



2022

GREEN
FINANCING
FRAMEWORK





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COMPANY OVERVIEW

At O-I Glass, Inc., we love glass. We're proud to be one of the world's leading producers of the most sustainable packaging: the glass container. Glass is natural and infinitely recyclable. It's also beautiful and can transform brands into icons.

We serve and partner with thousands of customers, many of whom produce the world's best-known food and beverage brands. We serve customers in beer, wine, spirits, food, non-alcoholic beverages (NAB), cosmetics and pharmaceuticals. In 2021, we manufactured 41 billion glass containers.

O-I was founded in 1903 in Ohio by Michael J. Owens, inventor of the automatic bottle-making machine. O-I was proudly ranked 52 out of 500 on Forbes' list of America's Best Large Employers 2021. We are led by our team of about 24,000 people across 70 plants in 19 countries. Our global headquarters and much of our science, engineering, and R&D teams are located in Perrysburg, Ohio.

At O-I, we do more than manufacture glass packaging. We transform four basic ingredients into masterfully designed sustainable and healthy glass packaging. We're dedicated to helping food and beverage brands tell their stories, through glass, to build long-lasting bonds with consumers. We're dedicated to making what matters and to shaping a healthier, happier, and more sustainable world.



OUR COMMITMENT TO A SUSTAINABLE FUTURE

At O-I, our vision is to be the most innovative, sustainable, and chosen supplier of brand-building packaging solutions. While we believe glass packaging is already the most sustainable packaging solution, sustainability at O-I is about more than what we make. It is also about how we make it. The essence of a sustainable organization is a quest for balance among its process and what it produces and the needs of people, organizations, the planet, and our collective prosperity. We have built a strong, resilient organization designed for the future. O-I is not only reimagining and reinventing the business model for glass packaging but also using transformative concepts to heighten our sustainability ambitions.

O-I IS ALSO CONTRIBUTING TO GLOBAL SUSTAINABILITY EFFORTS.

In 2015, all United Nations Member States adopted the 2030 Agenda for Sustainable Development. The 17 Sustainable Development Goals (SDGs) form the foundation of this Agenda, helping to prioritize and mobilize global efforts around these goals. At O-I, we believe there is no sustainable development without increasing our collective prosperity. We see the fundamental role that businesses have in collectively achieving the SDGs. O-I is focused on six of the 17 goals which we believe are most closely aligned with our core business and objectives. These focus areas provide O-I with a foundation to help the communities in which we operate be more sustainable, through the responsible management of their activities and a solid culture of sustainability.

The six SDGs we are focused on advancing are:



As a forward-looking company, O-I is focused on the future. We are working hard to set ambitious goals, embrace technology, build partnerships, and reward innovation as we strive to create a better planet.



O-I's SUSTAINABILITY GOALS

We are in continuous pursuit of 10 sustainability goals driven from a global leadership level. Our goals are purposefully ambitious and aspirational because that's what drives innovation and transformation. We have aligned our goals to the SDGs relevant to our business. We believe empowering our people under a broader sustainability umbrella with a more global reach will enhance our efforts to make progress toward our sustainability goals and SDG alignment.



50% TARGET

Increase recycled content to 50% average by 2030. O-I is taking a tailored approach to increase recycled content rates across its enterprise network as rates vary significantly by geography.



SUPPLY CHAIN SUSTAINABILITY

Achieve sustainability balance, together, by aligning our supply chain with our 2030 sustainability vision and goals.



40% RENEWABLE

Renewable energy is a pillar in our strategy to lower carbon emissions. Our goal is to reach 40% renewable electricity use by 2030 and to reduce total energy consumption by 9%.



DIVERSITY, EQUITY & INCLUSION

At O-I, we are better when we reflect the diverse world we serve, feel welcome, and have equal access to opportunities. We are focused on increasing all aspects of diversity, equity and inclusion across our team.



25% GHG REDUCTION

Approved SBTi target to reduce GHG emissions 25% by 2030 (against 2017 baseline).



R&D TRANSFORMATION

Reinvent and re-imagine glassmaking – where the circularity of glass meets the potential of our MAGMA melting technology, low-carbon alternative fuels, and light-weighted glass packaging.



ZERO WASTE

Reduce the amount of natural resources used and reduce the generation of waste by reuse and recycling as we drive towards a Zero Waste organization.



ZERO INJURIES

As part of our journey toward zero injuries, we are committed to a 50% improvement of our Total Recordable Incident Rate (TRIR) by 2030.



25% WATER REDUCTION

We are committed to reducing our global water usage 25% by 2030, prioritizing operations in higher risk areas.



SOCIAL IMPACT

We see tremendous opportunity to positively impact the planet and communities where we operate. We will collaborate with customers, NGOs, suppliers and local leaders to make glass recycling available in 100% of our locations.

ADVANCEMENTS IN SUSTAINABILITY REPORTING

O-I has received significant acknowledgments for its continued sustainability transformation. As an ESG Regional Top-Rated performer, O-I was recognized by Sustainalytics as a strong outperformer in managing ESG risks with a “low risk” [score](#). Sustainalytics is a provider of analytical environmental, social, and governance research, rating, and data to institutional investors and companies. The ESG Top-Rated designation is awarded by Sustainalytics on an annual basis to companies that excel at managing their ESG Risk Ratings.

O-I received an upgrade to a silver medal sustainability rating by EcoVadis, a provider of business sustainability ratings, intelligence, and collaborative performance improvement tools for global supply chains. The silver rating places O-I in the top 25 percent of all the companies evaluated by EcoVadis. Additionally, O-I maintained B [scores](#) in both the Climate Change and Water Security categories through CDP. O-I is the first food and beverage packaging company to achieve a platinum rating in material health on the Cradle to Cradle Product Scorecard, which we have maintained since 2019.

Our vision at O-I for a sustainable future is here, today. Our sustainability ambitions for today and tomorrow are grounded in the same resiliency created by our foundational commitment to innovation and transformation of our products, processes, and relationships with our stakeholders. This recognition is an acknowledgment of achieving balance across this ecosystem and will be a driving force for creating an organization designed for the long term modeled on this evolving balance. Our [Sustainability Report](#) shows the progress we are making and outlines our roadmaps to achieve our goals.



O-I'S GREEN FINANCING FRAMEWORK

O-I believes the issuance of Green Financing Instruments (Bonds and/or Loans) could contribute to fostering the transition to a low-carbon economy, as it aligns our financing needs with specific investing activities. O-I has decided to use the sustainable capital markets as a way of financing Eligible Green Projects and has created this Green Financing Framework ("Framework") to demonstrate how the company intends to implement that effort.

The Framework has been designed using the Green Bond Principles, updated in June 2021, published by the International Capital Markets Association (ICMA) and the Green Loan Principles, updated in February 2021, administered by the Loan Market Association, Asia Pacific Loan Market Association, and Loan Syndications & Trading Association, which are voluntary process guidelines for best practices when issuing green instruments that recommend transparency and promote integrity in the relevant markets. This Framework replaces and builds upon O-I's 2019 Green Bond Framework, and represents an ongoing commitment to sustainable finance and improvement in environmental performance.

The Framework has been reviewed by Sustainalytics. O-I intends to follow best market practice and will communicate in a transparent manner on:

- 1 – USE OF PROCEEDS**
- 2 – PROCESS FOR PROJECT EVALUATION AND SELECTION**
- 3 – MANAGEMENT OF PROCEEDS**
- 4 – REPORTING**

I – USE OF PROCEEDS

O-I will allocate an amount equal to the net proceeds from the sales of the Green Financings to finance and/or refinance new and/or existing Eligible Green Projects in:

- A.** Improvement of the environmental performance of production facilities and processes: **Sustainability in O-I Operations**
- B.** Glass products or solutions with environmental considerations: **Sustainable Products**



A. SUSTAINABILITY IN O-I OPERATIONS

ELIGIBLE CATEGORY	SCOPE OF GREEN EXPENDITURE	ELIGIBLE PROJECTS	SDGS
Renewable Energy	Projects and investments aimed at increasing utilization of renewable energy ($\leq 100\text{gCO}_2/\text{kWh}$)	<ul style="list-style-type: none"> • On-site and off-site solar panel / wind installation • Long-term and project-tied purchase agreements related to wind, hydro and solar power 	
Energy Efficiency	Investments in energy efficient solutions in offices, plants and warehouse	<ul style="list-style-type: none"> • LED lighting • Upgrades to high-efficiency HVAC systems • Investments and expenditures in energy monitoring including smart meters and energy management systems 	
Sustainable Water and Wastewater Management	Use of new technologies aimed at reducing potable water consumption in the manufacturing process	<ul style="list-style-type: none"> • Installation of closed loop systems that reuse water • Use of recycled/reclaimed water in cullet washing processes • Rainwater collection systems • Installation of water metering and monitoring devices 	
Environmentally Friendly Production Technologies and Processes	Projects, investments, and R&D aimed at improving the production technologies and processes in manufacturing facilities, and facilitating the use of alternative resources	<ul style="list-style-type: none"> • Deployment of best-in-class GOAT (gas-oxygen advancement technology) furnaces • Equipment or upgrades for automatic process control for furnaces • Substitution or integration of alternative fuel sources: Oxygen, hydrogen, biogas, synthetic gas • Projects aimed at reducing and/or re-using wasted heat for cullet pre-heating or electricity production through Organic Rankine Cycle generators • Sensors to monitor/test emission control/compliance (including investments with third parties to find ways to reduce emissions) • Dust collection, including filtering and abatement (carbonates/silicates) • Abatement equipment (i.e., scrubbers) 	

I – USE OF PROCEEDS

CONTINUED



Eligible Green Projects may include capital expenditures and operating expenditures notably related to the purchase of crushed glass (cullet), and research and development.

If for any reason a project is no longer eligible, O-I will use its best efforts to substitute any assets that are no longer eligible, as soon as practical once an appropriate substitution option has been identified. For the avoidance of doubt, activities related to the exploration, production, or transportation of fossil fuels are excluded, except for those included in the Eligible Green Projects.

Eligible Green Projects may include new projects or existing projects with disbursements not earlier than 24 months before the issuance date of the Green Financings.



B. SUSTAINABLE PRODUCTS

ELIGIBLE CATEGORY	SCOPE OF GREEN EXPENDITURE	ELIGIBLE PROJECTS	SDGS
Circular Economy	Projects aimed at increasing the circularity of products and inputs, including waste collection and/or glass recycling processing facilities	<ul style="list-style-type: none"> Investments to increase cullet processing capacity and glass recycling processing through (i) direct investments in new and existing cullet processing facilities; (ii) investments for new and upgrades to equipment for glass collection with waste aggregators; (iii) and the possible acquisition of ownership interest in select cullet processing operations. Purchase of raw material from crushed glass (i.e., cullet or other glass) Sourcing waste products from other industries as an alternative source of recycled input Returnable packaging projects and investments (e.g., technologies that enable O-I's customers to track bottles to facilitate reusing returnable packaging) 	 
Environmentally Friendly Adapted Products	Projects aimed at decreasing the use of raw material, and using sustainable raw material to produce environmentally friendly products	<ul style="list-style-type: none"> R&D and capex investments for lightweighting bottles, including: <ul style="list-style-type: none"> Optimizing the shape of bottles for reduced material use Improvements in glass chemistry and treatment to optimize right mix of material use 	

2 – PROCESS FOR PROJECT EVALUATION AND SELECTION

O-I operates with a single unified business strategy and has embraced Integrated Business Planning (“IBP”) to drive decision making. IBP is a companywide business planning process encompassing the whole value chain of the company. Importantly, it connects day to day business decisions to the strategy of the company.

With IBP, O-I considers environmental, regulatory and market trends and engages with stakeholders across the value chain on long-term business opportunities.

The IBP implementation extended the company’s demand and supply planning horizon to 3 years, and includes a rolling 3-year financial outlook of the business

that is updated monthly. O-I aligns investment decisions within IBP to enable strategic ambitions consistent with environmental, regulatory and market requirements.

Within IBP, O-I identifies and assesses environmental, health and safety (EH&S) risks and opportunities in the course of evaluating new projects and/or investments, as well as when monitoring, maintaining, or upgrading existing assets and processes, in accordance with our internal investment guidelines and policies and based on long-term strategic direction. This includes completing an EH&S checklist at each milestone step of the capital allocation approval process. Further, O-I employs a robust internal audit process where each

facility is evaluated on at least a 3 year cycle to promote compliance with both internal policies and the rules/regulations of the countries where we operate.

O-I’s Vice-President in charge of Sustainability, our Global Sustainability Leader, and the Corporate Treasurer will meet on a quarterly basis to identify, evaluate and/or select Eligible Green Projects based on the eligibility criteria, from the list of approved projects within the IBP process.

We believe decision making through our IBP process helps reduce risk and improve financial performance over the long-term.



3 – MANAGEMENT OF PROCEEDS

The net proceeds from O-I's Green Financings will be deposited in a general bank account and an amount equal to the net proceeds will be earmarked for allocation to the Eligible Green Projects, in accordance with the Framework.

O-I will establish a register to record on an ongoing basis the allocation of net proceeds from our Green Financing Framework to Eligible Green Projects (the "Green Financing Register"). The Green Financing Register will be monitored by O-I's Global Sustainability team in conjunction with the Treasury team, and will be updated on a monthly basis. O-I will track the asset/investment's location, the amount financed, and the applicable eligible category. The Green Financing Register will form the basis for the impact reporting described below.

Pending the allocation or reallocation, as the case may be, of the net proceeds, O-I will invest the balance of the net proceeds, at its own discretion, to cover general corporate purposes and in any case avoiding direct funding of carbon-intensive projects. O-I will invest, in cash or cash equivalents, or in other short-term liquid marketable instruments, or to repay existing external debt obligations of the company, as per the company's liquidity management policy.

O-I intends to allocate the full amount of proceeds to Eligible Green Projects within the 24 months following the issuance of the Green Financing.

Payment of principal and interest on O-I's Green Financings will not be linked to the performance of Eligible Green Projects.

4 – REPORTING

O-I will report on the allocation of net proceeds and associated impact metrics of the Green Financing within one year from the issuance date and annually thereafter until the proceeds have been fully allocated, and as necessary thereafter in the event of material developments.

This report will be published as part of O-I's Sustainability Report or in a separate press release, published on O-I's website.

The report will include:

- The aggregated amount of allocation equal to the net proceeds to the Eligible Green Projects at each category level, including a brief description of the largest and most representative projects from each category;
- The outstanding amount of proceeds from Green Financing Instruments that are yet to be allocated;
- Confirmation that the net proceeds were allocated (in part or in full) to Eligible Green Projects;
- The proportion of the net proceeds used for financing versus refinancing;
- The proportion of the net proceeds used for operating versus capital expenditures; and
- Where feasible, O-I will intend to report environmental metrics associated with the Eligible Green Projects and intends to provide the methodology and assumptions used to calculate any quantitative measures.

EXAMPLES OF REPORTING METRICS THAT MAY BE USED:

GREEN FINANCING CATEGORY	IMPACT MEASUREMENT METRICS – EXAMPLES
SUSTAINABILITY IN O-I OPERATIONS	
Renewable Energy	<ul style="list-style-type: none"> • Capacity of renewable energy installed/purchased (MW) • GHG emissions avoided (tCO₂e avoided)
Energy Efficiency	<ul style="list-style-type: none"> • Energy savings (in MJ)
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> • Water consumption reduced/water savings (m³ or % compared with baseline) • Reduction of pollutants discharge (% compared with baseline)
Environmentally Friendly Production Technologies and Processes	<ul style="list-style-type: none"> • Reduction in GHG emissions (tCO₂e) • Improvement in carbon intensity of production (tCO₂e/tonne melted)
SUSTAINABLE PRODUCTS	
Circular Economy	<ul style="list-style-type: none"> • Volume of crushed glass used (kg or % of total glass raw material) • Volume of waste/bottles collected and recycled (kg or % of total waste)
Sustainable and Efficient Packaging	<ul style="list-style-type: none"> • Reduction of raw material use (% compared with baseline)

5 – EXTERNAL REVIEW

PRE-ISSUANCE

O-I has appointed Sustainalytics to review the Eligible Green Projects and to provide a Second Party Opinion on its Green Financing Framework.

The Second Party Opinion and the Green Financing Framework will be made available on O-I's website.

POST-ISSUANCE

The allocation of Green Financing proceeds, adherence to asset selection criteria, and environmental metrics, if any are reported, will be reviewed by an independent auditor who will provide a report that O-I is in compliance with the intended use of proceeds on Eligible Green Projects as defined in this Framework. The auditor's report will be made available on O-I's website.

DISCLAIMER

The information in this Green Financing Framework is provided as of the date published and is subject to change without notice. This Green Financing Framework is intended to provide non-exhaustive, general information. This document may contain or incorporate by reference public information not separately reviewed, approved or endorsed by O-I Glass, Inc. (“O-I”) and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by O-I as to the fairness, accuracy, reasonableness or completeness of such information.

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Additionally, certain information herein may be based on projections, estimates, or assumptions due to inherent measurement uncertainties. Such information continues to evolve. While O-I believes such information to be reasonable at this time, O-I cannot guarantee that the actual results of any of O-I’s projects may achieve similar results or that such projections, estimates, and other such information may change in future, due to availability of data or other factors, some of which may be beyond O-I’s control. O-I has and undertakes no obligation to update, modify or amend the information contained herein or to otherwise notify any recipient if any information, opinion, projection, forecast or estimate set forth herein changes or subsequently becomes inaccurate. The information contained in this presentation, including, but not limited to, third-party information and third-party standards and ratings, has not been independently verified and no representation or warranty, expressed or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, reasonableness or completeness of such information. Moreover, the standards and metrics used herein, including the standards against which O-I has reported herein, continue to evolve.

The third-party information contained in this framework, and changes in the standards, metrics, or third-party information contained herein, may cause results or the perceived environmental impact of selected projects to differ from the statements, estimates, and beliefs made by us or third parties. None of O-I or its representatives and affiliates shall have any liability whatsoever in negligence

or otherwise for any loss arising from any use of this presentation or its contents or otherwise arising in connection with this presentation or any other information or material discussed.

FORWARD-LOOKING STATEMENTS:

This Green Financing Framework contains certain forward- looking statements that reflect O-I’s current views with respect to future events. These forward- looking statements are based on O-I’s current expectations and projections about future events. Because these forward-looking statements are subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of O-I to control or estimate precisely. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this document. O-I does not undertake any obligation to publicly release any updates or revisions to any forward- looking statements to reflect events or circumstances after the date of this presentation.





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