

## Ardagh Group Modern Slavery and Human Trafficking Statement

### Introduction

This statement is made by Ardagh Group pursuant to its obligations under both section 54(1) of the Modern Slavery Act 2015 and the California Transparency in Supply Chains Act.<sup>1</sup> This statement sets out the steps we have taken to combat modern slavery in both our own organisation and in our supply chains.

Ardagh Group is a leading global supplier of value-added, infinitely-recyclable, metal and glass packaging solutions for brand owners. As at 31 December 2020, we operate more than 50 metal and glass production facilities in 12 countries (in Europe, the US and Brazil), employ approximately 16,000 people and have global sales of about \$7bn. Respect for human rights is an integral part of our core values and business principles, as outlined in our Code of Conduct - which is available for viewing on our website. We foster a culture that respects dignity and human rights and conducting business with high ethical standards is fundamental to our culture.

In this statement, the term “modern slavery” is inclusive of all forms of modern slavery, including human trafficking, forced labour and child labour.

### Our business and supply chains

We are committed to ensuring that modern slavery does not happen anywhere within our business, either within our own facilities or in our supply base. In accordance with our Code of Conduct, we are committed to acting ethically and with integrity in all our business dealings and relationships with our employees and to implementing and enforcing effective systems and controls to ensure that no form of slavery takes place in our business.

As a large glass and metal packaging manufacturer, we purchase a significant volume of materials and services. Our main inputs include energy, raw materials, moulds, consumables, components, packaging and logistics. Supply chains for these key inputs are critical to our business and are carefully managed, with each individual supply chain having a specialised global manager who relates strategy to regional managers for execution. For each of these supply chains, we chose a limited number of suppliers to serve our business. The majority of our inputs are sourced within the European Union and US.

Most of our supply chains are, by design, relatively short and stable. Our strategy is, where possible, to conduct business directly with suppliers and manufacturers. Doing business directly with suppliers helps us to ensure that the materials and services we source are ethical from origin.

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<sup>1</sup> This statement covers all Ardagh Group companies worldwide, including Ardagh Metal Beverage Trading UK Limited, Ardagh Metal Beverage UK Limited, and Ardagh Glass Limited.

## **Our key policies**

We are committed to ensuring modern slavery does not exist within our business, in particular in our supply chain. We have two key documents which support this commitment:

- 1) our Code of Conduct; and
- 2) our Responsible Procurement Policy.

### *Code of Conduct*

Our Code of Conduct is based around our core values of Trust, Teamwork and Excellence. It sets out a framework for how we do business and emphasises our commitment to acting in an ethical and honest way. The Code of Conduct is signed off by the Board of Directors of Ardagh Group S.A. and it is available to all employees in local languages, as well as on the Ardagh Group website.

The Code of Conduct includes our Social Sustainability Policy, detailing our commitment to human rights and an Employment Policy, which sets out our fundamental principles and rights for employees (including rights of freedom of association and collective bargaining). Our Code of Conduct encourages staff to report any concerns relating to non-compliance with laws, either directly to management or through our Compliance Hotline. The hotline, which is available to all staff, is designed to make it easy to report any concerns (including in relation to issues of modern slavery) and is accessible online or by telephone. The hotline enables concerns to be raised on an anonymous basis, without fear of retaliation or discrimination.

### *Responsible Procurement Policy*

Our Responsible Procurement Policy is the foundation of our responsible procurement program. It outlines the standards we require of our suppliers, in particular regarding key social, ethical and environmental topics, including modern slavery, discrimination and diversity, and workplace conditions. The policy sets out how we monitor adherence to our requirements and the consequences of a supplier not adhering to all requirements. The policy is available on the Ardagh Group website. We review our policy and its associated procedures on an annual basis.

In addition to these two key documents, we also have other policies, procedures and documentation that seek to minimise the risk associated with modern slavery. For example, our hauliers and logistics providers are required to follow set procedures to ensure that goods are secured and sealed, reducing the risks of human trafficking and migrant smuggling.

### *Assessment of risk in our sites*

We monitor modern slavery risk for all our sites using independent risk indices. COVID 19 has not impacted these indices.

## **Our approach to supply chain verification and audit**

We have implemented a risk-based management system, which helps us identify and manage potential social, ethical, and environmental risks, including modern slavery risks, across our supply chain. Below we set out the detail of how we seek to verify our supply chains, audit suppliers and obtain supplier certifications of compliance with modern slavery laws. We note that our verification of supply chains continued throughout 2020. However, the 2020 assessments were all undertaken on a desktop basis, as site visits were not practical as a result of COVID-19 and the need to ensure minimisation of travel and contact.

### *Desktop risk assessment*

Each year we choose a selection of suppliers to conduct an in-depth risk assessment on. We take multiple factors into consideration when deciding which suppliers to focus on, including their industry, geography and the risk of human rights abuses (such as modern slavery). We also continually monitor media sources to ensure that we remain alert to potential risks within our supply chains.

When completing the risk assessment, we combine information from multiple sources including independent risk indices and information provided by suppliers via a mandatory online questionnaire. Suppliers are reassessed on a rotational basis. The frequency of reassessment, which is between 1 to 3 years, is determined by the outcome of the previous risk assessment.

### *Onsite Assessments & Third-Party Audits*

Based on the outcome of the desktop risk assessment, a supplier may be required to undergo either an on-site assessment conducted by one of our representatives or an ethical audit by a third party. Both the audit and assessment include content related to modern slavery.

We consider third-party audits to be preferential for suppliers within higher risk geographies. We do not currently conduct unannounced audits.

In addition to our standard risk assessment and audit process, where we are aware of heightened potential of human rights breaches, we introduce additional requirements. For example, in sourcing cobalt, we are aware of the risk associated with the operation of illegal mines, unacceptable working conditions and damage to the environment. The cobalt used in our production process is secured from a supply chain with full traceability back to the origin mine.

Our cobalt suppliers are committed to conducting at least two ethical checks per year on the mines and related facilities in high risk countries and are subject to an annual third party audit of their practices.

### *Certification*

To ensure that our suppliers respect and enforce our standards, including as regards ethical trading, our key supply contracts require suppliers to comply with all applicable laws and regulations and take appropriate steps to ensure there is no modern slavery in their business. Our key contracts also reference both our Code of Conduct and Responsible Procurement Policy.

## **Our approach to accountability**

Our Code of Conduct, and all its accompanying policies, apply to all our staff worldwide, all Ardagh Group companies, all joint ventures in which we are involved and all third parties working on our behalf.

All our staff are aware of our Code of Conduct and their obligations, and certify that they have read, understood and agree to comply with the Code of Conduct on employment. In addition, we require certain staff to participate in an annual certification process, including training to raise awareness of specific topics covered by the Code of Conduct.

As noted above, we encourage all staff to report any concerns, including those regarding modern slavery, either to local management or through Ardagh's Compliance Hotline.

We do not tolerate any violations of our Code of Conduct. In the event of any violations of our Code of Conduct, we take appropriate disciplinary actions in accordance with applicable law, which may include termination of employment. In addition, we comply with our obligations to bring violation of criminal laws to the attention of the appropriate law enforcement authorities.

Our Responsible Procurement Policy applies to all our procurement activities. As noted above, our employees and suppliers are made aware of this policy and their obligations to comply with it. Non-adherence may result in cancellation or non-renewal of contracts with suppliers. Serious misconduct, including the use of child labour and inhumane working conditions, is classified as a material breach of our contracts.

### *Impact of COVID-19*

Ardagh does not consider that COVID-19 has resulted in any notable change to the risk of modern slavery within its business or supply chain. Ardagh has continued with its risk-based management systems approach to supply chain verification and assessment, although we have been limited in our ability to undertake onsite assessments or require them to be undertaken by third parties.

As regards the impact on Ardagh's business and its workers, we are committed to keeping our workers safe during the pandemic. Ardagh has established a COVID 19 steering committee supported by a COVID 19 working group to establish policies and procedures to keep all our workers safe during the pandemic. Ardagh has adopted social distancing measures and other precautions in all its sites. All employees are required to follow the procedures for hand washing, social distancing and coughing/sneezing etiquette at all times. We encourage all of our employees to avail of opportunities for vaccination. Home office working is encouraged wherever possible. This also applies to our contractors.

## **Training**

Our responsible procurement program, and its associated policy, has developed significantly over the last few years. With the introduction of new processes, such as detailed onsite assessments, we have increased our focus on socially responsible and environmentally sustainable sourcing, including in relation to modern slavery issues. This had led to an increased awareness across the business at all levels, including through presentation of such issues to senior management.

All of our procurement team have undertaken online training about modern slavery and this training will be deployed to employees in other relevant departments.

**Responsibility and Effectiveness**

We remain committed to upholding human rights and safety in our supply chain and we review our progress and effectiveness in combatting slavery and human trafficking on an annual basis.

This statement is made for the financial year ending 31 December 2020.

During the period covered by this statement, we have found no evidence, nor received any allegations, of modern slavery either within Ardagh or within our supply chain.

**Digitally signed by:**

Shaun Murphy

On behalf of Ardagh Group S.A.