc. ("O-I Glass" or the "Company") within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended "Exchange Act"), and Section 27A of the Securities Act of 1933, as amended. Forward-looking statements reflect the company's current expectations and projections about future events at the time, and involve uncertainty and risk. The words "believe," "expect," "anticipate," "will," "could," "would," "should," "may," "plan," "estimate," "intend," "predict," "potential," "continue," and the negatives of these w and other similar expressions generally identify forward-looking statements.

It is possible that the Company's future financial performance may differ from expectations due to a variety of factors including, but not limited to the following: (1) the general political, economic and compe conditions in markets and countries where the Company has operations, including uncertainties related to economic and social conditions, trade disputes, disruptions in the supply chain, competitive pr pressures, inflation or deflation, changes in tax rates and laws, war, civil disturbance or acts of terrorism, natural disasters, public health issues and weather, (2) cost and availability of raw materials, labor, er and transportation (including impacts related to the current Ukraine-Russia and Israel-Hamas conflicts and disruptions in supply of raw materials caused by transportation delays), (3) competitive pressures other glass container producers and alternative forms of packaging or consolidation among competitors and customers, (4) changes in consumer preferences or customer inventory management practices, (5 continuing consolidation of the Company's customer base, (6) the Company's ability to improve its glass melting technology, known as the MAGMA program, and implement it within the timeframe expectec unanticipated supply chain and operational disruptions, including higher capital spending, (8) the Company's ability to achieve expected benefits from margin expansion and profitability initiatives, such as its F Win program, including expected impacts from production curtailments and furnace closures, (9) seasonality of customer demand, (10) the failure of the Company's joint venture partners to meet their obliga or commit additional capital to the joint venture, (11) labor shortages, labor cost increases or strikes, (12) the Company's ability to acquire or divest businesses, acquire and expand plants, integrate operatio acquired businesses and achieve expected benefits from acquisitions, divestitures or expansions, (13) the Company's ability to generate sufficient future cash flows to ensure the Company's goodwill is impaired, (14) any increases in the underfunded status of the Company's pension plans, (15) any failure or disruption of the Company's information technology, or those of third parties on which the Com relies, or any cybersecurity or data privacy incidents affecting the Company or its third-party service providers, (16) risks related to the Company's indebtedness or changes in capital availability or cost, inclu interest rate fluctuations and the ability of the Company to generate cash to service indebtedness and refinance debt on favorable terms, (17) risks associated with operating in foreign countries, (18) fo currency fluctuations relative to the U.S. dollar, (19) changes in tax laws or U.S. trade policies, (20) the Company's ability to comply with various environmental legal requirements, (21) risks related to recy and recycled content laws and regulations, (22) risks related to climate-change and air emissions, including related laws or regulations and increased ESG scrutiny and changing expectations from stakeholders the other risk factors discussed in the Company's filings with the Securities and Exchange Commission.

It is not possible to foresee or identify all such factors. Any forward-looking statements in this document are based on certain assumptions and analyses made by the Company in light of its experience perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate in the circumstances. Forward-looking statements are not a guarantee of fu performance, and actual results or developments may differ materially from expectations. While the Company continually reviews trends and uncertainties affecting the Company's results of operations financial condition, the Company does not assume any obligation to update or supplement any particular forward-looking statements contained in this document.

Additionally, certain forward-looking and other statements in this presentation or other locations, such as the Company's corporate website, regarding ESG matters are informed by various ESG standards frameworks (which may include standards for the measurement of underlying data) and the interests of various stakeholders. Accordingly, such information may not be, and should not be interprete necessarily being "material" under the federal securities laws for SEC reporting purposes, even if the Company uses the word "material" or "materiality" in such discussions. ESG information is also often relia third-party information or methodologies that are subject to evolving expectations and best practices, and the Company's approach to and discussion of these matters may continue to evolve as well. For exa the Company's disclosures may change due to revisions in framework requirements, availability of information, changes in our business or applicable governmental policies, or other factors, some of which ma beyond its control.

# O-I AT A GLANCE

## GLOBAL LEADER IN GLASS PACKAGING FOCUSED ON WINNING WITH CUSTOMERS, IMPROVING ECONOMIC PROFIT, AND INCREASING THE VALUE OF THE COMPANY

**#1**
global leader in glass packaging

**36 BILLION** glass containers manufactured in 2023

**6,000**
customers across a broad product portfolio

**Sustainability Leadership** is driving customer demand

**~23,000** employees across **68 plant** in **19 countrie**

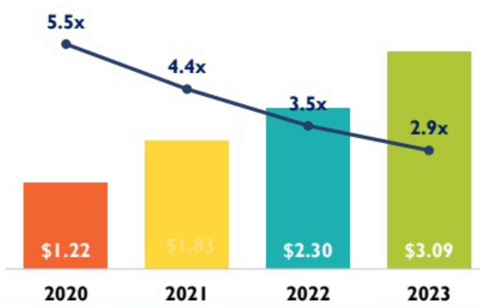
**Glass is the preferred choice** for premium and health-oriented products

BREAKTHROUGH INNOVATION
**MAGMA & ULTRA**

**FIT TO WIN**
Economic profit mindset to improve competitiveness and boost results

**$7.1B NET SALES**
FY 2023

ADJUSTED EPS & FINANCIAL LEVERAGE



# O-I SERVES THE BRANDS YOU TRUST AND LOVE

## LEADING CUSTOMER RELATIONSHIPS, DESIGN CAPABILITIES AND SERVICE LEVELS

CONAGRA BRANDS
berlin PACKAGING
GRUPO HERDEZ
DIAGEO
ABInBev
SINCE 1868 Martinelli's GOLD MEDAL
BACARDI
GAASCH PACKAGING
CAMPA
GROUPE GCF
Unilever
Nestlé
General Mills Making Food People Love
THE J.M. SMUCKER Co
Campbell's
SIERRA NEVADA
KraftHeinz
Ceres
Coca-Cola
BROWN-FORMAN
Carlsberg
Bavaria
MOLSON Coors
Postob
LVM
NEW BELGIUM BREWING
DANONE ONE PLANET. ONE HEALTH
TREASURY WINE ESTATES
LiDestri Where tradition meets innovation.
PEPSICO
BRASSERIE de SAINT-OMER Depuis 1866
Saxco International
Plasdene Glass-Pak PTY. LIMITED
La martiniquaise
Asa
Constellation Brands
VINÍCOLA AURORA
INTERNATIONAL WINE GROUP
Salsa Picante Tamazula Sabrosa
TRICORBRAUN
YOU-C1000 ISOTONIC DRINK
Pernod Ricard
Beam SUNTORY
JUM
WILLIAM GRANT & SONS
Cuer
CHAMPAGNE EMBALLAGE
HEINEKEN
TRINCHERO Family Estates
KRATINGDAENG
CASTEL
Jägermeister
MASP
GTS
AJE
LEE KUM KEE 李錦記
Yuengling AMERICA'S OLDEST BREWERY.
mizkan
Mondelēz International
FERRERO
MAH

# PORTFOLIO OVERVIEW

## PRIVILEGED FOOTPRINT WITH DEEP TECHNICAL AND MANUFACTURING CAPABILITIES

| 2023 | AMERICAS | EU | O-I |
|---|---|---|---|
| **Net Sales ($B)** | $3.9 | $3.1 | **$7.1** |
| **# Plants** | 32 | 34 | **68** |
| **# Countries** | 7 | 10 | **19** |
| **Long Term Contracts** | 75% | 35% | **55%** |
| **Long Term CAGR[1]** | -1% to +2% | 0% to 1% | **0% to 1%** |


### Category Mix

| | |
|---|---|
| Beer | **32%** |
| Wine | **19%** |
| Food | **17%** |
| NAB | **16%** |
| Spirits | **16%** |

O-I's non-reportable segment includes operations in Asia as well as machine part sales and engineering services
1) 2023-2028 Euromonitor estimates for one way domestic + imported consumption.

# COMPETITIVE GLASS OFFERING LEVERAGES MEGA TREND


| | Increased demand for **premium beverages** | **Health and wellness** favors glass over plastics | CPG **innovation** and **diversification** of product portfolios | **Glass** is the m **sustainable** ri packaging |
|---|---|---|---|---|
| **Glass** | Favorable | Favorable | Favorable | Favorable |
| **Metal** | Neutral | Favorable | Favorable | Favorable |
| **Plastics** | Unfavorable | Unfavorable | Favorable | Unfavorable |

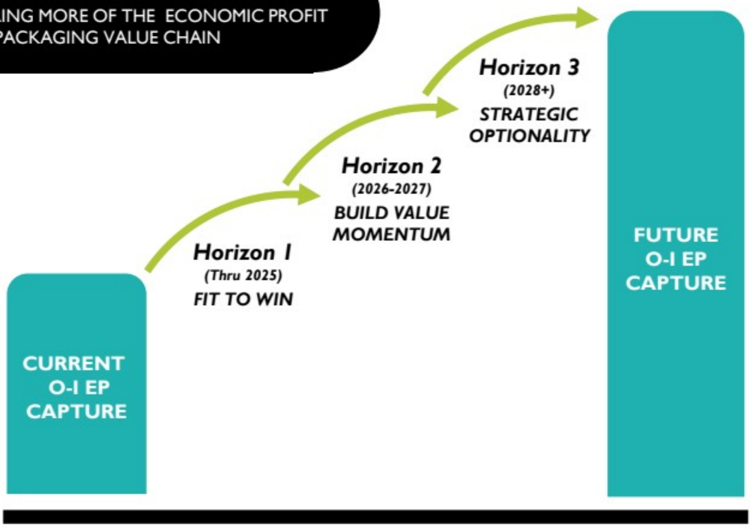
**Favorable** **Neutral** **Unfavorable**

# VALUE CREATION ROADMAP

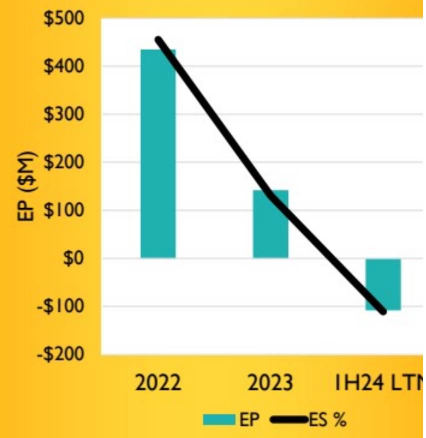
## EARNINGS IMPROVEMENT AND VALUE CREATION OPPORTUNITY SUPPORTED MORE BY SELF HELP RATHER THAN SIGNIFICANT MARKET RECOVERY

**ECONOMIC PROFIT MINDSET**

CAPTURING MORE OF THE ECONOMIC PROFIT IN THE PACKAGING VALUE CHAIN




**REVERSE TREND IN ECONOMIC PROFIT**




**Preliminary Targets' (20**

- Sustainable aEBITDA ≥ $1
- FCF ≥ 5% of Sales
- ES % ≥ 2% above WACC



Economic profit (EP) refers to net earnings (loss) attributable to the Company, excluding interest expense, net, and non-cash goodwill impairment charges, minus the product of the Company's average invested capital and its weighted average co
Economic spread percentage (ES %) refers to economic profit divided by the Company's average invested capital.

# HORIZON 1: FIT TO WIN

## FIT TO WIN WILL DRIVE A STEP CHANGE IN O-I'S COMPETITIVE POSITION

| PILLARS | ACTIONS AND NEXT STEPS |
|---|---|
| **ENHANCE COMPETITIVENESS**<br>• Decentralize business model to align accountability<br>• End-to-end supply chain review / network optimization<br>• Deliver economically profitable mix and growth | • 24% capacity temporarily curtailed QTD 3Q24 due to slow demand / reduce<br>• Announced closure of 4 furnaces as part of program to close 6+ furnaces<br>• In 3Q24 earnings call: Detail furnace closure program & 2025 SG&A savings |
| **DRIVE CAPITAL DISCIPLINE AND CASH GENERATION**<br>• Incorporate an economic profit (EP) model<br>• Increased capital accountability | • Initiated analysis of EP performance across all countries, plants, customers, an<br>• All discretionary capital halted at EP negative operations pending further revi<br>• In 2H24: Develop draft restructuring and CapEx plan based on EP analysis |
| **CONSISTENT FINANCIAL PERFORMANCE**<br>• Economic profit will be a key financial KPI<br>• Evaluate aligning incentives with economic profit | • Shared enterprise EP and ES % for 2022, 2023 and YTD 2024 (see previous pa<br>• In 2H24: Integrate EP as an element into future incentive plan structure |

***PERFORMANCE = POTENTIAL MINUS INTERFERENCE***
***FIT TO WIN TO ADDRESS THE INTERFERENCE***

# MONETIZING MAGMA

## MAGMA CONTINUES TO ADVANCE WITH INCREASED FOCUS ON ACCELERATING ECONOMIC PROFIT

### MAGMA CORE TECHNOLOGY WORKS

### RAMPING UP MAGMA GEN 2 GREENFIELD IN BOWLING GREEN

- Finalizing cold commissioning activities
- Began producing glass in August and ramping up production during 3Q

### ACCELERATING MAGMA TO ECONOMIC PROFIT

- Gen 1 evaluating targeted legacy furnace replacement at end of life
- Gen 2 proving the industrial model at scale
- Gen 3 consideration as part of Horizon 3 priorities

**GEN 2 MAGMA GREENFIE**

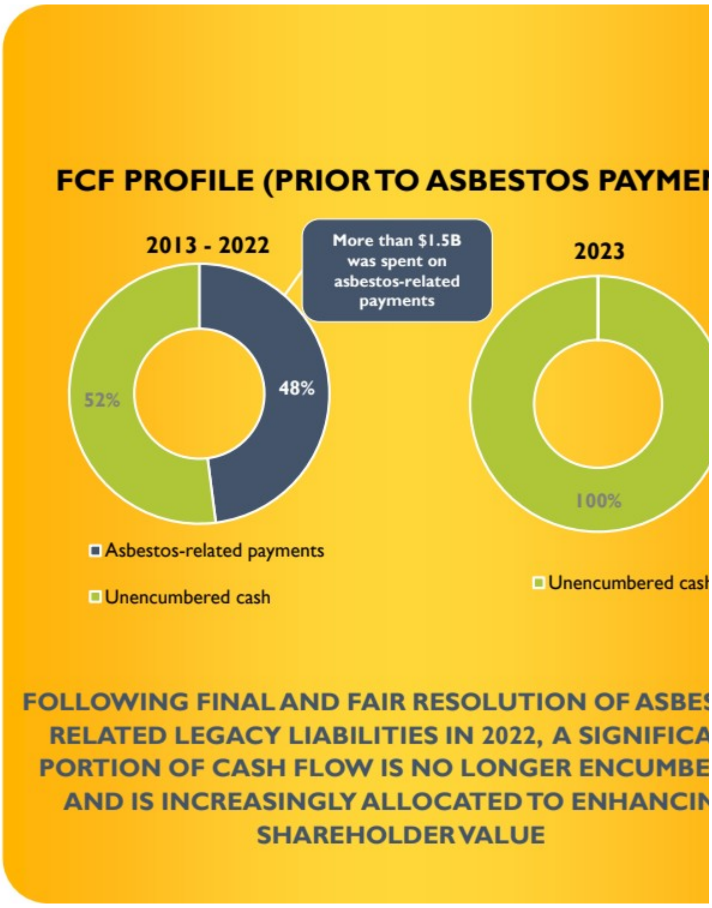
**(Bowling Green, KY)**

# DISCIPLINED CAPITAL ALLOCATION

GET FIT TO WIN

IMPROVE CAPITAL STRUCTURE

RETURN VALUE TO SHAREHOLDERS



# CURRENT MARKET UPDATE

*O-I IS NOT UPDATING GUIDANCE*

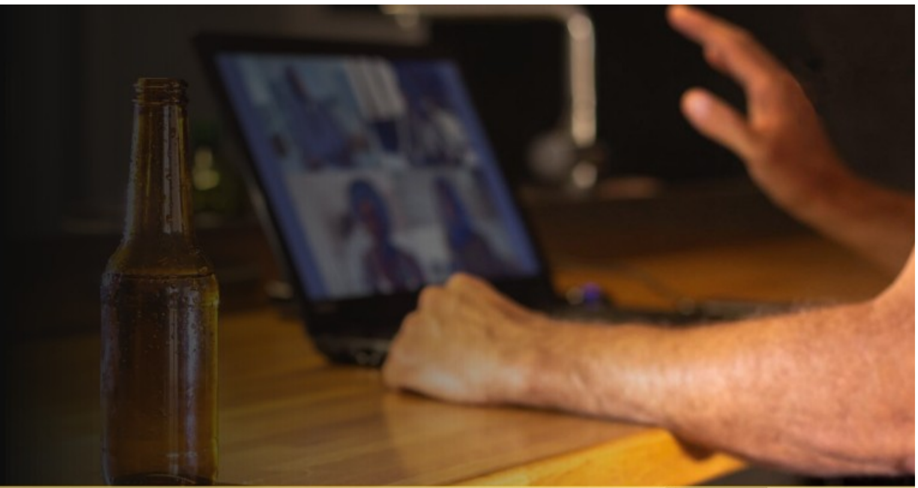
*DEMAND REMAINS SLUGGISH BUT CONTINUE TO EXPECT MODEST SALES VOLUME GROWTH IN 3Q24 GIVEN EASIER PY CO*

*REFINING EXPECTED MULTI-YEAR COMPETITIVENESS PROGRAM, MORE DETAILS ON 3Q24 EARNINGS CALL*

*EXPECT PERFORMANCE WILL REBOUND AS O-I IMPLEMENTS THE FIT TO WIN PROGRAM AND DRIVES EP GROWTH*

CONCLUSION
1 O-I IS THE GLOBAL LEADER IN GLASS PACKAGING, SERVING THE STABLE AND GROWING FOOD AND BEVERAGE INDUSTRY
2 STRONG CUSTOMER RELATIONSHIPS REFLECT O-I'S SERVICE LEVEL CAPABILITIES, PRIVILEGED FOOTPRINT AND MANUFACTURING KNOW HOW
3 LONG-TERM MEGA TRENDS FAVOR GLASS, WHICH IS WELL POSITIONED TO WIN IN THE NEW GREEN ECONOMY
4 FIT TO WIN WILL MAKE O-I MORE COMPETITIVE, IMPROVE PERFORMANCE AND ENABLE ECONOMIC PROFITABLE GROWTH AS MARKETS RECOVER
5 TAKING RAPID ACTION TO STAGE O-I FOR SUCCESS IN 2025 AND BEYOND
KEY CATALYSTS
• Execute Fit to Win Program
• Drive Capital Discipline
• Deliver Profitable Growth
13

# APPENDIX

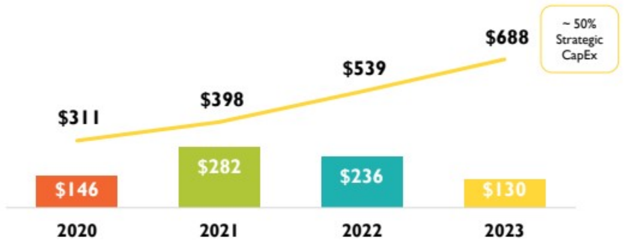


# HISTORIC FINANCIAL PERFORMANCE

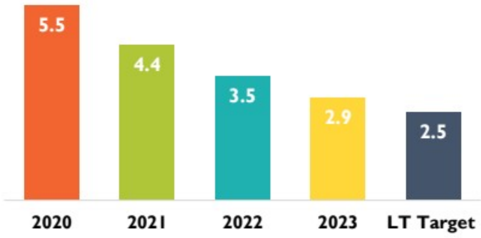
## SALES ($B)


## aEPS


## FCF AND CAPEX ($M)




## FINANCIAL LEVERAGE



# OUR SUSTAINABILITY GOALS

### ZERO INJURIES
As part of our journey toward zero injuries, we are committed to a 50% improvement of our Total Recordable Incident Rate (TRIR) by 2030.

### 50% TARGET
Increase recycled content to 50% average by 2030. O-I is taking a tailored approach to increase recycled content rates across its enterprise network as rates vary significantly by geography.

### 40% RENEWABLE
Renewable energy is a pillar in our strategy to lower carbon emissions. Our goal is to reach 40% renewable electricity use by 2030 and to reduce total energy consumption by 9%.

### SOCIAL IMPACT
We see tremendous opportunity to positively impact the planet and communities where we operate. We will collaborate with customers, NGOs, suppliers and local leaders with an aim to make glass recycling available in 100% of our locations.

### 25% GHG REDUCTION
Approved SBTi target to reduce GHG emissions 25% by 2030 (interim target of 10% by 2025).

### SUPPLY CHAIN SUSTAINABILITY
Achieve sustainability balance, together, by aligning our supply chain with our 2030 sustainability vision and goals.

### DIVERSITY, EQUITY & INCLUSION
At O-I, we are better when we reflect the diverse world we serve, feel welcome, and have equal access to opportunities. We are focused on increasing all aspects of diversity, equity and inclusion across our team.

### R&D TRANSFORMATION
Reinvent and reimagine glass-making so the circularity of glass meets the potential of our MAGMA melting technology, low-carbon alternative fuels, and light-weighted glass packaging.

### ZERO WASTE
Reduce the amount of natural resources used, reduce the generation of waste by reuse and recycling as we drive towards a "Zero Waste" organization.

### 25% WATER REDUCTION
We are committed to reducing our global water usage 25% by 2030, prioritizing operations in higher risk areas.

# NON-GAAP FINANCIAL MEASURES

The company uses certain non-GAAP financial measures, which are measures of its historical or future financial performance that are not calculated and present accordance with GAAP, within the meaning of applicable SEC rules. Management believes that its presentation and use of certain non-GAAP financial measures, incl adjusted earnings, adjusted earnings per share, free cash flow, total financial leverage, net debt leverage, EBITDA, adjusted EBITDA, economic profit and econ spread percentage, provide relevant and useful supplemental financial information that is widely used by analysts and investors, as well as by management in asse both consolidated and business unit performance. These non-GAAP measures are reconciled to the most directly comparable GAAP measures and should be consi supplemental in nature and should not be considered in isolation or be construed as being more important than comparable GAAP measures.

Adjusted earnings relates to net earnings (loss) attributable to the company, exclusive of items management considers not representative of ongoing operations and adjustments because such items are not reflective of the company's principal business activity, which is glass container production. Adjusted earnings are divide weighted average shares outstanding (diluted) to derive adjusted earnings per share. EBITDA refers to net earnings, excluding gains or losses from disconti operations, interest expense, net, provision for income taxes, depreciation and amortization of intangibles. Adjusted EBITDA refers to EBITDA, exclusive of i management considers not representative of ongoing operations and other adjustments. Total financial leverage refers to the sum of total debt less cash, plus unfu pension liability, plus the asbestos liability or Paddock liability divided by Adjusted EBITDA. Net debt leverage refers to total debt less cash divided by Adj EBITDA. Economic Profit refers to net earnings (loss) attributable to the Company, excluding interest expense, net, and non-cash goodwill impairment charges, minu product of the Company's average invested capital and its weighted average cost of capital. Economic Spread percentage refers to Economic Profit divided b Company's average invested capital. Management uses adjusted earnings, adjusted earnings per share, EBITDA, Adjusted EBITDA, total financial leverage, net leverage, economic profit and economic spread percentage to evaluate its period-over-period operating performance because it believes these provide useful supplem measures of the results of operations of its principal business activity by excluding items that are not reflective of such operations. The above non-GAAP fina measures may be useful to investors in evaluating the underlying operating performance of the company's business as these measures eliminate items that ar reflective of its principal business activity.

Further, free cash flow relates to cash provided by operating activities plus cash payments to fund the Paddock 524(g) trust and related expenses less cash paymen property, plant and equipment. Management has historically used free cash flow to evaluate its period-over-period cash generation performance because it believes t have provided useful supplemental measures related to its principal business activity. It should not be inferred that the entire free cash flow amount is availabl discretionary expenditures, since the company has mandatory debt service requirements and other non-discretionary expenditures that are not deducted from t measures. Management uses non-GAAP information principally for internal reporting, forecasting, budgeting and calculating compensation payments.

The company routinely posts important information on its website – www.o-i.com/investors.

# RECONCILIATION TO ADJUSTED EARNINGS

The reconciliation below describes the items that management considers not representative of ongoing operations.
Unaudited

| ($millions, except per share amounts) | Year ended December 31 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| Net earnings (loss) attributable to the Company | $ 249 | $ 142 | $ 584 | $ (103) |
| Items impacting equity earnings (losses): | | | | |
| Restructuring, asset impairment and other charges | 36 | | | |
| Items impacting other income (expense), net: | | | | |
| Charges for deconsolidation of Paddock | 14 | | | |
| Strategic transaction and corporate modernization costs | 8 | | | |
| Charge related to Paddock support agreement liability | | 154 | | |
| Goodwill impairment | | | | 445 |
| Restructuring, asset impairment and other charges | 106 | 35 | 53 | 100 |
| Gain on sale of divested businesses and miscellaneous assets | (275) | (84) | (55) | (4) |
| Gain on sale leasebacks | | | (334) | |
| Brazil indirect tax credit | | (71) | | |
| Pension settlement charges | 26 | 74 | 20 | 19 |
| Items impacting interest expense: | | | | |
| Charges for note repurchase premiums and write-off of finance fees and related charges | 44 | 13 | 26 | 39 |
| Items impacting income tax: | | | | |
| Valuation allowance interest carryovers | | | | 20 |
| Tax charge recorded for certain tax adjustments | | 5 | 2 | |
| Net expense (benefit) for income tax on items above | (13) | 27 | 41 | (25) |
| Items impacting net earnings attributable to noncontrolling interests: | | | | |
| Net impact of noncontrolling interests on items above | (1) | (1) | 29 | |
| Total adjusting items (non-GAAP) | $ (55) | $ 152 | $ (218) | $ 594 |
| Adjusted earnings (non-GAAP) | $ 194 | $ 294 | $ 366 | $ 491 |
| Diluted average shares (thousands) | 158,785 | 160,309 | 158,985 | 154,651 |
| Net earnings (loss) per share (diluted) | $ 1.57 | $ 0.88 | $ 3.67 | $ (0.67) |
| Adjusted earnings per share (non-GAAP) | $ 1.22 | $ 1.83 | $ 2.30 | $ 3.09 |

The Company is unable to present a quantitative reconciliation of its forward-looking non-GAAP measure, adjusted earnings and adjusted earnings per share, for periods beyond the year ended December 31, 2023 to its m comparable GAAP financial measure, Net earnings (loss) attributable to the Company, because management cannot reliably predict all of the necessary components of this GAAP financial measure without unreasonable efforts. N (loss) attributable to the Company includes several significant items, such as restructuring charges, asset impairment charges, charges for the write-off of finance fees, and the income tax effect on such items. The decisions and typically lead to the recognition of these and other similar items are complex and inherently unpredictable, and the amount recognized for each item can vary significantly. Accordingly, the Company is unable to provide a reco adjusted earnings and adjusted earnings per share to net earnings (loss) attributable to the Company or address the probable significance of the unavailable information, which could be material to the Company's future financial re

# RECONCILIATION FOR SEGMENT OPERATING PROFIT

| ($millions) Unaudited | Year ended December 31 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| Net sales: | | | | |
| Americas | $ 3,322 | $ 3,557 | $ 3,835 | $ 3,865 |
| Europe | 2,364 | 2,687 | 2,878 | 3,117 |
| Asia Pacific | 281 | - | - | - |
| Reportable segment totals | 5,967 | 6,244 | 6,713 | 6,982 |
| Other | 124 | 113 | 143 | 123 |
| Net sales | $ 6,091 | $ 6,357 | $ 6,856 | $ 7,105 |
| | | | | |
| Earnings before income taxes | $ 353 | $ 332 | $ 805 | $ 67 |
| Items excluded from segment operating profit: | | | | |
| Retained corporate costs and other | 145 | 171 | 232 | 224 |
| Items not considered representative of ongoing operations and other adjustments [a] | (85) | 108 | (316) | 560 |
| Interest expense, net | 265 | 216 | 239 | 342 |
| Segment operating profit [b]: | $ 678 | $ 827 | $ 960 | $ 1,193 |
| | | | | |
| Americas | $ 395 | $ 456 | $ 472 | $ 511 |
| Europe | 264 | 371 | 488 | 682 |
| Asia Pacific | 19 | - | - | - |
| Reportable segment totals | $ 678 | $ 827 | $ 960 | $ 1,193 |
| | | | | |
| Ratio of earnings before income taxes to net sales | 5.8% | 5.2% | 11.7% | 0.9% |
| | | | | |
| Segment operating profit margin [c]: | | | | |
| Americas | 11.9% | 12.8% | 12.3% | 13.2% |
| Europe | 11.2% | 13.8% | 17.0% | 21.9% |
| Asia Pacific | 6.8% | - | - | - |
| Reportable segment margin totals | 11.4% | 13.2% | 14.3% | 17.1% |

(a) Reference reconciliation for adjusted earnings.

(b) Segment operating profit consists of consolidated earnings before interest income, interest expense, and provision for income taxes and excludes amounts related to certain items that management considers not representative of ongoing operations as well as certain retained corporate costs and other adjustments.

The Company presents information on segment operating profit because management believes that it provides investors with a measure of operating performance separate from the level of indebtedness or other related costs of capital. The most directly comparable GAAP financial measure to segment operating profit is earnings before income taxes. The Company presents segment operating profit because management uses the measure, in combination with net sales and selected cash flow information, to evaluate performance and to allocate resources.

(c) Segment operating profit margin is segment operating profit divided by segment net sales.

# RECONCILIATION TO NET DEBT AND FINANCIAL LEVERAGE RATIOS

| $ millions | 2020 | 2021 | 2022 |
|---|---|---|---|
| Net earnings (loss) | 264 | 165 | 627 |
| Interest expense, net | 265 | 216 | 239 |
| Provision for income taxes | 89 | 167 | 178 |
| Depreciation | 369 | 356 | 352 |
| Amortization of intangibles | 99 | 93 | 102 |
| **EBITDA (non-GAAP)** | 1,086 | 997 | 1,498 |
| Adjustments to EBITDA: | | | |
| Restructuring, asset impairment, pension settlement and other charges | 168 | 109 | 73 |
| Goodwill impairment | | | |
| Gain on sale of ANZ Business | (275) | | |
| Gain on sale leaseback | | | (334) |
| Gain on sale of divested business or misc. assets | | (84) | (55) |
| Charge related to Paddock support agreement liability | | 154 | |
| Brazil indirect tax credit | | (71) | |
| Strategic transactions and Corporate Modernization costs | 8 | | |
| **Adjusted EBITDA (non-GAAP)** | 1,001 | 1,105 | 1,182 |
| **Total debt** | $ 5,142 | $ 4,825 | $ 4,716 |
| **Less cash** | $ 563 | $ 725 | $ 773 |
| **Net debt (non-GAAP)** | $ 4,579 | $ 4,100 | $ 3,943 |
| **Net debt divided by adjusted EBITDA** | 4.6 | 3.7 | 3.3 |
| **Unfunded Pension Liability** | $ 464 | $ 141 | $ 170 |
| **Unfunded Pension Liability divided by Adjusted EBITDA** | 0.5 | 0.1 | 0.1 |
| **Asbestos / Paddock Liability** | $ 471 | $ 625 | $ - |
| **Asbestos / Paddock Liability divided by Adjusted EBITDA** | 0.5 | 0.6 | 0.0 |
| **Financial Leverage ((Net Debt + Unfunded Pension Liability + Asbestos / Paddock Liability)/Adjusted EBITDA)** | 5.5 | 4.4 | 3.5 |

# RECONCILIATION TO ADJUSTED EBITDA

| ($ millions) | | Year End December 31, 2023 |
|---|---|---|
| Net earnings (loss) | $ | (85) |
| Interest expense, net | | 342 |
| Provision for income taxes | | 152 |
| Depreciation | | 385 |
| Amortization of intangibles | | 98 |
| EBITDA (non-GAAP) | | 892 |
| Items not considered representative of ongoing operations | | 560 |
| Adjusted EBITDA (non-GAAP) | $ | 1,452 |

For the year ending December 31, 2024, the Company is unable to present a quantitative reconciliation of its forward-looking non-GAAP measure, adjusted EBITDA, to its most directly comparable U.S. GAAP fina measure, net earnings (loss), because management cannot reliably predict all of the necessary components of this U.S. GAAP financial measure without unreasonable efforts. Net earnings (loss) includes several signif items, such as restructuring, asset impairment and other charges, charges for the write-off of finance fees, and the income tax effect on such items. The decisions and events that typically lead to the recognition of t and other similar non-GAAP adjustments are inherently unpredictable as to if and when they may occur. The inability to provide a reconciliation is due to that unpredictability and the related difficulties in assessin potential financial impact of the non-GAAP adjustments. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to the Company's fu financial results.

# RECONCILIATION TO ECONOMIC PROFIT AND ECONOMIC SPREAD PERCENT

($ millions)

| | 2021 | 2022 | 2023 | 2Q23 | 3Q23 | 4Q23 | 1Q24 | 2Q24 | LTM 2Q24 |
|---|---|---|---|---|---|---|---|---|---|
| Net earnings (loss) attributable to the Company | | 584 | (103) | | 51 | (470) | 72 | 57 | (290) |
| Interest expense, net | | 239 | 342 | | 78 | 79 | 78 | 87 | 322 |
| Non-cash goodwill impairment charges | | - | 445 | | - | 445 | - | - | 445 |
| Net operating profit after tax (NOPAT) | | 823 | 684 | | 129 | 54 | 150 | 144 | 477 |
| Short-term debt | 72 | 345 | 248 | 242 | | | | 500 | |
| Long-term debt | 4,753 | 4,371 | 4,698 | 4,778 | | | | 4,648 | |
| Share owners equity | 827 | 1,528 | 1,744 | 2,143 | | | | 1,631 | |
| Total invested capital | 5,652 | 6,244 | 6,690 | 7,163 | | | | 6,779 | |
| Average invested capital (AIC) | 5,598 | 5,948 | 6,467 | | | | | | 6,971 |
| Weighted average cost of capital (WACC) | | 6.5% | 8.4% | | | | | | 8.4% |
| ROIC (NOPAT / AIC) | | 13.8% | 10.6% | | | | | | 6.8% |
| Capital change (CC = AIC x WACC) | | 388 | 542 | | | | | | 584 |
| **Economic profit (EP = NOPAT - CC)** | | **435** | **142** | | | | | | **(107)** |
| **Economic spread % (EP / AIC)** | | **7.3%** | **2.2%** | | | | | | **-1.5%** |

# FREE CASH FLOW PROFILE (PRIOR TO ASBESTOS PAYMENTS) RECONCILIATIC

| ($millions) | Cash provided by operating activities | Asbestos & Paddock trust cash payments | Cash provided by operating activities plus asbestos & Paddock trust cash payments | Cash payments for property, plant and equipment (PP&E) | Cash provided by operating activities plus asbestos & Paddock trust cash payments less PP&E |
|---|---|---|---|---|---|
| 2013 | $ 682 | $ 158 | **$ 840** | 361 | **$ 479** |
| 2014 | 675 | 148 | **823** | 369 | **454** |
| 2015 | 608 | 138 | **746** | 402 | **344** |
| 2016 | 751 | 125 | **876** | 454 | **422** |
| 2017 | 721 | 110 | **831** | 441 | **390** |
| 2018 | 791 | 105 | **896** | 536 | **360** |
| 2019 | 405 | 151 | **556** | 426 | **130** |
| 2020 | 457 | - | **457** | 311 | **146** |
| 2021 | 680 | - | **680** | 398 | **282** |
| 2022 | 154 | 621 | **775** | 539 | **236** |
| Cumulative (2013 - 2022) | **$ 5,924** | **$ 1,556** | **$ 7,480** | **$ 4,237** | **$ 3,243** |
| % of asbestos & Paddock trust cash payments to cash provided by operating activities plus asbestos & Paddock trust cash payments less PP&E | | **48%** | | | |

# ADDITIONAL RECONCILIATION

## RECONCILIATION TO FINANCIAL AND NET DEBT LEVERAGE RATIOS

For the periods ending after December 31, 2023, the Company is unable to present a quantitative reconciliation of its forward-looking non-GAAP measures, total financial leverage ratio and net debt leverage ratio, v defined as the sum of total debt less cash, unfunded pension liability and asbestos/Paddock liability divided by Adjusted EBITDA and total debt less cash divided by Adjusted EBITDA, respectively, to its most directly co U.S. GAAP financial measure, Net earnings (loss), because management cannot reliably predict all of the necessary components of this U.S. GAAP financial measure without unreasonable efforts. Net earnings (loss) several significant items, such as restructuring, asset impairment and other charges, charges for the write-off of finance fees, and the income tax effect on such items. The decisions and events that typically le recognition of these and other similar non-GAAP adjustments are inherently unpredictable as to if and when they may occur. The inability to provide a reconciliation is due to that unpredictability and the related diff assessing the potential financial impact of the non-GAAP adjustments. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be materi Company's future financial results.

## RECONCILIATION TO FREE CASH FLOW

| ($millions) | Year Ended December 31, 2020 | Year Ended December 31, 2021 | Year Ended December 31, 2022 | Year Ended December 31, 2023 | Forecast Year Ended December 31, 2024 |
|---|---|---|---|---|---|
| Cash provided by operating activities | $ 457 | $ 680 | $ 154 | $ 818 | $ 625 to 650 |
| Addback: Funding of Paddock 524(g) trust and related expenses | | | 621 | | |
| Cash payments for property, plant and equipment | (311) | (398) | (539) | (688) | (550 to 575) |
| Free cash flow (non-GAAP) | $ 146 | $ 282 | $ 236 | $ 130 | $ 50 to 100 |