



Ball Corporation Climate-Related Risk and Opportunity Disclosure

March 20th, 2025

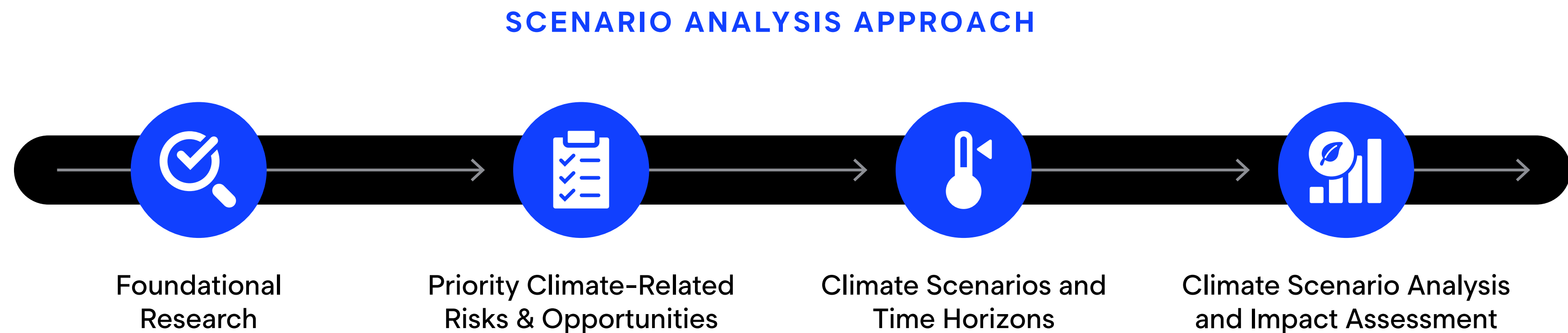
Governance

Ball Corporation's Board of Directors plays a key role in overseeing climate-related risks and opportunities as part of our broader sustainability governance framework. The Nominating and Corporate Governance Committee is responsible for overseeing climate-related risks, opportunities, governance and accountability, ensuring that sustainability considerations remain integral to corporate decision-making. Additionally, the Audit Committee provides oversight of sustainability and climate-related disclosures.

At the executive level, the Sustainability Council ensures Ball's actions are in line with key stakeholder expectations and our sustainability strategy is integrated with our business strategy. Ball's cross-functional working groups meet regularly to operationalize sustainability priorities and embed sustainability practices across the organization. These working groups include the Sustainability Accelerator Team, which is focused on advancing product stewardship goals; the Market Influence Team, which shapes policy and advocacy efforts; the Social Impact Team, which oversees social sustainability progress; the Governance Team, which is responsible for sustainability governance and accountability; and the Sustainability Disclosure Team, which ensures compliance with evolving reporting requirements. Together, these governance structures reinforce Ball's commitment to climate leadership and responsible business practices.



Risk Management



Identification of climate-related risks and opportunities

Ball's approach to identifying climate-related risks and opportunities is grounded in the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, with consideration of International Sustainability Standards Board (ISSB) guidance. Ball performed peer benchmarking, utilized recent initial double materiality assessment (DMA) findings and conducted stakeholder interviews to develop and refine our list of climate-related risks and opportunities.

As Ball strives to enhance our sustainability programs, the benchmarking assessment provides important context for how leaders in the packaging value chain identify climate-related risks and opportunities, leverage findings to assess business resilience and track impacts of climate change. These insights give clarity to Ball's current position relative to other organizations.

Then, using initial DMA findings, Ball selected the most relevant risks and opportunities related to climate that were identified within the circular economy, climate change and supply chain categories. This ensured a holistic evaluation of potential risks and strategic opportunities.

Additionally, Ball conducted focused interviews with sustainability leadership, our operations teams, as well as key customers and suppliers to refine our risk assessment. This process resulted in a prioritized subset of the key risks and opportunities identified in this report.

Climate scenarios and time horizons

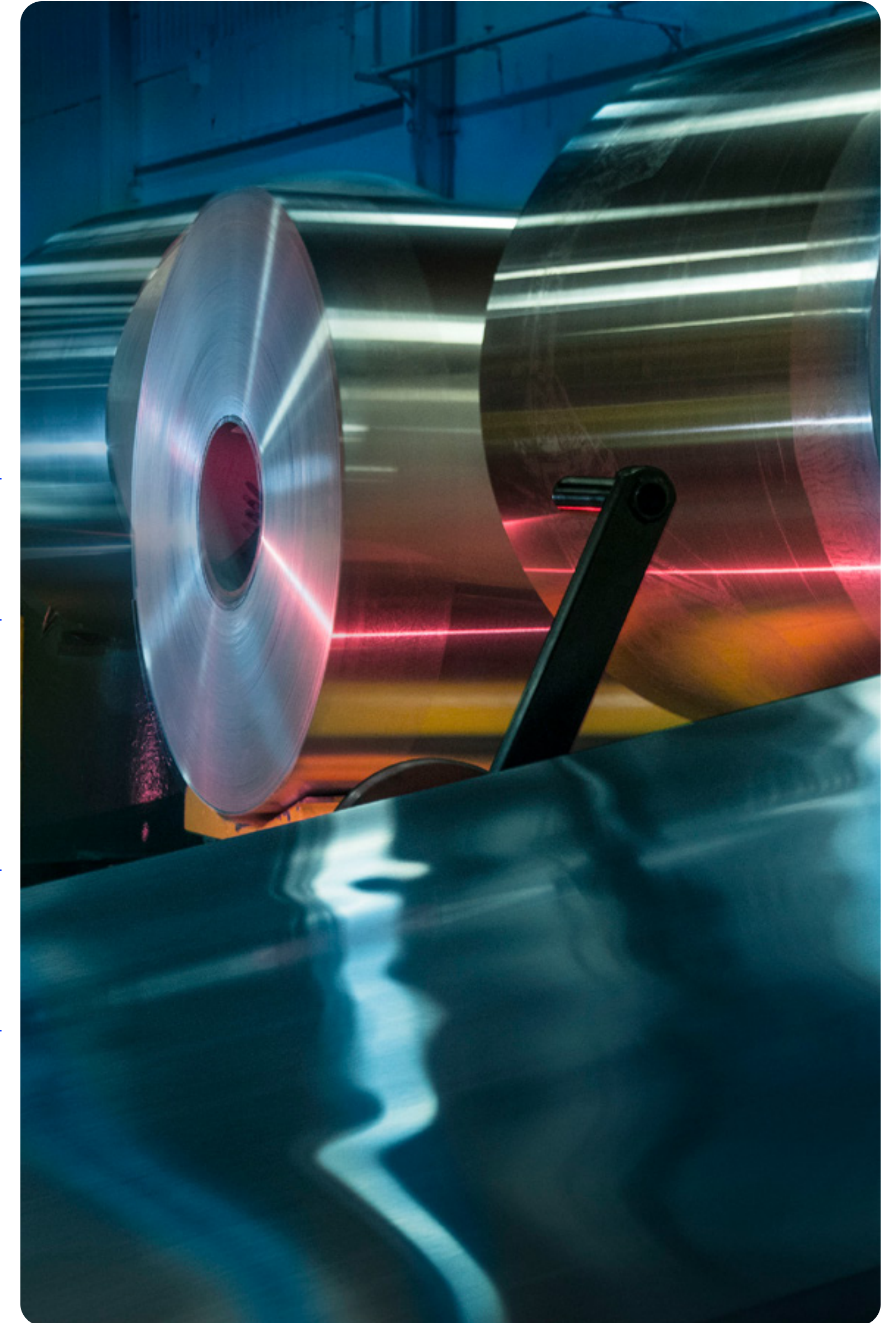
Ball leveraged current projections and industry-standard time horizons to perform qualitative and quantitative impact assessments. Physical climate risks were assessed for relevance to Ball-operated offices, warehouses and facilities, as well as key supplier and customer facilities.

Ball selected a set of climate scenarios which represent a diverse range of future possibilities within high, medium and low emission realities. The following represents the three climate scenario narratives chosen, informed by the Intergovernmental Panel on Climate Change (IPCC) to assess physical risks and transition risks and opportunities.

- **Aggressive climate action scenario** (IPCC SSP1-1.9 and SSP1-2.6) - Global collaboration to start reducing emissions now in an aggressive way to meet Paris Agreement goals.
- **Moderate climate action scenario** (IPCC SSP2-4.5) - Emissions reductions achieved by all governments meeting climate targets, including Nationally Determined Contributions (NDCs).
- **Insufficient climate action scenario** (IPCC SSP5-8.5) - Emissions curbed based on existing policies, commitments and NDCs, but fall short of meeting the Paris Agreement goals.

Time horizons used in Ball's assessment are based on leading practices and TCFD guidance, whereby each horizon is sufficiently different from one another to allow for a comparison of exposure and potential magnitude of climate-related risks and opportunities.

- **Short-term: 1-3 years (~2025)** - Links to risk management and capital planning and is helpful for identifying immediate adaptation needs and implementing responsive measures.
- **Medium-term: 3-10 years (~2030)** - Aligns with stated targets, enables better-informed investment decisions, prioritizing resilient infrastructure and/or operations projects, and/or incorporating climate considerations into R&D, product development and market strategies. Additionally this time horizon allows for a balance between immediate concerns and longer-term impacts.
- **Long-term: 10-25 years (~2050)** - Aligns with stated targets, provides the window to capture slower-onset or system risks that unfold over decades, and long-term policy objectives that would not be observable in short- to medium- time-horizons.



Assumptions made

To determine potential impacts from both transition and physical risk under the various scenarios, Ball established parameters for our quantitative assessment.

To assess the potential future financial exposure to transition risks, each risk was mapped to financial statement line items and assessed across time horizons and climate scenarios, leveraging input data compiled from external sources as well as data collected from Ball.

The approach utilized to evaluate Ball's risk of potential business disruption due to acute and chronic physical climate risks was anchored in risk assessment science. This involved the selection of Ball-operated or third-party facilities subject to analysis, the identification of priority physical climate risks for Ball, an evaluation of Ball's vulnerability to the selected risks and analysis of the risks' frequency and/or severity, considering both current conditions and future projections.

To assess the potential future financial exposure to physical hazards across time horizons and scenarios, climate value at risk (VAR) was quantified. For identified potential physical hazards, each of the Ball-operated, supplier or customer locations were assigned an exposure rating of very low, low, medium, high or very high. Financial information by location was then aggregated over high and very high categories to quantify climate VAR. For Ball-operated locations, financial information included total insured value for Ball's equipment and facilities based on 2023 insurance renewals. For supplier locations, Ball's 2023 annual financial spend per supplier was used. For customer locations, financial information was related to the 2024 forecasted volume. This analysis allows for an in-depth understanding of Ball's exposure to physical climate risks and potential impact to our business.



QUANTITATIVE ANALYSIS METHODOLOGY

1. Select scenarios representing business as usual, aggressive climate action and insufficient climate action

2. Identify financial impact pathways for each of the identified risks

- Change in revenue
- Change in savings
- Change in cost of production
- Change in procurement costs

3. Identify source of impact

- New taxes or carbon markets
- Cost of raw materials
- Decreased market share or profit margins due to consumer preference
- Loss of market share due to new technology

4. Validate assumptions for financial parameter projections under different scenarios

- Revenue and cost growth
- Market share
- Technological development and product performance and efficiencies
- Decarbonization plans
- Regulatory developments

5. Develop economic models formalizing parameter growth and financial metric projections considering

- Economic growth projections under selected climate scenarios
- Internal company projections for financial growth and market share

6. Project financial metrics using economic models under different climate scenarios

- Revenue
- Cost of goods

7. Estimate difference in financial metrics under various climate scenarios estimating the value exposed to climate transition risks

Management of risks








As a global leader in our industry, we remain committed to developing low-carbon, circular aluminum packaging solutions. Our growth potential is enhanced by our ability to meet our ambitious circularity and climate targets.

Ball’s [Climate Transition Plan](#) is our long-term strategy for mitigating climate-related risks and achieving net zero carbon emissions prior to 2050. Recognizing the complexity of long-term decarbonization, Ball has developed multiple transition scenarios that consider key uncertainties, such as the pace of primary aluminum decarbonization and recycling policies. The core scenario is based on achieving a 90% collection rate in key regions, which would support our roadmap to achieving 85% recycled content in our products by 2030. However, alternative scenarios account for potential delays in primary aluminum decarbonization and policy implementation. By proactively planning for multiple pathways, Ball is driving toward our 1.5°C-aligned targets while adapting to evolving regulatory, market and technological landscapes.

In addition to addressing transition risks, Ball actively mitigates physical climate risks across our operations and supply chain. Through our commitment to Operational Excellence, Ball integrates sustainability into our manufacturing processes. Led by our Sustainability Engineering team, Ball assesses and prioritizes investments in infrastructure to improve the energy and water intensity of our facilities. Ball also conducts regular assessments at our facilities around the world to establish business continuity plans for sites with high exposure to extreme weather events. Staff are trained in emergency response strategies to ensure swift and effective responses to climate hazards. Furthermore, Ball evaluates climate risk exposure within our logistics network and develops contingency plans to mitigate disruptions caused by extreme weather to safeguard supply chain reliability and customer commitments.

Ball’s enterprise-wide climate risk management activities are an important part of Ball’s overall risk management profile. Ball has included climate-related risks among the risks that are considered and monitored under Ball’s Enterprise Risk Management (ERM) program. By continuously monitoring Ball’s risk profile, we enhance our resilience to climate-related challenges while positioning ourself to capitalize on emerging opportunities in the low-carbon economy.

7 PRIORITY PHYSICAL CLIMATE RISKS

ACUTE PHYSICAL RISKS	 Extreme heat	Days per year with temperature ≥ 35°C
	 Extreme precipitation	Maximum 1-day precipitation amount (mm)
	 Flood	100-year flood depth (m)
	 Tropical cyclone	1-minute maximum sustained windspeed (km/h)
CHRONIC PHYSICAL RISKS	 Drought	Consecutive dry days (maximum number of consecutive days when precipitation < 1 mm)
	 Chronic heat	Annual average temperature (°C)
	 Chronic precipitation	Annual average precipitation (mm)



Strategy

Based on the process outlined above, we identified six climate-related risks and opportunities to be important to Ball. Transition opportunities explore themes surrounding regulations, consumer sentiment, technology, industry coalitions and stakeholder

engagement, while transition risks are focused on supply and demand imbalances, cost of goods, technology, regulations and cost of capital. Physical risks explore both increased risk of acute, severe weather events, as well as chronic, long term, impacts of climate change.

The below table summarizes each risk and opportunity, its impact and Ball’s response. Timeframes identified indicate a moderate, high or substantial potential impact to Ball.

KEY RISKS AND OPPORTUNITIES		
	POTENTIAL IMPACT	RESPONSE
TRANSITION OPPORTUNITIES	<div>Increased revenue from a shift towards more circular, low-carbon aluminum packaging</div> <div><ul style="list-style-type: none">Increased revenue through incremental demand for productsIncreased revenue through business to business customers increasing demand for low-carbon solutionsDecreased cost of aluminum due to increased supply of used beverage cans in key markets<div>Timeframe: Short to long term</div><div>Category: Market, Products and services</div></div>	Ball has established ambitious circularity and climate goals, including boosting recycling rates and lowering our carbon footprint to achieve brand differentiation and cost efficiency, while also remaining ahead of regulatory compliance and meeting stakeholder expectations.
	<div>Enhancing the climate resilience of Ball's value chain by strengthening the business case for aluminum decarbonization and circularity</div> <div><ul style="list-style-type: none">Increased revenue and market share through enhanced reputation and leveraging government supportImproved circularity and supply chain resiliency with sustainable practicesGreater packaging resilience and stakeholder trust through advocacy for decarbonization<div>Timeframe: Short to long term</div><div>Category: Market, Resilience</div></div>	Ball is working to enhance the resilience of the aluminum value chain by engaging with governments across regions to support and shape recycling policies, as well as access to incentives for carbon reduction projects and technology. In addition, Ball participates in industry climate leadership coalitions and collaborates with value chain stakeholders.



TRANSITION RISKS

PHYSICAL RISKS

	POTENTIAL IMPACT	RESPONSE
TRANSITION RISKS	<p>Increased raw material costs due to the supply and demand imbalances of aluminum scrap</p> <ul style="list-style-type: none"> Increased costs of recycled aluminum due to lack of supply in key markets Increased cost of aluminum due to increased competition for green metals by other sectors <p>Timeframe: Short to long term Category: Market</p>	<p>Ball is committed to increasing recycling rates, partnering globally with suppliers and customers to promote a circular economy through recyclable packaging. Ball also advocates for well-designed recycling refund programs and the adoption of Extended Producer Responsibility (EPR) systems.</p>
	<p>Increased operational, capital, and R&D costs to decarbonize Ball's value chain</p> <ul style="list-style-type: none"> Increased capital costs to invest in new lower-carbon alternatives in manufacturing Increased R&D and/or engagement costs to facilitate decarbonization of the industry <p>Timeframe: Short to long term Category: Market, Technology</p>	<p>Ball pilots new high recycled content products and refillable/reusable packaging solutions, as well as more resource efficient manufacturing processes at our R&D facility before rolling out more broadly. In addition, Ball works through industry-wide coalitions to support investment in research for new technology to decarbonize can making and aluminum production in our value chain.</p>
PHYSICAL RISKS	<p>Business disruption due to extreme heat, extreme precipitation, flood and tropical cyclone risks</p> <ul style="list-style-type: none"> Temporary shutdowns of manufacturing plants, distribution centers, warehouses and offices Increased costs due to damage to facilities, equipment and inventory, necessitating repairs and replacements Disruptions to transportation routes and supplier operations Frequent disruptions and inability to meet customer demands can harm Ball's reputation and erode customer trust and loyalty <p>Timeframe: Medium to long term Category: Acute</p>	<p>Ball manages this risk by investing in infrastructure and assessing geographic diversification to protect facilities and ensure continuity of operations, while also developing comprehensive emergency response plans. Additionally, Ball considers supplier resiliency and diversification and strategic inventory management.</p>
	<p>Business disruption due to drought, chronic heat and chronic precipitation risks</p> <ul style="list-style-type: none"> Persistent disruptions in manufacturing or supply chains may result in reduced production capacity and sales Chronic water stress and rising temperatures may lead to higher costs for water procurement, treatment and energy consumption Ongoing water shortages and extreme temperatures may cause frequent disruptions in manufacturing processes Failure to effectively manage chronic climate risks can harm Ball's reputation and erode customer trust and loyalty <p>Timeframe: Long term Category: Chronic</p>	<p>By responding to localized risks at each facility and evaluating alternatives for potential supply chain disruptions, Ball is decreasing our vulnerability to chronic physical risks of climate.</p>

Climate scenario analysis

Based upon the risks and opportunities identified, Ball further conducted a climate scenario analysis which considered the aggressive climate action scenario, moderate climate action scenario and insufficient climate action scenario as defined under the IPCC. These three scenarios explore a diverse range of possibilities for our transition risks and opportunities, as well as our physical risks.



PERCENTAGE OF TOTAL INSURED VALUE AT RISK
AT BALL-OPERATED FACILITIES

		2024 BASELINE	2050 INSUFFICIENT CLIMATE ACTION
ACUTE PHYSICAL RISKS	Extreme heat	22.17%	36.21%
	Extreme precipitation	0.44%	0.50%
	Flood	7.02%	7.02%
	Tropical cyclone	2.27%	2.27%
CHRONIC PHYSICAL RISKS	Drought	18.30%	18.30%
	Chronic heat	28.86%	35.93%
	Chronic precipitation	31.56%	32.06%

	AGGRESSIVE ACTION	MODERATE ACTION	INSUFFICIENT ACTION
TRANSITION OPPORTUNITIES	<p>Increased revenue from a shift towards more circular, low-carbon aluminum packaging</p> <ul style="list-style-type: none"> • Alignment to stringent environmental regulations and high consumer demand for eco-friendly products • Enhanced brand reputation • Market share growth and increased revenue 	<ul style="list-style-type: none"> • As regulations and consumer demand for sustainable products continue to grow, Ball may achieve consistent market share growth, moderate revenue stability and long term financial resilience • Leadership in the sustainable packaging industry 	<ul style="list-style-type: none"> • Ball may build resilience and adapt to an uncertain market with insufficient climate action • Sustainability efforts provide some advantage, but weak regulations and slow market adoption may limit overall impact
	<p>Enhancing the climate resilience of Ball's value chain by strengthening the business case for aluminum decarbonization and circularity</p> <ul style="list-style-type: none"> • Potential achievement of significant emissions reductions in Ball's value chain through industry-wide adoption of net zero technologies • Establishment of a fully circular value chain with high recycled content • Proven leadership in developing cutting-edge technologies and engagement in global collaborations 	<ul style="list-style-type: none"> • Implementation of industry-wide standards and best practices for low-carbon production • Fostering industry collaboration to create a robust circular economy framework • Formation of strategic partnerships with Ball's technology providers and the development of potential strategies to future-proof the business against climate risks 	<ul style="list-style-type: none"> • Initial scaling of renewable energy integration and low-carbon technologies • A potential increase in the availability of recycled aluminum as a result of its less widespread use
TRANSITION RISKS	<p>Increased raw material costs due to the supply and demand imbalances of aluminum scrap</p> <ul style="list-style-type: none"> • Potentially increased aluminum scrap prices due to increased sustainability-driven demand and supply constraints in the short term • A balanced market with robust recycling infrastructure and widespread sustainable practices in the long-term 	<ul style="list-style-type: none"> • Ball may benefit from ongoing investments in recycling infrastructure and moderate financial incentives, leading to steady supply improvements • Prices may experience moderate increases as supply keeps pace with demand growth 	<ul style="list-style-type: none"> • Ball may face minimal supply improvements due to slow progress in recycling infrastructure and technology, coupled with insufficient financial incentives • Moderate adoption of sustainable practices may not mitigate issues, resulting in high or increasing prices and significant long-term cost increases
	<p>Increased operational, capital and R&D costs to decarbonize Ball's value chain</p> <ul style="list-style-type: none"> • Potentially high initial costs in transitioning to renewable energy, implementing energy-efficient technologies and supporting development of breakthrough technologies in our value chain • Followed by a reduction in costs as new technologies become standard and more cost-effective 	<ul style="list-style-type: none"> • Gradual investments may need to be made in upgrading Ball facilities to integrate low-emission technologies incrementally, including some upstream investments in carbon refining and smelting • Over time costs may lower as technologies mature, become more affordable, and are more widely adopted across the industry 	<ul style="list-style-type: none"> • Lower immediate costs expected, due to continued reliance on fossil fuels, minimal investment in energy efficiency and low investments allocated to R&D for low-carbon technologies across Ball's value chain • Future costs may rise significantly due to delayed investments in technology and infrastructure, leading to higher operational costs and potential regulatory penalties

Metrics and Targets

Ball tracks a variety of metrics to assess climate-related risks and opportunities in alignment with our corporate strategy and risk management processes. Key metrics include energy use, greenhouse gas (GHG) emissions, the insured value of properties, raw material costs, taxes and market share. Ball reports our Scope 1, 2 and 3 emissions in our Combined Annual and Sustainability Report, providing a status to ongoing efforts to decarbonize our operations and value chain.

GREENHOUSE GAS EMISSIONS, Mt CO₂e

	2024	2023	2022
SCOPE 1	387,349	388,628	422,794
SCOPE 2	190,200	233,557	491,827
SCOPE 3	7,544,675	8,687,929	12,169,385



In 2019, Ball set a science-based target to reduce absolute Scope 1 and 2 GHG emissions 55% by 2030, aligning with the latest climate science from the IPCC to limit global warming to 1.5°C. This target, approved by the Science Based Targets initiative (SBTi) in early 2020, made Ball the first aluminum can manufacturer to adopt a science-based emissions reduction goal. Since, Ball has set to achieve a 55% reduction in Scope 3 emissions as well. Looking beyond 2030, Ball aims to reach net zero emissions prior to 2050. In 2025 Ball will submit our updated Scope 3 target and net zero commitment for validation by SBTi, reinforcing our dedication to climate leadership and sustainable business practices.

By 2030

Ball aims to reduce absolute carbon emissions within our operations and value chain by

55%

against a 2017 baseline

Advance climate science and achieve

net zero

carbon emissions

prior to 2050