

Response to California Transparency in Supply Chains Act of 2010

The California Transparency in Supply Chains Act of 2010 requires qualifying retailers and manufacturers that do business in California to publicly disclose their efforts to eradicate slavery and human trafficking from their supply chains.

Ardagh is committed to conducting its activities with the highest standards of integrity and business practice in all dealings with employees, customers, suppliers, public authorities, shareholders, bondholders, banks and the general public. This commitment is enshrined in our Code of Conduct (the “Code”), which applies not only to our employees, but also, to the extent we can enforce or influence the application, to joint ventures, partnerships, suppliers, companies and other business entities in which Ardagh has a participating interest.

As set forth in the Code, Ardagh respects the Universal Declaration of Human Rights and is committed to adhere to and support the core principles of human rights which are:

- Inherent, in that they belong to every person by virtue of being human;
- Inalienable, in that people cannot consent to giving them up or be deprived of them by governments or any other institution;
- Universal, in that they apply to everyone regardless of status;
- Indivisible, in that no human rights may be selectively ignored; and
- Interdependent, in that realisation of one right contributes to the realisation of other rights.

Ardagh fully supports the spirit and intent of the California Transparency in Supply Chains Act of 2010.

Internal Accountability

Employees Generally

Our Code provides that Ardagh and all of its subsidiaries and employees must act in compliance with the laws and regulations of all countries in which they operate. Employees are expected to be familiar with the legal and regulatory requirements applicable to their business responsibilities and to fulfil their duties in accordance with these laws and regulations.

The Code further references the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work, as well as the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy. Within these principles, Ardagh explicitly supports, among others, freedom of association and effective recognition of the elimination of all forms of forced or compulsory labour and the effective abolition of child labour.

Employees are encouraged to report violations or suspected violations of the Code, and may do so anonymously at their option. Employees can raise their concerns of violations of the Code, or other illegal or unethical conduct, without fear that they will be disciplined or considered for dismissal. Ardagh will not permit retaliation of any kind against an employee for reporting information in good faith.

Contractors Generally

Pursuant to our Code, it is our policy to:

- Ensure that employed or contracted security personnel are sufficiently qualified;
- Not provide goods or services to an entity that violates human rights;
- Not enter into a formal or informal partnership or contractual relationship with a partner that commits human rights violations in the context of the partnership or in the performance of the contracted work;
- Be aware of the social and environmental conditions in which purchased goods and services are produced;
- Consider making public statements, or take other action to demonstrate that we do not condone human rights violations, such as acts of discrimination in the workplace; and
- Avoid relationships with entities engaged in anti-social activities.

Ardagh will not tolerate any breaches of its Code and will take appropriate disciplinary actions against its employees and contractors, up to and including termination of a relationship, for any violation thereof. In addition, Ardagh will bring any violation of criminal laws to the attention of the appropriate law enforcement authorities.

In order to evaluate compliance with our sustainability and social responsibility goals, Ardagh intends to implement new assessment systems internally and across its supply chains. As set forth in the Group Procurement: Responsible Procurement Policy issued by Ardagh on January 28, 2015, Ardagh intends to have its suppliers evaluated on a frequent basis for compliance with certain requirements via surveys. The requirements shall include, among others, whether such suppliers have documented policies in place to avoid conflicts with human rights and forced and compulsory labour. The results of the surveys will be reviewed by Ardagh's Group Procurement and Group Sustainability. Non-adherence by suppliers may result in cancellation or non-renewal of contracts.

Verification, Audits and Certification

At present, we do not: (i) engage in verification of product supply chains to evaluate or address risks of human trafficking and slavery, (ii) conduct audits of suppliers to evaluate supplier compliance with anti-slavery and human trafficking standards, or (iii) require our direct suppliers to certify that they comply with anti-slavery and human trafficking laws in the country or countries in which they do business.

However, we believe working with a supplier which violates laws on human trafficking and slavery would be contrary to the spirit of our Code and we would re-evaluate our ongoing business relationship with any supplier of which we are aware may have such a violation. In addition, as stated above, we are in the process of implementing a new internal and external assessment system to evaluate compliance with our sustainability and social responsibility goals, including a survey and evaluation system for our suppliers.

Training

At present, we do not provide employees or management who have direct responsibility for supply chain management with training on anti-slavery and human trafficking laws. We believe, however, that such training would further our business policies as enshrined in our Code, and have thus endeavoured to develop such training.