



***amcor***

Amcor Rigid Plastics Specialty Containers

June 2017

- 1** Safety briefing
- 2 Key messages
- 3 Safety Performance
- 4 Strong Position
- 5 Attractive Segments
- 6 Substantial Growth
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### Strong Position

- Well-placed and most extensive rigid plastic manufacturing footprint in the Americas
- Specialty business built on historic Amcor PET expertise
- Acquisitions adding and complementing with full scale capabilities
- Complete package offering e.g., bottle, closure & decoration



### Attractive segment

- Well-known and diversified customer base
- Good relative growth
- Opportunity to differentiate through innovation
- Continued glass to plastic conversions
- Pipeline of next generation innovative product, process and service offerings for targeted markets

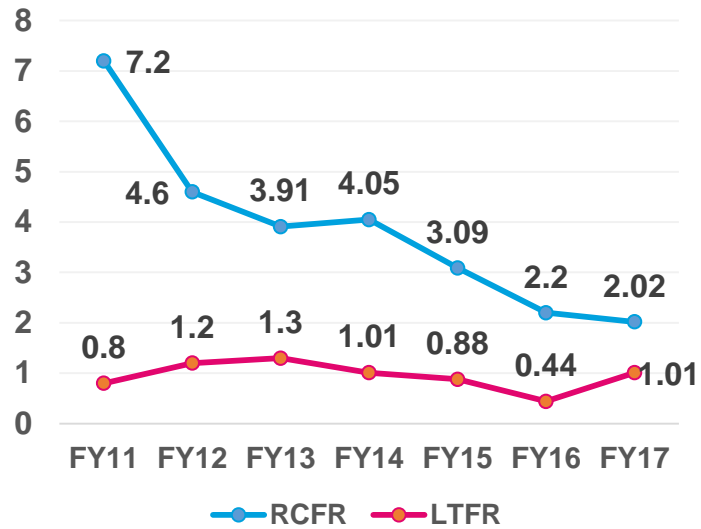


### With Substantial Growth Potential

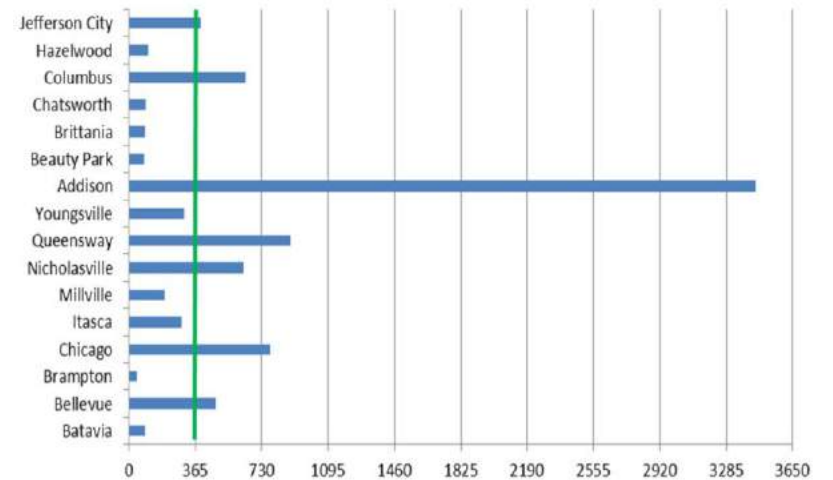
- Amcor focus segment
- Leverage quality & service
- Substantial acquisition and integration experience across the team
- Scale advantages in design, research, development, engineering and procurement



### Injury Rate Trend

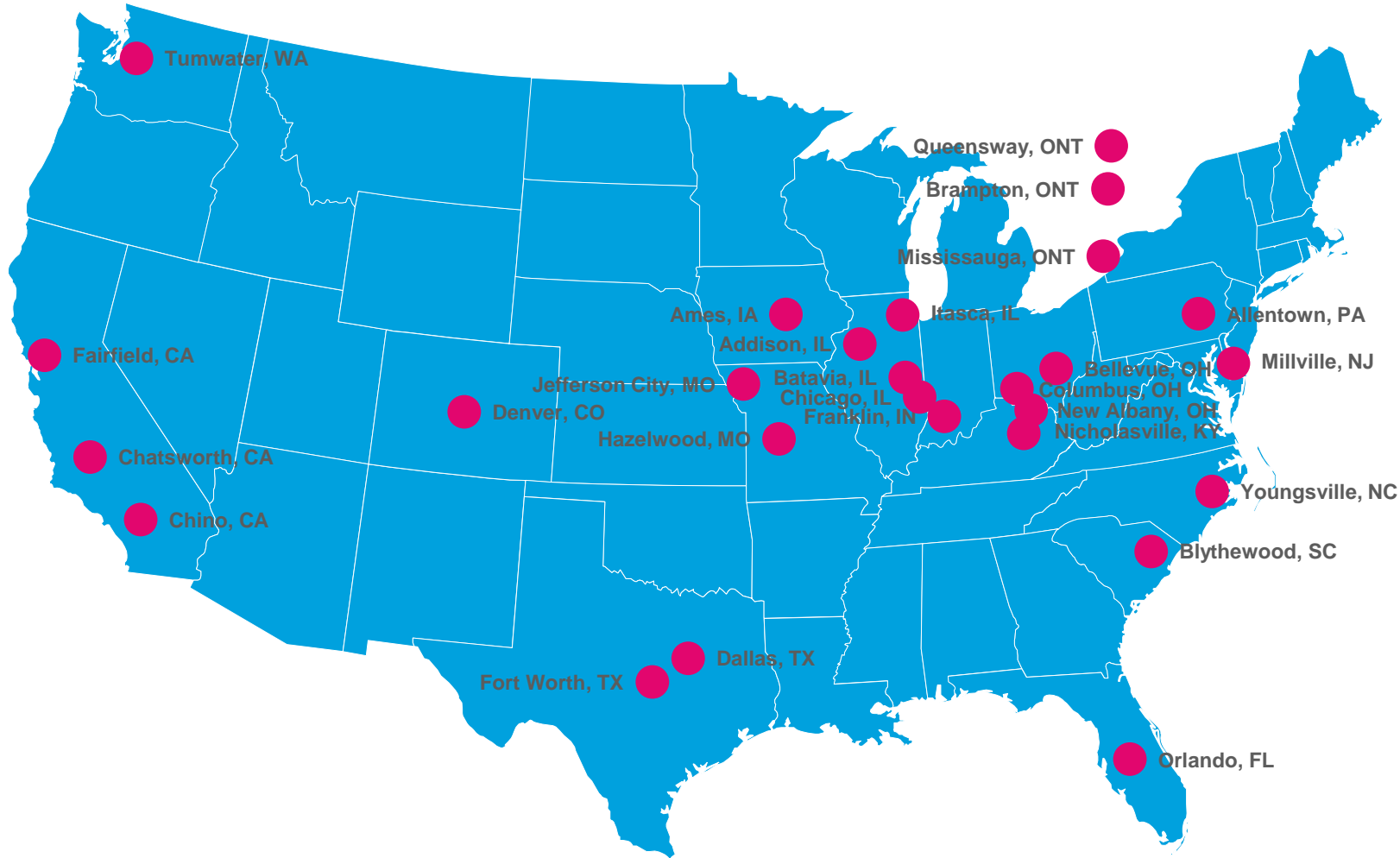


### Days Working Safe



LTIR – Lost Time Incident Rate

RCFR – Recordable Case Frequency Rate



● 27 North American Plants

9 – Specialty Containers

15 – Beverage & Specialty

3 – Specialty On-sites



# Amcor Rigid Plastics - Specialty Containers Leadership

## A Strong Position



**Debbie Barks**  
Executive Assistant



**Ann O'Hara**  
VP & GM  
Specialty Containers



**Suresh Krishnan**  
Sr. Director,  
Strategy



**Greg Rosati**  
Director,  
Marketing



**Tim Bubb**  
Vice President,  
Growth Execution



**Keith Clark**  
Vice President,  
Operations



**Heather Ryan**  
Director,  
Supply Chain



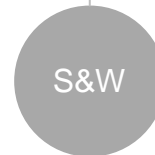
**Gary Hoepfner**  
Vice President,  
Finance



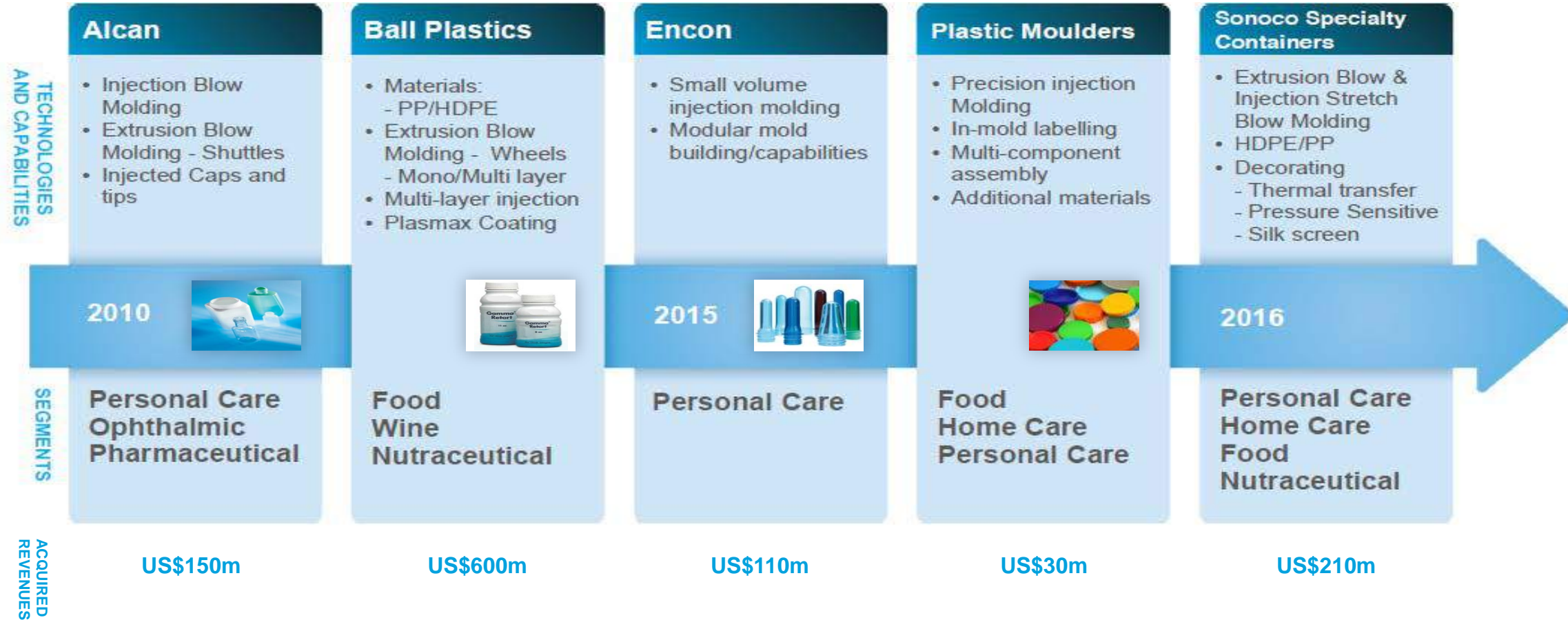
**Marcy Boersma**  
Sr. Director,  
Human Resources



**Brian Sullivan**  
Vice President,  
Special Projects



**Segment Leaders**



-  **Generates strong returns**
-  **Focused product offering, customer-centric culture**
-  **In-mold labeling and assembly**
-  **Growth & operations synergies**
-  **Customized solutions**
-  **Award-winning customer relationships**

Amcor set to grow with new customer and leverage PML's entrepreneurial spirit and custom injection molding solutions across a broad customer base.

**Acquisition Status:** On-track and meeting expectations

### At a glance





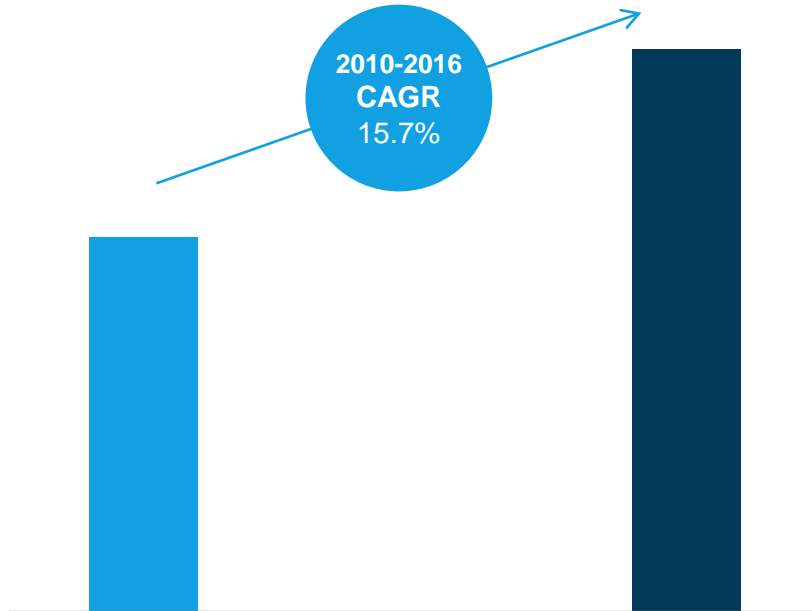
-  Adds US\$50m PBIT by end of FY 2020 (including US\$20m synergies)
-  Building scale and accessing new technologies and segments
-  Extrusion shuttles and decoration (EBM wheels and PET one-step)
-  Procurement, operations and growth synergies
-  Leverage scale and stay nimble
-  Personal Care expertise and strong customer relationships

Amcor to build on Sonoco’s traditional food business and leverage Sonoco’s service-centric personal care business (speed to market, short runs and strong customer relationships)

**Acquisition Status:** On-track and meeting expectations



### Revenue Growth (million USD\$)



Wide range of capabilities combined with broad manufacturing footprint



Continued investment in world class platforms, technologies and operations

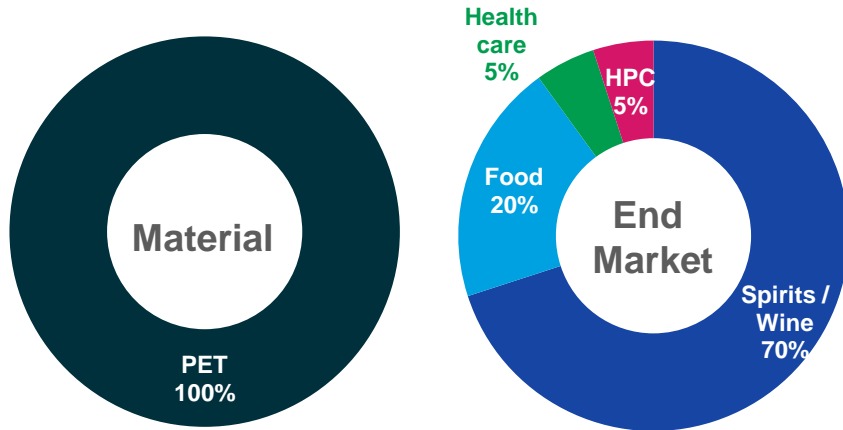


Recognized leader in PET and PCR

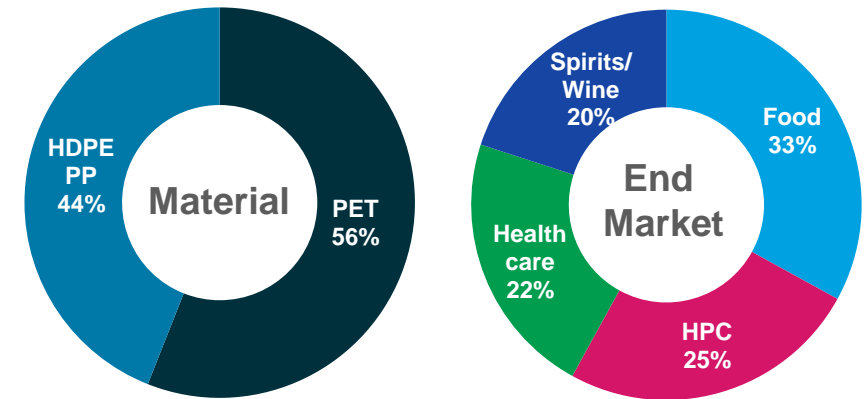


Strong customer relationships through superior quality & service

## 2010 Sales Revenues: US\$164M



## FY17 Post Sonoco Proforma: US\$693M\*



\*Based on FY16 Actual Sales \$483M plus full year acquired Sonoco sales at \$210M.





## Amcor Rigid Plastics - Specialty Containers Attractive Segments

12



Product & service differentiation is possible and expected



Technology and innovation are keys to success



Diversified customer base with broad buying criteria



Strong market growth in the sub-segments where Amcor participates



	Total Market Size <sup>(1)</sup>		Forecast Growth (2016-2020)
	B units	CAGR '10-'15	
<b>Spirits &amp; Wine<sup>(1)</sup></b>	1.7	2.3%	“Glass to plastic” conversions are projected to continue over the next 5 years.
<b>Food<sup>(1)</sup></b>	43.9	1.2%	Health & Wellness trends are key growth drivers in Food category.
<b>Home &amp; Personal Care<sup>(1)</sup></b>	11.9	1.6%	The Personal Care segment is showing high growth trends in skin and oral care.
<b>Healthcare<sup>(2)</sup></b>	11.8	2.8%	Healthcare Market growth will be driven by demographics & personalized medicine.
<b>Total</b>	<b>69.3</b>	<b>2.0%</b>	Total segment growth forecasted at ~3.0% during the period.

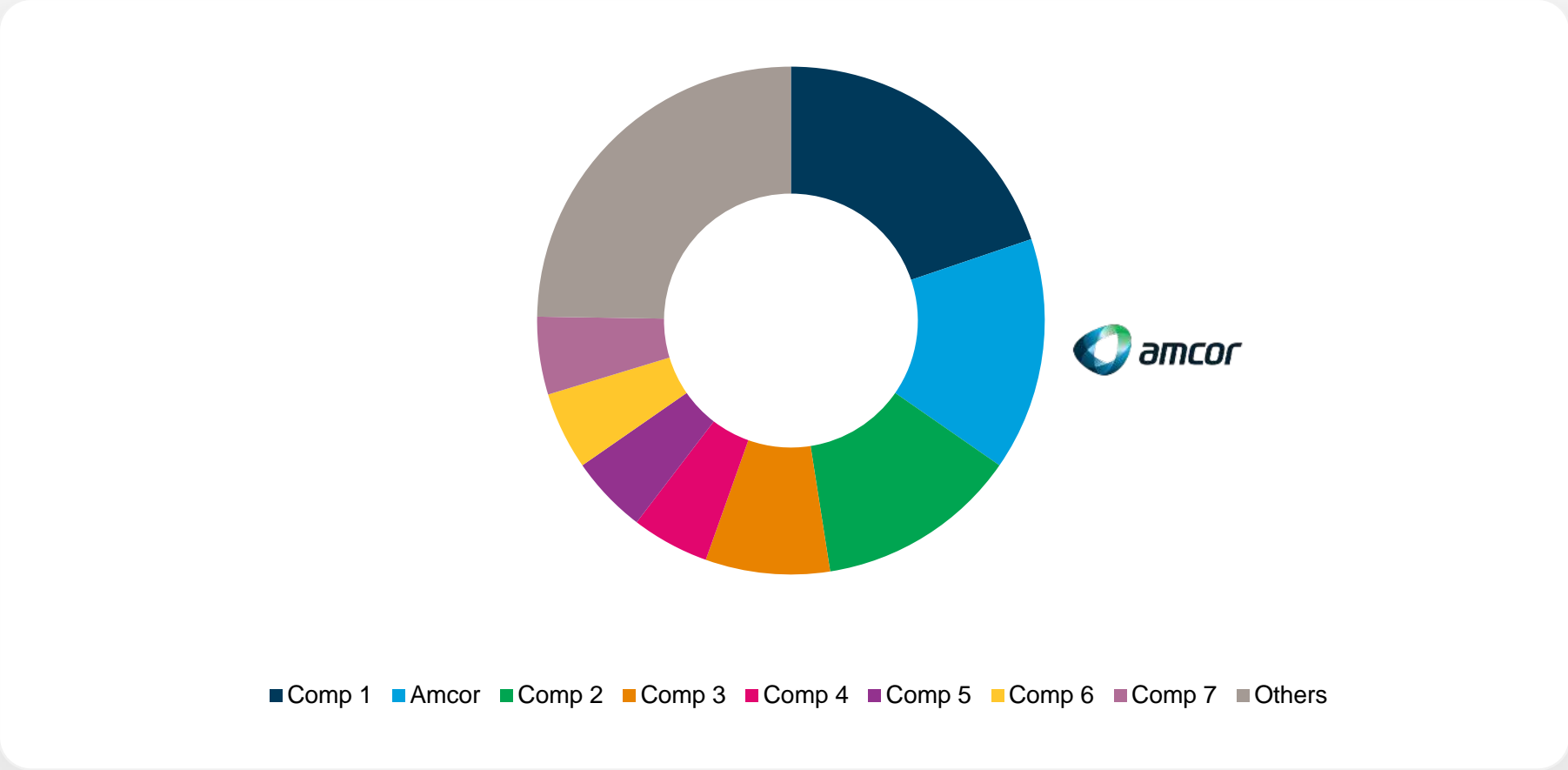
**Note:**

(1) Bottles only

(2) Includes bottles, caps and closures

Source: Euromonitor and ADL

Key Industry Trends	Underlying Customer Needs	Associated Packaging Trends
 <p><b>Total Cost of Ownership (TCO)</b></p>	<ul style="list-style-type: none"> <li>Consistent quality and service - global standards</li> <li>Global capabilities with local supply and proactive continuous improvement delivery</li> <li>Designs for multi-cultures &amp; climates</li> </ul>	<ul style="list-style-type: none"> <li>Speed-to-market solutions</li> <li>Service and support in the field (technical service)</li> <li>State of the art manufacturing technology</li> </ul>
 <p><b>Sustainability</b></p>	<ul style="list-style-type: none"> <li>Optimized packaging (not over packaged)</li> <li>'Natural' products</li> <li>Ergonomic</li> </ul>	<ul style="list-style-type: none"> <li>Post consumer resins (PCR): Increasing usage segments &amp; material types</li> <li>Light-weighting: Combining design and engineering to reduce package weight to lowest levels in the industry while maintaining &amp; enhancing structure</li> </ul>
 <p><b>Health &amp; wellness / functional</b></p>	<ul style="list-style-type: none"> <li>Demographics (Millenials &amp; Boomers)</li> <li>'On the Go' life style / Single serve products</li> <li>Assured freshness</li> </ul>	<ul style="list-style-type: none"> <li>Design and product development with consumer insight capabilities</li> <li>Barrier technologies (coating, additives &amp; multi-layer configurations)</li> <li>Interactive Technology (closures, RFD, traceability)</li> </ul>
 <p><b>Convenience &amp; Connectivity</b></p>	<ul style="list-style-type: none"> <li>E-Commerce friendly</li> <li>Interactive packaging - design for Millenials</li> <li>Intelligent Packaging (functional technology integrated into package)</li> </ul>	<ul style="list-style-type: none"> <li>Convenience / On the go – single serve &amp; dispensing features</li> <li>E-Commerce package requirements</li> </ul>



Source: ARP DP Internal Research  
Specialty Containers' North America sales across end markets in which Amcor participates  
Amcor sales based on FY16 actual plus full year acquired Sonoco sales



### Objectives

Focus on chosen consumer goods sub-segments

Drive growth for our customers through quality, service and proactive development agenda



### Guiding Principles

- Winning sub-segments:
  - High growth
  - Rigids adoption
  - Entry barriers
  - Customers that value service, quality, technology and innovation
- Selectively pursue global business opportunities =
  - a) based on joint business plan with global customers, b) advantaged technology and c) capture scale economies

- Leverage marketing & development insights with our “Surprise & Delight” process to help customers grow
- Pipeline of innovative offerings focused on solving unmet needs and growing the product category
- Manufacturing network/capacity tailored to the chosen segments



### Outcome

#### Market and trend focus:

Consumer Goods growth sub-segments  
Aligning with trends and winners

#### Customer driven:

Goal to drive growth for our customers through proactive development agendas and service

#### Technology & Innovation lead:

Technical leadership across range of platforms with cost advantage that creates value





**Food**



**Spirits & Wine**



**HealthCare**



**Home & Personal Care**





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- Scale advantages in design, research, development, engineering and procurement



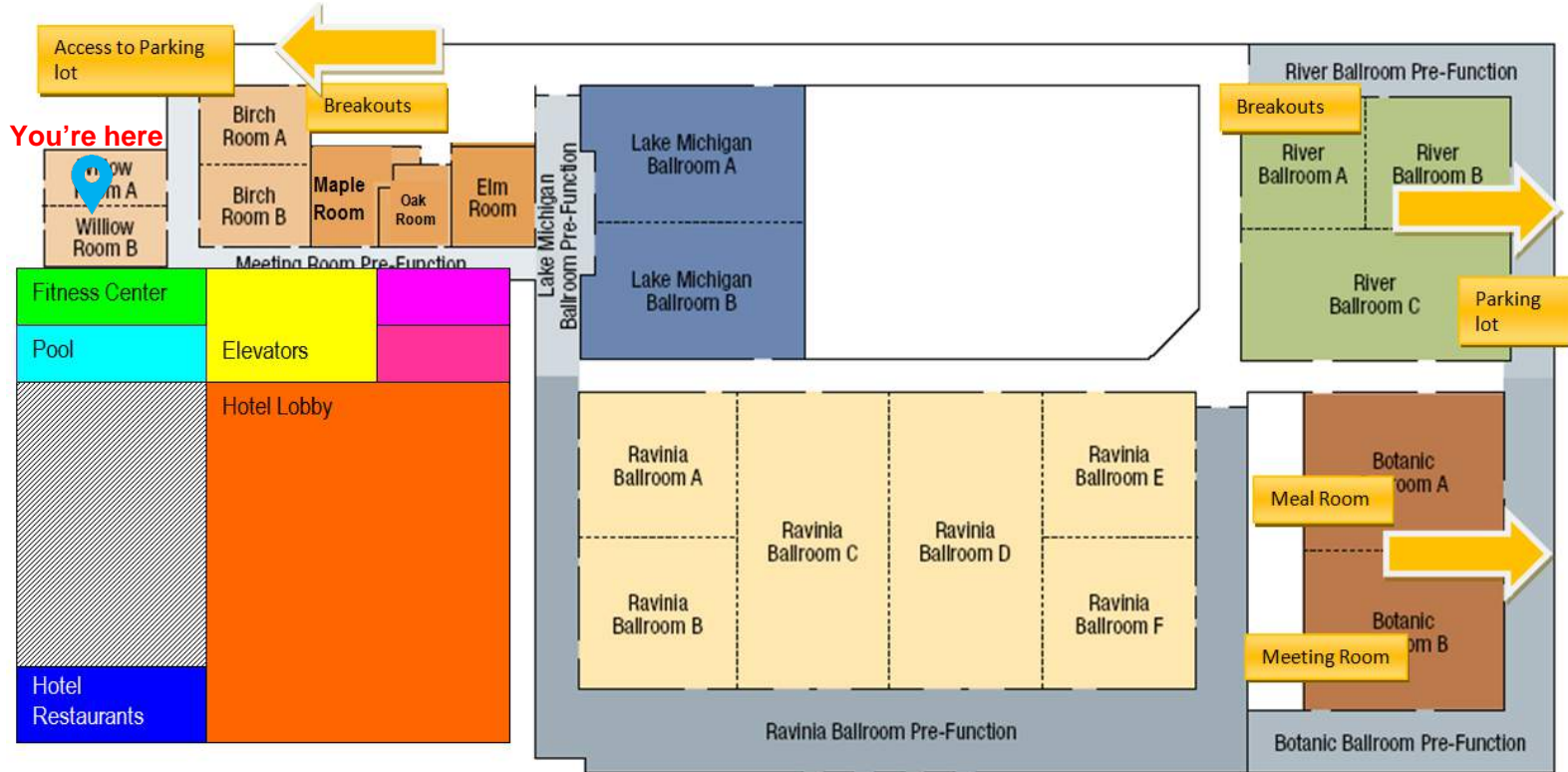
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Amcor Flexibles Americas  
Investor Presentation

June 2017

- 1** Safety briefing
- 2 Introduction to Amcor Flexibles Americas
- 3 AFA South America business update
- 4 AFA North America business update
- 5 Innovation agenda





## In Case of Fire Alarm

- Keep Calm
- Follow the instructions given by your host

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LTIFR, RCFR and IFR Amcor Flexibles Americas incl. Alusa  
(rolling 12 months)



**FOCUSED ON CHANGING BEHAVIOR**

Rolling 12 months (Jan 2016 – Dec 2016) incl. Alusa – LTIFR 3.33, RCFR 6.49, IFR 2.16

**Note:** Graph shows IFR calculation based on consolidated data. Starting 1<sup>st</sup> July 2016 Smoke without fire and Overheating incidents are not included in the IFR calculation based on consolidated data. The change is **not retroactive** for IFR of previous years shown in the graphs on this slide.



### Dedicated organization created in 2015 to focus on the attractive Americas flexible packaging market

- Flexibles market roughly equivalent in size to European market but with higher projected growth rates
- Prior to 2016, Amcor Flexibles had only a small presence in South America
- Investments made to build robust Americas organization



### Leveraging Amcor's strengths

- Initial footprint gaps have been addressed with Deluxe and Alusa acquisitions
- Focus on value-driven growth in the best segments
- Leverage global technologies and customer relationships; execute on a local level
- Ensure that we have the best talent and invest in further developing our people



### Solid foundation for continued growth

- Deluxe and Alusa acquisitions were a strong start
- Amcor now has a strong base in North & South America for organic investments and bolt-on acquisitions
- Business delivering organic growth in legacy operations
- Critical to also continue driving value for our customers through innovation

**Significant growth opportunities in the region. Amcor is here to win.**





## Flexibles Americas

16 plants

6 countries



**Tom Cochran**  
President  
Amcor Flexibles Americas



**Tracy Scott**  
Vice President  
Manufacturing



**Brad Herbolsheimer**  
VP & GM  
Flexibles North  
America



**Jehanzeb Noor**  
VP & GM, Healthcare NA  
Global Commercial  
Medical Lead



**Alex Zalesky**  
VP & GM  
Flexibles South  
America



**Chris Cosgrove**  
Vice President  
Finance



**Daniel Sula**  
General Counsel



**Nancy Green**  
Vice President  
Human Resources & Internal  
Communications



**Jason Beyer**  
Vice President  
Procurement



**Dan Young**  
Vice President  
Business Development



**Alex Hayden**  
Vice President  
Research & Development



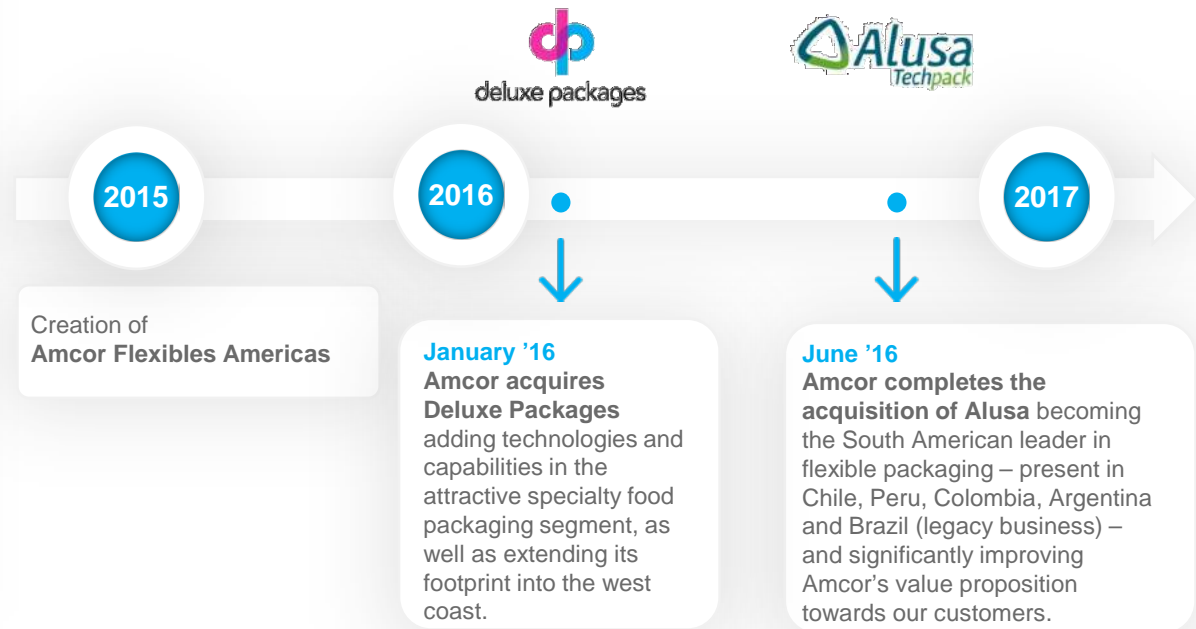
**Marco Hilty**  
Vice President  
Business Group Sales and  
Commercial Excellence

Where we've been...

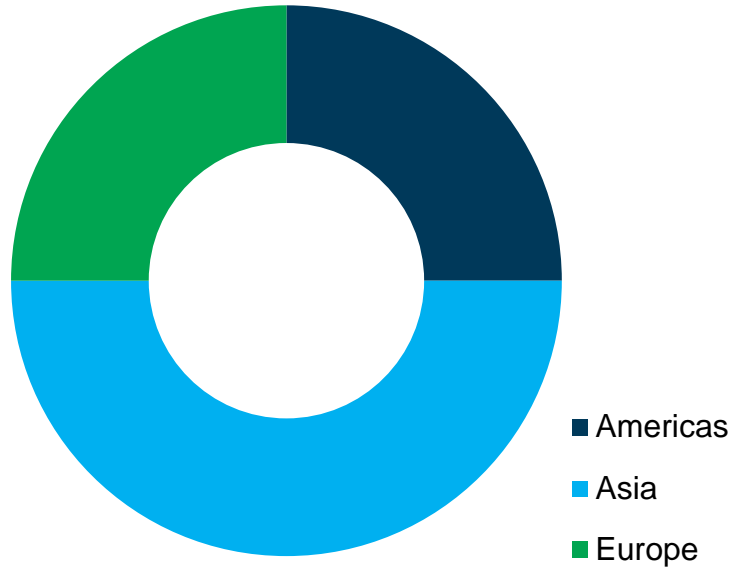


Recent acquisitions...

After the creation of the business group, Amcor Flexibles Americas has expanded significantly through acquisitions and continues to actively seek strategic growth opportunities within attractive packaging markets in its regions



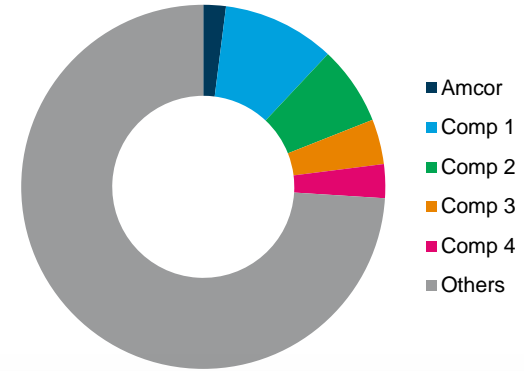
### Global flexible packaging sales by geography



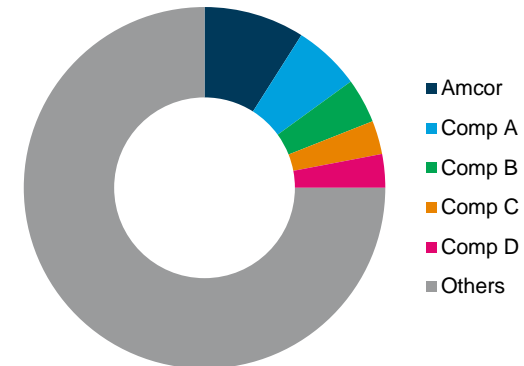
#### Projected Growth Rates

EU 2%  
 Asia 5%  
 Americas 3%

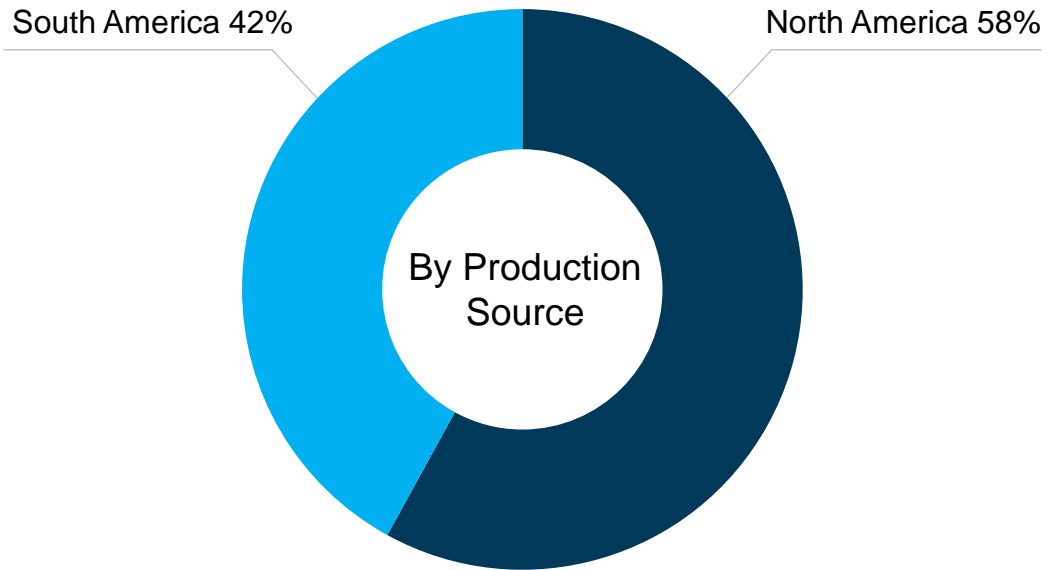
### Leading producers: North America



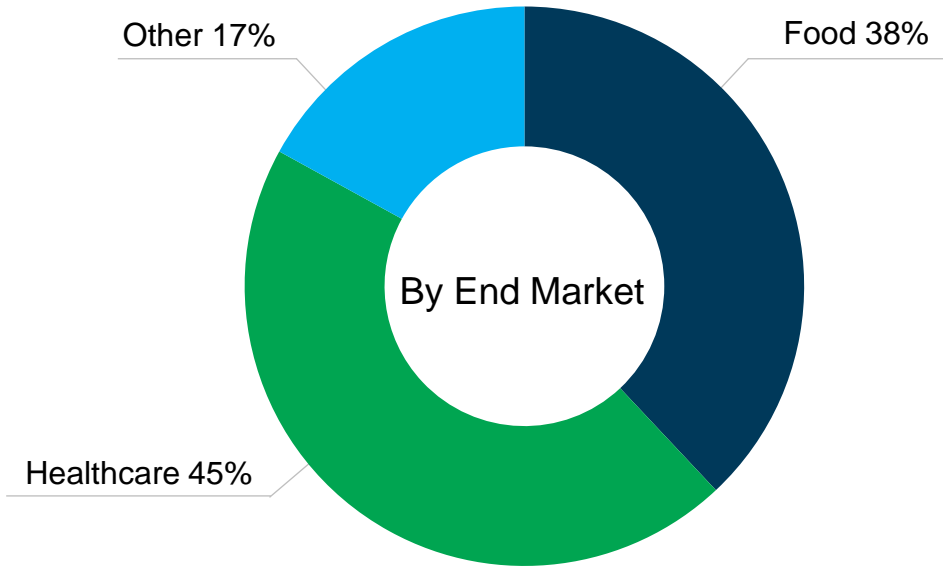
### Leading producers: South America



Balanced production footprint to serve customers' needs



Attractive mix of end markets



Through **innovation, simplification and customer focus**, we're going to significantly grow sales and PBIT to develop a strong leadership position in flexible packaging in the Americas



## Objectives



## Guiding Principles

- Organic Growth
- Acquisitive Growth
- Customer Focus
- Operational Excellence



## Outcome



### Smart investments

We're expanding our footprint in North and South America, through **customer-backed investments and acquisitions**.



### Global resources with a local perspective

We'll grow with our global customers, who will benefit from **localization of Amcor's global technology and innovation portfolio**.



### The best people

Our talent will be the best in the business. Supported by targeted recruiting, ongoing training and development, we'll have **the right teams** in place to support turbocharged sales.

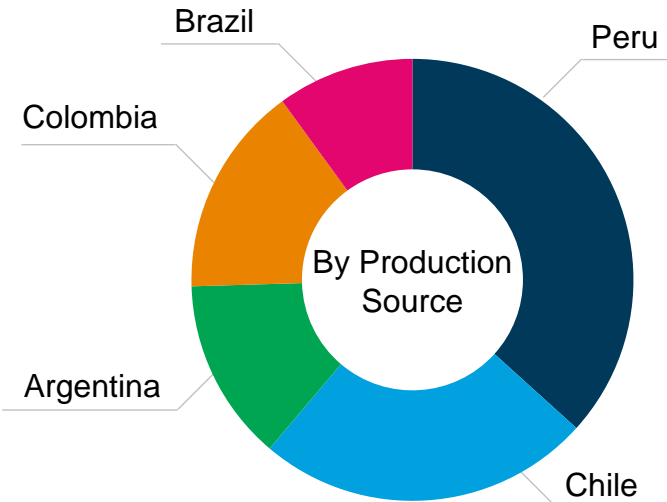


**Profitable  
Growth**

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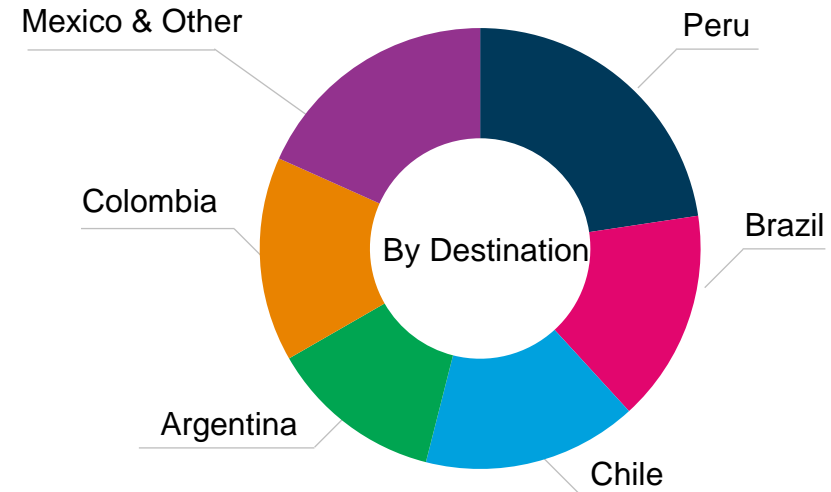


## Multiple production sites...



Source: Internal financials as of H1-FY17

## ...to serve all key markets in Latin America



Source: Internal financials as of H1-FY17

- With the acquisition of Alusa, Amcor is the leading flexibles packaging business in South America, backed by...
  - Strong, long-standing relationships with large multinational and regional customers
  - Film extrusion, lamination, printing, and pouch and bag making capabilities
- Combined with leadership positions in Europe and Asia, Amcor's customer value proposition is enhanced as the only truly global supplier, a unique position valued by our customers



### Meeting our objectives...

-  Opportunity to become #1 player in South America with a platform for regional growth - supported by Alusa's strong capabilities and talent
-  Achieve immediate scale and leverage the experience of other Amcor businesses in the region
-  Significantly improve customer value proposition and position Amcor as regional partner of choice
-  Leverage global technology and accelerate key account growth
-  Significant synergies – inclusive of synergy benefits of c. US\$25 million and growth in underlying markets, PBIT is expected to be c. US\$65 million at the end of year three

### ...through an aggressive integration plan



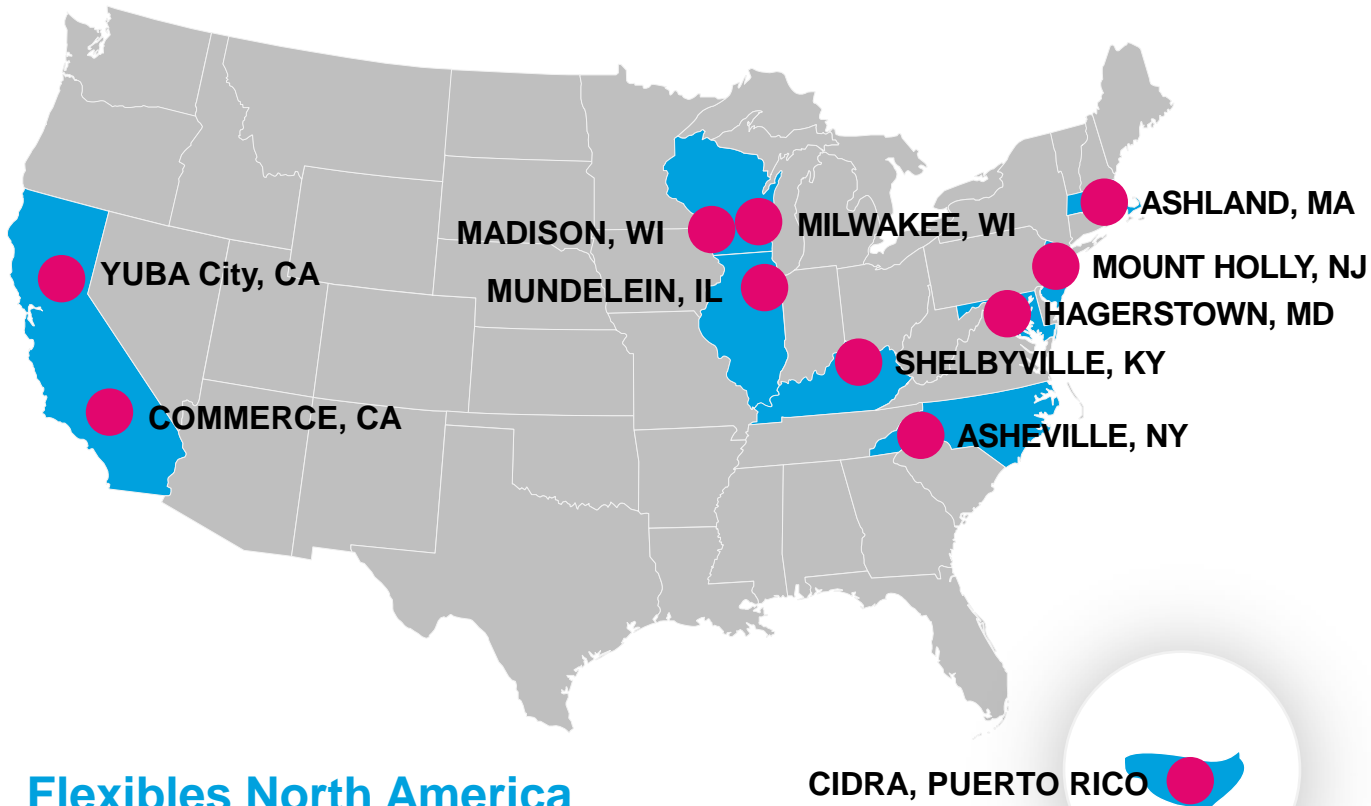
### Strong & Focused Governance team

- Joint planning to realize the best of both businesses
- Dedicated resource for integration planning and management
- Cross-functional and regional teams to ensure alignment
- Leveraging experiences and expertise of Amcor Flexibles Americas, Amcor Rigid Plastics and Amcor Tobacco Packaging

- Align the Organization**  
Engage co-workers and retain and develop talent  
Build culture of Safety and Outperformance
- Customer Focus**  
Strengthen and grow base business  
Deliver strong DIFOTIS
- Stay Safe**  
Introduce Amcor Safety culture  
Implement Amcor and industry best standards  
Goal = Zero Injuries
- Capture Synergies**  
Implement manufacturing best practices; enhanced benefits from procurement; shared innovation pipeline; and organization scale
- Manage the Noise**  
Regular communication to keep all stakeholders updated on integration status  
Maintain customer focus; avoid internal focus

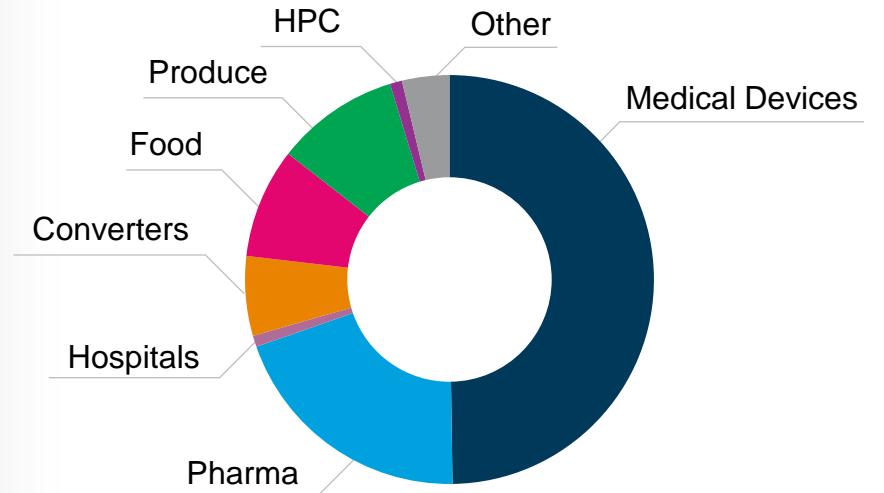
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**Flexibles North America**  
 11 plants

**AFA sales by end market**





## Overall flexible packaging demand is growing...

- US flexible packaging expected to grow at 4% <sup>(1)</sup>
- Growth in flexible/stand-up pouches forecasted at 8-9% <sup>(2)</sup>
- Demand for ready-to-eat produce packaging forecasted to grow approx. 4% with some segments such as fruit projecting 6% growth <sup>(3)</sup>



## ...and consumers are showing preference for high-value add packaging, including

- Convenient and more easily accessible packaging
- Sustainable packaging that creates less waste



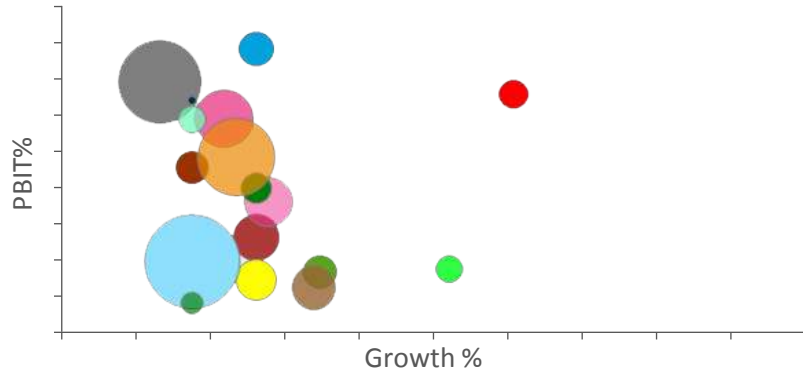
## Aging demographics to drive growth in pharma, medical, and hospital packaging

- ~15% of U.S. population is 65 years or older, growing to 22% by 2040<sup>(4)</sup>
  - Increasing need for medication
  - Increasing chronic health issues
- Hospital activity and operating room procedures expected to grow significantly through early 2020s



## Many products in Amcor's portfolio are already positioned to address these trends

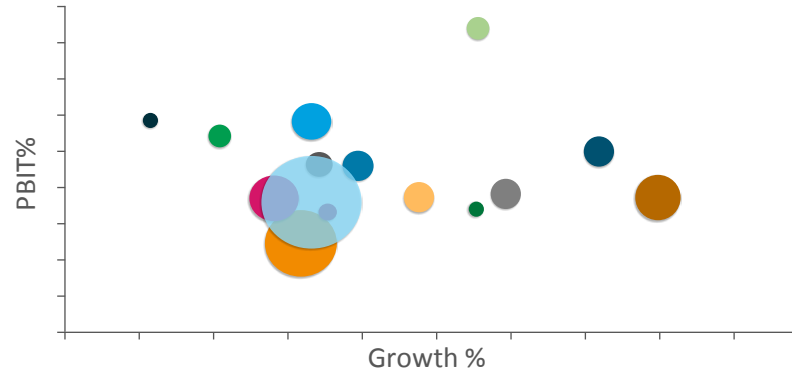
## End use segment



**For example:**

- Ambient Meals
- Cereals
- Coffee & Tea
- Dairy
- Fresh Produce
- Frozen
- HPC
- Medical
- Pet Food
- Pharma
- Refrigerated Meats
- Snacks & Confectionery

## Product platforms



**For example:**

- Blister Webs
- Breather Bags
- Die Cut Lidding
- Forming Film Extruded
- High Barrier Laminates
- Lidding Laminates
- Low Barrier Laminates
- Medium Barrier Laminates
- Pouches
- Stand-Up Pouches

- Amcor analyzes end-use segments and product platforms to identify the most attractive opportunities to pursue
- Commercial, operational and technical efforts are aligned to deliver high-value added products to these targeted customers
- Amcor is focused on building a leadership position in most high-profit or high-growth opportunities



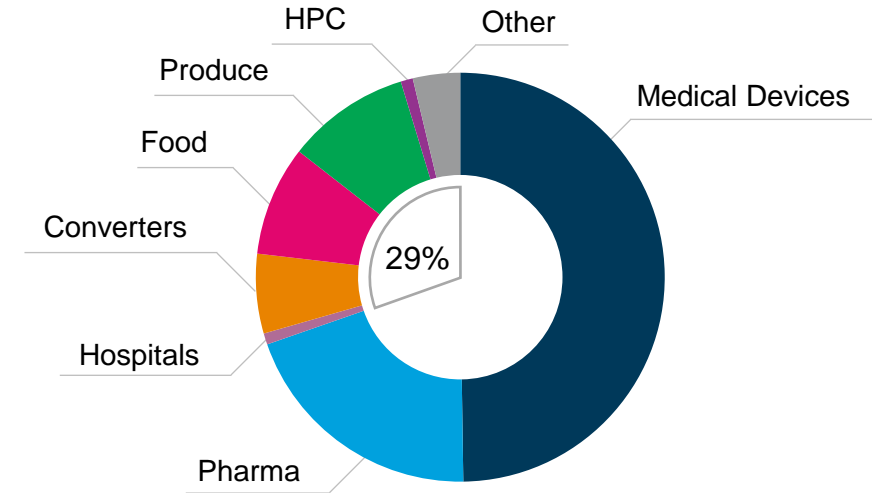
## Where to Play

- **Customers:** Strengthen relationships with key customers in fast moving consumer segments and expand global key account relationships for food packaging applications
- **Segments:** Focus on segments outpacing market growth, including Fresh, Nuts & Dried Fruits and Ambient Ready Meals
- **Specialty products:** Grow share in high value-add products like specialty lidding and retort laminates and high PCR content materials
- **Geography:** Leverage expanded footprint, aligning growth agenda with key customers' positions in West Coast

## How to Win

- Continue to pursue **attractive end uses** with innovative and cost-effective packaging solutions
- **Leverage Amcor's global product portfolio** with global brands and North America key accounts
- **Invest in capital equipment** behind designated growth segments and global key account manufacturing footprint

## AFA sales by end market





## Deluxe Packages acquisition strengthens Amcor's position in attractive growth regions & segments

### Growth opportunities in fresh produce...

- Fresh produce segment sales are ~\$250mil with expected aggregate growth rate of 4% p.a. (2012-2017)
- Growth in premium product mixes, upscale and high-nutritional food profile further drive premium quality packaging demand

### Packaging Formats

Bagged Salads	Salad Tray Lidstock	Bagged Fruit	Bagged Vegetables
Growth: 2.0% p.a. ('12 - '17)	Growth: 7.3% p.a. ('13 - '18)	Growth: 6.2% p.a. ('12 - '17)	Growth: 4.1% p.a. ('12 - '17)

### ... supported by Amcor's bicoastal footprint

- Similar equipment capacity and capability to manufacture similar products
- Reduction in cross-country shipments
- Strong relationships across consolidated customer base

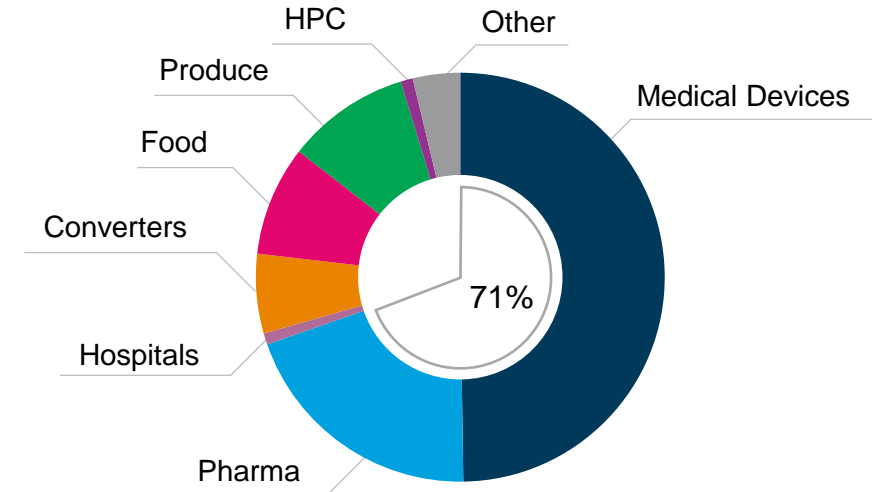
## Where to Play

- **Customers:** Deepen relationships with North American medical device and sterile fluid manufacturers
- **Segments:** Focus on segments where Amcor can capitalize on its innovation and vertical integration
- **Specialty products:** Grow competitive advantage in packaging for devices and components requiring advanced sterilization methods
- **Geography:** Identify and pursue growth opportunities in Central America and the Caribbean

## How to Win

- Continue product and innovation leadership
- Strive for the best cost structure in the industry by investing in capital for efficiency improvement and operations transformation
- Continue strategic partnerships with key customers to maintain base and drive organic growth opportunities
- Accelerate organic growth with a professionalized, need-based marketing process, faster speed to market from ideas to launch and Value Plus capabilities embedded in the Sales team

## AFA sales by end market







### Leveraging Amcor's strengths...

- Technology and product portfolio to meet consumer expectations
- Experience in high-value add segments
- Innovation and simplification technology



### ... to achieve further growth through:

- Local production to stimulate broader segment participation
- Providing attractive value propositions to new and existing customers
- Organizational investments and talent improvements

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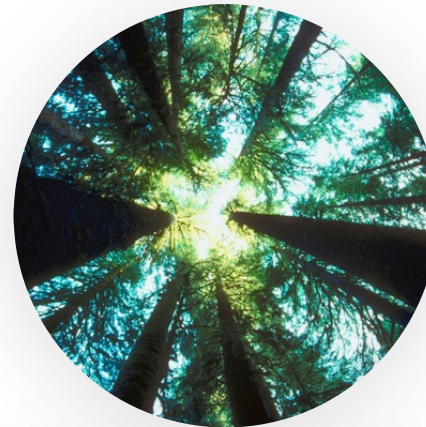
## Innovation focus areas / customer needs



Product Safety



Total Cost of  
Ownership



Sustainability



Differentiation

## Innovation capabilities



Design



Material Science



Manufacturing &  
Processes

## Amcor Fortis® sterile barrier packaging



Amcor's patent pending bag addresses our medical device customers' performance and cost needs. A design for value process ensured that every feature was valued by end users and issues with competitive products were overcome

**Customer need:** Total cost of ownership, Product Safety

## Pouches from post-consumer recycled material (in development)



Amcor is pushing the limits of recycled and monofilm content for home and personal care and food pouched products. Our aspirational goal is to create recyclable flexible packaging made from 100% post-consumer recycled (PCR) raw materials

**Customer need:** Sustainability

## Amcor StayClean™ for drug ampules



Amcor's StayClean product has been developed to target the packaging of highly sensitive Pharmaceutical products that otherwise would present a possible contamination risk for the consumer due to migratory components used in typical films and adhesives

**Customer need:** Product Safety

## AmPaper



AmPaper lacquer is a specific coating added to the surface of the packaging to allow for a tactile effect. Customer are using it as a differentiator in fresh and frozen end uses. The technology was first developed by our AF Ledbury based R&D team and then transferred to AF Hagerstown in the USA

**Customer need:** Differentiation



### Leveraging Amcor's strengths...

- Long-term, wide-ranging relationships with multi-national companies
- Global product offering
- Innovation and simplification of technology
- Scale benefits in procurement and operating efficiencies
- Deep segment-specific expertise



### ... to achieve growth through:

- Targeted investments
- New products to meet local needs
- Bolt-on M&A
- Organizational investments and talent improvement
- Local execution of global platforms



Amcor Flexibles Americas was created to focus on growth in the Americas, where Amcor has significant opportunity to grow



We're off to a good start with the Deluxe and Alusa acquisitions and are generating meaningful organic growth from legacy operations



Amcor Flexibles Americas will continue to focus on growing in the right segments – the ones where we can add value for our customers



We have the resources of the global packaging leader



...and we have built a strong foundation and organization in North and South America to deliver outstanding value to our customers