

About this report

Ardagh Group is proud to announce its fifth biennial Sustainability Report covering calendar years 2019 and 2020.

Approval policy

During the course of the two reporting years, some changes occurred to our operating portfolio. It should be noted that performance data for both years is reported to reflect the company structure and assets during the respective years, i.e. acquired or divested facilities were taken into account as of the effective dates. The report was prepared and written in accordance with the 'Core Level' requirements of the Global Reporting Initiative (GRI) Standards which came into force in 2017. Environmental data has been generated and aggregated from local data systems at each facility. Overall, Ardagh is confident that the performance data reported achieves a suitable level of accuracy for the intended purpose of communicating the scale and trends in sustainability performance. This conviction is confirmed by the outcome of the limited assurance provided by an external consultancy. Further information on the level of assurance can be found in the [RISE statement](#).

Materiality assessment

In pursuit of Ardagh's objective to drive sustainability throughout the organisation, we have identified key metrics in a materiality assessment. As part of the report development process, our existing materiality assessment, established for our previous sustainability reporting activities, was reviewed in light of developments in the sustainability agenda and the changes to the business during the current reporting period. The sustainability aspects and priorities, as well as the justification for each of the decisions previously made, were reviewed.

Disclosure on tax standards

Our tax strategy

The Group pursues a tax strategy that is aligned with the Group's business strategy. The tax strategy of the Group adheres to the overarching commercial needs of the Group. The Group does not enter into artificial tax arrangements and all transactions must have a business purpose and commercial rationale. In addition, due consideration is given to the Group's reputation, brand, and corporate and social responsibilities when considering tax strategy, as well as to the relevant applicable tax laws and regulations and the legal and fiduciary duties of directors and employees of the Group.

Our tax strategy is underpinned by core principles which provide for full compliance with all tax laws, and ensuring that taxes and tax risks are managed to provide sustainable outcomes within the parameters of the Group's strategic and commercial objectives whilst also creating shareholder value. Our tax strategy can be found [here](#).

Our tax contribution

Corporate income tax paid during the year ended 31 December 2020 was \$49 million. The effective corporate income tax rate recorded on profit before exceptional items for the year ended 31 December 2020 was 31%. For further details, please see our annual report for the year ended 31 December 2020 ([Ardagh-Group-SA-Annual-Report-2020-full.pdf \(ardaghgroup.com\)](#)).

We also collect and remit payroll taxes and make social security contributions for and on behalf of our employees, in addition to discharging indirect sales and transactional taxes in the countries in which we operate.

Health & Safety

Our BSafe! programme covers all aspects of health & safety and is underpinned with detailed best practices for every step in the production process. A risk assessment process is in place along with internal audits to support the implementation of best practices and standards to ensure employee health and safety. Training is embedded into the organisation. Feedback mechanisms are available on different levels as health & safety is integrated into regular and frequent production meetings. Thanks to our BSafe! programme, wellbeing is integrated into our work culture.

Supply chain

Ardagh maintains a dedicated supply chain programme and suppliers are screened on the basis of their materiality within Ardagh's supply chain. New suppliers may not be screened initially if they are deemed non-critical.

The aim of our supply chain programme is to eliminate adverse social and environmental impacts and a feedback and engagement mechanism on the supplier questionnaire and audits is present.

The assessment process includes freedom of association, collective bargaining, child and forced or compulsory labour.

Disclosure number	Disclosure title	Reference
102-1	Name of the organisation	Ardagh Group
102-10	Significant changes to the organisation and its supply chain	Page 6 Updates in news centre: News Centre - Ardagh Group
102-11	Precautionary Principle or approach	Page 12
102-12	External initiatives	Page 3, 4, 5
102-13	Membership of associations	Page 50
102-14	Statement from senior decision-maker	Pages 4-5
102-16	Values, principles, standards, and norms of behavior	Pages 10-12 Code of Conduct 5d9f0bf230915.pdf (ardaghgroup.com)
102-18	Governance structure	Annual Report SEC-Show (investis.com)
102-2	Activities, brands, products, and services	Web links on page 7
102-3	Location of headquarters	Web link on Page 6
102-4	Location of operations	Page 7 and web links on Page 7
102-40	List of stakeholder groups	Page 13
102-41	Collective bargaining agreements	Responsible behaviour globally - Ardagh Group
102-42	Identifying and selecting stakeholders	Page 13
102-43	Approach to stakeholder engagement	Page 13
102-44	Key topics and concerns raised	Annual Report SEC-Outline (investis.com)
102-45	Entities included in the consolidated financial statements	Annual Report SEC-Outline (investis.com)
102-46	Defining report content and topic Boundaries	Introduction statement of this document

Disclosure number	Disclosure title	Reference
102-47	List of material topics	Annual Report SEC-Outline (investis.com) This doc
102-5	Ownership and legal form	Web link on page 6
102-50	Reporting period	Page 3
102-51	Date of most recent report	Web link on Page 3
102-52	Reporting cycle	Page 3
102-53	Contact point for questions regarding the report	Page 3
102-54	Claims of reporting in accordance with the GRI Standards	Page 3 and this document
102-55	GRI content index	This document
102-56	External assurance	RISE assurance statement - link in this document & on website
102-6	Markets served	Web links on page 7
102-7	Scale of the organisation	Web links on pages 6 and 7. Also Page 27 for employee numbers
102-8	Information on employees and other workers	27
102-9	Supply chain	Page 30. Pages 41-43.
103-1	Explanation of the material topic and its Boundary	Available upon request
103-2	The management approach and its components	Available upon request
103-3	Evaluation of the management approach	Available upon request
201-1	Direct economic value generated and distributed	Detailed in Annual report SEC-Outline (investis.com)
201-2	Financial implications and other risks and opportunities due to climate change	Those are part of our CDP submission as well as internal review. This is confidential information.
201-3	Defined benefit plan obligations and other retirement plans	Covered by Page 38 and the Annual report SEC-Outline (investis.com)
203-1	Infrastructure investments and services supported	Detailed in Annual report SEC-Outline (investis.com)
205-2	Communication and training about anti-corruption policies and procedures	Page 32
205-3	Confirmed incidents of corruption and actions taken	No confirmed actions
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No actions
207-1	Approach to tax	This document
207-2	Tax governance, control, and risk management	This document
207-3	Stakeholder engagement and management of concerns related to tax	This document
207-4	Country-by-country reporting	This document
301-1	Materials used by weight or volume	Page 26
301-2	Recycled input materials used	Page 26
302-1	Energy consumption within the organisation	Page 25 and Page 27
302-3	Energy intensity	Page 27

Disclosure number	Disclosure title	Reference
302-4	Reduction of energy consumption	Page 25 and Page 27
303-1	Interactions with water as a shared resource	Page 28
303-2	Management of water discharge-related impacts	28
303-3	Water withdrawal	Page 28
303-4	Water discharge	28
303-5	Water consumption	Page 28
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Page 29
304-2	Significant impacts of activities, products, and services on biodiversity	Page 29
304-3	Habitats protected or restored	Page 29
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Page 29
305-1	Direct (Scope 1) GHG emissions	Page 24 and 25
305-2	Energy indirect (Scope 2) GHG emissions	Page 18, 24 and 25
305-3	Other indirect (Scope 3) GHG emissions	Page 25
305-4	GHG emissions intensity	Website, updated regularly: Responsible behaviour globally - Ardagh Group
305-5	Reduction of GHG emissions	Pages 24 and 25
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Page 24
306-2	Waste by type and disposal method	Page 26
306-3	Significant spills	No significant spills
307-1	Non-compliance with environmental laws and regulations	No material non-compliances
308-1	New suppliers that were screened using environmental criteria	Page 30
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Statement in this document
401-1	New employee hires and employee turnover	Information is confidential
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Country specific
401-3	Parental leave	Page 32
403-1	Occupational health and safety management system	Page 47
403-2	Hazard identification, risk assessment, and incident investigation	Page 47
403-3	Occupational health services	Page 47
403-4	Worker participation, consultation, and communication on occupational health and safety	H&S section in this document
403-5	Worker training on occupational health and safety	H&S section in this document
403-6	Promotion of worker health	H&S section in this document

Disclosure number	Disclosure title	Reference
403-8	Workers covered by an occupational health and safety management system	Responsible behaviour globally - Ardagh Group
403-9	Work-related injuries	Page 47
403-10	Work-related ill health	H&S section in this document
404-1	Average hours of training per year per employee	Page 39 Responsible behaviour globally - Ardagh Group
404-2	Programs for upgrading employee skills and transition assistance programs	Responsible behaviour globally - Ardagh Group
404-3	Percentage of employees receiving regular performance and career development reviews	Responsible behaviour globally - Ardagh Group
405-1	Diversity of governance bodies and employees	Page 34
406-1	Incidents of discrimination and corrective actions taken	Supply chain statement
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supply chain statement
408-1	Operations and suppliers at significant risk for incidents of child labor	Supply chain statement
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supply chain statement
412-1	Operations that have been subject to human rights reviews or impact assessments	Responsible behaviour globally - Ardagh Group
412-2	Employee training on human rights policies or procedures	Responsible behaviour globally - Ardagh Group
413-1	Operations with local community engagement, impact assessments, and development programs	Page 35
413-2	Operations with significant actual and potential negative impacts on local communities	Page 35
414-1	New suppliers that were screened using social criteria	Supply chain information in this document
414-2	Negative social impacts in the supply chain and actions taken	Supply chain information in this document
419-1	Non-compliance with laws and regulations in the social and economic area	No material non-compliances

**Any indicators not listed in the table above are deemed not applicable.*