#### UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

#### **COMMISSIONERS:**

Lina M. Khan, Chair Rebecca Kelly Slaughter Christine S. Wilson Alvaro M. Bedoya

In the Matter of	
Ardagh Group S.A., a corporation,	
Ardagh Glass Inc., a corporation, and	
Ardagh Glass Packaging Inc., a corporation.	

DECISION AND ORDER Docket No. C-4785

#### **DECISION**

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The Federal Trade Commission initiated an investigation of certain acts and practices of Respondent Ardagh Group S.A., Respondent Ardagh Glass Inc., and Respondent Ardagh Glass Packaging Inc. (collectively, "Respondents"). The Commission's Bureau of Competition prepared and furnished to Respondents the Draft Complaint, which it proposed to present to the Commission for its consideration. If issued by the Commission, the Draft Complaint would charge Respondents with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

Respondents and the Bureau of Competition executed an Agreement Containing Consent Order ("Consent Agreement") containing (1) an admission by Respondents of all the jurisdictional facts set forth in the Draft Complaint, (2) a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in the Draft Complaint, or that the facts as alleged in the Draft Complaint, other than jurisdictional facts, are true, (3) waivers and other provisions as required by the Commission's Rules, and (4) a proposed Decision and Order.

The Commission considered the matter and determined that it had reason to believe that Respondents have violated the said Act, and that a complaint should issue stating its charges in that respect. The Commission accepted the Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of public comments; at the same time, it issued and served its Complaint. The Commission duly considered any comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34. Now, in further conformity with the procedure described in Rule 2.34, the Commission makes the following jurisdictional findings:

- 1. Respondent Ardagh Group S.A. is a corporation organized, existing, and doing business under, and by virtue of, the laws of Luxembourg, with its executive offices and principal place of business at 56, rue Charles Martel, L-2134, Luxembourg, Luxembourg.
- 2. Respondent Ardagh Glass Inc. is a corporation organized, existing, and doing business under, and by virtue of, the laws of Delaware, with its executive offices and principal place of business at 10194 Crosspoint Blvd #410, Indianapolis, IN 46256.
- 3. Respondent Ardagh Glass Packaging Inc. is a corporation organized, existing, and doing business under, and by virtue of, the laws of Delaware, with its executive offices and principal place of business at 10194 Crosspoint Blvd #410, Indianapolis, IN 46256.
- 4. The Commission has jurisdiction of the subject matter of this proceeding and over Respondents, and the proceeding is in the public interest.

# <u>ORDER</u>

# I. Definitions

**IT IS HEREBY ORDERED** that, as used in this Order, the following definitions shall apply:

- A. "Ardagh Group" means Ardagh Group S.A., its directors, officers, employees, agents, representatives, successors, and assigns; the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Ardagh Group S.A., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- B. "AGI" or "Respondent AGI" means Ardagh Glass Inc., its directors, officers, employees, agents, representatives, successors, and assigns; the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Ardagh Glass Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- C. "AGPI" or "Respondent AGPI" means Ardagh Glass Packaging Inc., its directors, officers, employees, agents, representatives, successors, and assigns; the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Ardagh Glass Packaging Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- D. "Commission" means the Federal Trade Commission.

- E. "Agreement" means any agreement, contract, understanding, or provision or term thereof, whether express or implied, written or unwritten.
- F. "Employee" means a Person employed by, previously employed by, or in the process of being employed by, Respondents in the United States as specified in Appendix A.
- G. "Noncompete Agreement" means an Agreement between Respondents and an Employee that restricts or restrains the right or ability of the Employee to seek or accept employment with any Person, to operate a business, or otherwise to compete with Respondents for any period of time after the conclusion of the Employee's employment with Respondents.
- H. "Person" means both natural and artificial persons, including corporations, partnerships, and unincorporated entities.

# II. Injunction

**IT IS FURTHER ORDERED** that Respondents, in connection with their activities in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44, shall cease and desist from, directly or indirectly, entering or attempting to enter into, maintaining or attempting to maintain, enforcing or attempting to enforce, or threatening to enforce a Noncompete Agreement or communicating to an Employee or any prospective or current employer of that Employee that the Employee is subject to, a Noncompete Agreement.

## III. Notice to Employees

## **IT IS FURTHER ORDERED** that Respondents shall:

- A. No later than 30 days from the date this Order is issued, deliver to each Employee that is, or as of November 23, 2021, was, party to a Noncompete Agreement a letter in the form of Appendix B and a copy of this Order. Respondents shall deliver Appendix B to each Employee by name, either:
  - 1. By U.S. Mail, return receipt requested; or
  - 2. Via email transmittal with a proof of a read-receipt.
- B. No later than 30 days from the date this Order is issued, and continuing for the duration of this Order, post a clear and conspicuous notice in the documentation, electronic or otherwise, provided to each new Employee upon hire that states:

"IMPORTANT: Your employment with Ardagh in this position is not and will not be subject to a noncompete provision. This means that once you stop working for Ardagh:

- You may seek or accept a job with any company or person even if they compete with Ardagh.
- You may run your own business even if it competes with Ardagh.
- You may compete with Ardagh at any time following your employment with Ardagh.
- We can still enter or enforce other agreements, such as agreements that prevent current or former employees from using or disclosing Ardagh's confidential business information and trade secrets for example, if the employee goes to work for someone else."

# **IV.** Compliance Obligations

## IT IS FURTHER ORDERED that Respondents shall:

- A. No later than 30 days after the date on which this Order is issued: (1) take all steps necessary to void and nullify all existing Noncompete Agreements and notify Commission staff in writing that all existing Noncompete Agreements are voided and nullified, once completed; and (2) not require any Employee who is party to an existing Noncompete Agreement to pay back any remuneration or otherwise to be penalized as a result of the voided and nullified Noncompete Agreement.
- B. No later than 30 days after the date on which this Order is issued, provide a copy of this Order and the Complaint to each of Respondents' directors, officers, and employees with responsibility for hiring or recruitment of Employees in the United States.
- C. For a period of 10 years from the date this Order is issued, provide a copy of this Order and the Complaint to any Person who becomes a director, officer, or employee of Respondents with responsibility for hiring or recruitment of Employees in the United States, and provide such copies within 30 days of the commencement of such Person's employment or term as a director or officer.
- D. Require each Person to whom a copy of this Order is furnished pursuant to Paragraph IV.B and IV.C above to sign and submit to Respondents within 30 days of the receipt thereof a statement that (1) represents that the undersigned has read the Order, and (2) acknowledges that the undersigned has been advised and understands that non-compliance with the Order may subject Respondents to penalties for violation of the Order.
  - E. For a period of 5 years after taking each action obligated by Paragraphs IV.A-D of this Order, Respondents shall retain documents and records sufficient to record Respondents' compliance with said obligations.

## V. Compliance Reports

**IT IS FURTHER ORDERED that** Respondents AGI and AGPI shall file verified written reports ("Compliance Reports") in accordance with the following:

- A. Respondents AGI and AGPI shall submit:
  - 1. Interim Compliance Reports 30 days after the date this Order is issued, and then 150 days thereafter for the first year;
  - 2. Annual Compliance Reports one year after the date this Order is issued, and annually for the next 9 years on the anniversary of that date; and
  - 3. Additional Compliance Reports from any Respondent as the Commission or its staff may request.
- B. Each Compliance Report shall contain sufficient information and documentation to enable the Commission to determine independently whether Respondents are in compliance with this Order. Conclusory statements that Respondents have complied with their obligations under the Order are insufficient. Respondents shall include in their reports, among other information or documentation that may be necessary to demonstrate compliance, (1) a full description of the measures Respondents have implemented and plan to implement to comply with each paragraph of this Order, including a list of all persons who received the notice required by Section III.A of this Order, together with proof of service of the notice (which service may be satisfied by sending the notice via email, as described in Paragraph III.A) and (2) upon the Commission's request, a copy of any employment agreement (apart from a collective bargaining agreement) that Respondents AGI or AGPI enter or implement after execution of the Consent Agreement.
- C. For a period of 5 years after filing a Compliance Report, Respondents shall retain all material written communications with each party identified in each Compliance Report as required by Paragraph IV.B and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling Respondents' obligations under this Order during the period covered by such Compliance Report. Respondents shall provide copies of these documents to Commission staff upon request.
- D. Respondents shall verify each Compliance Report in the manner set forth in 28 U.S.C. § 1746 by the Chief Executive Officer or another officer or employee specifically authorized to perform this function. Respondents shall file their Compliance Reports with the Secretary of the Commission at ElectronicFilings@ftc.gov and the Compliance Division at bccompliance@ftc.gov; as required by Commission Rule 2.41(a), 16 C.F.R. § 2.41(a).

## VI. Change in Respondents

**IT IS FURTHER ORDERED that** Respondents shall notify the Commission at least 30 days prior to:

A. The dissolution of Ardagh Group S.A., Ardagh Glass Inc., or Ardagh Glass Packaging, Inc.;

- B. The acquisition, merger, or consolidation of Ardagh Group S.A., Ardagh Glass Inc., or Ardagh Glass Packaging, Inc.; or
- C. Any other change in Respondents, including assignment and the creation, sale, or dissolution of subsidiaries, if such change might affect compliance obligations arising out of this Order.

#### VII. Access

**IT IS FURTHER ORDERED that,** for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, and upon written request and upon 5 days' notice to Respondents, that Respondents shall, without restraint or interference, permit any duly authorized representative of the Commission:

- A. Access, during business office hours of Respondents and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and all other records and documents in the possession, or under the control, of Respondents related to compliance with this Order, which copying services shall be provided by Respondents at their expense; and
- B. To interview directors, officers, or employees of Respondents, who may have counsel present, regarding such matters.

#### VIII. Purpose

**IT IS FURTHER ORDERED that** the purpose of this Order is to remedy the harm to competition the Commission alleged in its Complaint and to prevent Respondents from entering into, attempting to enter into, maintaining or attempting to maintain, enforcing or attempting to enforce, or threatening to enforce a Noncompete Agreement.

#### IX. Term

IT IS FURTHER ORDERED that this Order shall terminate 20 years from the date it is issued.

By the Commission, Commissioner Wilson dissenting.

April J. Tabor Secretary

SEAL: ISSUED: February 21, 2023

## APPENDIX A

### **Employees of Respondents AGI and AGPI**

- 1. Accountant, AIS
- 2. Accountant, Corporate
- 3. Accountant, Plant
- 4. Accounting Clerk
- 5. Administrative Assistant
- 6. AIE Maintenance Lead
- 7. Analyst, Business Intelligence
- 8. Analyst, Compliance
- 9. Analyst, Pricing
- 10. Apprentice, Furnace
- 11. Apprentice, General Maintenance
- 12. Apprentice, Machine Repair
- 13. Apprentice, Maintenance
- 14. Apprentice, Mechanic
- 15. Apprentice, Mold Maker
- 16. Apprentice, Mold Runner
- 17. Apprentice, Operator
- 18. Apprentice, Operator Selector
- 19. Apprentice, Operator Sweeper
- 20. Asset Reliability Maintenance Planner
- 21. Assistant Finish Manager
- 22. Assistant Mold Shop Supervisor
- 23. Assistant Plant Manager
- 24. Batch & Furnace Basement Driver
- 25. Batch & Furnace Batch Mixer
- 26. Batch & Furnace Crew Leader
- 27. Batch & Furnace Forklift
- 28. Batch & Furnace Lead
- 29. Batch & Furnace Maintenance
- 30. Batch & Furnace Supervisor
- 31. Batch & Furnace Unloader
- 32. Batch & Furnace Utility
- 33. Box Shop Crew Leader
- 34. Box Shop Driver
- 35. Box Shop Worker
- 36. Bulk to Case Handler
- 37. Bulk to Case Lead
- 38. Bulk to Case Lift Truck Operator
- 39. Business Analyst
- 40. Carton Unloader
- 41. Carton Utility
- 42. Case Packer
- 43. Cleaner/Janitor

- 44. Clerk/Swing Selector
- 45. Cold End Cleanup/Painting
- 46. Cold End Crew Leader
- 47. Cold End Forklift Driver
- 48. Cold End Forklift Truck Driver
- 49. Cold End Heat Relief
- 50. Cold End Line Upkeep
- 51. Cold End Relief Supervisor
- 52. Cold End Reliever
- 53. Cold End Trainer
- 54. Cold End Utility
- 55. Controller, Distribution Center
- 56. Controller, Plant
- 57. Controller, Regional
- 58. Coordinator, Customer Accounts
- 59. Debulk Operator/Reseller
- 60. Director, Capital Planning
- 61. Director, Capital Planning & Project Management Office
- 62. Director, Facilities, Engineering & Asset Reliability
- 63. Director, Financial Analysis & Pricing
- 64. Director, Financial Operational Excellence
- 65. Director, Forming Engineering
- 66. Director, Glass & Furnace Engineering
- 67. Director, Human Resources
- 68. Director, Human Resources Operations
- 69. Director, Process Improvement
- 70. Director, Product Design & New Product Development
- 71. Director, Production Planning
- 72. Director, Quality & Technical Services Beer & Beverage
- 73. Director, Quality & Technical Services Food & Spirits
- 74. Director, Quality Systems
- 75. Director, Regional Quality & Technical Services
- 76. Director, Sales Ardagh Direct
- 77. Director, Sales Beer
- 78. Director, Sales Food & Spirits
- 79. Director, Sales Wine
- 80. Director, Sustainability
- 81. Electrician
- 82. Electro Mechanic
- 83. Electronic Technician
- 84. Employee Experience Leader
- 85. Engineer, Environmental
- 86. Engineer, Environmental Operations
- 87. Engineer, Environmental Project
- 88. Engineer, Forming Technologies & Process Improvement
- 89. Engineer, Furnace Design & Construction

- 90. Engineer, Furnace Operations
- 91. Engineer, Glass Technology
- 92. Engineer, Mechanical
- 93. Engineer, Mold Design
- 94. Engineer, Paper Packaging
- 95. Engineer, Process Food Safety
- 96. Engineer, Process Improvement
- 97. Engineer, Project Electrical
- 98. Engineer, Quality Process
- 99. Engineer, Reliability and Energy Manager
- 100. Engineer, Technical Services
- 101. Engineering Assistant
- 102. Executive Assistant
- 103. Executive Secretary
- 104. Financial Analyst
- 105. Fork Lift Driver
- 106. Fork Truck Driver
- 107. Fork Truck Mechanic
- 108. Forming Trainer
- 109. Furnace Operator
- 110. Furnace Technician
- 111. General Maintenance Crew Leader
- 112. General Maintenance Journeyman
- 113. General Maintenance Utility
- 114. General Plant Maintenance Lead
- 115. General Utility
- 116. Glass Technician
- 117. Groundskeeper
- 118. Hot End Floor Helper
- 119. Hot End Group Lead
- 120. Hot End Job Changer
- 121. Hot End Lead Changer
- 122. Hot End Trainer
- 123. Hot End Utility
- 124. Human Resources Administrator
- 125. Human Resources Assistant
- 126. Human Resources Generalist
- 127. Import/Export Administrator
- 128. IS AP Operator
- 129. IS Journeyman
- 130. IS Journeyman Operator
- 131. IS Upkeep
- 132. Job Matrix Operator
- 133. Journeyman Electric Automation Specialist
- 134. Journeyman Electro Mechanic
- 135. Journeyman Machine Operator

- 136. Journeyman Maintenance
- 137. Journeyman Maintenance Cold End
- 138. Journeyman Maintenance Hot End
- 139. Journeyman Maintenance Hot End Group Leader
- 140. Journeyman Mechanic
- 141. Journeyman Mechanic Cold End
- 142. Journeyman Mold Maker
- 143. Journeyman Operator Hot End
- 144. Journeyman Upkeep
- 145. Lab Technician
- 146. Line Upkeep
- 147. Load Center Crew Leader
- 148. Load Center Driver
- 149. Machine Repairman
- 150. Machinist
- 151. Maintenance Mechanic Crew Leader
- 152. Manager, Abatement Operations
- 153. Manager, Account Sales-Ardagh Direct
- 154. Manager, Asset Reliability Maintenance
- 155. Manager, Batch and Furnace
- 156. Manager, Carton Production & Scheduling
- 157. Manager, Cold End & Inspection Equipment
- 158. Manager, Cold End Job Change
- 159. Manager, Cold End Tank
- 160. Manager, Customer Service
- 161. Manager, Customer Service Food & Beverage Services
- 162. Manager, Customer Service Wine
- 163. Manager, Customer Service & Technical Specifications
- 164. Manager, Energy
- 165. Manager, Engineering
- 166. Manager, Environmental, Health & Safety
- 167. Manager, Facilities Engineering
- 168. Manager, Finance
- 169. Manager, Finish
- 170. Manager, Finished Process Improvement
- 171. Manager, Finished Products
- 172. Manager, Forming
- 173. Manager, Forming/Forehearth
- 174. Manager, Furnace Design & Construction
- 175. Manager, Furnace Operations
- 176. Manager, Health & Safety
- 177. Manager, Hot Tank
- 178. Manager, Human Resources
- 179. Manager, IS Machine & Forming
- 180. Manager, Job Change
- 181. Manager, Leave & Disability

- 182. Manager, Load Center
- 183. Manager, Load Center, Carton & Heldware
- 184. Manager, Logistics & Planning
- 185. Manager, Machine Repair
- 186. Manager, Maintenance Finish
- 187. Manager, Marketing & Communication
- 188. Manager, Master Data Management
- 189. Manager, Mold
- 190. Manager, Mold Repair
- 191. Manager, National Accounts
- 192. Manager, Operational Process
- 193. Manager, Operations
- 194. Manager, Packaging Quality
- 195. Manager, Packing & Carton
- 196. Manager, Parts & Distribution
- 197. Manager, People Development
- 198. Manager, Planning
- 199. Manager, Plant Engineering
- 200. Manager, Plant Environmental, Health & Safety
- 201. Manager, Plant Human Resources
- 202. Manager, Plant Job Change
- 203. Manager, Pricing
- 204. Manager, Process Improvement
- 205. Manager, Production
- 206. Manager, Production Planning
- 207. Manager, Project Engineering
- 208. Manager, Quality
- 209. Manager, Quality & Technical Services Beer & Beverages
- 210. Manager, Quality & Technical Services Food & Beverage
- 211. Manager, Quality & Technical Services Food & Spirits
- 212. Manager, Quality Analysis
- 213. Manager, Quality Control
- 214. Manager, Quality System
- 215. Manager, Regional Quality & Technical Services
- 216. Manager, Risk
- 217. Manager, Sales Support
- 218. Manager, Sales Support Beer
- 219. Manager, Senior Health & Safety Beer & Beverages
- 220. Manager, Senior Health & Safety Food & Spirits
- 221. Manager, Senior Health & Safety Wine
- 222. Manager, Senior Projects
- 223. Manager, Shipping & Warehouse
- 224. Manager, Supplier Quality
- 225. Manager, Tank
- 226. Manager, Technical
- 227. Manager, Technical & Operational Development

- 228. Manager, Warehouse & Shipping
- 229. Mechanic
- 230. Mix & Melt Technician
- 231. Mold Clean & Storage
- 232. Mold Cleaners Group Lead
- 233. Mold Hanger Repair
- 234. Mold Maker
- 235. Mold Maker Crew Leader
- 236. Mold Runner
- 237. Mold Runner Clean & Polish Leader
- 238. Mold Runner Cleaner
- 239. Mold Runner Cleaner & Polisher
- 240. Mold Runner Crew Leader
- 241. Mold Runner Journeyman
- 242. Mold Runner Utility
- 243. Mold Shop Crew Leader
- 244. Mold Shop Lead
- 245. Mold Storage JC Coordinator
- 246. Mold Support
- 247. Oiler
- 248. Packaged Ware Auditor
- 249. Palletizer Attendant
- 250. Palletizer Operator
- 251. Planner, Customer
- 252. Plant Clerk
- 253. Process Crew Leader
- 254. Process Handler
- 255. Process Lead
- 256. Product Designer
- 257. Production Scheduler
- 258. Production Worker
- 259. Project Manager
- 260. Quality Check Bid to Reselect
- 261. Quality Check Lab Crew Leader
- 262. Quality Check Labor Leader
- 263. Quality Check Line
- 264. Quality Check to Batch and Furnace Utility
- 265. Quality Inspector
- 266. Raw Material Unloaded Crew Leader
- 267. Regional Security Operations Analyst
- 268. Reselect Forklift Driver
- 269. Reselect Packed Ware Auditor
- 270. Reselect Team Lead
- 271. Reselector
- 272. Reselector/Restacker
- 273. Resident Engineer

- 274. Resort Group Leader
- 275. Selector
- 276. Senior Accountant, Corporate
- 277. Senior Electronic Technician
- 278. Senior Engineer, Furnace Operations
- 279. Senior Engineer, Furnace Design
- 280. Senior Engineer, Project
- 281. Senior Engineer, Project Electrical
- 282. Senior Engineer, Project Mechanical
- 283. Senior Engineer, Technical Services
- 284. Senior Manager, Cold End Tank
- 285. Senior Manager, Compliance
- 286. Senior Manager, Financial Planning & Analysis
- 287. Senior Manager, Glass Technology & Batch and Furnace
- 288. Senior Manager, Human Resources
- 289. Senior Manager, Mold Engineering
- 290. Senior Manager, People Development
- 291. Senior Manager, Process & Electrical Engineering
- 292. Senior Planner, Customer
- 293. Senior Planner, Customer Food & Beverage Services
- 294. Senior Product Designer
- 295. Shipping Box Shop Haul Glass
- 296. Shipping Coordinator
- 297. Shipping Crew Leader
- 298. Single Line Mechanic Change Coordinator
- 299. Specialist, Feeder
- 300. Specialist, Glass
- 301. Specialist, Human Resources
- 302. Specialist, IS Parts & Sales
- 303. Specialist, MRO
- 304. Specialist, Packaging
- 305. Specialist, Pricing
- 306. Specialist, Process
- 307. Specialist, Product Cost & Master Data
- 308. Specialist, Production Planning & Reporting
- 309. Specialist, Quality
- 310. Specialist, Quality Control
- 311. Specialist, Talent Acquisition
- 312. Specialist, Technical Service
- 313. Specialist, Trucker
- 314. Stockroom Attendant
- 315. Storeroom Clerk
- 316. Supervisor, Accounting
- 317. Supervisor, Batch & Furnace
- 318. Supervisor, Cold End
- 319. Supervisor, Electrical

- 320. Supervisor, Finish
- 321. Supervisor, Finishing
- 322. Supervisor, Forming
- 323. Supervisor, Hot End
- 324. Supervisor, Maintenance
- 325. Supervisor, Mold Runner
- 326. Supervisor, Mold Shop
- 327. Supervisor, Production, Planning, and Procurement
- 328. Supervisor, Quality
- 329. Supervisor, Quality Control
- 330. Supervisor, SAP Master Data
- 331. Supervisor, Shift
- 332. Supervisor, Shipping & Warehouse
- 333. Supervisor, Stockroom
- 334. Supervisor, Stores
- 335. Sweeper Driver
- 336. Talent Acquisition Coordinator
- 337. Talent Acquisition Leader
- 338. Unitizer
- 339. Utility Driver
- 340. Ware Gauger
- 341. A position that has a functionally equivalent job description to a position listed above.

### **APPENDIX B**

[Respondent AGI or Respondent AGPI letterhead]

[Name and email address of Employee] VIA U.S. MAIL or EMAIL

Re: Your Past Noncompete Agreement with Ardagh

Dear [name of Employee]:

You are receiving this letter because you are an Employee affected by a consent Order that we have entered into with the Federal Trade Commission ("Commission").

As you know, Ardagh Glass Inc., and Ardagh Glass Packaging, Inc. (collectively, "Ardagh Glass"), affiliates of Ardagh Group S.A., previously required certain categories of employees not to compete with Ardagh Glass for a period of time following their employment with Ardagh Glass. In the spring of 2022, we announced that we rescinded and would no longer enforce our Noncompete Agreement with you.

The Commission has been investigating the use of Noncompete Agreements by Ardagh Glass and other companies in the glass-manufacturing industry. As part of this investigation, Ardagh Glass has entered into a settlement agreement with the Commission. The Commission has alleged that Ardagh Glass's use of Noncompete Agreements with you and other employees restricts job mobility, harms competition, and is unlawful. We have entered into a consent Order with the Commission under which we will not reinstate these Noncompete Agreements for 20 years. Consistent with our prior announcement, any Noncompete Agreement between you and Ardagh Glass is now null and void.

#### What is a Noncompete Agreement?

A Noncompete Agreement restricts an employee's ability to seek or accept a job with another company, to operate their own business, or otherwise to compete with their former employer after they've left the company. These agreements sometimes (but not always) use words like "non-competition" or "non-compete."

#### How the FTC Order affects you

The FTC Order requires us to:

- 1. Cancel all Noncompete Agreements with current or former Ardagh Glass employees in job positions identified in the Order;
- 2. Stop entering into Noncompete Agreements with employees in those positions, and
- 3. Release you from the Noncompete Agreement with us.

This means that once you stop working for Ardagh Glass:

• You may seek or accept a job with any company or person – even if they compete with Ardagh Glass.

- You may run your own business even if it competes with Ardagh Glass.
- You may compete with Ardagh Glass at any time after you leave Ardagh Glass.

We can still enter or enforce agreements that prevent current or former employees from using or disclosing Ardagh Glass's confidential business information and trade secrets – for example, if the employee goes to work for someone else.

## Where to get more information

To learn more about this case, please read the attached FTC Order in *In re Ardagh Group S.A., Ardagh Glass Inc., and Ardagh Glass Packaging Inc.,* C-xxxx, or visit [URL that goes to the ftc.gov press release]. This letter summarizes the main points of the matter, but the only official source of information is the FTC Order. The FTC Order reflects an agreement between the FTC and Ardagh Glass that settles the FTC's allegations. It does not constitute an admission by Ardagh Glass that it has violated the law or that any of the facts alleged by the FTC regarding Ardagh Glass's conduct are true.

If you have concerns about whether Ardagh Glass or any Ardagh Glass employees are complying with their obligations under the Order – or how the Order applies to you or your colleagues – contact [\_\_\_\_] in Ardagh Glass's legal department at [phone number], [email address], or the FTC by contacting Danielle Sims, (202) 326-3241, <u>dsims1@ftc.gov</u>, or Ben Lorigo, (202) 326-3717, slorigo@ftc.gov.

Sincerely,

[name and title]