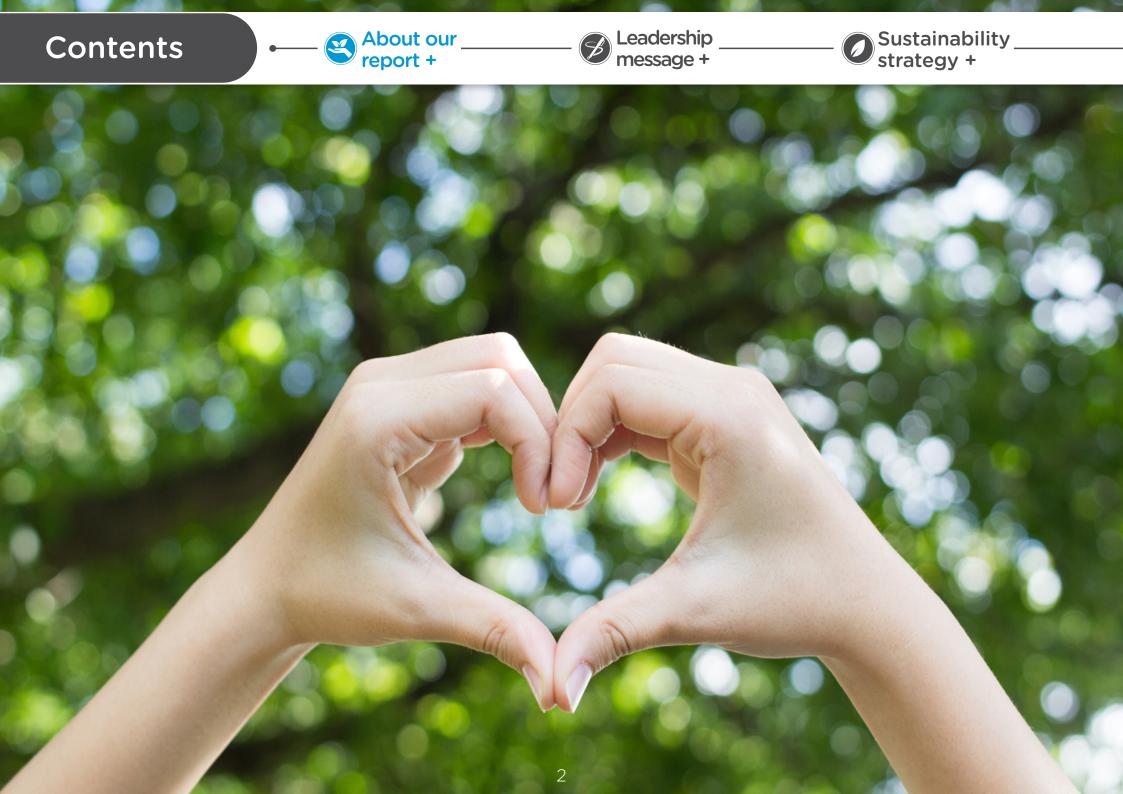




Ardagh Metal Packaging 2021 Sustainability report Building a circular economy









# About our report

Welcome to our 2021 sustainability report addressing progress across the years 2019 and 2020. In the following pages, complemented with quick navigation links and +signs to bring you directly to certain sections in the report, you'll see our progress on key sustainability objectives and our work to support a circular economy. To note, overall sustainability measurement achievements and third-party certifications are reported in our parent company's – Ardagh Group – <u>2021 sustainability report +</u>. For this reporting period, Ardagh Metal Packaging (AMP) reports as part of Ardagh Group's sustainability commitments. Our future reports will detail specific sustainability objectives and achievements separately as AMP.

#### External assessments confirm progress

Our sustainability performance is continuously measured and recognised by thirdparty external experts. These assessments and associated confirmations assure our stakeholders we are well on our way to achieving our stated alignment goal with the United Nations (UN) and Paris Climate Agreement of 2015 of net zero emissions by 2050.

Your questions and comments are always welcome. Please email us at: <u>sustainability@ardaghmetalpackaging.com</u>

+ Previous reports are available on our website







\*Obtained as part of Ardagh Group S.A.





Sustainability\_ strategy +

# Leadership message

AMP is a leader in sustainable, valueadded, infinitely recyclable metal packaging solutions. Beverage cans are the ideal example of a circular economy, with recycled cans being able to return to retail shelves in their original form in approximately 60 days.

We build upon the inherent environmental advantages of beverage cans by clearly supporting our customer's sustainability platforms, reducing our impact on the environment, and improving the communities in which we do business. It's a strategy that leverages the capabilities and expertise of our global team.

#### Strategy

Our sustainability strategy is organised according to three key pillars:

- Emissions Reduce our greenhouse gas (GHG) emissions
- Ecology Minimise our impact on the environment
- Social Build a safe, diverse, equal and inclusive team focused on customer satisfaction and supporting the communities in which we operate.

This strategy is underpinned by clear connections between sustainability investments and profitable growth. In 2019, to underline our commitment to sustainability, we established a Board Sustainability Committee to better coordinate our global sustainability work, accelerate our sustainability programmes, increase responsiveness and assure our sustainability commitments strengthened our position with stakeholders.

### Emissions

We are committed to using renewable electricity to operate our facilities. As part of our sustainability strategy, we have launched Ardagh's Renewable Energy Programme. This aims to source 100% of our annual electricity demand from renewable sources as part of our Science Based Targets Initiative (SBTi) commitment for GHG emissions reductions. We have a responsibility to reduce emissions within our own operations and across our value chain.

#### Ecology

Our Ecology strategy pillar is anchored by our work to reduce waste and water consumption, while extending the leading recycling position of metal packaging. For example, we continue to work closely with our industry associations to invest in municipal recycling facility (MRF) capabilities to directly improve recycle and recycled content rates, which reduce emissions and minimises extraction of raw materials.

## Social

In 2020, we committed to put much greater emphasis on our approach to Community Involvement Projects (CIP) strengthening the Social pillar of our strategy. We implemented a more robust approach to increase charitable community involvement by our local facilities.

We were proud to have announced, in 2021, our major multi-year grant to Project Lead The Way (PLTW) to deliver science, technology, engineering and mathematics (STEM) education to students from prekindergarten through to high school (PreK- 12) in 24 communities in which we operate across the U.S. It is expected that over the next 10 years, Ardagh-sponsored education programmes will benefit more than 500,000 PreK-12 students as well as delivering bestin-class teacher training to more than 5,000 teachers across 2,000 schools in Ardagh's U.S. communities.



### Formal commitments

In 2019, Ardagh became a signatory to the UN Global Compact, which is focused on positive advancements in human rights, labour, the environment and anti-corruption. We are proud to be one of the only metal packaging suppliers who have made this commitment. We are dedicated to engaging in collaborative projects that advance the broader development goals of the UN, particularly the Sustainable Development Goals (SDGs). The SDGs are a set of goals to end poverty and protect the planet. They cover a broad range of social and economic development issues such as hunger, education, climate change, water, energy and Innovation +

A circular economy +



the environment. education, climate change, water, energy and the environment.

We track, monitor and measure our sustainability progress to ensure we deliver on our commitments. Ardagh has committed to set science-based targets through SBTi, an organisation that aims to encourage corporate climate action for a low-carbon economy.

Our efforts are being recognised. In 2021, the Financial Times (FT) published its inaugural listing of European companies that have made strong strides in reducing their GHG emission intensity between 2014 and 2019. Ardagh was proud to be listed amongst 300 companies in FT's "Europe's Climate Leaders 2021."

#### Expert assessments

In 2020, the Carbon Disclosure Project (CDP) awarded Ardagh its Leadership Class ratings for sustainability performance. The CDP gave Ardagh\* the following scores: A- for climate change, A- for water management, and A for supplier engagement. Ardagh's consistently strong CDP climate change rating, along with our increased rating for water management, place us among the highest-rated companies in all industries by CDP.

EcoVadis\*, another independent sustainability rating platform, awarded its gold certification for sustainability performance to Ardagh for the fifth straight year in 2020.

Ardagh was proud to be welcomed as an associate member of the Aluminium Stewardship Initiative (ASI) in 2020. The ASI is a multi-stakeholder initiative that promotes measurable and continual improvements in the key environmental, social and governance impacts of aluminium production, use and recycling. We are taking the next steps in our membership journey and initiating the process for facility level ASI certification.

To note, our reporting is prepared in accordance with core-option of the standards issued by the Global Reporting Initiative (GRI), the most widely accepted global standard for sustainability reporting.

For this reporting period, we have included external feedback on our materiality assessment for a more robust review. This enables us to reflect on aspects deemed material by relevant stakeholders and will ensure we are focusing on key topics.

# Our teams and communities

The challenges that our people and communities faced in 2020 were extraordinary. It was through the talent and commitment from our teams that we were able to consistently serve as an essential business, helping provide the canned beverages on store shelves so needed during the pandemic. These trying times also have brought an increased focus on our social strategy pillar, driving our employees' volunteer efforts in our communities, donations to local charities, etc.

In fact, inspired by our people, we created a multimillion dollar annual fund to support those in need across our communities, with donations made by our local plant management to charities making a real difference in easing the burdens brought by the Covid-19 pandemic. Additionally in 2020, we committed to support the Design Museum in London to begin an Ardagh Young Creatives Design programme. The aim of the programme is to introduce younger people from underrepresented backgrounds to industrial design. The programme commenced in 2021. We aim to conduct several similar programmes in other countries over the coming years.

The future is bright indeed for our customers, our communities and our people. We uphold a work environment that attracts the best talent, values diversity of life experiences and perspectives, and encourages innovation. In doing so, we strive to embody our Core Values of Trust, Teamwork and Excellence in all we say and do. We are establishing a Diversity, Equity and Inclusion (DE&I) Council to share best practices across Ardagh, create new initiatives to promote DE&I, and review and implement suggestions from employees on how to further appreciate differences of perspective and ideas to drive innovation and unleash the full capabilities of our teams.

### Just the beginning

Our team is building off the inherent sustainability excellence of metal packaging to provide exceptional value to our customers. Beverage cans enjoy leading recycling and recycled content rates across the world. These products embody a circular economy, serving as the answer for consumers, customers and legislators making decisions on how to ultimately achieve net zero emissions. We would like to thank our customers, suppliers and partners who have worked closely with our teammates on securing these extensive sustainability achievements to date. And, in the following pages, you'll see it's only the beginning – our team remains at the forefront of environmental and social advancements to position AMP for sustainability excellence.

#### - Paul Coulson

Chairman Ardagh Metal Packaging

- Oliver Graham

Ardagh Metal Packaging

- Jennifer Cumbee

Chief Sustainability Officer Ardagh Metal Packaging

WE SUPPOR







#### About AMP





23 production

facilities

\$3.5 billion global sales





5,000+ employees globally

Manufacturing in 12 countries

#### AMP vision, growth and sustainability targets fully aligned

The future we are creating for our teams is underpinned by our commitment to our Core Values of Trust, Teamwork and Excellence. Sustainability underpins everything we do at AMP and strengthens not only our competitive advantage, but our long-term growth prospects.

Our growth prospects are very encouraging. There is unprecedented demand for beverage cans, driven by numerous factors, which includes increasing recycling and recycled content rates, as well as ideal filling, distribution and retail display economics. Beverage can stacking abilities save on freight as space is efficiently used and retail display area is maximised, particularly with the beverage can's colourful "billboard" abilities with full use of surface space for labels.

This demand has shown no signs of easing into 2021, and AMP is answering this call through extensive increases in capacity. In fact, we have increased capacity across all manufacturing facilities in Europe, the U.S. and South America. For example, in December 2020, we announced the purchase of a facility in Huron, Ohio, U.S., which is at an advanced stage of converting to a production facility for infinitely recyclable beverage cans and ends. The new facility will begin production in late 2021 and will consist of multiple can production lines, together with ends capacity. Huron will produce beverage cans in multiple sizes for a variety of categories,

including sparkling water, soft drinks, teas and alcoholic beverages. Our new Huron facility is part of a \$2 billion+ business growth investment programme undertaken to meet fast-growing demand as brand owners and consumers increasingly recognise the sustainability advantages and convenience of beverage cans.

In October 2021, we announced our intention to build new beverage can production facilities in the UK and the southwestern U.S., with planned production starting in 2023 and 2024 respectively.

These extensive capacity investments and associated growth in our team are fully aligned with our sustainability strategy and objectives as overleaf.



+ Learn more about AMP



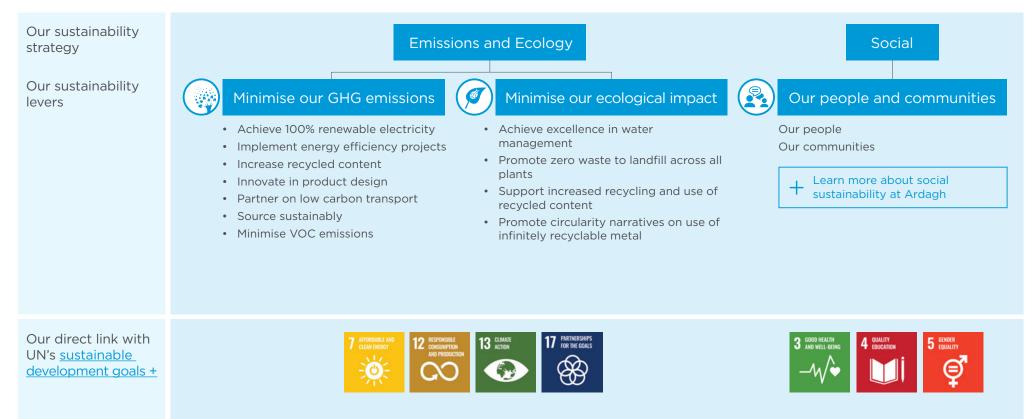




# **Sustainability strategy**

#### background and goals

In 2020, we launched our new sustainability strategy to reinforce our commitment to the circular economy. As part of our strategy, we have mapped out ambitious commitments and targets for the next decade. We have made extensive progress to date, and we continue to remain focused on key environmental areas; however, we recognise we have a way to go on our journey. Our 2030 targets continue to focus on CO<sub>2</sub> reduction and maximising the use of recycled materials. We are supplementing our efforts in the areas of biodiversity, reducing water consumption and equipping our employees to drive the transition to a circular economy.



Our sustainability filter

Sustainability only has a sustainable impact if it is economically viable both long and short-term



Eeadership message +



#### Raising the bar

Ardagh has a clear goal of alignment with the UN and Paris Climate Agreement of 2015 in achieving net zero emissions by 2050. To get there, we will need the collective focus of our teams collaborating and delivering on key sustainability targets.

2021 will be the last year we report on Ardagh's 2025 targets as we accelerate to 2030 with more ambitious commitments set across our business.

Our new 2030 targets are more ambitious with new action plans in place as set out in the infographic to the right.

+ To learn more about our environmental data click here









#### Stakeholder engagement guiding strategies

We're creating and implementing our sustainability strategies by teaming with stakeholders across our business, working to truly understand how we can help support our customer's sustainability objectives and directly improve our local communities.

Finally, we engage continuously with stakeholders to understand their expectations and determine and deliver solutions that achieve our mutual objectives. It's about building on the inherent environmental and business value of metal packaging to position AMP as a true leader in our drive toward a Circular Economy and, ultimately, zero waste, 100% renewable electricity and net zero emissions.

Examples of such stakeholder engagement:

See a full list of sustainability + associations we collaborate with regularly.

#### 1. Our people

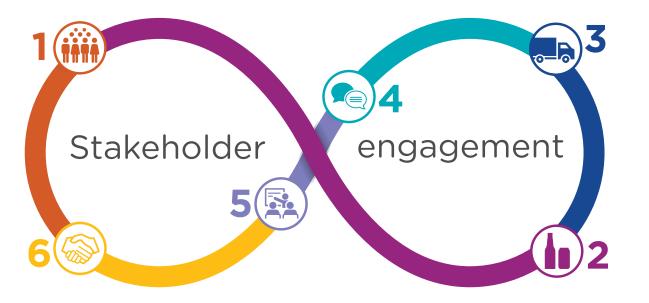
We continuously engage our employees both individually and collectively via works councils at facility-levels, team effectiveness surveys, personal development reviews, our Compliance Hotline and encouraged direct access to our leadership.

#### 2. Our customers

We initiate constant collaboration with our customers to address efficiencies we may achieve together, whether through light-weighting, freight improvements and location supply, to name a few. And we understand that increasing recycling and reducing emissions, material, water and waste strengthen the beverage can's environmental characteristics, directly improving our customer's sustainability achievements across their supply chain.

#### **3. Our suppliers**

We work in partnership with our suppliers to determine and deliver product and process efficiencies and assure responsible sourcing. Our suppliers verify their adherence to our <u>Responsible</u> <u>Procurement Policy [+]</u>.<sup>1</sup> And we regularly assess ESG risks and sustainability performance of all suppliers by way of a questionnaire.



#### 4. Our communities

We are proud to engage proactively with our local communities through grassroots giving back initiatives [+].

#### **5. Our investors**

We conduct ongoing dialogue with our investors through regular reporting, conferences and speaking engagements as well as one-to-one engagement to explain AMP strategies and value.

#### 6. Industry associations

We work very closely with our industry associations and align resources to address the needs of federal, state and local regulatory authorities as environmental improvements are explored.

#### About our Leadership Sustainability Contents report + strategy + message + 17. Partnerships $\epsilon$ for the goals 3. Good health **UN** Sustainable & wellbeing B Ř;††;† **Development Goals** The UN SDGs are an ambitious blueprint 4. for how the world will tackle challenges Quality such as environment, peace and education prosperity for a healthier planet by M 2030. The SDGs are an international set of goals to which many companies and 13. NGOs around the world are aligning Climate their sustainability objectives to, with action the aim of making a powerful impact for our planet. $\square$ **SUSTAINABLE** In this report, we are aligned to seven of the 17 SDGs, and we discuss how DEVELOPMENT our business, packaging solutions and 0 5. sustainability strategy contribute to GOALS Gender these goals. equality 12. Responsible consumption and 7. production Affordable and clean energy ~ Ň We are aligned to seven of the 17 SDGs.

Risks and regulatory \_ requirements +



A circular economy +



# **Risks and** regulatory requirements Environmental risks

As a leading global supplier of infinitely recyclable, sustainable metal packaging, we have a responsibility to respond to the many challenges facing our environment. Climate change and water scarcity have the potential to impact our business. Extreme weather events pose a risk to our production facilities, employees and our customers. In preparation for such risks, we have emergency response mechanisms in place and a robust risk management approach enabling us to analyze and mitigate risks. We operate an Enterprise Risk Management (ERM) system, guided by an ERM management committee, to ensure that strategic risks such as environmental, operational, financial and market risks are identified, assessed and managed appropriately.

We operate with a precautionary mindset through the adoption of structured and certified environmental management systems and control standards. The internal structure this provides is further strengthened through our participation in initiatives such as EcoVadis and CDP\*, which maintains an external and objective eye on our sustainability activities.

### Regulatory and legal requirements and biodiversity

We are in full material compliance with environmental laws and regulations in the countries in which we operate. Our active participation in industry associations around the world enables us to be aware of, and prepare for, any upcoming regulatory and legislative requirements. We understand that manufacturing processes can have a negative impact on the environment, particularly through emissions and thermal radiation.

Protecting and promoting biodiversity and natural habitats is an important part of environmental management. Most of our facilities are located in industrial or mixed-use areas; only a handful are adjacent to protected areas. As part of an environmental risk assessment. we maintain a list of facilities that are located within a 100-metre radius of protected areas such as Natura 2000 and nationally designated sites. In the U.S., we have no facilities close to areas which are covered under the U.S. Geological Survey. Facilities outside the U.S. and Europe have been matched against the Protected Planet database. We are confident that our production facilities do not have a direct negative impact on biodiversity.

Nonetheless, we constantly monitor our activities and progressively work to improve our environmental performance. An example of such an improvement includes the development work on our Environmental Control Standards.

# Innovation driving sustainability advancements

The building of a circular economy is spurred on by innovation across our products and processes. We constantly explore new technologies and develop inspiring ideas, to create unique standout and shelf appeal for our customers' brands.

Our team consistently improves production efficiencies, driving out waste and reducing material and energy usage. For example, our European 33cl can has been reduced in weight by 7% since 2009, making it the most sustainable can on the market today. Reducing weight without compromising on quality or performance is one of the innovative ways in which we are taking a responsible environmental approach to innovation.

These reductions in aluminium usage, coupled with our targeted reductions in waste, water and energy, all help strengthen the beverage can's sustainability position. These efforts build upon already-leading recycle and recycled content rates, supporting an increasing shift by consumers and brands to metal packaging.

<sup>•</sup>Obtained as part of Ardagh Group S.A.







Sustainability \_ strategy +

# A circular economy

We are witnessing a heightened awareness of packaging from a sustainability perspective. This was brought to the forefront amidst the Covid-19 pandemic, which sparked public debate and demand for both brands and consumers alike to make more sustainable choices.

We are proud to produce infinitely recyclable metal packaging solutions and work in partnership with our customers to meet their sustainability objectives. Through our innovations in product design, our aluminium beverage cans have witnessed progressive downgauging or light weighting to achieve material reductions over the years.

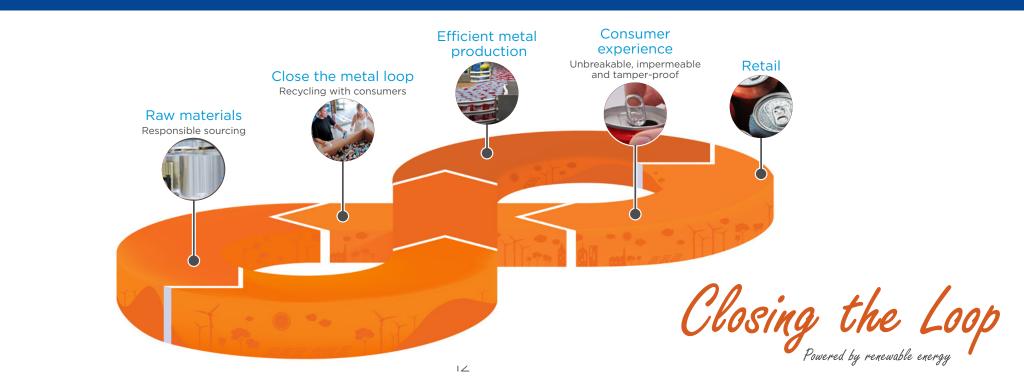
We are committed to meeting the requirements of a true circular economy, where beverage cans are recovered and recycled endlessly. We are aligned toward measurable step changes toward this objective, having joined the SBTi. The SBTi is centered on reducing GHG emissions in alignment with the Paris Agreement of 2015, where governments mutually pledged to limit the global temperature increase to 1.5 degrees Celsius.

The realisation of a net carbon neutral economy is dependent on achieving a large degree of "circularity" of generated material. A use and re-use system where the emissions-generating manufacturing of new material is greatly limited, and materials are recycled and turned into new consumable products again and again without loss in quality.

Circularity defines the infinitely recyclable beverage cans AMP creates for brand owners around the world. Some other packaging materials become degraded during recycling, limiting their ability to be endlessly recycled. This is known as an 'open loop' material cycle. Metal packaging is recycled by melting processes and can be re-used for packaging or other applications, though most recycled cans return to store shelves in their original form. This process is referred to as a 'closed loop' material cycle, as the material can be recycled repeatedly without loss of quality or functionality. Metal packaging is a key example of how a closed loop cycle works. Increased use of and recycling of metal packaging can be a cornerstone of a circular economy and strong step forward in achieving carbon neutrality. We work tirelessly with organisations such as Abralatas, Beverage Can Makers Europe (BCME) and Can Manufacturers Institute (CMI) to increase metal packaging recycling rates and recycled content to ensure we provide our customers with a truly circular solution that strengthens their own sustainability platforms.

The beverage can is a perfect example of a circular economy.

+ For more on our associations click here













# Environmental data overview

As we intensify our sustainability efforts, we believe we need to increase our ambition in relation to our emissions and ecology pillars, therefore, this will be the last year we report on Ardagh's 2025 targets\*. We have accelerated our focus towards more ambitious 2030 targets taking into considerations anticipated business growth.

#### $CO_2$

In 2016, we set an absolute carbon reduction target of 17% by 2025. Since then, we have grown as a business while executing energy efficiency projects across our facilities and commenced our Renewable Energy Programme +. While we have increased our emissions by 7% on an absolute basis in 2020 compared to 2016, we are strengthening our commitment and aligning with the SBTi. We will be submitting our emission reduction targets to SBTi for their approval within the next year.

#### VOC

A 4% absolute reduction in VOC emissions was set as our target for 2025 compared to 2016 baseline. An overall 1% increase in VOC emissions was recorded. This was due to an increase in production. As we now look to our 2030 targets, we are implementing new and innovative technical solutions including incineration of VOCs and the possible strategic procurement of upstream material.

VOC	[metric tonnes]
2019	2,769
2020	2,707

\*2025 targets referenced here and on subsequent pages were set at the Ardagh Group level.



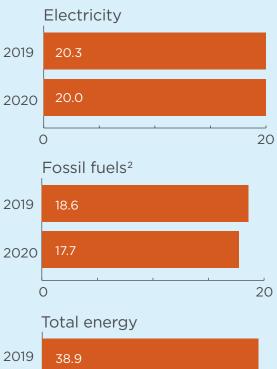
Sustainability strategy +

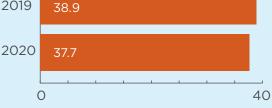
CO<sub>2</sub> emissions

	Year	AMP CO <sub>2</sub> [metric tonnes]
Scope 1	2019	138,767
	2020	136,759
Scope 2	2019	209,195
	2020	210,123
Scope 3*	2019	3,142,0921
	2020	2,838,019
Total emissions	2019	3,490,0541
	2020	3,184,901

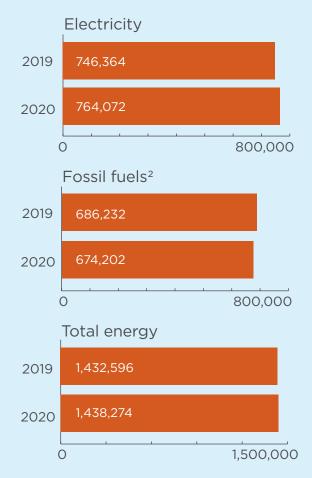
- Scope 1 Direct emissions such as those from production and transport on site
- Scope 2 Indirect emissions from electricity use
- Scope 3 Upstream emissions such as those from raw material sourcing, transport and waste

#### Energy intensity kWh/1000 units





#### Energy usage MWh used



<sup>1</sup>We previously reported 3,228,123 metric tonnes of Scope 3 emissions for AMP. The relevant figures have been restated to reflect more accurate data. | <sup>2</sup>Natural gas | Diesel | LPG | HFO | Hot water



#### Waste and water use

A 9% absolute reduction in water usage was set for 2025 compared to a 2016 baseline. While water usage on an absolute basis has increased by yearend 2020 we achieved a 10% reduction in water use intensity. As we now look to our 2030 targets, we are working together with our suppliers on water efficiency projects across our facilities.

+ See more information on our water treatment programme in AMP - South America

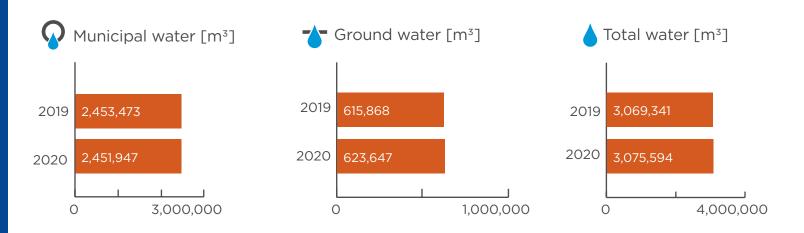
#### Materials used



Aluminium [t] 2019: 579,320 | 2020: 560,216



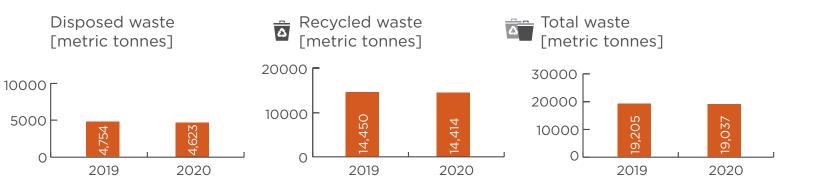
2019: 61,329 | 2020: 60,840



#### Waste

In 2016, Ardagh announced a waste recovery target rate of +10% by 2025. We have increased our waste diversion to landfill from 2016-2020 by 7%. With the launch of more ambitious long-term targets, we are actively pursuing zero waste to landfill<sup>1</sup> status for all locations by 2025.

+ Click here for more sustainability data



<sup>1</sup>Zero waste to landfill for operational waste streams where allowable by regulation



Leadership message +

Sustainability\_ strategy +

# Sustainability achievements

Building upon the inherent environmental advantages of beverage cans, here follows some of our recent achievements in line with the three key pillars of our sustainability strategy Emissions, Ecology and Social.

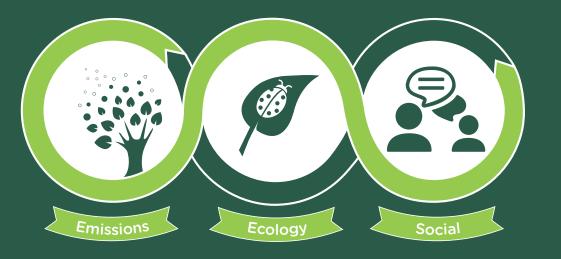
# Emissions

In late 2020, we launched Ardagh's Renewable Energy Programme as part of the Emissions strategy pillar. Our aim is to source 100% of our annual electricity demand from renewable sources by the end of 2030. Our transition to renewable electricity is at the heart of our sustainability strategy and will contribute to reducing our scope 2 emissions to zero by 2030.

To date, 22% of our global AMP facilities have achieved the switch to renewable electricity.

We are proud to be recognised for our emission reduction achievements. In 2021, the Financial Times (FT) published its inaugural listing of European companies that have made big strides in reducing their GHG emission intensity between 2014 and 2019. Ardagh was proud to be listed amongst 300 companies in FT's "Europe's Climate Leaders 2021." The report is available <u>here</u>.

It's the actions at our facilities that are driving such improvements. The following are a number of advancements.













### Sustainability in action AMP - Europe Enzesfeld Solar

In the Emissions pillar of our sustainability strategy, one of our targets is to transition to 100% renewable electricity. This will in turn contribute significantly to a reduction in emissions as outlined in our 2030 targets.

Among the many Emissions initiatives taking place across the business, our Enzesfeld facility is taking huge strides forward with solar panel technology. The team installed a photovoltaic system at the end of 2020 with the mounting of 93 solar panels on the facility's roof. The technical team also integrated the solar installation into the facility's IT system in order to gauge performance. The installation of the photovoltaic system will enhance the sustainability of our production process and reduce the amount of electricity we take from the grid, thereby reducing of the  $CO_2$  footprint of the Enzesfeld facility.

The team at Enzesfeld has proudly linked this to one of their Community Involvement Projects whereby the team donated trees to be planted within their local community. In addition, the team provided a charging station for employees to charge their electric vehicles.

The team installed a photovoltaic system at the end of 2020 with the mounting of **93 solar panels** on the facility's roof.



3 GOOD HEALTH AND WELL-BEING

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13 CLIMAT



Leadership message +

Sustainability\_ strategy +

## AMP - Europe

#### Thermal oxidisers

Thanks to continuous investment and improvements at our facilities in Hassloch and Hermsdorf in Germany, along with La Ciotat in France, we have successfully refurbished our Regenerative Thermal Oxidisers (RTOs) during the reporting

period. RTOs are typically used to remove air pollutants such as volatile organic compounds (VOC) from the air streams in our facilities.

The refurbishments have also contributed to reducing our carbon footprint at each location as the newly-refurbished RTOs are more energy efficient, resulting in a CO<sub>2</sub> saving of approximately 780 tonnes or 3,510,000 kWh of natural gas.

Hermsdorf, Germany

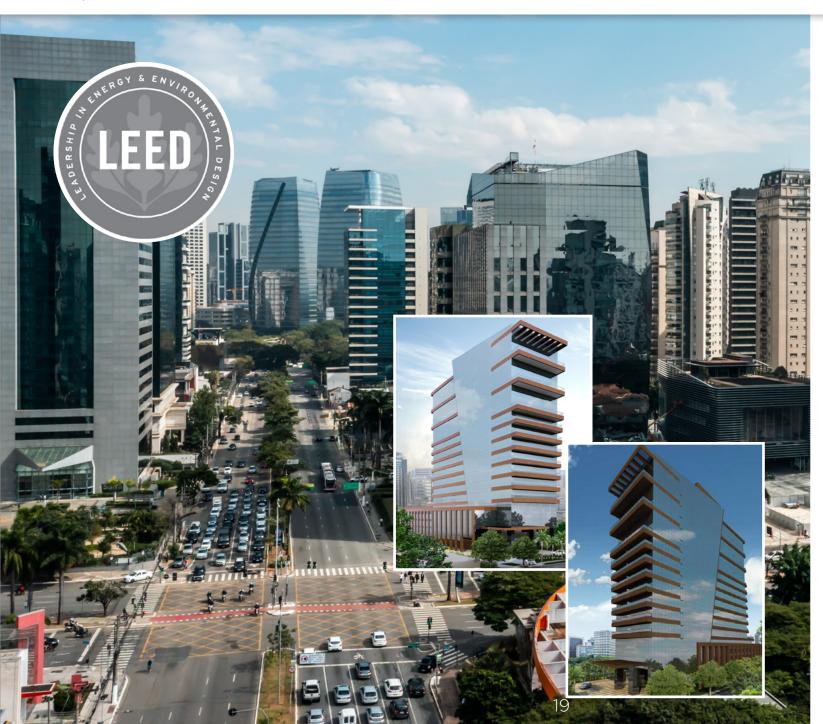






A circular economy +





# AMP - South America

#### LEED Certification in São Paulo

LEED (Leadership in Energy and Environmental Design) is the most widely used green building rating system globally. It provides a framework for healthy, highly efficient, and cost-saving green buildings. LEED certification is a globally recognised symbol of sustainability achievement and leadership. Our Brazilian office in São Paolo is located in The One Condomunium building which is silver rating certified. The building is recognised as having several environmental advantages including:

- Reduced water and energy consumption
- Improved safety performance
- Sustainable waste management.

Energy-efficient buildings help reduce pollution and improve outdoor air quality in industrialised areas, making LEED a critical tool in reducing smog.

+ To learn more about LEED certification, click here



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# Ecology

The Ecology pillar of our strategy centres on our efforts to minimise our impact on the environment, as well as to protect and promote biodiversity and natural habitats surrounding our facilities. We are proud to support the UN Convention on Biological Diversity and Sustainable Development Goal 15 Life on Land. The majority of our facilities are located in industrial or mixed-use areas. Only two of our European facilities are located within a 100-metre radius of protected areas such as Natura 2000 and nationally designated sites. In the U.S., we have no facilities close to areas which are covered under the U.S. Geological Survey.

Ecology









#### AMP - South America Water treatment programme in Brazil

At Ardagh, we take water stewardship seriously. Access to fresh water is essential to everyone and therefore we continually investigate how our operations can:

- reduce consumption, especially in areas of water stress
- monitor usage with water benchmarking for efficiency and
- conserve one of our most precious resources.

Projects in this area include water recirculation, treatment and recycling. AMP - South America is currently using a Membrane Biological Reactor (MBR) or a waste-water treatment on-site at our Alagoinhas facility. The MBR would enable us to treat the wastewater from the facility in order to discharge it safely and under strict parameters defined by Brazil's Environmental Agency. The current capacity for the new MBR is 15 m<sup>3</sup>/h.





# Supply network collaboration

About our \_ report +

Our commitment to the SBTi is also demonstrated through our partnerships across the supply chain. In 2020, we launched our Supplier Engagement Programme to promote regular, active engagement with our supply network to encourage the adoption of more sustainable practices. Through collaboration, we aim to develop and disseminate best practices adhering to our Emissions, Ecological and Social pillars.

Through this programme, we are collaborating with our supply chain

partners to explore innovative solutions to reduce Scope 3 CO<sub>2</sub> emissions.

Leadership \_ message +

Last year, we invited our supply network to a virtual conference to share our strategy and targets, as well as encourage open discussion on ways we can all do things better - together. We will continually assess the sustainable performance of our supply network through regular communications, the setting and monitoring of KPIs and identifying improvement areas to support our targets and commitments.

Raw materials sourced through our supply network include aluminium, inks and coatings. We actively encourage our supply network to implement social and environmental standards to ensure these raw materials are responsibly sourced and in compliance with legal requirements. Our supply network must adhere to our <u>Responsible Procurement</u> <u>Policy[+]</u> which outlines our requirements in matters pertaining to social, ethical and environmental standards. We operate with a responsible and regulated procurement approach, and our policy includes our commitment to ensure conflict-free sourcing.

Sustainability\_ strategy +

+ Learn more about conflict-free sourcing





Risks and regulatory \_ requirements +



A circular economy +





### Code of Conduct

At Ardagh, we believe in doing business the right way. We are committed to complying with all applicable laws and operating in an ethical and honest way - always.

Our Code of Conduct sets clear expectations about what we deem acceptable behaviours and clearly sets out our approach to sustainability, ethics and employment practices, among other items.

+ For more on AMP's Code of Conduct click here

#### **Core Values**

Our Code of Conduct is supported by our Core Values of Trust, Teamwork and Excellence - values which form the foundation of our business.

+ For more on Core Values click here



#### Increased importance of social sustainability

The Social pillar of our strategy has become a key focus as we have accelerated our activity in this space. Our social impact is determined by how we manage our relationships with our people, our customers, our suppliers and our communities. We are eager to foster our positive social impact by:

- Being a good employer providing a safe working environment and having the right diversity and inclusion structures in place
- Supplying safe, infinitely recyclable and innovative products throughout the beverage supply chain
- Sourcing responsibly and by giving back to the communities in which we live and work.







Excellence



Eeadership message + Sustainability\_ strategy +

#### Keeping our team safe

An anchor point of our Social pillar is team safety. We take our responsibility for health and safety as an employer very seriously. Prevention of physical harm and the provision of support for mental health and wellbeing are a vital part of our duty of care to our people. This was particularly evident during the recent Covid-19 pandemic.

A health and safety management programme - BSafe! - underpins our safety culture. BSafe! continuously raises awareness of health and safety at AMP, the role of personal protective equipment, and our constant improvement in workplace and procedural safety.

We regularly review the effectiveness of BSafe! with internal audits, and elements of our safety management, including policies, planning, implementation and operation, corrective action and timely safety reviews to ensure accountability and the ultimate safety of everyone at AMP.

Our business has defined its short- and long-term safety objectives for the strengthening of safety culture and processes to maintain our continuous improvement of safety performance. These are integrated into formal plans and deployment processes.

Progress of these plans is regularly report



to the executive team. The following safety initiatives have also been agreed:

- Implementation of ISO45001 in North America
- Full deployment of Ardagh Life Safety Rules – The BSafe!-7
- Introduction of a Continuous Professional Development (CPD) programme.

# By 2025, we aim to deliver a 25% improvement on the following key safety performance metrics.<sup>1</sup>:

#### ARAR

Ardagh Recordable Accident Rate (ARAR) lost time and medically treated accident rate

#### Severity

Severity - combined lost calendar days plus restricted duty days per 100 employees per annum.

	2020 baseline	2025 target
LTAR	.35	.26
ARAR	1.25	1.00
Severity	36	27

#### Fatal accident statement

Ensuring a safe and healthy work environment is, and always will be, our main priority. In any manufacturing environment, accidents have the potential to occur at any time. Tragically, one fatal accident occurred at our Brazilian facility during 2020 involving a contractor. We deeply regret this accident. Our sympathies are with the family and friends of the person who lost their life. Following thorough root-cause analysis, lessons learned were shared and incorporated with best practice across the business.











# **Social** AMP - North America

# Leveraging differences to strengthen teams

We believe it is through leveraging our distinct experiences, perspectives and differences that we will build a culture founded on Our Core Values of Trust, Teamwork and Excellence. Thus, as part of our Diversity, Equity and Inclusion (DE&I) strategies, our team in AMP -North America has implemented unconscious bias training across all leadership personnel, plant management and office locations.

The training course has helped to facilitate participants in understanding the value of individual perspectives and experiences. At the end of the training, participants understood what unconscious bias is, how to identify its impact on their personal and professional lives, and how to work empathetically with teammates.

This unconscious bias training furthers our commitments to our DE&I strategy and our investment in our people. The training doesn't end after the courses are completed. After each session, participants are asked to form small groups to continue growing, meeting regularly to discuss how they are progressing toward understanding, accepting and utilising differences to eliminate any obstacles in uncovering our full potential as the best team in our industry.



Leadership message +

Sustainability strategy +

## **AMP** - Global

#### World Cleanup Day

Every September, World Cleanup Day sees 50 million people around the world come together to clean their local communities. In September 2021, we were delighted that our community of 5,000+ employees teamed together to take part in this global initiative.

Our people across Europe and the Americas volunteered to work in teams to clean up designated areas of their local communities and zones near our facilities. Projects included litter removal and collection of metal containers for recycling. We are proud to support this initiative to demonstrate our commitment to zero waste.



# **Community Involvement Projects**

Community Involvement Projects (CIP) are a key component of our Social pillar. Each Ardagh location has a goal to achieve at least one meaningful project annually, generally connected to recycling and education.

In 2021, we undertook a major re-evaluation of our approach to Community Involvement Projects. A survey was distributed across key functions and departments and the feedback helped to shape our new approach to these projects, making them more aligned to our business operations and its needs.

As part of our renewed commitment to social sustainability, we now have a dedicated Social Sustainability Ambassador Network in place, consisting of representatives for each location. This enables us to exchange best practice, share ideas and collaborate across functions to achieve our goals.













# AMP - Global

#### Giving back

Many of our employees have a passion for helping others in their local communities. We are inspired by our team's community spirit through a variety of charitable acts such as volunteering and donations to support people in need in the communities in which we operate.

We take great pride in the fact that we in AMP support a critical infrastructure for our communities – the essential food and beverage supply chain. In recognition of our community-based purpose and the challenge presented by Covid-19, Ardagh established a multimillion dollar fund to support those most affected by the pandemic. The fund was allocated to charities nominated by our people, providing emergency relief in the communities close to our facilities. Recipient organisations of the fund included The Red Cross, UNICEF, The Samaritans, healthcare facilities, food banks, homeless shelters, hospices and community centres.

Local community projects like these are continuing as each of our facilties have a clear objective to embark on at last one CIP per year.

#### Examples of local led initiatives:

Germany: Donations of much needed PPE to local healthcare providers



UK: Our 3D printers switched to making safety visors for local hospital staff



Spain: Food parcels were handed out to those in need



The Netherlands: Support for food banks, homeless shelters and a home for children and young adults with mental and multiple disabilities



Brazil: Support for local families in need with donations of essential baby care items and food



U.S.: Support of short- and long-term recovery plans for each community through local organisations.

27



Leadership \_ message + Sustainability\_ strategy +

## **AMP** - Global

#### Investing in STEM education in local communities

Under the Social pillar of our sustainability strategy, Ardagh committed to invest approximately \$50 million from 2021-2032 in the local communities in which our U.S. facilities are located.

These investments support the impact of high-quality teachers in science, technology, engineering and mathematics (STEM) disciplines to inspire students' STEM understanding and interest. We laid the groundwork in 2020 by reviewing dozens of organisations to partner with and chose Project Lead The Way (PLTW) due to their high impact, national reach, experience serving under-served students and strong management. PLTW provides students from pre-kindergarten through high school (PreK-12) with hands-on manufacturing and engineering pathway options and real-world challenges, while focusing on teacher training and continuous innovation.

Through PLTW, we plan to deliver positive results for more than 2,000 schools and 500,000 PreK-12 students in our local communities.

Working with PLTW will help us guide engagement and volunteer efforts between

Ardagh employees and educational institutions, as well as drive improvements in student capabilities, formal testing results and, ultimately, entry into STEM career fields. This investment will lead to more opportunities at Ardagh, enabling students with practical, hands-on knowledge in STEM disciplines to work with our teams. We intend to launch similar education initiatives in our Brazilian and European communities. Project partner:



Ardagh has committed to invest \$50 million over 10 years to benefit 500,000+ students.



Innovation +

A circular economy +  $(\infty)$ 



### AMP - Global

requirements +

#### myLearning builds capabilities

From technical training to professional education and leadership development, we offer learning and development opportunities to all our employees in order to help them reach their full potential. In the past, we have partnered with leading external suppliers to develop programmes ranging from strategic leadership development, management training and technical training including Lean Six Sigma. During 2019, we implemented our new digital learning platform - myLearning that makes available learning content to our teams from any location.

Risks and regulatory \_\_\_\_\_

Our myLearning platform was created in 2019 to revolutionise the way we deliver learning and development to all employees in Ardagh. The platform is a single source and access point for employees to obtain training tools and content, empowering them to take charge of their career development. Accessible via PC, tablet, smartphone or one of our dedicated myLearning plant rooms, one of the many benefits of myLearning is the ability to share learning content at the touch of a button.

Whether it's health and safety, technical, professional skills or leadership development training, myLearning will help everyone at AMP to receive the learning relevant to them and ensure consistent, high-quality learning content in various media.

Since its launch in 2019, the following steps have been taken:

- We established a dedicated myLearning team to manage smooth deployment of myLearning by the end of June 2021 across all Ardagh locations
- A Learning and Development Governance Structure was formed to ensure that learning tools and content loaded to the platform meet quality and technical standards, are shared across our locations, and are continuously reviewed and improved
- Dedicated myLearning training rooms are now in every production facility.

The way we work together, communicate, and solve problems has changed vastly due to the pandemic. We will continue to expand the importance of the myLearning platform by expanding its offering to accommodate our changing working environments and new wavs of working.



myLearning Learning at your fingertips



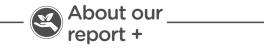


4 QUALITY

10 REDUCED INEQUALITIES

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17 PARTNERSHIPS FOR THE GOALS



Eeadership \_ message +

#### Sustainability \_ strategy +



#### Ardagh Young Creatives

The London Design Museum is devoted to contemporary design exhibiting product, industrial, graphic, fashion and architectural pieces. The Museum is committed to supporting the next generation of designers, and we were inspired by their mission of reflecting the designer's role in social, technological and environmental change. We therefore embarked on a new sponsorship programme with the museum aimed at inspiring, up-skilling and nurturing our next generation of young talent. Ardagh

Project partner:

# the DESIGN MUSEUM



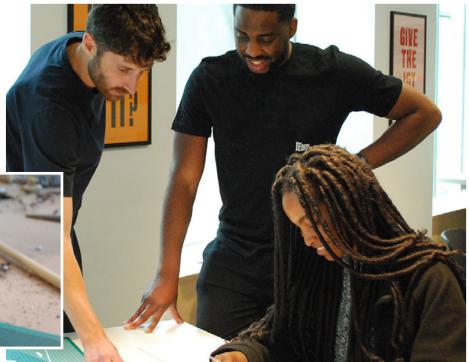


Young Creatives aims to support a more representative and inclusive design industry by transferring skills, talent and lived experience.

The programme began in May 2021 with a small group of young people aged between

14 - 16 years from under-represented groups in London. They embarked on a six-month creative journey to act as a catalyst for a potential career in design. The group will take part in mentoring, workshops and hands-on projects - including a masterclass in product design with Ardagh's design team in the UK.

Both Ardagh and the Design Museum hope this programme will be led by its young participants - what's covered in the course should be what is most important to them. We hope to inspire them to reach for their creative goals and realise that it is possible for them to have a career in design across all industries.







#### - Sustainability achievements +

# Aligning with our associations

#### to further a Circular Economy

The circular economy model designs out waste and pollution, and it keeps products and materials in use. Our beverage can products deliver high recycled content rates, which support our customers' sustainability targets and ultimately contribute to a circular economy.

We co-operate appropriately with our industry associations around the world to shape the sustainability agenda.

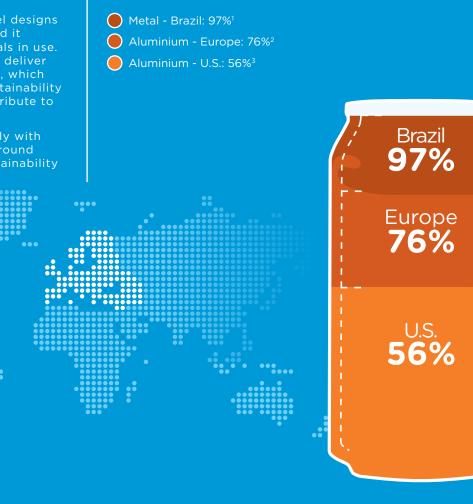
<sup>(1)</sup> Abralatas

<sup>(3)</sup> Aluminium Association

<sup>(2)</sup> EAA

#### Recycling is the key

We have a common industry understanding that the key to creating a circular economy is increasing recycling. To start, the beverage can enjoys the position of delivering the highest recycle rates of any beverage package across the world. The following are current rates:



### Metal associations:

Europe:



North America



Brazil:







Eeadership message +

Sustainability strategy +



# **Recycling:** AMP - North America

# Partnering with CMI to improve recycling

Our team in AMP North America addressed the need to recover lost beverage cans by joining industry partners through the Can Manufacturing Institute (CMI), our industry association, to create a grant programme that directly funds material recovery facilities (MRF).

The Can Capture Grant Program planning began in 2020, but officially launched in early 2021, accepting proposals from MRFs for grants to fund eddy currents, robots and other equipment for process improvement activities to capture used beverage cans (UBCs) at the MRFs. In April 2021, recycling facilities in North Carolina and Texas were awarded the initial grants, which will be used to install equipment to help capture more than 36 million aluminium UBCs a year that were previously mis-sorted. The recovered metal has such high value that it will help fund the MRF.

The goal is clear – by increasing the number of UBCs that are captured at MRFs through more successful sorting strategies, MRFs can help further decrease the generation of greenhouse gas emissions, as using recycled material instead of raw aluminium decreases emission production by 90%.















### **AMP** - Europe

Recan is a packaging recovery organisation in Poland owned by Ardagh. It operates four recycling centres collecting Used Beverage Cans for the purposes of recycling. Its goal is to maximise the beverage can recycle rate to ensure a circular economy and deliver the best sustainable packaging recovery system in Poland.

To promote recycling awareness in Poland, Recan supports and participates in programmes coordinated with the <u>Recal</u> <u>Foundation [+]</u> which promotes the recycling of beverage cans. Established in 1995, Recal's sponsors include Ardagh, CANPACK and European Aluminium. Poland's recycling rate for beverage cans in 1995 was in the region of 2%, and since then this rate has risen to 80%, compared to the average European rate1 of 70% in part thanks to the efforts of Recal.

+ To learn more about the Recal Foundation click here



FOUNDATION FOR RECOVERY OF ALUMINIUM PACKAGING

<sup>1</sup>Interpack



About our \_ report +

Leadership message +

Sustainability\_ strategy +

# **AMP** - South America

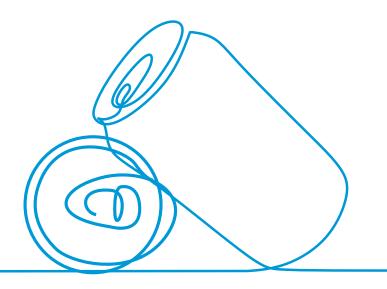
# Abralatas and canmakers achieving 97%

Abralatas, the Brazilian association of aluminum can manufacturers, promotes and increases the awareness of sustainable aluminum can packaging produced in Brazil.

Among its many promotional initiatives, it continuously shares the environmental benefits of aluminum beverage cans as well as the industry's standing as one of the most sustainable products in Brazil across social and mainstream media. Clearly industry alignment is working extraordinarily well. Abralatas and Brazilian canmakers tout a beverage can recycling rate that today stands at just above 97%.



ASSOCIAÇÃO BRASILEIRA DOS FABRICANTES DE LATAS DE ALUMÍNIO







A circular economy +





# AMP - Europe

#### **Every Can Counts**

ECC is a European partnership between beverage can manufacturers, the recycling industry and brands. They ran an inspirational campaign during the pandemic that encouraged consumers to recycle their metal beverage cans. The campaign aimed to enhance education, raise awareness and share the benefits of recycling beverage cans with a particular focus on "On the Go" recycling. As part of the campaign, ECC constructed a giant rainbow archway comprising 2,000 recycled drinks cans on Brighton seafront in the UK with a nod to essential and front-line workers. The fourmetre-high installation also promoted the infinite recyclability of metal beverage cans.



+ Learn more about Every Can Counts here



ardaghmetalpackaging.com

