Amcor Limited
ABN 62 000 017 372

Notice of Annual General Meeting 2017

Notice is hereby given that the 81st Annual General Meeting of Amcor Ltd will be held at the Clarendon Auditorium, Melbourne Convention Centre, 1 Convention Centre Place, South Wharf, Victoria at 10.30 am (Melbourne time) on Wednesday, 1 November 2017.

Notice of Annual General Meeting 2017

BUSINESS

1. **Financial and Other Reports**

   To receive and consider the Financial Report and the Reports of the Directors and the Auditor for the financial year ended 30 June 2017.

2. **Director Elections**

   To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

   (a) To re-elect as a Director Mr Paul Brasher, who retires by rotation in accordance with Rule 63 of the Company's Constitution and, being eligible, offers himself for re-election.

   (b) To re-elect as a Director Mrs Eva Cheng who retires by rotation in accordance with Rule 63 of the Company's Constitution and, being eligible, offers herself for re-election.

   (c) To elect as a Director Mr Tom Long, who was appointed as a Director since the last Annual General Meeting and, being eligible, offers himself for election in accordance with Rule 50 of the Company's constitution.

3. **Grant of Options and Performance Shares to Managing Director (Long Term Incentive Plan)**

   To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

   That approval is given for the grant of 632,900 Options and 124,300 Performance Shares to the Managing Director and Chief Executive Officer of the Company, Mr Ron Delia, in accordance with the rules of the Company's Long Term Incentive Plan on the terms summarised in the Explanatory Notes.

   Voting exclusion for item 3

   The Company will disregard any votes cast on item 3:

   - by or on behalf of Mr Ron Delia or any of his associates (regardless of the capacity in which the vote is cast); or
   - as a proxy by a person who, at the date of the meeting, is a member of the Company's Key Management Personnel (**KMP**) or their closely related parties,

   unless the vote is cast as proxy for a person entitled to vote:

   - in accordance with a direction on the proxy form; or
   - by the Chairman of the meeting pursuant to an express authorisation in the proxy form to exercise the proxy as the Chairman sees fit, even though item 3 is connected with the remuneration of a member of the KMP.

4. **Approval of Potential Termination Benefits**

   To consider and, if thought fit, pass the following resolution as an ordinary resolution:

   That approval be given for all purposes, including sections 200B and 200E of the *Corporations Act 2001*, for the giving of benefits on the terms set out in the Explanatory Notes attached to the Notice of Meeting to any current or future employee who holds a managerial or executive office in the Company or a related body corporate, in connection with their ceasing to hold that office.

   Voting exclusion for item 4

   If any shareholder is a current or potential employee or director of the Company or a related body corporate and wishes to preserve the benefit of this resolution, then that shareholder (and their associates) should not vote on this resolution.

   The Company will disregard any votes cast on item 4 as a proxy by a person who, at the date of the meeting, is a member of the Company's KMP or their closely related parties, unless the vote is cast as proxy for a person entitled to vote:

   - in accordance with a direction on the proxy form; or
   - by the Chairman of the meeting pursuant to an express authorisation in the proxy form to exercise the proxy as the Chairman sees fit, even though item 4 is connected with the remuneration of a member of the KMP.

5. **Adoption of Remuneration Report**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:
To adopt the Remuneration Report for the year ended 30 June 2017.

Voting exclusion for item 5

The Company will disregard any votes cast on item 5:

- by or on behalf of a member of the Company's KMP named in the Remuneration Report for the year ended 30 June 2017 or their closely related parties (regardless of the capacity in which the vote is cast); or
- as a proxy by a person who, at the date of the meeting, is a member of the Company's KMP or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote:

- in accordance with a direction on the proxy form, or
- by the Chairman of the meeting pursuant to an express authorisation in the proxy form to exercise the proxy as the Chairman sees fit, even though item 5 is connected with the remuneration of a member of the KMP.

At the meeting, the Chairman will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the management of the Company and on the Remuneration Report. Shareholders will also be given a reasonable opportunity at the meeting to ask the Company's auditor, PricewaterhouseCoopers, questions about the content of its report, and the conduct of its audit of the Company for the past financial year.

Please submit any questions that you would like the Company to respond to at the meeting online at www.amcor.com by clicking on 'AGM Proxy Voting' or by email to amcor@linkmarketservices.com.au. Questions need to be received by no later than 5.00 pm (Melbourne time) on Wednesday, 25 October 2017. The Company will respond to as many of the more frequently asked questions as possible at the meeting. Please note that individual responses will not be sent.

The Explanatory Notes, including the notes on voting and proxies, form part of this Notice of Meeting.

By order of the Board.

J McPherson

J F McPherson
Company Secretary
Amcor Limited

27 September 2017

Explanatory Notes

NOTES ON VOTING AND PROXIES

1. For the purposes of the meeting, shares will be taken to be held by the persons who are registered as shareholders at 7.00 pm (Melbourne time) on Monday, 30 October 2017.
2. A shareholder is entitled to attend and vote at the meeting.
3. A shareholder is also entitled to appoint not more than 2 proxies. The appointment of one or more proxies will not preclude a shareholder from attending and voting at the meeting.
4. A proxy need not be a shareholder of Amcor. A proxy may be either an individual or a body corporate.
5. Where 2 proxies are appointed, each proxy may be appointed to represent a specified proportion or number of the voting rights of the shareholder. If more than one proxy attends the meeting, neither proxy is entitled to vote on a show of hands. If you wish to appoint 2 proxies, ensure you complete the relevant section on the proxy form.
6. If your proxy chooses to vote, he/she must vote in accordance with your directions. If you have directed your proxy to vote, and they fail to attend the meeting or they choose to not vote on a poll, then the Chairman of the meeting will be deemed to be your proxy and will vote your proxies as directed by you.
7. If you do not mark a box on the proxy form, your proxy may vote as they choose on that item subject to any voting exclusions. However, if you intend to appoint a member of the KMP as your proxy, please ensure that you direct them how to vote on items 3, 4 and 5.
8. If you appoint a member of the Company's KMP or one of their closely related parties as your proxy, they will not be able to cast your votes on item 3, 4 or 5, unless you direct them how to vote or the Chairman of the meeting is your proxy.
9. If you appoint the Chairman of the meeting as your proxy (or he becomes your proxy by default), by completing and returning the proxy form you will be expressly authorising him to exercise your undirected proxy on item 3 (Grant of Options and Performance Shares to Managing Director), item 4 (Approval of Potential Termination Benefits) and item 5 (Adoption of the Remuneration Report) even though those items are connected directly or indirectly with the remuneration of a member of the Company's KMP.
10. The Chairman of the meeting intends to vote all available undirected proxies in favour of all items of business.
11. Where a shareholder is a body corporate, or a shareholder appoints a body corporate as proxy, that body corporate will need to appoint an individual as its corporate representative to exercise its powers at the meeting. You can obtain a "Certificate of Appointment of Corporate Representative" from the Company's registry or online at www.linkmarketservices.com.au. Certificates can be lodged with your proxy form or provided to the Company's share registry prior to the meeting.
12. Completed proxy forms (together with any authority under which the proxy was signed or a certified copy of the authority) must be returned before 10.30 am (Melbourne time) on Monday, 30 October 2017 in one of the following ways:

    by mail:
    Amcor Limited
    C/- Link Market Services Limited
    Locked Bag A14
    Sydney South NSW 1235
    Australia

    or

    online: www.amcor.com – click on 'AGM Proxy Voting' and follow the instructions provided

    or

    by facsimile: +61 2 9287 0309

    or

    by hand:
    Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or
    Level 12, 680 George Street, Sydney NSW 2000.

Explanatory Notes

ITEM 2
DIRECTOR ELECTIONS

The following are the backgrounds of the Directors who are seeking election or re-election:

P V (Paul) Brasher
(BEc (Hons), FCA)
Independent Non-Executive Director

Mr Brasher is Chairman of Incitec Pivot Limited and Deputy Chairman of Essendon Football Club. Mr Brasher is a former Non-Executive Director of Perpetual Limited (2009–2015) and was Chairman of that company's Audit, Risk and Compliance Committee and a member of the People and Remuneration Committee and Nomination Committee. From 1982 to 2009, Mr Brasher was a partner of PricewaterhouseCoopers (PwC), including four years as the Chairman of the Global Board. In December 2016, Mr Brasher was appointed to the board of not-for-profit organisation, Teach For Australia.

Mr Brasher's former roles include Chairman of the Reach Foundation, Chairman of the National Gallery of Victoria's Business Council, member of the Committee for Melbourne, board member of Asialink, a trustee of the Victorian Arts Centre Trust and member of the Committee for Economic Development of Australia. He is based in Australia.

Chairman of the Audit and Compliance Committee and member of the Executive Committee. Director since January 2014.

E (Eva) Cheng
(BA (Hons), MBA)
Independent Non-Executive Director

Mrs Cheng is a former Executive Vice President of Amway Corporation responsible for Greater China and Southeast Asia (2005–2011). She led Amway's market launch in China in 1991 and held its Executive Chairman position for 20 years. In 2008 and 2009, she was twice named in the 'World's 100 Most Powerful Women' by Forbes Magazine.

Mrs Cheng is currently a Director of Trinity Limited (since November 2011), Nestlé S.A. (since April 2013) and Haier Electronics Group Company Limited (since June 2013). She is also an Executive Director of Our Hong Kong Foundation (since January 2015).

Mrs Cheng previously held positions with Amway (Malaysia) Holdings Berhad (June 2005 – June 2014), Esprit Holdings Ltd (December 2012 – June 2014) and The Link Management Limited (February 2014 – January 2015). She is based in Hong Kong.

Director since June 2014.

N T (Tom) Long
(BA, MBA)
Independent Non-Executive Director

Mr Long is the retired Chief Executive Officer of MillerCoors, LLC, America's second largest beer company. Prior to the 2008 merger of Miller and Coors, he was CEO of Miller Brewing Company. During 17 years at The Coca-Cola Company, he held a variety of positions, including in Strategic Marketing Global Brands, President of Coca-Cola's Great Britain & Ireland business and President of the Northwest Europe Division. Before Coca-Cola, he worked for The Interpublic Group at McCann-Erickson Advertising.

Mr Long is a Non-Executive Director and member of the Compensation and Governance Committee of Wolverine World Wide, Inc, a global marketer of branded footwear.

Director since June 2017.

The Board considers each of Mr Paul Brasher, Mrs Eva Cheng and Mr Tom Long to be an Independent Director.

The Directors (other than the relevant Director in relation to his or her own election or re-election) unanimously recommend the re-election of Mr Paul Brasher and Mrs Eva Cheng and the election of Mr Tom Long.

Explanatory Notes (continued)

ITEM 3
GRANT OF OPTIONS AND PERFORMANCE SHARES TO MANAGING DIRECTOR (LONG TERM INCENTIVE PLAN)

Background

Item 3 relates to the proposed participation of the Managing Director and Chief Executive Officer, Mr Ron Delia, in the Company's Long Term Incentive Plan (**LTIP**).

The principles of Amcor's executive remuneration strategy, programs and frameworks are designed to:

- align remuneration to business outcomes that deliver value to shareholders;
- drive a high performance culture by setting challenging objectives and rewarding high performing individuals; and
- ensure remuneration is competitive in the relevant employment market place to support the attraction, motivation and retention of executive talent.

The Company's remuneration structure includes a combination of fixed remuneration and variable or 'at risk' remuneration that is only paid if pre-determined performance conditions are achieved.

The LTIP is fully aligned with the investment case and value proposition that Amcor communicates to shareholders and prospective shareholders and is aligned and competitive with market practice. The primary internal performance metric is an annual Earnings Per Share (**EPS**) growth rate. However, while the LTIP must incentivise profitable growth, it also needs to ensure that there is a continued focus on returns. For that reason, the LTIP also includes a high Return on Average Funds Employed (**RoAFE**) threshold which must be exceeded in order for awards to vest.

Why is shareholder approval required?

Under the LTIP, Amcor executives may be granted Options and Performance Rights over shares in the Company. US participants are awarded Performance Shares in place of Performance Rights.

Under ASX Listing Rule 10.14, shareholder approval is required in order for a director to be issued securities under an employee incentive scheme. Accordingly, approval is sought for the grant of Options and Performance Shares to Mr Delia under the LTIP. The grant is conditional on receiving shareholder approval.

An overview of the proposed grant is set out below. Further details of Mr Delia's remuneration are set out in the Remuneration Report in the 2017 Annual Report, which is available on Amcor's website at www.amcor.com.

Overview of the proposed grant

DATE OF GRANT	If shareholder approval is obtained, the Options and Performance Shares will be granted to Mr Delia shortly after the 2017 Annual General Meeting, but in any event, no later than 12 months after the date of the meeting.
NUMBER TO BE ALLOCATED	The Board has invited Mr Delia to apply for a grant of up to 632,900 Options and 124,300 Performance Shares. Upon vesting, each Option confers a right to acquire one ordinary share in the Company upon payment of the exercise price and each Performance Share converts to one ordinary share in the Company. Accordingly, the maximum number of shares that may be acquired by Mr Delia is 632,900 shares (pursuant to an exercise of Options) and 124,300 shares (pursuant to the vesting of Performance Shares), subject to any adjustment made in accordance with the LTIP. The value of the grant to be made to Mr Delia has been calculated as 125% of his base salary effective at the time of the grant (**target value**). To determine the value of each Option and Performance Share at the time of grant, the Board uses a fair value calculation, which takes into account what the grant may be worth at vesting, on average, over time. The fair value calculation uses a Black Scholes option pricing formula within a Monte Carlo simulation model and is performed by an independent actuary. The calculation allows for expected share price and dividend performance, and performance against the performance hurdles over the 3-year performance period. The methodology is widely used and accepted for the purposes of accounting disclosures. The inputs used for these valuations and the fair value outcomes will be disclosed in our Annual Report and are audited. The **face value** of the Options and Performance Shares at the proposed grant date is also shown below. This is based on the volume weighted average price (**VWAP**) of Amcor's ordinary shares traded on the ASX over the 20 trading days including, and following, 1 July 2017 (reflecting the beginning of the performance period). The VWAP for this grant is A$15.87, which also represents the Option exercise price. As the Options require share price appreciation to acquire value, the Options have no face value on grant. The **actual value** of Options and Performance Shares at vesting will depend on performance against the relevant performance conditions and the price of Amcor's ordinary shares. Vesting of the maximum number of Options and Performance Shares will only occur if the highest performance levels for each performance condition are achieved (average annual growth rate of earnings per share over the performance period is at or above 8%; return on average funds employed is 18% or above in the last year of the performance period; relative total shareholder return performance against both domestic and overseas comparator groups at upper quartile or above). The actual value on vesting may be zero if performance conditions are not met. Further details regarding the applicable performance conditions are set out below. The number of Options and Performance Shares to be granted to Mr Delia was calculated as follows:

	Target value at grant (based on what the grant is targeted to be worth at vesting, on average, over time):	125% of base salary at the time of the grant (US$1,949,404) converted to an Australian dollar equivalent using the average foreign exchange rate over the 20 trading days including, and following, 1 July 2017 (consistent with the term used to set the Option exercise price).
	Proportion of **target value** attributable to:	Options: 50% or US$974,702 Performance Shares: 50% or US$974,702
	Method for calculating number of Options and Performance Shares to be granted:	Target values above divided by the **fair value** of Options or Performance Shares (as applicable)

Explanatory Notes (continued)

	Number of Options and Performance Shares to be granted:	Options: 632,900 Performance Shares: 124,300
	Face value at grant	98% of base salary or US$1,536,113 Options: 632,900 X (A$15.87- A$15.87 exercise price) Performance Shares: 124,300 X A$15.87

PERFORMANCE CONDITIONS

The number of Options and Performance Shares that vest and, therefore, the number of shares that Mr Delia may acquire, are subject to performance conditions.

Annual earnings per share (EPS) growth and return on average funds employed (RoAFE)

Half the vesting of the grant is subject to two hurdles: EPS and RoAFE (**EPS & RoAFE Component**).

Amcor's **EPS** will be measured over the 3-year performance period. Amcor needs to achieve an average growth rate of between 5% p.a. (50% vesting) and 8% p.a. (100% vesting) in order for the EPS & RoAFE Component to vest. Straight-line vesting will apply for performance between these growth rates.

EPS (after significant items) is determined on a constant currency basis (to avoid windfall gains and losses by virtue of currency movements) and is calculated by dividing the net profit (after significant items) attributable to ordinary shareholders for the relevant reporting period, by the weighted average number of ordinary shares on issue during the reporting period excluding ordinary shares purchased by Amcor and held in trust, adjusted for any bonus issue. This ensures comparability with published results and consistent measurement in a particular year across multiple LTIP grants.

The EPS & RoAFE Component is also subject to a condition that **RoAFE** is at or above 18% in the financial year prior to vesting. RoAFE is calculated as the annualised profit before interest, tax and after significant items earned by Amcor during the FY2020 reporting period, as a percentage of the average funds employed by Amcor during the FY2020 reporting period.

The Board may exercise its discretion to exclude significant items in the calculation of EPS and RoAFE for the purpose of determining vesting outcomes. Such items may be those relating to strategic initiatives or material events that are outside of normal operational activities.

The Board has flexibility to either adjust the EPS and RoAFE hurdles, or adjust the structure of these hurdles, to ensure they remain relevant in the event of material events or strategic initiatives that affect the relevance of the performance conditions. Any adjustments to the final EPS and RoAFE hurdles will be determined no later than 30 June 2019.

Relative total shareholder return (relative TSR)

The other half of the vesting of the grant is determined based on **relative TSR** performance against a select list of ASX-listed entities and international packaging peers (half of the vesting outcome is attributable to each), measured over a 3-year performance period. The relative TSR portion of the grant vests if Amcor's performance is between the 50th percentile (50% vesting) to 75th percentile (100% vesting) of the comparator groups. Straight-line vesting will apply for performance between these percentiles.

	The first peer group comprises companies in the S&P/ASX 100 excluding those companies in, or with heavy exposure to, the financial, resources, media, IT, gaming and property trust sectors. The peer group comprises Adelaide Brighton Limited, Ansell Limited, Boral Limited, Brambles Limited, CIMIC Group Limited, Coca-Cola Amatil Limited, Cochlear Limited, Computershare Limited, CSR Limited, CSL Limited, Downer EDI Limited, Dulux Group Limited, Fletcher Building Limited, Goodman Group, GrainCorp Limited, Incitec Pivot Limited, James Hardie Industries plc, Orora Limited, Primary Health Care Limited, Qantas Airways Limited, Ramsay Health Care Limited, ResMed Inc, Sonic Healthcare Limited, Sydney Airport Holdings Limited, Telstra Corporation Limited, Transurban Group, Treasury Wine Estates Limited, Wesfarmers Limited and Woolworths Limited. The second peer group comprises certain selected international industry peers, namely Aptar Group Inc, Ball Corp, Bemis Co Inc, Berry Plastics Group Inc, CCL Industries Inc, Crown Holdings Inc, Graphic Packaging, Huhtamaki, International Paper, Mayr-Melnhof Karton, Owens-Illinois Inc, RPC Group Plc, Sealed Air Corp, Silgan Holdings Inc, Sonoco Products Co and Westrock Company. These peer groups have been chosen because the Board believes that they represent two broad based comparator groups that appropriately reflect Amcor's current market positioning. Certain events may occur (e.g. M&A, public to private transactions) that could affect the structure of either peer group. The Board has, accordingly, retained discretion to determine how those events will be treated at the time they arise. This may result in the alteration of the composition of companies in either peer group from time to time. The Board also retains the discretion to deal with any other material event that affects the relevance of a share in a peer group. **Share price condition (applicable to Options only)** In addition to the EPS, RoAFE and relative TSR hurdles, Options will only vest and become exercisable if the price of Amcor shares exceeds the exercise price of the Options (**Share Price Condition**). Subject to satisfaction of the other performance hurdles, the Share Price Condition will be measured by calculating the volume weighted average price of Amcor shares traded on the ASX during the five trading days prior to 30 June 2020 (the end of the relevant performance period). If the Share Price Condition is not satisfied, it will continue to be tested at the end of each calendar month using the volume weighted average price of Amcor shares traded on the ASX during the five trading days prior to the final day of the relevant calendar month. This will occur until the Options vest or expire in 2023.
PERFORMANCE PERIOD AND VESTING	The performance period is 3 years commencing 1 July 2017. Accordingly, the performance conditions will be tested after 30 June 2020. Any Options that do not vest prior to the expiry date of the Options (being 31 October 2023) will lapse. Any Performance Shares that do not vest will immediately lapse.
TRADING RESTRICTIONS	Shares allocated following the exercise of Options or on the vesting of Performance Shares are not subject to any trading restrictions. However, Mr Delia must observe the Company's policies (including the Minimum Shareholding Policy and the Share Trading Policy) when dealing with shares.

Explanatory Notes (continued)

PRICE PAYABLE ON GRANT OR EXERCISE	OPTIONS No amount is payable in respect of the grant of the Options. However, vested Options will have an exercise price of A$15.87, which is based on the volume weighted average price of Amcor ordinary shares traded on the ASX over the 20 trading days including, and following, 1 July 2017. The Exercise Price, and the number of shares acquired upon exercise, are subject to adjustment in accordance with the ASX Listing Rules in the event of a reorganisation of the issued ordinary share capital of the Company, or as otherwise contemplated by the LTIP rules.	PERFORMANCE SHARES No amount is payable in respect of the grant, or on the vesting, of Performance Shares. On vesting, Mr Delia will receive one fully paid ordinary share in the Company in respect of each vested Performance Share (subject to adjustment in accordance with the ASX Listing Rules in the event of a reorganisation of the issued ordinary share capital of the Company, or as otherwise contemplated by the LTIP rules).
OPTIONS EXPIRY DATE	Mr Delia will be able to exercise vested Options at any time from the date the Options vest until the expiry date, which is 31 October 2023. After that time, any unexercised Options will lapse.	
CESSATION OF EMPLOYMENT	If Mr Delia ceases employment with the Company before the Options or Performance Shares vest, then all unvested Options and Performance Shares will lapse. However, in some circumstances, including retirement, retrenchment or expiry (and non-renewal) of contract, the Board may exercise its discretion to determine the treatment of unvested Options and Performance Shares and, to the extent permitted by law, may elect to settle any Options and Performance Shares by way of a cash payment (rather than ordinary shares).	
CHANGE OF CONTROL	Where a change of control of the Company occurs, the treatment of the Options and Performance Shares will be subject to the discretion of the Board.	
OTHER REQUIRED INFORMATION – ASX LISTING RULES	Mr Delia is the only Director of the Company entitled to participate in the LTIP. No associate of any Director can participate in the LTIP. In 2016, Mr Delia was granted 639,500 Options and 107,200 Performance Shares under the LTIP following shareholder approval at the 2015 AGM. No amount was payable on the grant of the Options or the Performance Shares. The exercise price of the Options is A$15.30. There are no loans to be granted by the Company to Mr Delia in relation to the acquisition of the Options or Performance Shares. For any Performance Shares that vest, or Options that are exercised, the Company intends to acquire existing shares on or off market on behalf of Mr Delia and transfer those shares to him. However, the Company may instead issue new ordinary shares in the Company to Mr Delia. Ordinarily, an issue of new shares would be subject to certain limitations under ASX Listing Rule 7.1, unless it is approved by shareholders. If approval is given by shareholders under ASX Listing Rule 10.14 in accordance with this item 3, approval will not be required under ASX Listing Rule 7.1.	

The Directors (other than Mr Delia) unanimously recommend that shareholders vote in favour of resolution 3. Mr Delia makes no recommendation.

ITEM 4
APPROVAL OF POTENTIAL TERMINATION BENEFITS

Why is shareholder approval being sought?

The *Corporations Act 2001* (**Act**) restricts the benefits (termination benefits) which can be given to certain employees who hold or held a managerial or executive office (as defined in the Act) with Amcor Ltd and its related bodies corporate (**Group**). Under the Act, a company may only give a person a 'benefit' in connection with their ceasing to hold a managerial or executive office in the Group if it is approved by shareholders or an exemption applies.

Amcor is a global business with subsidiaries and operations in many jurisdictions around the world. The Act potentially has wide application. Many employees who are covered by the scope of these provisions are employed outside Australia. Their employment terms have been designed to meet local laws, regulations and practice, and are not necessarily the same as the terms applying to Australian employment contracts.

The Group's policy in relation to termination benefits and entitlements is to treat ceasing employees fairly and consistently, as well as in accordance with the applicable laws and market practice. Amcor does not wish to disadvantage any individual who moves to a different role or jurisdiction within the Group. Having regard to this policy and to the uncertainties the operation of these provisions can cause, the Directors believe it is appropriate and prudent to seek shareholder approval so that termination benefits are able to be provided without any risk of a breach of the Act.

Approval is being sought in respect of:

- any current or future employees who are (or become) members of the Company's Key Management Personnel (**KMP**); and
- other current or future employees who hold (currently or in the future) a managerial or executive office in the Group (this includes individuals who are directors of our subsidiaries),

and either hold that role at the time of their termination or were in the role within the three years prior to their termination (**Relevant Persons**).

Non-executive directors do not participate in the Company's incentive plans and are not entitled to receive any termination payments in connection with their retirement from the Board. Potential benefits upon termination for non-executive directors would therefore be limited to unpaid fees and entitlements and other non-material incidental benefits (e.g. retention of property such as phones or electronic devices). Accordingly, the focus of this resolution is on executive KMP and other key executives of the Group.

These are not additional benefits

The Group's remuneration strategy and arrangements are described in the Remuneration Report. The Company's Remuneration Reports have received strong support from shareholders and other key stakeholders in the past.

Shareholders are not being asked to approve any increase or changes in the employment arrangements, remuneration, individual entitlements, benefits or incentive plans for Relevant Persons. Shareholders are also not being asked to approve any changes to the existing discretions of the Board and its Committees, including those that have previously been disclosed and approved by shareholders as part of any incentive plan rules or arrangements. Rather, shareholders are being asked to approve the Company's existing policy and practices to enable the Company to continue to operate its remuneration programs to support the Group's strategy.

What is the Company seeking approval for?

The Company is seeking shareholder approval for any potential termination benefits that may be provided to a Relevant Person (including as a result of the exercise of Board discretion) under:

- their employment or service agreement;
- the Company's various incentive plans;
- applicable laws and regulations; and
- Amcor's policies and practices, as summarised in the table below.

Approval does not guarantee that a Relevant Person will receive termination benefits, but rather preserves the discretion of the Board and its Committees to determine the most appropriate termination package in accordance with the relevant employment agreement and incentive arrangements, and having regard to the circumstances in which the Relevant Person

Explanatory Notes (continued)

ceases employment.

In general, where the Board has power to exercise a discretion in relation to giving a benefit on termination, the Board's past practice has been to do so only in circumstances where it decides the employee is a 'good leaver'. The Board has previously decided that 'good leavers' are those employees who cease due to permanent disability, death, expiry (and non-renewal) of contract, retirement or redundancy or other appropriate circumstances at the Board's discretion (which could include circumstances of termination by mutual agreement) (**Good Leavers**).

Termination benefits and entitlements

The potential termination benefits or entitlements for which shareholder approval is sought (including the various discretions that may be exercised by the Board or its delegates) are summarised below.

In the event that an individual resigns voluntarily or is terminated for cause or poor performance, then termination benefits or entitlements will generally not apply, aside from any obligations required under their contract, local laws, regulations and practice.

In summary:

- where termination is for cause, no award is granted under the Management Incentive Plan (**MIP**) or the Management Incentive Plan – Equity (**EMIP**), and all unvested and all vested but unexercised awards granted under any of the EMIP, Long Term Incentive Plan (**LTIP**) and Senior Executive Retention Plans (**Retention Plans**) lapse or are forfeited;
- where an individual voluntarily resigns, in general, no award is granted under the MIP or the EMIP, unvested EMIP, LTIP and Retention Plans awards lapse or are forfeited and vested but unexercised awards remain exercisable for a period of 90 days. However, the Board retains limited discretion under the MIP, EMIP and the LTIP to determine otherwise if it considers it appropriate in all the circumstances; and
- where termination is for performance, no award is granted under the MIP or the EMIP, all unvested awards under the EMIP, LTIP and Retention Plans lapse or are forfeited and vested but unexercised awards remain exercisable for a period of 90 days.

Further details regarding the relevant agreements and plans are set out in the Remuneration Report contained in the 2017 Annual Report which is available on Amcor's website at www.amcor.com.

Agreement/Plan	Potential benefits / treatments
Employment agreements	As described in the Remuneration Report, all members of KMP (other than non-executive directors) are employed under agreements which include 12 month notice periods. All other Relevant Persons are employed under agreements which include notice periods of up to 12 months. The Company may make a payment in lieu of some or all of the notice period in accordance with the terms of the relevant agreement. This payment can include other allowances or entitlements as contemplated in the employment agreement including but not limited to non-monetary benefits, relocation expenses and superannuation benefits. Relevant Persons do not receive any payment in lieu of notice if they are required to work out their notice period. Restraint payments may be paid to enforce or extend post-employment restraint clauses if considered necessary and/or appropriate to protect matters such as confidential information or intellectual property. In some jurisdictions, restraint clauses may be legally unenforceable without payment. Such payments may be up to 12 months or more salary depending on the length of the restraint and the jurisdiction.

Agreement/Plan	Potential benefits / treatments
Management Incentive Plan (MIP) Under the MIP, participants are eligible to receive a cash bonus if they achieve certain performance standards during the relevant financial year.	In the event of a termination during the MIP performance period due to permanent disability, death, expiry (and non-renewal) of contract, retirement or redundancy, the Board may determine that a pro rata cash bonus will be payable based on performance to the cessation date. If the MIP performance period has ended, the Board may determine that the cash bonus may be paid in full subject to an assessment of performance against the relevant performance targets. The Board may determine to pay any cash bonus either on cessation of employment (or on a date after cessation of employment at the discretion of the Board), or on the scheduled payment date. Other circumstances may be dealt with at the Board's discretion which would be applied having regard to the general principles above. In some jurisdictions, an employee may be entitled to a pro-rata MIP if they voluntarily resign.
Management Incentive Plan – Equity (EMIP) If a participant earns a cash bonus under the MIP the participant may also be entitled to a grant of share rights or phantom rights under the EMIP. The EMIP grant will be equivalent to a nominated percentage of the MIP cash bonus as determined by the Board. EMIP awards vest two years after they are granted based upon the satisfaction of specified service conditions. There are no other performance conditions applicable.	In the event of a termination due to permanent disability, death, expiry (and non-renewal) of contract, retirement or redundancy, the Board may determine that the cash equivalent of the EMIP grant for that year will be paid based on any MIP cash bonus that is determined by the Board above. The Board may determine to pay any cash equivalent of the EMIP grant either on cessation of employment (or on a date after cessation of employment at the discretion of the Board), or on the scheduled MIP payment date. In the case of share rights that have previously been granted due to performance standards being met but which remain subject to the satisfaction of a service condition and which therefore have not vested at the cessation date, the Board may lift the service condition and vest the share rights on cessation of employment (or on a date after cessation of employment at the discretion of the Board), or on the scheduled EMIP vesting date. Other circumstances may be dealt with at the Board's discretion, which would be applied having regard to the general principles above.
Long Term Incentive Plan (LTIP) Participants may be granted options, performance shares, performance rights, phantom shares or phantom options. LTIP awards vest upon the satisfaction of the applicable performance conditions.	In the event of a termination due to permanent disability or death, all unvested awards lapse unless the Board determines otherwise. In the event of termination due to retirement, retrenchment or expiry (non-renewal) of contract, unvested awards do not lapse, but the Board has discretion to determine the treatment applying to some or all of the vesting conditions. In both of the above cases, the Board may determine that a pro-rata portion of the award vests based on time served as a percentage of the performance period, or the award may be provided in full if the performance period is substantially complete. Any vesting will be subject to meeting the existing performance hurdles but tested against the performance conditions at or near the time of termination. The Board may alternatively apply a varied performance condition (if appropriate to the circumstances), or it may determine that the award remain 'on foot' and be tested and vest at the scheduled date. The Board may also settle awards by way of a cash payment in lieu of an allocation of shares using the methods determined above as a basis for determining the value of the cash payment. Other circumstances may be dealt with at the Board's discretion, which would be applied having regard to the general principles above.

Explanatory Notes (continued)

Agreement/Plan	Potential benefits / treatments
Senior Executive Retention Plans Under the Retention Plans, participants are given the opportunity to receive shares (or their cash equivalent) upon the satisfaction of specified service conditions.	In the event of a termination in certain Good Leaver circumstances, the Board may lift some or all of the vesting conditions and vest the shares (or their cash equivalent) on cessation of employment (or on a date after cessation of employment at the discretion of the Board), or on the scheduled date. Other Good Leaver circumstances may be dealt with at the Board's discretion, which would be applied having regard to the general principles above.
Other payments to Relevant Persons (including amounts payable at law)	Other benefits may be payable upon cessation in accordance with policies, market practice or local law. As Amcor is an international company, it is not possible to succinctly describe each benefit and its treatment in advance for each Relevant Person that this may affect. Any other payments required to be made under an applicable law or statutory entitlement, including redundancy, severance or separation payments, will also be paid by Amcor.
Incidental payments	Circumstances may arise where it will be appropriate for the Company to make small incidental payments to a ceasing Relevant Person. Such benefits could include allowing the Relevant Person to retain certain property following termination (such as phones or other electronic devices) or making retirement gifts to recognise the contribution they made to the Group. Approval is sought to grant such benefits provided that they are reasonable and not significant in all the circumstances.

The value of the termination benefits

The amount and value of the termination benefits for which the Company is seeking approval is the maximum potential benefit that could be provided under the relevant employment agreement and incentive and equity plans, as well as under Amcor's policies and practices, as summarised above. The amount and value of the termination benefits and entitlements that may be provided cannot be ascertained in advance as they will depend on a number of factors, including:

- the circumstances in which the individual ceases to hold office and whether they serve all or part of any applicable notice period;
- the Relevant Persons' base salary at the time of cessation of employment;
- the Relevant Person's length of their service with the Group and the portion of any relevant performance or qualification periods that have expired at the time they cease employment;
- the number of unvested equity entitlements held by the individual prior to cessation of employment and the number that the Board determines to vest, lapse or leave on foot in accordance with the relevant plans;
- the Company's share price at the relevant time;
- any other factors that the Board determines to be relevant when exercising a discretion (such as its assessment of the individual's performance up to the cessation date);
- the jurisdiction in which the Relevant Person is based at the time they cease employment, and the applicable laws in that jurisdiction; and
- any changes in law between the date the Group enters into an employment contract with the Relevant Person and the date they cease employment.

Approval is sought for a three year period

If approval is obtained, it will be effective for a period of approximately three years from the date the resolution is passed.

That is, shareholder approval will be effective:

- in relation to any termination benefit paid or granted; and/or
- if the Board (or its delegates) exercise discretions outlined above upon cessation; and/or
- if a Relevant Person ceases employment with the Group,

during the period beginning at the conclusion of the Company's 2017 Annual General Meeting and expiring at the conclusion of the Company's 2020 Annual General Meeting. If considered appropriate, the Board will seek a new approval from shareholders at the Company's Annual General Meeting in 2020.

It can be reasonably anticipated that aspects of relevant employment agreements, the incentive and equity arrangements and Amcor's policies will be amended from time to time in line with market practice and changing governance standards. Where relevant, changes in relation to KMP will be reported in the Company's future remuneration reports. However, it is intended that this approval will remain valid for as long as these agreements, incentive and equity arrangements and policies provide for the treatment on cessation of employment set out in this Notice of Meeting.

The Directors unanimously recommend that shareholders vote in favour of resolution 4.

Explanatory Notes (continued)

ITEM 5
ADOPTION OF REMUNERATION REPORT

The vote on item 5 relates to the Company's remuneration policy and outcomes for the 2017 financial year. The Remuneration Report is set out in the 2017 Annual Report and is available on Amcor's website at www.amcor.com.

The Remuneration Report sets out in detail the Company's policy for determining remuneration for Directors and Senior Executives. It includes information on the elements of remuneration that are performance based, the performance conditions that apply and the methodology used to assess satisfaction of those performance conditions.

The vote on resolution 5 is advisory only, and does not bind the Directors or the Company. However, a reasonable opportunity for discussion of the Remuneration Report will be provided at the meeting.

The Directors unanimously recommend that shareholders vote in favour of resolution 5.