

ACT ON CORPORATE DUE DILIGENCE  
OBLIGATIONS IN SUPPLY CHAINS  
(LIEFERKETTENSORGFALTSPFLICHTENGESETZ)

Policy statement

Ardagh Germany's commitment to respect human rights and environment-related obligations.

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## 1.0 Introduction

Ardagh Group Germany GmbH and its subsidiaries with their statutory seat in Germany, and Ardagh Metal Packaging Holdings Germany GmbH and its subsidiaries with their statutory seat in Germany, and NOMOQ GmbH (together hereafter “Ardagh Germany”) are subject to the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG).<sup>1</sup> Among other things, the LkSG requires pursuant to Section 6 (2) LkSG, Ardagh Germany to publish a policy statement outlining its commitment and strategy for the protection of human rights and the fulfilment of its environment-related obligations (“Policy Statement”).

Ardagh Germany is part of the broader group of Ardagh entities, ultimately controlled by Ardagh Group S.A. (hereafter “Ardagh Group” or “Ardagh”).

This Policy Statement should be read in conjunction with Ardagh’s Code of Conduct, Social Sustainability Policy and Responsible Procurement Policy, which are available on Ardagh’s [website](#). These documents set out the expectations placed by Ardagh on its employees within its operations, and on suppliers within its supply chain.

This Policy Statement will be updated on an annual basis, taking into account the outcomes of Ardagh Germany’s annual human rights and environmental-related risk analysis as required by the LkSG.

## 2.0 Commitment to respecting human rights & the environment

Ardagh is committed to operating in an ethical and honest way and respecting human rights and the environment within its business and throughout its supply chain (which includes direct and indirect suppliers, contractors and any other organisation with which Ardagh does business). Ardagh does not tolerate any violations of human rights and is committed to ensuring fulfilment of its environment-related obligations.

Specifically, Ardagh is committed to ensuring that it:

- i) complies with applicable laws and regulations in relation to human rights
- ii) takes all reasonable steps to minimise the frequency and severity of incidents with negative social and environmental impacts, and that human rights violations (including those related to environmental rights) do not occur in any part of its business or in its supply chains; and
- iii) it follows good social and environmental practices, including maintaining a safe work environment for its employees and in its supply chain.

Ardagh supports the principles contained within the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the International Labour Organisation’s (ILO) Declaration on Fundamental Principles and Rights at Work and complies with applicable national and local human rights and environmental laws and regulations.

Ardagh’s commitments to respecting human rights and environment are set out in its Code of Conduct and associated policies, which apply to all its directors, officers, employees and third parties working on its behalf. Furthermore, Ardagh’s Responsible Procurement Policy sets out its commitments and expectations to these topics within its supply chain. Ardagh has also established due diligence processes that make it possible to proactively identify, assess, prevent and at least mitigate risks to and/or violations of human rights and environment-related obligations.

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<sup>1</sup> Relevant Ardagh companies include: Ardagh Group Germany GmbH, Ardagh Glass GmbH, Heye International GmbH, Ardagh Metal Packaging Holdings Germany GmbH, Ardagh Metal Packaging Germany GmbH, Ardagh Metal Packaging Associations GmbH, Ardagh Metal Packaging Trading Germany GmbH and NOMOQ GmbH.

## 3.0 Management of risks

Ardagh has a well-established and appropriate risk management system, which includes a broad range of due diligence and risk management measures. This enables Ardagh to ensure that, both within its own business and supply chain, key human rights and environment-related risks are identified, regularly assessed, mitigated and monitored. Ardagh's approach in relation to these risks aligns with its overall risk management approach. Further details of this governance are set out in section seven below.

Generally, Ardagh's risk management activities cover:

- i) strategic risks as part of its enterprise risk management (ERM); and
- ii) operational risks, including human rights risks. These risks are managed with, amongst other things, functional risk policies, procedures, control standards and guidance documents.

Ardagh has implemented various corporate risk management systems, which allows it to base decisions on data and ensure it learns from experiences. These systems include, Ardagh's Risk Management System (ARMS), which is a platform to report and root cause assess incidents (including related to environmental, health and safety matters), transfer lessons learned, report and analyse environmental data, document environmental site assessments.

### 3.1. Within own business

#### Risk management

Ardagh Germany has a risk management system, and various measures (including policies, procedures and processes) in place to address human rights and environment-related risks within its own business.

Risk management activities form part of Ardagh Germany's everyday processes, including as a result of ISO certifications. Specifically, Ardagh Germany's production facilities have an:

- ISO14001 certification, as well as the environmental permits and licences required under applicable local laws and regulations, including in relation to air emissions and water usage and discharge, waste management and local nuisance; and
- ISO45001 certification, to ensure robust health and safety management.

#### Risk analysis

Regular risk assessments are undertaken to identify, assess and evaluate human right risks, environmental risks and permit requirements. These risks are weighted and prioritised appropriately within Ardagh Germany's workplace and appropriate mitigation measures are put in place to manage such risks. In the events that any changes in risks or requirements are identified, actions will be taken without undue delay to address this.

This risk analysis process is carried out regularly – at least once a year – and on an ad hoc basis if Ardagh Germany becomes aware of a potential violation of human right and environmental obligations in its own business and in its supply chain.

Ardagh Germany assesses the human rights risks in its work environment (including for employees, contractors and temporary workers) as set out in Appendix one.

#### Training

Ardagh is committed to training its employees to be aware of, respect and protect human rights in the workplace and in the local communities directly impacted by its operations. Regular training on health and safety in the workplace as well as on environmental-related compliance is also given to all relevant employees in Ardagh Germany.

### 3.2. Within supply chain – direct & indirect suppliers

Ardagh Germany considers human rights and environmental-related risks when engaging and working with suppliers, contractors and business partners. When contracting with suppliers, Ardagh Germany seeks to ensure that they (and anyone acting on the suppliers' behalf within the onward supply chain) comply with Ardagh's Responsible Procurement Policy and Ardagh's Code of Conduct.

#### Risk management & risk analysis

##### *Risk evaluation within procurement process*

Ardagh Germany evaluates human rights and environmental-based risks of its suppliers and contractors as part of its procurement process. Ardagh Germany adopts a risk-based approach, focusing on higher risk suppliers based on, spend and the supplier's location and industry. Ardagh Germany conducts ethical and environmental risk assessments, and suppliers are allocated risk profiles accordingly. For suppliers deemed to be high risk, supplier surveys are used to obtain further information and confirmation of suppliers' human rights and environmental risk management strategy and compliance with applicable laws and regulations.

##### *Contractual commitments*

Ardagh Germany's expectations and requirements are detailed within its contracts with its direct suppliers, which include Ardagh's General Terms and Conditions of Purchase, that refer to both Ardagh's Code of Conduct and its Responsible Procurement Policy. The commitments require direct suppliers (and anyone acting on its behalf) to comply with applicable and relevant environmental and social laws, international standards and regulations, including those relating to the prohibition of forced labour and human trafficking. Furthermore, Ardagh's Responsible Procurement Policy requires suppliers to conduct suitable risk assessments within their supply chain.

##### *Ongoing risk assessments for direct suppliers*

Ardagh Germany's direct suppliers are subject to ongoing risk assessments, with consideration of ethical risks covering human rights matters and environmental topics. Where risks or issues are identified, Ardagh Germany works with the supplier to implement appropriate corrective actions to mitigate or prevent a risk from reoccurring.

#### Training

Ardagh Germany provides regular training to its procurement managers to ensure that they are aware of how to identify violations of human rights and report/escalate such issues, as well as on environment-related topics. Where necessary, Ardagh provides training to direct suppliers on human rights and environment-related topics.

### 3.3. Outcome of risk analysis

Following the risk analysis, risks were identified in our own business area and at direct suppliers, most of which can be assigned to the following risk areas:

- Disregard for occupational health and safety and work-related health hazards
- Violation of the prohibition of unequal treatment in employment
- Violation of the prohibition of the export of hazardous wastes from certain countries to other countries

## 4.0 Preventative measures

Where a human rights or environment-related risk is identified, either within Ardagh Germany or its onward supply chain, appropriate preventative measures are immediately implemented to address this risk and

mitigate and/or prevent it. Such preventative measures, and their effectiveness, are reviewed and updated on a continuous basis and at least annually.

In addition, as part of the ongoing risk assessments and periodic reviews of suppliers, as set out in the Responsible Procurement Policy, certain suppliers are required to verify compliance with applicable human rights, environmental and supply chain due diligence laws and regulations.

Within the confines of competition laws, Ardagh maintains regular dialogue through industry associations with companies in its industry to discuss challenges, promote solutions, gain insights and improve measures in relation to human rights and environmental protection. Ardagh is also represented at trade associations' technical committees and working groups, which enables it to gain insights on upcoming environmental requirements and implement them into its processes.

In addition to the preventative measures mentioned in relation to risk assessment activities, Ardagh also has a Procedure on Reporting Child Labour & Modern Slavery.

## 5.0 Remedial actions

If Ardagh Germany discovers or suspects a violation of human rights or environment-related obligations, whether within its business or at direct and/or indirect suppliers, remedial actions will be taken without undue delay to stop, mitigate and/or prevent the violation.

Appropriate remedial actions will depend on the cause of the violation and Ardagh's involvement. Ardagh Germany will review the effectiveness of any remedial actions regularly – at least once a year – and on an ad hoc basis, where this is required from a risk-based approach.

### *Violations caused directly by Ardagh*

Ardagh Germany will, without undue delay, take steps to prevent, end or minimise a human rights or environment-related violations. This may include calling for immediate emergency help, engaging with individuals impacted, agreeing on immediate mitigation actions to end the violation and preventing further harm.

### *Violations by suppliers*

Ardagh Germany will work with the affected supplier to end or minimise the specific violation without undue delay. Where necessary, it will create and implement a corrective-actions plan with specific timelines. For example, Ardagh Germany may temporarily suspend the relevant business relationship. Termination of business relationships will be considered where:

- a violation is assessed as being very serious
- the proposed remediation/corrective action plan does not remedy the situation within the specified timeframe; and
- Ardagh Germany has no other less severe means at its disposal and its ability to exert influence has no prospect of success.

### *Violations by indirect suppliers*

Where Ardagh Germany has substantiated knowledge of a (threatened) violation by an indirect supplier, Ardagh Germany will draw up a concept to prevent, terminate or minimise human rights or environmental violations and ensure its implementation.

## 6.0 Complaints Procedure

Ardagh has multiple channels through which human rights or environment-related violations or concerns can be reported.

Employees can report concerns via Ardagh's Compliance Hotline and Ardagh's Compliance Hotline Policy sets out further details about the hotline and internal complaints procedure.

Direct and indirect suppliers and third parties may report ethics and compliance concerns via Ardagh's website or via emailing Ardagh's Group Legal & Compliance department at [compliance@ardaghgroup.com](mailto:compliance@ardaghgroup.com). Further details are available via Ardagh's Ethics & Compliance - Third Party Complaints Procedure (available on our website).

Ardagh is committed to complying with applicable laws, including in relation to whistleblowing and data protection, and expects the same from its direct & indirect suppliers.

## 7.0 Governance & accountability

Ardagh Germany has established a human rights and environmental risk management committee, which includes representatives from HR, procurement, environment & health and safety (EHS), and legal (hereafter the "LkSG Committee"). The LkSG Committee regularly reviews Ardagh's human rights and environmental-related risk identification, assessment and management activities, and is responsible for confirming compliance with Ardagh Germany's obligations under LkSG.

This Policy Statement was developed by the LkSG Committee. The LkSG Committee provides at least annual updates to the board of directors of the Ardagh Germany legal entities to which the LkSG applies.

Ultimately, the sustainability committees (the "Sustainability Committees") of the board of directors of Ardagh Group S.A. and of the board of directors of Ardagh Metal Packaging S.A. (together the "Boards") (being the ultimate parent entities of Ardagh) are responsible for providing strategic direction to and oversight of Ardagh's human rights commitments.

Ardagh's Group Compliance Director, who has been appointed as the Human Rights Officer, is responsible for ensuring the effective management of the human rights and environment-related risks as described above, and reports on this to the Boards, as well as to the Sustainability Committees. Ardagh's Chief Risk Officer and Chief Sustainability Officers also regularly update senior management and the Sustainability Committee and the Boards on health and safety and sustainability risks and activities. Ardagh's Human Rights Officer is responsible for ensuring Ardagh has adopted appropriate measures, policies and processes, and training.

Ardagh Germany is committed to regularly reviewing this Policy Statement and updating it as necessary, such as when violations result in significant changes to its human rights risks.

## 8.0 Reporting

Ardagh Germany is committed to preparing an annual report to confirm: (i) compliance with its obligations under supply chain due diligence laws and regulations; (ii) to the extent any have been identified, details of human rights and environmental-related risks or violations; (iii) measures taken to fulfil its due diligence obligations, in particular in respect of risk management, risk analysis, preventative measures and remedial actions; and (iv) effectiveness of those measures and lessons learned for the purposes of implementing future measures, as appropriate.

This Policy Statement was created on 21 November 2023 and will be reviewed on an annual basis.

## Appendix 1 – Human Rights Risk Areas

Ardagh Germany assesses the following human rights risks in its work environment (including for employees, contractors and temporary workers). These risks include by are not limited to:

### **Labour related human rights, including:**

- Prohibition against child labour (both prohibition on child labour under 15-year-olds and specific forms of labour for under 18-year-olds)
- Prohibition against forced labour
- Prohibition against modern slavery
- Prohibition of disregarding the right to freedom of association
- Prohibition of unequal treatment in employment; and
- Prohibition of withholding an adequate living wage.

### **Health and safety related human rights, including:**

- Prohibition of disregarding occupational safety and health obligations, including:
  - o Insufficient safety standards
  - o Absence of appropriate protective measures to avoid exposure to chemical, physical or biological substances
  - o Lack of measures to prevent physical and mental fatigue; and
  - o Inadequate training and instruction of employees on health and safety topics.

### **Environmental related human rights, including:**

- Prohibition of causing harmful soil change, water pollution, air pollution, harmful noise emission or excessive water consumption that:
  - o Significantly impairs the natural bases for preservation and production of food
  - o Denies a person access to safe and clean drinking water
  - o Makes it difficult for a person to access sanitary facilities or destroys them; or
  - o Harms the health of a person.
- Prohibition of the export of hazardous wastes from certain countries to other countries.

### **Other human rights, including:**

- Prohibition of unlawful eviction and prohibition of unlawful taking of land, forests and waters; and
- Prohibition of the hiring or use of private or public security forces if the use of security forces involves torture and cruel, inhumane or degrading treatment; damages life or limb; or impacts the right to organise and the freedom of association.
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