Ardagh Group S.A.

Consolidated financial statements for the year ended 31 December 2023

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Management Report

PRELIMINARY INFORMATION

Ardagh Group S.A. (the “Company” or “AGSA”) was incorporated in Luxembourg on 6 May 2011. The Company’s registered office is 56, rue Charles Martel, L-2134 Luxembourg, Luxembourg.

Ardagh Group S.A. and its subsidiaries (together, the “Group” or “Ardagh”) is a leading supplier of sustainable, innovative, value added rigid packaging solutions. The Group’s products include metal beverage cans and glass containers primarily for beverage and food markets, which are characterised by stable, consumer driven demand. End use categories include beer, food, hard seltzers, wine, spirits, carbonated soft drinks, energy drinks, juices and sparkling waters. The Company indirectly holds approximately 76% of the ordinary shares and 100% of the preferred shares of Ardagh Metal Packaging S.A. (“AMPSA”). AMPSA has direct ownership of 100% of the issued share capital of a holding company which holds all the finance and operating subsidiaries of AMPSA. The Company also holds approximately 42% of the ordinary shares of Trivium Packaging B.V. (“Trivium”), a leading supplier of metal packaging in the form of cans and aerosol containers, serving a broad range of end-use categories, principally food, seafood, pet food and nutrition, as well as beauty and personal care.

These consolidated financial statements reflect the consolidation of the legal entities forming the Group for the periods presented. Further information relating to these entities is set out in Note 26 – Related party transactions and information.

These financial statements have also been prepared for the purposes of satisfying the filing requirements for the individual financial statements of a number of the Irish, German and Dutch subsidiaries of the Company. Refer to Note 30 – Filing Requirements for further details.

As used herein, “we”, “our” and “us” refer to Ardagh Group S.A. and its consolidated subsidiaries, unless the context requires otherwise. Ardagh’s operations have the following operating businesses: “Ardagh Metal Packaging” and “Ardagh Glass Packaging”.

SELECTED FINANCIAL INFORMATION

The financial data of Ardagh Group S.A. as of and for the years ended 31 December 2023 and 2022 is derived from the audited consolidated financial statements included in this annual report.

The summary historical financial data set forth below should be read in conjunction with, and is qualified in its entirety by, reference to the audited consolidated financial statements included in this annual report and the related notes thereto. The following financial data should also be read in conjunction with the "Operating and Financial Review" also included in this annual report.

Some of the measures used in this report are not measurements of financial performance under IFRS Accounting Standards and should not be considered an alternative to cash flow from operating activities as a measure of liquidity or an alternative to operating profit/(loss) or profit/(loss) for the year as indicators of our operating performance or any other measures of performance derived in accordance with IFRS Accounting Standards.

The following table sets forth summary consolidated financial information for the Group.

	Year ended 31 December	
	2023	**2022**
Income Statement Data	**(in $ millions except percentages)**	
Revenue	9,402	9,030
Adjusted EBITDA [1]	**1,299**	**1,264**
Depreciation and amortisation	(848)	(809)
Exceptional items [3]	(347)	(378)
Net finance expense [4]	(516)	(328)
Share of post-tax (loss)/profit in equity accounted joint venture [5]	(47)	7
Loss before tax	**(459)**	**(244)**
Income tax charge	(36)	(46)
Loss for the year	**(495)**	**(290)**
Other Data		
Adjusted EBITDA margin [1]	13.8%	14.0%
Interest expense [6]	528	426
Maintenance capital expenditure [7]	459	495
Growth investment capital expenditure [7]	454	611
Balance Sheet Data	**As at 31 December**	
	2023	**2022**
	(in $ millions except ratios)	
Cash and cash equivalents and restricted cash [8]	730	1,131
Working capital [9]	433	673
Total assets	11,514	11,821
Total equity	(2,233)	(1,395)
Net borrowings [10]	10,143	9,735
Net debt [11]	9,497	8,612
AGSA Group ratio of net debt to LTM Adjusted EBITDA [1,11,12]	7.3x	6.8x
AGSA Group ratio of net debt to pro-forma LTM Adjusted EBITDA* [1,11,12]	N/A	6.6x
Supplemental Information		
ARGID Restricted Group leverage ratio [2,11,13]	6.8x	N/A
ARGID Restricted Group pro-forma leverage ratio [2,11,14]	6.6x	6.2x

*The AGSA Group ratio of net debt to pro-forma LTM Adjusted EBITDA as at 31 December 2023 is presented on an unaudited pro-forma basis, as if the acquisition of Consol, which took place on 29 April 2022 had occurred on 1 January 2022.

All footnotes are on page 13 and 14 of this document.

Operating and Financial Review

Business Drivers

The main factors affecting our results of operations for Ardagh Metal Packaging and Ardagh Glass Packaging are: (i) global economic trends, end-consumer demand for our products and production capacity of our manufacturing facilities; (ii) prices of energy and raw materials used in our business, primarily aluminium, cullet, soda ash, sand and coatings, and our ability to pass through these and other cost increases to our customers, through contractual pass through mechanisms under multi-year contracts, or through renegotiation in the case of short-term contracts or through levying surcharges in respect of shorter-term cost increases; (iii) movements in operating costs, as well as our efforts to limit or offset increases; (iv) acquisitions; and (v) foreign exchange rate fluctuations and currency translation risks arising from various currency exposures, primarily with respect to the euro, U.S. dollar, British pound, Swedish krona, Polish zloty, Danish krone, South African rand and Brazilian real.

Ardagh Metal Packaging

Ardagh Metal Packaging generates its revenue from supplying metal can packaging to the beverage end-use category. Revenue is primarily dependent on sales volumes and sales prices.

Sales volumes are influenced by a number of factors, including factors driving customer demand, seasonality and the capacity of our metal packaging production facilities. Demand for our metal cans may be influenced by trends in the consumption of beverages, industry trends in packaging, including customer marketing and pricing conditions, and the impact of environmental regulations and shifts in consumer sentiment towards a greater awareness of sustainability. The demand for our products is strongest during spells of warm weather and therefore demand typically, based on historical trends, peaks during the summer months, as well as in the period leading up to the holidays in December. Accordingly, we generally build inventories in the first and fourth quarters, in anticipation of the seasonal demands in our metal packaging business.

AMPSA's Adjusted EBITDA is based on revenue derived from selling our metal cans and is affected by a number of factors, primarily cost of sales. The elements of AMPSA's cost of sales include (i) variable costs, such as raw materials (including the cost of aluminium), packaging materials, decoration and freight and other distribution costs, and (ii) fixed costs, such as labour and other production facility-related costs including depreciation and maintenance. In addition, sales, marketing and administrative costs also impact Adjusted EBITDA. AMPSA's variable costs have typically constituted approximately 75% and fixed costs approximately 25% of the total cost of sales for its business.

Ardagh Glass Packaging

Ardagh Glass Packaging generates its revenue principally from selling glass containers. Ardagh Glass Packaging revenue is primarily dependent on sales volumes and sales prices. Ardagh Glass Packaging includes our glass engineering business, Heye International.

Sales volumes are affected by a number of factors, including factors impacting customer demand, seasonality and the capacity of Ardagh Glass Packaging's production facilities. Demand for glass containers may be influenced by trends in the consumption of beverages, fruit and vegetable harvests, industry trends in packaging, including marketing decisions, and the impact of environmental regulations, as well as changes in consumer sentiment including social media influences and a greater awareness of sustainability issues.

Beverage and food end market sales within our glass packaging business are seasonal in nature, with strongest demand for beverage market sales during the summer and during periods of warm weather, as well as the period leading up to holidays in December. Accordingly, Ardagh Glass Packaging's shipment volumes of glass containers is typically lower in the first quarter. Ardagh Glass Packaging builds inventory in the first quarter in anticipation of these seasonal demands. In addition, Ardagh Glass Packaging generally schedules shutdowns of its production facilities for furnace rebuilding and repairs of machinery in the first quarter (for Europe and North America) and in the second quarter (for Africa). These shutdowns and seasonal sales patterns adversely affect profitability in Ardagh Glass Packaging's glass manufacturing operations during the first quarter of the year. The timing and extent of production facility shutdowns may also affect the comparability of results from period to period. Ardagh Glass Packaging's working capital requirements are typically greatest at the end of the first quarter of the year.

Ardagh Glass Packaging's Adjusted EBITDA is based on revenue derived from selling glass containers and glass engineering products and services and is affected by a number of factors, primarily cost of sales. The elements of Ardagh Glass Packaging's cost of sales for its glass container manufacturing business include (i) variable costs, such as natural gas and electricity, raw materials (including the cost of cullet), packaging materials, decoration and freight and other distribution costs, and (ii) fixed costs, such as labour and other production facility-related costs including depreciation and maintenance. In addition, sales, marketing and administrative costs also impact Adjusted EBITDA. Ardagh Glass Packaging's variable costs have typically constituted approximately 50% and fixed costs approximately 50% of the total cost of sales for our glass container manufacturing business.

On 29 April 2022, the Group acquired Consol, the leading producer of glass packaging on the African continent, for an equity value of ZAR10.1 billion ($663 million).

Supplemental Management's Discussion and Analysis

Key operating measures

Adjusted EBITDA consists of profit/(loss) for the year before income tax charge/(credit), net finance expense, depreciation and amortisation, exceptional operating items and share of profit or loss in equity accounted joint venture. We use Adjusted EBITDA to evaluate and assess our segment performance. Adjusted EBITDA is presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating companies in the packaging industry. However, other companies may calculate Adjusted EBITDA in a manner different from ours. Adjusted EBITDA is not a measure of financial performance under IFRS Accounting Standards and should not be considered an alternative to profit/(loss) as indicators of operating performance or any other measures of performance derived in accordance with IFRS Accounting Standards.

For a reconciliation of the profit/(loss) for the year to Adjusted EBITDA see Note 3 – Segment analysis to the audited consolidated financial statements.

Financial Performance Review

The consolidated results and the results for Ardagh Glass Packaging Europe & Africa for the three months ended and year ended 31 December 2023 and the three months ended 31 December 2022 are presented on an as reported basis. In order to facilitate comparison, the consolidated revenues and Adjusted EBITDA for the Group and for Ardagh Glass Packaging Europe & Africa for the year ended 31 December 2022 are presented below on a pro-forma basis, as if the acquisition of Consol was completed on 1 January 2022.

Group Adjusted EBITDA in the three months ended 31 December 2023 decreased by $80 million, or 25%, to $243 million, compared with $323 million in the three months ended 31 December 2022. Excluding foreign currency translation effects of $6 million, Adjusted EBITDA in the three months ended 31 December 2023 decreased by 27% or $86 million compared with the same period last year.

Group Adjusted EBITDA in the year ended 31 December 2023 decreased by $15 million, or 1%, to $1,299 million, compared with pro-forma $1,314 million in the year ended 31 December 2022. Excluding foreign currency translation effects of $8 million, Adjusted EBITDA in the year ended 31 December 2023 decreased by $7 million, or less than 1%, compared with the pro-forma Adjusted EBITDA of $1,314 million in the prior year.

Three months ended 31 December 2023 compared with three months ended 31 December 2022

Segment results for the three months ended 31 December 2023 and 2022 are:

Revenue	Ardagh Metal Packaging Europe	Ardagh Metal Packaging Americas	Ardagh Glass Packaging Europe & Africa	Ardagh Glass Packaging North America	Group
	$'m	$'m	$'m	$'m	$'m
Reported Revenue 2022	**438**	**638**	**709**	**418**	**2,203**
Movement	(46)	67	(12)	(54)	(45)
FX translation	35	—	21	—	56
Reported Revenue 2023	**427**	**705**	**718**	**364**	**2,214**

Adjusted EBITDA	**Ardagh Metal Packaging Europe**	**Ardagh Metal Packaging Americas**	**Ardagh Glass Packaging Europe & Africa**	**Ardagh Glass Packaging North America**	**Group**
	$'m	**$'m**	**$'m**	**$'m**	**$'m**
Reported Adj. EBITDA 2022	**45**	**114**	**142**	**22**	**323**
Movement	(17)	3	(70)	(2)	(86)
FX translation	3	—	3	—	6
Reported Adj. EBITDA 2023	**31**	**117**	**75**	**20**	**243**
2023 margin % - reported	**7.3%**	**16.6%**	**10.4%**	**5.5%**	**11.0%**
2022 margin % - reported	**10.3%**	**17.9%**	**20.0%**	**5.3%**	**14.7%**

Revenue

Ardagh Metal Packaging Europe. Revenue decreased by $11 million, or 3%, to $427 million in the three months ended 31 December 2023, compared with $438 million in the same period last year. On a constant currency basis, revenue decreased by 10%, principally due to unfavourable volume/mix effects, partly offset by higher input cost recovery.

Ardagh Metal Packaging Americas. Revenue increased by $67 million, or 11%, to $705 million in the three months ended 31 December 2023, compared with $638 million in the same period last year, principally reflecting favourable volume/mix effects, partly offset by the pass through to customers of lower input costs.

Ardagh Glass Packaging Europe & Africa. Revenue increased by $9 million, or 1%, to $718 million in the three months ended 31 December 2023, compared with $709 million in the same period last year. Excluding favourable foreign currency translation effects of $21 million, revenue decreased by $12 million, or 2%, mainly driven by unfavourable volume/mix effects, partly offset by the pass through of higher input costs during the period.

Ardagh Glass Packaging North America. Revenue decreased by $54 million, or 13%, to $364 million in the three months ended 31 December 2023, compared with $418 million in the same period last year. The decrease in revenue reflected adverse volume/mix effects, including effects related to the beer market disruption in North America, partly offset by the pass through of higher input costs.

Adjusted EBITDA

Ardagh Metal Packaging Europe. Adjusted EBITDA decreased by $14 million, or 31%, to $31 million in the three months ended 31 December 2023, compared with $45 million in the same period last year. On a constant currency basis, Adjusted EBITDA decreased by 35%, principally due to unfavourable volume/mix effects and higher operating costs, partly offset by higher input cost recovery.

Ardagh Metal Packaging Americas. Adjusted EBITDA increased by $3 million, or 3%, to $117 million in the three months ended 31 December 2023, compared with $114 million in the same period last year. The increase was primarily driven by favourable volume/mix effects, partly offset by higher operating costs.

Ardagh Glass Packaging Europe & Africa. Adjusted EBITDA decreased by $67 million, or 47%, to $75 million in the three months ended 31 December 2023, compared with $142 million in the same period last year. Excluding favourable foreign currency translation effects of $3 million, Adjusted EBITDA decreased by $70 million, or 49%, primarily due to higher operating costs related to fixed cost under absorption as a result of lower production and unfavourable volume/mix effects, partly offset by increased selling prices to recover higher input costs.

Ardagh Glass Packaging North America. Adjusted EBITDA decreased by $2 million, or 9%, to $20 million in the three months ended 31 December 2023, compared with $22 million in the same period last year. The decrease in Adjusted EBITDA was driven by unfavourable volume/mix effects, including related to the North American beer market disruption, partly offset by lower operating costs.

Segment results for the year ended 31 December 2023 and 2022 are:

Revenue	Ardagh Metal Packaging Europe	Ardagh Metal Packaging Americas	Ardagh Glass Packaging Europe & Africa	Ardagh Glass Packaging North America	Group
	$'m	$'m	$'m	$'m	$'m
			Pro-forma		Pro-forma
Reported Revenue 2022	**1,963**	**2,726**	**2,534**	**1,807**	**9,030**
Acquisition	—	—	199	—	199
Pro-forma Revenue 2022	**1,963**	**2,726**	**2,733**	**1,807**	**9,229**
Movement	22	57	271	(176)	174
FX translation	45	(1)	(45)	—	(1)
Reported Revenue 2023	**2,030**	**2,782**	**2,959**	**1,631**	**9,402**

Adjusted EBITDA	Ardagh Metal Packaging Europe	Ardagh Metal Packaging Americas	Ardagh Glass Packaging Europe & Africa	Ardagh Glass Packaging North America	Group
	$'m	$'m	$'m	$'m	$'m
			Pro-forma		Pro-forma
Reported Adj. EBITDA 2022	**200**	**425**	**476**	**163**	**1,264**
Acquisition	—	—	50	—	50
Pro-forma Adj. EBITDA 2022	**200**	**425**	**526**	**163**	**1,314**
Movement	8	(36)	28	(7)	(7)
FX translation	3	—	(11)	—	(8)
Reported Adj. EBITDA 2023	**211**	**389**	**543**	**156**	**1,299**
2023 margin % - reported	**10.4%**	**14.0%**	**18.3%**	**9.6%**	**13.8%**
2022 margin % - pro-forma	**10.2%**	**15.6%**	**19.2%**	**9.0%**	**14.2%**

Revenue

Ardagh Metal Packaging Europe. Revenue increased by $67 million, or 3%, to $2,030 million in the year ended 31 December 2023, compared with $1,963 million in the year ended 31 December 2022. The increase in revenue, excluding favourable foreign currency translation effects of $45 million, was principally due to higher input cost recovery, partly offset by unfavourable volume/mix effects.

Ardagh Metal Packaging Americas. Revenue increased by $56 million, or 2%, to $2,782 million in the year ended 31 December 2023, compared with $2,726 million in the year ended 31 December 2022. The increase in revenue principally reflected the favourable volume/mix effects, partly offset by the pass through of lower input costs.

Ardagh Glass Packaging Europe & Africa. Revenue increased by $226 million, or 8%, to $2,959 million in the year ended 31 December 2023, compared with pro-forma revenue of $2,733 million in the year ended 31 December 2022. Excluding unfavourable foreign currency translation effects of $45 million, revenue increased by $271 million, or 10%, principally due to higher selling prices, reflecting the pass through higher input costs, partly offset by unfavourable volume/mix effects.

Ardagh Glass Packaging North America. Revenue decreased by $176 million, or 10%, to $1,631 million in the year ended 31 December 2023, compared with $1,807 million in the year ended 31 December 2022. The decrease in revenue principally reflected unfavourable volume/mix effects, including related to the disruption in the North American beer market, partly offset by higher selling prices.

Adjusted EBITDA

Ardagh Metal Packaging Europe. Adjusted EBITDA increased by $11 million, or 6%, to $211 million in the year ended 31 December 2023, compared with $200 million in the year ended 31 December 2022. The increase in Adjusted EBITDA was principally due to higher input cost recovery, partly offset by unfavourable volume/mix effects and higher operating costs.

Ardagh Metal Packaging Americas. Adjusted EBITDA decreased by $36 million, or 8%, to $389 million in the year ended 31 December 2023, compared with $425 million in the year ended 31 December 2022. The decrease was primarily driven by higher operating costs and lower input cost recovery, partly offset by favourable volume/mix effects.

Ardagh Glass Packaging Europe & Africa. Adjusted EBITDA increased by $17 million, or 3%, to $543 million in the year ended 31 December 2023, compared with pro-forma Adjusted EBITDA of $526 million in the year ended 31 December 2022. Excluding unfavourable foreign currency translation effects of $11 million, Adjusted EBITDA increased by $28 million, or 5%, principally due to increased selling prices to recover higher input costs, partly offset by higher operating costs related to fixed cost under absorption as a result of lower production, and unfavourable volume/mix effects.

Ardagh Glass Packaging North America. Adjusted EBITDA decreased by $7 million, or 4%, to $156 million in the year ended 31 December 2023, compared with $163 million in the year ended 31 December 2022. The decrease in Adjusted EBITDA was principally driven by unfavourable volume/mix effects, including related to the disruption in the North American beer market, and resulting higher operating costs related to fixed cost under absorption due to lower production, partly offset by higher selling prices.

Liquidity and Capital Resources

Cash Requirements Related to Operations

Our principal sources of cash are cash generated from operations and external financings, including borrowings and other credit facilities. Our principal funding arrangements include borrowings available under the Group's Global Asset Based Loan Facility.

The following table outlines our principal financing arrangements as of 31 December 2023.

Facility	Currency	Maximum amount drawable	Final maturity date	Facility type	Amount drawn			Undrawn amount
		Local currency m			Restricted Group * $'m	Unrestricted Group ** $'m	Total Group $'m	$'m
5.250% Senior Secured Notes	USD	700	30-Apr-25	Bullet	700	–	700	–
4.125% Senior Secured Notes	USD	1,215	15-Aug-26	Bullet	1,215	–	1,215	–
2.125% Senior Secured Notes	EUR	439	15-Aug-26	Bullet	485	–	485	–
2.125% Senior Secured Notes	EUR	790	15-Aug-26	Bullet	873	–	873	–
4.750% Senior Notes	GBP	400	15-Jul-27	Bullet	509	–	509	–
5.250% Senior Notes	USD	800	15-Aug-27	Bullet	800	–	800	–
5.250% Senior Notes	USD	1,000	15-Aug-27	Bullet	1,000	–	1,000	–
South African Rand Senior Facilities	ZAR	8,500	01-Mar-28	Bullet	440	–	440	22
Global Asset Based Loan Facility - Restricted Group	USD	381	30-Mar-27	Revolving	–	–	–	381
Lease obligations	Various	–	Various	Amortising	387	408	795	–
Other borrowings/credit lines	Various	–	Rolling	Amortising	36	54	90	12
6.000% Senior Secured Green Notes	USD	600	15-Jun-27	Bullet	–	600	600	–
2.000% Senior Secured Green Notes	EUR	450	01-Sep-28	Bullet	–	497	497	–
3.250% Senior Secured Green Notes	USD	600	01-Sep-28	Bullet	–	600	600	–
3.000% Senior Green Notes	EUR	500	01-Sep-29	Bullet	–	553	553	–
4.000% Senior Green Notes	USD	1,050	01-Sep-29	Bullet	–	1,050	1,050	–
Global Asset Based Loan Facility - Unrestricted Group	USD	369	06-Aug-26	Revolving	–	–	–	369
Total borrowings / undrawn facilities					**6,445**	**3,762**	**10,207**	**784**
Deferred debt issue costs and bond discounts/bond premium					(36)	(28)	(64)	–
Net borrowings / undrawn facilities					**6,409**	**3,734**	**10,143**	**784**
Cash, cash equivalents and restricted cash					(287)	(443)	(730)	730
Derivative financial instruments used to hedge foreign currency and interest rate risk					63	21	84	–
Net debt / available liquidity					**6,185**	**3,312**	**9,497**	**1,514**

*Restricted Group refers to Ardagh Group excluding the Unrestricted Group.

**Unrestricted Group refers to Ardagh Metal Packaging S.A. and its subsidiaries.

Lease obligations at 31 December 2023 of $795 million (2022: $681 million) primarily reflects $281 million of new lease liabilities and foreign currency movements, partly offset by $171 million of repayments and $4 million of disposals of lease assets during the year ended 31 December 2023.

At 31 December 2023, the Group had $750 million available under the Global Asset Based Loan Facilities (2022: $848 million).

The following table outlines the minimum repayments the Group is obliged to make in the twelve months ending 31 December 2024, assuming that the other credit lines will be renewed or replaced with similar facilities as they mature.

Facility	Currency	Local Currency	Final Maturity Date	Facility Type	Minimum net repayment for the Twelve months ending 31 December 2024
		(in millions)			(in $ millions)
Global Asset Base Loan Facility - Restricted Group	USD	381	30-Mar-27	Revolving	—
Global Asset Base Loan Facility - Unrestricted Group	USD	369	06-Aug-26	Revolving	—
Lease obligations	Various	—		Amortising	163
Other borrowings/credit lines	Various	—	Rolling	Amortising	51
					214

The Group generates substantial cash flow from its operations and had $730 million in cash, cash equivalents and restricted cash as of 31 December 2023, as well as available but undrawn liquidity of $784 million under its credit facilities.

We believe that our cash balances and future cash flow from operating activities, as well as our credit facilities, will provide sufficient liquidity to fund our purchases of property, plant and equipment, interest payments on our notes and other credit facilities, and dividend payments for at least the next twelve months. In addition, we believe that we will be able to fund certain additional investments, which we may choose to pursue, from our current cash balances, credit facilities, cash flow from operating activities, and where necessary, incremental debt.

The Group's long-term liquidity needs primarily relate to the service of our debt obligations. We expect to satisfy our future long-term liquidity needs through a combination of cash flow generated from operations and we continue to evaluate our capital structure, the trading prices of our indebtedness and the financing markets generally to determine when best to address our near-term maturities. We or our affiliates may also, from time to time, seek to refinance, repurchase or extend the maturity of our outstanding debt through open market purchases, tender offers, exchange offers, privately negotiated transactions or otherwise. Such transactions and the terms thereof will depend on market conditions, our liquidity requirements, contractual restrictions and other factors.

The Group believes it has adequate liquidity to satisfy its cash needs for at least the next 12 months. In the year ended 31 December 2023, the Group reported operating profit of $451 million, cash generated from operations of $1,228 million and generated Adjusted EBITDA of $1,299 million.

Footnotes to the Selected Financial Information

(1) Adjusted EBITDA consists of profit/(loss) for the year before income tax expense/(credit), net finance expense, depreciation and amortisation, exceptional operating items and share of profit or loss in equity accounted joint venture. Adjusted EBITDA margin is calculated as Adjusted EBITDA divided by revenue. Adjusted EBITDA and Adjusted EBITDA margin are presented because we believe that they are frequently used by securities analysts, investors and other interested parties in evaluating companies in the packaging industry. However, other companies may calculate Adjusted EBITDA and Adjusted EBITDA margin in a manner different from ours. Adjusted EBITDA and Adjusted EBITDA margin are not measurements of financial performance under IFRS Accounting Standards and should not be considered an alternative to profit/(loss) as indicators of operating performance or any other measures of performance derived in accordance with IFRS Accounting Standards.

(2) ARGID Restricted Group leverage ratio has been presented as supplemental information to reflect the impact of the dividends declared and paid by AMPSA to the ARGID Restricted Group [(13)]. ARGID Restricted Group refers to bonds issued by subsidiaries of Ardagh Group S.A., the dual issuers, Ardagh Packaging Finance plc and Ardagh Holdings USA Inc, and to the restricted subsidiaries of the parent guarantor Ardagh Group S.A. under those bonds.

(3) Exceptional operating items are shown on a number of different lines in the Consolidated Income Statement as referred to in Note 4 - Exceptional items of the audited consolidated financial statements.

(4) Includes exceptional finance income and expense.

(5) Includes exceptional share of post-tax profit/(loss) in equity accounted joint venture.

(6) Net interest expense is as set out in Note 5 - Net finance expense to the audited consolidated financial statements.

(7) Capital expenditure is the sum of purchase of property, plant and equipment and software and other intangibles, net of proceeds from disposal of property, plant and equipment, as per the audited consolidated statement of cash flows.

(8) Cash and cash equivalents and restricted cash include short term bank deposits and restricted cash as per the note disclosures to the audited consolidated financial statements included in this annual report.

(9) Working capital is comprised of inventories, trade and other receivables, related party receivables, contract assets, trade and other payables and current provisions. Other companies may calculate working capital in a manner different to ours.

(10) Net borrowings comprise non-current and current borrowings net of deferred debt issue costs.

(11) Net debt is comprised of net borrowings and derivative financial instruments used to hedge foreign currency and interest rate risk, net of cash and cash equivalents and restricted cash.

(12) Net debt to Adjusted LTM EBITDA ratio at 31 December 2023 of 7.3x, is based on net debt at 31 December 2023 of $9,497 million and reported Adjusted EBITDA for the last twelve months to 31 December 2023 of $1,299 million.

(13) ARGID Restricted Group leverage ratio at 31 December 2023 of 6.8x, is based on net debt at 31 December 2023 of $6,185 million divided by the total of AGSA LTM Adjusted EBITDA of $1,299 million (See Note 12 above) less the LTM Adjusted EBITDA for the Ardagh Metal Packaging reportable segments of $600 million and including the AMPSA ordinary dividend attributable to AGSA of $182 million and the AMPSA 9% Preferred Shares dividend attributable to AGSA of $24 million for the twelve months ended 31 December 2023.

(14) ARGID Restricted Group pro-forma leverage ratio at 31 December 2023 of 6.6x, is based on net debt at 31 December 2023 of $6,185 million divided by the total of AGSA LTM pro-forma Adjusted EBITDA of $1,326 million (See Note 12 above) less the LTM Adjusted EBITDA for the Ardagh Metal Packaging reportable segments of $600 million and including the AMPSA ordinary dividend of $182 million, and the AMPSA 9% Preferred Shares dividend of $24 million attributable to AGSA for the twelve months ended 31 December 2023. The ARGID Restricted Group pro-forma leverage ratio as at 31 December 2023 is presented to exclude $27 million of non-recurring charges incurred in 2023 in Ardagh Glass Packaging Europe & Africa related to out of market energy costs.

ARGID Restricted Group pro-forma leverage ratio at 31 December 2022 of 6.2x, is based on net debt at December 2022 of $5,575 million divided by the total of AGSA pro-forma LTM Adjusted EBITDA of $1,314 million (See Note 12 above) less the impact of the LTM Adjusted EBITDA for the Ardagh Metal Packaging reportable segments of $625 million and including the AMPSA ordinary dividend attributable to AGSA for the twelve months ended 31 December 2022, of $182 million* and including the pro-forma annualised AMPSA 9% Preferred Shares dividend to AGSA for the twelve months ended 31 December 2022, of $22 million**.

*Calculated on a pro-forma basis for a full year impact based on total dividends declared on ordinary shares of $240 million which have been approved by the board of directors of AMPSA for the year ended 31 December 2022, of which approximately 76% is attributed to AGSA ($182 million). See Note 25 - Dividends of the audited consolidated statements for further detail.

** Calculated on a pro-forma basis for a full year impact based on the AMPSA approved quarterly interim dividend declared of 9% on the preferred shares of €12 million (approximately $11 million) for the six months period ended 31 December 2022.

See Notes 3, 19, and 25 of the audited consolidated statements for information regarding the Ardagh Metal Packaging reportable segments, the Restricted Group net debt, and dividends declared and paid by AMPSA respectively.

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

Board of Directors

The following table sets forth certain information with respect to members of the board of directors of Ardagh Group S.A. (the "Board") as of 27 March 2024, the approval date of these consolidated financial statements

Name	Age	Position	Expiration of current directorship term	Independent
Herman Troskie	53	Chair	2024	
Paul Coulson	71	Director	2026	
John Sheehan	58	Chief Financial Officer and Director	2026	
Michael Dick	55	Chief Executive Officer Ardagh Glass Packaging and Director	2025	
Oliver Graham	56	Chief Executive Officer Ardagh Metal Packaging and Director	2025	
Gerald Moloney	66	Executive Director	2025	
Brendan Dowling	76	Director	2025	
Houghton Fry	78	Director	2025	
Johan Gorter	64	Non-Executive Director	2024	
Abigail Blunt	62	Non-Executive Director	2026	☒
Yves Elsen	66	Non-Executive Director	2026	☒
The Rt. Hon. the Lord Hammond of Runnymede	68	Non-Executive Director	2024	☒
Damien O'Brien	68	Non-Executive Director	2024	☒
Edward White	76	Non-Executive Director	2026	☒

Backgrounds of Our Directors and Officers

Herman Troskie

Herman Troskie is the Chair of the board of directors of Ardagh Group S.A. and has been a director of the Ardagh Group since 2009. He was previously the CEO of Corporate, Legal and Tax Advisory at Stonehage Fleming, the international family office. He has extensive experience in the areas of international corporate structuring, cross-border financing and capital markets. Mr. Troskie is a director of companies within the Yeoman group of companies, and other private and public companies. He qualified as a South African Attorney in 1997, and as a Solicitor of the Senior Courts of England and Wales in 2001. Mr. Troskie is the chair of the Compensation Committee, the Finance Committee and the Nominating and Governance Committee. He is based in Luxembourg and is a citizen of the Netherlands and South Africa.

Paul Coulson

Paul Coulson graduated from Trinity College Dublin with a business degree in 1973. He spent five years with Price Waterhouse in London and Dublin and qualified as a Chartered Accountant in 1978. He then established his own accounting firm before setting up Yeoman International in 1980 and developing it into a significant leasing and structured finance business. From 1998 to 2023, he was Chairman of Ardagh and initiated the transformation of Ardagh from a small, single plant operation into a leading global packaging company. Over the last 40 years he has been involved in the creation and development of a number of businesses apart from Yeoman and Ardagh. These include Fanad Fisheries, a leading Irish salmon farming company, and Sterile Technologies. Prior to its sale to Stericycle, Inc. in 2006, Sterile Technologies had been developed into the leading medical waste management company in the United Kingdom and Ireland. He is a member of the Compensation Committee and the Nominating and Governance Committee. Mr. Coulson is a citizen of the Republic of Ireland.

John Sheehan

John Sheehan was appointed Chief Financial Officer and Director of Ardagh Group in 2021, having previously been Director of Corporate Development and Investor Relations. Prior to joining Ardagh in 2012, Mr. Sheehan spent twelve years in the equity capital markets with Investec, RBS and NCB, covering a range of industry sectors, including packaging. Mr. Sheehan qualified as a Chartered Accountant with PriceWaterhouseCoopers. He is a member of the Finance Committee and the Sustainability Committee. He is a citizen of the Republic of Ireland.

Michael Dick

Michael Dick was appointed Chief Executive Officer of Ardagh Glass Packaging in 2022, in addition to his role of Group Chief Commercial Officer. He has previously held the positions of Chief Commercial Officer – Glass Packaging Europe and Business Development Manager – Metal Packaging, within the organisation. Prior to joining Ardagh in 2010, Michael held a number of senior management positions in General Electric and US Can. Michael has a BSc (Hons) degree in Applied Polymer Chemistry from Edinburgh Napier University. He is the chair of the Sustainability Committee and is a British citizen.

Oliver Graham

Oliver Graham is CEO of Ardagh Metal Packaging S.A., a position he has held since 2020. Before taking up this role, Mr. Graham was CEO of Metal Packaging Europe with responsibility for Metal Packaging Brazil, as well as being Ardagh Group S.A. Commercial Director. He joined Ardagh in 2016 following the acquisition of the metal beverage packaging business, prior to which he was Group Commercial Director at Rexam PLC. Mr. Graham joined Rexam PLC in 2013 from The Boston Consulting Group, where he was a partner. He is chair of the Sustainability Committee. Mr. Graham is a British citizen.

Gerald Moloney

Gerald Moloney has been a director of the Group since 2016, having served for many years on the boards of Yeoman International Group Limited and Yeoman Capital S.A. He is an executive with the Group since 2018. He holds a law degree from University College Cork and qualified as a solicitor in 1981. He worked for a period in European law in Brussels and has many years' experience working in the areas of commercial law and commercial litigation. He is a founding partner of the commercial and litigation law firm, G.J. Moloney, with offices in Dublin and Cork, Ireland. Mr. Moloney is a citizen of the Republic of Ireland.

Brendan Dowling

Brendan Dowling has been a director of the Group since 1998. He holds graduate degrees in economics from University College Dublin and Yale University. He was Economic Advisor to the Minister for Foreign Affairs in Dublin before joining Davy Stockbrokers in 1979 as Chief Economist and later partner. He is a former member of the Committee of the Irish Stock Exchange and the Industrial Development Authority of Ireland. Prior to joining Yeoman International Group in 1995, he was executive chairman of Protos Stockbrokers in Helsinki, Finland. He is a member of the Compensation Committee, the Finance Committee and the Nominating and Governance Committee. Mr. Dowling is a citizen of the Republic of Ireland.

Houghton Fry

Houghton Fry qualified as a solicitor in 1967 with William Fry, Solicitors in Dublin, Ireland having obtained an LLB law degree from Trinity College, Dublin University, Ireland. He became a Partner in the firm in 1970 and, in 1986, chairman and Senior Partner. He specialized in international corporate and financial law and had extensive transaction experience in many different jurisdictions. He retired from legal practice in 2004 and has been a director of the Group since that time. He is a member of the Nominating and Governance Committee. Mr. Fry is a citizen of the Republic of Ireland.

Johan Gorter

Johan Gorter has been a director of the Group since 2016. Mr. Gorter joined PLM in 1998 as plant director for the Dongen glass plant. He then held several management positions within Rexam PLC before he joined the Group in 2007 as Group Director for Continuous Improvement. He was Chief Executive Officer of Glass Packaging Europe from 2011 to 2019 and Chief Executive Officer of Glass Packaging from 2017 to 2019. Mr. Gorter was chair of Glass Packaging North America from 2020 until his retirement in 2021. Mr. Gorter holds a Masters in Industrial Engineering from the University of Eindhoven. He is a citizen of the Netherlands.

Abigail Blunt

Abigail Blunt has had a 30-year career as a corporate and government affairs executive with extensive experience in the consumer packaged goods industry. In 2022 she left the Kraft Heinz Company after 21 years where she had led the Global

Government Affairs function, served as an Advisor to the board, a Kraft Heinz Foundation board member and an ESG leader. Earlier in her career, Mrs. Blunt earned significant political acumen through her roles in government and government related entities including Finance Director of the National Republican Congressional Committee (NRCC), Deputy Director of the Bush Re-election Committee, US Chamber of Commerce Foundation Director, Government Affairs Director for the Federal Deposit Insurance Corporation (FDIC) and a legislative aide in the US House of Representatives. Mrs. Blunt was named by Washingtonian Magazine as one of "Washington's Most Influential People" in 2021 and 2022. She serves on the board of Apollo-owned portfolio company, SmartStart, as well as on the board of VitaKey. She is a member of The Economic Club of Washington and Extraordinary Women on Boards. Mrs. Blunt is an independent director and is a member of the Sustainability Committee. She is a citizen of the United States of America.

Yves Elsen

Yves Elsen is chairman of the board of directors of HITEC Luxembourg S.A., a Luxembourg-based industrial and technology company serving contractors in over 20 countries around the world. Mr. Elsen founded and led SATLYNX S.A., following extensive experience with listed satellite operator SES - Société Européenne des Satellites S.A. He was a member of the supervisory board of Villeroy & Boch AG from 2013 to 2019 and its chairman from 2017 to 2019. Mr. Elsen is chairman of the board of governors of the University of Luxembourg. He is an independent director and is a member of the Audit Committee. Mr. Elsen is a citizen of the Grand Duchy of Luxembourg.

The Rt. Hon. the Lord Hammond of Runnymede

The Rt Hon. the Lord Hammond of Runnymede has had a distinguished career in British politics. A Member of Parliament of the United Kingdom from 1997 to 2019, he held a range of ministerial offices, most recently serving as Chancellor of the Exchequer from 2016 to 2019. Prior to this, he served as Foreign Secretary from 2014 to 2016, as Defence Secretary from 2011 to 2014 and as Transport Secretary from 2010 to 2011. Lord Philip Hammond is an independent director and is a member of the Audit Committee. He is a British citizen.

Damien O'Brien

Damien O'Brien served as CEO of Egon Zehnder from 2008 to 2014 and as its chairman from 2010 to 2018. Mr. O'Brien joined Egon Zehnder in 1988 and since then he has been based in Australia, Asia and Europe. He is also a member of the boards of IMD Business School in Lausanne, Switzerland, and St. Vincents Health Australia. Mr. O'Brien is an independent director and is the chair of the Audit Committee and a member of the Compensation Committee. Mr. O'Brien is a citizen of Australia and the Republic of Ireland.

Edward White

Edward White has been an Executive Professor of Finance in the Mays Business School at Texas A&M University since 2014. He was formerly a Senior Vice President and the Chief Financial Officer of O-I Glass, Inc. ("O-I") for seven years until his retirement in 2012. During his 38-year career with O-I, he worked in a variety of management roles across finance, manufacturing and marketing. His international experiences included senior management positions as an expatriate in Finland, Poland, France and Switzerland. Mr. White holds a M.B.A. from the University of Hawaii and a Bachelor's in Business Administration from Indiana University. He is an independent director and is a member of the Audit Committee. Mr. White is a citizen of the United States of America.

Committees of the Board

Our Board has five standing committees: an audit committee (the "Audit Committee"), a compensation committee (the "Compensation Committee"), a nominating and governance committee (the "Nominating and Governance Committee"), a sustainability committee (the "Sustainability Committee"), and a finance committee (the "Finance Committee"). In December 2023, the Board resolved to disband the executive committee. The members of each committee are appointed by the Board and serve until their successors are elected and qualified, unless they are earlier removed or they resign. Each of the committees report to the Board as it deems appropriate, and as the Board may request. The composition, duties and responsibilities of the five standing committees are set forth below. In the future, the Board may establish other committees, as it deems appropriate, to assist it with its responsibilities.

Audit Committee

In 2023, six meetings of the Audit Committee were held, with an attendance rate of 100%. Our Audit Committee currently consists of Damien O'Brien, Yves Elsen, The Rt. Hon. the Lord Hammond of Runnymede and Edward White, with Damien O'Brien serving as the chair of the Audit Committee.

Our Audit Committee, among other matters, oversees (1) our financial reporting, auditing and internal control activities; (2) the integrity and audits of our financial statements; (3) our compliance with legal and regulatory requirements; (4) the qualifications and independence of our independent auditors; (5) the performance of our internal audit function and independent auditors; and (6) our overall risk exposure and management. Duties of the Audit Committee include the following:

- annually review and assess the adequacy of the Audit Committee charter and the performance of the Audit Committee;
- be responsible for recommending the appointment, retention and termination of our independent auditors and determine the compensation of our independent auditors;
- review the plans and results of the audit engagement with the independent auditors;
- evaluate the qualifications, performance and independence of our independent auditors;
- have authority to approve in advance all audit and non-audit services by our independent auditors, the scope and terms thereof and the fees therefor;
- review the adequacy of our internal accounting controls;
- ensure the Company maintains a robust risk management function, including in respect of IT and cybersecurity risk management; and
- meet at least quarterly with our executive officers, internal audit staff and our independent auditors in separate executive sessions.

The Audit Committee has the power to investigate any matter brought to its attention within the scope of its duties and to retain counsel for this purpose where appropriate. Our Board has adopted a written charter for the Audit Committee, which is available on our corporate website at https://www.ardaghgroup.com/corporate/investors. The contents of the website are not incorporated by reference into this annual report.

Compensation Committee

In 2023, five meetings of the Compensation Committee were held, with an attendance rate of 100%. Our compensation committee currently consists of Paul Coulson, Brendan Dowling, Damien O'Brien and Herman Troskie. Paul Coulson stepped down as chair of the Compensation Committee on 13 December 2023 and was succeeded by Herman Troskie.

The Compensation Committee has the sole authority to retain, and terminate, any compensation consultant to assist in the evaluation of employee compensation and to approve the consultant's fees and the other terms and conditions of the consultant's retention. The Compensation Committee, among other matters:

- at the request of our Board, reviews and makes recommendations to our Board relating to management succession planning;
- administers, reviews and makes recommendations to our Board regarding our compensation plans;
- reviews and approves our corporate goals and objectives with respect to compensation for executive officers and, evaluates each executive officer's performance in light of such goals and objectives to set his or her annual compensation, including salary, bonus and equity and non-equity incentive compensation, subject to approval by our Board; and
- provides oversight of management's decisions regarding the performance, evaluation and compensation of other officers.

Our Board has adopted a written charter for the Compensation Committee, which is available on our corporate website at https://www.ardaghgroup.com/corporate/investors. The contents of the website are not incorporated by reference into this annual report.

Nominating and Governance Committee

In 2023, five meetings of the Nominating and Governance Committee were held, with an attendance rate of 100%. Our Nominating and Governance Committee currently consists of Paul Coulson, Brendan Dowling, Houghton Fry and Herman Troskie (appointed 13 December 2023). Paul Coulson stepped down as chair of the Nominating and Governance Committee on 13 December 2023 and was succeeded by Herman Troskie. The Nominating and Governance Committee, among other matters:

- selects and recommends to the Board nominees for election by the shareholders or appointment by the Board;
- annually reviews with the Board the composition of the Board with regards to characteristics such as independence, knowledge, skills, experience and diversity of the members of the Board;
- makes recommendations on the frequency and structure of meetings of the Board and to monitor the functioning of the committees of the Board;
- develops and recommends to our Board a set of corporate governance guidelines applicable to us and, periodically reviews such guidelines and recommends changes to our Board for approval as necessary; and
- oversees the annual self-evaluation of our Board.

Our Board has adopted a written charter for the Nominating and Governance Committee, which is available on our corporate website at https://www.ardaghgroup.com/corporate/investors. The contents of the website are not incorporated by reference into this annual report.

Sustainability Committee

In 2023, four meetings of the Sustainability Committee were held, with an attendance rate of 100%. The Sustainability Committee currently consists of Michael Dick, Abigail Blunt, Oliver Graham, John Sheehan and Alex Winters, with Michael Dick serving as the chair of the Sustainability Committee. The meetings of the Sustainability Committee are attended by the CEOs of Ardagh Metal Packaging Europe and Americas and Ardagh Glass Packaging Europe, Africa and North America and by sustainability, human resources and procurement executives. The Sustainability Committee, among other matters:

- assists the Board in fulfilling its oversight responsibility for the Company's environmental and social sustainability objectives;
- makes recommendations to the Board relating to environmental and social sustainability matters;
- develops and oversees the implementation of a sustainability strategy; and
- advises the Board periodically with regard to current and emerging environmental and social sustainability developments.

Our Board has adopted a written charter for the Sustainability Committee, which is available on our corporate website at https://www.ardaghgroup.com/corporate/investors. The contents of the website are not incorporated by reference into this annual report.

Finance Committee

Our Finance Committee currently consists of Herman Troskie, Brendan Dowling, Cormac Maguire and John Sheehan. Paul Coulson resigned from the Finance Committee on 13 December 2023. Herman Troskie succeeded Paul Coulson as chair of the Finance Committee on the same date. The Finance Committee, among other matters:

- reviews and monitors the capital structure, financial policies and treasury function of the Company and makes recommendations to the Board in relation thereto; and
- reviews and recommends to the Board whether to approve financing agreements or arrangements, including plans to issue, incur, amend, repurchase, redeem or repay, as applicable, indebtedness.

Our Board has adopted a written charter for the Finance Committee, which is available on our corporate website at https://www.ardaghgroup.com/corporate/investors. The contents of the website are not incorporated by reference into this annual report.

Code of Conduct

Our Board has adopted a code of conduct (the "Code of Conduct") that establishes the standards of ethical conduct applicable to all of our directors, officers and employees. We also expect that all our business partners adhere to the principles and values set out in our Code of Conduct. The Code of Conduct addresses, among other things, competition and fair dealing, conflicts of interest, accurate financial reporting, compliance with applicable laws, rules and regulations, handling of company funds and assets, confidentiality and the process for reporting violations of the Code of Conduct, employee misconduct, conflicts of interest or other violations. Any waiver of the Code of Conduct with respect to any director or executive officer will be promptly disclosed and posted on our website. Amendments to the Code of Conduct must be approved by our Board and will be promptly disclosed and posted on our website.

The Code of Conduct is publicly available on our website at http://www.ardaghgroup.com/corporate/investors and in print to any shareholder who requests a copy. The contents of the website are not incorporated by reference into this annual report.

Corporate Governance Guidelines

Our Board has adopted corporate governance guidelines that serve as a flexible framework within which our Board and its committees operate. These guidelines cover a number of areas including the size and composition of the Board, Board membership criteria and director qualifications, director responsibilities, board agenda, roles of the chair of the Board and the chief executive officer, meetings of independent directors, Board member access to management and independent advisors, director communications with third parties, director compensation, director orientation and continuing education, evaluation of senior management and management succession planning. Our Nominating and Governance Committee reviews our corporate governance guidelines periodically and, if necessary, recommends changes to our Board.

Enterprise Risk Management

We have implemented an enterprise risk management framework with processes to identify, assess, treat and monitor risks. These processes build part of our corporate governance structure and are overseen by an Enterprise Risk Management Committee which reports into the Audit Committee of the Board.

Compensation of Directors and Key Management

The aggregate amount of compensation our key management (including directors) received from the Group for service as key management for the year ended 31 December 2023 was $12 million (2022: $15 million). Please refer to Note 26 – Related party transactions and information of the notes to the consolidated financial statements.

Luxembourg Trade Register Number (Registre de Commerce et des Sociétés)

B 160804.

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for preparing the consolidated financial statements in accordance with applicable law and regulations.

The consolidated financial statements are required by law to give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state that the consolidated financial statements comply with IFRS Accounting Standards as adopted by the EU; and
- prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors confirm that they have complied with the above requirements in preparing the consolidated financial statements.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the consolidated financial statements comply with Luxembourg Law. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SUSTAINABILITY

Sustainability is a core part of our business, and our sustainability strategy is built upon three pillars – Emissions, Ecology and Social, which focuses on reducing our greenhouse gas ("GHG") emissions and ecological impact, while supporting our people and the communities where we do business. Our focus on sustainability has been recognised by various external organisations. In 2023, we were awarded our second consecutive platinum rating from EcoVadis. In addition, Ardagh Metal Packaging received leadership ratings of A- for water management and a B rating for climate change and Ardagh Glass Packaging received a B rating for both water management and climate change from CDP (formerly the Carbon Disclosure Project).

Emissions

The Emissions pillar of our sustainability strategy aligns to the Science-Based Targets initiative ("SBTi") and aims to minimize our GHG emissions and other potential emissions to air. We are targeting to reduce our Scope 1, 2 and 3 GHG emissions by 2030 from a 2020 baseline, in line with the Paris Climate Agreement of 2015, under which select governments pledged to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels. These targets were approved by the SBTi in 2022. We have launched wide range of initiatives to work towards achieving these targets, including procuring electricity from renewable sources.

We also take a holistic approach across our operations and supply chains working in close collaboration with our industry associations to increase recycled content and reduce emissions from our materials and operations. Recycling rates for aluminium beverage cans are relatively high in the geographies in which we operate, estimated at 45% in the United States, 73% in Europe and 100% in Brazil between 2020 - 2022. The use of recycled aluminium reduces energy consumption by over 90% compared with the alternative of producing aluminium cans from its virgin source. In addition, we have identified several strategic activities to support emissions reductions, including using less material, lightweighting the aluminium we use in our products without sacrificing quality and optimising logistics to reduce fuel usage.

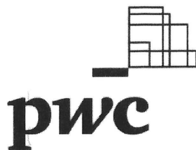
Ecology

The Ecology pillar of our sustainability strategy is focused on reducing water consumption and waste to minimise our impact on the environment. Water is used in many steps of our manufacturing processes, including forming, washing, rinsing and cooling of beverage cans. We recognise that water scarcity affects an increasing number of regions worldwide as well as the strategic significance of water as a finite and essential resource, and have set targets to reduce water usage across our global operations. We also recognise the negative impact that waste being sent to landfills is having on our environment and strive to reduce the amount of waste that we generate and prevent such waste from going into landfills either through reuse or recycling. When this is not possible, we apply controls and treatment technologies to prevent human health effects and minimise the environmental impacts of disposal.

Social

The Social pillar of our sustainability strategy embodies our commitment to build a safe, diverse, equal and inclusive workforce focused on customer satisfaction and improving the communities we do business in. We believe in fostering environments where diverse ideas help us solve our most pressing challenges and that our unique backgrounds and perspectives drive innovation. We aim to ensure a safe and healthy workplace for all 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, equity, and inclusion ("DE&I") in the workplace and continue to integrate DE&I practices into our values, operations and wider community.

Audit Report to the Shareholders of Ardagh Group S.A.



Audit report

To the Shareholders of
Ardagh Group S.A.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of Ardagh Group S.A. (the "Company") and its subsidiaries (the "Group") as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of income for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

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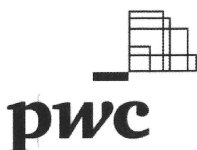


Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the Management report but does not include the consolidated financial statements and our audit report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and those charged with governance for the consolidated financial statements

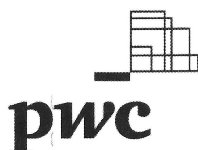
The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

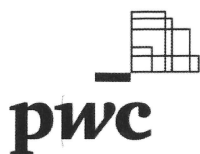
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;

- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

The Management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 27 March 2024

Laurence Demelenne

Consolidated Financial Statements

ARDAGH GROUP S.A.
CONSOLIDATED INCOME STATEMENT

		Year ended 31 December 2023			Year ended 31 December 2022		
	Note	**Before exceptional items $'m**	**Exceptional items $'m**	**Total $'m**	**Before exceptional items $'m**	**Exceptional items $'m**	**Total $'m**
			Note 4			Note 4	
Revenue	3	9,402	–	9,402	9,030	–	9,030
Cost of sales		(8,277)	(292)	(8,569)	(7,891)	(75)	(7,966)
Gross profit		**1,125**	**(292)**	**833**	**1,139**	**(75)**	**1,064**
Sales, general and administration expenses		(497)	(55)	(552)	(455)	(59)	(514)
Intangible amortisation and impairment	8	(177)	–	(177)	(229)	(244)	(473)
Operating profit		**451**	**(347)**	**104**	**455**	**(378)**	**77**
Net finance expense	5	(522)	6	(516)	(392)	64	(328)
Share of post-tax (loss)/profit in equity accounted joint venture	11	(22)	(25)	(47)	34	(27)	7
Loss before tax		**(93)**	**(366)**	**(459)**	**97**	**(341)**	**(244)**
Income tax charge	6	(34)	(2)	(36)	(29)	(17)	(46)
Loss for the year		**(127)**	**(368)**	**(495)**	**68**	**(358)**	**(290)**
(Loss)/profit attributable to:							
Equity holders				(483)			(348)
Non-controlling interests	24			(12)			58
Loss for the year				**(495)**			**(290)**

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Approved by the directors on 27 March 2024

Herman Troskie Yves Elsen

ARDAGH GROUP S.A.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 December 2023 $'m	2022 $'m
Loss for the year		**(495)**	**(290)**
Other comprehensive expense:			
Items that may subsequently be reclassified to income statement			
Foreign currency translation adjustments:			
—Arising in the year		(47)	(48)
		(47)	**(48)**
Share of foreign currency translation adjustments in equity accounted joint venture*	11	**7**	**(18)**
Effective portion of changes in fair value of cash flow hedges:			
—New fair value adjustments into reserve		(187)	80
—Movement out of reserve to income statement		39	(29)
—Movement in deferred tax		17	20
		(131)	**71**
Share of changes in fair value of cash flow hedges in equity accounted joint venture*	11	**(5)**	**3**
Profit/(loss) recognised on cost of hedging:			
—New fair value adjustments into reserve		4	(2)
—Movement out of reserve		(1)	—
		3	**(2)**
Share of loss recognised on cost of hedging in equity accounted joint venture*	11	**—**	**(1)**
Items that will not be reclassified to income statement			
—Remeasurement of employee benefit obligations	20	(21)	186
—Deferred tax movement on employee benefit obligations		6	(49)
		(15)	**137**
Share of items that will not be reclassified to income statement in equity accounted joint venture	11	**(5)**	**16**
Total other comprehensive (expense)/income for the year		**(193)**	**158**
Total comprehensive expense for the year		**(688)**	**(132)**
Attributable to:			
Equity holders		(663)	(207)
Non-controlling interests	24	(25)	75
Total comprehensive expense for the year		**(688)**	**(132)**

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

*Prior year amounts which had been aggregated as a single line item have been separated out onto individual lines to show the share of equity accounted joint venture in each reserve within other comprehensive income, to conform to the current year presentation.

Approved by the directors on 27 March 2024

Herman Troskie Yves Elsen

ARDAGH GROUP S.A. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	At 31 December 2023 $'m	At 31 December 2022 $'m
Non-current assets			
Intangible assets	8	2,146	2,240
Property, plant and equipment	9	5,279	4,825
Derivative financial instruments	19	3	15
Deferred tax assets	12	159	153
Investment in equity accounted joint venture	11	250	292
Employee benefit assets	20	22	27
Other non-current assets	10	101	31
		7,960	**7,583**
Current assets			
Inventories	13	1,526	1,400
Trade and other receivables	14	976	1,342
Contract assets	15	259	239
Derivative financial instruments	19	13	54
Cash, cash equivalents and restricted cash	16	730	1,131
Related party receivables	26	50	72
		3,554	**4,238**
TOTAL ASSETS		**11,514**	**11,821**
Equity attributable to owners of the parent			
Equity share capital	17	23	23
Share premium		1,292	1,292
Capital contribution		485	485
Other reserves		59	194
Retained earnings		(4,051)	(3,419)
		(2,192)	**(1,425)**
Non-controlling interests	24	(41)	30
TOTAL EQUITY		**(2,233)**	**(1,395)**
Non-current liabilities			
Borrowings	19	9,297	9,029
Lease obligations	19	632	557
Employee benefit obligations	20	394	361
Derivative financial instruments	19	162	59
Deferred tax liabilities	12	355	375
Provisions and other liabilities	21	116	108
		10,956	**10,489**
Current liabilities			
Borrowings	19	51	25
Lease obligations	19	163	124
Interest payable		52	50
Derivative financial instruments	19	54	55
Trade and other payables	22	2,276	2,308
Income tax payable		93	93
Provisions	21	102	72
		2,791	**2,727**
TOTAL LIABILITIES		**13,747**	**13,216**
TOTAL EQUITY and LIABILITIES		**11,514**	**11,821**

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Approved by the directors on 27 March 2024

Herman Troskie Yves Elsen

ARDAGH GROUP S.A.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the owner of the parent										
	Share capital $'m	Share premium $'m	Capital contribution $'m	Foreign currency translation reserve $'m	Cash flow hedge reserve $'m	Cost of hedging reserve $'m	Other reserves $'m	Retained earnings $'m	Total $'m	Non-controlling interests $'m	Total equity $'m
At 1 January 2022	**23**	**1,292**	**485**	**84**	**96**	**6**	164	**(3,218)**	**(1,068)**	**44**	**(1,024)**
(Loss)/profit for the year	–	–	–	–	–	–	–	(348)	**(348)**	58	**(290)**
Other comprehensive (expense)/income	–	–	–	(66)	63	(3)	–	147	**141**	17	**158**
Hedging gains transferred to cost of inventory	–	–	–	–	(123)	–	–	–	**(123)**	(28)	**(151)**
Own shares repurchased and cancelled by AMPSA	–	–	–	–	–	–	(32)	–	**(32)**	(3)	**(35)**
Transactions with owners in their capacity as owners											
Share-based payment reserve	–	–	–	–	–	–	5	–	**5**	–	**5**
Dividends (Note 25)	–	–	–	–	–	–	–	–	**–**	(58)	**(58)**
At 31 December 2022	**23**	**1,292**	**485**	**18**	**36**	**3**	**137**	**(3,419)**	**(1,425)**	**30**	**(1,395)**
At 1 January 2023	**23**	**1,292**	**485**	**18**	**36**	**3**	**137**	**(3,419)**	**(1,425)**	**30**	**(1,395)**
Loss for the year	–	–	–	–	–	–	–	(483)	**(483)**	(12)	**(495)**
Other comprehensive (expense)/income	–	–	–	(44)	(122)	3	–	(17)	**(180)**	(13)	**(193)**
Hedging losses transferred to cost of inventory	–	–	–	–	50	–	–	–	**50**	7	**57**
NOMOQ acquisition (Note 9)	–	–	–	–	–	–	(5)	–	**(5)**	4	**(1)**
Transactions with owners in their capacity as owners											
Share-based payment reserve	–	–	–	–	–	–	(17)	–	**(17)**	–	**(17)**
Dividends (Note 25)	–	–	–	–	–	–	–	(132)	**(132)**	(57)	**(189)**
At 31 December 2023	**23**	**1,292**	**485**	**(26)**	**(36)**	**6**	**115**	**(4,051)**	**(2,192)**	**(41)**	**(2,233)**

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Approved by the directors on 27 March 2024

Herman Troskie Yves Elsen

ARDAGH GROUP S.A.
CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Year ended 31 December 2023 $'m	2022 $'m
Cash flows (used in)/from operating activities			
Cash generated from operations	23	1,228	840
Net interest paid		(468)	(403)
Settlement of foreign currency derivative financial instruments		(23)	10
Income tax paid		(43)	(87)
Net cash from operating activities		**694**	**360**
Cash flows used in investing activities			
Purchase of property, plant and equipment		(900)	(1,090)
Purchase of businesses, net of cash acquired, and other		—	(572)
Purchase of intangible assets		(17)	(20)
Proceeds from disposal of property, plant and equipment		4	4
Repayment of loan by immediate parent company	26	105	23
Loan to immediate parent company	26	(77)	(71)
Other investing cash flows		(4)	(4)
Cash flows used in investing activities		**(889)**	**(1,730)**
Cash flows from financing activities			
Proceeds from borrowings	19	567	717
Repayment of borrowings	19	(407)	(130)
Deferred debt issue costs paid		(7)	(16)
Lease repayments	19	(171)	(134)
Dividends paid	25	(189)	(835)
Shares purchased by AMPSA		—	(35)
Consideration received on termination/maturity of derivative financial instruments		10	51
Proceeds from issuance of non-controlling interest, net of costs		–	(1)
Net cash outflow from financing activities		**(197)**	**(383)**
Net decrease in cash and cash equivalents and restricted cash		**(392)**	**(1,753)**
Cash and cash equivalents and restricted cash at the beginning of the year	16	1,131	2,909
Exchange losses on cash and cash equivalents and restricted cash		(9)	(25)
Cash and cash equivalents and restricted cash at the end of the year	16	**730**	**1,131**

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Approved by the directors on 27 March 2024

Herman Troskie Yves Elsen

1. General information

Ardagh Group S.A. (the "Company") was incorporated in Luxembourg on 6 May 2011. The Company's registered office is 56, rue Charles Martel, L-2134 Luxembourg, Luxembourg.

Ardagh Group S.A. and its subsidiaries (together, the "Group" or "Ardagh") are a leading supplier of sustainable innovative, value-added rigid packaging solutions. The Group's products include metal beverage cans and glass containers, primarily for beverage and food markets, which are characterised by stable, consumer driven demand. End-use categories include beer, food, hard seltzers, wine, spirits, carbonated soft drinks, energy drinks, juices and sparkling waters, as well as pharmaceuticals. As at 31 December 2023, the Group operated 63 production facilities globally, located in the Americas, Europe and Africa.

The Company, through its wholly-owned subsidiary, Ardagh Investments Holdings Sarl, owns approximately 76% of the ordinary shares and 100% of the preferred shares of Ardagh Metal Packaging S.A. ("AMPSA"). AMPSA is a leading supplier of metal beverage cans globally, with a particular focus on the Americas and Europe. This business supplies sustainable and infinitely recyclable metal packaging to a diversified customer base of leading global, regional and national beverage producers. As at 31 December 2023, the Group's metal packaging business operated 24 production facilities in Europe and the Americas, employed approximately 6,400 people and recorded revenues of $4.8 billion in 2023.

The Company also holds an approximate 42% stake in the ordinary shares of Trivium, a leading supplier of metal packaging in the form of cans and aerosol containers, serving a broad range of end-use categories, principally including food, seafood, pet food and nutrition, as well as beauty and personal care. Trivium recorded revenues of $3.1 billion in 2023.

These consolidated financial statements reflect the consolidation of the legal entities forming the Group for the periods presented. The principal operating subsidiaries forming the Group are listed in Note 26 – Related party transactions and information.

The principal accounting policies that have been applied to the consolidated financial statements are described in Note 2 – Summary of material accounting policies. These financial statements have also been prepared for the purposes of satisfying the filing requirements for the Irish subsidiaries, the German subsidiaries and a number of the Dutch subsidiaries of the Group. Refer to Note 30 - Filing Requirements for further details.

2. Summary of material accounting policies

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with, and are in compliance with, International Financial Reporting Standards ("IFRS") and related interpretations as adopted by the EU. IFRS is comprised of standards and interpretations approved by the International Accounting Standards Committee ("IASB") and IFRS and interpretations approved by the predecessor International Accounting Standards Committee that have been subsequently approved by the IASB and remain in effect. References to IFRS hereafter should be construed as references to IFRS as adopted by the EU.

The consolidated financial statements, are presented in U.S. dollar, rounded to the nearest million and have been prepared under the historical cost convention except for the following:

- Private and Public Warrants are stated at fair value (see Note 21 – Provisions and other liabilities);
- derivative financial instruments are stated at fair value; and
- employee benefit obligations are measured at the present value of the future estimated cash flows related to benefits earned and pension assets valued at fair value.

The preparation of consolidated financial information in conformity with IFRS Accounting Standards requires the use of critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires management to exercise judgment in the process of applying Group accounting policies. These estimates, assumptions and judgments are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and are subject to continual re-evaluation. However, actual outcomes may differ from these estimates. Areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the consolidated financial statements are discussed in the critical accounting estimates, assumptions and judgments.

The consolidated financial statements for the Group were authorised for issue on 27 March 2024.

Going concern

At the date that the consolidated financial statements were approved for issue by the Board, the Board has formed the judgment that there is a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, these consolidated financial statements have been prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, the Board has taken into account all available information about a period, extending to at least, 31 December 2024. In arriving at its conclusion, the Board has taken account of the Group's current and anticipated trading performance, together with current and anticipated levels of cash and net debt and the availability of committed borrowing facilities and, as a result, it is the Board's judgment that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Recently adopted accounting standards and changes in accounting policies

The impact of new standards, amendments to existing standards and interpretations issued and effective for annual periods beginning on or after 1 January 2023 have been assessed by the board of directors of Ardagh Group S.A. (the "Board"). No new standards or amendments to existing standards effective 1 January 2023 have had a material impact for the Group.

Recent accounting pronouncements

The Board's assessment of the impact of new standards, which are not yet effective, and which have not been early adopted by the Group, on the consolidated financial statements and disclosures is on-going but is not expected to have a material impact for the Group.

Basis of consolidation

(i) Subsidiaries

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date on which control ceases. Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is the consideration given in exchange for control of the identifiable assets, liabilities and contingent liabilities of the acquired legal entities. Acquisition-related costs are expensed and included as exceptional items within sales, general and administration expenses. The acquired net assets are initially measured at fair value. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill. Any goodwill and fair value adjustments are recorded as assets and liabilities of the acquired legal entity in its functional currency. If the cost of acquisition is less than the fair value of the Group's share of the net assets of the legal entity acquired, the difference is recognised directly in the consolidated income statement. The Group considers obligations of the acquiree in a business combination that arise as a result of the change in control, to be cash flows arising from obtaining control of the controlled entity, and classifies these obligations as investing activities in the consolidated statement of cash flows.

(ii) Non-controlling interests

Non-controlling interests represent the portion of the equity of a subsidiary which is not attributable to the Group. Non-controlling interests are presented separately in the consolidated financial statements. Changes in ownership of a subsidiary which do not result in a change in control are treated as equity transactions. For further details please refer to Note 24 – Non-controlling interests.

(iii) Transactions eliminated on consolidation

Transactions, balances and gains or losses on transactions between Group companies are eliminated. Subsidiaries' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency

(i) Functional and presentation currency

The functional currency of the Company is euro. The consolidated financial statements are presented in U.S. dollar which is the Group's presentation currency.

(ii) Foreign currency transactions

Items included in the financial statements of each of the Group's entities are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the consolidated income statement, except: (i) differences on foreign currency borrowings that provide an effective hedge against a net investment in a foreign entity ("net investment hedges"), which are taken to other comprehensive income until the disposal of the net investment, at which time they are recognised in the consolidated income statement; and (ii) differences on certain derivative financial instruments discussed under "Derivative financial instruments" below.

(iii) Financial statements of foreign operations

The assets and liabilities of foreign operations are translated into euro at foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated to euro at average exchange rates for the year, except for entities in hyperinflationary economies that are translated at the foreign exchange rate ruling at the reporting date. Gains or losses accumulated in other comprehensive income are recycled to the consolidated income statement when the foreign operation is disposed of.

Non-monetary items measured at fair value in foreign currency are translated using the exchange rates as at the date when the fair value is determined.

(iv) Hyperinflationary economies

When the economy of a country in which the Group operates is deemed hyperinflationary and the functional currency of a Group entity is the currency of that hyperinflationary economy, the financial statements of such Group entities are adjusted so that they are stated in terms of the measuring unit currency at the end of the reporting period. This is the case for the Group's subsidiary in Ethiopia. Revenue and expenses are restated to reflect changes in the general price index from the start of the reporting period, and non-monetary items are restated in the Statement of Financial Position to reflect current purchasing power as at the period end using a general price index from the date when they were first recognised. The gain or loss on the net monetary position for the year is presented in net finance income/expense. Comparative amounts are not adjusted. The restated income, expenses and Statement of Financial Position are translated to U.S. dollar at the closing rate at the end of the reporting period. Differences arising on translation to U.S. dollar are recognised in other comprehensive income.

Business combinations and goodwill

All business combinations are accounted for by applying the acquisition method of accounting. This involves measuring the cost of the business combination and allocating, at the acquisition date, the cost of the business combination to the assets acquired and liabilities assumed. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in sales, general and administration expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration is recognised at fair value at the acquisition date.

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets acquired at the date of acquisition.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to those groups of cash-generating units ("CGUs") that are expected to benefit from the business combination in which the goodwill arose for the purpose of

assessing impairment. Goodwill is tested annually for impairment or whenever indicators suggest that impairment may have occurred.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Joint arrangements

(i) Joint ventures

The Group participates in a number of joint ventures where control is shared with one or more other parties. The Group's investment and share of results of joint ventures are shown within single line items in the consolidated statement of financial position and consolidated income statement respectively. The Group uses the equity method of accounting to account for its joint ventures. See Note 11 "Investment in equity accounted joint venture" of the consolidated financial statements.

Intangible assets

Intangible assets are initially recognised at cost.

Intangible assets acquired as part of a business combination are capitalised separately from goodwill if the intangible asset is separable or arises from contractual or other legal rights. They are initially recognised at cost which, for intangible assets arising in a business combination, is their fair value at the date of acquisition.

Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The carrying values of intangible assets with finite useful lives are reviewed for indicators of impairment at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable.

The amortisation of intangible assets is calculated to write off the book value of finite lived intangible assets over their useful lives on a straight-line basis on the assumption of zero residual value. Management estimates the useful lives within the following ranges:

Computer software	2 - 7 years
Customer relationships	5 - 15 years
Technology	5 - 15 years

(i) Computer software

Computer software development costs are recognised as assets. Costs associated with maintaining computer software programs are recognised as an expense as incurred.

(ii) Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Customer relationships have a finite useful economic life and are carried at cost less accumulated amortisation.

(iii) Technology

Technology based intangibles acquired in a business combination are recognised at fair value at the acquisition date and reflect the Group's ability to add value through accumulated technological expertise surrounding product and process development.

(iv) Research and development costs

Research costs are expensed as incurred. Development costs relating to new products are capitalised if the new product is technically and commercially feasible. All other development costs are expensed as incurred.

Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, except for land which is shown at cost less impairment. Spare parts which form an integral part of plant and machinery and which have an estimated useful economic life greater than one year are capitalised. Spare parts which do not form an integral part of plant and machinery and which have an estimated useful economic life less than one year are included as consumables within inventory and expensed when utilised.

Where components of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

(ii) Leased assets

At the lease commencement date or the effective date of a lease modification, the Group recognises a lease liability as the present value of expected future lease payments, discounted at the Group's incremental borrowing rate unless the rate implicit in the lease is readily determinable, excluding any amounts which are variable based on the usage of the underlying asset and a right-of-use asset generally at the same amount plus any directly attributable costs. The incremental borrowing rate is the discount rate the Group would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group combines lease and non-lease components and accounts for them as a single lease component with the exception of the dunnage asset class. Extension options or periods after termination options are considered by management if it is reasonably certain that the lease will be extended or not terminated.

(iii) Subsequent costs

The Group recognises in the carrying amount of an item of property, plant and equipment, the cost of replacing the component of such an item when that cost is incurred, if it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. When a component is replaced the old component is de-recognised in the period. All other costs are recognised in the consolidated income statement as an expense as incurred. When a major overhaul is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria above are met.

(iv) Depreciation

Depreciation of owned assets is charged to the consolidated income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Buildings	30 - 40 years
Plant and machinery including molds	2 - 40 years
Office equipment, vehicles and other including dunnage	3 - 25 years

Right-of-use assets are depreciated on a straight-line base over the shorter of the useful life and the lease term. Where the lease contains a transfer of ownership or a purchase option which is reasonably certain to be exercised, the right-of-use asset is depreciated over the useful life of the underlying asset.

Assets' useful lives and residual values are adjusted if appropriate, at each reporting date.

Impairment of non-financial assets

Assets that have an indefinite useful economic life are not subject to amortisation and are tested annually for impairment or whenever indicators suggest that impairment may have occurred. Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

For the purposes of assessing impairment, assets excluding goodwill and long-lived intangible assets, are grouped at the lowest levels at which cash flows are separately identifiable. Goodwill and long-lived intangible assets are allocated to

groups of CGUs. The groupings represent the lowest level at which the related assets are monitored for internal management purposes.

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The recoverable amount of assets is the greater of their fair value less costs to dispose and value in use. In assessing fair value less costs to dispose, management uses a market approach, applying a multiple to Adjusted EBITDA for the year ended 31 December 2023. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out basis and includes expenditure incurred in acquiring the inventories and bringing them to their current location and condition. In the case of finished goods and work-in-progress, cost includes direct materials, direct labour and attributable overheads based on normal operating capacity.

Net realisable value is the estimated proceeds of sale less all further costs to completion, and less all costs to be incurred in marketing, selling and distribution.

Spare parts which are deemed to be of a consumable nature, are included within inventories and expensed when utilised.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and restricted cash, borrowings, trade and other payables and Private and Public Warrants (see Note 21 – Provisions and other liabilities). Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs, except as described below. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

(i) Trade and other receivables

Trade and other receivables are recognised initially at fair value, which equals the transaction price unless a significant financing component is included, and are, thereafter measured at amortised cost using the effective interest rate method less any provision for impairment, in accordance with the Group's held to collect business model. The Group uses estimates based on expected credit losses and current information in determining the level of debts for which a specific allowance for impairment is required. For all other trade receivables, the Group uses an allowance matrix to measure the expected credit loss, based on historical actual credit loss experience, adjusted for forward-looking information.

(ii) Securitised assets

The Group has entered into securitisation transactions involving certain of its trade receivables. The securitised assets are recognised on the consolidated statement of financial position, until all of the rights to the cash flows from those assets have expired or have been fully transferred outside the Group, or until substantially all of the related risks, rewards and control of the related assets have been transferred to a third party.

The Group has also entered into a Global Asset Based Loan Facility ("ABL") involving certain of its trade receivables and inventory. The lenders under the ABL have security over those receivables, inventory and the bank accounts where the associated cash flows are received. The risks, rewards and control of these assets are still retained by the Group and are, therefore, recognised on the consolidated statement of financial position.

(iii) Contract assets

Contract assets represent revenue required to be accelerated or recognised over time based on production completed in accordance with the Group's revenue recognition policy (as set out below). A provision for impairment of a contract asset will be recognised using an allowance matrix to measure the expected credit loss, based on historical actual credit loss experiences, adjusted for forward-looking information.

(iv) Cash and cash equivalents and restricted cash

Cash and cash equivalents and restricted cash include cash on hand and call deposits held with banks and restricted cash. Cash and cash equivalents and restricted cash are carried at amortised cost.

Short term bank deposits of greater than three months' maturity which do not meet the definition of cash and cash equivalents and restricted cash are classified as financial assets within current assets and stated at amortised cost.

Restricted cash comprises cash held by the Group which is ring-fenced or used as security for specific financing arrangements, and to which the Group does not have unfettered access. Restricted cash is measured at amortised cost.

(v) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Group's consolidated income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

(vi) Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each reporting date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The fair values of various derivative instruments used for hedging purposes are disclosed in Note 19 – Financial assets and liabilities. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income, allocated between cash flow hedge gains or losses and cost of hedging gains or losses. For cash flow hedges which subsequently result in the recognition of a non-financial asset, the amounts accumulated in the cash flow hedge reserve are transferred to the asset in order to adjust its carrying value. Amounts accumulated in the cash flow hedge reserve and cost of hedging reserve, or as adjustments to carrying value of non-financial assets, are recycled to the consolidated income statement in the periods when the hedged item will affect profit or loss.

The gain or loss relating to the ineffective portion is recognised immediately in the consolidated income statement. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing at that time remains in equity and is recognised in the consolidated income statement when the forecast cash flow arises. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately recycled to the consolidated income statement.

(ii) Net investment hedges

Derivative financial instruments are classified as net investment hedges when they hedge changes in the Group's net investments in its subsidiaries due to exposure to foreign currency. Net investment hedges are accounted for in a similar manner to cash flow hedges. The gain or loss relating to the ineffective portion of a net investment hedge is recognised immediately in the consolidated income statement within finance income or expense.

(iii) Fair value hedges

Derivative financial instruments are classified as fair value hedges when they hedge the Group's exposure to changes in the fair value of a recognised asset or liability. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Group's consolidated income statement, together with any changes in the fair value of the hedged item that is attributable to the hedged risk. Changes in the fair value of derivatives relating to the cost of hedging are recognised in other comprehensive income.

The gain or loss relating to the effective portion of derivatives with fair value hedge accounting is recognised in the consolidated income statement within "net finance expense". The gain or loss relating to the ineffective portion is also recognised in the consolidated income statement within "net finance expense". If a hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest rate method is used is amortised to profit or loss over the period to maturity.

When a hedging instrument expires or is sold, or when a fair value hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing at that time remains in equity and is recognised in the consolidated income statement when the forecast cash flow arises. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the consolidated income statement.

Fair value measurement

The Group measures financial instruments such as derivatives and pension assets at fair value at each Statement of Financial Position date. Fair value related disclosures for financial instruments and pension assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

- Disclosures of valuation methods, significant estimates and assumptions (Note 19 – Financial assets and liabilities and Note 20 – Employee benefit obligations)
- Quantitative disclosures of fair value measurement hierarchy (Note 19 – Financial assets and liabilities)
- Financial instruments (including those carried at amortised cost) (Note 19 – Financial assets and liabilities)
- Private and Public Warrants (Note 21 – Provisions and other liabilities)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Employee benefits

(i) Defined benefit pension plans

Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The asset or liability recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the net of the present value of the defined benefit obligation and the fair value of plan assets at the reporting date. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs and past service credits are recognised immediately in the consolidated income statement.

(ii) Other long term employee benefits

The Group's obligations in respect of other long term employee benefit plans represents the amount of future benefit that employees have earned in return for service in the current and prior periods for post-retirement medical schemes, partial retirement contracts and long service awards. These are included in the category of employee benefit obligations on the consolidated statement of financial position. The obligation is computed on the basis of the projected unit credit method and is discounted to present value using a discount rate equating to the market yield at the reporting date on high quality corporate bonds of a currency and term consistent with the currency and estimated term of the obligations. Actuarial gains and losses are recognised in full in the Group's consolidated statement of comprehensive income in the period in which they arise.

(iii) Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The contributions are recognised as employee benefit expense when they are due.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Revenue recognition

Our products include metal beverage cans and glass containers primarily for beverage and food markets, where demand is consumer-driven. In addition to metal beverage cans, within the Ardagh Metal Packaging Europe and Ardagh Metal Packaging Americas reportable segments, the Group manufactures and supplies a wide range of can ends. Containers and ends are distinct items and can be sold separately from each other. A significant portion of our sales volumes is supplied under contracts which include input cost pass through provisions.

The Group usually enters into framework agreements with its customers, which establish the terms and conditions for subsequent individual purchase orders for our goods and services. In the context of the revenue recognition standard IFRS 15, an enforceable contract identifies each party's enforceable rights regarding the goods or services to be transferred. The Group has concluded that under this accounting standard only individual purchase orders meet such definition of a contract. The individual purchase orders have, in general, a duration of one year or less and, as such, the Group does not disclose any information about remaining performance obligations under these contracts. The Group's payment terms are in line with customary business practice, which can vary by customer and region. The Group has availed of the practical expedient from considering the existence of a significant financing component as, based on past experience, we expect that, at contract inception, the period between when a promised good is transferred to the customer and when the customer pays for that good will be one year or less.

Revenue is recognised when control of a good or service has transferred to the customer. For certain contracts in the Ardagh Metal Packaging Europe and Ardagh Metal Packaging Americas reportable segments, the Group manufactures products for customers that have no alternative use and for which the Group has an enforceable right to payment for production completed to date. The Group has concluded that it has such enforceable right to payment plus a reasonable margin once it receives an individual purchase order. Therefore, for such products that have no alternative use and where an enforceable right to payment exists, the Group will recognise revenue over time based on the units produced output method such that a portion of revenue, net of any related estimated rebates and cash discounts, excluding sales or value added tax, will be recognised prior to the dispatch of goods as the Group satisfies the contractual performance obligations for those contracts. For all other contracts, the Group will continue to recognise revenue primarily on dispatch of the goods, net of any related customer rebates and cash discounts, excluding sales and value added taxes.

The Group often sells products with rebates and cash discounts based on cumulative sales over a period. Such rebate and cash discount consideration is only recognised when it is highly probable that it will not be subsequently reversed and is recognised using the most likely amount depending on the individual contractual terms.

Exceptional items

The Group's consolidated income statement, consolidated cash flow and segmental analysis separately identify results before specific items. Specific items are those that, in management's judgment, need to be disclosed by virtue of their size, nature or incidence to provide additional information. Such items include, where significant, restructuring, redundancy and other costs relating to permanent capacity realignment or footprint reorganisation, directly attributable acquisition costs and acquisition integration costs, and other transaction-related costs, profit or loss on disposal or termination of operations, start-up costs incurred in relation to, and associated with, plant builds, significant new line investments or furnaces, major litigation costs and settlements and impairments of non-current assets. In this regard the determination of "significant" as included in our definition uses qualitative and quantitative factors. Judgment is used by the Group in assessing the specific items, which by virtue of their scale and nature, are disclosed in the Group's consolidated income statement, and related notes as exceptional items. Management considers columnar presentation to be appropriate in the consolidated income statement as it provides useful additional information and is consistent with the way that financial performance is measured by management and presented to the Board. Exceptional restructuring costs are classified as restructuring provisions and all other exceptional costs, when outstanding at the reporting date, are classified as exceptional items payable.

Finance income and expense

Finance income comprises interest income on funds invested, gains on disposal of financial assets, ineffective portions of derivative instruments designated as hedging instruments and gains on derivative instruments that are not designated as hedging instruments and are recognised in profit or loss.

Finance expense comprises interest expense on borrowings (including amortisation of deferred debt issuance costs), interest cost on leases, certain net foreign currency translation gains or losses related to financing, net interest cost on net pension plan liabilities, losses on extinguishment of borrowings and derecognition of financial assets, ineffective portions of derivative instruments designated as hedging instruments, losses on derivative instruments that are not designated as hedging instruments and are recognised in profit or loss, and other finance expense.

The Group capitalises borrowing costs directly attributable to the acquisition, construction or production of manufacturing plants that require a substantial period of time to build that would have been avoided if the expenditure on the qualifying asset had not been made.

Costs related to the issuance of new debt are deferred and amortised within finance expense over the expected terms of the related debt agreements using the effective interest rate method.

Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are generally not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of

the transaction, affects neither accounting nor taxable profit or loss, unless the transaction gives rise to equal and offsetting temporary differences, in which case a corresponding deferred tax asset and liability is recognised. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Segment reporting

The Board has been identified as the Chief Operating Decision Maker ("CODM") for the Group.

Operating segments are identified on the basis of the internal reporting regularly provided to the Board in order to allocate resources to the segment and assess its performance.

Critical accounting estimates, assumptions and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Carrying value of construction in progress

The Group recorded an impairment charge in respect of construction in progress within the Ardagh Glass Packaging operating business as outlined in Note 4 – Exceptional items. The determination of the recoverable amounts requires the use of estimates and judgments around the potential use of such assets in the future.

(ii) Aggregation of the Ardagh Glass Packaging Europe and Ardagh Glass Packaging Africa operating segments

The Group has aggregated the Ardagh Glass Packaging Europe and the Ardagh Glass Packaging Africa operating segments into the Ardagh Glass Packaging Europe & Africa reportable segment as further discussed in Note 3 – Segment analysis. The determination of whether these operating segments are similar and meet the requirements for aggregation requires judgment around their long-term financial and economic characteristics.

(iii) Estimated impairment of other long-lived assets for the Ardagh Glass Packaging North America CGU

In accordance with International Accounting Standard 36 "Impairment of assets" ("IAS 36"), the Group tests whether other long-lived assets for the Ardagh Glass Packaging North America CGU have suffered any impairment in accordance with the accounting policies stated. The Group's judgments relating to the impairment of other long-lived assets is included in Note 9 – Property, plant and equipment.

(iv) Income taxes

The Group is subject to income taxes in numerous jurisdictions and judgment is therefore required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where uncertain tax treatments exist, the Group assesses whether it is probable that a tax authority will accept the uncertain tax treatment applied or proposed to be applied in its income tax filings. The Group assesses for each uncertain tax treatment whether it should be considered independently or whether some tax treatments should be considered together based on what the Group believes provides a better prediction of the resolution of the uncertainty. The Group considers whether it is probable that the relevant authority will accept each uncertain tax treatment, or group of uncertain tax treatments, assuming that the taxation authority with the right to examine

any amounts reported to it will examine those amounts and will have full knowledge of all relevant information when doing so.

The Group measures tax uncertainties using its best estimate of likely outcomes. This estimate relies on estimates and assumptions and may involve judgments about future events.

Corporate activity including acquisitions, disposals and reorganisations often create tax uncertainties. The Group has determined, with the benefit of opinions from external tax advisors and legal counsel, where appropriate, that it has provided for all taxation liabilities that are probable to arise from such activities.

New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities. Such changes could result in incremental tax liabilities which could have a material effect on cash flows, financial condition and results of operations.

Where the final tax outcome of these matters is different from the amounts that were originally estimated such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(v) Measurement of employee benefit obligations

The Group follows guidance of IAS 19(R) to determine the present value of its obligations to current and past employees in respect of defined benefit pension obligations, other long term employee benefits, and other end of service employee benefits which are subject to similar fluctuations in value in the long term. The Group values its liabilities, with the assistance of professional actuaries, to ensure consistency in the quality of the key assumptions underlying the valuations. The critical assumptions and estimates applied are discussed in detail in Note 20 – Employee benefit obligations.

(vi) Exceptional items

The consolidated income statement and segment analysis separately identify results before exceptional items. Exceptional items are those that in management's judgment need to be disclosed by virtue of their size, nature or incidence.

The determination of "significant" as included in management's definition uses qualitative and quantitative factors which remain consistent from period to period. Management uses judgment in assessing the particular items, which by virtue of their scale and nature, are disclosed in the consolidated income statement and related notes as exceptional items. Management considers the consolidated income statement presentation of exceptional items to be appropriate as it provides useful additional information and is consistent with the way that financial information is measured by management and presented to the Board. In that regard, management believes it to be consistent with paragraph 85 of IAS 1 "Presentation of Financial Statements", which permits the inclusion of line items and subtotals that improve the understanding of performance.

(v) Business combinations, goodwill, non-controlling interest and similar transactions

For each transaction the Group will assess the accounting acquirer and acquiree and whether those parties meet the definition of a business under IFRS 3 "Business Combinations" ("IFRS 3"), which could involve significant judgments depending on the structure of the transaction.

Goodwill only arises in business combinations, where both parties meet the definition of a business. The amount of goodwill initially recognised is dependent on the allocation of the purchase price to the fair value of the identifiable assets acquired and the liabilities assumed. The determination of the fair value of the assets and liabilities is based, to a considerable extent, on management's judgment, with the assistance of third-party experts. Allocation of the purchase price affects the results of the Group as finite lived intangible assets are amortised, whereas indefinite lived intangible assets, including goodwill, are not amortised and could result in differing amortisation charges based on the allocation to indefinite lived and finite lived intangible assets.

A transaction where the accounting acquiree does not meet the definition of a business is not a business combination under IFRS 3, but could be an asset acquisition or a share-based payment transaction under IFRS 2 "Share-based payment" ("IFRS 2"). In the latter case, the difference in the fair value of consideration given by the acquirer over the fair value of identifiable net assets of the acquiree represents a service and is accounted for as a share-based payment expense. In order to estimate such fair values management might need to apply a significant amount of judgment in respect of key assumptions underlying such calculations, as outlined in more detail in Note 21 – Provisions and other liabilities, with regard to private warrants.

Transactions that result in the creation of a non-controlling interest but do not result in a change in control are treated as equity transactions. The Group will apply judgment in electing whether such non-controlling interest should be measured at fair value or at the proportionate share of identifiable net assets. For further details please refer to Note 24 – Non-controlling interests.

Ardagh Group S.A. indirectly holds a stake of approximately 76% in AMPSA, through its wholly owned subsidiary, Ardagh Investments Holdings Sarl, with the remaining approximately 24% held by external shareholders recognised as non-controlling interest separately within equity.

The Group elected to measure the non-controlling interest at its proportionate share of AMPSA's net assets at the acquisition date. The non-controlling interest is not remeasured at fair value in subsequent periods, but will be allocated its share of profit or loss and its share of other comprehensive income, including recognising its portion of the IFRS 2 charge.

The Group's consolidated financial statements separately disclose the non-controlling interest from the parent's interest.

3. Segment analysis

The Group's operating segments reflect the basis on which the Group's performance is reviewed by management and presented to the Board, which has been identified as the CODM for the Group.

The Group aggregates the Ardagh Glass Packaging Europe and the Ardagh Glass Packaging Africa operating segments into the Ardagh Glass Packaging Europe & Africa reportable segment. The nature of the products and services, production processes as well as the type and class of customers and the method of distribution are essentially identical, with similar long-term financial and economic characteristics.

The following are the Group's four reportable segments:

- Ardagh Metal Packaging Europe
- Ardagh Metal Packaging Americas
- Ardagh Glass Packaging Europe & Africa
- Ardagh Glass Packaging North America.

Performance of the business is assessed based on Adjusted EBITDA. Adjusted EBITDA is the loss for the period before income tax charge or credit, net finance expense, depreciation and amortisation, exceptional operating items and share of profit or loss in equity accounted joint venture. Other items are not allocated to segments, as these are reviewed by the CODM on a group-wide basis. Segmental revenues are derived from sales to external customers. Inter-segment revenue and revenue with joint ventures are not material.

Reconciliation of loss for the year to Adjusted EBITDA

	Year ended 31 December	
	2023 **$'m**	**2022** **$'m**
Loss for the year	(495)	(290)
Income tax charge (Note 6)	36	46
Net finance expense (Note 5)	516	328
Depreciation and amortisation (Notes 8 and 9)	848	809
Exceptional operating items (Note 4)	347	378
Share of post-tax loss/(profit) in equity accounted joint venture (Note 11)	47	(7)
Adjusted EBITDA	**1,299**	**1,264**

Segment results for the year ended 31 December 2023 are:

	Ardagh Metal Packaging Europe $'m	Ardagh Metal Packaging Americas $'m	Ardagh Glass Packaging Europe & Africa $'m	Ardagh Glass Packaging North America $'m	Group $'m
Revenue	2,030	2,782	2,959	1,631	**9,402**
Adjusted EBITDA	211	389	543	156	**1,299**
Capital expenditure	155	223	395	140	**913**
Segment assets (excluding Investment in equity accounted joint venture)	2,648	3,021	4,080	1,515	**11,264**

Segment results for the year ended 31 December 2022 are:

	Ardagh Metal Packaging Europe $'m	Ardagh Metal Packaging Americas $'m	Ardagh Glass Packaging Europe & Africa $'m	Ardagh Glass Packaging North America $'m	Group $'m
Revenue	1,963	2,726	2,534	1,807	**9,030**
Adjusted EBITDA	200	425	476	163	**1,264**
Capital expenditure	213	382	335	176	**1,106**
Segment assets (excluding Investment in equity accounted joint venture)	2,754	3,111	3,999	1,665	**11,529**

One customer accounted for greater than 10% of total revenue of the Group in 2023 (2022: one).

Capital expenditure is the sum of purchases of property, plant and equipment and intangible assets, net of proceeds from disposal of property, plant and equipment, as per the consolidated statement of cash flows.

Segment assets consist of intangible assets, property, plant and equipment, derivative financial instrument assets, deferred tax assets, employee benefit assets, other non-current assets, inventories, trade and other receivables, contract assets and cash, cash equivalents and restricted cash. The accounting policies of the segments are the same as those in the consolidated financial statements of the Group as set out in Note 2 – Summary of material accounting policies. Please refer to Note 16 – Cash and cash equivalents and restricted cash for more details.

Total revenue from the Group in countries which account for more than 10% of total revenue, in the current or prior years presented, are as follows:

	Year ended 31 December	
	2023	**2022**
Revenue	**$'m**	**$'m**
United States	3,878	3,913
United Kingdom	1,171	997

The revenue above is attributed to countries on a destination basis.

Non-current assets, excluding derivative financial instruments, taxes, employee benefit assets, investment in equity accounted joint venture and goodwill arising on acquisitions in countries which account for more than 10% of non-current assets are the United States 37% (2022: 40%), South Africa 12% (2022: 12%) and Germany 12% (2022: 11%).

The Company is domiciled in Luxembourg. During the year the Group had revenues of $1 million (2022: $2 million) with customers in Luxembourg. Non-current assets located in Luxembourg were $nil (2022: $3 million).

Within each reportable segment our respective packaging containers have similar production processes and classes of customers. Further, they have similar economic characteristics, as evidenced by similar long-term profit margins, similar degrees of risk and similar opportunities for growth. Based on the foregoing, we do not consider that they constitute separate product lines and, therefore, additional disclosures relating to product lines are not necessary.

The following illustrates the disaggregation of revenue by destination for the year ended 31 December 2023:

	Europe $'m	North America $'m	Rest of the world $'m	Total $'m
Ardagh Metal Packaging Europe	2,010	7	13	2,030
Ardagh Metal Packaging Americas	–	2,311	471	2,782
Ardagh Glass Packaging Europe & Africa	2,186	28	745	2,959
Ardagh Glass Packaging North America	–	1,631	–	1,631
Group	**4,196**	**3,977**	**1,229**	**9,402**

The following illustrates the disaggregation of revenue by destination for the year ended 31 December 2022:

	Europe $'m	North America $'m	Rest of the world $'m	Total $'m
Ardagh Metal Packaging Europe	1,937	10	16	1,963
Ardagh Metal Packaging Americas	–	2,178	548	2,726
Ardagh Glass Packaging Europe & Africa	1,964	28	542	2,534
Ardagh Glass Packaging North America	–	1,805	2	1,807
Group	**3,901**	**4,021**	**1,108**	**9,030**

The following illustrates the disaggregation of revenue based on the timing of transfer of goods and services:

	Year ended 31 December	
	2023 $'m	2022 $'m
Over time	3,831	3,747
Point in time	5,571	5,283
Group	**9,402**	**9,030**

4. Exceptional items

	Year ended 31 December	
	2023 $'m	2022 $'m
Start-up related and other costs	67	75
Restructuring and other costs	111	—
Impairment - property, plant and equipment	106	—
Capacity realignment costs	8	—
Exceptional items - cost of sales	**292**	**75**
Transaction-related and other costs	36	67
Restructuring and other costs	2	14
IT & other transformation initiatives	17	12
Settlement of US legal matter	—	(34)
Exceptional items - SGA expenses	**55**	**59**
Impairment - goodwill	—	165
Impairment - customer relationships	—	79
Exceptional items - impairment of intangible assets	**—**	**244**
Gains on exceptional derivative financial instruments and warrants revaluation	(6)	(64)
Exceptional items - finance income	**(6)**	**(64)**
Share of exceptional items in equity accounted joint venture	25	27
Exceptional items	**366**	**341**
Exceptional income tax charge	2	17
Total exceptional charge, net of tax	**368**	**358**

Exceptional items are those that in management's judgment need to be disclosed by virtue of their size, nature or incidence.

2023

Exceptional items of $368 million have been recognised for the year ended 31 December 2023, primarily:

- $67 million start-up related and other costs primarily in Ardagh Metal Packaging Americas ($20 million) and Ardagh Metal Packaging Europe ($16 million), primarily relating to the Group's investment programs. $18 million in Ardagh Glass Packaging Europe & Africa primarily relating to start-up costs for the Group's next generation hybrid electric furnace project and a further $13 million other costs in Ardagh Glass Packaging North America, as a result of furnace start-up costs.
- $111 million of restructuring and other costs comprised of $61 million incurred in Ardagh Glass Packaging North America, including related to the closure of the Ruston (Louisiana), Wilson (North Carolina) and Dolton (Illinois) production facilities, $20 million in Ardagh Metal Packaging Americas relating to the closure of the Whitehouse (Ohio) production facility, $18 million in Ardagh Metal Packaging Europe relating to the closure of the Group's remaining steel lines and $12 million in Ardagh Glass Packaging Europe & Africa primarily due to the closure of various furnaces.
- $106 million related to the impairment of property, plant and equipment across the Group, including $54 million due to capacity adjustments in Ardagh Glass Packaging North America, primarily resulting from the closure of the Ruston and Wilson production facilities and other costs of $34 million in the Ardagh Glass Packaging operating business primarily relating to the impairment of construction in progress. $9 million in Ardagh Metal Packaging Europe following the decision to close the remaining steel lines in the Weissenthurm production facility in Germany and $9 million in Ardagh Metal Packaging Americas relating to the closure of the Whitehouse facility (Ohio).
- $8 million of capacity realignment costs in Ardagh Glass Packaging North America, relating to the closure of, and associated production downtime at, the Ruston and Wilson production facilities.
- $36 million and $2 million relating to transaction-related and restructuring and other costs respectively, including $14 million of costs in Ardagh Metal Packaging comprised of a $6 million legal settlement in respect of a contract manufacturing agreement arising from the Group's acquisition of the beverage can business in 2016 and $8 million of professional advisory fees and other costs primarily in relation to transformation initiatives. $10 million of costs arose in Ardagh Glass Packaging North America, primarily related to a Pension Annuity Risk Transfer ("PART") transaction executed during the period. See Note 20 - Employee Benefit Obligations for further details. $14 million of costs related to acquisition, other transaction costs, including professional fees, and other costs in Ardagh Glass Packaging Europe & Africa.
- $17 million relating to IT and other transformation initiatives and related professional support fees in Ardagh Glass Packaging Europe & Africa.
- $6 million credit primarily related to fair value and foreign currency gains on Public and Private Warrants.
- $25 million from the Group's share of exceptional items arising in Trivium.
- $2 million from tax charges relating to the above exceptional items.

2022

Exceptional items of $358 million have been recognised for the year ended 31 December 2022, comprising:

- $75 million start-up related and other costs primarily in Ardagh Metal Packaging Americas ($40 million) and Ardagh Metal Packaging Europe ($27 million), primarily relating to the Group's investment programs. A further $5 million relating to purchase price accounting in Ardagh Glass Packaging Europe & Africa and $3 million other costs in Ardagh Glass Packaging North America, as a result of extreme weather related disruption.
- $67 million transaction-related and other costs primarily relating to professional advisory and other costs in connection with transformation initiatives in Ardagh Metal Packaging ($14 million), $9 million of foreign currency translation losses relating to the exceptional cost of hedging activities in Ardagh Metal Packaging Americas and transactions in Ardagh Glass Packaging Europe & Africa ($40 million). A further $4 million of costs related to acquisition and transaction costs, including professional advisory fees and other costs across Ardagh Glass Packaging.
- $34 million credit arising in Ardagh Glass Packaging North America from the resolution of a US patent infringement matter, which offsets losses and costs previously incurred in connection with these proceedings.
- $14 million restructuring and other costs in Ardagh Glass Packaging North America and Ardagh Glass Packaging Europe & Africa.

- $12 million relating to IT transformation costs, including professional support fees.
- $244 million impairment of goodwill and customer relationships in Ardagh Glass Packaging North America, as further detailed in Note 8 – Intangible assets.
- $64 million finance income primarily relating to a $42 million gain realised on forward foreign exchange contracts entered into in connection with the acquisition of Consol, and a $22 million credit related to fair value and foreign currency gains on Public and Private Warrants.
- $27 million from the Group’s share of exceptional items arising in Trivium.
- $17 million from tax charges relating to the above exceptional items.

5. Net finance expense

	Year ended 31 December	
	2023	**2022****
	$'m	**$'m**
Bond and Senior Facilities interest expense*	421	378
Lease interest expense	50	28
Other interest expense	59	21
Related Party interest income	(2)	(1)
Net interest expense	**528**	**426**
Net pension interest cost	15	9
Foreign currency translation losses/(gains)	5	(14)
Losses/(gains) on derivative financial instruments	4	(1)
Net monetary gain - hyperinflation	(11)	(11)
Other finance income	(19)	(17)
Net finance expense before exceptional items	**522**	**392**
Net exceptional finance income (Note 4)	(6)	(64)
Net finance expense	**516**	**328**

During the year ended 31 December 2023, the Group recognised $50 million (2022: $28 million) of interest paid related to lease liabilities in cash used in operating activities in the consolidated statement of cash flows.

*Includes interest related to Senior Secured Notes, Senior Secured Green Notes, Senior Notes, Senior Green Notes, and Senior Facilities.

**Prior year lease interest expense and other interest expense amounts which had been aggregated as a single item have been separated out onto individual lines, to conform to the current year presentation.

6. Income tax

	Year ended 31 December	
	2023	**2022**
	$'m	**$'m**
Current tax:		
Current tax for the year	77	63
Adjustments in respect of prior years	(39)	(4)
Total current tax	**38**	**59**
Deferred tax:		
Deferred tax for the year	(4)	(16)
Adjustments in respect of prior years	2	3
Total deferred tax	**(2)**	**(13)**
Income tax charge	**36**	**46**

Reconciliation of income tax charge and the loss before tax multiplied by the Group's domestic tax rate for 2023 and 2022 is as follows:

	Year ended 31 December	
	2023	2022
	$'m	$'m
Loss before tax	**(459)**	**(244)**
Loss before tax multiplied by the standard rate of Luxembourg corporation tax: 24.94% (2022: 24.94%)	(114)	(61)
Tax losses for which no deferred income tax asset was recognised	81	74
Remeasurement of deferred taxes	—	—
Adjustment in respect of prior years	(37)	(1)
Income subject to state and other local income taxes	14	12
Income taxed at rates other than standard tax rates	17	(23)
Non-deductible and other items	75	45
Income tax charge	**36**	**46**

The total income tax charge outlined above for each year includes a tax charge of $2 million in 2023 (2022: $17 million charge) in respect of exceptional items, being the tax effect of the items set out in Note 4 - exceptional items.

Tax losses for which no deferred income tax asset was recognised relates to net operating losses and the carry-forward of interest expense in certain jurisdictions for the year ended 31 December 2023. Non-deductible items principally relates to interest expense in Ireland and Luxembourg.

Adjustment in respect of prior years in the year ended 31 December 2023 includes tax credits arising from a favourable Superior Court of Justice ruling in Brazil. Income taxed at non standard rates takes account of foreign tax rate differences (versus the Luxembourg standard 24.94% rate on earnings).

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Luxembourg, the jurisdiction in which Ardagh Group S.A. is incorporated, and has come into effect on 1 January 2024. The Group applies the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023. Given the nuanced nature of the new legislation, and further clarifications awaited from the OECD, the Group continues to assess any exposure to the Pillar Two legislation.

7. Employee costs

	Year ended 31 December	
	2023	2022
	$'m	$'m
Wages and salaries	1,537	1,432
Social security costs	199	180
Defined benefit pension plan costs (Note 20)	24	29
Defined contribution plan pension costs (Note 20)	58	52
Group employee costs	**1,818**	**1,693**

	Year ended 31 December	
Employees	2023	2022
Ardagh Metal Packaging Europe	3,497	3,420
Ardagh Metal Packaging Americas	2,940	2,899
Ardagh Glass Packaging Europe & Africa	9,361	9,407
Ardagh Glass Packaging North America	4,470	5,265
Group	**20,268**	**20,991**

8. Intangible assets

	Goodwill $'m	Customer relationships $'m	Technology and other $'m	Software $'m	Total $'m
2022					
Cost					
At 1 January 2022	1,237	2,091	160	111	**3,599**
Additions	—	—	19	1	**20**
Acquisition	340	402	—	—	**742**
Disposal	—	—	—	(6)	**(6)**
Impairment (Note 4)	(165)	(79)	—	—	**(244)**
Derecognition of fully amortised assets		(601)	—	—	**(601)**
Transfers	—	—	(15)	15	**—**
Exchange	(45)	(102)	(2)	(3)	**(152)**
At 31 December 2022	**1,367**	**1,711**	**162**	**118**	**3,358**
Amortisation					
At 1 January 2022		(1,296)	(158)	(80)	**(1,534)**
Charge for the year		(215)	(6)	(8)	**(229)**
Derecognition of fully amortised assets		601	—	—	**601**
Disposal		—	—	6	**6**
Exchange		34	2	2	**38**
At 31 December 2022		**(876)**	**(162)**	**(80)**	**(1,118)**
Net book value					
At 31 December 2022	**1,367**	**835**	**—**	**38**	**2,240**
2023					
Cost					
At 1 January 2023	1,367	1,711	162	118	**3,358**
Additions	—	—	21	3	**24**
Acquisition	4	—	2	—	**6**
Transfers	—	—	(21)	21	**—**
Exchange	36	43	3	2	**84**
At 31 December 2023	**1,407**	**1,754**	**167**	**144**	**3,472**
Amortisation					
At 1 January 2023		(876)	(162)	(80)	**(1,118)**
Charge for the year		(161)	(3)	(13)	**(177)**
Exchange		(29)	—	(2)	**(31)**
At 31 December 2023		**(1,066)**	**(165)**	**(95)**	**(1,326)**
Net book value					
At 31 December 2023	**1,407**	**688**	**2**	**49**	**2,146**

Impairment

The Group has considered the carrying value of the Group's intangible assets (excluding goodwill) and assessed for indicators of impairment as at 31 December 2023 in accordance with IAS 36. No such indicators of impairment were identified.

The Group has concluded that the potential impact of climate change does not have a significant impact on the carrying value or remaining useful lives of the intangible assets of the Group as of 31 December 2023.

Goodwill

Acquisition of goodwill

In February 2023, the Group completed the acquisition of a majority share in NOMOQ AG ("NOMOQ"), a start-up digital can printer based in Zurich, Switzerland. Goodwill of $4 million was recognised in respect of this acquisition. See note 9 – Property, plant and equipment for further details.

Allocation of goodwill

Goodwill has been allocated to groups of CGUs for the purpose of impairment testing. The groupings represent the lowest level at which the related goodwill is monitored for internal management purposes. Goodwill acquired through business combination activity is allocated to CGUs that are expected to benefit from synergies arising from that combination.

The lowest level within the Group at which the goodwill is monitored for internal management purposes, and consequently the groups of CGUs to which goodwill is allocated, is set out below. In 2022, an impairment charge of $244 million, before the impact of deferred tax, was recognised in respect of the goodwill and customer relationship intangible in Ardagh Glass Packaging North America. This impairment represented a full write down of goodwill in the Ardagh Glass Packaging North America CGU.

On this basis, the Group's identified CGUs and allocation of goodwill are as follows:

	At 31 December	
	2023	**2022**
	$'m	**$'m**
Ardagh Metal Packaging Europe	560	537
Ardagh Metal Packaging Americas	439	439
Ardagh Glass Packaging Europe	60	58
Ardagh Glass Packaging Africa	348	333
Ardagh Glass Packaging North America	—	—
Total Goodwill	**1,407**	**1,367**

Impairment tests for goodwill

The Group performs its impairment test of goodwill annually following approval of the annual budget or whenever indicators suggest that impairment may have occurred.

Recoverable amount and carrying amount

The Group uses the fair value less costs of disposal ("FVLCD") model for the purposes of its annual goodwill impairment test.

In assessing FVLCD, management uses a market approach, which includes, as a key assumption, a multiple to Adjusted EBITDA for the year ended 31 December 2023. The multiple used is based on comparable companies and market valuations and was further adjusted for disposal costs. The valuation is considered to be Level 2 in the fair value hierarchy (for details of the fair value hierarchy, see Note 19 – Financial assets and liabilities).

A sensitivity analysis was performed reflecting reasonably possible potential variations in the applied Adjusted EBITDA multiple. If the multiple which was applied to the Adjusted EBITDA for the years ended 31 December 2023 and 2022, was reduced by 1x, the recoverable amounts calculated for all CGUs are still significantly in excess of their carrying values. As a result of the significant excess of recoverable amount, management consider that completing the calculation of the recoverable amount for all CGUs using a value in use ("VIU") model or providing additional disclosures under IAS 36 are not required.

9. Property, plant and equipment

	Land and buildings $'m	Plant and machinery $'m	Office equipment, vehicles and other $'m	Total $'m
2022				
Cost				
At 1 January 2022	1,211	4,494	212	**5,917**
Additions	387	979	92	**1,458**
Acquisition	159	254	7	**420**
Disposals	(33)	(240)	(17)	**(290)**
Hyperinflation adjustment	3	3	—	**6**
Exchange	(64)	(194)	(12)	**(270)**
At 31 December 2022	**1,663**	**5,296**	**282**	**7,241**
Depreciation				
At 1 January 2022	(453)	(1,685)	(83)	**(2,221)**
Charge for the year	(118)	(407)	(55)	**(580)**
Disposals	29	231	18	**278**
Exchange	23	79	5	**107**
At 31 December 2022	**(519)**	**(1,782)**	**(115)**	**(2,416)**
Net book value				
At 31 December 2022	**1,144**	**3,514**	**167**	**4,825**
2023				
Cost				
At 1 January 2023	1,663	5,296	282	**7,241**
Additions	250	843	78	**1,171**
Acquisition	—	4	—	**4**
Impairment (Note 4)	(4)	(102)	—	**(106)**
Disposals	(29)	(225)	(23)	**(277)**
Hyperinflation adjustment	5	6	—	**11**
Exchange	34	92	7	**133**
At 31 December 2023	**1,919**	**5,914**	**344**	**8,177**
Depreciation				
At 1 January 2023	(519)	(1,782)	(115)	**(2,416)**
Charge for the year	(146)	(458)	(67)	**(671)**
Disposals	27	213	21	**261**
Hyperinflation adjustment	—	(1)	—	**(1)**
Exchange	(17)	(49)	(5)	**(71)**
At 31 December 2023	**(655)**	**(2,077)**	**(166)**	**(2,898)**
Net book value				
At 31 December 2023	**1,264**	**3,837**	**178**	**5,279**

Depreciation expense of $637 million (2022: $552 million) has been charged in cost of sales and $34 million (2022: $28 million) in sales, general and administration expenses.

Construction in progress at 31 December 2023 was $662 million (2022: $888 million) included within plant and machinery.

Included in property, plant and equipment is an amount for land of $226 million (2022: $214 million) and an amount for assets held for sale $nil (2022: $1 million).

Substantially all of the Group's property, plant and equipment is pledged as security under the terms and conditions of the Group's financing arrangements. Interest capitalised in the year was $3 million (2022: $1 million).

Acquisition

In February 2023, the Group completed the acquisition of a majority share in NOMOQ for an initial consideration of €15 million, with a further €10 million payable in 2024, subject to NOMOQ achieving certain milestones. Net of €15 million cash acquired, the transaction did not result in a cash outflow for the Group. These consolidated financial statements include management's substantially completed allocation of the fair values of assets acquired and liabilities assumed, subject to

final completion during Q1 2024. In conjunction with this transaction, the Group has entered into put and call option arrangements for the acquisition of the outstanding non-controlling interest ("NCI"), part of which are treated as a compensation arrangement for accounting purposes, and could result in future payments to the holders of such NCI, depending on the future performance of NOMOQ. An initial estimate of the fair value of such obligation, which has been reflected in other reserves and other liabilities and provisions, respectively, has been calibrated such that the present value of the liability is equal to the fair value of the NCI that is subject to the put and call arrangement as at the valuation date.

Impairment

The Group has considered the carrying value of the Group's property, plant and equipment and assessed the indicators of impairment at 31 December 2023 and 2022, in accordance with IAS 36. As a result of specific footprint actions an impairment charge of $106 million (2022: $nil) has been recognised in the year ended 31 December 2023, which relates to the impairment of plant and machinery and land and buildings in Ardagh Glass Packaging North America, principally arising from the closure of the Ruston and Wilson production facilities and the impairment of construction in progress assets in Ardagh Glass Packaging Europe & Africa. In addition, AMPSA recognised an impairment on plant and machinery assets in Europe and the Americas. Please refer to Note 4 – Exceptional items.

The Group has concluded that the potential impact of climate change does not have a significant impact on the carrying value or remaining useful lives of the property, plant and equipment of the Group as of 31 December 2023.

Impairment test for Ardagh Glass Packaging North America

Arising from the continued operational challenges experienced in the North American glass market and reduced demand through 2023 that resulted in reported Adjusted EBITDA for the year 31 December 2023 of $156 million, management judged this represented an impairment indicator and performed an impairment test on the carrying amount of the CGU.

Management has determined the recoverable amount by assessing the FVLCD of the CGU using a market approach, on the basis that this gave a higher recoverable amount than an assessment based on VIU. The valuation is considered to be Level 2 in the fair value hierarchy, due to observable inputs used in the valuation.

The key assumptions applied in the FVLCD calculation for the Ardagh Glass Packaging North America CGU are, by their nature, subjective and include risk adjustments to forecasted full year 2024 Adjusted EBITDA, as part of estimating the projected Adjusted EBITDA from a market participant's perspective and the valuation multiple which a market participant would apply to projected risk-Adjusted EBITDA. A multiple of 5.75x (2022: 6.5x) was then applied to the market participant projected Adjusted EBITDA, based on comparable companies' observable, traded multiples. This was then further adjusted for selling costs. The recoverable amount was then compared to the carrying value of the Glass Packaging North America CGU.

This did not result in any impairment at 31 December 2023.

The impairment test has identified, however, that the Glass Packaging North America CGU is sensitive to reasonably possible changes in the significant assumptions. A sensitivity analysis was performed on the FVLCD calculation by increasing and decreasing the projected Adjusted EBITDA from a market participant's perspective by 5% and decreasing the multiple which was applied to the projected Adjusted EBITDA from a market participant's perspective by 25 basis points. If the projected Adjusted EBITDA from a market participant's perspective was 5% lower than management's estimates at 31 December 2023, the Group would have had to recognise an impairment charge on assets of $51 million and if the multiple which was applied to the projected Adjusted EBITDA from a market participant's perspective decreased by 25 basis points, the Group would have had to recognise an impairment charge on assets of $45 million.

Right-of-Use assets – Net Book Value, depreciation and variable lease expense

The following right-of-use assets were included in property, plant and equipment:

Net book value	Land and buildings $'m	Plant and machinery $'m	Office equipment, vehicles and other $'m	Total $'m
At 31 December 2023	322	385	63	**770**
At 31 December 2022	306	287	63	**656**

The increase in the net book value amount of the right-of-use assets at 31 December 2023 is primarily the result of total additions to the right-of-use assets of $288 million, an acquisition of $1 million and an exchange effect of $6 million during the year ended 31 December 2023, offset by a depreciation charge of $176 million (Land and buildings: $104 million, Plant and machinery: $52 million, Office equipment, vehicles and other: $20 million) and disposals of $5 million.

During 2023, the Group incurred variable lease expense of $103 million (2022: $91 million), primarily related to warehouse leases.

Capital commitments

The Group had contracted capital commitments in relation to property, plant and equipment for the year ended 31 December 2023, of $200 million (2022: $440 million).

10. Other non-current assets

	Year ended 31 December	
	2023 $'m	2022 $'m
Customer receivables	29	—
Indirect tax assets	41	2
Investment in other joint ventures	8	7
Other	23	22
	101	**31**

During the year ended 31 December 2023, a customer of AMPSA in Brazil, Grupo Petrópolis, filed for a court-supervised reorganisation. This process concluded in October 2023 and as a result of the terms and conditions negotiated between the parties and subsequently ratified by the Brazilian court, the Group has de-recognised the amount receivable from Grupo Petrópolis previously held in trade and other receivables and recognised a non-current customer receivable, initially measured at fair value in accordance with IFRS 9 'Financial Instruments'. Non-current customer receivables include amounts recognised during the year in respect of other contractual arrangements.

In addition, other non-current assets includes non-current indirect tax credits, principally arising in the Americas, which are expected to be utilised after more than one year from the reporting date.

11. Investment in equity accounted joint venture

Investment in equity accounted joint venture is comprised of the Company's approximate 42% stake in Trivium incorporated in the Netherlands, with corporate offices in Amsterdam. The remaining approximate 58% is held by Ontario Teachers' Pension Plan Board. As the Company jointly controls both the financial and operating policy decisions of Trivium, the investment is accounted for under the equity method. The shareholders of Trivium have entered into a Shareholder Agreement, dated 31 October 2019, which governs their relationship as owners, including in respect of the governance of Trivium and its subsidiaries, their ability to transfer their shares and other customary matters.

The following tables provide summarised financial information for Trivium as it relates to the amounts recognised by Ardagh in the consolidated income statement, consolidated statement of comprehensive income and consolidated statement of financial position.

	Year ended 31 December	
	2023	**2022**
	$'m	**$'m**
Investment in equity accounted joint venture	250	292
Share of (loss)/profit for the year	(47)	7
Other comprehensive expense	(3)	–
Total comprehensive (expense)/income	**(50)**	**7**

The reconciliation of summarised financial information presented to the carrying amount of the Group's interest in Trivium is set out below.

	2023	**2022**
	$'m	**$'m**
Group's interest in net assets of equity accounted joint venture at 1 January	292	303
Share of total comprehensive (expense)/income	(50)	7
Foreign exchange	8	(18)
Carrying amount of interest in equity accounted joint venture - 31 December	**250**	**292**

In respect of the Group's equity accounted investment in Trivium, management has considered the carrying amount of the investment and concluded that it is fully recoverable as at 31 December 2023.

The Company was party to a Mutual Services Agreement ("MSA") with Trivium, pursuant to which the Group and Trivium provide services to each other. The MSA ended as of November 2022.

The Group recognised net income of $nil in respect of the MSA in the year ended 31 December 2023 (31 December 2022: $3 million).

At 31 December 2023, and 31 December 2022, the Group had no significant related party balances outstanding with Trivium.

12. Deferred tax

The movement in deferred tax assets and liabilities during the year was as follows:

	Assets	**Liabilities**	**Total**
	$'m	**$'m**	**$'m**
At 1 January 2022*	**514**	**(604)**	**(90)**
(Charged)/credited to the income statement (Note 6)*	50	(37)	13
(Charged)/credited to other comprehensive income	(56)	27	(29)
Disposals/Acquisitions	32	(162)	(130)
Exchange	(18)	32	14
At 31 December 2022	**522**	**(744)**	**(222)**
(Charged)/credited to the income statement (Note 6)*	31	(29)	2
Credited to other comprehensive income	18	5	23
Exchange	6	(5)	1
At 31 December 2023	**577**	**(773)**	**(196)**

* Prior period comparatives are re-presented due to amendments to *IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*. There is no impact on prior year comparatives on a net basis.

The components of deferred income tax assets and liabilities are as follows:

	At 31 December	
	2023 **$'m**	**2022** **$'m**
Tax losses	70	77
Employee benefit obligations	75	62
Depreciation timing differences (including leases)*	252	213
Provisions	84	94
Other	96	76
	577	**522**
Available for offset*	(418)	(369)
Deferred tax assets	**159**	**153**
Intangible assets	(195)	(198)
Accelerated depreciation and other fair value adjustments (including leases)*	(547)	(508)
Other	(31)	(38)
	(773)	**(744)**
Available for offset	418	369
Deferred tax liabilities	**(355)**	**(375)**

* Prior period comparatives are re-presented due to amendments to *IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*. There is no impact on prior year comparatives on a net basis.

The tax credit recognised in the consolidated income statement is analysed as follows:

	Year ended 31 December	
	2023 **$'m**	**2022** **$'m**
Tax losses	(9)	(35)
Employee benefit obligations	7	2
Depreciation timing differences (including leases)*	35	56
Provisions	(10)	1
Other deferred tax assets	8	26
Intangible assets	8	76
Accelerated depreciation and other fair value adjustments (including leases)*	(38)	(111)
Other deferred tax liabilities	1	(2)
	2	**13**

* Prior period comparatives are re-presented due to amendments to *IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*. There is no impact on prior year comparatives on a net basis.

The Group applied Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) from 1 January 2023. Following the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right of use assets. Prior year comparatives are re-presented in accordance with the amendments to IAS 12. There is no impact on previously reported prior year comparatives following the permissible offsetting in accordance with IAS 12.

Deferred tax assets are only recognised on tax loss carry forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable based on management's forecasts. The Group did not recognise deferred tax assets of $580 million (2022: $98 million) in respect of tax losses amounting to $2,443 million (2022: $494 million) that can be carried forward against future taxable income due to uncertainty regarding their utilisation.

No provision has been made for temporary differences applicable to investments in subsidiaries as the Group is in a position to control the timing of reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Given that exemptions and tax credits would be available in the context of the Group's investments in subsidiaries in the majority of jurisdictions in which it operates, the aggregate amount of temporary differences in respect of which deferred tax liabilities have not been recognised would not be material.

13. Inventories

	Year ended 31 December	
	2023	**2022**
	$'m	**$'m**
Raw materials and consumables	567	569
Mold parts	61	62
Work-in-progress	31	19
Finished goods	867	750
	1,526	**1,400**

Certain inventories held by the Group have been pledged as security under the Group's Global Asset Based Loan Facilities (Note 19 – Financial assets and liabilities).

The amount recognised as a write down in inventories in the year ended 31 December 2023 is $4 million (2022: $3 million).

At 31 December 2023, the hedging loss included in the carrying value of inventories, which will be recognised in the income statement when the related finished goods have been sold is $2 million (2022: gain of $4 million).

14. Trade and other receivables

The fair values of trade and other receivables approximate the amounts shown below.

	Year ended 31 December	
	2023	**2022**
	$'m	**$'m**
Trade receivables	700	1,045
Other receivables and prepayments	276	297
	976	**1,342**

Other receivables and prepayments include value added tax and other taxes recoverable of $155 million (2022: $175 million).

Movements on the provision for impairment of trade receivables are as follows:

	2023	**2022**
	$'m	**$'m**
At 1 January	**8**	**9**
Provision for receivables impairment	10	5
Receivables written off during the year as uncollectible	(10)	—
Net remeasurement of loss allowance	—	(7)
Exchange	—	1
At 31 December	**8**	**8**

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable set out above.

Provisions against specific balances

Significant balances are assessed for evidence of increased credit risk. Examples of factors considered are high probability of bankruptcy, breaches of contract or major concession being sought by the customer. Instances of significant single customer related bad debts are rare.

Providing against the remaining population of customers

The Group monitors actual historical credit losses and adjusts for forward-looking information to measure the level of expected losses. Adverse changes in the payment status of customers of the Group, or national or local economic conditions

that correlate with defaults on receivables owing to the Group, may also provide a basis for an increase in the level of provision above historic loss experience.

As of 31 December 2023, trade receivables of $70 million (2022: $62 million) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The aging analysis of these trade receivables is as follows:

	Year ended 31 December	
	2023 $'m	2022 $'m
Up to three months past due	57	49
Three to six months past due	7	4
Over six months past due	6	9
	70	**62**

Receivables Factoring and Related Programs

The Group participates in several uncommitted accounts receivable factoring and related programs with various financial institutions for certain receivables. Such programs are accounted for as true sales of receivables, as they are either without recourse to the Group or transfer substantially all the risk and rewards to the financial institutions. Receivables of $924 million were sold under these programs at 31 December 2023 (31 December 2022: $661 million).

15. Contract assets

The following table provides information about significant changes in contract assets:

	2023 $'m	2022 $'m
At 1 January	**239**	**182**
Transfers from contract assets recognised at beginning of year to receivables	(234)	(176)
Increases as a result of new contract assets recognised during the year	249	229
Other (including exchange)	5	4
At 31 December	**259**	**239**

16. Cash and cash equivalents and restricted cash

	Year ended 31 December	
	2023 $'m	2022 $'m
Cash at bank and in hand	544	676
Short term bank deposits	173	447
Restricted cash	13	8
	730	**1,131**

17. Equity share capital

Issued and fully paid shares:

	Class A common shares (par value €0.01) (million)	Class B common shares (par value €0.10) (million)	Total shares (million)	Total $'m
At 31 December 2022	2.9	217.7	220.6	23
At 31 December 2023	**2.9**	**217.7**	**220.6**	**23**

The authorised share capital of the Company is set at fifty-five million Euro and zero Cents. (EUR 55,000,000), divided into one billion (1,000,000,000) Class A common shares, with a par value of EUR 0.01 each, and four hundred and fifty million (450,000,000) Class B common shares, with a par value of EUR 0.10 per share.

There were no material share transactions during the year ended 31 December 2023.

18. Financial risk factors

The Group's activities expose it to a variety of financial risks: capital risk, interest rate risk, currency exchange risk, commodity price risk, credit risk, and liquidity risk.

Capital structure and risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and provide returns to its shareholders. The Group funds its operations primarily from the following sources of capital: borrowings, cash flow and shareholders' capital. The Group aims to achieve a capital structure that results in an appropriate cost of capital to accommodate material investments or acquisitions, while providing flexibility in short and medium term funding. The Group also aims to maintain a strong statement of financial position and to provide continuity of financing by having a range of maturities and by borrowing from a variety of sources.

The Group's overall treasury objectives are to ensure sufficient funds are available for the Group to carry out its strategy and to manage certain financial risks to which the Group is exposed, details of which are provided below. The finance committee of the Board ("Finance Committee") reviews and monitors the capital structure, financial policies and treasury function, in addition to advising the Board in relation to financing agreements or arrangements.

Financial risks are managed on the advice of Group Treasury and senior management in conjunction with the Finance Committee. The Group does not permit the use of treasury instruments for speculative purposes, under any circumstances. Group Treasury regularly reviews the level of cash and debt facilities required to fund the Group's activities, plans for repayment and refinancing of debt, and identifies an appropriate amount of headroom to provide a reserve against unexpected funding requirements.

The Group's long-term liquidity needs primarily relate to the servicing of our debt obligations. Management expect to satisfy the Group's future long-term liquidity needs through a combination of cash flow generated from operations and, where appropriate, to refinance its debt obligations in advance of their respective maturity dates as we have successfully done in the past. The Group generates substantial cash flow from its operations on an annual basis. The Group had $730 million in cash (2022: $1,131 million), cash equivalents and restricted cash as of 31 December 2023, as well as available but undrawn liquidity of $784 million under its credit facilities (2022: $930 million).

Additionally, financial instruments, including derivative financial instruments, are used to hedge exposure to interest rate, currency exchange risk and commodity price risk.

One of the Group's key metrics has been the ratio of consolidated external net debt as a multiple of Adjusted EBITDA (See Note 3 – Segment Analysis). As at 31 December 2023 the ratio was 7.3x (2022: 6.8x).

Interest rate risk

The Board's policy, in the management of interest rate risk, is to strike the right balance between the Group's fixed and floating rate financial instruments, which occasionally includes the use of cross currency and interest rate swaps. The Board's policy is dependent on prevailing interest rate markets at any point in time.

At 31 December 2023, the Group's external borrowings were 95% (2022: 97%) fixed, with a weighted average interest rate of 4.1% (2022: 4.1%). The weighted average interest rate for the Group's external total borrowings for the year ended 31 December 2023 was 4.5% (2022: 4.3%).

Holding all other variables constant, including levels of the Group's external indebtedness, at 31 December 2023 a one percentage point increase in variable interest rates would increase interest payable by approximately $5 million (2022: $3 million).

Currency exchange risk

The Group presents its consolidated financial statements in U.S. dollar. The functional currency of the Company is the euro.

The Group operates in 16 countries, across four continents and its main currency exposure in the year to 31 December 2023, from the euro functional currency, was in relation to the U.S. dollar, British pound, Swedish krona, Polish zloty, Danish krone, Brazilian real, South African rand and Ethiopian birr. Currency exchange risk arises from future commercial transactions, recognised assets and liabilities, and net investments in foreign operations.

As a result of the consolidated financial statements being presented in U.S dollar, the Group's results are also impacted by fluctuations in the U.S. dollar exchange rate versus the euro.

The Group has a limited level of transactional currency exposure arising from sales or purchases by operating units in currencies other than their functional currencies.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed where possible primarily through borrowings and swaps denominated in the Group's principal foreign currencies.

Fluctuations in the value of these currencies with respect to the euro functional currency may have a significant impact on the Group's financial condition and results of operations. The Group believes that a strengthening of the euro exchange rate (the functional currency) by 1% against all other foreign currencies from the 31 December 2023 rate would decrease shareholders' equity by approximately $5 million (2022: $3 million decrease).

Commodity price risk

The Group is exposed to changes in prices of energy and other raw materials. Production costs in the Group, especially for Ardagh Glass Packaging, are sensitive to the price of energy. Production costs in Ardagh Metal Packaging are sensitive to the prices of aluminium. Aluminium is traded daily as a commodity on the London Metal Exchange, which has historically been subject to significant price volatility. Because aluminium is priced in U.S. dollar, fluctuations in the U.S. dollar/euro rate also affect the euro cost of aluminium. Furthermore, the relative price of oil and its by-products may impact the businesses, affecting our transport, lacquer and ink costs.

The Group's main energy exposure is to the cost of natural gas and electricity. These energy costs have experienced significant volatility in recent years, driven initially by events in Ukraine, leading to a corresponding effect on our production costs.

The Group implemented price increases in 2023 and included additional pass through clauses in sales contracts where possible, largely replacing surcharges which had been introduced in 2022. Where pass through contracts do not exist, the Group has an active risk management strategy by entering into forward fixed price arrangements with suppliers for the majority of the Group's anticipated requirements for the year ahead and for further diminishing portions of the Group's anticipated requirements for subsequent years. Such arrangements are used exclusively to obtain certainty of our anticipated energy supplies and are accounted for as executory contracts. The Group typically builds up these contractual positions in tranches. Any natural gas and electricity which is not purchased under forward price fixing arrangements is purchased under index tracking contracts or at spot prices. Where entering forward fixed price arrangements with suppliers is not practical, the Group may use derivative contracts with counterparty banks to cover the risk.

In particular the Group has sought to diversify its energy sources, accelerating investments in renewable energy and adapting parts of its production footprint to have the option to use light fuel oil.

Where Ardagh Metal Packaging does not have pass through contracts in relation to the underlying aluminium cost, the Group use derivative contracts to manage the price and foreign currency risk on the aluminium purchases in Europe and the Americas. The Group depends on an active liquid market and available credit lines with counterparty banks to cover this risk. The use of derivative contracts to manage our risk is supported by robust hedging procedures. Increasing raw material costs over time has the potential, if customers are unable to pass on price increases, to reduce sales volume and could therefore have a significant impact on our business. The Group is also exposed to possible interruptions of supply of aluminium or other raw materials and any inability to purchase raw materials could negatively impact the Group's operations.

Credit risk

Credit risk arises from derivative contracts, cash and deposits held with banks and financial institutions, as well as credit exposures to the Group's customers, including outstanding receivables. Group policy is to invest its excess liquidity only with recognised and reputable financial institutions. For financial institutions, only independently rated parties with a minimum rating of "BBB+" from at least two credit rating agencies are accepted, where possible. The credit ratings of banks and financial institutions are monitored to ensure compliance with Group policy. Risk of default is controlled within a policy framework of dealing with high quality institutions and by limiting the amount of credit exposure to any one bank or institution.

Group policy is to extend credit to customers of good credit standing. Credit risk is managed on an on going basis, by experienced personnel within the Group. The Group's policy for the management of credit risk in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. Provisions are made, where deemed necessary and the utilisation of credit limits is regularly monitored. Management does not expect any significant counterparty to fail to meet its obligations. The maximum exposure to credit risk is represented by the carrying amount of each asset. For the year ended 31 December 2023, the Group's ten largest customers accounted for approximately 45% of total revenues (2022: 44%). There is no recent history of default with these customers.

Surplus cash held by the operating entities over and above their short-term requirements are transferred to Group Treasury, where possible. Group Treasury invests surplus cash in interest-bearing current accounts, money market funds and bank time deposits with appropriate maturities to provide sufficient headroom as determined by the below-mentioned forecasts.

Liquidity risk

The Group is exposed to liquidity risk which arises primarily from the maturing of short term and long term debt obligations and from the normal liquidity cycle of the business throughout the course of a year. The Group's policy is to ensure that sufficient resources are available either from cash balances, cash flows or undrawn committed bank facilities, to ensure all obligations can be met as they fall due.

To effectively manage liquidity risk, the Group:

- has committed borrowing facilities that it can access to meet liquidity needs;
- maintains cash balances and liquid investments with highly-rated counterparties;
- limits the maturity of cash balances;
- borrows the bulk of its debt needs under long term fixed rate debt securities; and
- has internal control processes to manage liquidity risk.

Cash flow forecasting is performed in the Group's operating entities, and is aggregated by Group Treasury. Group Treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans.

19. Financial assets and liabilities

The Group's net debt was as follows:

	Year ended 31 December	
	2023	**2022**
	$'m	**$'m**
Restricted loan notes	5,551	5,453
Unrestricted loan notes	3,277	3,231
Senior facilities	437	324
Lease obligations and other borrowings	878	727
Net borrowings	**10,143**	**9,735**
Cash and cash equivalents and restricted cash	(730)	(1,131)
Derivative financial instruments used to hedge foreign currency and interest rate risk	84	8
Net debt	**9,497**	**8,612**

The Group's net borrowings of $10,143 million (2022: $9,735 million) are classified as non-current liabilities of $9,929 million (2022: $9,586 million) and current liabilities of $214 million (2022: $149 million) in the consolidated statement of financial position at 31 December 2023.

At 31 December 2023, the Group's net debt and available liquidity was as follows:

Facility	Currency	Maximum amount drawable	Final maturity date	Facility type	Amount drawn			Undrawn amount
					Restricted Group	Unrestricted Group *	Total Group	
		Local currency m			$'m	$'m	$'m	$'m
5.250% Senior Secured Notes	USD	700	30-Apr-25	Bullet	700	–	700	–
4.125% Senior Secured Notes	USD	1,215	15-Aug-26	Bullet	1,215	–	1,215	–
2.125% Senior Secured Notes	EUR	439	15-Aug-26	Bullet	485	–	485	–
2.125% Senior Secured Notes	EUR	790	15-Aug-26	Bullet	873	–	873	–
4.750% Senior Notes	GBP	400	15-Jul-27	Bullet	509	–	509	–
5.250% Senior Notes	USD	800	15-Aug-27	Bullet	800	–	800	–
5.250% Senior Notes	USD	1,000	15-Aug-27	Bullet	1,000	–	1,000	–
South African Rand Senior Facilities	ZAR	8,500	01-Mar-28	Bullet	440	–	440	22
Global Asset Based Loan Facility - Restricted Group	USD	381	30-Mar-27	Revolving	–	–	–	381
Lease obligations	Various	–	Various	Amortising	387	408	795	–
Other borrowings/credit lines	Various	–	Rolling	Amortising	36	54	90	12
6.000% Senior Secured Green Notes	USD	600	15-Jun-27	Bullet	–	600	600	–
2.000% Senior Secured Green Notes	EUR	450	01-Sep-28	Bullet	–	497	497	–
3.250% Senior Secured Green Notes	USD	600	01-Sep-28	Bullet	–	600	600	–
3.000% Senior Green Notes	EUR	500	01-Sep-29	Bullet	–	553	553	–
4.000% Senior Green Notes	USD	1,050	01-Sep-29	Bullet	–	1,050	1,050	–
Global Asset Based Loan Facility - Unrestricted Group	USD	369	06-Aug-26	Revolving	–	–	–	369
Total borrowings / undrawn facilities					**6,445**	**3,762**	**10,207**	**784**
Deferred debt issue costs and bond discounts/bond premium					(36)	(28)	(64)	–
Net borrowings / undrawn facilities					**6,409**	**3,734**	**10,143**	**784**
Cash, cash equivalents and restricted cash					(287)	(443)	(730)	730
Derivative financial instruments used to hedge foreign currency and interest rate risk					63	21	84	–
Net debt / available liquidity					**6,185**	**3,312**	**9,497**	**1,514**

*Unrestricted Group refers to Ardagh Metal Packaging S.A. and its subsidiaries.

Net debt includes the fair value of associated derivative financial instruments that are used to hedge foreign exchange and interest rate risks relating to Group borrowings.

A number of the Group's borrowing agreements contain covenants that restrict the Group's flexibility in certain areas such as incurrence of additional indebtedness (primarily maximum borrowings to Adjusted EBITDA and a minimum Adjusted EBITDA to interest expense), payment of dividends and incurrence of liens.

The Global Asset Based Loan Facilities are subject to a fixed charge coverage ratio covenant if 90% or more of the facility is drawn. The facilities also include cash dominion, representations, warranties, events of default and other covenants that are generally of a customary nature for such facilities. Borrowing facilities in Africa also contain customary maintenance covenants, primarily net debt to EBITDA and interest coverage tests.

At 31 December 2022, the Group's net debt and available liquidity was as follows:

Facility	Currency	Maximum amount drawable	Final maturity date	Facility type	Amount drawn			Undrawn amount
		Local currency m			Restricted Group $'m	Unrestricted Group* $'m	Total Group $'m	$'m
5.250% Senior Secured Notes	USD	700	30-Apr-25	Bullet	700	–	700	–
4.125% Senior Secured Notes	USD	1,215	15-Aug-26	Bullet	1,215	–	1,215	–
2.125% Senior Secured Notes	EUR	439	15-Aug-26	Bullet	468	–	468	–
2.125% Senior Secured Notes	EUR	790	15-Aug-26	Bullet	843	–	843	–
4.750% Senior Notes	GBP	400	15-Jul-27	Bullet	481	–	481	–
5.250% Senior Notes	USD	800	15-Aug-27	Bullet	800	–	800	–
5.250% Senior Notes	USD	1,000	15-Aug-27	Bullet	1,000	–	1,000	–
South African Rand Senior Term Facilities A&B	ZAR	4,900	28-Feb-24	Bullet	289	–	289	–
South African Rand Senior Facility C	ZAR	595	28-Feb-24	Bullet	35	–	35	–
Global Asset Based Loan Facility - Restricted Group	USD	433	30-Mar-27	Revolving	–	–	–	433
Lease obligations	Various	–	Various	Amortising	354	327	681	–
Other borrowings/credit lines	Various	–	Rolling	Amortising	15	40	55	82
6.000% Senior Secured Green Notes	USD	600	15-Jun-27	Bullet	–	600	600	–
2.000% Senior Secured Green Notes	EUR	450	01-Sep-28	Bullet	–	480	480	–
3.250% Senior Secured Green Notes	USD	600	01-Sep-28	Bullet	–	600	600	–
3.000% Senior Green Notes	EUR	500	01-Sep-29	Bullet	–	533	533	–
4.000% Senior Green Notes	USD	1,050	01-Sep-29	Bullet	–	1,050	1,050	–
Global Asset Based Loan Facility - Unrestricted Group	USD	415	06-Aug-26	Revolving	–	–	–	415
Total borrowings / undrawn facilities					**6,200**	**3,630**	**9,830**	**930**
Deferred debt issue costs and bond discounts/bond premium					(57)	(38)	(95)	–
Net borrowings / undrawn facilities					**6,143**	**3,592**	**9,735**	**930**
Cash, cash equivalents and restricted cash					(576)	(555)	(1,131)	1,131
Derivative financial instruments used to hedge foreign currency and interest rate risk					8	–	8	–
Net debt / available liquidity					**5,575**	**3,037**	**8,612**	**2,061**

*Unrestricted Group refers to Ardagh Metal Packaging S.A. and its subsidiaries.

The following table summarises movement in the Group's net debt:

	2023 $'m	2022 $'m
Net decrease in cash and cash equivalents and restricted cash	401	1,778
Increase in net borrowings and derivative financial instruments	484	1,036
Increase in net debt	885	2,814
Net debt at 1 January	8,612	5,798
Net debt at 31 December	**9,497**	**8,612**

The increase in net debt primarily includes proceeds from borrowings of $0.6 billion (2022: $0.7 billion), a decrease in cash, cash equivalents and restricted cash of $0.4 billion (2022: $1.8 billion), an increase in leases of $0.1 billion (2022: $0.2 billion), a fair value loss on derivative financial instruments of $0.1 billion (2022: $ nil) , and a foreign exchange loss on borrowings of $0.1 billion (2022: $0.2 billion), which is partly offset by repayments of borrowings of $0.4 billion (2022: $0.1 billion).

Maturity Profile

The maturity profile of the Group's total borrowings is as follows:

	At 31 December	
	2023 $'m	2022 $'m
Within one year or on demand	120	81
Between one and three years	3,383	1,125
Between three and five years	2,822	4,870
Greater than five years	120	124
Restricted Group total borrowings	**6,445**	**6,200**
Within one year or on demand	94	68
Between one and three years	175	100
Between three and five years	1,791	704
Greater than five years	1,702	2,758
Unrestricted Group total borrowings	**3,762**	**3,630**
Total borrowings	**10,207**	**9,830**
Deferred debt issue costs and bond discounts/bond premium	(64)	(95)
Net Borrowings	**10,143**	**9,735**

The maturity profile of the contractual undiscounted cash flows related to the Group's lease liabilities is as follows:

	2023 $'m	2022 $'m
Not later than one year	210	162
Later than one year and not later than five years	522	439
Later than five years	271	275
	1,003	**876**

The table below analyses the Group's financial liabilities (including interest payable) into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contracted undiscounted cash flows.

At 31 December 2023	Borrowings $'m	Derivative financial instruments $'m	Trade and other payables $'m
Within one year or on demand	670	54	2,159
Between one and three years	4,349	134	—
Between three and five years	4,965	28	—
Greater than five years	1,922	—	—

At 31 December 2022	Borrowings $'m	Derivative financial instruments $'m	Trade and other payables $'m
Within one year or on demand	577	55	2,197
Between one and three years	1,978	24	—
Between three and five years	6,077	34	—
Greater than five years	3,059	1	—

The carrying amount and fair value of the Group's borrowings, excluding lease obligations, are as follows:

At 31 December 2023	Carrying value Amount drawn $'m	Carrying value Deferred debt issue costs and premium $'m	Carrying value Total $'m	Fair value $'m
Loan notes	8,882	(54)	8,828	7,630
Senior Facilities	440	(3)	437	440
Other borrowings	90	(7)	83	90
	9,412	**(64)**	**9,348**	**8,160**

At 31 December 2022	Carrying value Amount drawn $'m	Carrying value Deferred debt issue costs and premium $'m	Carrying value Total $'m	Fair value $'m
Loan notes	8,770	(86)	8,684	7,183
Senior Facilities	324	—	324	324
Other borrowings	55	(9)	46	55
	9,149	**(95)**	**9,054**	**7,562**

Financing activity

2023

The refinancing of the Group's South African Rand ("ZAR") debt facilities was completed on 20 February 2023. This extended the maturity of the current debt facilities from 2024 to 2028 and increased the maximum amount drawable under the facilities by ZAR2.9 billion ($163 million), from ZAR6.3 billion to ZAR9.2 billion.

Lease obligations at 31 December 2023 of $795 million (2022: $681 million), primarily reflects $281 million of new lease liabilities and foreign currency movements, offset by $171 million of repayments and $4 million disposals of lease assets during the year ended 31 December 2023.

At 31 December 2023 the Group had no cash drawings on the Global Asset Loan facility, which has a maximum cash capacity available to draw down of $839 million, when sufficient working capital is available to full collateralise the facility. In line with the seasonality of the Group's business, working capital collateralisation limited the available borrowing base to $750 million (2022: $848 million) at 31 December 2023.

2022

On 8 June 2022, AMPSA issued $600 million 6.000% Senior Secured Green Notes due 2027. Net proceeds from the issuance of the notes were used for general corporate purposes.

Effective interest rates

The effective interest rates of borrowings at the reporting date are as follows:

	2023				2022			
	USD	**EUR**	**GBP**	**ZAR**	**USD**	**EUR**	**GBP**	**ZAR**
Restricted Group								
5.250% Senior Secured Notes due 2025	5.86 %	—	—	—	5.86 %	—	—	—
4.125% Senior Secured Notes due 2026	4.31 %	—	—	—	4.31 %	—	—	—
2.125% Senior Secured Notes due 2026 (€439 million)	—	2.33 %	—	—	—	2.33 %	—	—
2.125% Senior Secured Notes due 2026 (€790 million)	—	3.28 %	—	—	—	3.28 %	—	—
4.750% Senior Notes due 2027	—	—	4.99 %	—	—	—	4.99 %	—
5.250% Senior Notes due 2027 ($800 million)	5.50 %	—	—	—	5.50 %	—	—	—
5.250% Senior Notes due 2027 ($1,000 million)	6.42 %	—	—		6.42 %	—	—	—
South African Rand Senior Facilities due 2028 (Financed in 2023)	—	—	—	10.65 %				
South African Rand Senior Term Facilities A&B (Refinanced in 2023)	—	—	—	—	—	—	—	9.86 %
South African Rand Senior Facility C (Refinanced in 2023)	—	—	—	—	—	—	—	9.91 %
Unrestricted Group								
6.000% Senior Secured Green Notes due 2027	6.72 %	—	—	—	6.70 %	—	—	—
2.000% Senior Secured Green Notes due 2028	—	2.27 %	—	—	—	2.27 %	—	—
3.250% Senior Secured Green Notes due 2028	3.52 %	—	—		3.52 %	—	—	—
3.000% Senior Green Notes due 2029	—	3.25 %	—	—		3.25 %	—	—
4.000% Senior Green Notes due 2029	4.26 %	—	—	—	4.26 %	—	—	—
			Various Currencies					
Lease obligations		6.83 %				5.38 %		

The carrying amounts of the Group's net borrowings are denominated in the following currencies:

	At 31 December	
	2023 $'m	**2022 $'m**
Euro	2,500	2,393
U.S. dollar	6,491	6,384
British pound	590	537
South African rand	511	371
Other	51	50
	10,143	**9,735**

The Group has the following undrawn borrowing facilities:

	Year ended 31 December	
	2023 $'m	**2022 $'m**
Expiring within one year	3	82
Expiring beyond one year	781	848
	784	**930**

Fair value methodology

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values are calculated as follows:

(i) Senior Secured Green Notes, Senior Secured Notes, Senior Notes and Senior Green Notes - the fair value of debt securities in issue is based on valuation techniques in which all significant inputs are based on observable market data and represent Level 2 inputs.

(ii) Global Asset Based Loan facilities and other borrowings - the fair values of the borrowings in issue is based on valuation techniques in which all significant inputs are based on observable market data and represent Level 2 inputs.

(iii) Cross currency interest rate swaps ("CCIRS") - the fair values of the CCIRS are based on quoted market prices and represent Level 2 inputs.

(iv) Commodity and foreign exchange derivatives - the fair value of these derivatives are based on quoted market prices and represent Level 2 inputs.

(v) Private and Public Warrants - the fair value of the Private Warrants is based on a valuation technique using an unobservable volatility assumption which represents a Level 3 input, whereas the fair value of the Public Warrants is based on an observable market price and represents Level 1 input.

(vi) Virtual power purchase agreement – the fair value of the embedded derivative (floor price) in the virtual power purchase agreement is based on a valuation technique using an unobservable volatility assumption which represents a Level 3 input.

Derivative financial instruments

	Assets	Liabilities	Total
	Fair values $'m	**Fair values $'m**	**Contractual or notional amounts $'m**
Fair value derivatives			
Commodity contracts	13	118	619
Cross currency interest rate swaps	—	84	1,609
Forward foreign exchange contracts	3	14	1,159
At 31 December 2023	**16**	**216**	**3,387**

	Assets	Liabilities	Total
	Fair values $'m	**Fair values $'m**	**Contractual or notional amounts $'m**
Fair value derivatives			
Commodity forward contracts	44	66	719
Cross currency interest rate swaps	7	15	702
Forward foreign exchange contracts	18	33	1,563
At 31 December 2022	**69**	**114**	**2,984**

Derivative instruments with a fair value of $3 million (2022: $15 million) are classified as non-current assets and $13 million (2022: $54 million) as current assets in the consolidated statement of financial position at 31 December 2023. Derivative instruments with a fair value of $162 million (2022: $59 million) are classified as non-current liabilities and $54 million (2022: $55 million) as current liabilities in the consolidated statement of financial position at 31 December 2023.

With the exception of interest on the CCIRS, all cash payments in relation to derivative instruments are paid or received when they mature. Bi-annual interest cash payments and receipts are made and received in relation to the CCIRS.

The Group mitigates the counterparty risk for derivatives by contracting with major financial institutions which have high credit ratings.

Cross currency interest rate swaps

2023

The Group hedges certain of its external borrowings and interest payable thereon using CCIRS, with a net liability position at 31 December 2023 of $84 million (31 December 2022: $8 million).

During the year ended 31 December 2023, the Group entered into a series of new CCIRS, swapping $800 million into synthetic GBP and EUR debt. These CCIRS were designated as hedge accounting arrangements.

2022

During the year ended 31 December 2022, the Group re-struck $500 million of its USD to EUR CCIRS portfolio via termination and re-entering of new on market trades. The cash received from these transactions was $53 million, including interest of $2 million.

Net investment hedge in foreign operations

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

Hedges of net investments in foreign operations are accounted for whereby any gain or loss on the hedging instruments relating to the effective portion of the hedge is recognised in other comprehensive income. The gain or loss relating to an ineffective portion is recognised immediately in the consolidated income statement within finance income or expense respectively. Gains and losses accumulated in other comprehensive income are recycled to the consolidated income statement when the foreign operation is disposed of. A gain of $38 million (2022: loss of $54 million) was recognised in relation to net investments in the consolidated statement of comprehensive income. The amount that has been recognised in the consolidated income statement due to ineffectiveness is $1 million (2022: $1 million).

Commodity forward contracts

The Group hedges a portion of its anticipated metal and energy purchases. Excluding conversion and freight costs, the physical metal and energy deliveries are priced based on the applicable indices agreed with the suppliers for the relevant month. Certain forward contracts are designated as cash flow hedges and the Group has determined the existence of an economic relationship between the hedged item and the hedging instrument based on common indices used. Ineffectiveness may arise if there are changes in the forecasted transaction in terms pricing, timing or quantities, or if there are changes in the credit risk of the Group or the counterparty. The Group applies a hedge ratio of 1:1.

Fair values have been based on quoted market prices and are valued using Level 2 valuation inputs. The fair value of these contracts when initiated is $nil; no premium is paid or received.

Forward foreign exchange contracts

The Group operates in a number of currencies and, accordingly, hedges a portion of its currency transaction risk. Certain forward contracts are designated as cash flow hedges and are set so to closely match the critical terms of the underlying cash flows. In hedges of forecasted foreign currency sales and purchases ineffectiveness may arise for similar reasons as outlined for commodity forward contracts.

The fair values are based on Level 2 valuation techniques and observable inputs including the contract prices. The fair value of these contracts when initiated is $nil; no premium is paid or received.

Virtual Power Purchase Agreement

As part of our strategy to achieve our climate sustainability targets, the Group entered into a virtual power purchase agreement in June 2023. The renewable energy generation facility underlying this agreement is managed by the facility operator. The Group has no rights of determination or control over the use of the facilities. The benefits accruing from the virtual power purchase agreement come in the form of two components: a monthly financial flow from the Group to the

facility developer if the respective spot electricity price falls below an agreed floor price, and certificates that the Group receives as proof of origin for electricity from renewable energies.

The Group has elected to account for the entire virtual power purchase agreement at fair value. The floor price option valuation applies a Black Scholes model, using key data input for the risk-free rate (2.2%), with an estimate for volatility (45%). The estimated fair market value at 31 December 2023 was $2 million, which is reflected as a derivative financial instrument within non-current assets. An increase or decrease in volatility of 5% would result in an increase or decrease in the fair market value as at 31 December 2023, of approximately $1 million.

20. Employee benefit obligations

The Group operates defined benefit or defined contribution pension schemes in most of its countries of operation and the assets are held in separately administered funds. The principal funded defined benefit schemes, which are funded by contributions to separately administered funds, are in the United States and the United Kingdom.

Other defined benefit schemes are unfunded, and the provision is recognised in the consolidated statement of financial position. The principal unfunded schemes are in Germany.

The contribution rates to the funded plans are agreed with the Trustee boards, plan actuaries and the local pension regulators periodically. The contributions paid in 2023 were those recommended by the actuaries.

During the year ended 31 December 2023, Ardagh Glass Packaging North America completed a Pension Annuity Risk Transfer (PART) transaction, which involved transferring the financial risk associated with a group of pension plan participants to an insurance company. Under the terms of this transaction, the Group transferred pension assets of $382 million to the insurer, who assumed responsibility for making future benefit payments to the affected plan participants. As a result of the transaction, the Group's defined benefit obligation decreased by $375 million, reflecting the reduction in future pension obligations resulting from the transfer. The transaction resulted in an exceptional charge to the consolidated income statement of $7 million, as outlined in Note 4 – Exceptional Items.

In addition, the Group has other employee benefit obligations in certain territories.

Total employee benefit obligations, net of employee benefit assets included within non-current assets, recognised in the consolidated statement of financial position of $372 million (2022: $334 million) includes other employee benefit obligations of $89 million (2022: $79 million).

The amounts recognised in the consolidated income statement are:

	Year ended 31 December	
	2023 $'m	**2022 $'m**
Current service cost and administration costs:		
Cost of sales - current service cost (Note 7)	(17)	(26)
Cost of sales - past service cost (Note 7)	(4)	—
SGA - current service cost (Note 7)	(3)	(3)
	(24)	**(29)**
Cost of sales - exceptional past service costs (Note 4)	(4)	**—**
SGA - exceptional loss on PART Transaction (Note 4)	(7)	—
	(35)	**(29)**
Finance expense (Note 5)	(15)	(9)
	(50)	**(38)**

The amounts recognised in the consolidated statement of comprehensive income are:

	Year ended 31 December	
	2023	2022
	$'m	$'m
Remeasurement of defined benefit obligation:		
Actuarial loss arising from changes in demographic assumptions	(2)	—
Actuarial (loss)/gain arising from changes in financial assumptions	(34)	644
Actuarial loss arising from changes in experience	(6)	(44)
	(42)	**600**
Remeasurement of plan assets:		
Actual return/loss less expected return on plan assets	26	(439)
Actuarial (loss)/gain for the year on defined benefit pension schemes	**(16)**	**161**
Actuarial (loss)/gain on other long term and end of service employee benefits	(5)	25
	(21)	**186**

The actual return on plan assets was a gain of $80 million in 2023 (2022: $400 million loss).

The employee obligations and assets of the defined benefit schemes included in the consolidated statement of financial position are analysed below:

	United States		Germany		United Kingdom*		Other		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	$'m	$'m	$'m	$'m	$'m	$'m	$'m	$'m	$'m	$'m
Obligations	(631)	(989)	(139)	(122)	(467)	(446)	(30)	(23)	**(1,267)**	**(1,580)**
Assets	569	951	—	—	397	360	18	14	**984**	**1,325**
Net obligations	**(62)**	**(38)**	**(139)**	**(122)**	**(70)**	**(86)**	**(12)**	**(9)**	**(283)**	**(255)**

*The net employee benefit asset in the United Kingdom metal packaging scheme as at 31 December 2023 ($22 million) is included within non-current assets in the consolidated statement of financial position (2022: $27 million).

Movement in the present value of defined benefit obligations and fair value of plan assets:

	At 31 December			
	Obligations		Assets	
	2023	2022	2023	2022
	$'m	$'m	$'m	$'m
At 1 January	(1,580)	(2,322)	1,325	1,863
Acquisition	(1)	—	—	—
Disposal	—	—	1	—
Interest income	—	—	55	38
Current service cost	(14)	(24)	—	—
Past service costs	(4)	—	—	—
Exceptional loss on PART Transaction (Note 4)	(7)	—	—	—
Exceptional past service charge (Note 4)	(3)	—	—	—
Interest cost	(66)	(45)	—	—
Administration expenses paid from plan assets	—	—	(1)	(1)
Remeasurements	(42)	600	26	(439)
Obligations/(assets) extinguished	398	—	(398)	—
Employer contributions	—	—	38	48
Employee contributions	(1)	(1)	—	1
Benefits paid	83	113	(83)	(113)
Exchange	(30)	99	21	(72)
At 31 December	**(1,267)**	**(1,580)**	**984**	**1,325**

The defined benefit obligations above include $142 million (2022: $125 million) of unfunded obligations. Interest income and interest cost above does not include net interest cost of $4 million (2022: $3 million) relating to other employee benefit obligations. Service costs above do not include current service costs of $6 million (2022: $6 million) and exceptional past service costs of $1 million (2022: $nil) relating to other employee benefit obligations.

An analysis of the assets held by the plans is as follows:

	At 31 December			
	2023 $'m	**2023 %**	**2022 $'m**	**2022 %**
Equities / multi-strategy	472	48	810	61
Target return funds	123	12	132	10
Bonds	224	23	166	13
Cash/other	165	17	217	16
	984	**100**	**1,325**	**100**

The plan assets do not include any of the Company's ordinary shares, securities or other Group assets.

Investment strategy

The choice of investments takes account of the expected maturity of the future benefit payments. The plans invest in diversified portfolios consisting of an array of asset classes that attempt to maximise returns while minimising volatility. The asset classes include equities, fixed income government and non-government securities and real estate, as well as cash.

Characteristics and associated risks

The Ardagh Glass Packaging North America pension plan covers both hourly and salaried employees. The plan benefits are determined using a formula which reflects an employee's years of service and either their final average salary or a dollar per month benefit level. The plan is governed by a Fiduciary Benefits Committee ("the Committee") which is appointed by the Company and contains only employees of Ardagh. The Committee is responsible for the investment of the plan's assets, which are held in a trust for the benefit of employees, retirees and their beneficiaries, and which can only be used to pay plan benefits and expenses. The Committee is advised by independent actuaries and pension consultants and assets are managed externally by independent investment managers.

The defined benefit pension plan is subject to Internal Revenue Service ("IRS") funding requirements with actuaries calculating the minimum and maximum allowable contributions each year. The defined benefit pension plan currently has no cash contribution requirement due to the existence of a credit balance following a contribution of approximately $200 million made in 2014. The Pension Benefit Guaranty Corporation ("PBGC") protects the pension benefits of employees and retirees when a plan sponsor becomes insolvent and can no longer meet its obligation. All plan sponsors pay annual PBGC premiums that have two components: a fixed rate based on participant count and a variable rate which is determined based on the amount by which the plan is underfunded.

Effective as of the end of the day on 31 December 2021, assets and liabilities for employees and former employees of Ardagh Metal Packaging Americas were transferred to a new plan, the Ardagh Metal Defined Benefit Plan. The Ardagh Metal Packaging Americas plan sponsors a defined benefit pension plan as a single employer scheme which is subject to Federal law ("ERISA"), reflecting regulations issued by the IRS and the U.S. Department of Labour. The Ardagh Metal Packaging Americas plan covers hourly employees only. Plan benefits are determined using a formula which reflects the employees' years of service.

The Group operates a number of defined benefit pension schemes in Germany. The pension plans in Germany operate under the framework of German Company Pension Law (BetrAVG) and general regulations based on German labour law. The entitlements of the plan members depend on years of service and final salary. Furthermore, the plans provide lifelong pensions. The plans are unfunded defined benefit plans. During the years ended 31 December 2021 and 2019, the Group elected to re-design its pension schemes in Germany, moving to a contribution oriented scheme.

The United Kingdom pension plans are trust-based funded final salary defined benefit schemes providing pensions and lump sum benefits to members and dependents. There is one United Kingdom pension plan in place relating to Ardagh Metal Packaging Europe. It is closed to new entrants and was closed to future accrual effective 31 December 2018. For this plan, pensions are calculated based on service to retirement, with members' benefits based on final career earnings. There are two United Kingdom pension plans in place in Ardagh Glass Packaging Europe. The United Kingdom pension plans relating to Ardagh Glass Packaging Europe have been closed to future accrual from 31 March 2013 and 30 September 2015 respectively. The pension plans are each governed by a board of trustees, which includes members who are independent of the Company. The trustees are responsible for managing the operation, funding and investment strategy. The pension plans are subject to the United Kingdom regulatory framework, the requirements of The Pensions Regulator and are subject to a statutory funding objective.

Assumptions and sensitivities

The principal pension assumptions used in the preparation of the financial statements take account of the different economic circumstances in the countries of operation and the different characteristics of the respective plans, including the duration of the obligations. The ranges of the principal assumptions applied in estimating defined benefit obligations were:

	United States		Germany		United Kingdom	
	2023 %	2022 %	2023 %	2022 %	2023 %	2022 %
Rates of inflation	2.20 *	2.50	2.00	2.00	2.94	3.01
Rates of increase in salaries	3.00	3.00	3.20	3.40	2.55	2.58
Discount rates	5.34 - 5.37	5.52 - 5.58	3.37 - 3.45	3.66 - 3.89	4.80	5.00

*US assumptions listed under rates of inflation relate to Ardagh Metal Packaging pension schemes only.

Assumptions regarding future mortality experience are based on actuarial advice in accordance with published statistics and experience.

These assumptions translate into the following average life expectancy in years for a pensioner retiring at age 65 for the countries with the most significant defined benefit plans:

	United States		Germany		United Kingdom	
	2023 Years	2022 Years	2023 Years	2022 Years	2023 Years	2022 Years
Life expectancy, current pensioners	22	22	22	22	21	22
Life expectancy, future pensioners	23	23	25	25	23	23

If the discount rate were to decrease by 50 basis points from management estimates, the carrying amount of the pension obligations would increase by an estimated $80 million (2022: $89 million). If the discount rate were to increase by 50 basis points, the carrying amount of the pension obligations would decrease by an estimated $74 million (2022: $84 million).

If the inflation rate were to decrease by 50 basis points from management estimates, the carrying amount of the pension obligations would decrease by an estimated $31 million (2022: $26 million). If the inflation rate were to increase by 50 basis points, the carrying amount of the pension obligations would increase by an estimated $31 million (2022: $26 million).

If the salary increase rate were to decrease by 50 basis points from management estimates, the carrying amount of the pension obligations would decrease by an estimated $33 million (2022: $28 million). If the salary increase rate were to increase by 50 basis points, the carrying amount of the pension obligations would increase by an estimated $32 million (2022: $26 million).

The impact of increasing the life expectancy by one year would result in an increase in the Group’s liability of $27 million at 31 December 2023 (2022: $40 million), holding all other assumptions constant.

The Group’s best estimate of contributions expected to be paid to defined benefit plans in 2024 is $33 million (2023: $31 million).

The principal defined benefit schemes are described briefly below as of 31 December :

Nature of the schemes	Ardagh Metal Packaging			Ardagh Glass Packaging		
	United Kingdom* Funded	Germany Unfunded	North America Funded	United Kingdom* Funded	Germany Unfunded	North America Funded
2023						
Active members	—	723	699	—	764	1,171
Deferred members	589	244	113	1,092	642	1,584
Pensioners including dependents	531	181	135	885	730	1,424
Weighted average duration (years)	13	16	14	15	10	11
2022						
Active members	—	766	763	—	808	1,302
Deferred members	589	225	91	1,092	673	2,274
Pensioners including dependents	531	173	104	885	756	6,750
Weighted average duration (years)	14	15	16	15	10	9

* Census data is updated every 3 years as part of the full valuation for purpose of the United Kingdom pension regulator.

The expected total benefit payments over the next five years are:

	2024 $'m	2025 $'m	2026 $'m	2027 $'m	2028 $'m	Subsequent five years $'m
Benefits	84	80	83	86	88	465

The contribution expense associated with the Group's defined contribution plans for 2023 was $58 million (2022: $52 million). The Group's best estimate of the contributions expected to be paid to these plans in 2024 is $59 million (2023: $55 million).

Other employee benefits

	At 31 December	
	2023 $'m	2022 $'m
End of service employee benefits	3	2
Post-employment benefits	86	77
	89	**79**

End of service employee benefits principally comprise amounts due to be paid to employees leaving the Group's service in Poland and Italy.

Post-employment benefit obligations comprise amounts due to be paid under post-retirement medical schemes in Ardagh Glass Packaging North America, Ardagh Glass Packaging Africa and Ardagh Metal Packaging Americas, partial retirement contracts in Germany and other obligations to pay benefits primarily related to long service awards.

21. Provisions and other liabilities

	At 31 December	
	2023 $'m	2022 $'m
Provisions		
Current	102	72
Non-current	106	101
Other liabilities		
Non-current	10	7
	218	**180**

Provisions

	Restructuring $'m	Other provisions $'m	Total provisions $'m
At 1 January 2022	**1**	**102**	**103**
Acquisition	—	80	80
Provided	4	46	50
Released	—	(16)	(16)
Paid	(4)	(36)	(40)
Exchange	—	(4)	(4)
At 31 December 2022	**1**	**172**	**173**
Acquisition	—	—	—
Disposals	—	(1)	(1)
Provided	106	68	174
Released	(5)	(24)	(29)
Paid	(69)	(41)	(110)
Exchange	—	1	1
At 31 December 2023	**33**	**175**	**208**

The restructuring provision relates to redundancy and other restructuring costs. Other provisions relate to probable environmental claims, customer quality claims, tax deferrals arising from the CARES Act., and specifically in Ardagh Glass Packaging North America, workers' compensation provisions. In addition to the aforementioned, provisions also include non-current amounts in respect of annual, long-term (three-year), cash bonus incentive programs for senior management of the Group, of approximately $23 million.

The provisions classified as current are expected to be paid in the next twelve months. The remaining balance represents longer term provisions for which the timing of the related payments is subject to uncertainty.

Other Liabilities

AMPSA warrants are exercisable for the purchase of ordinary shares in AMPSA at an exercise price of $11.50 over a five-year period. In accordance with IAS 32, those warrants have been recognised as a financial liability measured at fair value in the consolidated financial statements. For certain warrants issued to the former sponsors of Gores Holdings V, Inc. ("Private Warrants") a valuation was performed for the purpose of determining the financial liability. The valuation applied a Black Scholes model, using a key data input for the risk-free rate (4%) (31 December 2022: risk-free rate 4%), with estimates for volatility (49%) (31 December 2022: volatility 50%) and dividend yield. All other outstanding warrants ("Public Warrants") were valued using the traded closing prices of the AMPSA warrants. The estimated valuations of the liability at 31 December 2023, and 31 December 2022, were $2 million and $7 million, respectively. Changes in the valuation of the Public and Private Warrants of $5 million have been reflected as exceptional finance income within net finance expense for the year ended 31 December 2023 (31 December 2022: $26 million). Any increase or decrease in volatility of 5% would not result in a significant change in the fair value of the Private Warrants at 31 December 2023 (31 December 2022: $1 million).

Please refer to note 8 – Intangible assets, note 9 – Property, plant and equipment and note 4 – Exceptional Items for further information on the NOMOQ acquisition and the Whitehouse and Weissenthurm provisions respectively.

22. Trade and other payables

	At 31 December	
	2023	2022
	$'m	$'m
Trade payables	1,818	1,826
Other payables and accruals	314	322
Other tax and social security payable	117	111
Payables and accruals for exceptional items	27	49
	2,276	**2,308**

The fair values of trade and other payables approximate the amounts shown above.

Other payables and accruals mainly comprise accruals for operating expenses and deferred income.

Trade Payables Processing

Our suppliers have access to independent third party payable processors. The processors allow suppliers, if they choose, to sell their receivables to financial institutions at the sole discretion of both the supplier and the financial institution. We have no involvement in the sale of these receivables and the suppliers are at liberty to use these arrangements if they wish to receive early payment. As the original liability to our suppliers, including amounts due and scheduled payment dates, remains as agreed in our supply agreements and is neither legally extinguished nor substantially modified, the Group continues to present such obligations within trade payables.

23. Cash generated from operating activities

	Year ended 31 December	
	2023	2022
	$'m	$'m
Loss from operations	**(495)**	**(290)**
Income tax charge	36	46
Net finance expense	516	328
Depreciation and amortisation	848	809
Exceptional operating items	347	378
Share of post-tax loss/(gain) in equity accounted joint venture	47	(7)
Movement in working capital	118	(298)
Transaction-related, start-up and other exceptional costs paid	(189)	(126)
Cash generated from operations	**1,228**	**840**

24. Non-controlling interests

Non-controlling interests represent approximately 24% of the total equity in the Group's subsidiary AMPSA as at 31 December 2023 (31 December 2022: 24%) in addition to non-controlling interests related to the acquisition of NOMOQ as discussed further in Note 9 – Property, plant and equipment. The total equity attributable to non-controlling interests at 31 December 2023 is a deficit of $41 million (31 December 2022: surplus of $30 million). Dividends of $57 million have been paid to non-controlling interests during the year ended 31 December 2023 (31 December 2022: $58 million).

Summarised financial information, as of the date these consolidated financial statements were authorised for issue, for AMPSA for the year ended and as at 31 December 2023 is set out below:

	Year ended 31 December	
	2023	**2022**
	$'m	**$'m**
Revenue	4,812	4,689
Expenses	(4,736)	(4,513)
Operating profit	**76**	**176**
Net finance (expense)/income	(147)	80
(Loss)/profit before tax	**(71)**	**256**
Income tax credit/(charge)	21	(19)
(Loss)/profit after tax	**(50)**	**237**

(i) The income statement for the year ended 31 December 2023 includes exceptional expense of $34 million, in accordance with Ardagh accounting policy, primarily comprising of $92 million in relation to restructuring, impairment, start-up and other costs, partly offset by $58 million in respect of exceptional finance income relating to a gain on movements in the fair market values on the earnout shares, Public Warrants and Private Warrants. Also included is $205 million of non-exceptional interest expense and $418 million of depreciation and amortisation.

(ii) The income statement for the year ended 31 December 2022 includes exceptional income of $145 million, in accordance with Ardagh accounting policy, of which $218 million is in respect of exceptional finance income relating to a gain on movements in the fair market values on the earnout shares, Public Warrants and Private Warrants. Also included is $138 million of non-exceptional interest expense and $359 million of depreciation and amortisation.

	At 31 December	
	2023	**2022**
	$'m	**$'m**
Non-current assets	4,164	3,957
Current assets (iii)	1,505	1,908
Total assets	**5,669**	**5,865**
Total equity	**106**	**455**
Non-current liabilities (iv)	4,041	3,946
Current liabilities (v)	1,522	1,464
Total liabilities	**5,563**	**5,410**
Total equity and liabilities	**5,669**	**5,865**

(iii) Includes cash and cash equivalents of $0.4 billion (2022: $0.6 billion).

(iv) Includes non-current financial liabilities (excluding other payables and provisions) of $4.0 billion (2022: $3.9 billion).

(v) Includes current financial liabilities (excluding trade and other payables and provisions) of $0.2 billion. (2022: $0.2 billion).

As at 31 December 2023, AMPSA had net debt of $3.3 billion (2022: $3.0 billion). There were no material share transactions in AMPSA during the year. In 2022, AMPSA repurchased 5,768,638 ordinary shares returning $35 million to its shareholders, and issued 56,306,306 non-convertible, non-voting 9% preferred shares of nominal value of €4.44 per share to a wholly-owned subsidiary of the Company resulting in $3 million transaction costs.

25. Dividends

	Year ended 31 December	
	2023	2022
	$'m	$'m
Cash dividends on common shares declared 2021, paid 2022		
Special cash dividend: $3.52 per share	—	(777)
Cash dividends on ordinary shares declared and paid by AMPSA:		
Interim dividend to NCI: $0.10 per share	(14)	(15)
Interim dividend to NCI: $0.10 per share	(15)	(15)
Interim dividend to NCI: $0.10 per share	(14)	(14)
Interim dividend to NCI: $0.10 per share	(14)	(14)
Cash dividends on ordinary shares declared and paid:		
Interim dividend: $0.60 per share	(132)	—
	(189)	**(835)**

The 2023 dividends approved and paid by AMPSA resulted in a cash outflow of $57 million from the Group to non-controlling interests for the year ended 31 December 2023 (2022: $58 million).

Dividends approved in 2023

On 24 October 2023, the board of directors of AMPSA (the "AMPSA Board") approved an interim dividend of $0.10 per ordinary share. The interim dividend of $60 million was paid on 20 December 2023 to shareholders of record on 6 December 2023.

On 25 July 2023, the AMPSA Board approved an interim dividend of $0.10 per ordinary share. The interim dividend of $60 million was paid on 28 September 2023 to shareholders of record on 14 September 2023.

On 26 April 2023, the Board approved an interim dividend of $0.60 per common share. The interim dividend of $132 million was paid on 28 June 2023 to shareholders of record on 14 June 2023.

On 25 April 2023, the AMPSA Board approved an interim dividend of $0.10 per ordinary share. The interim dividend of $59 million was paid on 28 June 2023 to shareholders of record on 14 June 2023.

On 21 February 2023, the AMPSA Board approved an interim dividend of $0.10 per ordinary share. The interim dividend of $60 million was paid on 28 March 2023 to shareholders of record on 14 March 2023.

Dividends approved in 2022

On 25 October 2022, the AMPSA Board approved an interim dividend of $0.10 per ordinary share. The interim dividend of $60 million was paid on 28 November 2022 to shareholders of record on 14 November 2022.

On 29 September 2022, the AMPSA Board approved an interim dividend of $0.10 per ordinary share. The interim dividend of $59 million was paid on 27 October 2022 to shareholders of record on 13 October 2022.

On 27 May 2022, the AMPSA Board approved an interim dividend of $0.10 per ordinary share. The interim dividend of $61 million was paid on 28 June 2022 to shareholders of record on 14 June 2022.

On 26 April 2022, the AMPSA Board approved an interim dividend of $0.10 per ordinary share. The interim dividend of $60 million was paid on 28 June 2022 to shareholders of record on 14 June 2022.

On 15 December 2021, the Board declared a special cash dividend of $3.52 per common share, paid on 7 January 2022 to shareholders of record on 27 December 2021. This dividend of $777 million is disclosed in the 2021 consolidated statement of changes in equity.

26. Related party transactions and information

(i) Interests of Paul Coulson

At 31 December 2023, ARD Holdings S.A., the ultimate parent of the Company, was controlled by Paul Coulson as a result of his 18.83% stake in ARD Holdings S.A. and his 52.42% stake in Yeoman Capital S.A., which in turn owns 33.88% of the equity interests in ARD Holdings S.A.

(ii) Common directorships

With the exception of Abigail Blunt, Michael Dick, Oliver Graham, The Rt. Hon. the Lord Hammond of Runnymede, Damien O'Brien and Edward White, all of the directors of Ardagh Group S.A. are members of the board of directors of ARD Holdings S.A. Four of the ARD Holdings S.A. directors (Herman Troskie, Paul Coulson, Brendan Dowling and Gerald Moloney) also serve as directors in the Yeoman group of companies.

(iii) Yeoman Capital S.A.

At 31 December 2023, Yeoman Capital S.A. owned 33.88% of the ordinary shares of ARD Holdings S.A..

(iv) Joint ventures

The joint ventures in which the Group holds interests are related parties and these are set out in further detail in Note 10 – Other non-current assets and Note 11 – Investment in equity accounted joint venture. There were no material transactions with joint ventures during the year ended 31 December 2023.

During the year ended 31 December 2023 a subsidiary of AMPSA completed non-material transactions including the receipt of cutting and printing services from Trivium.

(v) Key management compensation

Key management are those persons who have the authority and responsibility for planning, directing and controlling the activities of the Group. Key management is comprised of the members who served on the Board and the Group's executive leadership team during the reporting period. The amount outstanding at year end was $2 million (2022: $nil).

	Year ended 31 December	
	2023	**2022**
	$'m	**$'m**
Salaries and other short-term employee benefits	11	11
Post-employment and other benefits	1	1
	12	**12**
Transaction related and other compensation	—	3
	12	**15**

(vi) Pension schemes

The Group's pension schemes are related parties. For details of all transactions during the year, please see Note 20 – Employee benefit obligations.

(vii) Related party balances

At 31 December 2023, the Group had a related party loan receivable balance of $43 million with ARD Finance S.A. (2022: $72 million) and $4 million with ARD Holdings S.A. (2022: $nil). With the exception of this, and the balances outlined in (i) to (vi) above, there were no individual material balances outstanding with related parties at 31 December 2023.

(viii) Other related party transactions

During the year ended 31 December 2023, the Company and its subsidiaries entered into transactions relating to non-material, non-employee director and office rental fees with certain members of the Stonehage Fleming groups of companies. Herman Troskie, our Chair, was employed until 14 November 2023 by the Stonehage Fleming group of companies.

At 31 December 2023, the Group had a $4 million investment in a venture capital fund (the "Fund") established to invest in high-growth beverage and food brands, where a family member of a director of the Company owns a significant interest in the Fund's general partner and investment manager.

(ix) Toggle Notes

In November 2019, ARD Finance S.A. issued (i) $1,130 million aggregate principal amount of 6.500% / 7.250% Senior Secured Toggle Notes due 2027 (the "Dollar Toggle Notes"), and (ii) €1,000 million aggregate principal amount of 5.000% / 5.750% Senior Secured Toggle Notes due 2027 (the "Euro Toggle Notes", and together with the Dollar Toggle Notes, the "Toggle Notes"). Certain directors of the Company have acquired and hold certain of the Toggle Notes. In the year ended 31 December 2023, certain of the Toggle Notes held by directors were disposed of.

(x) Subsidiaries

The following table provides information relating to our principal operating subsidiaries, all of which are wholly owned, at 31 December 2023:

Company	Country of incorporation	Activity
Ardagh Metal Packaging Manufacturing Austria GmbH	Austria	Metal Packaging
Ardagh Metal Packaging Trading Austria GmbH	Austria	Metal Packaging
Ardagh Metal Packaging Brasil Ltda	Brazil	Metal Packaging
Ardagh Indústria de Embalagens Metálicas do Brasil Ltda.	Brazil	Metal Packaging
Ardagh Glass Holmegaard A/S	Denmark	Glass Packaging
Ardagh Glass Packaging Ethiopia Share Company	Ethiopia	Glass Packaging
Ardagh Metal Packaging Trading France SAS	France	Metal Packaging
Ardagh Metal Packaging France SAS	France	Metal Packaging
Ardagh Glass GmbH	Germany	Glass Packaging
Heye International GmbH	Germany	Glass Engineering
Ardagh Metal Packaging Trading Germany GmbH	Germany	Metal Packaging
Ardagh Metal Packaging Germany GmbH	Germany	Metal Packaging
Ardagh Glass Sales Limited	Ireland	Glass Packaging
Ardagh Glass Italy S.r.l.	Italy	Glass Packaging
Ardagh Glass Packaging Kenya Limited	Kenya	Glass Packaging
Ardagh Glass Dongen B.V.	Netherlands	Glass Packaging
Ardagh Glass Moerdijk B.V.	Netherlands	Glass Packaging
Ardagh Metal Packaging Trading Netherlands B.V.	Netherlands	Metal Packaging
Ardagh Metal Packaging Netherlands B.V.	Netherlands	Metal Packaging
Ardagh Glass Packaging Nigeria Limited	Nigeria	Glass Packaging
Ardagh Glass Poland Sp. z o.o	Poland	Glass Packaging
Ardagh Metal Packaging Trading Poland Sp. z o.o	Poland	Metal Packaging
Ardagh Metal Packaging Poland Sp. z o.o	Poland	Metal Packaging
Ardagh Glass Packaging South Africa (Pty) Limited	South Africa	Glass Packaging
Ardagh Metal Packaging Trading Spain SL	Spain	Metal Packaging
Ardagh Metal Packaging Spain SL	Spain	Metal Packaging
Ardagh Glass Limmared AB	Sweden	Glass Packaging
Ardagh Metal Packaging Europe GmbH	Switzerland	Metal Packaging
Ardagh Glass Limited	United Kingdom	Glass Packaging
Ardagh Metal Packaging Trading UK Limited	United Kingdom	Metal Packaging
Ardagh Metal Packaging UK Limited	United Kingdom	Metal Packaging
Ardagh Metal Packaging USA Corp.	United States	Metal Packaging
Ardagh Glass Inc.	United States	Glass Packaging
Ardagh Glass Packaging Inc.	United States	Glass Packaging

27. Principal Accountant Audit Fees and Services

PricewaterhouseCoopers have acted as our principal accountant for the years ended 31 December 2022 and 31 December 2023.

The following table summarises the total amounts charged for professional fees rendered in those periods:

	Year ended 31 December	
	2023	2022
	$'m	
Audit services fees	10	9
Audit-related and tax services fees	1	1
Total	**11**	**10**

28. Contingencies

Environmental issues

The Group is regulated under various national and local environmental, occupational health and safety and other governmental laws and regulations relating to:

- the operation of installations for manufacturing of metal packaging and surface treatment using solvents;
- the operation of installations for manufacturing of container glass;
- the generation, storage, handling, use and transportation of hazardous materials;
- the emission of substances and physical agents into the environment;
- the discharge of waste water and disposal of waste;
- the remediation of contamination;
- the design, characteristics, collection and recycling of its packaging products; and
- the manufacturing, sale and servicing of machinery and equipment for the container glass and metal packaging industry.

The Group believes, based on current information, that it is in substantial compliance with applicable environmental laws and regulations and permit requirements. It does not believe it will be required, under existing or anticipated future environmental laws and regulations, to expend amounts, over and above the amounts accrued, which will have a material effect on its business, financial condition or results of operations or cash flows. In addition, no material proceedings against the Group arising under environmental laws are pending. Finally, the Group believes that the potential impact of climate change on the Group has not resulted in a contingent obligation as of 31 December 2023.

Legal matters

The Group is involved in certain legal proceedings arising in the normal course of its business. The Group believes that none of these proceedings, either individually or in aggregate, will have a material adverse effect on its business, financial condition, results of operations or cash flows.

29. Events after the reporting period

On 20 February 2024, the board of directors of AMPSA approved an interim dividend of $0.10 per ordinary share. The interim dividend will be paid on 27 March 2024, to shareholders of record on 13 March 2024.

30. Filing Requirements

The Company has guaranteed certain liabilities of a number of its subsidiaries for the year ended 31 December 2023 including guarantees under Section 357 of the Irish Companies Act, 2014, and Section 264 of the German Commercial Code, as listed below. Furthermore, the Company has assumed joined and several liability in accordance with Section 403, Book 2 of the Dutch Civil Code for the liabilities of a number of its Dutch subsidiaries, as listed below.

Section 357 Exemption – Irish Company Law Requirement

The Irish subsidiary undertakings of Ardagh Group S.A. listed below, which are included in these consolidated financial statements, have availed of an exemption from filing their individual financial statements with the Irish Registrar of Companies as permitted by Section 357 of the Irish Companies Act, 2014 on the basis that they have satisfied the conditions as laid out in Sections 357 (a) to (h) of that Act.

Ardagh Packaging Group Unlimited Company
Ardagh Packaging Group Holdings Unlimited Company
Ardagh Packaging Dublin Finance Limited
Ardagh Packaging Finance Ireland Limited (in liquidation)
Ardagh Packaging Ireland Holdings Limited
Ardagh Glass Sales Limited
Ardagh Glass Dublin Limited
Ardagh Packaging Finance Plc
Ardagh Glass Finance Plc
Ardagh Corporate Management Limited
Ardagh Packaging Services Limited
Ardagh Treasury Limited
Ardagh Metal Beverage Finance Ireland Limited (in liquidation)
Ardagh Metal Holdings Limited
Ardagh Packaging International Services Limited

Section 264 Exemption – German Commercial Code Requirement

The German subsidiary undertakings of Ardagh Group S.A. listed below, which are included in these consolidated financial statements, have availed of an exemption from filing their individual financial statements with the German Registrar of Companies as permitted by Section 264 paragraph 3 and 291 of the German Commercial Code, on the basis that they have satisfied the conditions as laid out in Section 264 Paragraph 3 Item 1.-5. and 291 of that Code.

Ardagh Group Germany GmbH
Ardagh Glass GmbH
Heye International GmbH

Section 403 Exemption – Dutch Civil Code Requirement

The Company has issued a declaration of joint and several liability as referred to in section 403, book 2 of the Dutch Civil Code in respect of a number of its consolidated participations. This provides an exemption for those entities from filing their individual financial statements. The declaration concerns:

Ardagh Glass Moerdijk B.V.
Ardagh Glass Dongen B.V.