



Sustainability at Ball Packaging Europe



The Strategy for Long Term Success



John A. Hayes

*Chairman, President
and CEO Ball Corporation*

“ Sustainability is absolutely *critical* to Ball’s longevity. Economic vitality, reducing our environmental footprint, *recycling*, safety – key elements that make up the *triple bottom line* – have been, and will *continue* to be, daily life for us. ”



Drive for 10 & Sustainability



We know who we are.

Proud of our rich history, we recognize the whole of our company is greater than the sum of its parts. Most importantly, we believe in our people, our culture and our ability to deliver value to all our stakeholders. Though we encourage and embrace our diversity of thought, business, location and language, we are "One Ball," valuing:

- > **Uncompromising Integrity**
- > **Being Close to Our Customers**
- > **Behaving Like Owners**
- > **Focusing on Attention to Detail**
- > **Being Innovative**



We know where we are going.

We want to be the best at everything we do, and will continually strive for perfection at Ball as we pursue our strategy of:

- > **Maximizing** value in our existing businesses
- > **Expanding** into new products and capabilities
- > **Aligning** ourselves with the right customers and markets
- > **Broadening** our geographic reach
- > **Leveraging** our know-how and technological expertise to provide a competitive advantage



We know what is important.

In order to reach our goals, we must excel in these areas:

Customer Focus

We must be viewed as a strategic partner at each of our key customers.

Operational Excellence

We must be the most competitive in terms of cost, quality and service in all the markets in which we compete by continually driving for efficiencies in all our processes.

Innovation & Business Development

We must identify and drive profitable growth.

People and Culture Focus

We must have the best people, providing them the right support, rewards and growth opportunities to thrive.

Sustainability

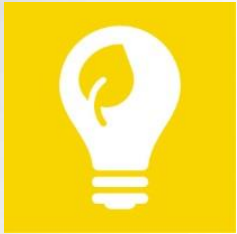
We must balance our economic, environmental and social impacts for greater long-term success.



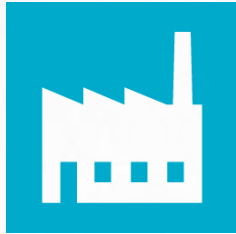
Sustainability Management



Ball's Sustainability Priorities



Innovation



Operations



Talent
Management



Recycling



Supply
Chain



Community



Safety



Electricity



Gas



Water



Waste



VOCs

Past performance, future goals and how the priorities support our Drive for 10 business strategy is described at www.ball.com/sustainability



Past and Future Steps



Optimize processes, improve product functionality and performance.



Enhance safety and improve resource efficiency.



Help our employees thrive and grow.



Conserve resources and combat climate change.



Drive sustainable supply chain practices.



Give back to our communities.



External Sustainability Assessments

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM

Ball was named the Industry Leader in 2013 and 2014, and is the only packaging company listed on DJSI World and DJSI North America, the world's foremost sustainability index family

Ball is also a member of the following sustainability indices



Other sustainability assessments and rankings



Cans: The Smart Solution

USING RECYCLED ALUMINUM REDUCES ENERGY AND GREENHOUSE GAS EMISSIONS BY:

95%



METAL CANS ARE 100% AND INFINITELY RECYCLABLE

100%



CANS TAKE UP LESS SPACE, ALLOWING FOR DENSER SHIPPING:



METAL

recycles
forever

CANS ALLOW ZERO LIGHT PENETRATION COMPARED TO 5% FROM AMBER BOTTLES:

zero



CANS OFFER A 360° BILLBOARD FOR YOUR UNIQUE BRAND MESSAGE:

360°



ONCE EMPTIED, BEVERAGE CANS CAN BE BACK ON THE STORE SHELF AS A NEW CAN IN AS LITTLE AS:

60^{DAYS}



Cans: A Low Carbon Package

From Life Cycle Assessments we know that there are two key parameters influencing the environmental footprint of cans:

1. Packaging Weight

Lighter container = smaller footprint



2. Recycling Rate

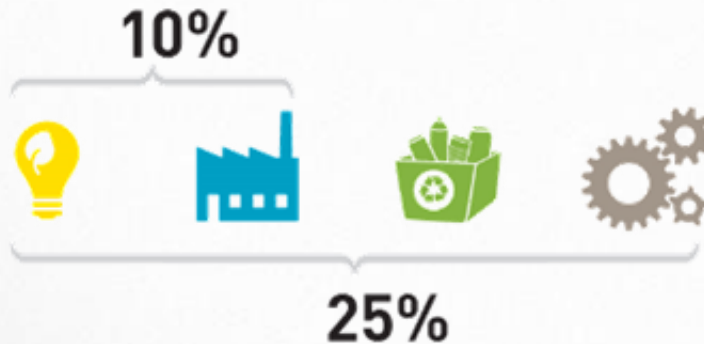
Higher recycling rate = smaller footprint



With Global Initiatives like Cut_{1/4} CARBON

By 2020, we strive to cut the carbon footprint of our beverage cans by 25%.

Ball is committed to reducing the carbon footprint of our most common beverage can formats per region by 10% from 2010 to 2020 through **efforts that are in our control**, such as lightweighting our cans (**Innovation**) and our plants' energy efficiency (**Operations**).



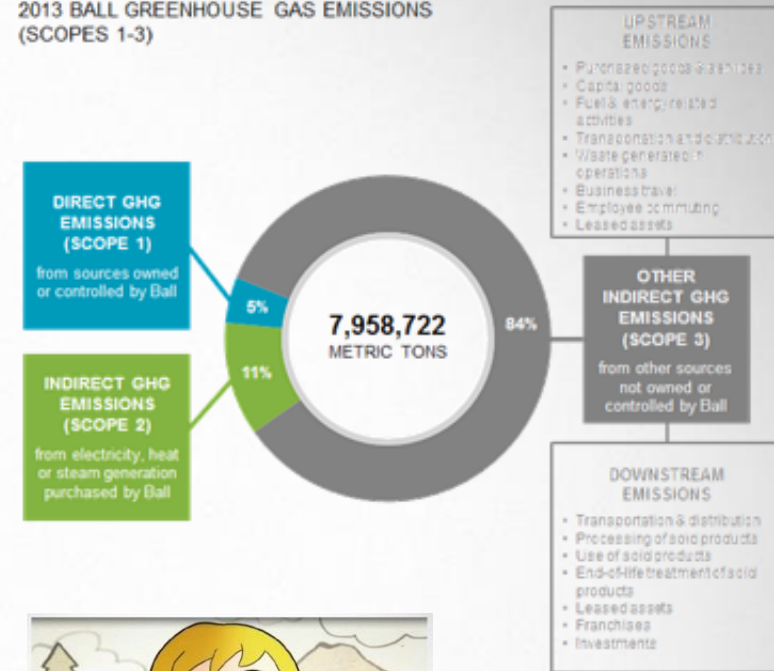
Combined with **efforts of industry partners**, like our suppliers and customers, to increase beverage can recycling rates (**Recycling**) as well as to reduce the energy intensity of aluminum production (**Supply Chain**), we expect the carbon footprint of our beverage cans to be reduced by 25% by 2020.



Leading the Pack

- Ball publicly discloses scope 1 + 2 GHG emissions, including a **public** response to the CDP Investor program
- Ball publicly committed to a GHG **reduction goal** with a **unique** communication campaign “**Carla Cuts Carbs**” for a new level of **transparency**
- Since 2013 Ball publicly discloses **scope 3** emissions

2013 BALL GREENHOUSE GAS EMISSIONS (SCOPES 1-3)



Visit Carla's Carbon Chronicle:
<http://www.carlacutscarbs.com/>



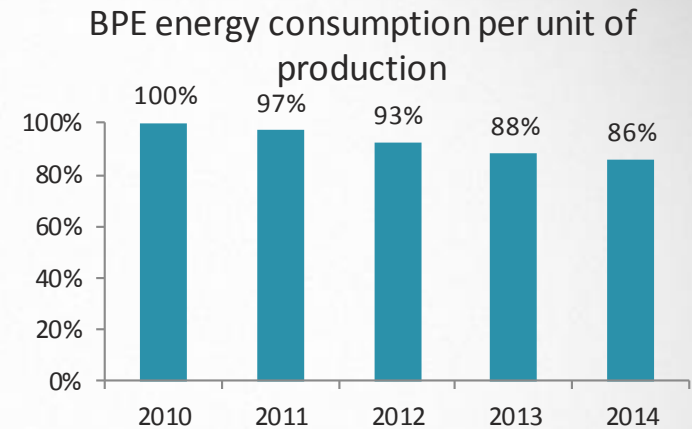
Engineer out the Unnecessary

- Optimal pack design
- Since 1982, Ball has successfully optimized the weight of its cans
 - 50 cl steel cans have been reduced in weight by 41% in comparison to 1982
 - 50 cl aluminum cans have been reduced in weight by 27% in comparison to 1982
- Unveiled highlights to-date
 - **Introduction ultra-light can** in Europe (Al 33cl) → engineered out another 5% of metal in can body vs. comparable standard can
 - **Global roll-out of CDL-end**: engineered out another **10%** of metal vs. standard comparable end



Reducing Energy Use and Emissions at BPE

- We improved our energy efficiency by **14%** since 2010
- We use an **energy information system** to track progress
- In 2014, all plants in Germany received **ISO 50001 certification**
- By 2015, we aim to reduce our normalized **greenhouse gas (GHG) emissions** by **10%** (2010 baseline, Scope 1 and 2)
- By the end of 2013, we had achieved a **7%** reduction per unit of production



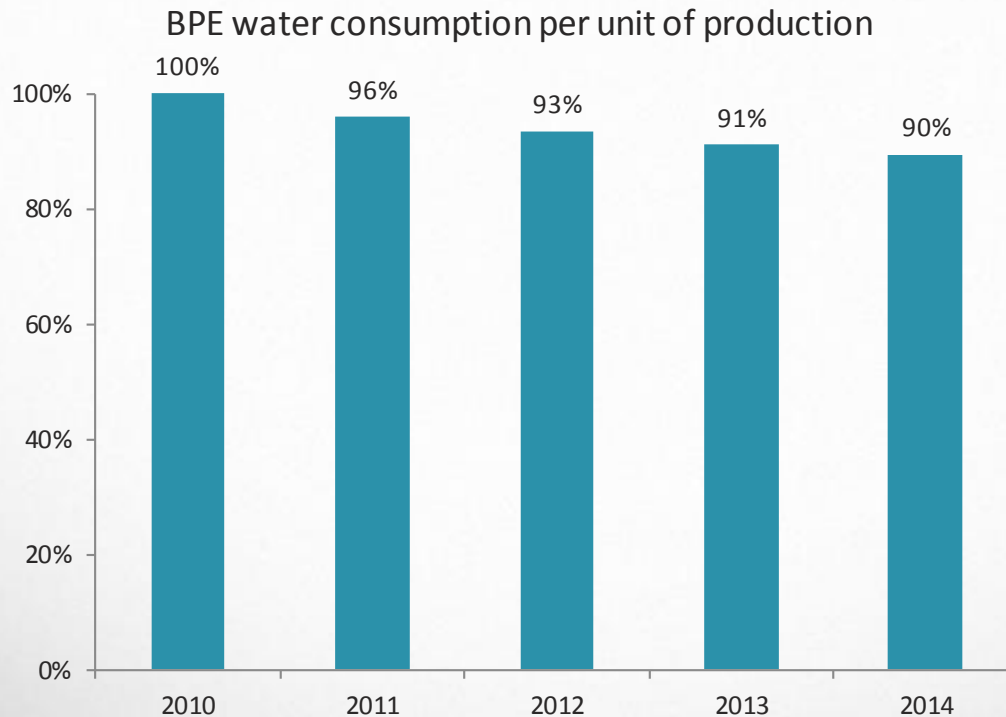
2015 Goal: Improve energy efficiency by **approx. 5%** (vs. 2013)

*Note: GHG 1+2 are in line with Greenhouse Gas Protocol and third-party verified by WSP. Update in May 2015, for GHG 1+2 emissions 2014.



Water Stewardship at BPE

- We improved our water efficiency by **10%** since 2010
- Reduce, reuse, recycle to use as little water as possible
- We use **electronic water meters** to monitor our water use
- We use **water stress analysis** to mitigate business continuity risks



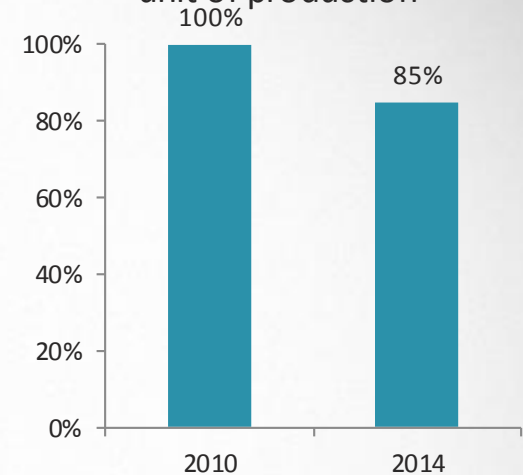
2015 Goal:
Improve water efficiency by **2%**
(vs. 2013)



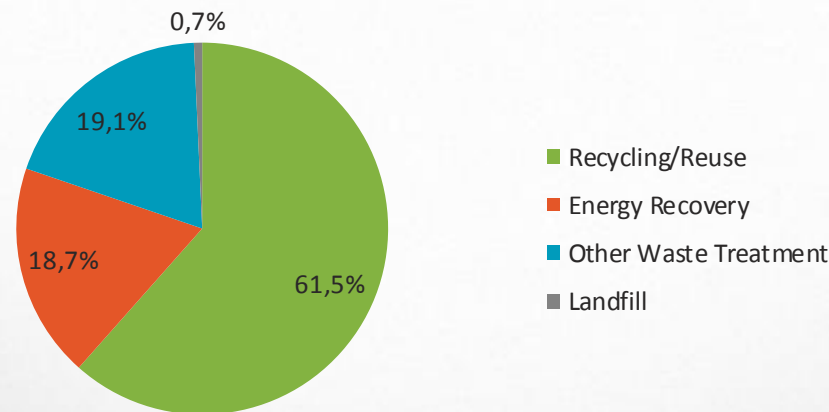
Less Waste, more Recycling at BPE

- We recycle **100%** of metal production scrap in our plants
- In 2014 we generated around 10.381 **metric tons of waste** (excl. scrap)
- Over **61% of waste** was reused or recycled
- Less than **1% of waste** was sent to landfill

BPE waste reduction per unit of production



BPE total waste generated in 2014
(10.381 metric tons)



Goal: Zero waste to landfill
(9 plants achieved)



Creating a Safe Working Environment at BPE

- We improved our total recordable incident rate between 2013 and 2014 by **20%**
- We had the lowest number of recorded incidents in 2014 since the introduction of our formal program in 2005
- In 2014, we started using an **acoustic camera** to visually localize acoustic emissions from manufacturing equipment
- We utilize **behavior-based-safety** to address the hidden beliefs, norms and assumptions that govern behavior and effectively change safety behavior



Continuous Goal:
25% reduction of
TRIR year over
year



Engaging Our Employees

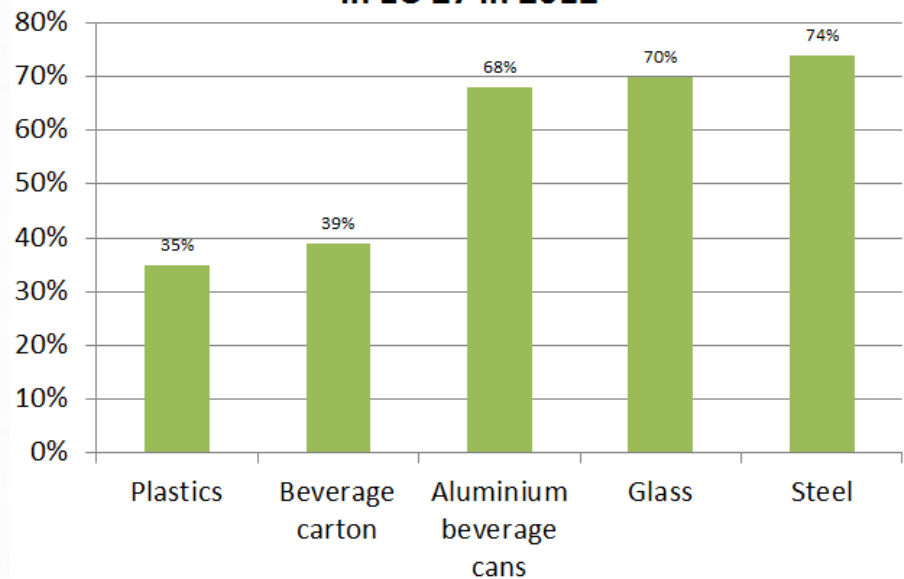
- We help our employees thrive by providing the right support, linkage to the business, rewards, **growth opportunities** and an exceptional work environment
- We want our employees to enjoy, value, find meaning in and be **committed** to what they do
- We adopted the **70:20:10 principle**, because the most valuable learning (70%) happens on the job
- Ball values an **inclusive culture** with a greater diversity of thought



Metal Packaging: An Energy Saver

- The production of secondary metals requires only a fraction of the energy used for virgin metals
- Recycling metals saves up to **95%** of the energy used for virgin production
- The main benefits of recycling are saving **primary resources** and **energy**
- Once recycled, the environmental benefits are the same, no matter what the new product is

Recycling rates of main packaging materials in EU 27 in 2012



Source: Industry experts - PlasticsEurope, ACE, eaa (2011 data), FEVE, APEAL



Sources: www.apeal.org; www.alueurope.eu

Recycling World Champions

- Metal cans are the **most valuable containers** in the recycling stream, often subsidizing the recycling of other packages with little or no value
- Recycling is as old as metals are and an efficient **recycling infrastructure** for metals is already installed
- Nearly **75%** of all aluminium and more than **80%** of all steel ever produced is still in use today
- But recycling rates across Europe will vary, that is why BPE actively supports various recycling initiatives to support the establishment of efficient **collection infrastructures** and consumer **education**

recal^{alu}[®]

recan

Praça
Ativa

MetalMatters



Creating More Sustainable Supply Chains

- Our **Responsible Sourcing Framework** allows us to regularly assess the sustainability performance of major suppliers, helping us to:
 - Utilize lean supply chains that support our **Drive for 10** and sustainability strategies
 - Create **shared value** and **reduce risk** for our business and relevant stakeholders
 - Build sourcing solutions in line with **stakeholder expectations**
 - Enhance our products' sustainability profile
- Ball is a member of the **Aluminium Stewardship Initiative**, that will enable Ball and industry partners to demonstrate responsibility and provide independent, credible and verifiable proof of progressive environmental, social and governance performance

BALL'S RESPONSIBLE SOURCING FRAMEWORK



Advancing Sustainable Livelihoods

- The [Ball Foundation](#) provides financial support to nonprofit organizations that promote education, recycling and community engagement
- These giving areas are directly [linked to our business](#) and allow us to focus our investments where they make the greatest impact
- [Ball Community Ambassadors](#), an employee giving and volunteer program, maximizes employee participation in the community

In memory of Gerrit Heske, SVP and COO, Global Metal Beverage Packaging, BPE established scholarships for students at the Wirtschafts- und Handelsuniversität Otto Beisheim School of Management in Vallendar.

The Gerrit Heske Scholarship, provides selected students with 300 euros each for three years. Additionally, an annual Gerrit Heske Master Thesis will be offered to build bridges between scientific and practical work.



Ball
Community
Ambassadors



Partnerships for Joint Success

Ball is a member of various organizations to ensure that we exchange ideas with stakeholders, improve our products, minimize their impacts and promote them as the sustainable and smart solution





More information available at www.ball.com/sustainability



Please direct questions, feedback and suggestions to sustainability@ball.com