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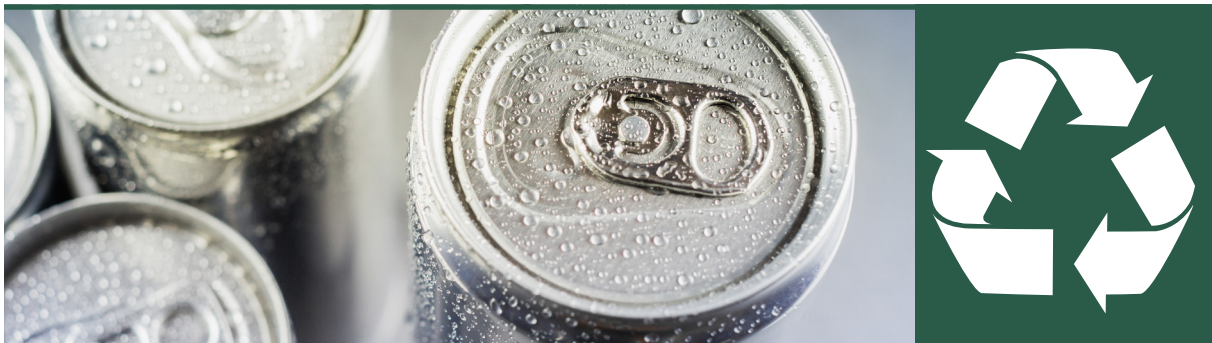
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Introduction to Ardagh

Overview

Ardagh is a leading global supplier of innovative, value added and infinitely-recyclable rigid packaging solutions, with annual revenues of approximately \$7 billion. Our products include metal beverage cans and glass containers, primarily for beverage and food markets, which are characterized by stable, consumer driven demand. Our end use categories include beer, wine, spirits, CSD, energy drinks, juices and sparkling waters and our customers include a wide variety of leading consumer product companies which value our products for their features, convenience and quality, as well as the end user appeal they offer. We have established leadership positions in large, attractive markets in beverage cans and glass containers. We have recently set out a significant 2021-2024 growth investment program, totaling approximately \$1.8 billion and comprising multiple projects in Metal Beverage Packaging and Glass Packaging to support our customers' growth. We serve customers across more than 90 countries, comprised of multi national companies, large national and regional companies and numerous local businesses. In our target regions of Europe, North America and Brazil, our customers include a wide variety of CPGs, which own some of the best known brands in the world. We operate 56 production facilities in 12 countries and employ approximately 16,400 personnel. We are committed to market leading innovation and product development and maintain dedicated innovation, development and engineering centers in the United States and Europe to support these efforts.



Overview of Ardagh's Sustainability Strategy and Policies

Sustainability has always been a core pillar of our business, recognizing that long-term economic viability is dependent upon having a sustainable business model in place.

Our sustainability focus is centered on minimizing the impact of our operations and products on the environment, promoting a healthy, safe and inclusive workplace for our employees and contributing positively to the communities in which we operate. We have established a Board Sustainability Committee to oversee our sustainability initiatives, supported by our Group sustainability function.

In pursuance of our environmental objective we seek to promote recycling of our products, enhance our product design and target continuous improvement in our processes. Metal and glass are both infinitely recyclable, without any degradation in quality, differentiating them from many other packaging substrates. We expect these attributes to continue to enhance our products' appeal, as consumer awareness of sustainability and the environment grows.

Recycling rates for aluminum beverage cans are relatively high in the geographies in which we operate, estimated at 55% in the United States, 76% in Europe and 98% in Brazil. The use of recycled aluminum reduces energy consumption by over 90% compared with the alternative of producing aluminum cans from its virgin source.

In glass packaging, we aim to maximize the use of recycled glass, or cullet, in our production process, thereby reducing energy consumption and emissions. In Europe, the recycling rate for glass packaging is 76% with up to 90% used in some of our furnaces. Recycling rates for glass packaging in the United States are significantly lower at 34%. We are committed to working, including with industry associations, to promote recycling rates in the regions in which we operate. Feve, the European glass federation, has targeted an increase in glass recycling rates in the European Union to 90% through its Close the Glass Loop initiative by 2030. In addition, we have investments and partnerships in Europe to enhance our supply of cullet and are seeking to increase supply in the United States.

We continuously aim to reduce the material and resource usage in the production of our products, through light-weighting of our metal beverage cans and glass containers. In addition, we have established specialist groups across our business and promote best practice sharing, in order to drive continuous improvement in our processes.

We have established targets for reductions in energy consumption, emissions, water usage, waste and other metrics and report in our Sustainability Report (available at ardaghgroup.com) on progress towards their achievement. We have committed to set science-based targets through the Science-Based Targets initiative (“SBTi”), whereby we will set specific goals for reducing greenhouse gas emissions in alignment with the Paris Agreement 2015, under which governments mutually pledged to limit the increase in global temperatures to 1.5 degrees Celsius. These will be achieved through a wide range of initiatives, including (i) greater usage of renewable energy, including the installation of solar [and wind] projects in multiple production facilities (ii) promoting the use of recycled content (iii) pursuing energy-efficiency projects across our plant network (iv) sourcing sustainable inputs from our supplier base and (v) minimizing VOC and NOx emissions.

We are playing a leading role in Feve’s “Furnace of the Future” project to build the world’s first large-scale hybrid oxy-fuel furnace to run on 80% renewal electricity at one of our glass production facilities in Germany. This technological initiative has the potential to significantly de-carbonise the glass production process over the long term.

We are also continuing to work aggressively to achieve our 2025 targets for reduction in water usage, reduction in the amount of waste we are sending to landfill and reduction in our VOC and NOx emissions. We have resources dedicated to achieving these targets and are monitoring them on a continuous basis.

We are a signatory to the United National Global Compact and our strategy is linked to specific development goals, including Affordable and Clean Energy (#7), Responsible Consumption and Production (#12), Climate Action (#13), Partnerships for the Goals (#17), Good Health and Wellbeing (#3), Quality Education (#4) and Gender Equality (#5).



We have been awarded Leadership Class ratings by CDP (formally the Carbon Disclosure Project), gaining A- in respect of climate change and A- in respect of water management.

We aim to ensure a safe and healthy workplace for all of our employees by embedding a culture of safety awareness. Broad principles are supported by detailed policies and procedures to minimize accidents and injuries through continuous training and education. We are committed to promoting diversity and inclusion in the workplace and have begun to establish diversity and inclusion councils across our business units.

We are a significant local employer and seek to play a positive role in our communities. This can involve promoting educational linkages with the community, through internships and apprenticeships, engagement with schools in relation to environmental awareness and recycling, and by promoting and supporting initiatives to help local charities and good causes.

Green Financing Framework

The objective of issuing Green Financing Instruments is to assist in financing Ardagh's initiatives to lower our own carbon footprint as well as increase our investment in green and sustainable investments thereby playing a key role in the transition to a low carbon and circular economy. The issuance of these Green Financing Instruments will also enable Ardagh to engage with those investors who are committed to allocating capital in support of this effort.

Green Financing instruments include Green bonds, Green loans, Green hybrids, Green private placements, Green project finance and any other financial instrument where the proceeds can be exclusively allocated to finance or re-finance in part or in full new and / or existing Eligible Green Projects and / or Assets as defined in this framework.

Alignment with the Green Bond Principles and Green Loan Principles

This Framework is designed to ensure any Green Financing Instruments issued by Ardagh and/or its subsidiaries are aligned with market best practices outlined by the International Capital Market Association ("ICMA") 2018 Green Bond Principles¹ and the Loan Market Association ("LMA") 2020 Green Loan Principles², updated from time to time, and includes the following sections:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

The framework also describes the approach to External Review, as recommended by the Green Bond Principles and the Green Loan Principles. The Framework will apply to any Green Financing Instrument issued by Ardagh and / or its subsidiaries and will be applied as long as any such instrument is outstanding.





This Framework may be updated from time to time to ensure continued alignment with voluntary market practices, emerging standards and classification systems. Any updated version of this framework will either maintain or improve the current levels of transparency and reporting disclosures, including the corresponding External Review.

1. Green Bond Principles 2018 (International Capital Market Association acting as secretariat to the Principles). <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>
2. LMA Green Loan Principles December 2018 - https://www.lma.eu.com/application/files/9115/4452/5458/741_LM_Green_Loan_Principles_Booklet_V8.pdf





Use of Proceeds

An amount equivalent to the net proceeds from Ardagh's Green Financing Instruments will be used to finance or refinance, in whole or in part, existing and/or future Eligible Green Projects that meet the Eligibility Criteria as defined below and are financed by Ardagh through operating and capital expenditure.

Eligible Green Projects:

Eligible Green Project Category	Eligibility Criteria	Sustainable Development Goal
Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes	<p>Expenditures related to manufacturing of sustainable packaging such as:</p> <ul style="list-style-type: none"> Procurement of recycled aluminum to support increased recycling and use of recycled content in the manufacturing of beverage cans Procurement of low carbon primary aluminum which meets the threshold requirements as stated in the Technical annex to the TEG final report on the EU taxonomy * <i>*Technical annex to the TEG final report on the EU Taxonomy page 172</i> Capital investments to facilitate the light weighting of Beverage cans 	
Energy Efficiency	<p>Expenditures related to energy efficiency projects including equipment, systems, operational improvements and maintenance. Examples include:</p> <ul style="list-style-type: none"> Expenditures to improve and maintain energy efficiency, such as investments, lighting upgrades, smart devices to optimize energy consumption 	 
Renewable Energy	<p>Expenditures related to the construction, development, acquisition, maintenance, and operation of renewable energy including solar, wind, geothermal and hydropower with direct life cycle emissions of less than 100gCO₂e/kWh, declining to net-0gCo₂e/kWh by 2050 as stated in the Technical annex to the TEG final report on the EU taxonomy *. Examples include:</p> <ul style="list-style-type: none"> On-site (manufacturing and distribution centers) renewable energy projects such as solar rooftop panels Power Purchase Agreements (“PPAs”), Virtual Power Purchase Agreements (“VPPAs”), and any other investments that provides for the 	

* https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/200309-sustainable-finance-teg-final-report-taxonomy-annexes_en.pdf

	<p>procurement of renewable energy through a long-term contract (at least ten years) aligned with the GHG Protocol * Technical annex to the TEG final report on the EU Taxonomy page 212</p>	
<p>Green Buildings</p>	<p>Expenditures related to investments in the construction and maintenance of buildings and plants that are environmentally responsible and resource efficient throughout the building's life-cycle. Examples include:</p> <ul style="list-style-type: none"> • Investment in new or existing buildings that meet a minimum green building certification of "BREEAM Very Good" or "LEED Gold" or equivalent • Investments in new or existing commercial buildings that are in the top 15% in the region* in terms of carbon intensity (kg CO2/m sq) and show continued improvement during the term of the bond towards net zero carbon in 2050 <i>*Region would be at minimum City level and may extend to a broader region (for e.g. state) where appropriate.</i> 	
<p>Pollution Prevention and Control</p>	<p>Expenditures related to the production, construction, maintenance, operation, improvements and infrastructure of zero waste facilities and industrial and post-consumption waste management processes, including:</p> <ul style="list-style-type: none"> • Collection and recycling facilities, sorting centers and equipment for post-consumption aluminum materials • Eliminating or significantly mitigating environmental pollutants in water, air, and soil using biological, physical and chemical methods 	
<p>Sustainable Water and Wastewater Management</p>	<p>Expenditures related to water efficiency projects, such as efficiency in water used at our plants, installation of new efficient water-related equipment, water replenishment, wastewater management and water treatment.</p>	
<p>Clean Transportation</p>	<p>Investment and expenditures related to zero and low carbon vehicles such as:</p> <ul style="list-style-type: none"> • Vehicles with zero tailpipe emissions, such as electric cars • Low carbon vehicles with tailpipe emissions intensity of max 50g Co2/km until 2025. From 2026 onwards only vehicles with emission intensity of 0g Co2/km are eligible • Investments in infrastructure such as charging stations to support the use of zero-carbon and low-carbon vehicles 	

In the case of refinancing existing Eligible Projects, investments and expenditures which have been made within the three year period preceding the start of the financial year in which a Green Financing instrument is issued, shall be considered for inclusion as Eligible Green Projects.

Exclusions

For the avoidance of doubt, financing related to the following activities are excluded from the financing by Ardagh's Green Financing Instruments:

- Fossil fuel energy
- Nuclear energy
- Gambling
- Tobacco
- Alcohol
- Weapons

Project Evaluation and Selection Process

Ardagh's Board Sustainability Committee will be responsible for governing the selection and monitoring of the Eligible Projects against the Eligibility Criteria stated within this framework.

The Board Sustainability Committee includes the Chief Operations Officer, the Chief Financial Officer, the CEO of the Metal Beverage business and the Chief Sustainability Officer. The Committee may call upon other relevant individuals from the business as well.

Recommendations from the different Project Teams for Green Projects will be brought quarterly to the Board Sustainability Committee.

All Green Projects put forward by the Project teams are screened through Ardagh's capital expenditure approval process and need to meet Ardagh' Sustainability Policies and Procedures, which include Ardagh's Environmental Policy, Environmental and Control Standards, Code of Conduct, Corporate and Social Responsibility (CSR) Policy, BSafe Implementation (which focuses on health and safety of employees) and supply chain risk assessments.

The Committee will screen and assess that the Green Projects put forward by the Project Teams to check they meet the eligibility and exclusion criteria laid out in section 2.1 of this Green Financing Framework, the committee will also check for any environmental or social controversies associated with the project. If any controversies are identified the Committee will conduct a further review to determine if the project will be financed by Ardagh's Green Financing Instruments.

The Board Sustainability Committee will annually review the list of Eligible Green Projects against the eligibility and exclusionary criteria described in this framework as well as Ardagh's Sustainability Policies and Procedures. If a project no longer meets the eligibility criteria set forth in this framework or Ardagh's Sustainability practices, the project will be removed and replaced as soon as substitute has been identified

Management of Proceeds

The net proceeds or an amount equal to the net proceeds of any Green Financing Instrument raised under this Framework will be allocated by Ardagh to finance or refinance Eligible Green Projects, as per the eligibility criteria and project selection process outlined above. Such allocation will be reflected in Ardagh's internal records by the use of a Green Financing Register.

Ardagh intends to allocate the net proceeds or an amount equal to the net proceeds of a Green Financing Instrument to finance or refinance Eligible Green Projects within three years from the date of issuance of the applicable Green Financing Instrument. Any portion of the net proceeds or an

amount equal to the net proceeds of a Green Financing Instrument that has not been allocated to Eligible Green Projects will be managed in accordance with Ardagh's standard liquidity management practices.

Reporting

Ardagh commits to publishing an allocation and impact report not later than 180 days after the close of our fiscal year commencing with the fiscal year end December 31, 2021 and annually thereafter until full allocation of the proceeds of any Green Financing Instrument issued under this framework.

Allocation Reporting

Ardagh will provide information on the allocation of the net proceeds of its Green Financing Instruments on its website. The information will contain at least the following details:

- a. Net proceeds of outstanding Green Financial Instruments
- b. Amount of net proceeds allocated to Eligible Project Categories as defined in the Use of Proceeds section of this Framework
- c. Subject to confidentiality considerations a list of the Eligible Green Projects financed through Ardagh' Green Financing Instruments, including a description of the projects, allocated amounts
- d. The proportional allocation of proceeds between existing projects (refinancing) and new projects
- e. The remaining balance of unallocated proceeds, if any.



Impact Reporting

Ardagh will provide impact reporting at the level of each Eligible Project Category, which may include the following estimated Impact Reporting Metrics:

Impact reporting metrics:

Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes

- Recycled aluminium content used
- Low Carbon aluminium used

Energy Efficiency

- % reduction in electricity usage in our operations saved (MWh saved)
- % reduction in GHG emissions

Renewable Energy

- Renewable energy used
- % reduction in GHG emissions

Green buildings

- Investment in Green buildings
- % energy saving vs benchmark of other Ardagh plants

Pollution Prevention and Control

- % of product waste which is recycled
- % reduction in pollutants

Sustainable Water and Wastewater management

- % improvement in water use efficiency

Clean Transportation

- GHG emissions avoided
- # of zero-carbon and / or low carbon vehicles
- # of electric vehicle charging points installed

External Reviews

Ardagh's Green Financing Framework is supported by the following external reviews:

a) Second Party Opinion ("SPO")

Ardagh has retained ISS Corporate Solutions to provide a Second Party opinion on Ardagh's Green Financing Framework, to confirm alignment with the ICMA 2018 Green Bond Principles and the LMA 2020 Green Loan Principles. The Second Party Opinion is available at [ardaghgroup.com](https://www.ardaghgroup.com)

b) Post Issuance external verification on reporting

Ardagh will request on an annual basis, starting with when the first allocation report is published and until full allocation of the net proceeds, an assurance report on the allocation of the Green Financing Instrument proceeds to eligible projects, provided by its external auditor.

