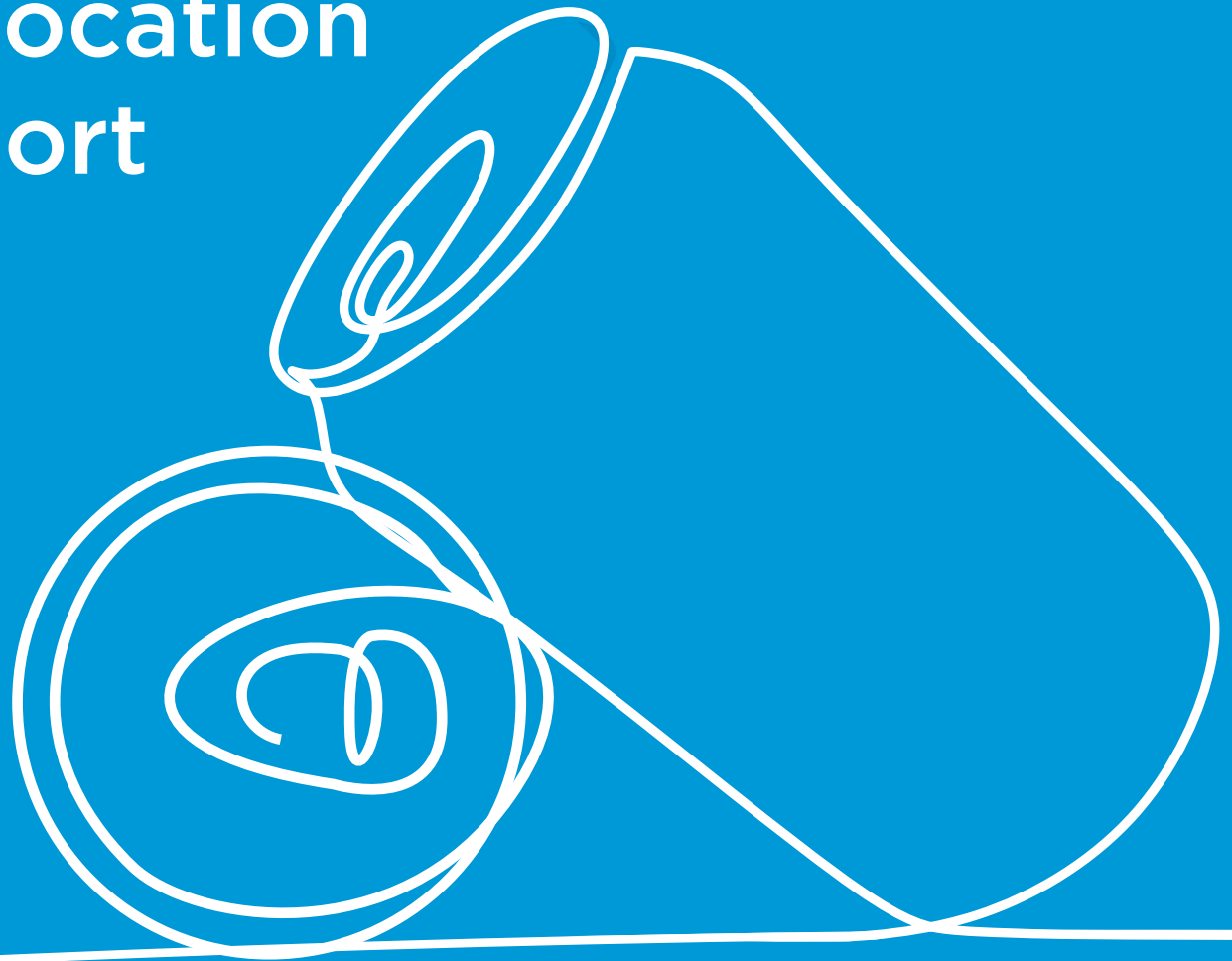


Ardagh Metal Packaging

Green Bond Allocation and Impact report

June 2022



Contents

Introduction	3
Leadership message	4
AMP Sustainability Strategy	5
Governance	8
Results summary	9
Featured eligible green projects	12
Assurance	14

Introduction

Welcome to the **Ardagh Metal Packaging (AMP) Green Bond Report** for its inaugural, \$2.8bn green bond, issued in March 2021, which was fully allocated to eligible green projects during the period from 2018 to 2021.

AMP, a listed company on the New York Stock Exchange, is a leading global supplier of infinitely recyclable beverage cans. AMP, a subsidiary of sustainable packaging company Ardagh Group (Ardagh), is the second-largest beverage can producer in Europe and the third largest in North America and Brazil.



24 production facilities



5,800 employees



\$4.1bn revenue



Leadership message

We are in an extraordinary time for our industry.

AMP has the benefit of manufacturing a product already recognised for sustainability excellence – the infinitely-recyclable beverage can.

Consumers and customers are increasingly recognising the inherent environmental advantages of beverage cans which are marked by one of the highest recycle rate and recycled content rates in the beverage packaging space.

In fact, beverage cans are a perfect example of a circular economy, able to return to retail shelves in their original form in about 60 days. This is driving very strong growth for our industry, with demand outstripping capacity, and additional investment at unprecedented levels.

AMP is at the forefront of this growth, delivering value to customers and investors through business and investment strategies built on the Trust, Teamwork and Excellence capabilities of our team.



Emissions



Ecology



Social

Our growth and supporting business investments are anchored by a clear Sustainability Strategy across three pillars of **Emissions**, **Ecology** and

Social, targeting emissions, material, waste, energy and water reductions while driving team diversity and inclusion and improving the communities we do business in.

To get there, we are investing in projects that deliver measurable advancements on our way, to reducing our greenhouse gas (GHG) emissions through our commitment to the Science-Based Target Initiative (SBTi) and, in alignment with the UN and the Paris Agreement of 2015, net zero emissions by 2050.

This is where our first Green Bond Offering is playing a key role in our achievements. We have identified numerous project investment opportunities that will provide an excellent return, while advancing the sustainability platforms of our company and our customers.

Projects such as the procurement of recycled aluminium, energy efficiency programmes, renewable energy sources and sustainable waste and water management have all been identified as worthy and valuable projects to embed in our annual budgets and long-term plans.

These are about realising further opportunities in an organisation already recognised as a global leader in sustainability excellence. The verification of this leadership in terms of the product we make and the processes we conduct for manufacturing and delivery are firmly in place.

For example, in 2021 the CDP (formerly the Carbon Disclosure Project) 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 six consecutive years in 2021.

Ardagh was also delighted to be welcomed as a 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.

Ardagh was proud to be listed amongst 300 companies in the Financial Times' inaugural listing of "Europe's Climate Leaders 2021", representing European companies that have made strong strides in reducing their GHG emission intensity.

In summary, our team is building on the inherent environmental strengths of metal packaging to provide further value to our customers and investors. Our Green Bond Offering provides an opportunity for investors to join us on this journey, invest in our capabilities and share in our achievements.

We have a very positive future ahead for our company and the product we make. We look forward to establishing and building true partnerships to extend our business, social and environmental leadership as AMP remains at the forefront of sustainability excellence.



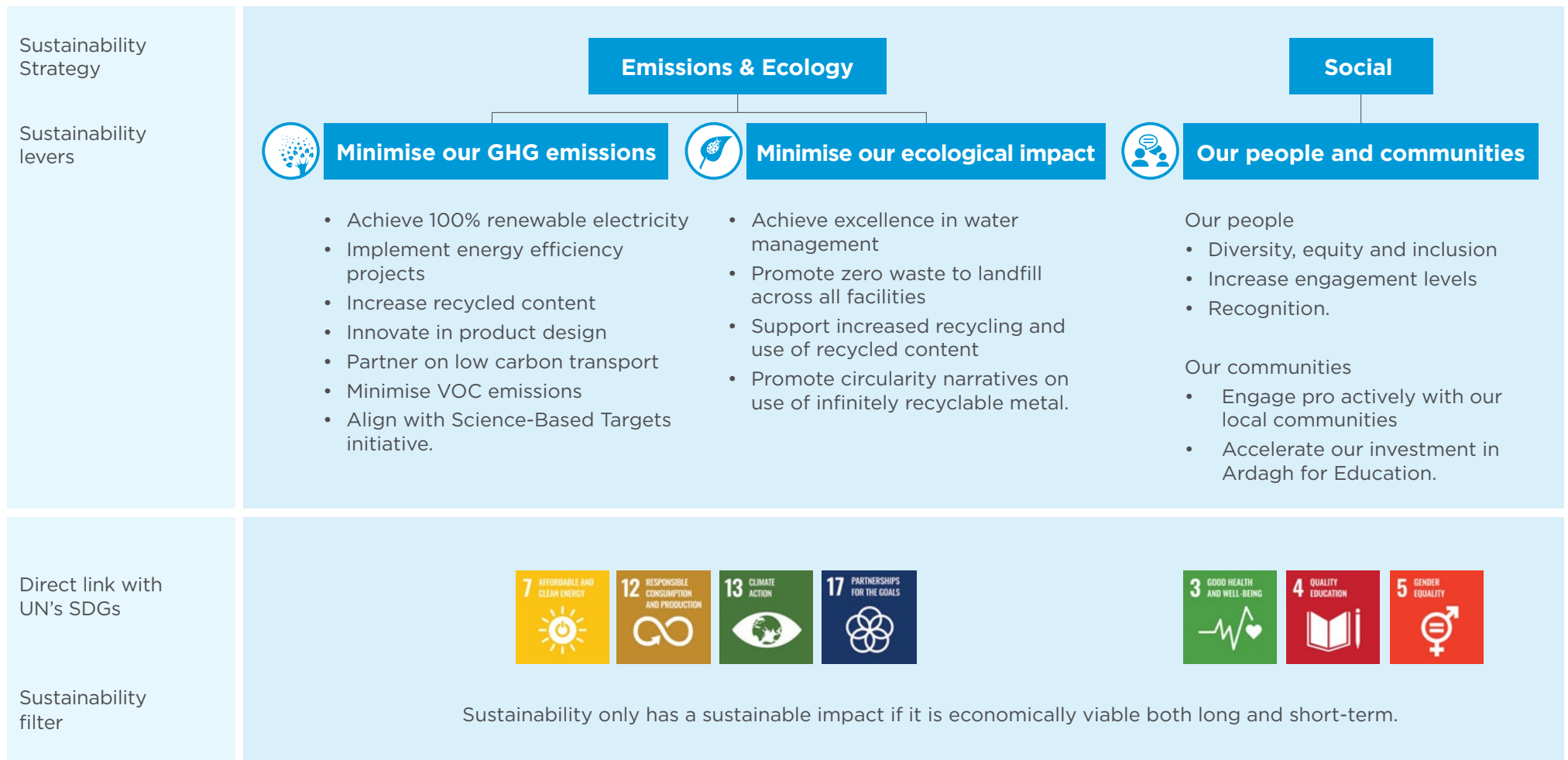
Oliver Graham

CEO
Ardagh Metal Packaging

AMP's Sustainability Strategy

Our long-term Sustainability Strategy targets emissions, waste and water reductions while improving the communities we do business in. And our strategy directly aligns with the United Nation's Sustainable Development Goals (UN SDGs) as pictured below with the supporting sustainability projects we will discuss in this document clearly linked.

Our short-term sustainability targets deliver step changes toward the ultimate objective of net zero emissions by 2050.

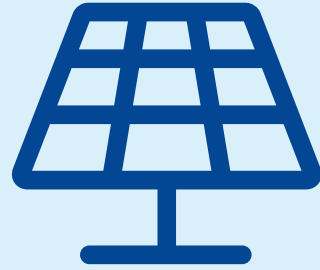


Approved goals and targets:¹



Zero waste to landfill²

100%
by 2025



Renewable electricity

100%
by 2030



Water use intensity reduction

20%
by 2030



VOC emission intensity reduction

10%
by 2030

1. Approved by AMP's Board Sustainability Committee | 2. Zero waste to landfill for operational waste streams where allowable by regulation.

Key actions across each Sustainability Strategy pillar



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 by 2030 as part of our SBTi commitment for GHG emission reductions.



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 rates and recycled content rates which reduce emissions and minimises extraction of raw materials.



Social

In 2020, we committed to expand 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.

Ardagh have announced a \$50 million grant over 10 years in the U.S. to Project Lead The Way (PLTW) to deliver science, technology, engineering and mathematics (STEM) education to students.

Governance

The objective of issuing Green Financing Instruments is to assist in financing AMP's initiatives to lower our own carbon footprint as well as increase our investment in sustainable projects to transition to a low carbon and circular economy. The issuance of these Green Financing Instruments will also enable AMP to engage with those investors who are committed to allocating capital in support of these objectives.

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 here.

AMP follows a framework 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") 2018 Green Loan Principles². This is updated from time to time, and includes the following sections: Use of Proceeds; Process for Project Evaluation and Selection; Management of Proceeds; and 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 AMP and will be applied as long as any such instrument is outstanding.

Any updated version of this framework will either maintain or improve the current levels of transparency and reporting disclosures, including the corresponding external review. The full [Ardagh Green Bond Financing Framework](#) is available on AMP's website.

The following details the allocation of Green Bond proceeds directly supporting AMP's Sustainability Strategy objectives.

Ardagh has retained ISS Corporate Solutions to provide a SPO on Ardagh's Green Financing Framework to confirm alignment with the ICMA 2018 Green Bond Principles and the LMA 2020 Green Loan Principles. The SPO is available at ardaghmetalpackaging.com.

Green Bond Details		SSN/SUN	Coupon		Amount Issued (\$ Equivalent) ⁴	Maturity date	Use of proceeds
Issuers	Ardagh Metal Packaging ³	Senior Secured Note	2.0%	EUR	552,150,000	01 Sept 2028	An amount equal to the net proceeds from the issuance of the Green Bond was allocated to fund, in whole, "Eligible Green Projects," which is defined in the Green Bond framework and which generally refers to projects that meet our Green Bond Eligibility Criteria.
Issue date	March 12, 2021	Senior Secured Note	3.25%	USD	600,000,000	01 Sept 2028	
Issued amount	\$2.82 billion	Senior Note	3.0%	EUR	613,500,000	01 Sept 2029	
Net proceeds	\$2.76 billion	Senior Note	4.0%	USD	1,050,000,000	01 Sept 2029	
		Total Outstanding Green Bonds:			2,815,650,000		

1. Green Bond Principles 2018 (International Capital Market Association acting as secretariat to the Principles) | 2. LMA Green Loan Principles December 2018 | 3. Issuers are Ardagh Metal Packaging Finance PLC and Ardagh Metal Packaging Finance USD LLC. The parent guarantor is Ardagh Metal Packaging SA | 4. This is at the prevailing exchange rate at the time of debt issuance.

Green Bond allocation and impact summary

The results here discussed address the AMP Green Bond timeline of 2018 to 2021.¹
The proportional allocation between existing projects is 90.7% and new projects is 9.3%

Total AMP Green Bond net proceeds:⁴
\$2,758.4m

Spend by category:²



Eco-efficient and/or circular economy **\$2,363.7m**



Energy efficiency **\$393.0m**



Pollution prevention and control **\$2.6m**



Impact by category:



Recycled aluminium purchased **529,359 MT**



Estimated energy saved annually **28,366 MWh**



Waste diverted from landfill **12,789 MT**

1. The performance metrics reported here undergo limited assurance by a third-party as part of our annual sustainability reporting process. At the time of this publication 2021 performance metrics are actively undergoing third-party assurance, results will be included in the 2022 AMP sustainability report. | 2. A list of Eligible Green Projects, and allocated amounts, financed through Ardagh's Green Financing Instruments may be made available subject to confidentiality and non-disclosure agreement. | 3. Amount shown includes purchases from a specific set of suppliers in the period. | 4. [Report of Independent accountants](#).

Progress

The progress reported here covers the annual performance during our fiscal calendars for 2018 - 2020.

Recycled aluminium

Since 2018, we have increased the amount of recycled aluminium used by 4%. As the purchase of aluminium accounts for more than three-quarters of our total carbon footprint we continue to invest and partner with our suppliers to increase recycled content.

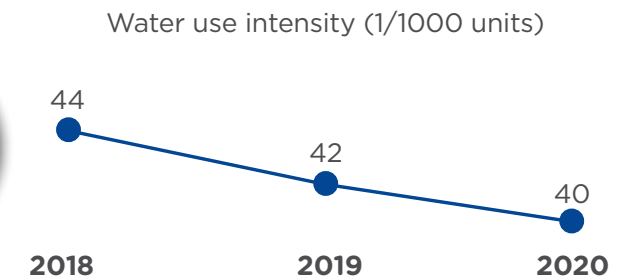
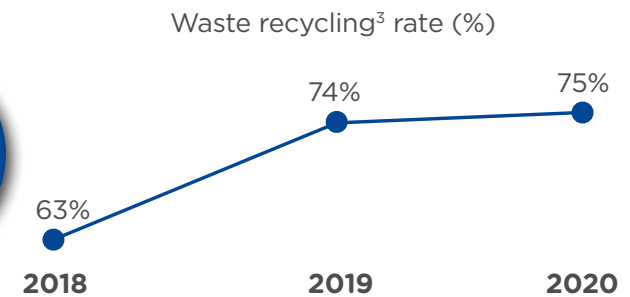
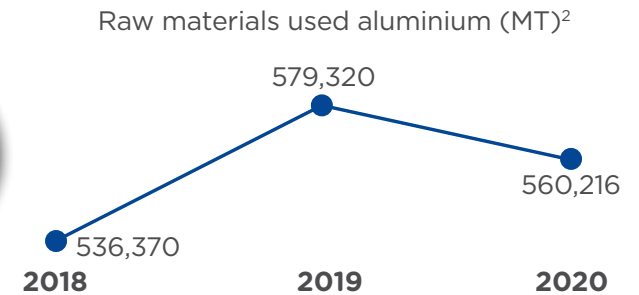
Waste reduction

Waste recycling rates increased 18% since 2018. Through partnerships with waste management organisations, we continue to invest in finding new outlets to divert waste from landfills. By 2025, all our facilities will achieve zero waste to landfill status.

Water management

Water use intensity decreased by 9% since 2018. Projects to reduce and conserve freshwater include water recirculation, treatment and recycling. To learn more about water conservation efforts across our facilities click [here](#).

1. Full 2021 sustainability performance metrics will undergo third-party limited assurance and included in the forthcoming 2022 AMP sustainability report. | 2. Relates to amounts purchased in the period from all suppliers. | 3. Recycling includes disposal methods such as: recycling, fuel blending, chemical treatment and incineration with energy recovery.



Emissions reduction

Scope 1 emissions

Direct emissions from owned or operated assets (e.g., natural gas combustion in ovens) has been relatively flat since 2018. This has been maintained even as we have strongly increased production to address business growth. Emissions mitigation results are due to such projects as [regenerative thermal oxidisers \(RTOs\) in Europe](#), burner replacements and oven optimisations, and transition to EV forklifts.

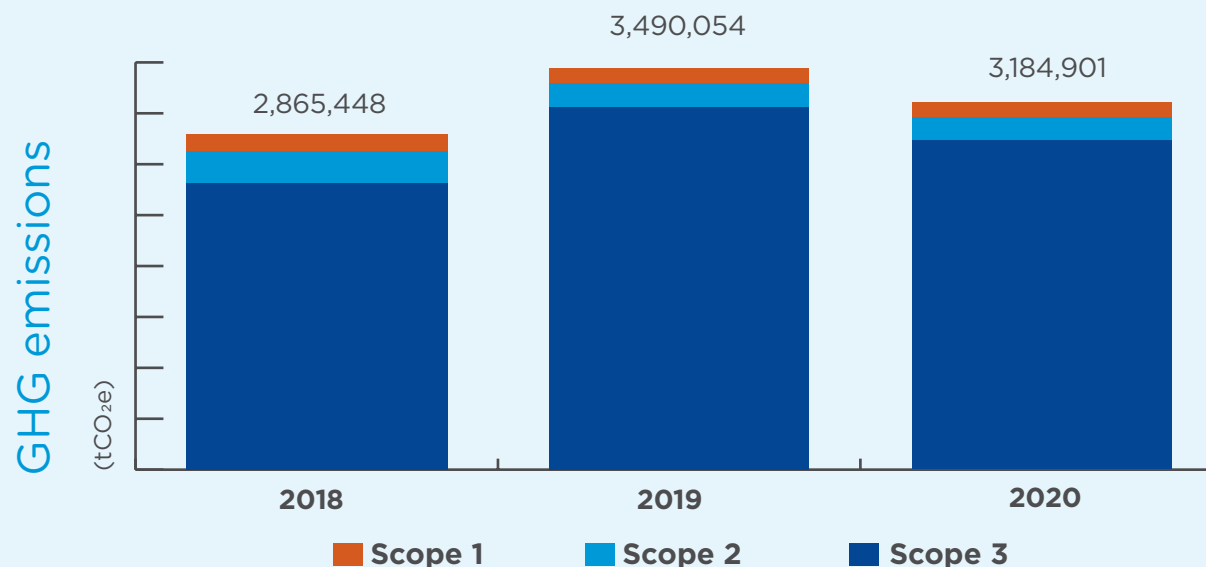
Scope 2 emissions

Indirect emissions from consumption of purchased electricity, heat or steam decreased 20% since 2018. This achievement has been delivered in part through renewable electricity sourcing, [LED lighting retrofits](#) and upgraded machinery which in some cases has shown a 20-33% improvement in energy efficiencies compared to older equipment.

Scope 3 emissions

All other indirect emissions that occur upstream or downstream in our value chain. For AMP, this includes purchased raw materials and recycling, waste disposal from sites, upstream logistics, and fuel- and energy-related emissions. This accounts for nearly 90% of AMP's total GHG emissions and the largest contributor is the purchase of aluminium. This is why it's important that we continue to invest in opportunities to promote and increase recycled content.

1. Scope 3 emissions associated with waste disposed were not estimated in 2018. We have since improved the quality and availability of primary and secondary data, which can be seen in 2019 and beyond.



Scope 1 (tCO ₂ e)	2018	133,496	Scope 2 market- based (tCO ₂ e)	2018	264,019	Scope 3 (tCO ₂ e)	2018 ¹	2,467,933
	2019	138,767		2019	209,195		2019	3,142,092
	2020	136,759		2020	210,123		2020	2,838,019

Energy intensity

Energy efficiency projects including investments in equipment, systems, operational improvements and maintenance have resulted in reducing energy usage on an intensity basis by 8% during the reporting period. Energy usage includes electricity purchased and fossil fuels consumed in our operations, such as natural gas in ovens. To learn more about our energy efficiency projects click [here](#).

Renewable energy

We have more than tripled the amount of renewable electricity we source since 2018. Our Enzesfeld facility is making significant progress with solar panel technology. To learn more click [here](#).

Featured eligible green projects

The projects described here illustrate how the Green Bond proceeds are being used to deliver on our Sustainability Strategy.

Supporting a circular economy

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. Through our supplier network and industry partnerships we work 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.

Nearly 90% of AMP's total GHG emissions come from Scope 3 and the largest contributor is the purchase of aluminium. We are committed to the objectives set out in the Paris Agreement of 2015 and are aligned toward measurable step changes to meet a true circular economy, where beverage cans are recovered and recycled endlessly. This means investing in and supporting increased recycled content of the aluminium we purchase. For example, through the Green Bond proceeds we purchased 529,359 metric tonnes of recycled aluminium contributing to reductions in our Scope 3 emissions.¹

1. Scope 3 emissions associated with waste disposed were not estimated in 2018. We have since improved the quality and availability of primary and secondary data, which can be seen in 2019 and beyond.



Sustainable business growth initiatives – production facilities

AMP's \$2 billion+ business growth initiative is an investment programme involving the sustainable construction of new, infinitely recyclable, metal packaging capacity across Europe, North America and South America. This investment programme responsibly meets fast-growing demand as brand owners and consumers increasingly recognise the sustainability advantages and convenience of beverage cans. The additional manufacturing facilities and lines leverage best practices across our network, serving as a true example of sustainability excellence focusing on zero waste to landfill, renewable energy sources, improved water usage processes and lower emissions.

One example of this investment is AMP's purchase of a facility in Huron, Ohio, U.S. in December 2020, which is now producing infinitely recyclable beverage cans and ends on multiple production lines. AMP Huron sustainably manufactures beverage cans in multiple sizes for a variety of categories, including sparkling water, soft drinks, teas and alcoholic beverages.



Transition to LED lighting

Due to LED lighting retrofit programs across AMP North America facilities, including Olive Branch, Winston-Salem and Huron, 13,100 metric tonnes CO₂e are now avoided annually. There have been 1,752 light fixtures changed to LED, saving an estimated 27,000MWh of electricity annually.

The LED Lighting was placed in production areas, warehouses, office spaces and exterior locations as well. In addition to energy savings, the LED lighting retrofits at Olive Branch and Winston-Salem provide a safer working environment due to improved visual quality following equipment layout changes associated with production capacity expansions to address volume growth.



Achieving zero waste to landfill status

We have increased the amount of recycling by 18% since 2018. This amounts to more than 55,000 metric tonnes of material being diverted from landfill. These efforts are in support of our ambitious goal to achieve zero waste to landfill¹ across all AMP's facilities by 2025. Diverting materials from landfill also contributes to reductions in our Scope 3 emissions in alignment with our commitment to SBTi. Most recently our Fairfield facility has achieved zero waste to landfill status. This effort results in nearly 700 metric tonnes of materials diverted from landfill annually.



1. Zero waste to landfill for operational waste streams where allowable by regulation

Assurance:

Report of Independent Accountants

Independent limited assurance report to Ardagh Metal Packaging Holdings SARL (“Ardagh”) on the allocation of Net Proceeds from the Ardagh Group January 2021 Green Bond, hereafter referred to as the “Green Bond”.

What we looked at: scope of our work

Ardagh engaged us to perform limited assurance procedures that the allocation of net proceeds of the Green Bond from 1 January 2018 to 31 October 2021 (the ‘Timeframe’) as set out in Ardagh’s Schedule of Net Proceeds for the Timeframe was in accordance with the “Management of Proceeds” set out in Ardagh Group’s Green Financing Framework January 2021 (the “Framework”).

What standards we used: basis of our work, criteria used and level of assurance

We carried out limited assurance procedures in accordance with the International Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements other than Audits or Reviews of Historical Financial Information” (“ISAE 3000”).

To achieve limited assurance, ISAE 3000 requires that we review the processes, systems, and controls in place for the allocation of Green Bond proceeds, on which we provide assurance. It does not include detailed testing for each of the green projects listed in the Schedule of Net Proceeds, or of the operating effectiveness of processes and internal controls. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We are not required to carry out an audit conducted in accordance with International Standards of Auditing (Ireland). Consequently, our conclusion is not expressed as an audit opinion.

What we did: key limited assurance procedures

To form our conclusions, we undertook the following procedures:

- Obtained a copy of the schedule of the allocation of Green Bond net proceeds for the Timeframe as prepared by management (the “Schedule of Net Proceeds”);
- Interviewed management and those with operational responsibility to obtain an understanding of the processes for the collation, validation and reporting of the expenditure and green projects listed in the Schedule of Net Proceeds to ensure this was in line with the “Management of Proceeds”;

- Examined and evaluated the key governance structures, processes and controls relating to the selection and approval of the eligibility of green projects to which Green Bond proceeds were allocated as per the Schedule of Net Proceeds to ensure this was in line with the “Management of Proceeds”; and
- Obtained evidence to corroborate that the allocation of proceeds was performed in line with “Management of Proceeds” for the Timeframe, including reviewing the Green Financing Register and inspecting a sample of supporting invoices for the expenditures on a sample of the green projects listed in the Schedule of Net Proceeds.

Note our examination was not conducted for the purpose of evaluating Ardagh’s impact metrics, thus, we did not audit or opine on the sufficiency, appropriateness or accuracy of the impact reporting criteria, accounting impact methodology or the environmental impact of the green projects listed in the Schedule of Net Proceeds. Accordingly, we do not express an opinion or any other form of assurance other than on whether the allocation of Green Bond Net Proceeds was performed in accordance with the “Management of Proceeds” set out in the Framework.

Roles and responsibilities

Ardagh:

Ardagh are responsible for ensuring that appropriate processes and controls are in place for the ‘Management of Proceeds’ in line with the Ardagh Group’s Green Financing Frameworks January 2021. They are responsible for establishing and maintaining appropriate performance

management, internal control systems, and relevant documentation from which the Schedule of Net Proceeds is derived.

Deloitte:

Our responsibility is to independently express conclusions on the subject matter as defined within the scope of our work above to Ardagh in accordance with our letter of engagement dated 14 March 2022. Our work has been undertaken so that we might state to Ardagh those matters we are required to state to them in a limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ardagh for our work, for this report, or for the conclusions we have formed. Furthermore, we take no responsibility for any allocations outside of the Timeframe

Limitations

This assurance report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Ardagh for any purpose or in any context. Any party other than Ardagh who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, Deloitte will accept no responsibility or liability in respect of our report to any other party.

What we found: our assurance conclusion

Based on the scope of our work, the evidence obtained, and the limited assurance procedures undertaken, nothing has come to our attention that causes us to believe that Ardagh have not, in all material respects, allocated the net proceeds from the Green Bond in accordance with the "Management of Proceeds" set out in the Ardagh Group's Green Financing Framework,

January 2021



Eileen Healy
Partner

For and on behalf of Deloitte Ireland LLP

Deloitte & Touche House, Earlsfort Terrace, Dublin 2 17 June 2022

Our independence and competence in providing limited assurance to Ardagh

- We complied with Deloitte's independence policies, which address and, in certain cases, exceed the requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants, and in particular preclude us from taking financial, commercial, governance and ownership positions which might affect, or be perceived to affect, our independence and impartiality, and from any involvement in the preparation of the Schedule of Net Proceeds.
- We have confirmed to Ardagh that we have maintained our independence and objectivity throughout the engagement period and in particular that there were no events or prohibited services provided which could impair our independence and objectivity.
- Our team consisted of a combination of Chartered Accountants with professional assurance qualifications and professionals with many years' experience in providing sustainability assurance.
- In performing our work, we applied International Standard on Quality Control 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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