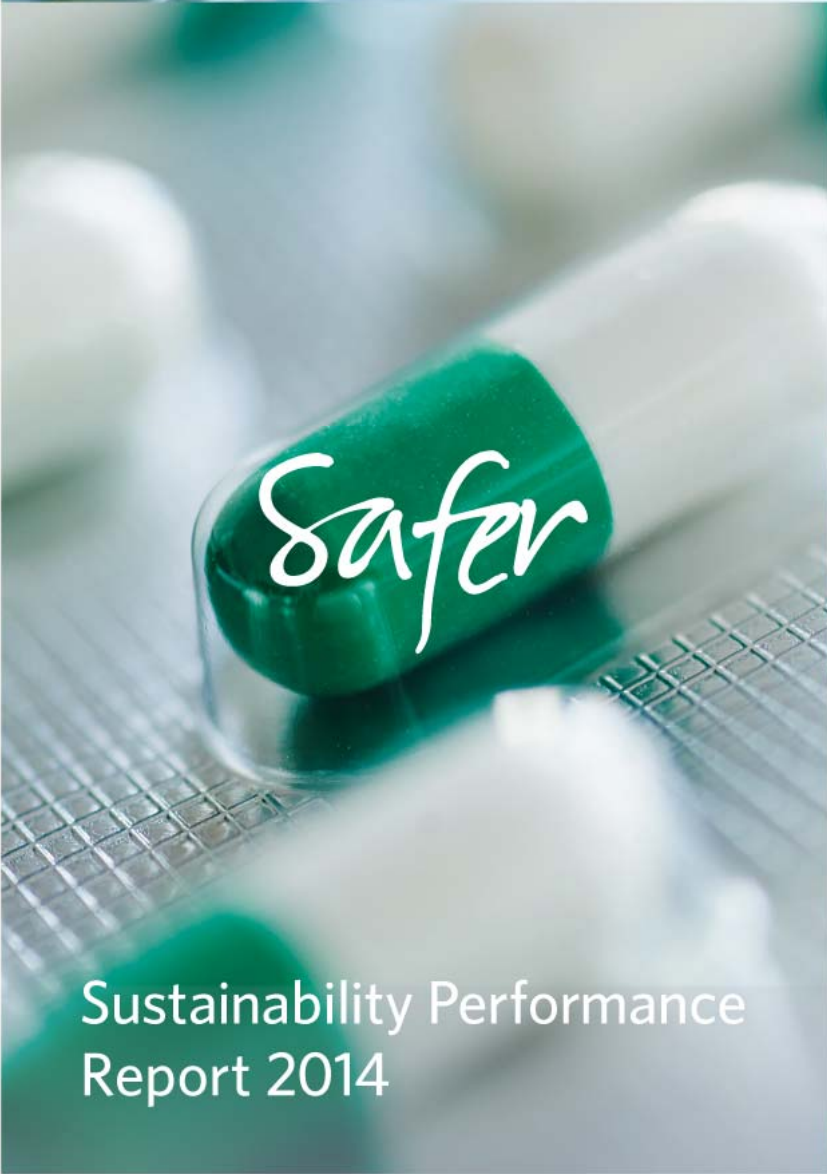


*Fresher*



*Lighter*



*Safer*



*Smarter*

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# Introduction

## How we report

We report in accordance with the Global Reporting Initiative's (GRI) Sustainability Reporting G4 Guidelines, AccountAbility's AA1000 Assurance Standard (2008) and the Australian Standard on Assurance Engagements ASAE3000. This approach provides information in a format that allows for benchmarking against various international standards and our corporate peers.

This report addresses each general standard disclosure and specific standard disclosures chosen to meet the requirements for GRI 4 'in accordance' reporting at the Core level.

Together with this report, we published a Sustainability Review (available at [amcor.com/sustainability](http://amcor.com/sustainability)), designed for those stakeholders who want a summary of the highlights of our sustainability approach and performance.

## Our approach to sustainability

Our approach to sustainability starts with our Belief Statement, Core Values and the Amcor Way operating model.

*We believe in responsible packaging.  
We Passionately + Relentlessly apply art + science  
to enhance the products people  
use in everyday life —  
today + tomorrow.*

## WHY we believe in what we do

Our belief statement is what we stand for and what we aspire to – it states what we believe in at Amcor and that's responsible packaging. Responsible packaging contributes to a better world for today and tomorrow.

## We value

HOW we behave in managing our business



**Safety**



**Integrity**



**Teamwork**



**Social  
Responsibility**



**Innovation**

Our values are the foundation of who we are and how we behave. They outline the characteristics that our customers and other stakeholders can expect from us. They help to explain how we do the things we do.



## The Amcor Way - WHAT we focus on in building operational excellence



The Amcor Way operating model outlines five business competencies to drive performance at Amcor: Safety; Customer Focus; Talent; Capital Discipline and Low Cost.

All of our sustainability initiatives are focused to support and contribute to the deliverables of The Amcor Way as sustainability management is most effective when it is integrated with business processes and organisational management systems.

### Our sustainability framework

Being sustainable is not just about living our core values. We are accountable to a broad range of stakeholders, and to gain their support and confidence we must be responsive to their interests. Our stakeholders are those who have a direct relationship to, or are impacted by, our business. They include investors and suppliers of capital, co-workers, customers and suppliers, industry bodies, governments, and the communities in which we operate.

We address these interests via specific plans and actions across five areas:

**Environment:** Climate change and resource scarcity are issues that require us to evolve our business model to meet our responsibilities. These responsibilities are also a catalyst to create new areas of competitive advantage.

**Community:** The local communities in which our operations are located are central to our success. Effective partnerships that benefit the wider community are a fundamental foundation.

**Workplace:** Our people are at the heart of our ability to deliver innovative solutions for customers and to create value for shareholders. Our focus is on creating and maintaining a workplace that can attract, motivate and retain the best people.

**Marketplace:** By developing and maintaining strong partnerships with customers and suppliers we can create innovative and responsible products and sustainable supply chains

**Economy:** Good governance, sensible risk taking and transparent investor relations are essential requirements in the way we conduct business and create value for our shareholders.

These areas are broadly consistent with international frameworks and benchmarks such as the Global Reporting Initiative, the Dow Jones Sustainability Index and the ISO 26000 Guidance on Social Responsibility. As such, our approach to sustainability can be benchmarked against our corporate peers.

# Strategy and Analysis

## Statement from the most senior decision-maker

Around the world, millions of times a day, people touch and use Amcor packaging – and when they open the package, they know that their product is fresh and safe to consume. As a packaging leader, our commitment to responsible packaging is integral to the success of our business.

At Amcor, Social Responsibility is one of our Core Values embedded into our business strategy and daily operations. Our talented co-workers apply their expertise every day to create innovative, responsible packaging solutions that help our customers meet their sustainability objectives and deliver better social and environmental outcomes.

Packaging plays a critical role in the efficient use of resources to get a product from the farm to the consumer. Responsible packaging protects the product, extends its shelf life, ensures that the product is safe for the consumer to use and can drastically reduce waste throughout the supply chain.

As the global population continues to grow, up to a third of the food we produce around the world is wasted. To help provide access to the nutrients people need to enjoy a healthy life, better use of our precious resources is required. This is where packaging continues to take a leading role, protecting the product from the farm, throughout the distribution process into stores, arriving at their intended destination fit for consumption. Our packaging continues to get smarter with innovations such as moisture absorbing layers extending the shelf life of products, resulting in less waste.

As one of the world's largest packaging companies, we have the global scale and technical knowhow to drive sustainability improvements throughout the packaging value chain. We are doing this by asking our suppliers to meet the same standards we apply to our own business. We also work with our customers to help them improve the sustainability performance of their products. At the same time, we actively collaborate with industry forums around the world to tackle serious issues and find new solutions.

Over the past year we have enjoyed considerable success in our sustainability efforts. Our workplace safety results were the best ever, as we continue to focus on our ultimate goal of 'No Injuries'. We continue to outperform on our five year EnviroAction targets. The hard work of our co-workers has resulted in the delivery of a 19% reduction in greenhouse gas emissions intensity, a 53% reduction in waste to landfill intensity and a 16% reduction in water use intensity. We are committed to delivering ongoing improvements in these areas over the next two years, at which point we will set new resource efficiency targets.

This year I was proud to launch the Amcor Community Program, enabling an even greater impact in the communities in which we live and work. Five million to the Program, allowing co-workers at local plants or offices to apply for grants to contribute to community programs and initiatives.

As part of our ongoing commitment to provide our co-workers with fulfilling and engaging careers, we completed our second global engagement survey. The survey provides insight on how co-workers view Amcor as a place to work so that together we can find ways to improve our workplace. With over 25,000 respondents (a great response rate of over 90%), the results found the overall level of co-worker engagement across Amcor continues to improve with clear strengths in our safety culture, customer and quality focus, work practices and career opportunities.

Our work to fully integrate sustainability into our business processes continues to gain momentum. Sustainability considerations are standard in our procurement and product development processes. We have 4,200 packaging life cycle assessments in our ASSET™ database, providing robust information on how to create the most sustainable packaging solutions. These insights are utilised in our product development work for our customers.

Our sustainability performance was again recognised by international indices this year, such as the Dow Jones Sustainability Index and the Carbon Disclosure Leadership Index.

We are pleased with the progress we are making around our key priority areas of: Environment, Community, Workplace, Marketplace, and Economy. Our commitment to responsible packaging delivers better sustainability outcomes and protects the products that people use every day. We are excited by the opportunities ahead and, in line with our Outperformance culture, we continue to aspire to be better tomorrow than we are today.

I encourage you to read our 2014 Sustainability Performance Report and learn more about how our commitment to sustainability underpins our business performance. Once again I hope you enjoy reading this report and welcome your feedback or questions.

**Ken MacKenzie**

Managing Director and Chief Executive Officer

## Description of key impacts, risks and opportunities

### Key impacts on sustainability and effects on stakeholders

Each year, our Corporate Sustainability team conducts some level of materiality assessment to identify our key sustainability impacts, risks and opportunities. The process is described on page 13. The list of key impacts, risks and opportunities is provided there also.

We have prioritised specific issues in each of five areas of our sustainability framework. These are based on the issues that are highly material to our stakeholders, risk and opportunities we have identified and areas that support our strategic intent. These 'Areas of Focus' are:

#### Environment

- > Implementing environmental management systems and continuously improving environmental performance at Amcor sites.
- > Regularly setting and working towards our EnviroAction targets.
- > Working with suppliers and customers to reduce environmental impacts throughout our supply chains and the lifecycle of our products.

#### Community

- > Conducting open and constructive dialogue with our communities.
- > Supporting local community projects.
- > Utilising our packaging expertise to address social and environmental needs.

#### Workplace

- > Maintaining a safe workplace - 'No Injuries'.
- > Engaging and developing our co-workers.
- > Maintaining a diverse workforce and providing equal opportunity.

#### Marketplace

- > Utilising our life cycle assessment capabilities to offer customers responsible packaging; and supporting our customers' sustainability objectives.
- > Promoting the role and benefits of responsible packaging.
- > Ensuring responsible and ethical sourcing/procurement.

#### Economy

- > Positioning Amcor to realise opportunities for sustainable business growth.
- > Demonstrating good governance, sensible risk taking and business continuity management.
- > Managing climate change related challenges and opportunities.

Our management approach and progress is reported in on pages 35 to 59 of this report.

### Long term trends, risks and opportunities

Consideration of both short-term and long-term trends, risks and opportunities is included in our Enterprise Risk Management process, which is detailed on page 58.

Our progress against targets and our performance for the year for each of our focus areas is described on pages 35 to 59 of this report.

Our sustainability risks and the approach we are taking to manage those risks are described on pages 20-23 of the 2014 Amcor Annual Report, available from [www.amcor.com](http://www.amcor.com).

# Organisational Profile

## Name of the Organisation

Amcor Limited. Our Australian Business Number is 62 000 017 372.

## Primary brands, products and/or services

Amcor is a global leader in responsible global packaging solutions. We design, manufacture and supply a broad range of rigid plastic packaging, such as PET bottles and hard plastic containers, as well as flexible packaging such as pouches, sachets, blister packs and bags. We also manufacture folding cartons for tobacco products. Our packaging is supplied to the food, beverage, healthcare, home and personal care and tobacco packaging industries.

## Location of the organisation's headquarters

Melbourne, Victoria, Australia.

## Number of countries of operation

Amcor operates manufacturing sites, distribution centres and offices in over 40 countries. Our operations are shown in the map below:



Our Flexibles business operates as two independent business units across two regions – Flexibles Europe and America's and Flexibles Asia Pacific.

Our Tobacco and Specialty Packaging business operates plants across Europe, the Americas and Asia.

Our Rigid Plastics business operates plants across the Americas.

Amcor holds 48% of AMVIG Holdings Limited, a company principally involved in the manufacture of tobacco packaging. AMVIG operates plants across Asia, including the People's Republic of China.

## Nature of ownership and legal form

Amcor is a publicly-listed company, with its ordinary shares (AMC) listed on the Australian Securities Exchange (ASX), Eurobonds listed on the Singapore Stock Exchange (SGX) and CHF notes listed on the Swiss Stock Exchange (SIX).



## Markets served

Our customers include many of the world's largest food, beverage and pharmaceutical manufacturers.

We are one of the largest suppliers of flexible packaging in the world. Our flexible packaging is used to package products ranging from medical devices and pharmaceuticals through to grocery items and personal and home care products.

We are one of the world's largest manufacturers of rigid plastic bottles, used by beverage manufacturers in the Americas to package their products.

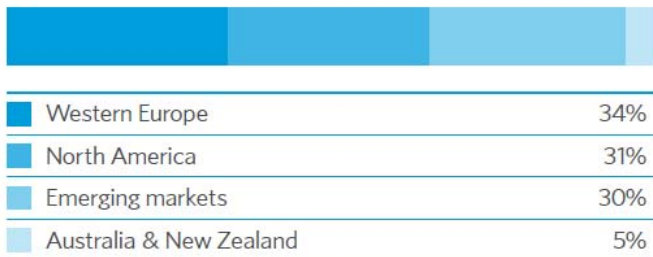
Some of the world's largest manufacturers of personal care and home care products such as shampoo, cleaners and lotions are amongst our customers, using our flexible packaging and rigid plastic bottles to package their products.

We supply folding cartons to consumer goods companies and tobacco manufacturers around the world.

We supply packaging and films for a variety of industrial applications in the electronics, automotive, energy and other manufacturing industries.

### Sales by region

%



\*Including Amcor's share of sales from the equity accounted investment in AMVIG.

## Company scale

Number of employees: 27 200 employees

Number of operations: 180+ manufacturing sites

Net sales: AUD 10,853.4 billion in sales revenue

Total capitalization: As at 30 June 2014, Amcor's market capitalization was A\$12,585.7 million.

As one of the world's largest packaging producers, Amcor manufactures billions of packaging units each year, with this year's production being approximately 160 billion rigid plastic containers, folding cartons and plastic closures and 10 billion square metres of flexible packaging.

## Employees overview

Total number of employees by employment contract and gender

Amcor Business Group	No. co-workers*	Contractors	Regions
Flexibles Europe & Americas	12314	338	Europe and the Americas
Flexibles Asia Pacific	5696	783	Asia
Rigid Plastics	5855	0	The Americas
Tobacco Packaging	3555	492	Europe, Asia and Americas
Corporate and others	259	7	Global
<b>Total</b>	<b>27679</b>	<b>1620</b>	

\* excludes contractors

Information about the gender breakdown of our workforce can be found in the Workplace section of this report.

The geographic distribution of our workforce is shown in the image below:



The majority of work within our operations is performed by Amcor employees, who work onsite.

Variation in employment numbers is typically driven by the acquisition or divestment of operations, which occur frequently.

## Percentage of total employees covered by collective bargaining agreements

Approximately 50% of our co-workers are covered by collective bargaining agreements.

## Supply chain description

We spend approximately \$5.9 billion with over 19,000 suppliers on the materials and services we use to manufacture our products ('direct' suppliers). Large parts of this spend goes to large, multi-national chemical companies for the polymers we use to make our plastic packaging. With the majority of our manufacturing sites located in Europe or North America, our suppliers are typically also located there.

Suppliers representing 52% of this direct spend have either signed the Amcor supplier code of conduct or have an equivalent code of conduct. More information about our approach to supply chain management can be found on page 56.

## Significant changes in organizational size, structure, ownership or supply chain

In December 2013, Amcor demerged their Australasian and Packaging Distribution business. The business became a separate entity, called Orora Limited, also listed on the Australian Securities Exchange (ASX). The demerger reduced the number of Amcor employees by approximately 5700 and revenue by approximately \$3 000 million. Thirty six manufacturing sites and 79 distribution sites were included in the demerger.

The demerger removed several packaging categories from Amcor's product offering, specifically: aluminium beverage cans, glass containers, corrugated fibre packaging (e.g. cardboard boxes), and large sacks. Recycling services and packaging distribution services are also no longer offered by Amcor. The two paper mills that were owned by Amcor were also part of the demerger and are now owned by Orora Limited.

With the exception of Flexible packaging sites Orora Limited now owns all sites in Australia and New Zealand. The flexible packaging sites remain part of Amcor's Flexibles Asia Pacific business.

During the year, Amcor acquired Detmold Flexibles with two flexible packaging sites in Australia as well as the flexible packaging operations of Jiangyiun Shenlong Packaging Material Company Limited, with two sites in China.

There were no material changes to the share capital structure or our supply chain during the reporting period.

## Precautionary approach

There is a general expectation by our stakeholders that, as a large, multinational company, we will continuously improve and report on the environmental performance of our operations and will meet or exceed the environmental regulatory requirements of the regions in which we operate. Our commitment to environmental sustainability is embodied in our Code of Conduct and Ethics Policy, which states: 'We are committed to prevent and minimise adverse environmental impacts, including waste, emissions and discharges from our operations. We aim to minimise the environmental footprint of our operations and products.' Our Group-wide Environmental Policy reinforces this commitment and includes specific environmental management requirements. Our Group-wide Sustainability Policy details our approach to sustainability and the key areas we focus on. These policies outline a range of precautionary principles that guide our operational planning and management.

In addressing the precautionary principle in our daily operations, our sustainability reporting process helps to identify risks and opportunities in operational planning. We continuously work to improve our sustainability performance, a process monitored by our Global Management Team.

## Externally developed charters, principles, or other initiatives

Our approach to sustainability is aligned with ISO:26000. We have regard to the OECD Guidelines for Multinational Enterprises, as described in our Corporate Code of Conduct and Ethics policy. Amcor supports many industry and government initiatives on packaging, as described on page 54.

Our operations around the world have implemented systems and processes to comply with many different international standards. For example, many of our manufacturing operations have environmental management systems in place that are certified to the ISO 14001 standard. Information about the standards that are in place is provided in the relevant sections of this report.

## Memberships of associations

Amcor is a member of many industry bodies and often holds leadership positions within these forums. Involvement that we consider strategic includes:

Organisation	Membership status or contributions	Reach
Sustainable Packaging Coalition (SPC)	Member of the Executive Committee	US, Europe; expanding in Asia
Life Cycle Initiative of the United Nations Environment Program and the Society of Environmental Toxicology and Chemistry (UNEP/SETAC)	Member and sponsor of a knowledge mining report on LCA of food and beverage packaging	Global
AIM-Progress	Member	Global
European Aluminium Foil Association/Flexible Packaging Europe Sustainability Working groups	Member	Europe
Aluminum Stewardship Initiative (formerly Responsible Aluminium Initiative )	Member of the Standard Setting Group	Global
European Bioplastics Association	Active participation	Europe

Organisation	Membership status or contributions	Reach
European Organization for Packaging and the Environment (EUROPEN)	Member	Europe
International Packaging Institute IPI	Member	International
Healthcare Compliance Packaging Council	Member	Europe
Flexodruck Fachverband DFTA	Member	National
German Aluminium Association / Gesamtverband der Aluminiumindustrie GDA	Member	National
UK Packaging and Films Association (PAFA)	Member	European
Associação Brasileira da Indústria de Artigos e Equipamentos Médicos, Odontológicos, Hospitalares e de Laboratórios	Associate	National
National Association for PET Container Resources (NAPCOR)	Member	USA
The Plastics Industry Trade Association/Society of the Plastics Industry (SPI)	Member	North America
American Institute for Packaging and the Environment (AMERIPEN)	Member	North America
Association of Postconsumer Plastics Recyclers	Affiliate member and a representative on the technical committee	USA
ABIPET (Brazilian organization promoting PET recycling)	Associate	Brazil
ABRE Brazilian Packaging Association	Membership	Brazil
Australian Food and Grocery Council	Membership	Australia
European Carton Makers Association	Membership	Europe
Flexible Packaging Association (FPA)	Membership	USA
Institute of Packaging Professionals (IoPP)	Benefactors	USA
Leatherhead Food Research Association	Membership	UK

Organisation	Membership status or contributions	Reach
Packaging Council of New Zealand	Membership	NZ
Smithers PIRA	Membership	Global
Sterilization Packaging Manufacturers Council (SPMC)	Membership	USA
The Packaging and Films Association	Member	UK
CNE – Centro Nacional de Embalagem (Portugal Packaging Centre)	Partner	Portugal
APIP - Associação Portuguesa da Indústria de Plásticos (Portugal Plastic Industry Association)	Member	Portugal
Plastics Export Promotion Council	Member	India
Indian Flexible Packaging and Folding Carton Manufacturers Association	Member	India

## Amcor entities covered

This report covers sites wholly-owned and controlled by Amcor during the entire reporting period, unless specified otherwise for specific indicators.

A list of controlled entities is provided on page 159 of the 2014 Amcor Annual Report.

## Report content and aspect boundaries

### Materiality assessment

The content of this report is guided both by the GRI's Guidance on Defining Report Content and by our established Areas of Focus that are driven by our sustainability strategy (described in the Introduction section of this report).

Report content is driven by stakeholder engagement and determined using both internal and external processes, including determining material topics and prioritisation. Our Corporate Safety and Sustainability function determines the content of the report.

We referred to GRI's Guidance on Defining Report Content when determining the content for this report, following the steps described below:

#### Step 1: Identifying relevant topics

Our stakeholders are those who have a direct relationship to, or are impacted by, our business. They include investors and suppliers of capital, co-workers, customers and suppliers, industry bodies, governments, the media and the communities in which we operate.

The process we used this year to identify relevant topics to report on included:

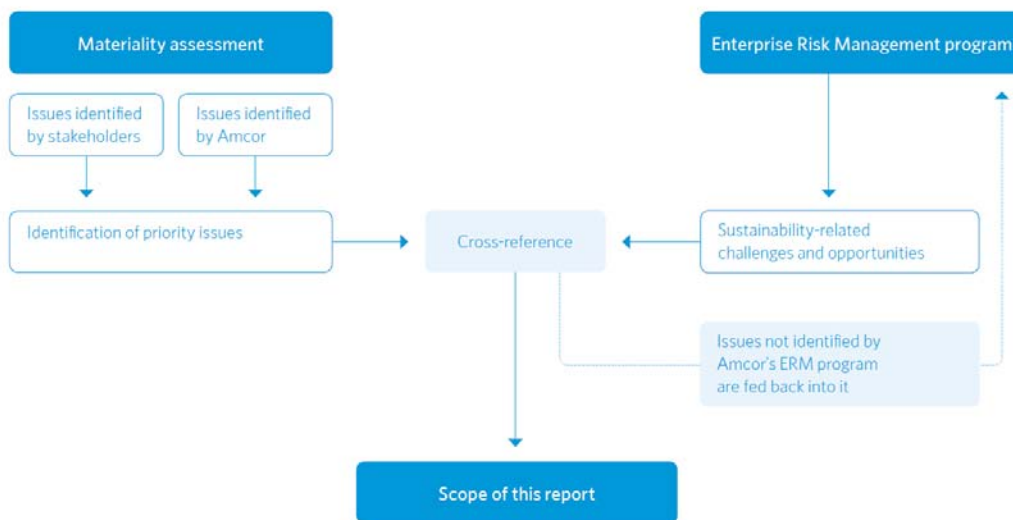
- > Interviewing representatives of the stakeholder groups who have a direct relationship to, or are impacted by, the economic, social and environmental impacts of our operations.
- > Input from the Sustainability Leaders within each Amcor Business
- > Analysing the public documents released by stakeholder organisations
- > Identifying the social, environmental and economic aspects associated with Amcor's current business plans, strategy, risks and opportunities.



This process generates a list of environmental, social and economic issues that reflect our significant economic, environmental and social impacts as well as topics that would substantively influence the assessments and decisions of stakeholders. We then compared the list against the sustainability-related risks and opportunities identified by Amcor's Enterprise Risk Management (ERM) program.

In most cases, the priority issues identified through the materiality assessment were also identified by our ERM program. Any issues that had not been identified by the ERM program were fed back into it for future consideration by our businesses, thereby enhancing the rigour of our approach to sustainability and its integration with the ERM program.

We undertake this full materiality assessment process each 3<sup>rd</sup> year, using a 'refresher' approach during intervening years to determine any newly material issues.



### Step 2: Prioritisation

The final list of issues was then ranked by our Sustainability Leadership Team, according to importance of each issue to our stakeholders and to Amcor.

### Step 3: Validation.

Using the final list of prioritised issues, we mapped the highly material issues to the appropriate GRI Aspect, as per the GRI reporting protocol. We selected indicators within each GRI Aspect that best matched our prioritised issues and that ensured completeness of the report.

## Material aspects and aspect boundaries

The following table lists the issues determined to be highly material by our materiality process. Appropriate G4 Aspects are also listed as well as the internal and external boundaries for each aspect. Note the definitions of the following terms:

Amcor Business Group = the four divisions within Amcor e.g. Flexibles Europe & Americas, Rigid Plastics, Flexibles Asia Pacific and Tobacco Packaging

Customer = Amcor's customers e.g. Food and beverage manufacturers

Supplier = A supplier of goods and/or services to Amcor

Consumer = Individuals who purchase and consume packaged goods.

Industry = Companies within the packaging industry and within the industries in which Amcor's customers participate.

Distributor = Logistics suppliers who transport packaging and packaged goods.

Parent company = Amcor Ltd, the global business entity

Issue	Description	GRI G4 aspect	Internal and external aspect boundaries
<b>Environmental issues</b>			
Recycling	Importance of having waste management and recovery infrastructure in place. Recyclability of polymers. Using appropriate raw materials that are not just recyclable, but have more positive long term impacts on the environment.	Products and services	Impacts at the Amcor Business Groups, customer, supplier and consumer level
Carbon emissions	Carbon foot printing, understanding carbon emissions from factories, and from product distribution	Emissions	Impacts at Amcor Business Groups, customer and distributor level
Litter and marine debris	Litter and marine debris causes and solutions. Taking responsibility, clearly communicating to public and proposing long term solutions, need for functioning collection and recovery infrastructure esp. in those markets singled out as being large contributors to marine littering. Labelling packaging to promote recycling.	Local communities biodiversity	Parent company, Amcor Business Groups, industry, customer and consumer
Raw materials impacts	Strategically selecting raw materials to improve environmental impacts.  Innovations in materials selection and product design.	Materials supplier environmental assessment	Amcor Business Groups, supplier
<b>Workplace issues</b>			
OH&S	Importance of safety; stakeholders' high expectations of Amcor's performance over time; how does Amcor respond to lower standards in emerging markets?	Occupational health and safety	Amcor Business Groups, parent company
Human rights	Upholding human rights, particularly in factories in emerging markets. Contract suppliers and disclosure of practices and standards in emerging markets.	Investment (human rights)  Supplier human rights assessment  Human rights grievance mechanisms	Amcor Business Groups, suppliers, customer
Employee engagement	Community engagement activities that build employees' sense of pride; recruitment and retention based on culture and values; demonstrating to employees that Amcor is a responsible employer	Employment diversity and equal opportunity ethics and integrity	Amcor Business Groups, parent company
<b>Marketplace issues</b>			
Life cycle approach	Design with end of life in mind, design with environmental outcomes in mind. Life cycle cost and impacts.	Product and service labelling	Amcor Business Groups, customer, supplier and consumer

Issue	Description	GRI G4 aspect	Internal and external aspect boundaries
Extended producer responsibility	Public debate and potential legislative responses to extended producer responsibility. Insufficient recycling infrastructure to deal with waste in the recovery stage.	N/A	Amcor Business Groups, customer, supplier and consumer
End of life strategy	Addressing environmental issues around end of life for packaging materials. The role of product development and innovation in this.	Product and service labelling	Amcor Business Groups, customer, supplier and consumer
Product quality and safety	Public debate about toxic chemicals in products, chemical migration from plastics. The role of packaging in product protection.	Customer health and safety Public policy	Amcor Business Groups, customer, supplier and consumer
Sustainable sourcing and traceability	Using recycled materials, responsible sourcing policies, bio-based plastics, conflict minerals. Traceability from point to point - traceability and supply chain transparency, especially with investor pressure.	Organisational profile supplier environmental assessment Supplier assessment for labour practices supplier human rights assessment	Suppliers, Amcor Business Groups, parent company, distributor
Supply chain optimisation	Logistics, shipping and transport routes that are efficient to minimise emissions and waste.	Supplier environmental assessment	Distributors, suppliers, Amcor Business Groups
Leadership opportunities	Potential for Amcor to take a leadership role in driving sustainability through the supply chain and on extended producer responsibility and life cycle assessments	N/A	Industry, Suppliers, Consumer level
Customer collaboration opportunities	How does Amcor help its customers through innovation? Especially opportunities to help customers solve their problems (such as increasing recovery or recycling of flexible packaging). Opportunities for Amcor to demonstrate collaboration with customers and up and down the supply chain	Commitments to external initiatives	N/A
Industry collaboration	Role of Amcor and industry in aligning with NGOs on issues like marine debris and litter. Collaborating with industry on extended producer responsibility and industry-level responses to policy discussions, EPR and plastic recycling and infrastructure debate.	Commitments to external initiatives	Customers

Issue	Description	GRI G4 aspect	Internal and external aspect boundaries
Packaging innovation and optimisation	Packaging design, opportunities to re-use packaging materials and making products more recycle-friendly. Poor end of life environmental impact of flexible plastics versus positive environmental impacts in manufacturing process and product life cycle and in preventing waste and spoilage.	Product and service labelling	Amcor Business Group, customer, supplier and consumer
<b>Community Issues</b>			
Food security	Minimising food waste, preserving food and sustaining food, and differences in the causes of food waste in developed and emerging markets.	Customer health and safety public policy	Customer, consumer
Public education and awareness raising	Role for Amcor in educating the public about the value of packaging, overcoming public perceptions about packaging as waste, and enabling them to differentiate between different types of packaging materials and their impacts. Link to full cost accounting and life cycle analysis	N/A	Parent company, Amcor Business Groups, industry and customer
<b>Economic issues</b>			
Raw materials prices	The price of raw materials as result of regulation. Balance and choices between better environmental outcomes versus lower cost. Ability to achieve both environmentally friendly and low cost packaging.	Supplier environmental assessment	Amcor Business Groups, suppliers, customers
Tobacco industry decline	Financial sustainability of the tobacco packaging business. Amcor's strategy to deal with this.	N/A	N/A
<b>Other issues</b>			
More targets and measures	Need to provide more information in report, esp. more sustainability context, benchmarks for success, performance related to competitors, product materials performance, amount of recycled content in products etc.	N/A	N/A
Better communication required	Opportunity to communicate more effectively about Amcor's sustainability performance or achievements, need to communicate better internally about employee safety and community engagement activities and opportunity to communicate to community about the benefits of packaging.	N/A	N/A

## Restatements of information

Each year, we adjust our FY2010-2011 baseline year data for greenhouse emissions, waste to landfill and water use to include acquired sites and exclude sites that are no longer part of Amcor. The demerger of 36 of our manufacturing sites this year (refer to page 10) had a significant impact on our baseline and historical data. All reported environmental data from previous years, contained in this report, has been adjusted to remove the contribution of the demerged business.

During the adjustment process, if acquired sites have data back to the FY2010-2011 baseline year for energy use, waste generated, raw material consumption and water usage at the time the

acquisition is completed then this data is added to our environmental database. The timing of data integration will depend on when in the financial year the acquisition is completed and if there is time to recalculate the baseline before the end of year reporting.

If acquired sites don't have existing data when integration begins then we wait until we have 12 months of data before the sites are integrated into our reporting. We use the collected data to estimate historical data back to the FY2010-2011 baseline year, inclusive of any seasonal trends.

Safety data from acquired sites is not included in our consolidated reporting until 12 months after the acquisition is complete. This gives us time to implement our safety systems and culture at the site(s) and assure consistent data reporting standards. Workplace Safety data for FY2012-13 and FY2013-14 does not include the demerged business. Workplace safety data for the years prior includes the demerged business.

## Significant changes in scope and aspect boundaries

None to report.

## Stakeholders engaged

Our stakeholders include investors and suppliers of capital, co-workers, customers and suppliers, industry bodies, governments and the communities in which we operate.

This year we consulted:

- > Customers
- > Suppliers,
- > Employees
- > Investors
- > Community groups/Non Government Organisations (NGOs).

Representatives of Government were not consulted because, with the demerger, Amcor now has much less environmental and social impact in Australia, where we are headquartered and listed. During the engagement, customers and investors were used as proxies for the government and suppliers of capital stakeholder groups.

## Basis for identification and selection of stakeholders

Our stakeholders are those who have a direct relationship to, or are impacted by, our business. Our approach to stakeholder engagement is aligned with the principles of the AA1000 Stakeholder Engagement Standard (AA1000SES).

Internal subject matter experts create a list of stakeholder groups every three years, unless there has been significant recent organisational change. This list is prioritised, based how each group affects our performance and how they are affected by our performance in the GRI performance indicator categories, both now and in the future.

## Approaches to stakeholder engagement

Sustainability materiality assessments are vital components of a company's sustainability strategy and reporting. This year, with the demerger of approximately 20% of our business and the move to reporting according to the G4 Sustainability Reporting Guidelines, we undertook a comprehensive sustainability materiality assessment and stakeholder engagement project. We commissioned an independent study to better understand stakeholders' perspectives of key social and environmental issues. A key output of the research is an evidence-based sustainability materiality matrix. From this matrix, Amcor and the readers of this report can understand the degree of importance stakeholders accord to each issue and the level of importance Amcor places on each issue.

A desktop study was first conducted of information published by stakeholders e.g. customer sustainability reports, the sustainability strategy of industry bodies and community groups. The study aimed to identify and assess sustainability issues that reflect the organization's significant economic, environmental, and social impacts or would substantively influence the assessments and decisions of stakeholders. The results then shaped the questions that were asked of the 27 stakeholder representatives that were interviewed by telephone. The important issues from the interviews were then compiled into a list. Amcor's Sustainability Leadership team then prioritized this list in terms of low, medium and high issues. Those issues that ranked 'high' were then used to determine the content of this report.



## Key topics and concerns

The key topics and concerns raised by stakeholders are incorporated into our materiality assessment process and are shown on page 14. How we respond operationally to the key topics and concerns categorised as 'highly material' is detailed in the relevant sections of this report.

To protect the anonymity of the stakeholders who were surveyed this year, we have not included which stakeholder groups raised which topics as some of the groups had very few respondents.

## Report Profile

### Reporting period

The 12-month period to 30 June 2014.

### Date of most recent previous report

October 2013.

### Reporting cycle

Annual

### Contact point for questions

Questions and feedback about this report should be directed to our Vice President, Safety, Environment & Sustainability, via the 'Contact us' enquiry form on our website: amcor.com

### GRI content index

#### 'In accordance' option

The 2014 Sustainability Report has been prepared 'in accordance' with the Global Reporting Initiative G4 Sustainability Reporting Guidelines at a Core level.

### GRI content index

GENERAL STANDARD DISCLOSURES		
	Page Number (or Link).	External Assurance.
<b>STRATEGY AND ANALYSIS</b>		
<a href="#">G4-1</a>	Page 6	
<b>ORGANIZATIONAL PROFILE</b>		
<a href="#">G4-3</a>	Page 8	
<a href="#">G4-4</a>	Page 8	
<a href="#">G4-5</a>	Page 8	
<a href="#">G4-6</a>	Page 8	
<a href="#">G4-7</a>	Page 8	
<a href="#">G4-8</a>	Page 9	
<a href="#">G4-9</a>	Page 9	
<a href="#">G4-10</a>	Page 9	
<a href="#">G4-11</a>	Page 10	
<a href="#">G4-12</a>	Page 10	
<a href="#">G4-13</a>	Page 10	
<a href="#">G4-14</a>	Page 11	
<a href="#">G4-15</a>	Page 11	

<a href="#">G4-16</a>	Page 11				
<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>					
<a href="#">G4-17</a>	Page 13				
<a href="#">G4-18</a>	Page 13				Yes, refer to page 60.
<a href="#">G4-19</a>	Page 14				Yes, refer to page 60.
<a href="#">G4-20</a>	Page 14				Yes, refer to page 60.
<a href="#">G4-21</a>	Page 14				
<a href="#">G4-22</a>	Page 17				
<a href="#">G4-23</a>	Page 17				
<b>STAKEHOLDER ENGAGEMENT</b>					
<a href="#">G4-24</a>	Page 18				
<a href="#">G4-25</a>	Page 18				
<a href="#">G4-26</a>	Page 18				
<a href="#">G4-27</a>	Page 19				
<b>REPORT PROFILE</b>					
<a href="#">G4-28</a>	Page 19				
<a href="#">G4-29</a>	Page 19				
<a href="#">G4-30</a>	Page 19				
<a href="#">G4-31</a>	Page 19				
<a href="#">G4-32</a>	Page 19				
<a href="#">G4-33</a>	Page 23				
<b>GOVERNANCE</b>					
<a href="#">G4-34</a>	Page 23				
<b>ETHICS AND INTEGRITY</b>					
<a href="#">G4-56</a>	Page 24				
<b>SPECIFIC STANDARD DISCLOSURES</b>					
DMA and Indicators	Page Number (or Link)	Identified Omission(s).	Reason(s) for Omission(s).	Explanation for Omission(s).	External Assurance.
<b>CATEGORY: ENVIRONMENTAL</b>					
<b>MATERIAL ASPECT: MATERIALS</b>					
<a href="#">G4-DMA</a>	Page 25				
<a href="#">G4-EN1</a>	Page 25				
<a href="#">G4-EN2</a>	Page 26				
<b>MATERIAL ASPECT: BIODIVERSITY</b>					
<a href="#">G4-DMA</a>	Page 26				
<a href="#">G4-EN12</a>	Page 27				
<b>MATERIAL ASPECT: EMISSIONS</b>					
<a href="#">G4-DMA</a>	Page 27				
<a href="#">G4-EN15</a>	Page 28				Yes, refer to page 60.
<a href="#">G4-EN16</a>	Page 28				Yes, refer to page 60.

<a href="#">G4-EN17</a>	Page 29				Yes, refer to page 60.
<a href="#">G4-EN18</a>	Page 29				Yes, refer to page 60.
<b>MATERIAL ASPECT: PRODUCTS AND SERVICES</b>					
<a href="#">G4-DMA</a>	Page 29				
<a href="#">G4-EN27</a>	Page 29	Consolidated quantitative impacts	The information is currently unavailable.	Improvements to data collection planned, estimated timing is 2-3 years.	Yes, refer to page 60.
<a href="#">G4-EN28</a>	Page 30	Quantitative values	The information is currently unavailable.	Recycling rates are not available on consolidated global basis and are outside of Amcor's control. Timing unknown	Yes, refer to page 60.
<b>MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT</b>					
<a href="#">G4-DMA</a>	Page 30				
<a href="#">G4-EN33</a>	Page 30				
<b>CATEGORY: SOCIAL</b>					
<b>SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK</b>					
<b>MATERIAL ASPECT: EMPLOYMENT</b>					
<a href="#">G4-DMA</a>	Page 30				
<a href="#">G4-LA1</a>	Page 30	New employee hire number & rate Number and rate of employee turnover	The information is currently unavailable.	Improvements to global employee data collection planned, estimated timing is 3 years.	
<b>MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY</b>					
<a href="#">G4-DMA</a>	Page 30				
<a href="#">G4-LA6</a>	Page 31	Absentee rate	The information is currently unavailable	Improvements to global employee data collection planned, estimated timing is 3 years	Yes, refer to page 60.
		Data by	Not	Gender does	

		gender	applicable	not have a material impact on our performance in this area	
<b>MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES</b>					
<a href="#">G4-DMA</a>	Page 31				
<a href="#">G4-LA15</a>	Page 31				
<b>SUB-CATEGORY: HUMAN RIGHTS</b>					
<b>MATERIAL ASPECT: INVESTMENT</b>					
<a href="#">G4-DMA</a>	Page 31				
<a href="#">G4-HR2</a>	Page 31	No. hours of training	The information is currently unavailable	Improvements to global data collection planned, estimated timing is 3 years.	
<b>MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT</b>					
<a href="#">G4-DMA</a>	Page 31				
<a href="#">G4-HR11</a>	Page 32				
<b>SUB-CATEGORY: SOCIETY</b>					
<b>MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY</b>					
<a href="#">G4-DMA</a>	Page 32				
<a href="#">G4-SO10</a>	Page 32				
<b>SUB-CATEGORY: PRODUCT RESPONSIBILITY</b>					
<b>MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY</b>					
<a href="#">G4-DMA</a>	Page 32				
<a href="#">G4-PR1</a>	Page 34	% of product categories which have been assessed for improvement	The information is currently unavailable	Data is not available on a consolidated basis. Timing yet to be determined.	Yes, refer to page 60.
<a href="#">G4-PR2</a>	Page 34				Yes, refer to page 60.

## G4 Food Processing sector disclosure

### MATERIAL ASPECT: PROCUREMENT PRACTICES

G4-DMA	Page 24				
FP1	Page 24				Yes, refer to page 60.

### MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY

G4-DMA	Page 32				
FP5	Page 34	Percentage of production manufactured in certified sites	The information is currently unavailable	Data is unable to be compiled. Refer to indicator response for full details.	Yes, refer to page 60.

## External assurance report

Refer to page 60.

## External assurance

This report has been assured in accordance with the AA1000 Assurance Standard (2008) by Bureau Veritas. Refer to page 60 for details.

# Governance

## Governance structure

The Board of Directors of Amcor Ltd is responsible for the corporate governance of the Company. The Board provides strategic guidance for the Company, and effective oversight of management. The Board guides and monitors the business and affairs of Amcor Ltd on behalf of the shareholders by whom they are elected and to whom they are accountable. The Board operates in accordance with the principles set out in its Charter, which is available in the Corporate Governance section of Amcor's website.

Day to day management of the Group's affairs and the implementation of the corporate strategy and policy initiatives are formally delegated by the Board to the Chief Executive Officer and executive management. Responsibilities delegated to the Chief Executive Officer and executive management, as well as those reserved to the Board, are set out in the Group's delegated authority policy and these delegations are reviewed on a regular basis.

To ensure that the responsibilities of the Board are upheld and executed to the highest level, the Board has established the following Board Committees:

- > Audit and Compliance
- > Executive
- > Human Resources
- > Nomination.

Each of these Committees has established charters that define responsibilities (available at [www.amcor.com/about\\_us/corp\\_gov/Committees\\_of\\_the\\_Board.html](http://www.amcor.com/about_us/corp_gov/Committees_of_the_Board.html)) and operating procedures in place, which are reviewed on a regular basis. The Board may establish other committees from time to time to deal with matters of special importance. The composition of each Board Committee is listed at [www.amcor.com/about\\_us/corp\\_gov/Committees\\_of\\_the\\_Board.html](http://www.amcor.com/about_us/corp_gov/Committees_of_the_Board.html)

The names of the members of the Board as at the date of this report are set out below. Details of the Board members' experience, expertise, qualifications, term of office and independence status are set out in the Directors' profiles on pages 24-26 of our 2014 Annual Report ([www.amcorannualreport.com](http://www.amcorannualreport.com)).



G R Liebelt (Chairman) Independent Non-Executive Director  
A Meyer (Deputy Chairman) Independent Non-Executive Director  
K N MacKenzie Managing Director and Chief Executive Officer  
P V Brasher Independent Non-Executive Director  
E Cheng Independent Non-Executive Director  
K J Guerra Independent Non-Executive Director  
J L Sutcliffe Independent Non-Executive Director  
J G Thorn Independent Non-Executive Director

Economic, environmental and social risks are reported to the Board as part of our enterprise risk management process. Refer to page 58 for more information.

## Ethics and Integrity

### Values, principles & standards

Amcor recognises its responsibilities as a global producer of packaging materials and services, and is committed to being a responsible corporate citizen, having regard to the OECD Guidelines for Multinational Enterprises.

Our Corporate Code of Conduct and Ethics Policy and our Sustainability Policy can be downloaded from: [www.amcor.com/policies](http://www.amcor.com/policies).

Our Belief Statement, Core Values and the Amcor Way operating model are described on page 4.

## Specific Standard Disclosures

This section contains the specific standard disclosures representing the most material issues, as identified through our materiality process.

Note that we have included two indicators from the GRI's G4 Food Processing sector disclosure as they represent two highly material issues.

### Aspect: Procurement practices

As one of the world's largest packaging manufacturers we purchased AUD 5.9 billion of products and services to support our manufacturing operations this year.

Our approach to supply chain management is described on page 56 and is designed to support our Company values, meet our customers' expectations and to be consistent with our precautionary approach to managing business risk. We perform risk assessments of our supply chain, investigate potential high risks, engage those suppliers identified as high risk to reduce the risk or potentially remove the supplier. We will also engage suppliers to partner with us to support our EnviroAction goals.

### FP1 % of purchased volume from suppliers compliant with Company's sourcing policy

We spent AUD5.9 billion with direct suppliers (those who provide goods and services directly related to the production of our products) during FY2013/14. Suppliers representing 52% of this spend have either signed the Amcor supplier code of conduct or have an equivalent code of conduct already in place. This year we began a trial with a group of 44 suppliers and the EcoVadis platform to evaluate the social, ethical and environmental performance of those suppliers. The suppliers are asked to complete the EcoVadis questionnaire (and supply supporting evidence) that assesses their approach and performance in key areas such as: supplier management, product safety and quality, workplace safety, environmental management and impacts and social responsibility. The aim is to identify and manage risks in our supply chain. If the trial is successful, we will then extend the program to the rest of our direct suppliers and possibly further.

At the end of the reporting period we had not completed any verifications of supplier compliance with our sourcing policy.

## Aspect: Materials

As a large global manufacturing organization, we are expected to manage, minimise and report on our environmental impacts and increase the efficient use of raw materials and natural resources. Information about the raw materials we use is drawn from our procurement and/or production records and entered into a central database, from which our annual consolidated reporting is drawn.

Our Code of Conduct and Ethics policy states: “We aim to minimise the environmental footprint of our operations and products. We reduce our environmental footprint by continually improving the efficiency of our natural resource consumption. We utilise risk management processes to control the environmental hazards inherent in our activities.”

Our approach to the use of life cycle assessments to guide material selection during product development is described on page 51.

The carbon footprint of post-consumer recycled PET is roughly half that of virgin PET. However, there is an industry-wide issue in obtaining a reliable supply of post-consumer recycled (PCR) PET and High Density PE at a suitable quality to use as raw materials for containers. Supply is limited due to several factors, including not enough plastic being collected, limited facilities to make bottle-to-bottle quality PCR and competition for other uses, such as making polyester fibre.

We work with our customers, the waste and recycling industry, and other container manufacturers to address the supply issue. For example, we are members of both the National Association for PET Container Resources and the Association of Postconsumer Plastics Recyclers in the USA.

The use of PCR carries social implications, particularly in less developed countries in Central and South America where discarded bottles may be collected by individuals. We work closely with local organisations in those countries to understand the issues. For example, we are working with CEMPRE in Columbia, who focus on the responsible collection of post consumer waste material and the fair treatment of recyclers.

To increase the amount of recycled content we use we need to create demand for recycled PET and HDPE. We can do this by offering containers made with these recycled materials to our customers. The number of bottles we offer with 100% PCR content has increased considerably over the last 4-5 years.

We developed a new strategy this year to reduce our reliance on virgin resin in our rigid plastic products. This strategy includes:

- Using post-industrial recycled content, both scrap from our sites and from other suppliers
- Introducing alternative technologies that will allow the use of lower cost recycled materials
- Improving our procurement of PCR materials
- Assessing customer drivers for the use of packaging containing PCR content.

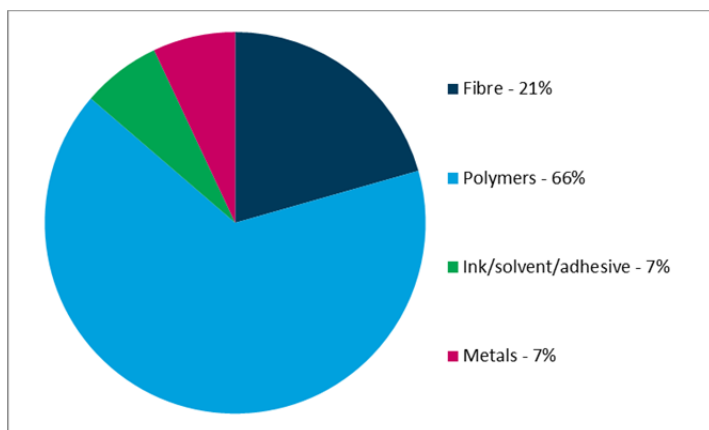
Our tobacco packaging customers typically specify virgin cartonboard for use in their packaging. Much of this is purchased directly by our customers. It is then supplied to us to convert into the final packaging.

Recycled content is not often used for the manufacture of flexible packaging as the plastics used are predominantly polyethylene (PE) or polypropylene (PP). There is very limited supply of post-consumer-recycled PE or PP as the recycling infrastructure for these materials is immature.

## EN1 Materials used by weight or volume

We used a total of 2,270,530 tonnes of raw materials in FY2012-2013. Twenty one percent (468,696 tonnes) was timber fibre materials e.g. paper and cartonboard, which are from renewable sources. Approximately 2% of the polymers (35,762 tonnes) were recycled input materials (as discussed in EN2, below).

All materials are purchased from external suppliers, with the data being sourced from procurement data.



The percentage breakdown (by weight) of our raw materials

### The breakdown of raw material by material type.

### EN2 Percentage of materials used that are recycled input materials

Recycled input materials represent approximately 2% of the 2.3 million tonnes of materials we use to produce our products. This is predominantly post-consumer recycled PET and High Density PE, used to produce our rigid plastic containers, such as beverage bottles and containers for home care products such as laundry detergent.

### Aspect: Biodiversity

It is well documented that packaging is a significant source of litter both on land and in our oceans. Marine debris in particular is a major threat to marine biodiversity and is a highly material issue for our stakeholders.

Consumers and customers often focus on end of life solutions for packaging and have the perception that recyclable packaging is better. Unfortunately, recycling infrastructure varies considerably in different countries and recycling rates are often low, particularly outside the home.

We take a whole of life cycle approach to assessing the environmental impacts and waste associated with packaging. We support and educate our customers to make informed choices about the packaging they use - providing them with data from our life cycle assessment tool that allows them to compare the environmental impacts of different packaging options.

We also work with and support various industry associations around the world who are addressing waste and end of life solutions for packaging, for example, we are members of the National Association for PET Container Resources and AMERIPEN in the USA and EUROPEN in Europe. EUROPEN made a submission to the European Commission's public consultation to tackle marine litter (available at: <http://www.europen-packaging.eu/issue-papers.html>).

The three key points made in this submission were:

- Marine litter needs to be addressed at the appropriate high and multi-stakeholder level.
- Continuous public education to influence behaviour, needs to be undertaken by authorities and supported by industry
- Since 80% of all marine litter originates from land, waste legislation needs to be full implemented and enforced to ensure conditions for effective separate collection of post-consumer packaging in sufficient volume and value. This will help tackle heavy reliance on landfilling and a large number of illegal landfills and/or infrastructure failures, which will in turn contribute to reduce marine litter.

Other examples of how we work with other industry associations on end of life solutions for packaging are described on page 53.

The non-government organization, EarthWatch, with whom we've had a long term partnership, is conducting a world-leading survey of marine debris in Australian waters. Working in conjunction with the Australian Government's Commonwealth Scientific and Industrial Research Organisation, and funded by Shell, EarthWatch researchers aim to identify and understand the threat marine debris poses to our wildlife and ecosystems by mapping out where – and how – it is accumulating along Australian coastlines. Amcor supported this project this year by sending five Amcor co-workers to contribute to the project on the Australian coastline for a week.

## EN12 Significant impacts of products on biodiversity

Packaging contributes to pollution that impacts a wide range of species, including but not limited to; birds, mammals, invertebrates and fish. These impacts are global in scale and vary in terms of their duration and their reversibility.

### Aspect: Emissions

As a multinational manufacturer there is a societal expectation and direct requests from our customers and investors that we will measure, report and reduce our greenhouse gas emissions to support global efforts to respond to the threat of climate change.

FY2010-2011 was selected as the baseline year as it was the first year of consolidated data subsequent to the acquisition of Alcan Packaging. The acquisition increased the size of the Company by over 60%. Absolute scope 1 emissions in the base year were 452, 094 metric tonnes of CO<sub>2</sub> equivalent.

Data from all years has been adjusted to remove the contribution of the demerged Australasia and Packaging Distribution business and to include any acquired or divested or closed sites. Refer to page 11 for more information about the demerger.

For Scope 1, 2 & 3 emissions, CO<sub>2</sub> is the predominant gas included in the calculation as it is from combustion of fuels, but emissions factors may include small amounts of CH<sub>4</sub> and N<sub>2</sub>O. We do not report biogenic CO<sub>2</sub> emissions separately from the gross direct (Scope 1) GHG emissions.

Scope 1 and 2 greenhouse gas emissions are calculated based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition).

Global scope 1 emission factors for fuel combustion are based on the WRI GHG protocol, Australian emissions factors are based on the National Greenhouse Accounts factors 2013. Other scope 1 emission factors are estimated assuming complete chemical reaction.

Scope 2 emission factors for most countries are sourced from the International Energy Agency CO<sub>2</sub> Emissions from Fuel Combustion (2010 Edition). For Australia, scope 2 emission factors are sourced from the National Greenhouse Accounts Factors 2011 at a state level, and for the USA scope 2 emission factors are sourced from the EPA e-GRID 2010 tool at a regional grid level.

Scope 2 greenhouse gas emissions are calculated based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition).

Emissions are consolidated from entities over which Amcor has operational control.

Our approach to managing emissions is described on page 36 and is intended to mitigate the negative impacts of our emissions.

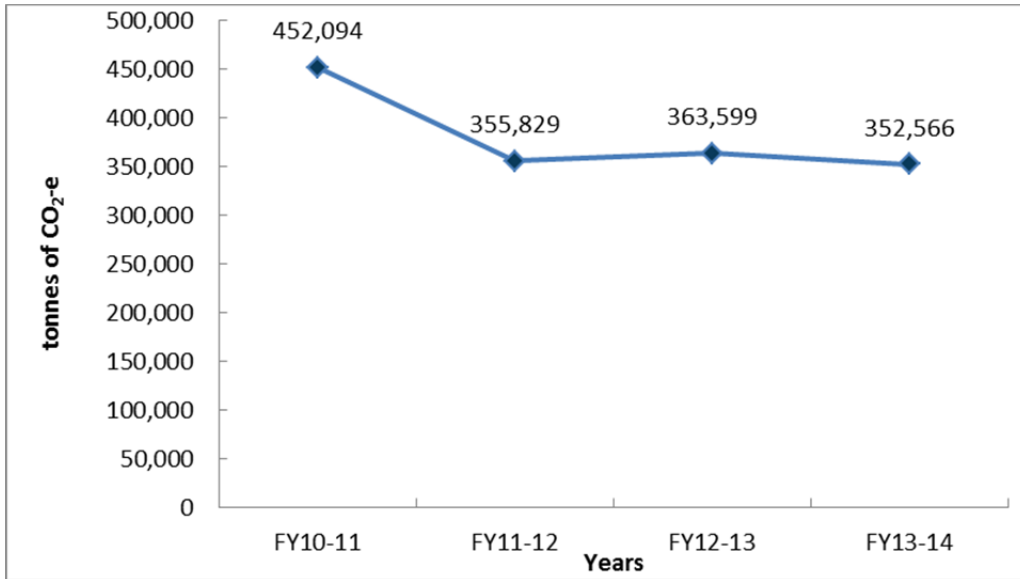
We are impacted by carbon tax and emissions trading schemes around the world, including the European Union's Emissions Trading Scheme, the 'Climate Change Agreements' program in the UK, the 'Covenants' program in Belgium and the official environmental programs in Switzerland. We also pay carbon taxes in any countries where they are applicable.

We do not use emission offsets to meet our reduction targets.

Material categories for scope 3 greenhouse gas emissions reporting are determined using the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Our Scope 3 emissions are estimated using information from our suppliers, consultants and conversion factors sourced from publicly available databases contained within our lifecycle analysis software.

### EN15 Direct greenhouse gas (GHG) emissions (Scope 1)

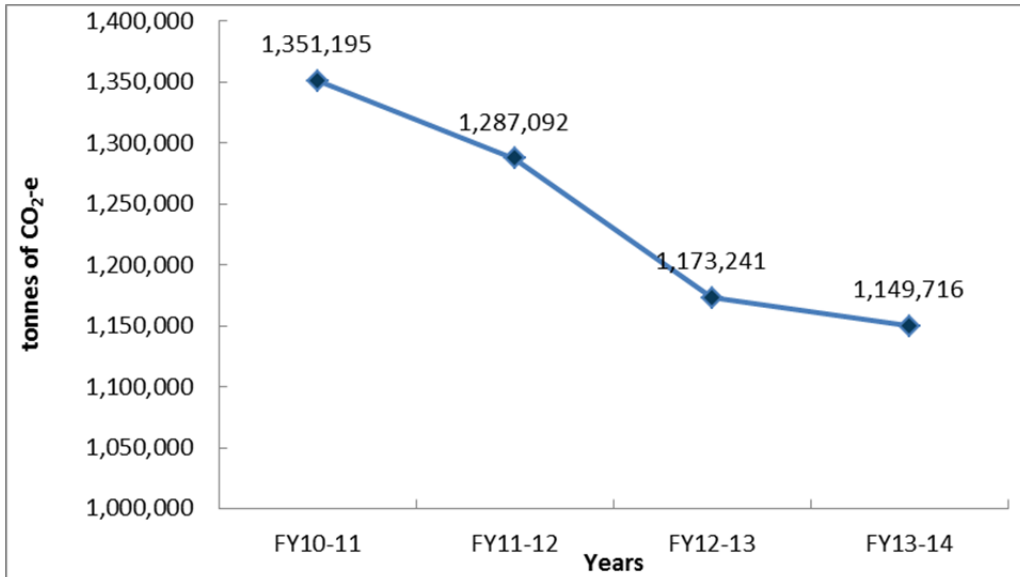
Gross direct (scope 1) GHG emissions were 352,566 tonnes of CO<sub>2</sub> equivalent.



### Total direct (scope 1) GHG emissions (in tonnes of CO<sub>2</sub>-e) over time<sup>1</sup>

### EN16 Energy indirect greenhouse gas (GHG) emissions (Scope 2)

Gross indirect GHG emissions for FY2013-2014 were 1,149,716 metric tonnes of CO<sub>2</sub> equivalent.

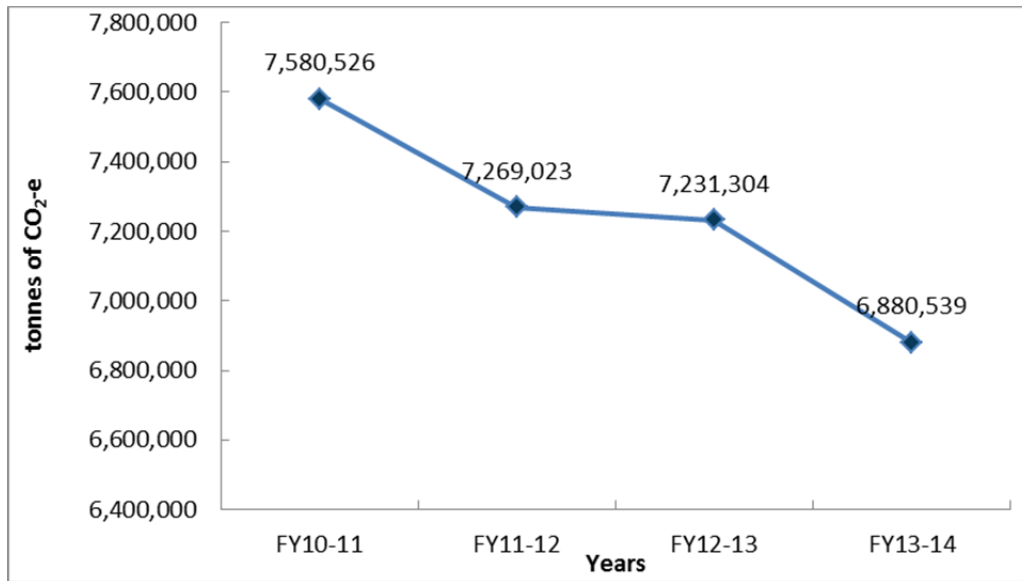


### Total indirect (scope 2) GHG emissions (in tonnes of CO<sub>2</sub>-e) over time<sup>1</sup>

<sup>1</sup> All data has been adjusted to remove the contribution of the demerged Australasia and Packaging Distribution business. Refer to page 11 for more information about the demerger

## EN17 Other relevant indirect greenhouse gas (GHG) emissions (Scope 3)

Total scope 3 GHG emissions for FY2013-2014 totalled 6,880,539 tonnes of CO<sub>2</sub> equivalent.



### Total indirect (scope 3) GHG emissions (in tonnes of CO<sub>2</sub>-e) over time

The majority of our GHG emissions are indirect (scope 3) emissions, attributable to the production of raw materials and are therefore impacted by manufacturing volumes, product mix and recycling/recovery rates. The breakdown of scope 3 emissions is given on page 40

Emissions attributable to the transport of raw materials and waste disposal make a minor contribution to our scope 3 GHG emissions but are included in our reporting. They totalled 692 738 tonnes and 127 052 tonnes respectively.

Other scope 3 emissions are either immaterial compared to those reported, such as business travel, employee commuting and product use, or are very difficult to estimate, such as those associated with packaging end-of-life. The difficulty is due to the range of possible end-of-life scenarios (e.g. recycling, land fill and incineration with or without energy recovery), which depend on the type of packaging and the infrastructure available in the region or market in which they are sold. As such these emissions are not measured. We do not have significant biogenic CO<sub>2</sub> emissions.

## EN18 Greenhouse gas (ghg) emissions intensity (tonnes of CO<sub>2</sub>-e/AUD million gross profit) over time

Refer to page 37.

### Aspect: Products & services

As one of the world's largest packaging companies we are expected to take a leadership position in promoting sustainability across the packaging value chain. Our management approach to products and services seeks to mitigate the negative environmental impacts of packaging and of food and products that go to waste. This approach is based on the use of packaging life cycle assessments and is described on page 51 of this document.

## EN27 Extent of impact mitigation of environmental impacts of products and services

We are committed to minimising the environmental impact of our products over their entire life cycle. As scientific knowledge and stakeholder expectations evolve in this field, we regularly benchmark our activities and actively support researchers, regulators and other groups in developing more efficient environmental practices.

Life cycle assessments reveal that the greatest environmental impact over the life cycle of our products is associated with the product within the packaging. Preventing any loss or waste of the

packaged product and the subsequent waste of the resources embodied in that product will have the largest environmental impact.

Learn more about how we help customers make packaging decisions based on life cycle assessment data and examples of packaging with improved environmental impacts on page 51.

## EN28 Percentage of products sold and their packaging materials that are reclaimed by category

The amount of packaging material that is reclaimed varies by country and depends upon the recycling infrastructure that exists in each region. Many of our customers manufacture their products in one geographic location and distribute the final products across multiple geographies. These factors make it impossible to accurately determine the percentage of packaging that is reclaimed on a global basis.

### Aspect: Supplier environmental assessment

As one of the world's largest packaging manufacturers we purchased nearly AUD 5.9 billion of products and services to support our manufacturing operations this year. As a major customer for many of our suppliers, we can influence their behaviours and practices.

Our approach to supply chain management is described on page 56 and is designed to identify environmental, social and human safety risk within our supply chain, allowing risk mitigation strategies to be determined and implemented.

## EN33 Significant actual and potential negative environmental impacts in the supply chain and actions taken

We did not perform any assessments of our suppliers this year to determine their environmental impacts. We did initiate a trial with a group of approximately fifty suppliers and the EcoVadis platform to evaluate the social and environmental performance of those suppliers. This is discussed further on page 56.

The greenhouse gas emissions associated with our raw materials are discussed on page 40.

### Aspect: Employment

As an employer of over 27,000 people around the world, we recognize that engaging our employees and keeping them safe and uninjured whilst at work is critical to our ongoing success.

As a major employer in many locations, we offer employment opportunities to many local communities and often lift the skills of new employees, particularly in developing countries, through training and workplace practices. This has a positive impact on the local labour market in the locations we operate in.

Our approach to supply chain management is described on page 56. It is designed to identify labour risks in our supply chain, allowing risk mitigation strategies to be determined and implemented.

Our approach to developing and engaging our co-workers is described on page 49 and seeks to enhance the benefits of working for Amcor around the world.

## LA1 Total number and rates of new employee hires and employee turnover by age group, gender and region

This data is not available on a consolidated basis. The implementation of a global Human Resources Management System will begin in FY2014-2015 and is expected to take three years to complete. At that point we will be able to capture employee hire turnover data on a consolidated basis.

### Aspect: Occupational health and safety

As a global manufacturer, employing over 27,000 people around the world, workplace safety is our first core value and our highest priority. Our management approach to workplace safety is described on page 46 and seeks to avoid the negative impacts of workplace accidents and enhance the engagement and experience of our co-workers.

The Amcor TravelSafe program offers pre-travel advice, travel tracking and incident response to all Amcor coworkers travelling for business outside of their home country. The program tracks the risk



rating of each trip, based on the countries visited. This enables the active management of personal risk to Amcor co-workers during international business travel.

Many of our co-workers have access to an Employee Assistance Program (EAP). This is a work-based intervention program designed to enhance the emotional, mental and general psychological wellbeing of all employees and includes services for immediate family members. The aim of an EAP is to provide preventive and proactive interventions for the early detection, identification and/or resolution of both work and personal problems that may adversely affect performance and wellbeing. These problems and issues may include, but are not limited to, relationships, health, trauma, substance abuse, gambling and other addictions, financial problems, depression, anxiety disorders, psychiatric disorders, communication problems, legal and coping with change.

## LA6 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and gender

Refer to page 46 of this report.

We do not publicly report absenteeism as data is not collected on a consolidated basis.

Rates of injury and work-related illness are not reported by gender as we do not consider gender to have a material impact on our performance in this area.

## Aspect: Supplier assessment for labour practices

As one of the world's largest packaging manufacturers we purchased AUD 5.9 billion of products and services to support our manufacturing operations this year. As a major customer for many of our suppliers, we can influence their behaviours and practices.

Our approach to supply chain management is described on page 56 and is designed to identify environmental, social and human safety risk within our supply chain, allowing risk mitigation strategies to be determined and implemented.

## LA15 Significant actual and potential negative impacts for labour practices in the supply chain and actions taken

We did not perform any assessments of our suppliers this year to determine their labour practices. We did initiate a trial with a group of approximately fifty suppliers and the EcoVadis platform to evaluate the social and environmental performance of those suppliers. This is discussed further on page 56.

## Aspect: Investment

Amcor frequently acquires existing businesses and also participates in joint ventures. During FY2013-2014 over \$110 million was invested to acquire two manufacturing sites in China and two in Australia.

Our due diligence and integration processes include the requirement that the Amcor Code of Conduct and Ethics policy is adopted by all parties and employees of acquired businesses. The Code of Conduct includes recognition of: mutual respect, non-discrimination, freedom from harassment, freely chosen employment, protecting child rights, compensation, working hours, freedom of association and collective bargaining.

Grievances can be raised via our independent Whistleblower service or our Third Party complaints service (described under "Aspect: Supplier human rights assessment").

## HR2 Total hours of employee training on human rights policies

All employees are required to read and acknowledge understanding of the Amcor Code of Conduct and Ethics policy as part of the new employee induction process. The Code of Conduct includes statements about human rights.

Consolidated data on the total hours of employee training concerning human rights is not available as training is managed at site level.

## Aspect: Supplier human rights assessment

As one of the world's largest packaging manufacturers we purchased AUD 5.9 billion of products and services to support our manufacturing operations this year. As a major customer for many of our suppliers, we can influence their behaviours and practices.

We recognise our responsibilities as a global producer of packaging materials and services, and are committed to being a responsible corporate citizen, having regard to the OECD Guidelines for Multinational Enterprises.

We believe that we are not only required to abide by the national laws in each country in which we operates, but that we must also conduct our business in accordance with internationally-accepted practices and procedures.

These core principles, which the Board and our senior management are committed to upholding, are enshrined in our values and encapsulated in our Corporate Code of Conduct and Ethics Policy.

We believe that these principles extend to all workers producing or providing products or services for us, whether or not they are our co-workers. We require our contractors, their sub-contractors, principal suppliers and licensees to observe these standards when producing or distributing products for us or when providing services to us. Read more in our Corporate Code of Conduct and Ethics Policy at [www.amcor.com/policies](http://www.amcor.com/policies).

The Amcor Whistleblower Service enables the reporting of any potential misconduct to an independent third party for investigation. Importantly, Amcor is committed to minimising the personal costs to co-workers who report suspected inappropriate conduct under the Whistleblower Service. The Board Audit and Compliance Committee and the HR Committee are briefed on the issues raised and the corresponding action taken.

External parties such as suppliers, consumers, contractors and customers can also report potential misconduct or make a complaint via a Third Party Complaints email, available on Amcor's website. These communications are delivered to the same forensic team that operates the Whistleblower Service.

Our approach to supply chain management is described on page 56 and is designed to identify human rights risks within our supply chain, allowing risk mitigation strategies to be determined and implemented.

## HR11 Significant actual and potential negative impacts for human rights in the supply chain and actions taken

We did not perform any assessments of our suppliers this year to determine their impacts on human rights. We did initiate a trial with a group of approximately fifty suppliers and the EcoVadis platform to evaluate the social and environmental performance of those suppliers. This is discussed further on page 56.

### Aspect: Supplier assessment for impacts on society

As one of the world's largest packaging manufacturers we purchased AUD 5.9 billion of products and services to support our manufacturing operations this year. As a major customer for many of our suppliers, we can influence their behaviours and practices.

Our approach to supply chain management is described on page 56 and is designed to identify human rights risks within our supply chain, allowing risk mitigation strategies to be determined and implemented.

## SO10 Significant actual and potential negative impacts on society in the supply chain

We did not perform any assessments of our suppliers this year to determine their impacts on society. We did initiate a trial with a group of approximately fifty suppliers and the EcoVadis platform to evaluate the social and environmental performance of those suppliers. This is discussed further on page 56.

### Aspect: Customer health and safety

Our Code of Conduct and Ethics policy states: "Amcor is committed to producing high quality products that are safe to use. We continuously improve our performance through finding safer ways to manufacture and distribute our products"

Protecting the health of the consumer is a priority to us and our customers. Poorly manufactured or designed packaging could present a risk to food safety, such as the migration of chemicals into the food. The design and manufacture of packaging must carefully manage these risks. We are proud of our research and development, quality control and manufacturing processes which ensure the safety and integrity of our packaging. Each of our Businesses has product safety processes and systems appropriate for their packaging type, the level of risk, the regulatory environment(s) in

which their sites operate and the requirements of their customers. For example, those sites that produce mainly secondary packaging e.g. packaging that does not have direct contact with the packaged product use an approach to product safety appropriate for the packaging type.

As there are few product safety regulations in Asia and heightened consumer awareness after several food contamination incidents, our Flexibles Asia Pacific business uses product safety as a key competitive advantage. They have established internal product safety standards based on the EU regulations. These standards have five levels of compliance, from entry level at level 1 through to expert at level 5. All sites are audited once a year for compliance with these internal standards.

As raw materials were identified the highest risk to product safety, our Flexibles Asia Pacific business is working closely with suppliers to ensure the consistent quality of the raw materials being delivered to their factories.

They are also educating customers, end consumers and governments about product safety risks and the importance of rigorous processes to manage product safety.

Within our Rigid Plastics business, Quality Management Systems have been in place to ensure hygiene and contamination avoidance for many years. This includes Hazard Analysis and Critical Control Points (HACCP) certification for all operating sites and an audit schedule that includes Quality Systems Evaluation and Good Manufacturing Practice (GMP) standards.

The business has taken a leadership role in obtaining Global Food Safety Initiative (GFSI) certification and is one of the industry's first plastics packaging suppliers to gain certification.

Forty Rigid Plastics manufacturing sites have third party certification to the FSSC22000/PAS 223 standards, which are recognised by the Global Food Safety Initiative (GFSI), managed by the Consumer Goods Forum. This will standardise the approach to product quality and auditing across all the sites to include:

- > FSSC22000/PAS 223 certification
- > HACCP certification
- > Unannounced GMP audits

Having certification to this common, internationally recognised standard will not only reinforce the differentiation from our competitors that we have enjoyed, but will also reduce audit demands from individual customers, who will accept the third party certification as a proxy for their own auditing.

Within our Flexibles Europe & Americas business, product safety is used as one of the key differentiators with our global customer base.

The Flexibles Europe and America Product Safety Policy defines the responsibilities for product safety across the business. Product Safety is managed centrally within the R&D function. Support is given to the sites by a central team who provide guidance documents, templates for compliance statements, advice on training, maintenance of central supplier documentation, assistance with customer issues, and feedback on legislation changes proposed, and then implemented. The team maintains a state of the art testing laboratory in Germany for all analysis required, and proactively analyses samples from sites on a yearly basis to ensure full compliance, and further drive products to a higher standard.

The operational sites carry out self audits at least once a year, with the central team conducting an internal audit on each site at least once every three years. They also incorporate product safety into their existing Quality Management System i.e. that used for ISO 9001 or ISO 13485 compliance.

Sites also have an accredited hygiene certification relevant to their location and business e.g. BRC, AIB, EN15593, ISO22000.

All packaging intended to come into contact with food is required to comply with all relevant legislation e.g. EU, FDA etc. In the absence of specific legislation, the principles of the "Framework Regulation" EC 1935/2004 apply. For products that are intended for Medical and Pharmaceutical applications, sites follow local GMP regulations to ensure product safety

The Flexibles Europe & Americas business is a member of a number of trade associations and other bodies that actively participate in committees that influence regulatory legislation in the area of food contact. Updates to legislation are communicated to sites along with guidance and interpretation.

## PR1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement

When developing a packaging solution for a specific customer they determine what assessments of the packaging are undertaken. In most countries there are regulatory requirements for packaging that has direct contact with food, beverages, pharmaceuticals and medical devices to be assessed for health and safety impacts. When packaging products that are not for human consumption there may not be a regulatory requirement and the customer will determine the assessments to be conducted.

We do not report an overall percentage of significant product and service categories for this indicator.

## PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products & services during their life cycle, by type of outcomes

As our packaging is only one component of a packaged product that is required to meet product health and safety regulations our customers have the responsibility to ensure compliance. If they find our packaging to be a contributor in any non-compliance incidents they may lodge a product liability claim.

Across our global business we had 3 incident reports from our customers during FY2013-2014 with respect to potential product liability claims. Investigation is ongoing. No product recalls occurred.

## FP5 % of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards

The FP5 indicator from the GRI's G4 Food Processing sector disclosure is also appropriate for our reporting. A large percentage of our customers are in this sector and one of our material issues is product safety and quality.

Note that we have extended this indicator to include sites that are certified for pharmaceutical and medical device quality standards as well.

It is not possible to report the production volume manufactured in sites certified to third party food/pharmaceutical/medical device quality management system standards due to the movement of production volume between our sites (some Amcor sites are suppliers to other Amcor sites) and the subsequent issues with double-counting. We have elected to instead report the % of sites that are third party certified to those standards, using this as a proxy for this indicator. We will refine this measurement over the next 2-3 years to report only on the subset of sites that produce packaging for products that are for human consumption. Some sites produce materials for industrial use, so such certification is not appropriate.

However, as at 30 June 2014, 40 of our sites were certified to the FSSC22000/PAS 223 standards, an additional 17 of our sites were certified to Good Manufacturing Practice (GMP) standards, a certification usually used in the pharmaceutical and medical device industries. An additional 9 sites had certified Hazard Analysis Critical Control Points (HACCP) management systems in place, a system used within the food industry. An additional 3 sites were certified to the ISO22000 food safety management standard. The total number of sites certified by an independent third party according to internationally recognized product quality management system standards thus totalled 69, representing 37% of our total manufacturing sites and 42% of sites, excluding sites that manufacture tobacco packaging.

# Our Areas of Focus

## Environment

As a global packaging leader with over 180 factories around the world, we have a responsibility to manage our environmental impacts. To achieve this, we focus on:

- > implementing environmental management systems and continuously improving environmental performance at our sites
- > regularly setting and working towards our GHG emissions, water use and waste reduction targets
- > working with suppliers and customers to reduce environmental impacts throughout our supply chains and the life cycle of our products

## Environmental management and continuous improvement

### Our approach

There is a general expectation by our customers and within the broader community that, as a large multinational company, we will continuously improve and report on the environmental performance of our operations and will meet or exceed the environmental regulatory requirements of the regions in which we operate.

Our commitment to environmental sustainability is embodied in our Code of Conduct and Ethics Policy, which states: "We are committed to prevent and minimise adverse environmental impacts, including waste, emissions and discharges from our operations." Our Company-wide Environmental Policy reinforces this commitment and includes specific environmental management requirements.

Our Environmental policy (available at [amcor.com/policies](http://amcor.com/policies)) is supported by three mandatory environmental standards: Environmental discharges, Cooling towers and Community impact. These standards address the key risks our sites may pose to the immediate environment. All sites are required to have an environmental management system in place i.e. ISO14001 or equivalent, and to comply with the three Amcor environmental standards.

The environmental management system must be appropriate for:

- > The risk associated with operations at each site
- > The local regulations associated with the site's geographic location

Sites without ISO14001 certification are required to conduct self-audits against our internal standards annually. Regional OHS&E coordinators also conduct site audits, the frequency of which is determined by the risk associated with each site.

Multiple groups across the Company play critical roles in driving strategy, operational and product improvements and policy initiatives related to environmental responsibility. Our Corporate Occupational Health, Safety and Environment (OHS&E) function has primary responsibility for environmental management systems and environmental compliance at our manufacturing and warehousing sites as well as for our offices.

Environmental performance and significant environmental matters are regularly discussed within the Amcor group. We have also established an internal reporting process where environmental performance is reported from each site up through OHS&E management to the Board each year.

Our OHS&E team also participates in due diligence tasks as part of our merger and acquisition activities and is involved in the integration of acquired sites as participating in other major capital works.

### How we are doing

To date, 93 of our 187 manufacturing sites (49% of all Amcor manufacturing sites) have achieved ISO 14001 accreditation for their Environmental Management Systems (EMS), representing our key sites globally. The number and percentage of sites changed this year due to the demerger of the Australasian and Packaging Distribution business (refer to page 10 for more information about the demerger) and the addition of several acquired sites.

The remainder of our sites are either working towards an independently certified EMS or have processes and systems in place to ensure compliance with the Amcor Environmental Standards and local regulations and to identify environmental improvement opportunities. Many of our sites are regularly inspected by national, state and local environmental regulation agencies.

There were no material incidents of non-compliance with environmental management regulations at our sites during the reporting period.

### Looking to the future

We will continuously improve the environmental management within our operations to meet our regulatory obligations, reduce our environmental impacts and maintain our social license to operate.

## Environmental targets and performance

### Our approach

Our commitment to reducing our environmental impacts is embodied in our Code of Conduct and Ethics policy, which states: "We aim to minimise the environmental footprint of our operations and products. We reduce our environmental footprint by continually improving the efficiency of our natural resource consumption."

Targets for the efficient use of natural resources and minimization of impacts are set within our global EnviroAction program. This program includes short and long-term reduction targets for greenhouse gas emissions, municipal water use and waste to landfill and aims to drive continuous improvement in environmental performance throughout our operations.

We aim to meet these targets by improving our operational efficiency, through ongoing research into the resources required and processes used to produce our products and by implementing best practice technologies. We have also integrated environmental impact assessments into our new product development processes and are working with our suppliers to reduce the environmental impact of from our raw materials use.

To measure our progress against the targets, data on our greenhouse gas emissions, waste to landfill and water use is continuously consolidated in a central database called 'EnviroChart' and our progress is reported to the Global Management Team every six months. Key activities are included in monthly management reports compiled by each of our Business Groups.

Checking the accuracy of the data entered into the EnviroChart database is part of the role performed by our Group Internal Audit team.

Our global Sustainability Leadership Council is responsible for coordinating improvements in operational efficiency at our manufacturing sites, resource efficiency throughout our value chains and product stewardship. This is done in close collaboration with our Operations, Research and Development, Sales and Marketing teams, and Procurement departments.

### How we are doing

With the demerger of our Australasia and Packaging Distribution business (refer to page 10 for more information) the number of our sites in water stressed areas was considerably reduced. Consequently, our approach to water use has changed. We no longer have a water use reduction target. We require all our manufacturing sites to have a water management plan in place, to report total water use in a standardised way and, for those sites in water stressed areas, to have risk mitigation plans in place.

Our updated five year EnviroAction targets are:

#### EnviroAction targets

##### Greenhouse gas (GHG) emissions

- > 10% reduction in GHG emissions intensity from FY2010-2011 by FY2015-2016; and
- > 60% reduction in GHG emissions intensity from FY2005-2006 by 2030.

##### Waste to landfill

- > 50% reduction in waste to landfill intensity from FY2010-2011 by FY2015-2016; and
- > Zero waste to landfill is the long-term objective

##### Water use

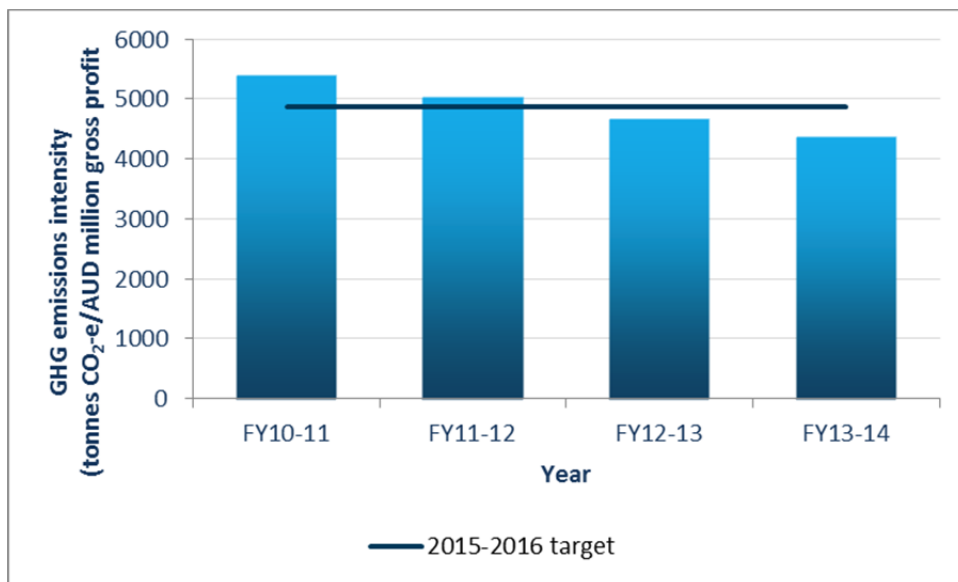
- > 100% of sites to have water management plans in place

Our reduction targets use an 'intensity measure' that calculates how efficiently we use natural resources, relative to our manufacturing output. As we produce many different packaging types, we needed a measure of manufacturing activity that would work for all of them. We selected gross profit as that unit. This means we can compare our performance year-over-year even if the size of our business changes. Gross profit was selected as it is centrally consolidated and can therefore be used as a common indicator across our businesses. In addition, gross profit is externally audited as

part of our statutory accounts and is likely to correlate with production volumes. Variations in sales revenue are likely to be offset by corresponding changes in the cost of goods (raw material inputs). As a result, gross profit provides the best indicator of the environmental intensity of our production processes i.e. how efficiently, in environmental terms, we convert raw materials into packaging products.

**Greenhouse gas emissions**

At the end of the third year of our five year target period we have exceeded our GHG emissions intensity target of 10%, achieving a 19% reduction, compared to our baseline year.



**GHG emissions intensity by year where intensity is tonnes of CO<sub>2</sub>-e per million dollars of gross profit<sup>2</sup>**

Reduction in emissions intensity this year resulted from our continuing efforts to improve our energy efficiency and many other activities such as product optimization, waste reduction, solvent recovery, etc. as well as by an increase in our gross profits.

Total (scope 1, 2 and 3) absolute GHG emissions in FY2013-2014 were 8.4 million tonnes. This is a 10.6% reduction in absolute emissions compared to our baseline year of FY2010-2011. Our combined scope 1 and 2 emissions represented 18% of total emissions.

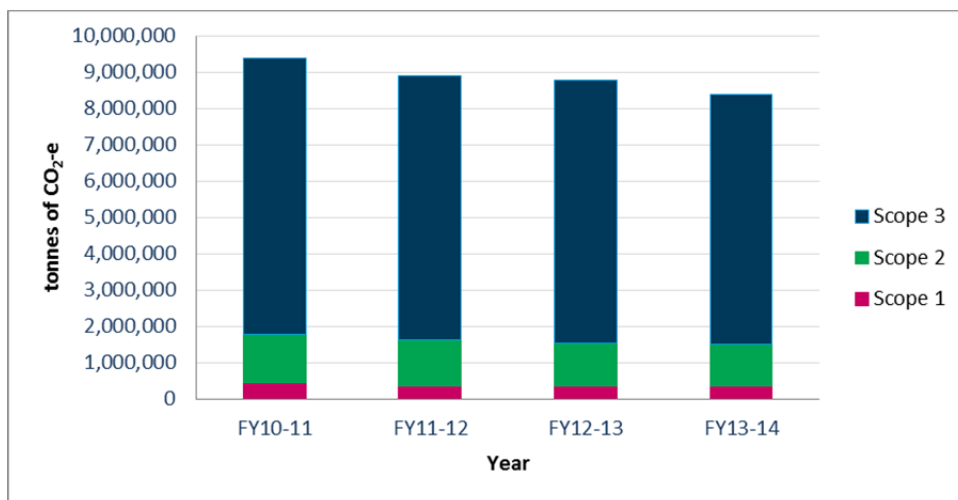
The FY2010-2011 baseline for our EnviroAction targets and the data from each subsequent year was adjusted this year to include acquired sites and to eliminate the impact of the 36 manufacturing sites and 79 distribution sites that were demerged from the Company in December 2013.

The majority of our GHG emissions are indirect (scope 3) emissions, mainly attributable to the production of raw materials and are therefore directly linked to manufacturing volumes, product mix types of material and the recycled content of the raw materials we use.

Energy for on-site production of heat is the major source of our direct GHG emissions (scope 1) and we have significant indirect GHG emissions attributable to purchased electricity (scope 2). A variety of sources meet these energy needs based on local fuel availability and electricity generation infrastructure.

<sup>2</sup> All data has been adjusted to remove the contribution of the demerged Australasia and Packaging Distribution business. Refer to page 11 for more information about the demerger.





**Absolute GHG emissions by year, where scope 1 = emissions from the production of energy and other direct sources (e.g. incineration of solvents), scope 2 = emissions from purchased energy, scope 3 = emissions due to raw material production, transport, waste treatment and other indirect sources.** <sup>2</sup>

**Examples of activities this year**

We continued to drive improvements in the efficient use of energy across our global operations this year. Within our largest business, Flexibles Europe and Americas, GHG emission impacts are being integrated and linked with standard financial reporting systems. To date, integration has begun with the capital expenditure process and the continuous improvement process. This means that GHG emissions associated with projects such as the purchase of new machinery, changes to factory layouts and manufacturing processes are captured and reported along with monetary and production impacts.

With raw materials contributing a large proportion of our GHG emissions, our Rigid Plastics business redeveloped their strategy to increase the amount of recycled materials they use (more on page 26). They also sought to reduce their energy consumption by reducing air compressor usage within their plants and fitted energy-demand measurement equipment at 11 sites. This equipment will be used to monitor real time energy demand. These control systems allow operations leaders to control each site's energy demand by monitoring site energy consumption in real-time, and allows site leaders to make business decisions to support the overall business energy strategy. This practice also helps the local electricity companies balance the usage load across their supply grid.

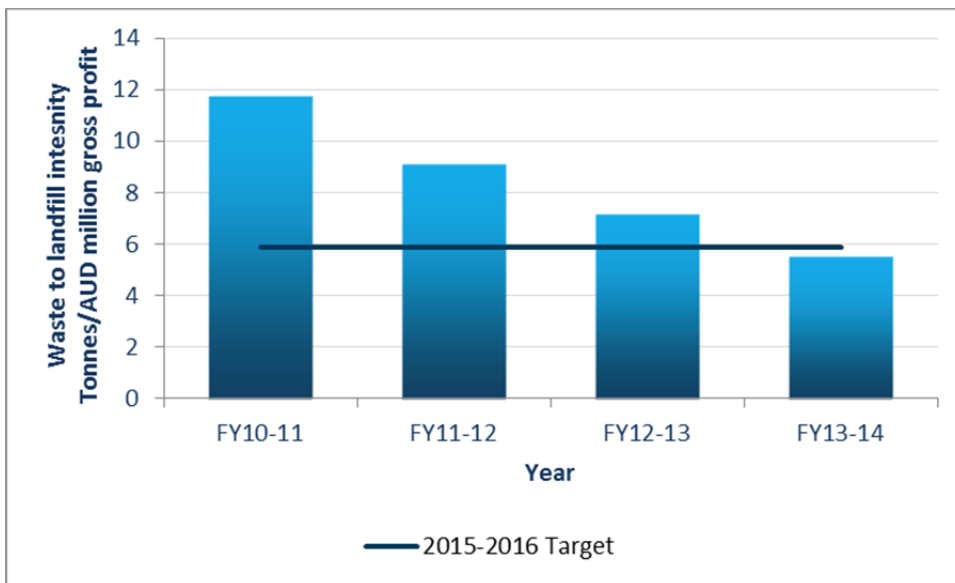
**Waste from our operations**

At the end of the third year of our five year target period we have exceeded our waste to landfill intensity target of 50%, achieving a 53% reduction, compared to our baseline year.

Waste produced by our sites goes to a variety of destinations. Where possible, it is recycled either internally or by external parties. Waste that cannot be recycled is sent to landfill or incineration, often with energy recovery, depending on local waste management infrastructure. Waste classified as hazardous is sent to approved hazardous waste treatment facilities.

Our total waste for FY2013-2014 was 321,065 tonnes, with over 80% of this being recycled.

Our absolute waste to landfill in FY2013-2014 was 10.5 kilotonnes (3% of our total waste). This is considerable decrease compared to last year.



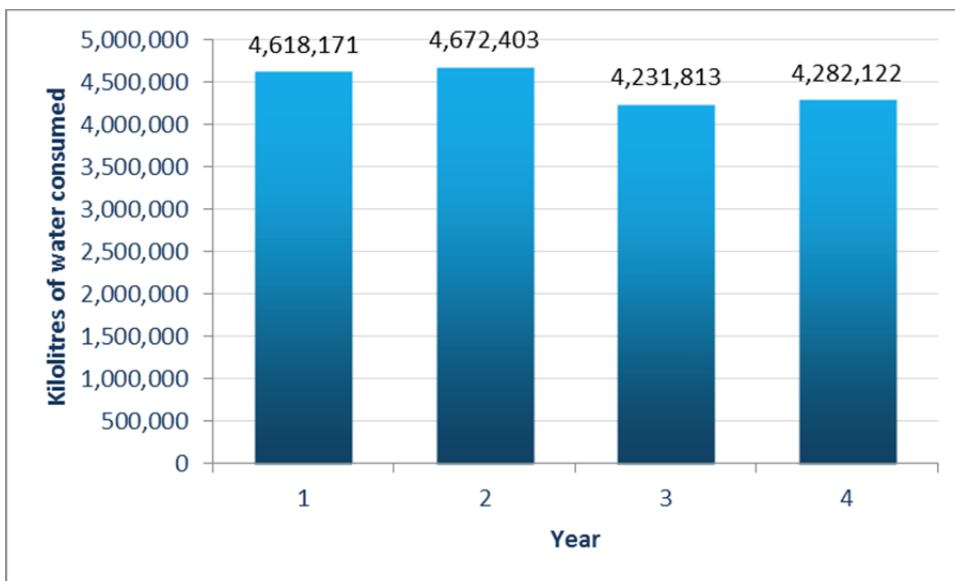
Waste to landfill intensity by year where intensity is tonnes of waste per million dollars of gross profit<sup>3</sup>.

**Examples of activities this year**

Within our Flexibles Europe and Americas business a Sustainable Waste Management team earned internal recognition for their work in reducing and diverting waste. Over three years, they reduced waste going to landfill by 43%, saving 14% in waste management costs. The cross-functional team included representatives from Sustainability, Legal, Procurement and site operational departments. They collaborated to reduce the number of suppliers, work with suppliers who can deliver increased recycling capacities, and share good practices among sites and regions. This reduced costs and increased innovative waste solutions. The achievement earned the team a nomination for the 2014 Amcor Procure Plus Awards (awards for procurement excellence).

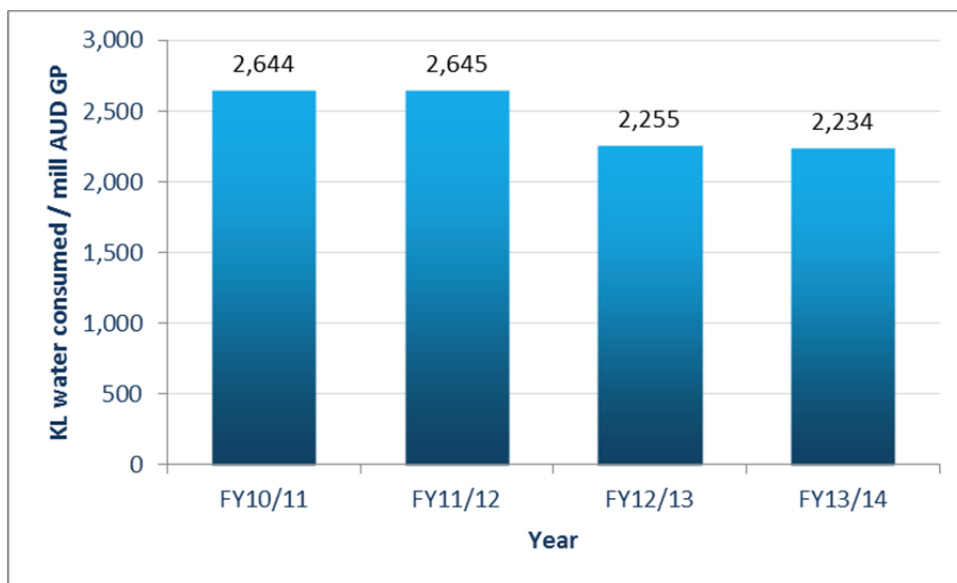
**Water use**

At June 30 2014 our sites had used a total of 4,282,122 kilolitres of water for the year and 96% of them had water management plans in place.



Absolute water use (KL) by year<sup>2</sup>.

<sup>3</sup> All data has been adjusted to remove the contribution of the demerged Australasia and Packaging Distribution business. Refer to page 11 for more information about the demerger.



**Water use intensity as kilolitres water consumed per million AUD of gross profit, by year<sup>2</sup>.**

Our water use intensity decreased by 16%, and our absolute water use decreased by 7% compared to our baseline year of FY2010-2011.

Of the water use, 69% was supplied from municipal water supplies. As paper mills are no longer part of our manufacturing operations (all the data shown has been adjusted to remove the contribution of the demerged Business – refer to page 10), the majority of this water use is attributable to our Rigid Plastics business in the Americas, where it is mainly used for cooling.

**Looking to the future**

We will continue to drive continuous improvement in resource efficiency, aiming for outperformance against our five year EnviroAction targets.

**Reducing environmental impacts in our value chains**

**Our approach**

We consider the environmental impacts across the total life cycle of our packaging products. We work closely with our customers to identify and develop lower impact packaging solutions and solutions with improved sustainability for the complete product-packaging system. Additionally, we routinely consider the environmental impact of the purchase and delivery of high-risk goods, such as hazardous substances, as part of environmental management of our operations.

**Raw materials and suppliers**

We measure the contribution and breakdown of scope 3 and product GHG emissions (indirect emissions contributed by purchased raw materials and fuels and outsourced activities such as transport, recycling/recovery and waste disposal, etc) so that we can measure our progress and direct our efforts towards activities that will have the biggest impact. We also work with our supply chain to reduce impacts, refer to page 56 for more information.

**Customers**

We work with our customers to reduce the GHG emissions, water use and consumption and waste associated with the use of our packaging in our customer's factories. Starting from a very early project phase, collaboration with the customer ensures that filling machine specification, logistic and product integrity requirements are considered upfront and can drive the product development process. This approach allows us to keep an optimum balance between the use of packaging material and the supply chain efficiency, in line with the requirements of the EN13428 and ISO18602:2013 standards. At the end of the development phase, extensive field testing in the customer's production facility is part of the product qualification process; ensuring the best operating conditions are identified before scaling up the production.

### Consumer use of packaging

As discussed on page 51 of this report, we use a range of life cycle assessment tools to generate the data required for our customers make informed decisions about the packaging they select. This allows them to identify the trade-offs that exist when different packaging options are compared across their life cycles.

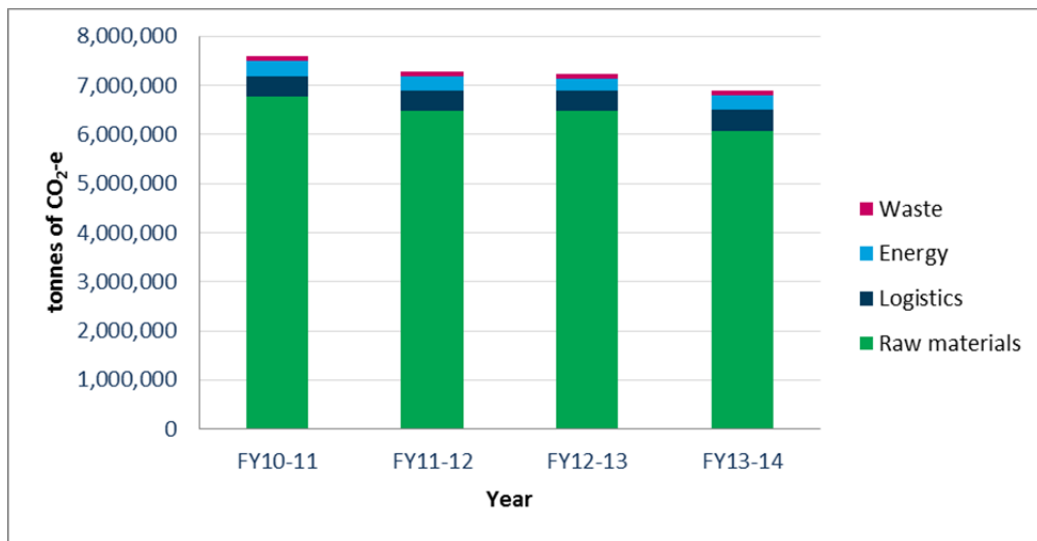
### Packaging end of life

At the consumer end of the value chain, we work with industry associations, waste management and recycling companies, not-for-profit groups and governments to investigate and promote beneficial end-of-life options for packaging.

## How we are doing

### Raw materials and suppliers

The majority of our GHG emissions are indirect (scope 3) emissions, with the largest contribution being the raw materials used for our manufacturing processes.



Scope 3 GHG emissions by source (where ‘waste’ is production waste, ‘energy’ is the emissions associated with generating and supplying energy, ‘Logistics’ is the emissions associated with transporting raw materials and finished goods). 88% of the scope 3 emissions are attributable to our raw materials.<sup>2</sup>

We have reduced the absolute scope 3 GHG emissions associated with our raw materials by 9%, compared to our baseline year of FY2010-2011.

The raw materials that contribute the most GHG emissions are the resins used to make our rigid plastic containers and flexible plastic films and the aluminium used in some of our packaging. As discussed on page 26, we are actively working to increase the amount of recycled content in our rigid containers, replacing virgin resin. We were also a founding member of the Aluminium Stewardship Initiative and continue to participate to drive greater sustainability and transparency throughout the aluminium supply chain, including reduction of greenhouse gas emissions for the production of aluminium (products).

You can learn about the work we are doing to reduce the environmental impacts across our value chain on page 56 of this report.

### Looking to the future

Our main focus will be on innovating packaging for higher performance and the most efficient use of raw materials, selection of materials with lower environmental impacts, and on working with our supply chain to reduce the scope 3 GHG emissions associated with our raw materials.

## Community

As an employer, neighbour, customer and supplier in more than 40 countries, we strive to have a positive impact in the communities in which we operate. To do this, we focus on:

- > talking to our communities through engagement activities
- > supporting local community projects that create mutually beneficial outcomes
- > utilising our packaging expertise to benefit the wider community

## Community Engagement

### Our approach

All Amcor sites are expected to be valued citizens of the communities in which we operate. Our approach to community engagement is formalised in our Environmental Policy, which states that we will “communicate openly with our co-workers and the community about our performance”.

This policy is supported by a global Community Impact standard. This standard requires our sites to conduct risk assessments to identify and manage all potential nuisance and other impacts on their local and broader community. It also requires each site to work with local regulators to understand, monitor and control community impact and to respond to complaints or enquiries received from the community. Our sites are also required to positively engage with the local community and keep records of having done so to support the development of future engagement strategy. Sites are audited for compliance with this standard as part of our audit program.

Stakeholder engagement is a requirement of our sites for their environmental management systems to be ISO 140010 certified. Many sites also include stakeholder communications as part of crisis response within their business continuity plans.

Community complaints are recorded and responded to by management at the appropriate Amcor site. All sites may have procedures in place to govern the management of complaints as part of their environmental management systems. Any concerns are investigated and responded to by site management or the appropriate departmental function.

Responsibility for setting and enforcing global standards lies with our Corporate Safety, Environment & Sustainability function. Day to day operational responsibility for community engagement is undertaken by site management.

### Our performance

Historically, the operations of our Paper Mills in Australia have had the most impact on local residents and those sites had formal community consultation programs in place. With the demerger of part of our business (refer to page 10 for details), our sites largely consist of factories, distribution centres or offices within commercial or industrial areas of towns and cities. These sites select the community engagement activities that are appropriate for the communities in which they operate and to meet the requirements of the Amcor Community Impact standard. For example, twenty of our flexible packaging sites in Europe and North America held a Safety Open Day for co-workers and their families and friends. Visitors heard about Amcor's approach to safety, participated in fun activities and attended workshops such as fire safety training. The open days were designed to engage the local community, transfer safety skills and knowledge and reinforce to our co-workers how seriously Amcor takes workplace safety.

### Looking to the future

Whilst our sites will continue to interact with their local communities, it's unlikely that we will continue to report on engagement activities in the future. As discussed above, our sites now largely consist of factories, distribution centres or offices within commercial or industrial areas of towns and cities. Their operations do not have a material impact on their neighbours.

## Supporting our local communities

### Our approach

Our co-workers determine the best way for the Company to contribute to the community in which they live and work and to live our Core Value of Social Responsibility.

This year we began implementation of a global community investment strategy that is consistent with the Amcor brand, matches our organisational strengths and resonates with customers, co-workers at both global and local levels. The strategy includes a globally consistent management approach that will allow us to measure our impacts and respond accordingly.

The key component of the strategy is the Amcor Community Program. The program allocates five million dollars over five years to a central Amcor Community Program fund. Co-workers can apply for grants to contribute to programs and initiatives that support the following causes in their local communities:

- > Protecting food: helping people access safe and nutritious food and reduce food waste, as the world's population grows and pressure on our environment increases;
- > Education: increasing awareness of the contribution responsible packaging makes to creating a more sustainable future;
- > Protecting the environment: supporting ways to reduce environmental impacts at work and in our communities to contribute to a healthy planet; and
- > Delivery of essential products and services: providing access to basic necessities, such as food, medicines and water to communities in need, particularly in times of crisis.
- > As part of the Amcor Community Program, we will also continue to look for value-adding partnerships with leading international organisations sharing our passion for responsible packaging and helping people in need.

### Our performance

#### Global programs

Our new global Amcor Community Program launched this year, with the first rounds of funding planned for early FY2014/15.

We also continued our fourteen year global partnership with the EarthWatch organisation. This provides 15 co-workers the opportunity to participate in scientific field-based research projects each year. Co-workers were selected to join one of three scientific projects, including marine litter surveys in Australia, water conservation in California, and studying dolphins in Greece.

In December 2013, we sponsored 19 year old explorer and climate campaigner Parker Liautaud.



Parker, who set out to attempt to complete new scientific research to understand the impact of climate change on the South Pole, and do this in record breaking speed. We provided innovative packaging specially designed to withstand the harsh Antarctic conditions and safely store Parker's food supplies during his trek and contributed USD20,000 towards his expedition costs. He successfully completed his mission on 24 December, setting a new record for the fastest unsupported journey from the coast of Antarctica to the South Pole.

Our community investments that were reported on a consolidated basis during FY2013/14 totalled \$178,600.

#### Regional programs

Each of our sites is free to determine their own local community contribution activities, as our co-workers are best placed to determine what their community needs are. Community investment activities usually involve the donation of volunteer hours and money by our co-workers. These contributions are not reported on a consolidated basis.

Examples of community investments by our sites during FY2013/14 include:

In August 2013, the Amcor TORTOUR 2013 Team, a courageous group of six co-workers, cycled more than 1 000 km with more than 15 000 m of climbing around Switzerland to support a charity



project by The Laureus Sport for Good Foundation to fund sporting activities for disadvantaged children around the world. The TORTOUR Team raised €35,100.

Our sites in Barcelona (Spain) and Lezo (Spain) joined forces with customer, Danone, for a very special campaign: The Big Food Collection (La gran recogida de alimentos 2012). Generous AFEA co-workers filled food collection bins delivered by Danone with staple items such as pasta, rice, beans and canned goods. Danone then took the collection to food banks which distribute it to people in need.

This year, co-workers at our site in Asheville (US) raised more than \$4,000 (€3,000) to help end hunger in Western North Carolina. The aid was distributed via the not-for-profit organization MANNA FoodBank, which provides three meals for every dollar donated. The site used to collect food donations but this year made a bigger impact by raising and donating money.



In Columbia, our co-workers worked with the MyShelter Foundation's Litter of Light program to bring light into the homes of poor Colombians. Homes in low income areas are often built so close to each other that they have no windows or natural light. Electricity is unaffordable or unavailable for 2.3 million Colombians, forcing families to live in near darkness. Using PET plastic bottles, water, chlorine, corrugated metal and sunlight, the co-workers helped to provide a free source of light to families who need it most. The filled bottle is installed in a home's corrugated metal roof where it refracts the sun's rays, delivering light into the home. Co-workers are in the process of expanding this program to Ecuador and other countries in South and Central America.



In Thailand, our sites in Bangkok, Chonburi and Phetchaburi participated in the Thai tradition of offering Lenten candles to temples for monks to use during their three month stay in a monastery.



In the US, many of our Rigid Plastics sites participated in America Recycles Day, which aimed to promote recycling both in the workplace and at home. Amcor served as a global sponsor alongside Johnson and Johnson and Waste Management in partnership with the American non-profit, Keep America Beautiful. Activities at the sites ranged from hosting a Recycles Fair for co-workers to collecting surplus IT equipment and eye glasses for recycling or reuse.



In Singapore, Amcor co-workers joined together to collect over 40 bags of litter from a beach during the annual Volunteer Day that is offered to co-workers within our Flexibles Asia Pacific business.

### Looking to the future

We will continue to implement the global strategy to guide and account for our community investment and social responsibility activities.



## Utilising our packaging expertise to benefit the wider community

### **Our approach**

Due to the scale, scope and geographic spread of the markets we serve, we have the opportunity to contribute our packaging expertise and products to initiatives that address social needs. These range from advocating the role of packaging in reducing food waste to collaborating with our customers and supply chain partners to address specific health concerns.

### **How we are doing**

We have incorporated the utilisation of our packaging expertise into our new Amcor Community Program, allowing our co-workers to identify opportunities where packaging can help people access safe and nutritious food or reduce food waste or when it can assist in the delivery of essential products and services such as food, medicines and water to communities in need.

### **Looking to the future**

It is likely that we will discontinue this area of focus as it is now incorporated into our overall community investment strategy.

## Workplace

We are committed to providing a safe, rewarding and motivating environment to support our co-workers in reaching their potential. To achieve this, we focus on:

- > maintaining a safe workplace
- > engaging and developing our co-workers
- > maintaining a diverse workforce and providing equal opportunity

### Maintaining a safe workplace

Having our co-workers and contractors return home safely each day without being injured at work is an essential objective for our business operations.

#### Our approach

Our approach to workplace health and safety is driven by our safety policy and a global five year strategic plan. All our sites have annual action plans in place to support this plan.

Our Corporate Safety, Environment & Sustainability function is responsible for determining our safety strategy and for the ongoing management of safety. A network of Safety Leaders is in place across our businesses.

We have a set of mandatory global standards for workplace safety, environment management and site security risks. Internal audits are conducted annually and external audits every 3 years to measure compliance against these standards.

Our Business Groups are required to report monthly to Amcor's Board any significant safety, environment, or fire incidents. .

With fire being a high safety risk, our sites actively work to reduce the risk. Audits are conducted regularly by specialist risk engineers from our insurer. Audit reports are then provided, with recommended actions to reduce the fire risk at each site. Site management is responsible for implementing the recommendations, with oversight by the leadership teams within our Business Groups. A metric of the number of fire safety incidents (e.g. ignitions) is reported by each site on a monthly basis. Safety performance is a component of remuneration for our CEO and senior executives (details in the Remuneration report section of our Annual Report).

Safety data is reported only at Group-level. Breaking down safety data by Business Group, geographic region or site would mis-represent the safety performance of those Amcor Businesses who have inherited the safety culture of other organisations as acquired sites become part of their organisation.

It's our policy to only include the safety data from acquired sites 12 months after the acquisition has been completed. This ensures that the site has had time to adopt our safety approach and culture prior to reporting data and ensures safety performance is report to consistent criteria.

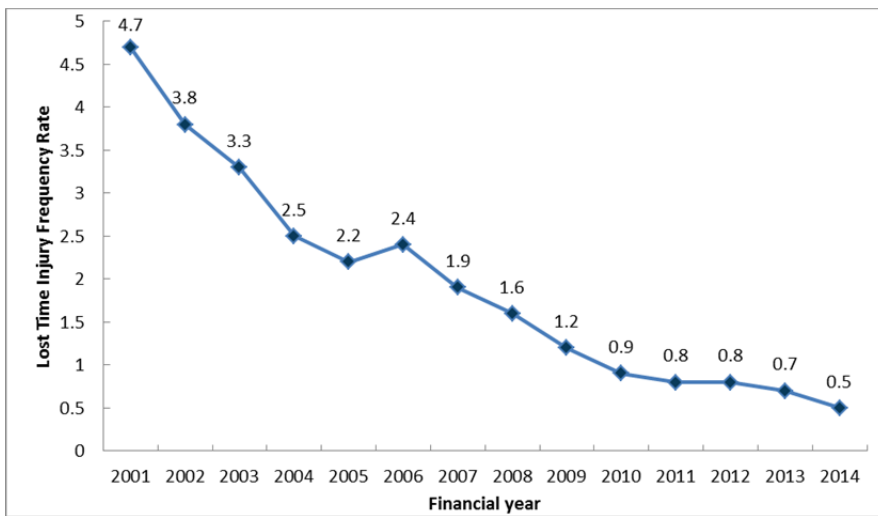
In addition to the indicators of Lost Time Injury Frequency Rate and Recordable Case Frequency Rate, we use a series of indicators internally to measure our safety management. These include:

- > Number and frequency of first aid treatments
- > Number and frequency of near miss learnings
- > Number and frequency of behavioural safety audits
- > Number of Fire safety incidents

These metrics are defined in the section below.

#### Our performance

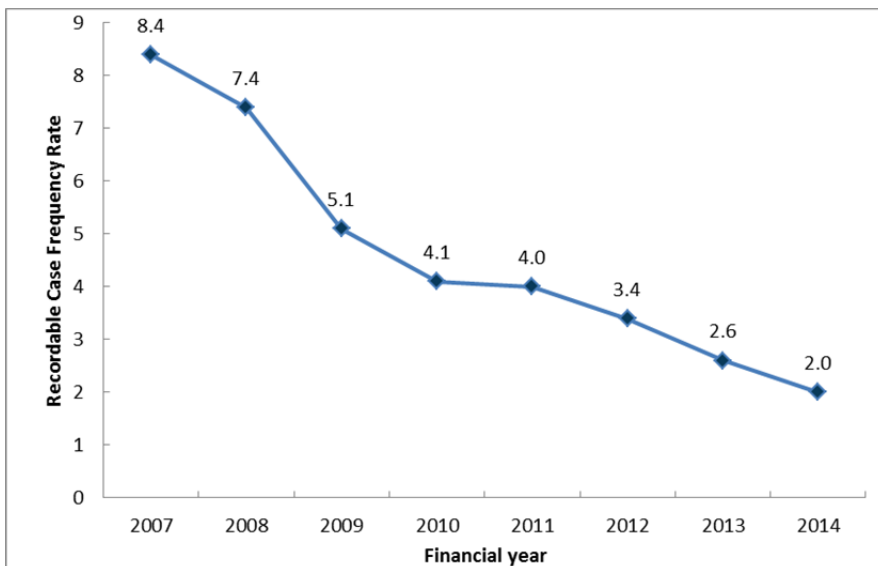
We are pleased to report our best ever safety performance, with our safety metrics reporting the lowest ever rate of injuries. No fatalities occurred.



**Lost Time Injury Frequency Rate over the last 14 years. Note that the 2014 figure does not include the demerged Australasia and Packaging Distribution business and the 2013 figure has been restated to also exclude that Business, for comparison purposes. All prior periods include data from that business.**

Our Lost Time Injury Frequency Rate (LTIFR) is measured by calculating the number of injuries or work-related illnesses resulting in at least one full work day lost per million hours worked. In FY2013/14, the LTIFR was 0.5, corresponding to 29 cases across our global business. This compares to last year's restated rate of 0.7<sup>4</sup>. Both Amcor co-workers and contractors are reported in this metric.

Contractor safety incidents are also reported separately for the first time this year, in recognition of the emphasis we are placing on managing contractor safety on our sites. Absolute numbers, rather than frequency rates, are provided as we are still working on a way to capture the number of hours worked by contractors across our global sites. There were 4 lost time injuries amongst contractors and 12 recordable cases for the year.



**Recordable Case Frequency Rate over the last 8 years. Note that the 2014 figure does not include the demerged Australasia and Packaging Distribution business and the 2013 figure has been restated to also exclude that Business, for comparison purposes. All prior periods include data from that business.**

<sup>4</sup> Since the finalisation of our 2013 Sustainability Report, the LTIFR result for FY2012-2013 has been recalculated from 0.9 to 0.7 and the RCFR from 3.5 to 2.6. These numbers were adjusted to remove the contribution of the demerged Australasia and Packaging Distribution business to allow for a direct comparison with this year's results for our ongoing businesses.

Our Recordable Case Frequency Rate is measured by calculating the number of medical treatment cases and lost time injuries or work-related illnesses per million hours worked. In FY2013-2014, the RCFR was 2.0, corresponding to 128 cases across our global business. This compares to last year's restated rate of 2.64<sup>4</sup>. Both Amcor co-workers and contractors are reported in this metric. We have also separately reported on contractors for the first time this year, as described above.

We also use several other metrics to measure our safety performance. These include:

- > Frequency of first aid injuries A first aid injury is a one-time treatment and subsequent observation of minor injuries such as scratches, cuts, burns etc, which do not require medical care. The frequency rate is represents the number of first aid injuries per million hours worked.
- > Severity rate of injuries – We use the number of days lost as a scale of injury severity - with the more severe injuries requiring co-workers to be off work for longer. The metric measures the number of working days lost per million hours worked. This compares to the LTIFR, which measures only the number of injuries that required at least one full day off work.
- > Near Miss Frequency Rate: Near misses reported per million hours worked. Co-workers are encouraged to report unsafe conditions or events even if no one was injured, so the proper corrective action can be taken to prevent an injury in the future.
- > Behavioural audits frequency rate – A behavioural audit is a short duration audit (15-20 minutes) focusing on safety behaviours and involving observations and conversations with employees, contractors and visitors. The frequency rate is represents the number of behavioural audits completed per million hours worked.
- > No of fire Ignitions: An ignition is any incident involving smoke or fire. Severity ranges from "Smoke no Fire" to significant property damage. We track ignitions to identify root causes (electrical, friction, static, hot work, etc.) and implement corrective actions.

Metric	FY2013 total	FY2014 total
Frequency rate of first aid treatments	26.4	23.6
Severity rate of injuries	37.4	19.9
Near miss learnings frequency rate	588	679
Behavioural audits frequency rate	1652	2020
Number of fire ignitions	272	226

The type of injuries typically include: cuts, abrasions, sprains, broken bones and soft tissue injuries.

In the 'Safety Spotlight: ASX100 Companies & More' report, published by Citi Research in January 2014, Amcor's Lost Time Injury Frequency Rate was 10th lowest of the 64 companies who reported the metric in 2013. The report analyses the safety performance of Australia's top 100 publicly traded companies by market capitalisation (the ASX100 index). Our Recordable Case Frequency Rate was 6th lowest of the 34 companies who reported this metric in 2013.

This year we focused on key risk areas, such as contractor management, identified by analyzing historical data: Organisational change often represents a risk to safety e.g. site closures, capital projects and acquisitions. Our work in managing the safety aspect of acquisitions has been extensive this year. We now have an Integration Toolbox that identifies the safety activities that must take place during the due diligence process, through to the integration of the site into Amcor.

Our internal safety auditing program now includes cross-site audits, where representatives from one Amcor site will audit the safety management at another Amcor site. This program will both standardise our approach to the internal auditing of safety and will promote the sharing of safety best practice between sites. We have identified auditors for this program and have trained them, with approximately 25 trained auditors now in place. Sites to be audited are selected either on their safety performance, potential for risk and/or their audit history.

### Looking to the future

We recognise that continuing to improve our safety performance when our injury rates are so low is going to be difficult. Our Safety Leadership Team met this year to determine our strategy for the next five years. This strategy was presented to our Global Management Team and will be implemented from FY2015/16.

A disproportionate number of injuries occur among contractors working at Amcor sites, making this an area of focus. FY2013/14 was our first full year of collecting separate contractor safety data. We

still have some work to do to accurately capture contractor hours (some of whom might only be onsite for only short periods) so that we can calculate frequency rates and better understand injuries suffered by contractors across our sites.

## Engaging and developing our co-workers

We recognise that our co-workers are the foundation of a sustainable and successful business. We want the best people, who are engaged and passionate about our business and our customers and we equip them with the skills, knowledge and experience they need to 'outperform' in their roles.

### Our approach

We believe that engaged co-workers are highly productive, more customer-focused, safer and likely to stay longer with the organisation. Every two years, we conduct an engagement survey of all co-workers, in multiple languages. This enables us to monitor co-worker engagement and formulate action plans in response to the specific feedback we receive.

Our Amcor Leadership Framework outlines the skills and competencies required at all leadership levels to ensure the successful achievement of our corporate objectives. This framework is the basis of a significant effort directed at providing development opportunities for co-workers to help them work more effectively in their current roles and to develop their future careers.

### Our performance

In early 2014 we conducted our second biennial Global Engagement Survey. We had an outstanding response rate of 93%. The results were similar to the previous survey conducted in 2012, with some areas showing higher levels of coworker engagement. We continue to have a strong focus on performance excellence, including safety and customer focus. Results were released in June and our Global Management Team have reviewed and discussed the results with individual Business Groups. Business groups will continue to carry out 'pulse surveys' at different sites depending on business conditions. Actions responding to the feedback continue and are monitored regularly.

This year we also began the rollout of Harvard Manage Mentor (HMM), an online learning and performance support resource for managers, with training modules on topics such as time management and goal setting. The online training and development opportunities provided by HMM are aligned with our business strategy. The tool provides regular reports on use of the modules across the business.

Our CEO Outperformance Awards were conducted again this year. This program recognises co-workers from around the business for their outstanding achievements in demonstrating our core values and supporting our operating model.

### Looking to the future

We will continue our work on Leadership, Diversity and Engagement and are committed to creating an inclusive environment that supports high performance, engagement and passion to succeed. The feedback from this year's engagement survey will be used to drive actions across the organization to continuously improve our performance.

## Diversity and equal opportunity

We are a diverse global organisation with over 27 000 co-workers working in more than 40 countries. Our focus is on recruiting, retaining and developing local talent to manage its businesses around the world, and selects from this broad talent pool for its global leadership roles. We strive to achieve "Talent through Diversity".

### Our approach

To us, diversity means the positive recognition of the differences individuals bring to the organisation and how those individuals work together to capture the benefits these differences bring to the business. Our approach is based on our "Talent through Diversity" policy and the metrics established by our Board of Directors to advance gender diversity. These metrics are reported annually to the Board and the Board's Human Resources Committee and are:

- > The number of females employed at Amcor as a proportion of the total workforce; and
- > The proportion of females employed at leadership level (defined as middle management including plant level leadership and more senior management).

Our approach to diversity is being embedded in the way we do business and is supported by systems, processes and training that are managed by our Human Resources function.

Our diversity metrics are reported in our Annual Report each year.

We do not collect and consolidate global data on age group, minority group membership, and other indicators of diversity, largely due to differing local anti-discrimination laws that prevent us from doing so.

### Our performance

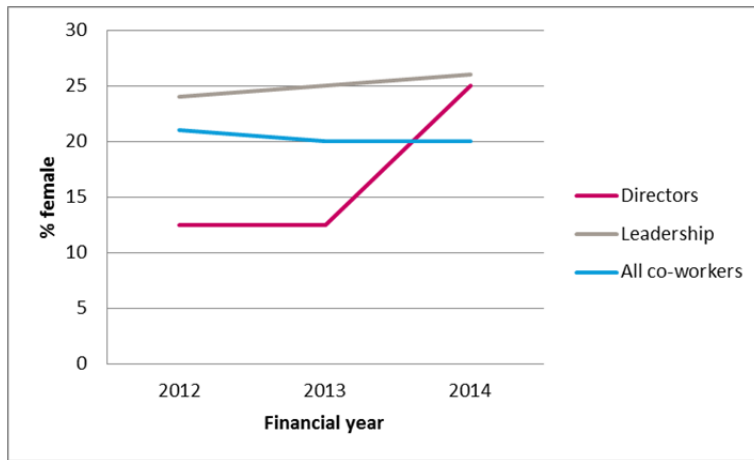
As at June 30th, 2014:

Approximately 20% our co-workers were female

26% of our leadership positions (site management and above) were held by females

The Board included two female Directors (25% of total Directors)

Our progress since we released our Talent through diversity policy in 2011 is shown in the graph below:



### The representation of females within the Board of Directors, Leadership level (site management and above) and across the entire co-worker population

This year we initiated a project to implement a global human resources management system (HRMS) that will simplify and standardise our HR business processes and will allow us to collect consolidated data from our global operations. Creating one single, global source of co-worker data will make it easier to ensure appropriate training, manage our talent and match our workforce to the business's current and future needs. It is anticipated that this project will take several years to implement.

### Looking to the future

We will continue to create an inclusive environment, regularly reporting on our diversity metrics.

Our new human resources management system will allow us to accurately measure and manage the diversity of our co-worker population.

## Marketplace

As a global leader in the packaging industry, we have the product development capability and technical know-how to drive sustainability throughout the supply chain and the packaging life cycle. We focus on:

- > Offering responsible packaging and supporting our customers' sustainability objectives
- > Promoting the role and benefits of responsible packaging
- > Ensuring responsible and ethical sourcing and procurement

### Offering responsible packaging and supporting our customers' sustainability objectives

#### Our approach

Responsible packaging and packaging sustainability continue to be important topics within the consumer goods and many other industries. Our global network of Sustainability Leaders, representing each of our businesses, has responsibility for implementing our approach to packaging sustainability and responsible packaging. Our sustainability expertise and life cycle assessment capabilities are integral to our approach and to the value proposition that we offer our customers and the market in general.

Life Cycle Assessment (LCA) is a data-based technique used to assess the environmental impacts associated with all the stages of a product's life - from raw material extraction through materials processing, manufacture, distribution, use and disposal or recovery and recycling. ISO 14040 is the international standard for conducting LCAs.

We use our proprietary LCA software, the Advanced Sustainability Stewardship Evaluation Tool (ASSET™) and other software tools, such as the Packaging Impact Quick Evaluation Tool (PIQET) to generate the life cycle data that allow different packaging options to be compared. These assessments are typically undertaken during our product development process or at the request of customers. The ASSET tool and database are regularly audited by the Carbon Trust for compliance with the PAS2050:2008 standard for cradle-to-gate and the GHG protocol on product carbon footprinting.

We conduct a range of different LCA assessments; from the comparison of two completely different packaging formats (e.g. a folding carton versus a flexible pouch) to different materials for the same packaging format.

We completed assessments of the life cycle impacts of all of our major product categories first in FY2006-2007. The life cycle assessments now contained within our ASSET™ database provide information about the majority of our packaging solutions.

Many of our customers have specific sustainability objectives for packaging, such as carbon footprint reduction or the increased use of more sustainable materials. We work closely with our customers to help them achieve their objectives for the packaging of their products and participate on the supplier sustainability boards of several of our largest customers.

Responsibility for the product development process resides with the Research & Development functions within each of our businesses. Our Sustainability Leaders support these functions by providing their sustainability expertise and ASSET™ is available to any co-worker, when required for their role, and is supported by training in its use.

A sustainability assessment within the product development process is frequently conducted in collaboration with our customers. They must ultimately make decisions about potential trade-offs about their packaging - using the sound data and commonly-agreed metrics. This approach is aligned with the Global Protocol on Packaging Sustainability, which was released by the Consumer Goods Forum in 2011 with substantial input and support from Amcor.

Our Sustainability Leaders also participate in many customer and other sustainability initiatives, such as sustainability boards and councils. These provide valuable input to our sustainability strategy, ensuring it supports our customer's sustainability objectives and those of other stakeholders. It also promotes the sharing of best practices up and down the value chain.

#### How we are doing

We performed 599 life cycle assessments using ASSET this year (examples of which are shown below). The number of packaging life cycle assessments in the ASSET database is now over 4200 making it a valuable resource for us and our customers. We anticipate the number of new assessments undertaken will reduce over time as the vast majority of our packaging formats are



now available for re-use within the database. To this end, we are considering a new metric that will better reflect how life cycle data is considered in new product development.

**Example: Reducing the carbon footprint of bread bags by 75%**



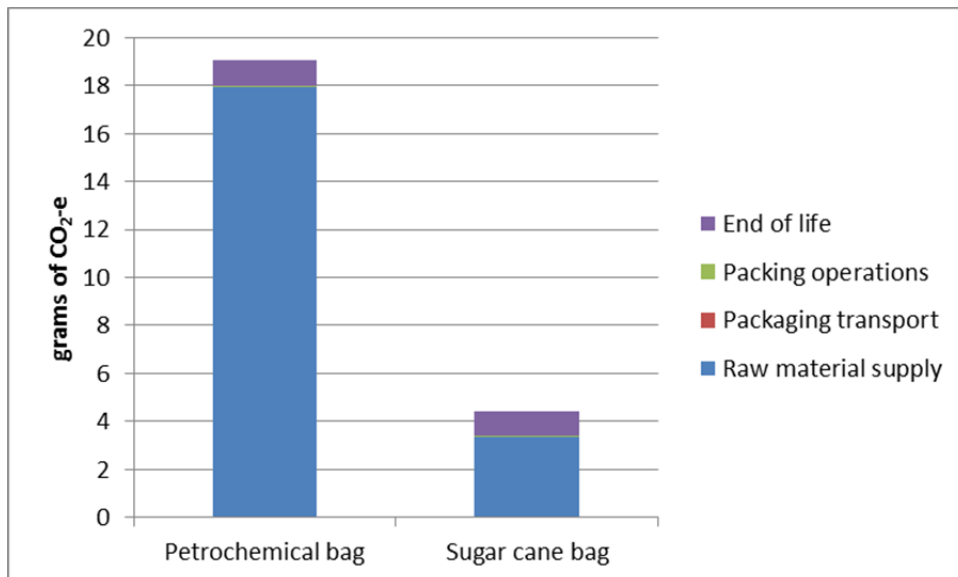
In one example of how we used life cycle data to guide our customers’ packaging decisions, we worked with a baking company, Hovis, in the UK to redesign the packaging for their Seed Sensations bread bag.

The existing packaging for the bread was a plastic bag, made from polyethylene, derived from petrochemicals. We compared the life cycle impacts of this packaging to that of a new bag, made from a blend of petrochemical polyethylene and that derived from sugar cane.

The life cycle assessment compared the GHG emissions from the point of raw material extraction and processing, starting with the extraction and processing of crude oil compared to the production, harvesting and processing of the sugar cane and ending with the disposal by landfill or incineration of the bags after the bread was consumed.

The LCA determined that production of the bread bag made from the renewable sugar cane plastic would generate 4 grams of greenhouse gases per bread bag, 75% less than the 19 grams generated by production of the existing petrochemical-based bag. As shown in the graph below, the difference is largely due to the extraction and processing of the raw materials used to produce the plastic film, along with the removal of atmospheric CO<sub>2</sub> by the sugar cane as it grows.

With a reduction of 15 grams of GHG emissions per bag the impact is significant when the savings are scaled up with the millions of bread bags used each year.



**Life cycle assessment example: Reducing the carbon footprint of blister packaging**

Pharmaceuticals often need protection from moisture, air and light. Blister packs, used for tablets and capsules, have to offer a high barrier to these environmental conditions. This usually means the packs are made from a material that is a sandwich of aluminium foil and thin plastic films.

This year, our pharmaceutical packaging business worked with raw material suppliers and machine manufacturers to improve blister packaging. By changing the way our Formpack® blister packaging is manufactured, they were able to create an advanced blister Formpack® product that could hold more tablets in same size blister pack.

Technically, this involved changing the material used to make the blister pack and the machines and method used to form the depression for the tablet. The spacing of the depressions on a blister pack is limited by ability of the material not to crack when the depressions are formed. The advanced Formpack® material is able to hold more depressions in an area without cracking and is more resistant to dents. This means that the size of blister cards and the corresponding carton they go in can be reduced, whilst safely packaging the same number of tablets.

Looking at one use case, for instance, and comparing an existing blister pack and a new pack made with the advanced Formpack® material, the new pack holds the same number of tablets in a blister card that is 18% smaller. These savings translated to an approximate 18% saving in environmental impacts (18% reduction for each of GHG emissions, water consumption and ReCiPe 2008 indicator) for the raw materials and packaging production stages of the life cycle of the blister packs.

### **Life cycle assessment example: Comparing glass versus plastic jars**

In a third example of how we used life cycle assessments to guide our customers' packaging decisions, we worked with a major food manufacturer to compare packaging options for a pasta sauce product.

The existing packaging was a glass jar, weighing 320 g and holding 24 oz (680 g) of pasta sauce. A life cycle assessment compared this packaging to a plastic jar, weighing 51 g and made from virgin PET (the lids were the same for both jars, so were not considered in this assessment). The impacts of the two packaging options were compared across the life cycle stages of:

- > Raw material extraction and production, including mining sand and converting it to glass vs extracting oil and converting it to PET resin
- > Packaging manufacture i.e. turning the raw materials into jars
- > Transporting the packaging to the customer's food manufacturing facility
- > End of life i.e. what happens to the packaging after the consumer uses the pasta sauce, using published glass and PET recycling rates in the geographical region where the pasta sauce is distributed.

The LCA revealed that the production and transport plastic jar would consume 1% less non-renewable primary energy and would generate 29% less greenhouse gas emissions but would use 97% more water. Comparing the ReCiPe 2008 indicator (ReCiPe2008 is a method of assessing: damage to human health and ecosystems and resource availability, using a single 'point' score, derived from data across a product life cycle) for both packaging options, the glass jar was 0.036 ReCiPe 2008 points and the plastic jar 0.028, a difference of 22% in favour of the plastic jar.

The differences were largely associated with the raw material extraction, processing and packaging manufacture stages of the life cycle, with the production and subsequent recycling of PET jars being more water-intensive than glass but the production of glass being more energy-intensive than PET.

### **Integrating life cycle assessments into product development**

Life cycle considerations are being formally integrated into our product development stage-gate review process, meaning that sustainability is routinely considered as part of product development within our two largest businesses. Within our Rigid Plastics business a screening tool is used for new products to identify any systems concerns at the product development stage. For example a PET jar with a metal closure becomes a contaminant in the recycling stream if the closure is left on the jar. Within our Flexibles Europe and Americas business the potential sustainability benefits of R&D projects are captured early in the project. An initial screening tool triggers a full LCA assessment and results are captured in a R&D project database, allowing the tracking of consolidated sustainability impacts from new products.

### **Supporting customers' sustainability objectives**

As a major supplier to some of the world's largest manufacturers of food, beverages, pharmaceuticals and other products, we play a vital role in helping our customers work towards their sustainability objectives. Besides the ongoing focus on the sustainability performance of the package itself, there is also increasing interest by customers in responsible sourcing, i.e. managing risks in their supply chain, and an increased focus on the recyclability of packaging. We have active programs to address also both of these issues (discussed below).

### **Conveying the value of sustainability**

Our Flexibles Europe & Americas sustainability team developed analysis and communication tools to quantify and convey Amcor's sustainability value proposition to customers. The value we offer ranges from taking out greenhouse gas emissions from the supply chain of our customers and

reducing ethical- and labor-related risks to the very tangible financial benefits of reducing packaging disposal and recycling fees and providing life cycle assessments comparing packaging options. We quantify the value all of these activities for our customers and integrate them into the overall value proposition. By communicating this value to customers, we provide the information customers need to promote the business benefits of sustainability within their own organisations and steer decision-making with a broad perspective in mind. It also positions Amcor as a packaging supplier of choice, further strengthening our internal and external business case for sustainability.

### Looking to the future

We will continue to promote packaging life cycle assessments to our customers and will continue to use them as part of our product development process, not only addressing the packaging itself, but also the interaction with the packaged product, considering for instance how a new package design can help to reduce food waste.

Interestingly, our customers request our help more frequently to include sustainability in their own strategic plans. They ask questions such as: "What could packaging look like in 5 to 10 years and can we design a carbon neutral packaging solution in the long-term? What are the steps involved in achieving this?". They are also increasingly interested in understanding the environmental and social risks in their supply chains and in tackling the end of life issues for packaging.

### Promoting responsible packaging

#### Our approach

As a global leader in the packaging industry, we have a role to play in contributing to a responsible packaging industry and advocating packaging sustainability.

To promote responsible packaging, we:

- > collaborate on the development of processes, standards metrics and tools for a consistent approach to sustainability across the packaged product life cycle and throughout our value chains;
- > promote the role and benefits of responsible packaging by presenting at conferences and seminars around the world;
- > contribute to government and NGO policy formulation on topics such as recycling, waste reduction and processes, guidelines and metrics that impact the manufacture, use and disposal of packaging; and
- > participate in industry forums and groups.

Typically, we do not communicate directly with end consumers about responsible packaging. It is more effective for us to use our existing communication channels to contribute to government policies, international standards and to educate our customers about life cycle thinking and the sustainability aspects of responsible packaging choices.

### How we are doing

#### Industry associations

We belong to many industry bodies around the world (refer to page 11 of this report) and often hold leadership positions within these forums. The most significant memberships include:

- > Sustainable Packaging Coalition (SPC)
- > European Aluminium Foil Association/Flexible Packaging Europe
- > Flexible Packaging Association (North America)
- > AIM-Progress
- > Aluminum Stewardship Initiative (ASI)
- > European Organization for Packaging and the Environment (EUROPEN)
- > Australian Food & Grocery council
- > American Institute for Packaging and the Environment
- > National Association for PET Container Resources
- > Save Food Initiative

Within these associations we participate in standards setting, preparing submissions to governments and industry research.

This year, activities included:

- > Contributing to a submission to the European Union on the revision of the EU Packaging and Packaging Waste Directive via our membership of EUROOPEN and Flexible Packaging Europe.
- > Providing technical and financial support for the development of the report “An Analysis of Life Cycle Assessment in Packaging for Food and Beverage Applications” by the Life Cycle Initiative, a joint organization of the United Nations Environment Program and the Society of Environmental Toxicology and Chemistry.
- > Contributing to a report by the American Institute for Packaging and the Environment (AMERIPEN) titled “Strategies and Financial Platforms to Increase the Recovery of Used Packaging”.
- > Joining the ‘Reflex’ consortium in the UK. The consortium applied for funding from the UK Government’s Technology Strategy Board to research the creation of a circular economy for flexible packaging and divert it from landfill (more information below).
- > Consulting with the Columbian and Ecuadorian governments on how to structure food contact regulations, particularly in regard to the use of post-consumer-recycled materials in packaging.
- > Participating in The Recycling Partnership, a consortium of companies and industry groups that aims to pool industry funds to provide seed funding for curbside (single stream) recycling programs in specific communities in the southeastern United States with an ultimate aim to boost recovery and diversion of all material types (plastic, glass, metals and paper).
- > Development of a draft standard for the responsible sourcing of aluminium (as a member of the Aluminium Stewardship Initiative), which is currently out for public consultation.

### **The Reflex consortium – researching the recyclability of flexible packaging**

Flexible packaging such as plastic bags, sweet wrappers, frozen food bags and pouches, while overall being extremely resource efficient and minimizing waste generation, makes up 32% of consumer plastic packaging in the UK and virtually all of this ends up in landfills.

Reflex aims to create a circular economy for flexible packaging and divert it from landfill. To achieve this, innovative recyclable flexible package designs are required, where all the materials used can be reprocessed together. The design will include innovative inks, new barrier polymers, novel packaging designs and new automated sorting technologies.

The consortium members include Axion Recycling, Amcor, Dow Chemical, Nestlé, Sita, Interflex, Tomra and Unilever. All see consumer value in offering recyclable packaging, industry-wide guidelines for recyclable packaging will be agreed and disseminated. Each step of the process will be trialled during this project, thus demonstrating to the full supply chain that it is viable to create a circular economy for plastic flexible packaging.

This is the first project where the complete packaging value chain is involved, from raw material suppliers, to converters (like Amcor) to waste management companies. Amcor will be working on the conversion of raw materials.

### **Conferences and seminars**

Our Sustainability Leaders presented at nine conferences and seminars around the world this year. These presentations communicated our sustainability strategy and journey, the importance of life cycle assessments and sustainability issues and trends. These speaking engagements included:

- > Biopolymers Symposium in Philadelphia, “Update on bio-based packaging at Amcor”
- > LAPET, Mexico City, “Targeting new market segments with lightweight packaging / bottles”
- > Sustainability in Packaging 2014, Orlando, Florida - “Operating under Extended Producer Responsibility: An In-Depth Look at What’s Working and What Isn’t”
- > Plastics Recycling Conference, Dallas, Texas - “Post Consumer Recycled Conversion at Amcor, making the value proposition internally and externally”
- > Life Cycle Management 2013, Gothenburg Sweden - “Implementing Life Cycle Management in an Industrial Value Chain - Strategies for Success”.
- > Sustainable Packaging Coalition, St. Petersburg Florida – “Demystifying the use of life cycle assessment, implementation in the packaging industry”.
- > COP 19 Global Climate Meeting, Warsaw Poland- Invited participant for an industry/innovation workshop hosted by UNEP (United Nations Environment Program).
- > PE Symposium, Stuttgart Germany, March 11th 2014- “Working up and down the value chain, effective sustainability strategies address the complete value chain and focus on both working with suppliers and customers”

- > Webinar for The Packaging Council of New Zealand – “Lightweighting, recyclability, recycled or renewable content - are these the keys to sustainable packaging? How can this be measured? What's driving it? “
- > At Interpack 2014, one of the world's largest packaging trade fairs, we partnered with the Save Food organization to demonstrate how packaging is a partner in reducing global food waste. On display were many innovative packaging solutions that extend shelf life and help consumers avoid food waste before, during and after meal preparation.

## Responsible and ethical sourcing and procurement

### Our approach

We take a ‘whole-of-value-chain’ approach to packaging sustainability, participating in responsible sourcing initiatives with our customers and suppliers and including sustainability as an aspect of our supply and value chain management approach. We support customers’ requests for information about our sustainability performance and collaborate with them on sustainability and responsible sourcing initiatives.

### As suppliers in the value chain

We are an ‘AB’ member of the Supplier Ethical Data Exchange (SEDEX). SEDEX is a not-for-profit membership organisation that enables the sharing of ethical performance information from suppliers to their customers. Our AB membership means that we provide access to our ethical performance information to our customers and we can request this from our suppliers. More than 36 000 organisations from 150 countries currently participate in SEDEX.

Another organisation that provides a global platform for the evaluation of the social and environmental performance of suppliers is EcoVadis. We have a subscription to EcoVadis where we share our results with customers.

We also belong to AIM-PROGRESS, a forum of consumer goods manufacturers and suppliers that promotes responsible sourcing practices and sustainable production systems.

### As customers in the value chain

We spend approximately \$6 billion every year on goods and services used to manufacture our products and are a large customer for many of our suppliers.

Whilst our global spend on IT and professional services is managed centrally, all other procurement activities are managed within each of our Business Groups. The Procurement function within each Business Group is responsible for the control and assessment of vendors who supply their business.

We have a global continuous improvement project, called Procure Plus, underway for our Procurement activities. This includes standardising the approach to managing our direct suppliers globally, which number nearly 20 000. A Supplier Management System is being implemented that will allow us to consolidate information about our suppliers on a global basis, from a single database.

We have a Supplier Code of Conduct that specifies the principles that suppliers must adhere to and comply with for all business relationships with Amcor. The code includes principles for:

- > Business integrity: The Supplier must be standards for: Honesty, integrity and fairness, Compliance with laws and regulations, anti-bribery and privacy and information.
- > Labour standards: The Supplier must meet standards for: non-discrimination, forced labour, child labour, compensation, working hours and freedom from harassment
- > Occupational health and safety: The Supplier shall provide a safe and healthy work environment for its employees, contractors and visitors and ensure that this is supported by adequate safety programs in accordance with applicable laws and regulations.
- > Consumer health and safety: All products and services delivered by the Supplier must meet the quality and safety standards required by applicable law, be fit for the intended purpose and, where applicable, comply with Amcor’s quality requirements
- > Environment: The Supplier must manage its operations in an environmentally responsible manner and ensure compliance with related laws and regulations applicable in the country where products or services are manufactured or delivered.

Our Procurement function is integrating the Supplier Code of Conduct into their systems and processes. They are also beginning to put additional systems and processes in place to evaluate and manage the sustainability risks within our supply chain. At present, we do not routinely screen new suppliers using environmental, human rights, labour practices or impacts on society criteria.



Suppliers who are asked to comply with the Amcor Supplier Code of Conduct are prioritised by annual spend. Suppliers are not currently assessed against the Supplier Code of Conduct, but a trial with the EcoVadis supplier assessment platform is planned (described below). We do not incentivise or reward suppliers for reducing their environmental or social impacts.

Our Sustainability Teams working closely with our Procurement teams, providing training and support on how to conduct sustainability assessments of suppliers and on key customer interests, such as ethical standards, post-consumer recycled content, bio-plastics and packaging life cycle assessments.

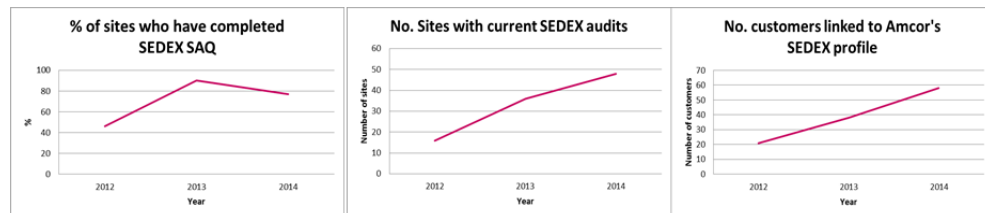
## How we are doing

### As suppliers in the value chain

Seventy-seven percent (133 out of 173) of our manufacturing sites have completed at least 90% of the questions in the SEDEX Self Assessment Questionnaires about labour standards, health and safety, business integrity and environmental performance. Note that the percentage of sites changed this year, compared to last year due to the demerger of Amcor's Australasian and Packaging Distribution business (which included 36 manufacturing sites), the acquisition of several new sites and a recent update to the questionnaire. Of these sites, 10 were audited by a third party this year, according to the SEDEX-SMETA audit protocol that confirmed their performance. This brings the total number of sites with current SEDEX-SMETA third party audits to 46 (27% of our sites).

Fifty eight customers are linked to our SEDEX profile, allowing them to access information about our sites at any time. As shown in the graph below, this figure has more than doubled over since FY2011/12, showing the increasing interest in ethical performance in the supply chain

Similarly, our EcoVadis assessment is shared with 16 customers, five of which were new this year, indicating growing acceptance of this platform. Within this platform, we were awarded a Gold (best possible) Rating for our performance this year. In the category of Manufacturers of Plastic Products we were in the top five percent of all companies assessed and we were in the top ten percent of all companies from all categories in the system.



### As customers in the value chain

Our Supplier Code of Conduct is being implemented across the organization. Formal implementation has reached 52% of purchased volume (i.e. documented compliance with the Amcor Supplier Code of Conduct).

This year we began a trial with a group of 44 suppliers and the EcoVadis platform to evaluate the social, ethical and environmental performance of those suppliers. The suppliers are asked to complete the EcoVadis questionnaire (and supply supporting evidence) that assesses their approach and performance in key areas such as: supplier management, product safety and quality, workplace safety, environmental management and impacts and social responsibility. The aim is to identify and manage risks in our supply chain. If the trial is successful, we will then extend the program to the rest of our direct suppliers and possibly further.

### Looking to the future

We continue to ensure compliance to our Supplier Code of Conduct and will continue to work on our vendor qualification process to identify the risks and opportunities in our supply chain and improve performance in the value chain.

## Economy

Our shareholders, customers, co-workers and communities all benefit from our approach to sustainability, which includes:

- > realising opportunities for sustainable business growth
- > demonstrating good governance, business continuity planning and measured risk taking
- > managing climate change related challenges and opportunities

## Sustainable business growth

### Our approach

Having a business strategy that continues to deliver excellent financial results protects and grows the important economic contributions we make in the more than 40 countries in which we operate. This includes the value that flows from payments to our co-workers and suppliers, the value we offer our customers, disbursements to governments including taxes and royalties, and donations and other support to local communities. .

### How we are doing

We have continued to deliver excellent financial performance, with profit after tax for the year ending 30 June 2014 being \$737.0 million, up 24.6% over last year.

Details of our financial results for FY2013-2014 can be found in the 2014 Annual Report, available online at [www.amcor.com](http://www.amcor.com).

## Governance, risk management and business continuity

### Our approach

#### Governance

Amcor is committed to achieving and demonstrating the highest standards of corporate governance. Our approach to governance is to foster an organisation that supports individual and professional integrity and responsible business behaviour. All co-workers are accountable for their actions and are required to abide by our Corporate Code of Conduct and Ethics Policy.

A description of our governance processes can be found on pages 50-59 of our 2014 Annual Report, available at [amcor.com](http://amcor.com).

#### Risk Management

As a publicly listed company on the Australian Securities Exchange (ASX), we must disclose our compliance with Corporate Governance Council Principles and Recommendations released by the ASX Corporate Governance Council. These principles include: Principle 4 'Safeguard integrity in financial reporting' and Principle 7 'Recognise and manage risk'.

Our approach to risk management is described on pages 57-58 of our 2014 Annual Report, available at [www.amcor.com](http://www.amcor.com).

#### Business continuity

Our Business Group Presidents are responsible for the development, maintenance and regular review of Business Continuity Plans for strategically important sites and services, as identified in our enterprise-wide Business Impact Analysis process. Our Group Internal Audit team audits the coverage and application of the Business Continuity policy as part of their annual audit program. We consider our Business Continuity process a competitive advantage due to the value our customers place on the uninterrupted supply of packaging to their factories. We use the metric: Deliveries In Full On Time and In Specification (DIFOTIS) as a measure of our business continuity efforts. DIFOTIS performance is reviewed internally but is not publicly reported

### How we are doing

#### Integrity Compliance

Since the Global Financial Crisis, there has been a worldwide increase in concerns regarding fraud, bribery and corruption. Continuing the project we began in FY2012/13, we continued to strengthen our governance in this area. The Integrity Compliance program was designed to respond to fraud, bribery and corruption. The following components of the program were implemented during FY2013/14:



- > A new Anti-bribery and Corruption policy was released;
- > We updated our Code of Conduct and Ethics policy;
- > A fraud investigation procedure was developed, and
- > A global forensics partner was appointed.

### **Business Continuity and Crisis Management**

We continued to apply the learnings from the pilot project we undertook last year to improve our Business Continuity Planning (BCP) at key strategic manufacturing locations. Our focus on BCP proved valuable this year, with examples of civil unrest in Thailand and the Ukraine. Although our sites were unaffected, up-to-date contingency plans were in place. This work also supports the increasing demands from customers for BCPs to ensure continuity of supply to their businesses, as they recognize increased levels of threat due to increasingly complex supply chains, climate change, natural catastrophes and civil/ political unrest.

### **Integrating acquired businesses**

Our plan to create value for our shareholders includes a re-balancing of our business portfolio to increase the emphasis on emerging markets. To support this and the likely acquisition of packaging businesses in those markets, dedicated resources were put in place this year to formalize the tools, templates, skills and culture needed to successfully integrate acquired businesses. The project risk management process has been utilized on a pilot integration project and it is expected that this will lead to an adapted and enhanced set of tools and templates specific to integration risk.

### **Looking to the future**

We will continue to implement our Integrity Compliance program to address the risk of fraud, bribery and corruption. Progress is periodically reported to the Audit and Compliance Committee.

Our Business Continuity program will continue to be done for all strategically important sites, with support from external consultants.

We will also continue to develop our Integration Toolbox to formalize our approach to the integration of acquired businesses.

### **Managing climate change challenges and opportunities**

#### **Our approach**

We recognise that climate change will impact our suppliers, our customers and our own operations in many ways. We identify and manage risks and opportunities arising from climate change and a low-carbon economy through our Enterprise Risk Management process.

#### **Our Performance**

Environmental, social and governance risks are reported in our 2014 Annual Report on pages 20-23. We have appropriate plans in place to manage each risk, according to our Enterprise Risk Management process.

#### **Looking to the future**

We will continue to identify and manage climate change risks through our Enterprise Risk Management process.

# Independent Assurance Statement

To: The Stakeholders of Amcor Limited

## Introduction and objectives of work

Bureau Veritas Australia Pty Ltd has been engaged by Amcor Limited to conduct independent assurance of its 2014 Global Reporting Initiative (GRI) Report. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the 2014 Global Reporting Initiative (GRI) Report are the sole responsibility of the management of Amcor Limited. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance of its content.



## Scope of work

The assurance process was conducted in line with the requirements of the Assurance Standard AA1000AS (2008) Type 2 assurance. The scope of work included:

- Selected data and information included in 2014 Global Reporting Initiative (GRI) Report for the 1st of July 2013 – 20th of June 2014;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Evaluation of the Report against the main principles of the AA1000 Assurance Standard (2008)<sup>5</sup> : Inclusivity, Materiality and Responsiveness ;

A third-party level check of the Report against the Global Reporting Initiative (GRI) G4 Guidelines at Core level was also provided.

The topics covered by this assurance engagement and the criteria used during the process included the following:

### 2013 – 2014 Sustainability Performance Information selected for assurance

Performance Area	Assessment Criteria	Report Reference
Materiality Determination Process	G4-18, G4-19, G4-20	Page 13 – 18
Energy & GHG Emissions	EN15, EN16, EN17, EN18	Page 23 - 30
Environmental Impacts & Compliance	EN27, EN28	Page 27
Health & Safety Performance	LA6	Page 46 – 48
Product Responsibility	PR1	Page 33
% volume purchased from suppliers compliant with company sourcing policy	FP1	Page 25
% production volume manufactured in sites certified to intl. food safety standards	FP5	Page 25
Waste Generation & Recycling	Data Verification	Page 39 - 40
Water Consumption	Data Verification	Page 40

## Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

1. Interviews with relevant personnel of Amcor Limited;
2. Review of documentary evidence produced by Amcor Limited;
3. Audit of performance data;
4. Review of Amcor Limited systems for quantitative data aggregation and analysis

<sup>5</sup> Published by AccountAbility: The Institute of Social and Ethical Accountability <http://www.accountability.org.uk>

Assurance of the accuracy and quality of selected sustainability performance information was guided by the Australian Standard on Assurance Engagements ASAE3000 Assurance Engagements other than Audits or Review of Historical Financial Information (ASAE3000) issued by the Australian Auditing and Assurance Standards Board.

The work was planned and carried out to provide reasonable, rather than absolute assurance and we believe it provides a reasonable basis for our conclusions.

## Our Findings

On the basis of our methodology and the activities described above, it is our opinion that:

- The information and data included in the Amcor 2014 Global Reporting Initiative (GRI) Report are accurate, reliable and free from material mistake or misstatement;
- The Report provides a fair representation of Amcor's activities over the reporting period;
- The information is presented in a clear, understandable and accessible manner, and allows readers to form a balanced opinion over Amcor's performance and status during the 2013-2014 reporting period
- The Report properly reflects the organisation's alignment to and implementation of the AA1000 Assurance Standard (2008) principles of Inclusivity, Materiality and Responsiveness in its operations. Further detail is provided below;
- Amcor has established appropriate systems for the collection, aggregation and analysis of relevant information;
- Amcor has processes in place for consulting and engaging with its key stakeholders in a structured and systematic manner

## Alignment with the principles of AA1000AS (2008)

### Inclusivity

Amcor has processes in place for engaging with a range key stakeholders including and has undertaken a number of formal stakeholder engagement activities in 2014 covering a range of topics such as Supply Chain, Human Rights and Environment.

### Materiality

The Report addresses the range of environmental, social and economic issues of concern that Amcor has identified as being of highest material importance. The identification of material issues has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns.

### Responsiveness

Amcor is responding to those issues it has identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making.

## Key areas for ongoing development

To assist Amcor in continually improving a number of recommendations have been identified during the assurance process.

These recommendations relate to; the review of data management systems and processes across the Group to further improve data management; the consideration of supplementary internal auditing and monitoring of sustainability data management and the inclusion of quantitative data related to health and safety impact assessment. Further detail on these recommendations has been provided in a report to Amcor's Management.

Evaluation against Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines

Bureau Veritas undertook an evaluation of Amcor's 2014 Global Reporting Initiative (GRI) Report against the G4 Sustainability Reporting Guidelines. This included cross checking the GRI index table against all the reference documents to provide an opinion on the self-declared GRI application level.

Based on our work, it is our opinion that Amcor's 2014 Global Reporting Initiative (GRI) Report has been prepared in accordance with the GRI Reporting Framework at a Core level including appropriate consideration of the Reporting Principles and necessary indicators.

## Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period;
- Financial data, other than that relating to environmental, social or broader economic performance where applicable.

The scope of the assurance was limited by the following:

- The head office was visited as part of this assurance engagement. All site data was reviewed from the head office.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

## Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 180 years history in providing independent assurance services.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with Amcor Limited its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 30 years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Bureau Veritas Australia Pty Ltd

25th September 2014



**Andrew Mortimore**  
**Head of Sustainability Services**

This sustainability performance report was prepared by Sustainability Reporting ([sustainability-reporting.com.au](http://sustainability-reporting.com.au)).



**amcor**