

We believe in responsible packaging.

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

Innovating for a sustainable future

GRI Report 2013



amcor

Table of Contents

Introduction	3
1 Strategy and Analysis.....	6
2 Organisational Profile	10
3 Report Parameters	14
4 Governance, Commitments and Engagement	18
5 Performance Indicators: Economic.....	27
6 Performance Indicators: Environmental	31
7 Performance Indicators: Labor Practices and Decent Work.....	44
8 Performance Indicators: Human Rights.....	46
9 Performance Indicators: Society	49
10 Performance Indicators: Product Responsibility	52
11 Our areas of focus.....	54
12 Other important issues for our stakeholders.....	80
13 Independent assurance statement	85
14 GRI 3.1 Content Index.....	89

Introduction

How we report

We report in accordance with the Global Reporting Initiative's (GRI) Sustainability Reporting 3.1 Guidelines (2006), 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 mandatory and self-selected indicator chosen to meet the requirements for GRI 3.1 B+ level reporting.

Together with this report, we published a Sustainability Review (available at amcor.com/sustainability), designed for those stakeholders who want a quick snapshot 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.
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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



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

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.

1 Strategy and Analysis

1.1 Statement from the most senior decision-maker of the organisation

We contribute to a better world for today + tomorrow.

Amcor's commitment to sustainability and social responsibility is integral to our ongoing success. This is why it is one of our Core Values and is embedded into our daily operations. At Amcor, we are proud of the important role we play in providing responsible packaging solutions to help our customers meet their objectives and together deliver better social and environmental outcomes.

Amcor's commitment to responsible packaging touches nearly every part of the globe. We respond to the needs of our stakeholders and the environment, participate positively in the communities in which we operate, invest in our co-workers and create innovative, sustainable customer solutions.

Packaging is an essential part of our daily lives. It provides important benefits such as product protection, consumer information, safe and convenient handling and product marketing. Responsible packaging makes a valuable contribution to sustainability by protecting the products that consumers need and enjoy on a daily basis – minimizing product spoilage or breakage, preserving the resources invested in the product and ensuring that the product reaches consumers fit and safe for its intended purpose.

Amcor's customers include the world's largest food, beverage and pharmaceutical companies. The scale of our operations and importance of packaging in the supply chain means that through our commitments we can make a powerful impact and contribution to sustainability.

We believe our sustainability performance provides a competitive advantage and is valued by all of Amcor's stakeholder groups.

Our commitment to sustainability and our performance has been recognised by international indices, such as the prestigious Dow Jones Sustainability Index and the Carbon Disclosure Leadership Index. We are pleased with the progress we have made in our sustainability journey around our key priority areas including: Environment, Community, Workplace, Marketplace, and Economy.

Workplace safety continues to be Amcor's number one priority. Our safety results are world-class, however we realise we will continue to drive improvements in this area towards our goal of 'No Injuries'. Over half of our 300 sites world-wide achieved this target over the past 12 months. Despite these excellent results we occasionally experience very serious incidents. When these occur, we work very hard to learn from each incident and take prompt action to minimise similar risks across all of our sites. I am proud of the Amcor team's dedication to safety.

Our global EnviroAction program continues to drive improvement in environmental performance throughout our operations. This program sets short- and long-term reduction targets for Greenhouse Gas (GHG) emissions intensity, municipal water use intensity and waste to landfill intensity.

Two years into our second five-year EnviroAction period, I am pleased to report excellent results. We have delivered a 13% reduction in GHG emissions intensity, waste to landfill intensity has decreased by 31% and there has been a 12% reduction in water use intensity by our Australasian operations.

Amcor's leadership in innovation in the materials we use and in packaging design have helped us deliver even better environmental performance and new and improved value propositions for our customers.

As we look to the new financial year, we are determined to strengthen our contribution to sustainability. We continue to work on ways to improve our engagement with the community. We know that Amcor's success depends on the success of the communities in which we operate. We are committed to applying our organisation's capabilities through our talented co-workers in ways that add value to communities, customers and co-workers wherever we operate.

Our strong financial results and the economic contribution we make in over 40 countries is testament to our operating model, The Amcor Way, the ongoing efforts of our talented co-workers

and the strength of our business. We will continue to utilise our considerable innovation expertise to deliver powerful solutions for our customers and for end-use consumers.

I am proud to invite you to read our 2013 Sustainability Review, which I believe demonstrates Amcor's commitment to sustainability and our performance in making a real difference. We hope you enjoy reading about our progress and we would welcome your feedback and questions.

Ken MacKenzie

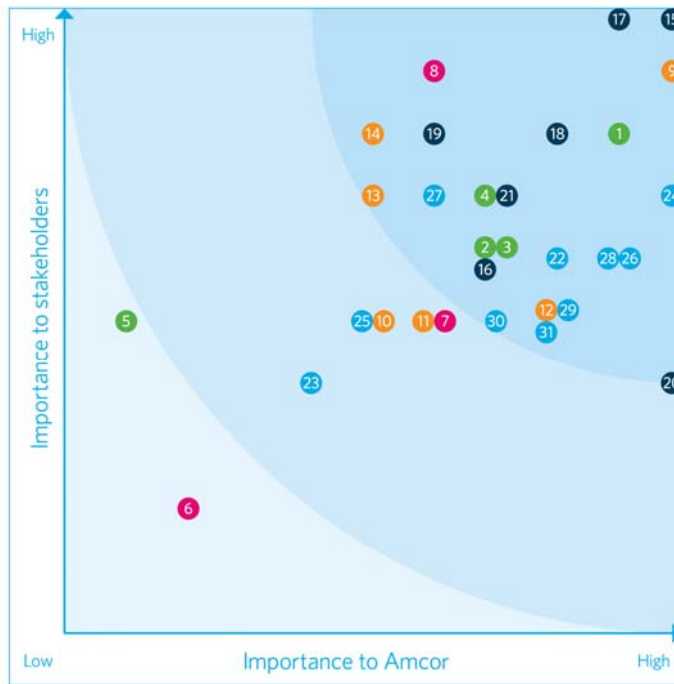
Managing Director and Chief Executive Officer

1.2 Description of key impacts, risks and opportunities

1.2.1 Key impacts on sustainability and effects on stakeholders

Each year, our Corporate Sustainability team conducts a materiality assessment to identify our key sustainability impacts, risks and opportunities. The process is described in section 3.5. Largely, the impacts, risks and opportunities remain unchanged from year to year.

Our key impacts are shown in the diagram below.



Environment	Community	Workplace	Marketplace	Economy
1 Measurement & reduction of GHG emissions	6 Supporting disaster relief	9 Workplace health and safety	15 LCA & product innovation	22 Good governance
2 Reducing waste	7 Community investments	10 Non-discrimination	16 Reducing food waste	23 Executive remuneration
3 Reducing water use	8 Social licence to operate	11 Upholding human rights	17 Product safety	24 Good risk management
4 Environmental management		12 Employee attraction & retention	18 Responsible & ethical supply chain	25 Management of stakeholder engagement
5 Biodiversity management		13 Gender diversity & equal opportunities	19 Extended producer responsibility for packaging	26 Financial performance
		14 Good labour practices	20 Customer relationship management	27 Plain tobacco packaging
			21 End of life solutions for packaging	28 Business continuity
				29 Climate change risks & opportunities
				30 Availability and price of raw materials and energy costs
				31 Doing business in emerging markets

We prioritise the issues 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.

Within each of these five areas we have prioritised specific issues, based on the issues that are highly material to our stakeholders, risk and opportunities we have identified and areas that support our strategic intent:

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.
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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 section 11 of this report.

1.2.2 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 in section 4.9.

Our progress against targets, our performance for the year and any new targets or goals for each of our focus areas is described in section 11 of this report.

2 Organisational Profile

2.1 Name of the Organisation

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

2.2 Primary brands, products and/or services

We are one of the largest packaging companies in the world, offering a broad range of plastic, fibre, metal and glass packaging and packaging-related services, including recycling. These products and services are used in a wide range of industries including: beverages, food, healthcare, industrial applications, personal and home care and tobacco.

We manufacture the vast majority of the products we sell, with approximately 10% of our revenue attributable to the distribution of products manufactured by other companies.

2.3 Operational structure of the organization

Our operational structure consists of the following Business Groups:

- > Flexibles Europe & Americas
- > Flexibles Asia Pacific
- > Rigid Plastics
- > Tobacco Packaging
- > Australasia and Packaging Distribution
- > These Business Groups all fall under the corporate structure of the Amcor Limited company.
- > One majority owned joint venture, Bericap, is managed and reported with the Rigid Plastics business group.
- > Neither the minority-owned AMVIG Holdings Limited (tobacco packaging) nor the 50% owned DISCMA AG is included in reporting

2.4 Location of the organisation's headquarters

Melbourne, Victoria, Australia.

2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report

At 30th June, 2013 we employed 33 353 co-workers and 2 212 contractors at more than 300 manufacturing sites, distribution centres and offices in over 40 countries.

Our operations are shown in the map below:



2.6 Nature of ownership and legal form

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

2.7 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. We also supply glass bottles for wine to Australian and New Zealand wineries and other glass bottles, glass jars and aluminium cans to food and beverage manufacturers in Australia and New Zealand.

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 make paper and cardboard packaging in multiple countries, and supply folding cartons and boxes to consumer goods companies and tobacco manufacturers around the world. Our fibre packaging is also used by fruit and vegetable growers as well as dairy, meat and fish suppliers all along the supply chain.

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

Our recycling business in Australia works with both large and small customers to provide appropriate recycling solutions for their waste materials.

Our distribution business sources a wide range of packaging products, equipment and industrial supplies to meet the needs of our customers.

2.8 Scale of the reporting organization

At 30th June, 2013 we employed 33 353 co-workers and 2 212 contractors at more than 300 sites in over 40 countries

Our net sales for the year were approximately \$12 billion.

Global sales by region for FY2012-2013 were:

- > North America 32%,
- > Western Europe 26%,
- > Australia and New Zealand 20%,
- > Emerging Markets 22%.

Information about our capitalization can be found in the *Statement of Financial Position as at 30 June 2013* on page 66 of our 2013 Annual Report.

2.9 Significant changes during the reporting period regarding size, structure and ownership

During FY2012-2013, we acquired AGI Shorewood's tobacco packaging and specialty folding carton operations for \$111.3 million (US\$114.8 million). The acquired business includes the 100% purchase of the AGI Shorewood operations located in the USA, selected operations situated in Mexico and China and 90% of the business located in South Korea. The acquired sites will be incorporated into our Tobacco Packaging business.

Several smaller acquisitions were also completed during the year:

- > IPC Tobacco Argentina S.A, a tobacco packaging business in Piso, Argentina.
- > Aluprint , which included a tobacco packaging plant in Monterrey, Mexico.
- > Both of these acquisitions will be incorporated into our Tobacco Packaging business.
- > Wayne Richardson Sales, an independently owned packaging and industrial distributor with eight distribution centres across Australia.
- > This acquisition has been incorporated into our Australasian & Packaging Distribution business.
- > Uniglobe, a flexible packaging company operating from a single site located in India. This site has been incorporated into our Flexibles Asia Pacific business.

None of these changes have had a material impact on our sustainability performance. Further information about divestments and acquisitions can be found on page 89 of our 2013 Annual Report.

2.10 Awards Received in the reporting period

Amcor continues to be listed on global and regional market indices, including:

- > The Dow Jones Sustainability Asia Pacific Index (which consists of top 20% of the 600 largest Australian, Hong Kong, Japanese, Korean, New Zealand, Singaporean and Taiwanese companies in the Dow Jones Global Total Stock Market Index that lead the field in terms of sustainability)
- > The Carbon Disclosure Leadership Index, Materials Sector, Australia and New Zealand region
- > The FTSE4Good index.

Across our sustainability areas, we received the following awards:

Marketplace

We were awarded a Continuing Innovation award at the prestigious DuPont Packaging Innovation Awards.

The redesign of our pharmaceutical blister pack to improve moisture protection also received a Silver Award at the Dupont Packaging Innovation Awards. The same pack also won a Resource Efficiency Alufoil award from the European Aluminium Foil Association.

Also at the Alufoil awards, our Alufix Dry Smart peelable can lid received a Technical Innovation award.

Two of our business units were recognised in the Johnson & Johnson 2012 Supplier Sustainability Awards for their overall sustainability efforts and targeted activities as a leading supplier to J&J.

Two of our divisions received Lion Supplier Awards from Lion Nathan - our Fibre Packaging division was recognized for its part in the execution of a major upgrade of a cheese manufacturing site and our Flexibles business was awarded a Best in Category – Packaging award for the supply of flexible packaging across Lion Nathan's Beer, Spirits and Wine and Dairy and Drinks operations.

At the Packaging Council Of Australia's Packaging Design Awards, our Fibre Packaging division received a Gold Award in the Industrial category for their Nursery Pallet Box . Our Flexibles business received the overall Design award, along with the Gold award in the Food category for the Heinz Squeeze & Stir Instant Soup (HJ Heinz). Our Beverage Can business was highly commended in the Beverages category for their Strongbow Cider Aluminium Bottle (Carlton & United Breweries).

Our Flexibles business was awarded first prize in the Flexible Plastic Pack Of The Year category for their dried fruit snack packaging at the UK Packaging Awards .

For the sixth year in a row, our Tobacco Packaging business received a Most Valued Supplier (MVS) Award from our customer R.J. Reynolds. At the same awards they also received the Sustainability Leadership Award.

In Thailand, we received a Best Quality Award and another Supplier award from our customer, Unilever.

In China, our sites received four awards from our customers

Workplace

Our site in Cambé, Brazil received a SESI(*) Life Quality Award, a national award for Environmental Health and Safety in a medium-sized company.

In Santiago, Chile our site received a prestigious national occupational safety award from the Chilean 'Instituto de Seguridad del Trabajo' (IST) or the Institute of Occupational Safety.

Our site in Alzira plant, Spain received a Workplace Conditions Assessment Achievement Award from the audit firm, Intertek, for their 100 per cent compliance result in an ethical audit of their site.

A co-worker from our Cartons division in New Zealand, received a Workplace Trainer Award from PrintNZ training. Amcor was recognized at the same awards for promoting a training culture within their workplace.

Community

The ColaLife's AidPod anti-diarrheal kit received top honors at the Dupont 2013 Packaging Awards. Amcor provided the lidding for this kit. The kit was also recognized as Ethical Product of the Year at the Observer Ethical Awards.

3 Report Parameters

3.1 Reporting period

The 12-month period to 30 June 2013.

3.2 Date of most recent previous report

October 2012.

3.3 Reporting cycle

Annual

3.4 Contact point for questions regarding the report or its contents

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

3.5 Process for defining report content

3.5.1 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 and their Technical Protocol – Applying the Report Content Principles when determining the content for this report.

The Protocol's suggested 3-step process was followed:

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 2-3 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
- > Conducting an online media assessment
- > 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.

Step 2: Prioritisation

The final list of issues was then ranked according to importance of each issue to our stakeholders and to Amcor to produce the materiality matrix.



Environment

- 1 Measurement & reduction of GHG emissions
- 2 Reducing waste
- 3 Reducing water use
- 4 Environmental management
- 5 Biodiversity management

Community

- 6 Supporting disaster relief
- 7 Community investments
- 8 Social licence to operate

Workplace

- 9 Workplace health and safety
- 10 Non-discrimination
- 11 Upholding human rights
- 12 Employee attraction & retention
- 13 Gender diversity & equal opportunities
- 14 Good labour practices
- 15 Management of organisational change

Marketplace

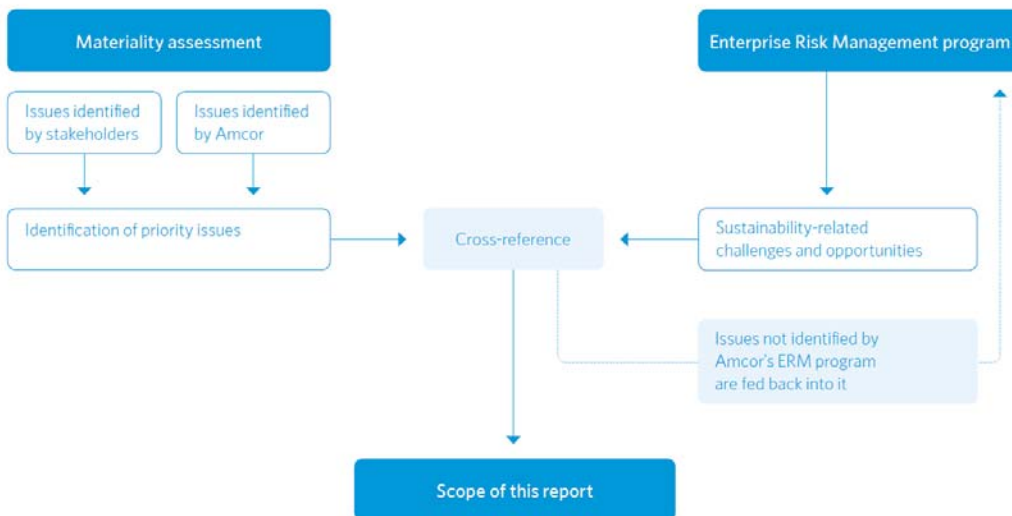
- 16 LCA & product innovation
- 17 Reducing food waste
- 18 Product safety
- 19 Responsible & ethical supply chain
- 20 Extended producer responsibility for packaging
- 21 Customer relationship management
- 22 End of life solutions for packaging

Economy

- 23 Management of stakeholder engagement
- 24 Financial performance
- 25 Standardised tobacco packaging
- 26 Business continuity
- 27 Climate change risks & opportunities
- 28 Availability and price of raw materials and energy costs
- 29 Doing business in emerging markets

3.5.2 Our Materiality Matrix

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.



Step 3: Validation. Using the final list of prioritised issues, we determined the material GRI Aspects, as per the GRI reporting protocol. We selected indicators within each GRI Aspect that best matched our prioritized issues and that ensured completeness of the report.

3.6 Boundary of the report

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

3.7 State any specific limitations on the scope or boundary of the report

The report covers Amcor's global operations. Joint-ventures of less than or equal to 50% ownership are not covered in this report.

3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organizations

The report covers Amcor's wholly-owned global operations. Joint-ventures of less than or equal to 50% ownership are not covered in this report.

3.9 Data measurement techniques and the bases of calculations

3.9.1 Greenhouse gas emissions

Scope 1 and 2 greenhouse gas emissions are calculated based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). Scope 1 emission factors for fuel combustion are sourced from the World Resources Institute (2008) GHG Protocol Tool for Stationary Combustion, Version 4.0. 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 CO₂ Emissions from Fuel Combustion (2010 Edition). For Australia, scope 2 emission factors are sourced from the National Greenhouse Accounts Factors 2012 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.

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.

Other report data, including the bases of calculations and assumptions follow the guidance given within each GRI Performance Indicator, unless indicated otherwise.

3.10 Explanation of the effect of any re-statements of information provided in earlier reports

Since the finalisation of our 2012 Sustainability Report, the LTIFR result for FY2011-2012 has been recalculated from 0.7 to 0.8 and the RCFR from 3.1 to 3.4. This is attributable to the integration of acquired sites and changes in injury severity over time.

We also recalculated our energy, GHG emissions, waste and water use from our last two reporting periods (FY2010-2011 and FY2011-2012) to include sites acquired over that time period.

Each year, we recalculate our historical data back to the FY2010-2011 baseline year for GHG emissions, waste to landfill and water use to include acquired sites and exclude sites that have been sold. 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).

3.11 Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report

There are no significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report.

3.12 Table identifying the location of the Standard Disclosures in the report

The G3.1 Content Index is provided at the end of this report.

3.13 Policy and current practice with regard to seeking external assurance for the report

The report has been assured in accordance with the AA100 Assurance Standard (2008) by Net Balance Management Group Pty Ltd. Refer to section 13 for details.

4 Governance, Commitments and Engagement

4.1 Governance structure of the organisation

The Board of Directors of Amcor Limited 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 Limited 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) 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

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 in our 2013 Annual Report (www.amcorannualreport.com).

C I Roberts (Chairman) Independent Non-Executive Director

K N MacKenzie Managing Director and Chief Executive Officer

K J Guerra Independent Non-Executive Director

G R Liebelt Independent Non-Executive Director

A Meyer Independent Non-Executive Director

G J Pizzey Independent Non-Executive Director

J L Sutcliffe Independent Non-Executive Director

J G Thorn Independent Non-Executive Director

We do not report the composition of the Board by age group, minority group or other diversity indicators. The gender diversity of the Board is listed in 4.3.

4.2 Indicate whether the Chair of the highest governance body is also an executive officer

The Chairman is a non-executive director.

4.3 Number and gender of members of the highest governance body that are independent and/or non-executive members

7 non-executive directors and 1 executive director.

7 males and 1 female

4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body

Shareholders can communicate with our Board of Directors via:

Our Annual General Meeting
The Investor's Call Centre service
Our Third party complaints service

Employees can communicate to our highest levels of management and governance bodies via:

- > Engagement through the Company's management structure, either individually or via workers' union representation
- > Employee surveys
- > Employee meetings
- > Our Whistleblower service
- > The website enquiry form.

Processes for handling shareholder resolutions are described in our constitution, available at: <http://media.amcor.com/documents/Amcor-Constitution-2012.pdf>

There are no employee representation bodies at the organisational level. Employee representation is undertaken by trade unions and work councils within our businesses, typically at site level.

4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives and the organisation's performance (including social and environmental performance).

The remuneration arrangements for our Chief Executive Officer (CEO) and our senior executives include at risk short term incentives that involve meeting workplace safety targets as a condition.

In order to maintain independence and impartiality, Non-Executive Directors do not receive performance-based remuneration

4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. The Board has developed procedures to assist Directors to disclose potential conflicts of interest and, each year, all Non-Executive Directors complete independence declarations. Where the Board believes that a significant conflict exists for a Director on a Board matter, the Director concerned does not receive the relevant Board papers and is not present at the meeting whilst the item is considered.

4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.

4.7.1 Composition of the Board

The Board's composition is determined based on criteria set out in the Company's Constitution and the Board Charter, including:

- > An objective of eight Directors, with a broad range of expertise both nationally and internationally;
- > A majority of Independent Non-Executive Directors and a Non-Executive Director as Chairman;
- > A majority of Directors having extensive knowledge of the Company's industries, and those who do not, having extensive expertise in significant aspects of financial reporting and risk management of large companies;

- > A number of Directors having international experience in the countries in which the Company operates; and
- > Re-election of Directors at least every three years (except for the Managing Director and Chief Executive Officer).

The Board seeks to ensure that:

- > At any point in time, its membership represents an appropriate balance between Directors with experience and knowledge of the Group and Directors with an external or fresh perspective;
- > There is a sufficient number of Directors to serve on Board Committees without overburdening the Directors or making it difficult for them to fully discharge their responsibilities; and
- > The size of the Board is appropriate to facilitate effective discussion and efficient decision making.

In reviewing its membership, the Board adheres to Amcor's diversity framework 'Talent through Diversity'.

4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation

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.

Read our Corporate Code of Conduct and Ethics Policy and our Sustainability Policy at www.amcor.com/policies.

Our approach to Sustainability is described in section 1.2.

4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles

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 Board and senior executives have responsibility for driving and supporting risk management across the Company. Each business group then has responsibility for implementing this approach and adapting it, as appropriate, to its own circumstances. Having an executive level Risk Champion in each business group helps ensure a consistent approach to risk management.

Our Enterprise Risk Management (ERM) program incorporates the principles of effective risk management, as set out in the Global Risk Management Standard ISO31000. Our Risk Management Framework Summary describes our ERM program and risk management objectives. This document is available at www.amcor.com/policies.

ERM seeks to apply risk management across an entire organisation, and it does this so that all material risks can be identified, assessed and treated. In support of this approach our Board sets the risk appetite of the organisation to take account of safety, environment, reputation, operational, project and corporate governance risks, in addition to strategic and financial risks.

Our assurance function, which includes the internal audit team, plays a key role in reviewing the effectiveness of our compliance and control systems, including risk management. Findings from reviews are communicated in formal reports to the Board and the Audit and Compliance Committee, and then appropriate action is taken to support the maintenance of a strong control environment.

In FY2012-2013 we expanded the coverage of our risk management framework and processes by including lower levels of our business in the corporate Strategic Planning Review Process for the first time. By bringing together Business Unit level representatives and their Financial Controllers and Compliance Managers, a deeper level operational risk management was made possible.

To assess and manage risks associated with major projects, the standardised templates for project management risk developed last year were implemented throughout our global operations.

In FY2011-2012 we reported that we postponed our annual external party risk management assessment, however this year, given the maturity of risk management framework, it was concluded that an external party risk management assessment would not yield any further or more sophisticated information or insights than our risk management framework. As such, no external party risk assessment was conducted this year.

4.9.1 Business Continuity and Crisis Management

This year we conducted pilot Business Continuity Assessments at four strategically important sites. Suppliers to these sites were mapped geographically and risk data was overlaid to support the identification of potential landscape-scale risks (e.g. hurricanes) to the continuity of operations at those sites. The results of these pilot assessments are being integrated with the central planning functions for each site and plans for responding to such events have been developed.

We plan to conduct Business Continuity Assessments for all strategically important sites and share best practices with all remaining sites.

During the FY2012-2013 year we conducted Crisis Management training for our Executive Team in Australia as well as the leadership team within our Rigid Plastics business. Similar training for our Tobacco Packaging business is planned for FY2013-2014. Facilitated training for more complex cross-border/cross-jurisdictional issues is also planned for FY2013-2014.

4.9.2 Fraud

Since the Global Financial Crisis, there has been a worldwide increase in concerns regarding fraud. In response to this we began a project this year to increase the level of focus on fraud in our business activities. The scope and design of the project are based on the 'Open Compliance and Ethics Red Book' and resources from the 'Association of Chartered Fraud Examiners' were utilised to further support implementation of the project.

Three key elements of the project were implemented during the FY2012-2013 year. Firstly, our Fraud policy was refreshed and a global message was communicated to every co-worker notifying them that implementation of this project had commenced, stipulating that fraud is not tolerated, outlining their responsibilities and reminding them of our Whistleblower service. Secondly, fraud control self-assessments, focusing on payroll, inventory and accounts payable, were completed for 99% of our operations. Thirdly, potential 'red-flags' were identified for each site and the responsible Financial Controllers and General Managers completed and signed-off a workflow assessment.

Implementation of this project is ongoing, including the development of an online training module. Project progress is reported regularly to our Board Audit Committee.

4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance)

Amcor has in place a formal process to educate new Directors about the operation of the Board and its Committees, and financial, strategic, operations and risk management issues, the corporate strategy and the expectations of performance of Directors.

We remunerate the CEO and Senior Executives using a combination of fixed and variable plans. Performance metrics are carefully selected to ensure alignment with business imperatives. More information is available in the Remuneration Report section of our 2013 Annual Report www.amcorannualreport.com.

Whilst there are no formal processes to evaluate the Board’s own sustainability performance, stakeholders are able to provide feedback via the mechanisms listed in section 4.16.

4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization

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: ‘Amcor is committed to managing its operations in an environmentally responsible manner.’ 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.

4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.

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 in section 4.13.

4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations

4.13.1 Global forums

Amcor is a member of many industry bodies and often holds leadership positions within these forums, as listed below:

Organisation	Membership status or contributions	Reach
Sustainable Packaging Coalition (SPC)	Member-Led Working Group on Consumer Outreach & Education	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 of the International Life Cycle Board 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 of WG, advisers to EAFA/fpe studies and communications. Co-Chair of sustainability committee	Europe
Aluminum Stewardship Initiative (formerly Responsible Aluminium Initiative)	Founding member and active participation	Global

Organisation	Membership status or contributions	Reach
European Bioplastics Association	Active participation	Europe
European Organization for Packaging and the Environment (EUROPEN)	Member	Europe
International Packaging Institute IPI	Member	International
GS1 Fachverband Schweiz 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 Flexographic Technical Association (AFTA)	Membership	Australia
Australian Food and Grocery Council	Membership	Australia
European Carton Makers Association	Membership	Europe
European Committee for Standardization (CEN), International Standardization Organization (ISO)	Member of various working groups	Europe

Organisation	Membership status or contributions	Reach
Flexible Packaging Association (FPA)	Membership	USA
Institute of Packaging Professionals (IoPP)	Benefactors	USA
Leatherhead Food Research Association	Membership	UK
Australian Packaging Covenant (APC)	Signatory	Australia
Packaging Council of New Zealand	Membership	NZ
Packaging Council of Australia	An Amcor representative currently sits on the board of management	Australia
Smithers PIRA	Membership	Global
Sterilization Packaging Manufacturers Council (SPMC)	Membership	USA
The Packaging and Films Association	Member	UK
Global Food Safety Initiative (GFSI)	Participant & Packaging Working Group Member	Global
Australian Council of Recycling	Member of National Executive Board Member	Australia
CNE – Centro Nacional de Embalagem (Portugal Packaging Centre)	Partner	Portugal
APIP - Associação Portuguesa da Indústria de Plásticos (Portugal Plastic Industry Association)	Member	Portugal
Compromiso Empresarial Para El Reciclaje (CEMPRE)	Member	Columbia
Plastics Export Promotion Council	Member	India
Quality Circle Forum	Member	India
Indian Flexible Packaging and Folding Carton Manufactuers Association	Member	India
Indian Plastic Institute	Member	India
Gravure Association	Member	China

4.14 List of stakeholder groups engaged by the organisation

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

4.15 Basis for identification and selection of stakeholders with whom to engage

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.

4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group

Our approach to stakeholder engagement is aligned with the principles of the AA1000 Stakeholder Engagement Standard (AA1000SES). Our stakeholders provide a diverse range of perspectives and we maintain various formal management systems to engage with, listen to and learn from them. We take their feedback seriously, and when appropriate and relevant to our business, incorporate it into our thinking and planning. To prioritise our stakeholders and their concerns, we look at both the relevance of the stakeholders' relationship to our business and the importance of the particular issue being raised.

During the year, we had many discussions as part of ongoing business activities, and generated ongoing discussion through web tools and formal surveys. The online enquiries form on our website lists 'Sustainability' as a specific topic selection, enabling stakeholders to share issues, concerns and comments directly with members of our Corporate Sustainability team.

During FY2012-2013 the following engagement activities were undertaken either specifically about our sustainability approach or the engagement activity provided an opportunity for stakeholders to comment or discuss sustainability topics.

Stakeholder group	Engagement method	Frequency during FY2012-2013
Investors and Suppliers of Capital	Annual General Meeting	1
	Conferences	2
	Briefings	1 week long session
	Telephone surveys	3
Customers	Telephone & printed surveys	504 surveys over the year
Government		3 submissions
		Meetings with 4 government representatives
Industry bodies	Attendance at meetings and events	Not quantified
Suppliers	Meetings and events	Not quantified

Stakeholders can also use the following on-demand engagement opportunities:

Co-workers –Employee meetings, our Whistleblower service, website enquiry form

Investors and Suppliers of Capital – Investor Call Centre service, website enquiry form, Our Third Party complaints service

Customers – Ongoing business communications, SEDEX participation (refer to section 11.4) website enquiry form, Our Third Party complaints service

Government – Website enquiry form, our Third Party complaints service

Community – Website enquiry form, partnership projects, our Third Party complaints service

Suppliers – Ongoing business communications, our Third Party complaints service

4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting

The key topics and concerns raised by stakeholders are incorporated into our materiality assessment process and are shown in section 3.5. How we respond operationally to the key topics and concerns categorised as 'highly material' is detailed in the relevant sections of this report..

5 Performance Indicators: Economic

5.1 Disclosure on Management Approach

5.1.1 Economic Performance, Market Presence and Indirect Economic Impacts

As a global leader in the packaging industry, Amcor has 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; and
- > Ensuring responsible and ethical sourcing/procurement.

The financial profits we derive are only part of the overall economic contribution we make to society. Our indirect economic impacts include the value that flows from the broader contributions of our operations, such as payments to our co-workers and suppliers, the value we offer our customers and disbursements to governments, including taxes and royalties in multiple countries. Infrastructure investments for public benefit are infrequent and usually at the request of local government bodies.

We have continued to deliver excellent financial performance, with profit after tax and before significant items for the year ending 30 June 2013 being \$689.5 million, up 8.6% over last year. Our results for FY2012-2013 can be found in the 2013 Annual Report, available online at www.amcorannualreport.com or in printed form by request.

We continue to expand our operations into emerging markets such as Asia and South America (refer to information about acquisitions during the reporting period in section 2.9). Typically, we acquire existing businesses and maintain existing supplier and employee relationships. Whilst there are no formal policies or procedures for using locally-based suppliers or local hiring, we believe hiring high quality local management is the key to developing a global business where we can retain small company local knowledge and responsiveness.

5.1.2 Risks and opportunities due to climate change

Climate change has the potential to have a substantial impact on economic systems and the industries they support. We recognise that climate change is a challenge for the packaging industry which will impact our suppliers, our customers and our own operations in many ways. We have been working for a number of years to reduce the greenhouse gas emissions associated with our supply chains, raw material inputs, manufacturing operations and products around the world. We identify and manage risks and opportunities arising from climate change and a low-carbon economy through our Enterprise Risk Management process.

We hold different positions in a number of non-governmental and industry associations and groups that promote a science and life cycle based approach for addressing climate change and packaging sustainability. Our active and often leading participation in these organisations is raising awareness around the role of packaging and the opportunities for improvement across the value chain. Climate change is an integral and essential element of all these sustainability initiatives.

We have assessed the likely climate change-related physical, market and regulatory risks and have introduced programs to mitigate or adapt to these changes, including: reporting on our global greenhouse gas (GHG) emissions, waste and water use to the Executive Team and our stakeholders; development of global targets and action plans to reduce our GHG emissions, waste and water; inclusion of climate change-related risks and opportunities in our Enterprise Risk Management system; active engagement in policy debate on climate change; and incorporation of carbon due diligence into the environmental due diligence processes when major acquisitions are under consideration.

We provide incentives for the management of climate change issues. Business group environmental target performance and the development and delivery of action plans to achieve targets are built in to Key Performance Indicators (KPIs) for Business Group Sustainability Leaders and other co-workers responsible for environmental performance. Satisfactory achievement of KPIs as reported through the Performance Management process triggers both the pay review and the

Staff Incentive Plan (SIP) or Management Incentive Plan (MIP) processes, depending on the level of the individual person. Any co-worker or management member who has KPIs relating to environmental performance and fulfils those for the performance period is entitled to benefit from these incentives. Our Senior Leaders need to demonstrate that they “Actively promote environmental responsibility and sustainable business outcomes” to meet the gateway criteria for the MIP.

Achievements by individuals or teams in a variety of areas, including energy reduction projects and ideas, are recognised in internal newsletters and through various internal award programs.

EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments

Direct economic impacts

Component	Comment	FY2012/13 A\$ (million)
A. Direct economic value generated		12695.5
a) Revenues	Net sales plus revenues from financial investments and sales of assets	12695.5
B. Economic value distributed		11930.5
a) Operating costs, including payments to suppliers, non-strategic investments, royalties and facilitation payments		8585.9
b) Employee wages and benefits: total monetary outflows for employees (current payments, not future commitments)		2521.6
c) Payments to providers of capital, including dividends and interest		684.8
		1.6 Australasia
		66.3 Europe
d) Government taxes*		30.0 North America
		25.9 Latin America
		14.2 Asia
f) Voluntary community investments		0.17
C. Economic value retained (A–B)		765

*These numbers have been restated since the first release of this report on the 24th of October, 2013. The numbers previously published represent the income tax expense attributable to continuing operations as set out in Note 8 to the Amcor Limited 2013 Financial Statements (refer Amcor Limited 2013 Annual Report). This is accounting income tax expense only, and does not represent cash tax paid. The revised numbers in the table above represent those corporate income tax payments that we made in cash during 2013. We consider cash tax paid to be a more accurate reflection of our income tax contribution during 2013.

Importantly, we also make a significant contribution to the economies in which we operate through the payment of other taxes, including consumption taxes (eg GST, VAT, sales tax), payroll taxes, capital and stamp duties, and environmental taxes. These taxes have not been quantified for this report.

EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change

Refer to section 11.5 of this report.

EC3 Coverage of the organization's defined benefit plan obligations

Globally, we maintain numerous defined benefit pension arrangements. On a vested benefit basis, certain plans are in actuarial surplus, while the remainder are in a position of actuarial deficiency. Surpluses and deficiencies depend on many diverse factors and can vary significantly over time having regard, for example, to movements in the investment markets, future salary increases and changes in employment patterns. Our position and funding policy in relation to our defined benefit arrangements is described in Note 24 of our 2013 Annual Report www.amcorannualreport.com.

We have no legal obligation to settle any unfunded defined benefit obligation with an immediate contribution or additional one-off contributions. The objective of funding is to ensure that the benefit entitlements of members and other beneficiaries are fully funded by the time they become payable.

Our current intention is to make annual contributions to defined benefit funds at a rate determined from time to time, following discussions with the funds' actuaries or other competent authorities and advisors. We expect that the contribution rates will be determined after taking into account sound actuarial principles and would be designed to enable all consolidated entity defined benefit funds to meet retirement expectations and relevant regulatory requirements. The consolidated entity's current intention is based on these assumptions. The consolidated entity reserves the right to increase, reduce or suspend its contributions to the funds as it sees fit.

Our Australasian Business benefited this year by moving a number of employees out of a Company sponsored, defined benefit superannuation fund into an accumulation fund. This process resulted in a release of pension liabilities of \$15.2 million;

EC4 Significant financial assistance received from government

Financial assistance from government typically takes the form of:

- > Grants, low rate loans and tax reduction for R&D investments
- > Grants, low rate loans and tax reduction for safety projects and awarding low injury rates
- > Grants, low rate loans and tax reduction for energy (CO₂ emission) reduction projects and achievements

We are impacted by carbon tax and emissions trading schemes around the world, including the Australian Government's Clean Energy Legislative package, 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. Amcor also pays carbon taxes in any countries where they are applicable.

This year, our Australasia business undertook an energy audit of their sites. This identified a range of energy efficiency projects that are eligible for government grants. The business is investing \$2.7 million in these projects, supplemented by \$1.5 million in government grants. Once these projects are completed, the expected energy efficiency savings are expected to total approximately \$1.8 million per year.

Under the Australian Government's Clean Energy Legislative package we were issued with a credit for 615 943 CO₂ permits during FY2012-2013. These credits were priced at \$23 each, representing a total of \$14 166 689.

In New South Wales (NSW), Australia, we purchased 2 315 NSW Greenhouse Gas Abatement certificates (NGACs) within the Greenhouse Gas Reduction Scheme (GGAS) for \$4 630 and created and sold 5044 Energy Saving Certificates (ESCs) credits totalling \$151 320. These credits

resulted from energy efficiency improvements at our Botany Paper Mill. Since the introduction of the Australian Federal Government's emissions trading scheme, the NSW Greenhouse Gas Reduction Scheme has been discontinued.

In China, we received approximately A\$870 000 from the Chinese Science and Technology Bureau for technology projects. We also participated in the emissions trading scheme in China.

In Europe, we participated in the following emissions trading schemes:

	AF Gent	AF Rorschach	AF Burgdorf	AF Kreuzlingen
Scheme name	EUETS	Swiss ETS	Swiss ETS	Swiss ETS
Allowances allocated CO ₂ e	17 531	10 844	2 756	4 584
Allowances purchased CO ₂ e	0	0	0	0
Verified emissions in tonnes of CO ₂	4 639	7 615	1 807	4 086

6 Performance Indicators: Environmental

6.1 Disclosure on Management Approach

6.1.1 Materials

Our approach to the environmental impact of materials that we use is discussed in section 11.4.1 of this document.

6.1.2 Energy & GHG emissions

Our approach to energy use and greenhouse gas (GHG) emissions is discussed in section 11.1.2 of this document.

6.1.3 Water

Our approach to water use is discussed in section 11.1.2 of this document.

6.1.4 Biodiversity

This is not a material issue as most of our sites are located within industrial parks or commercial estates.

6.1.5 Emissions, effluents, waste & compliance

Our approach to environmental management is discussed in section 11.1.1 of this document.

6.1.6 Products & Services

Our approach to managing the environmental impacts of our products and services is discussed in section 11.1.2 & section 11.4.1 of this document.

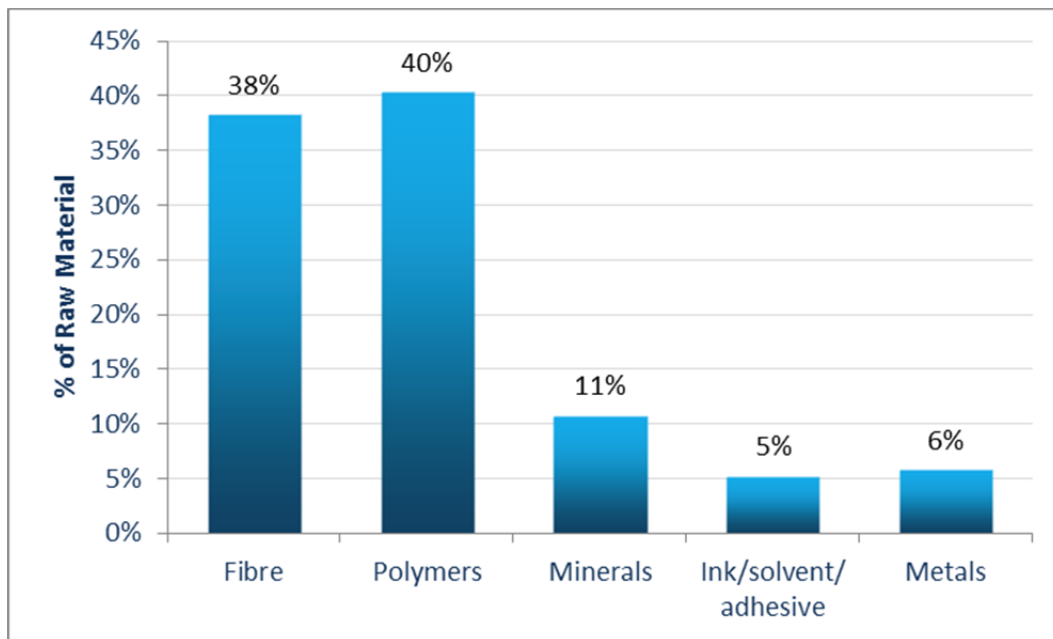
6.1.7 Transport

We monitor and manage the environmental impacts of transporting our products, materials and employees through our EnviroChart database (described in 11.1.2). This is primarily the measurement and recording of the energy usage and GHG emissions associated with this transport.

Environmental impacts from the distribution of packaging products are included in our life cycle assessment methodology, described in 11.4.1.

EN1 Materials used by weight or volume

We used a total of 3 532 885 tonnes of raw materials in FY2012-2013, mostly fibre and polymers.



The breakdown of raw material by material type.

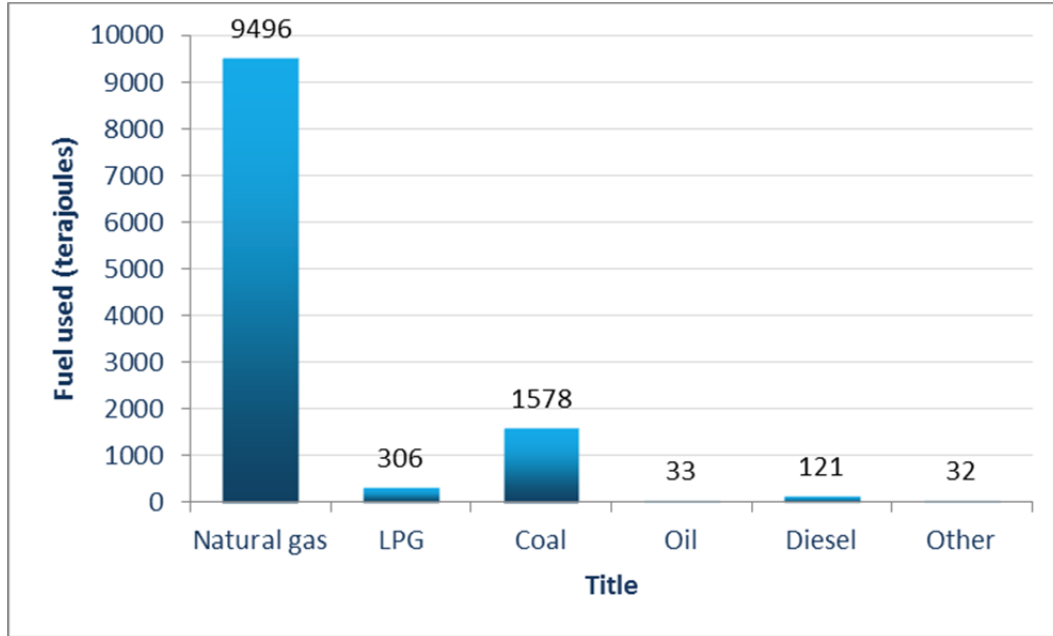
EN2 Percentage of materials used that are recycled input materials

The average recycled content of the materials used to manufacture our products ranges from zero to 100% recycled.

Material	Main products	Region of production	Recycled content
Fibre	Corrugated boxes	Australia, North America, New Zealand	0–100
	Cartons / cartonboard	Australia, Europe, North America, New Zealand	0–100%
	Multiwall Sacks	Australia	0%
PET	Containers	North America,	0-100%
		Latin America	0–100%
HDPE	Containers	North America	0–25%
Polymers	Flexible films	Australia, Asia, Europe, New Zealand, North America, South America	<1%
	Closures	Australia, North America	0%
Compostable polymers	Flexible films	Europe	<1%
Glass	Bottles	Australia	33%
Aluminium	Beverage cans	Australasia	66%
	Closures	Australia	0%
Steel	Closures	Australia, North America, Europe	15%

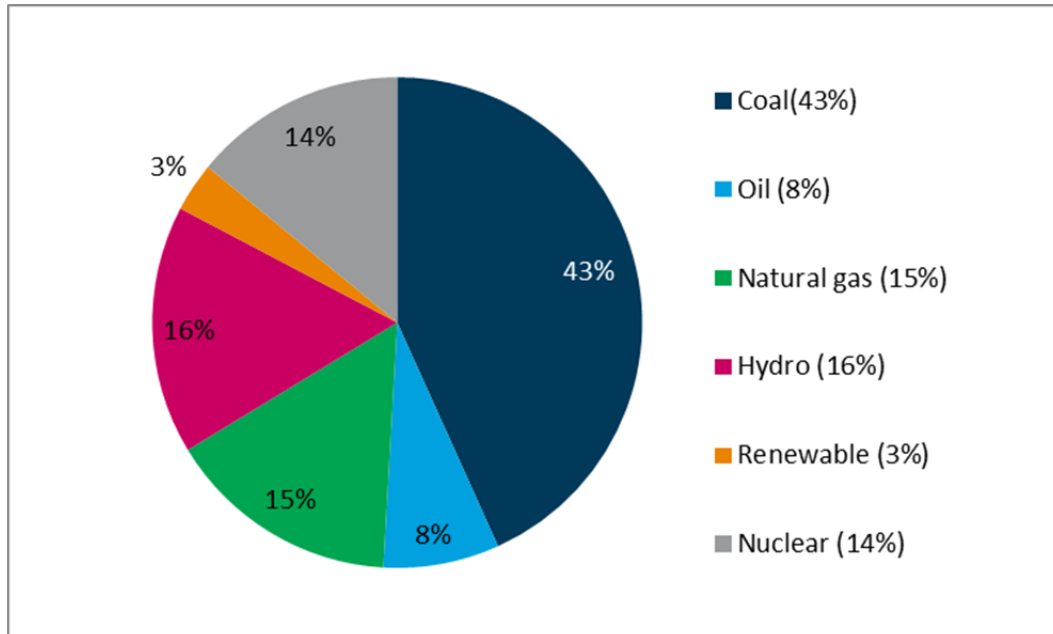
EN3 Direct energy consumption by primary energy source

We consumed a total of 11 566 terajoules of energy through purchase and use of different energy sources, with natural gas dominating our direct energy consumption. The majority of the natural gas is used two sites in Australia - our paper mill in New South Wales and our glass plant in South Australia.



Direct energy consumption (terajoules) by fuel type. 'Other' is mostly car fleet fuel.

EN4 Indirect energy consumption by primary source



Breakdown of indirect energy consumption by source of electricity generation

Consumption consisted of:

	Coal	Oil	Natural gas	Hydro	Renewable	Nuclear	total
MWh	1 294 021	229 163	461 008	490 152	96 882	434 726	3 005 952

EN5 Energy saved due to conservation and efficiency improvements

Each of our Business Groups has a GHG emissions reduction target to support our global target. To achieve these targets, the Business Groups have developed plans and targets for their sites, where appropriate. This is driving many energy efficiency projects. These projects report the GHG emissions reductions achieved and data is not available on a consolidated basis for the energy saved by such projects.

EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives

Refer to section 11.1.2 for information about how we incorporate life cycle assessments into our product development initiatives.

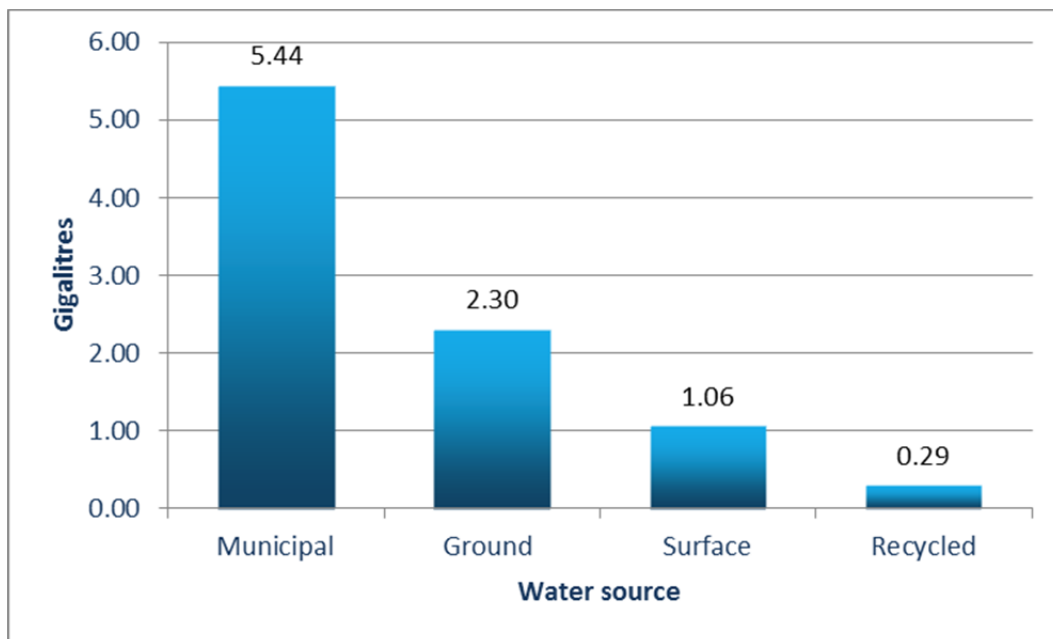
The reduction in energy requirements associated with each initiative is not available on a consolidated basis.

EN7 Initiatives to reduce indirect energy consumption and reductions achieved

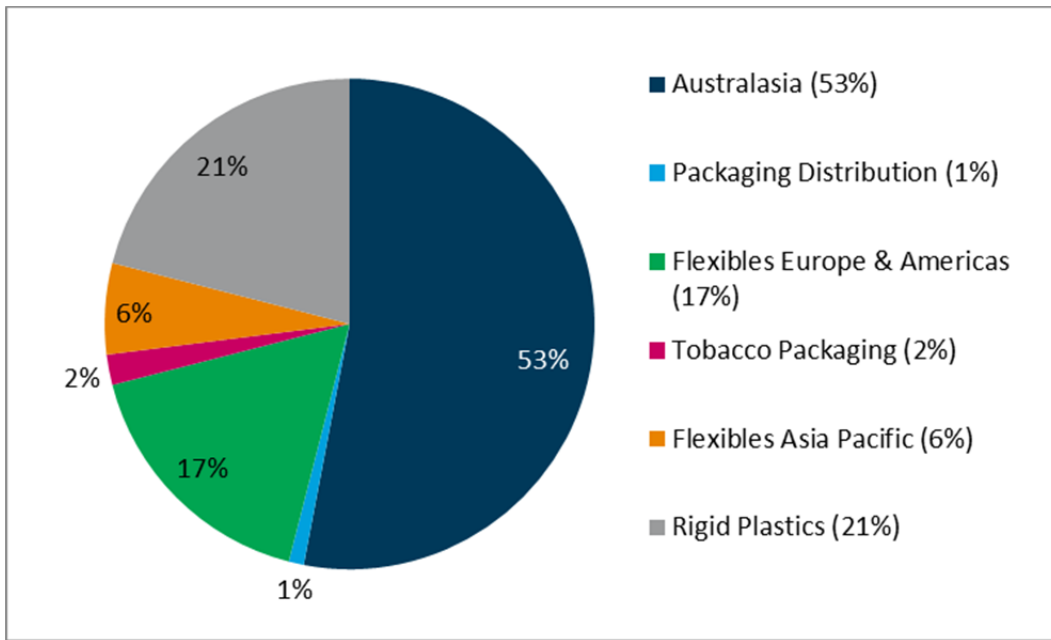
Each of our Business Groups has a GHG emissions reduction target to support our global target. To achieve these targets, the business groups have developed plans and targets for their sites, where appropriate. The energy consumption reduction associated with each initiative is not available on a consolidated basis.

EN8 Total water withdrawal by source

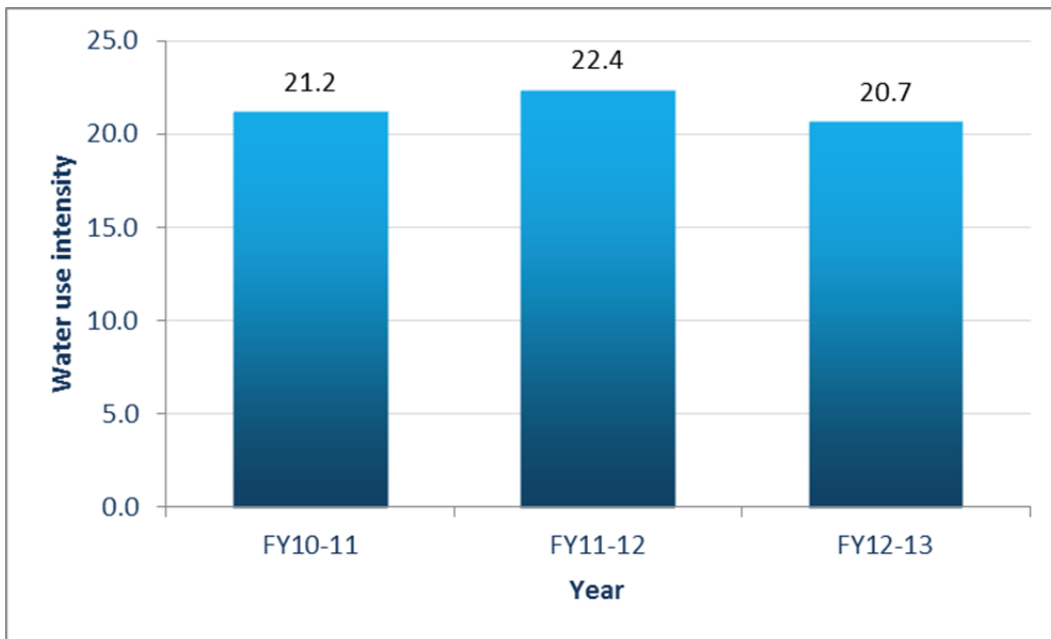
During FY2012-2013 our global water use was 9.08 gigalitres.



Total water (in gigalitres), withdrawn by source



Water use by Business Group as a percentage of total water use globally.



Water use intensity (megalitres per million A\$ gross profit) of our Australasian business (the only business with external water use reduction targets).

Water conservation is an issue for sites in the water-stressed areas of Australia, parts of the southern USA, Mexico and some areas of South America.

The majority of Amcor's municipal water is used by our Rigid Plastics business in the Americas, where it is mainly used for evaporative cooling, and by our Paper and Board Business Unit in Australia as paper manufacturing processes are inherently water intensive. Alternative water sources, such as recycled water supplied by the local water authority, ground water and river water, are used for cooling at our Paper and Board mills and at other manufacturing sites.

During FY2012-2013 we reassessed all of our manufacturing sites using the World Business Council for Sustainable Development Global Water Tool. Of the 30 sites in regions identified as water stressed or water scarce, 13 are covered by water use reduction targets in our Business Groups. The remaining sites in these regions have water management plans in place and have

been assessed as low water risk due to low site water usage or no local focus on water reduction by authorities.

The second-largest water user, our Rigid Plastics business, commissioned a water stewardship plan this year, designed to assess the risks and opportunities associated with water use at their sites.

EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

Not material for Amcor

EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas

Not material for Amcor

EN13 Habitats protected or restored

Not material for Amcor

EN14 Strategies, current actions, and future plans for managing impacts on biodiversity

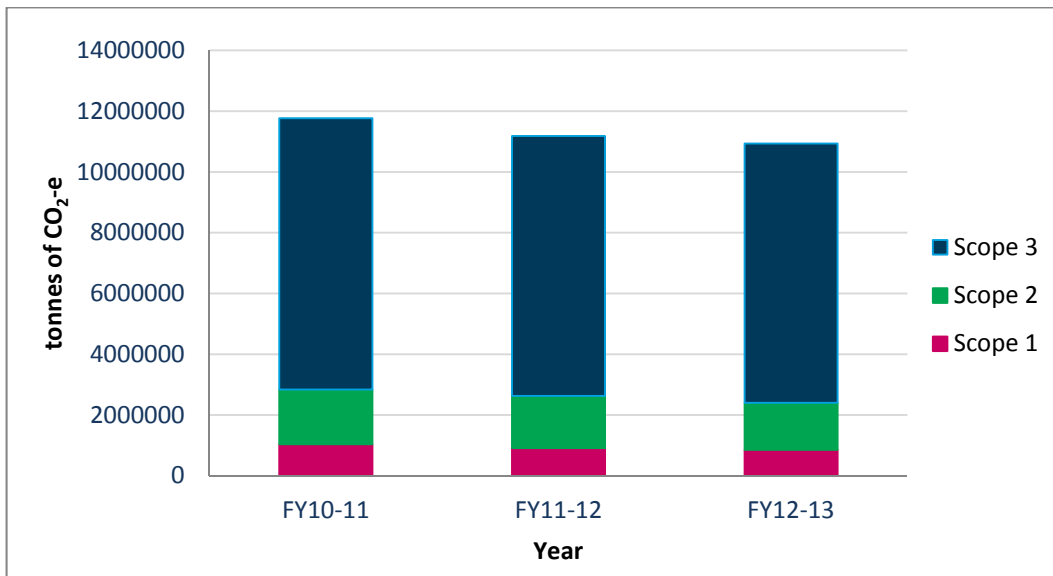
Not material for Amcor

EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk

Not material for Amcor

EN16 Total direct and indirect greenhouse gas emissions by weight

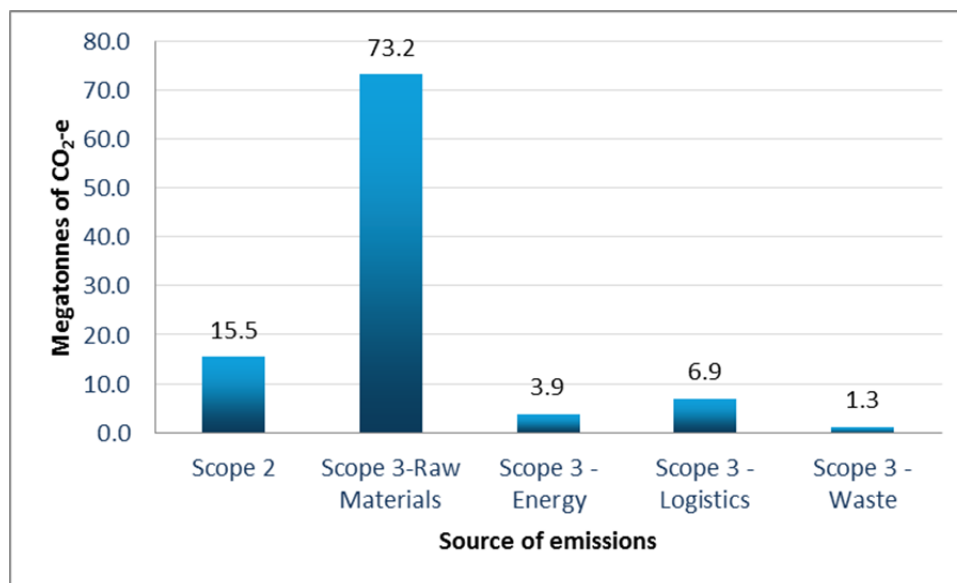
Total (scope 1, 2 and 3) absolute GHG emissions in FY2012-2013 were 10.9 million tonnes, with scope 1 + 2 representing 22% of total emissions.



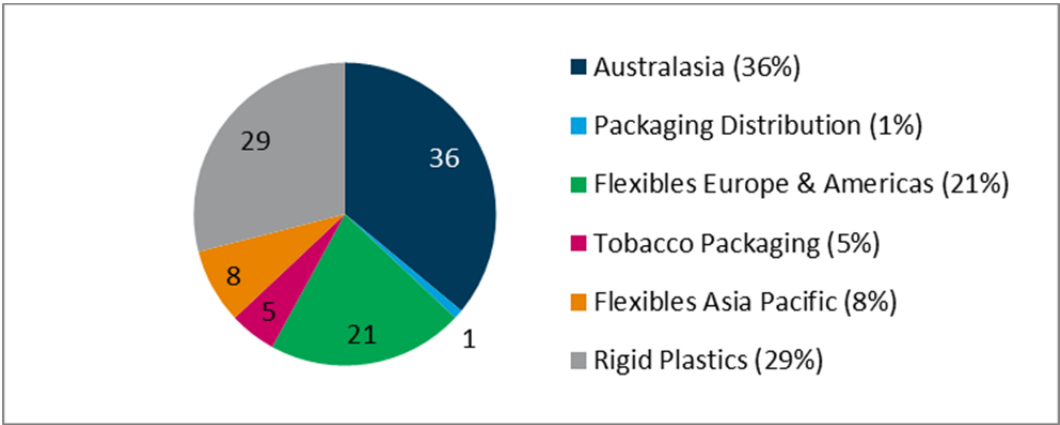
Total direct (scope 1) and indirect (scope 2 + 3) GHG emissions (in tonnes of CO₂-e) over time

	FY2010-2011	FY2011-2012	FY2012-2013
Absolute GHG emissions (scope 1+2+3), tonnes CO ₂ e			
Total	11 767 473	11 181 632	10 934 831
Absolute GHG emissions (scope 1), tonnes CO ₂ e			
Total	1 035 690	909 541	852 563
Absolute GHG emissions (scope 2), tonnes CO ₂ e			
Total	1 802 375	1 717 582	1 550 553
Absolute GHG emissions (scope 3 raw materials), tonnes CO ₂ e			
Total	7 671 034	7 331 172	7 324 346
Absolute GHG emissions (scope 3 logistics), tonnes CO ₂ e			
Total	650 543	653 981	692 738
Absolute GHG emissions (scope 3 energy), tonnes CO ₂ e			
Total	459 798	431 106	387 579
Absolute GHG emissions (scope 3 waste), tonnes CO ₂ e			
Total	148 033	138 251	127 052
Absolute GHG emissions (scope 3 total), tonnes CO ₂ e			
Total	8 929 408	8 554 510	8 531 715

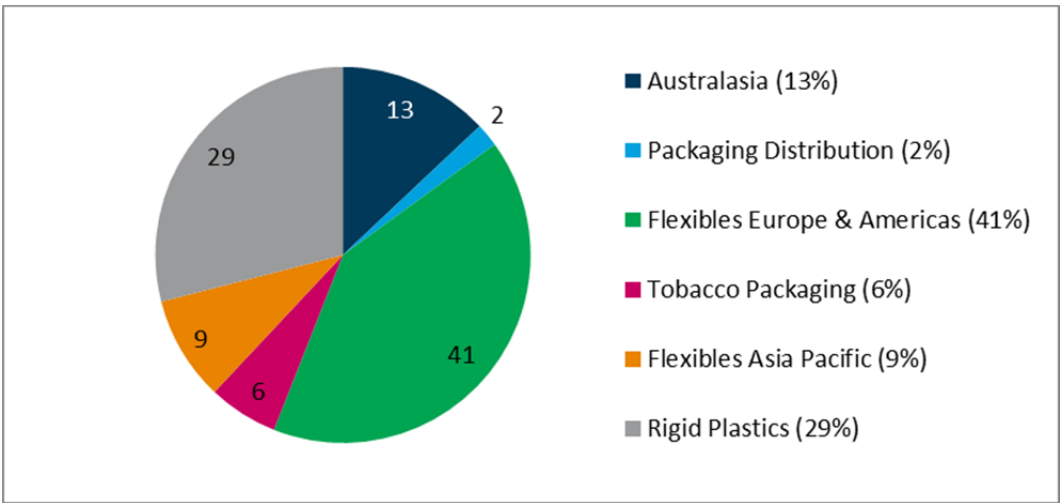
The breakdown of our GHG emissions over the last three years.



Indirect GHG emissions (in megatonnes of CO₂-e) by source

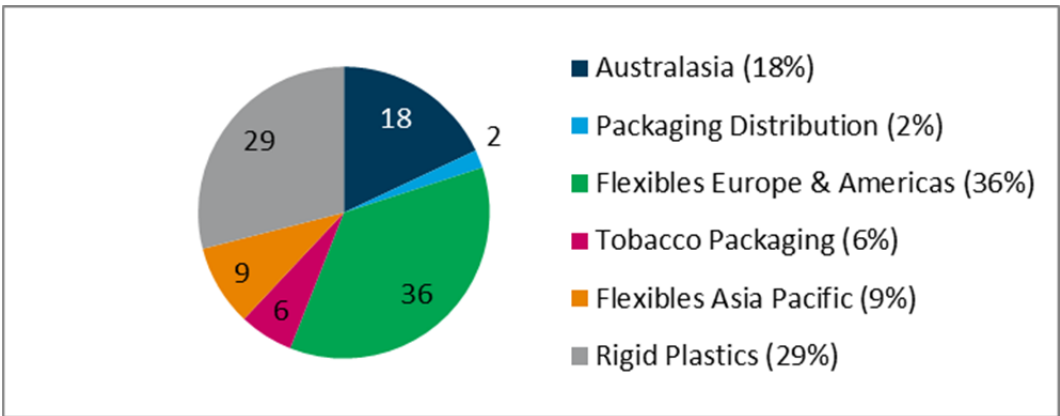


Breakdown of scope 1 + scope 2 GHG emissions by Business

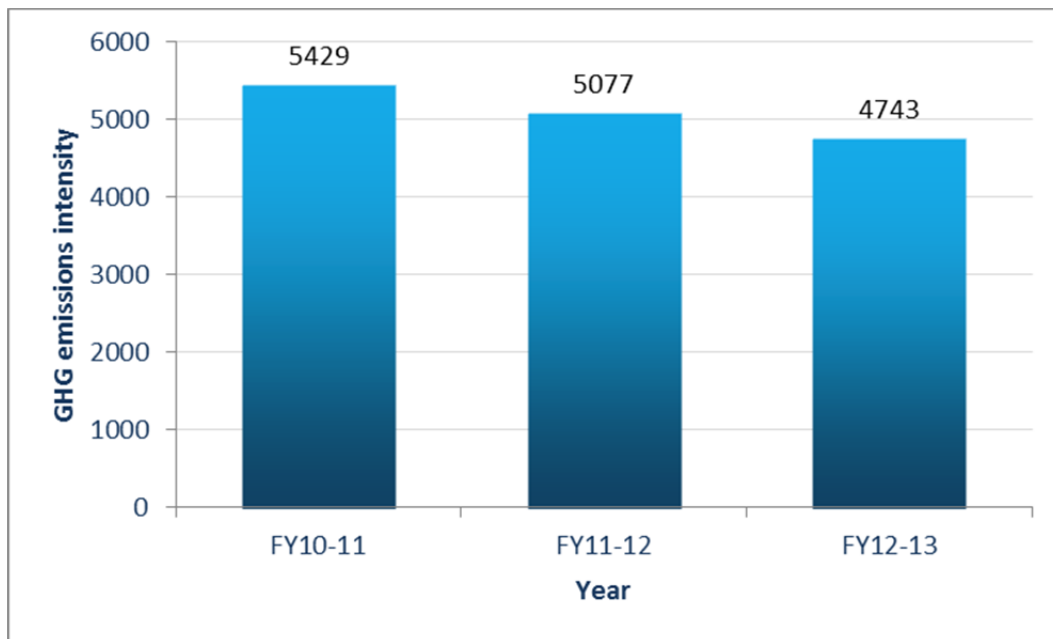


Breakdown of scope 3 GHG emissions by Business

Note: Scope 3 emissions for our Flexibles business in Europe and the Americas are impacted by the aluminium used as a raw material for some of their products e.g. foil laminate snack food bags.



Breakdown of total (scope 1, 2 & 3) GHG emissions by Business



GHG emissions intensity (tonnes of CO₂e/A\$ million gross profit) over time

We use an intensity measure as our major metric for GHG emissions. Gross profit is used as the denominator because it is centrally consolidated and can therefore be used as a common indicator across our businesses to measure how efficiently, in environmental terms, we convert raw materials into packaging products. Learn more in section 11.1.2.

Each year we recalculate this data to account for acquisitions and sites that are sold or closed. Refer to section 3.11 for details.

EN17 Other relevant indirect greenhouse gas emissions by weight

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. Indirect emissions attributable to raw materials totaled 7 324 346 tonnes of CO₂-e in FY2012-2013.

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 totaled 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 .are difficult to estimate 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.

EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved

A wide range of energy efficiency projects are underway across our global business at any point in time. Examples from this year include:

Business Group	Project	Tonnes CO ₂ -e reduction during FY2012-2013
Flexibles	New Solvent Recovery Unit at site in Froges, France	833

Business Group	Project	Tonnes CO ₂ -e reduction during FY2012-2013
	Closure of two sites	8 511
	Continuous improvement in waste and energy reduction	22 450
	Other manufacturing projects	16 634
	Product changes/simplification	9 828
	Reduced use of coal and diesel at sites in China and India	Approx. 9 000
Rigid Plastics	Plant realignment and energy efficiency project	151 400
Australasia	Addressing inefficiencies in the use of compressed air in aluminium can manufacturing plant	661

EN19 Emissions of ozone-depleting substances by weight

The most significant non-GHG air emissions from our operations are volatile organic compounds (VOCs) from the evaporation of solvents during printing processes. In FY2012-2013, the total fugitive VOC emissions were estimated at 22 929 tonnes. We did not use ozone-depleting substances at a material level. We have a program in place to replace ozone depleting refrigerants in the few sites they are still being used.

EN20 NO_x, SO_x, and other significant air emissions by type and weight

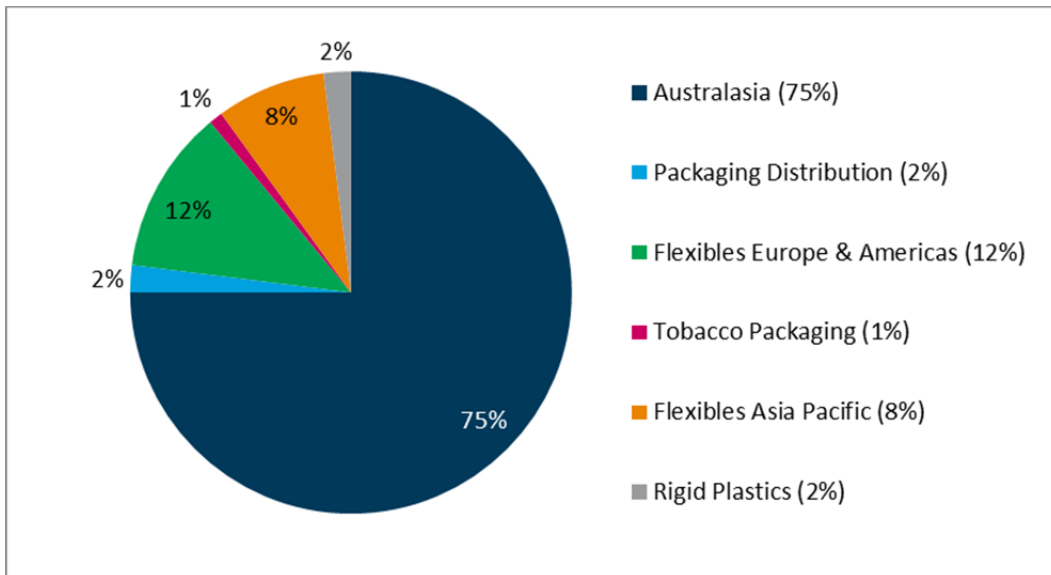
We do not emit a significant amount of NO_x or SO_x and thus do not collect data on these emissions.

EN22 Total weight of waste by type and disposal method

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.

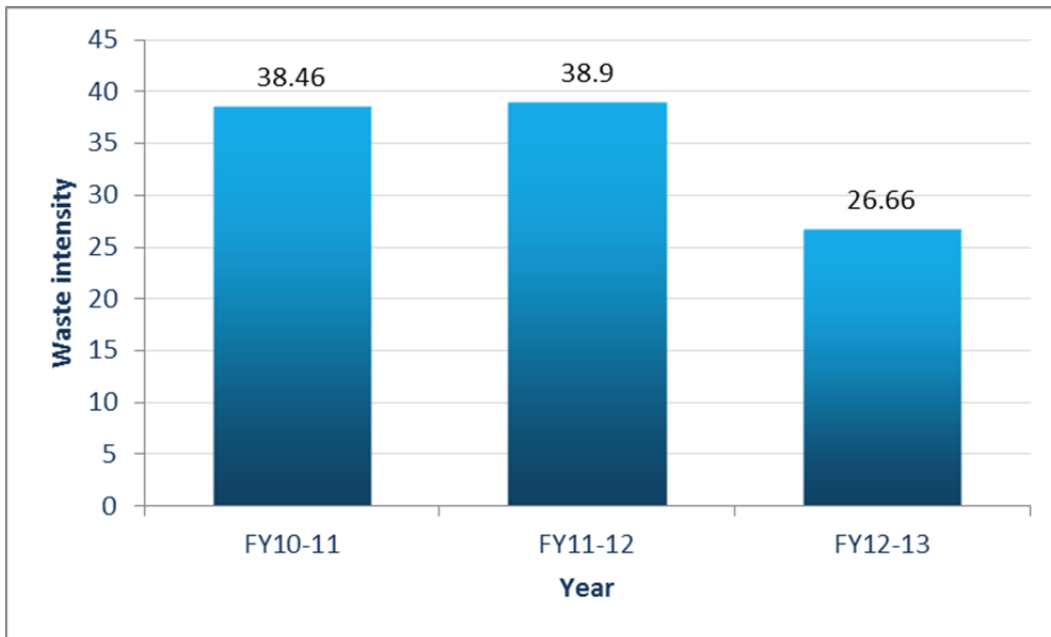
The total weight of waste by type and disposal method for FY2012-2013 is shown in the table below:

Waste type & destination	Tonne	% of total
Waste - Hazardous	21 202	4%
Waste - Incinerated	19 377	4%
Waste - Landfill	61 676	11%
Waste - Recycled	449 595	81%
Total Waste	551 850	100%



Breakdown of Waste to landfill by Business Group.

The majority of the 61 676 tonnes of waste we sent to landfill is produced by our Australian paper mills. This is due to contaminants e.g. plastics, in the recycled paper feedstock.



Waste to landfill intensity (tonnes per million A\$ gross profit) over time

Information on our waste to landfill reduction targets can be found in section 11.1.2 of this document.

Information about how we recalculate the FY2010-2011 baseline and previous year's data to account for sites that are acquired, closed or sold can be found in section 3.10.

EN23 Total number and volume of significant spills

There were no significant spills that resulted in non-compliance with environmental laws during FY2012-2013.

A spill incident at our site in Preston, Victoria, Australia, was reported in the media on the 3rd of January, 2013. The local environmental regulatory body promptly attended site on the day and took

samples at both the main stormwater drain on the site and at the outlet into the nearby creek. Results were found clear of contamination and no breach of environmental law was identified.

EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff

Not material for Amcor.

EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation

Refer to our use of life cycle assessments in section 11.4.1 of this document.

EN27 Percentage of products sold and their packaging materials that are reclaimed by category

The recyclability of our products is described in the table below. 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.

Material	Main products	Region of production	Recyclable?
Fibre	Corrugated boxes	Australia, North America, New Zealand	yes
	Cartons / cartonboard	Australia, Europe, North America, New Zealand	yes
	Sacks	Australia	yes
PET	Containers	North America,	yes
HDPE	Containers	Latin America	yes
Polymers	Flexible films	North America	Limited options available
	Closures	Australia, Asia, Europe, New Zealand, North America, South America	no
Compostable polymers	Flexible films	Australia, North America	compostable
Glass	Bottles	Europe	yes
Aluminium	Beverage cans	Australia	yes
	Closures	Australasia	yes
Steel	Closures	Australia	yes

EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

Our sites report any non-compliance with our Environmental standards or local legislation as part of the reporting process within our environmental management governance structure. They also record any official notice or prosecution for any non-compliances with legislation, regulation, consent or permits in the SEDEX database (read more about SEDEX in section 11.4.3) The SEDEX data is updated on an approximately six monthly basis.

The following sites reported that they received fines from authorities resulting from non-compliance with local environmental regulations.

Site	Description	Fine
Novgorod, Russia	Air emissions exceeded licence requirements	€470 (A\$662)
Shelbyville, USA	Water discharges exceeded licence requirements	USD1 494.70 (A\$1 638)
Huizhou, China	Air emissions exceeded licence requirements	40 000 RMB (A\$7 109)
Huizhou, China	Noise emissions exceeded licence requirements	40 000 RMB (a\$7 109)

7 Performance Indicators: Labor Practices and Decent Work

7.1 Disclosure on Management Approach

Our management approach to labour practices, safety, diversity and working conditions is discussed in section 11.3 of this report.

Our management approach to training involves building capability through ‘on the job learning’ and by deploying training and development tools across the organisation. Our online talent management system includes co-worker performance scorecards, development plans and role-specific training requirements. Year-end performance assessments involve co-workers and their supervisors discussing goals for the year and performance against those goals.

Training and development is managed in various ways across our businesses:

- > Company-wide cultural change programs or training that all co-workers require, such as induction training, are developed within the Group HR function but managed locally within each business group
- > Business Group soft skills and/or cultural change programs are managed within the Corporate-function of the Business Group
- > Business Unit-wide programs are managed within the Corporate-function of the business unit
- > Site-based technical skills and site-specific training such as site safety programs are managed within the management team at our sites. On-the-job learning also takes place at this level.

The Board of Directors’ Human Resources Committee has responsibility for reviewing and making recommendations to the Board on Amcor’s remuneration by gender. Responsibility for measuring and managing the ratio of remuneration of women to men lies with the Human Resource function within each of our Businesses. This is reported internally on a consolidated basis when needed. The information is not publicly disclosed as some employee categories have very low numbers of women and it would be possible to determine individual salaries from the information.

LA1 Total workforce by employment type, employment contract, and region

Amcor Business Group	No. co-workers*	Contractors	Regions
Flexibles Europe & Americas	12 235	306	Europe and the Americas
Flexibles Asia Pacific	5 105	712	Asia
Rigid Plastics	6 056	0	The Americas
Tobacco Packaging	3 526	482	Europe, Asia and Americas
Australasia	3 878	525	Australia and New Zealand
Packaging Distribution	2 177	187	The Americas
Corporate and others	377	0	Global
Total	33 353	2 212	

* excludes contractors

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

LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region

Refer to section 11.3 of this report.

We do not publicly report absenteeism as data is not reported 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.

LA8 Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases

All of our co-workers, travelling for business purposes, have access to the Amcor TravelSafe program, which offers pre-travel advice, travel tracking and incident response.

Over the reporting period, 26 059 unique trips were tracked by the TravelSafe program. 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 travelling on business.

An Employee Assistance Program (EAP) 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. Similar programs are offered to other co-workers on a country-by-country basis, sometimes as part of medical insurance services.

The aim of EAP is to provide preventive and proactive intervention 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 problems and coping with change. We offer Employee Assistance Programs to approximately 83% of our co-workers.

LA10 Average hours of training per year per employee by employee category

Data on employee training is not captured centrally, so we are unable to report consolidated numbers.

We have an effective online training delivery mechanism within our Learning Management System that is available for the delivery and tracking of the online training courses offered. This electronic learning management system, now offers 321 online courses. Amcor co-workers completed 4 023 course modules using the system during FY2012-2013

LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity

Refer to the section 11.3 of this report.

8 Performance Indicators: Human Rights

8.1 Disclosure on Management Approach

Refer to section 11.3 of this report.

Security practices and indigenous rights are not material to Amcor as we do not employ any security personnel (other than those manning the entrances to some of our sites) and do not have sites where indigenous rights are an issue.

Human rights grievances can be raised via our Whistleblower service or our Third Party complaints service. Each grievance is investigated by an independent third party. The Board Audit and Compliance Committee and the HR Committee are briefed on the issues raised and the corresponding action taken.

HR1 Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns or that have undergone human rights screening.

We are not aware of any significant investment agreements that include human rights clauses or that have undergone human rights screening.

HR2 Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.

Our approach to ensuring an ethical supply chain is described in section 11.4.3. The percentage of significant suppliers, contractors and other business partners that have undergone human rights screening is not available on a consolidated basis.

HR3 Total hours of employee training on policies and procedures concerning aspects of human rights

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

HR4 Total number of incidents of discrimination and actions taken

Our Code of Conduct and Ethics policy states: 'Amcor recognises the dignity of each co-worker and the right to a workplace free of harassment, abuse or corporal punishment. Decisions on hiring, salary, benefits, advancement, termination or retirement are based solely on the co-worker's ability to do the job. There is no discrimination based on race, creed, disability, gender, marital or maternity status, religious or political beliefs, age or sexual orientation.' Co-workers can report instances of discrimination via Amcor's Whistleblower Service (further described in the 'Governance' section of this report), which can be accessed anonymously by telephone in 33 countries, or by email and postal mail. They can also report to the Human Resources function at their site or Business Unit.

During FY2012-2013, no material discrimination claims were identified through internal or third party use of our Whistleblower Service, and no material discrimination claims were escalated beyond the Amcor business group level.

Diversity and Discrimination training was conducted at thirteen of our Rigid Plastics manufacturing sites in the United States during FY2012-2013. Data from our other businesses is not available.

Within our online Learning Management System, 203 people completed training that included non-discrimination components.

HR5 Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk.

We are working to have all our manufacturing sites complete a self assessment questionnaire (SAQ) as part of our membership of the Supplier Ethical Data Exchange (SEDEX).

SEDEX is a global not-for-profit membership organisation that enables the sharing of ethical performance information from suppliers to their customers. SEDEX provides an online platform for reporting labour standards, health and safety, business integrity and environmental performance information. The questionnaire includes questions about labour conditions and human rights, including questions about:

- > Child and young employees
- > Freely chosen employment
- > Freedom of association and collective bargaining
- > Wages
- > Working hours
- > Non-discrimination
- > Regular employment
- > Use of small holders
- > Discipline and grievance
- > Use of home workers

As part of their annual audit schedule, our Group Internal Audit function includes the auditing of responses to the SEDEX SAQ when those areas are considered a high priority for that site (refer to the Governance section for more about our Internal Audit function). We also support numerous audits from our customers against the SEDEX SAQ responses. More information about SEDEX is available in section 11.4.3 of this report.

203 out of our 225 registered manufacturing sites have completed more than 90% of the questions in the SEDEX Self Assessment Questionnaires, which includes questions on freedom of association and collective bargaining. Of these sites, 20 were audited by a third party this year to confirm the accuracy of their questionnaire data. The sites that have not completed the questionnaire are in Australia, where local laws and regulations protect worker's rights in this area. 221 of the sites answered 'yes' to the question: "Do you allow employees/workers to join trade unions or other worker organisations of their choice?" The other 4 sites are yet to answer those questions in the questionnaire.

As described in section 11.4.3, we are implementing a vendor qualification process, focused on identifying risks associated with key vendors. We are asking suppliers to complete questionnaires that include questions about their workers' freedom of association rights. This process is only at the initial stages of being implemented and we are not yet in a position to report.

Refer to section 11.4.3 for information about SEDEX and our participation.

HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor

Our Company Code of Conduct and Ethics Policy establishes a minimum set of standards of compliance for all co-workers and includes the following statement: 'Amcor recognises the rights of every child to be protected from economic exploitation and respects the laws of each country in which it operates in regard to minimum hiring age for co-workers. Amcor also complies with existing employment regulations regarding forced labour.'

HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor

See HR6 above.

HR 8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.

This is not material for Amcor as we do not employ any security personnel (other than those manning the entrances to some of our sites, who undertake largely reception and workplace safety responsibilities)

HR 9 Total number of incidents of violations involving rights of indigenous people and actions taken.

This is not material for Amcor as we do not have sites where indigenous rights are an issue.

HR10 Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.

Human rights aspects are included in the SEDEX Self Assessment Questionnaires, the details of which are discussed above in HR5 and HR6 as well as section 11.4.3

9 Performance Indicators: Society

9.1 Disclosure on Management Approach

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.

We have a strict policy in relation to the perpetration of fraud within the Company. Read more in our Fraud Policy at www.amcor.com/policies.

We support the principles of free competition in the market in compliance with applicable competition laws. However, competition laws which affect business activities vary from country to country and we have a clear set of Competition Compliance policies, including Trade Association Guidelines and Record Management Best Practices.

All of our Directors, managers and co-workers are expected to fulfil their functions with the utmost integrity, and with a focus on enhancing the reputation and performance of the Company.

Our co-workers have the opportunity to report any potential misconduct, such as illegal activity, a Code of Conduct breach, fraudulent or corrupt practices, harassment or discrimination, misleading or deceptive conduct, unethical behaviour, and health, safety or environmental hazards, through their nominated supervisor or via the Amcor Whistleblower Service.

The Amcor Whistleblower Service enables the reporting of any potential misconduct to an independent third party for investigation. Importantly, co-workers who report suspected inappropriate conduct under the Whistleblower Service are given immunity. 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 and free post facility available on Amcor's website. These communications are delivered to the same forensic team that operates the Whistleblower Service.

Our approach to managing our relationship with the communities in which we operate is discussed in the 'Community' section of this report.

We participate in public policy development through formal submissions and discussions with government representatives. As described in our Corporate Code of Conduct and Ethics policy, our businesses may represent their views to governments and other third parties on matters that affect their business interests and the interests of their shareholders, co-workers and others involved in their operations. Our businesses must not participate in party politics or make payments to political parties without the prior approval of the Amcor Board.

SO1 Local Community

Our community engagement performance is discussed in the 'Community' section of this report.

SO2 Percentage and total number of business units analysed for risk related to corruption

We have a strict policy prohibiting fraud and corruption, as operating honestly is essential to the interests of all stakeholders, whether they be shareholders, co-workers, suppliers or customers.

Our Fraud Policy outlines our approach to assessing fraud risks and reporting, investigating and responding to suspected incidents of fraud and corruption.

The Policy is included in the employee induction program along with the Code of Conduct and Ethics policy and is available on our website, Intranet and is promoted through other internal communication channels.

Fraud risks are monitored by our Amcor Management and Group Internal Audit function, which conducts all fraud investigations. Any detected fraud is reported to Senior Amcor Management and to the Board Audit and Compliance Committee.

During FY2012-2013, our Group Internal Audit team conducted audits of 47 of our sites and another 136 reviews of our processes, projects, systems and controls. These reviews impacted our Business Groups and our sites and many considered fraud and corruption-related risks and controls. Specific fraud awareness programs were completed in the year across the Company and some involved self assessments and certifications by site and Business Group management of the design and effectiveness of controls to specifically prevent and detect fraud.

The culture of control of senior management at each site (with regard to Amcor values, including integrity) was also frequently assessed and reported by Group Internal Audit to the Board Audit and Compliance Committee during the year.

We are not aware of any instances of reported or suspected fraud that are material to the Company or our individual Business Groups during the financial year.

SO3 Percentage of employees trained in the organization's anti-corruption policies and procedures.

Our Code of Conduct and Ethical Standards Policy is promoted throughout the organisation and ongoing training is provided at all levels of the Company. It also forms a part of the induction program for new co-workers, where they are asked to sign a declaration confirming their commitment to the Code. Third parties, such as suppliers and contractors, are also expected to follow the principles of the Code when working with us.

Data on the number of co-workers who receive this training is not consolidated centrally.

SO4 Actions taken in response to incidents of corruption

Incidents of corruption are thoroughly investigated and the results are reported to our Board. This information is not publicly disclosed.

SO5 Public policy positions and participation in public policy development and lobbying

We participate in public policy development and lobbying on issues material to our business. This is conducted largely indirectly through our participation in industry organisations around the world (refer to 4.13 for a list of the organisations we belong to).

In terms of direct public policy participation in Australia, we made a submission to the Federal Government during a review of their Renewable Energy Scheme. We suggested that the scheme should compete on the same basis as large scale renewable energy technologies, now that the cost of solar photovoltaic systems has fallen so much. We recommended that the Government's original target of 20% renewable energy by 2020 be reaffirmed, rather than the target of a fixed volume of renewable energy, which was based on an over-optimistic forecast of load growth.

We also made a submission to the Victorian State Government in Australia during a review of their Energy Saver Incentive scheme. We recommended that the scheme be abolished, now that Australia has a carbon pricing scheme.

In New South Wales, Australia, we provided input to the state's Environmental Protection Authority about waste to energy plants. These plants typically burn waste materials that would otherwise go to landfill. Energy is recovered during this process. We contended that the permit system for waste to energy plants needs to be improved as it is currently the latest obstacle to extension of this end-of-life solution for products that cannot be recycled.

In February 2013 we met with Iowa, USA governor Terry Branstad to discuss options for increases in recycling. We urged for state laws that would increase the quantity and quality of recycled plastics. Similarly, we consulted with two Iowa state senators to urge consideration for measures that would increase recycling in a cost effective and efficient manner.

Two elected members of parliament visited our Tobacco Packaging site in Bristol, UK to increase their understanding of the impact of proposed UK Plain Packaging legislation. In February 2013, Julie Girling, a Member of the European Parliament (MEP) visited the site after it was organised by the European Carton Makers Association (ECMA).

In November 2012, Chris Skidmore, the local UK Member of Parliament (MP), visited the site where he asked our co-workers about their views on the Plain Packaging legislation. He agreed to write the UK Business, Innovation and Skills (BIS) Minister to request a meeting with an Amcor representative.

SO7 Total number of legal actions for anticompetitive behavior, anti-trust and monopoly practices and their outcomes

None

SO8 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations

No other fines of a material nature, other than those mentioned in EN28 and LA7.

SO7 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes

We are not aware of any instances of reported or suspected fraud that are material to the Amcor Group or individual Business Groups during the financial year.

10 Performance Indicators: Product Responsibility

10.1 Disclosure on Management Approach

Our approach to product quality and safety is discussed in section 12 of this report. The other areas of this aspect are not material for our business.

The only other material area of product responsibility is customer satisfaction measurement. We use the Voice of the Customer (VOC) market research surveying process to determine:

- > our customers' opinions of our current performance, including in the area of sustainability;
- > the key areas in which to improve our performance; and
- > a list of recommendations and an action plan to improve customer satisfaction.

Our VOC customer satisfaction measurement system has reached a level of maturity that requires less frequent surveying, with most of our Business Groups moving to biennial or triennial customer surveys.

Based on the results of VOC surveys, action plans are formulated to address customer feedback and requests.

The metric applied across each business from the VOC program is the 'Net Promoter Score' (NPS), which is also supplemented by qualitative measurements such as customer feedback and direct quotations. Net promoter score is calculated as the percentage of customers that are promoters minus the percentage of customers that are detractors, based on how likely is it that they would recommend the company to a friend or colleague. Targets are not set for NPS, but scores are used to monitor ongoing improvement and for benchmarking purposes against similar companies. The results of each program are shared widely within each business, but not externally.

In addition to the VOC survey, the following mechanisms are provided for customers to provide feedback:

- > Discussions with customer-facing Amcor co-workers, notes from which are then recorded in our company-wide harmonised customer relationship management database.
- > Free 7 day/24 hour feedback via the functionality provided at www.amcor.com/contact_us/.
- > Free 7 day/24 hour confidential telephone feedback via our Third Party complaints service (refer to the Governance section for more information).

Feedback is also integrated into products/services development and, where appropriate, is relayed to our risk, compliance and/or communication departments.

Product labeling is not material as our customers make decisions on the labeling of products packaged in our packaging.

Marketing communications, customer privacy and compliance with regulations concerning the provision of products and services are not material. Our operations are almost exclusively business-to-business and are mostly based on account management of large customers. We undertake very little marketing communications activities and the customer data we retain is relative to organisations, not individuals (other than their company contact details). Our customers are responsible for ensuring that the products which use our packaging comply with relevant laws and regulations. We provide support in the form of product data and other compliance information.

PR1 Life cycle stages in which the health and safety impacts of products are assessed

Refer to the discussion of 'Product quality and safety' in section 12 of this report.

PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services

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 then they typically lodge a product liability claim.

Across our global business we had four product liability claims from our customers during FY2012-2013. No formal product recalls occurred.

PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.

This aspect is not material. Product labelling is generally determined by our customers and we do not have significant control over this matter.

PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.

This is not material, as per PR3.

PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction

Three of our Business Groups undertook customer surveys this year; Tobacco Packaging, Flexibles Asia Pacific and Flexibles Europe and Americas. 498 customer representatives were interviewed in total. The results of the surveys are company confidential.

In response to feedback from customers (via a VOC survey) about improving time to market, our Rigid Plastics business reviewed their product development processes and reduced the average time to market from 229 days to 203 days.

In Thailand, our sites responded to customer feedback from surveys by implementing an internal campaign to focus co-workers on achieving deliveries in full, on time and within specification.

PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship

We market our products and services to other businesses, not end users of our products. Marketing communications are not a material aspect of our business operations

PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications,

Not material, as per PR6

PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.

This is not a material issue as the majority of our business is with other companies.

PR9 Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.

This matter is not material to Amcor as there are very few laws and regulations governing the provision and use of packaging products.

11 Our areas of focus

11.1 Environment

As a global packaging leader with over 300 factories, distribution centres and offices across the globe, 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

11.1.1 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: "Amcor is committed to managing its operations in an environmentally responsible manner." Our Company-wide Environmental Policy reinforces this commitment and includes specific environmental management requirements.

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

Our Board of Directors is responsible for the regular monitoring of environmental exposures and compliance with environmental regulations and there is an internal reporting process to support this. Environmental performance is reported from each site up through OHS&E management to the Board on a regular basis and is included in the annual OHS&E Board report.

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 well as in aspects related to other capital investments.

How we are doing

To date, 127 Amcor sites (approximately 56% of all Amcor manufacturing sites) have achieved ISO 14001 accreditation for their Environmental Management Systems (EMS), representing our key sites globally. The percentage of sites that are certified changes each year due to acquisition and divestment activities.

Within our largest business, Flexibles Europe and Americas, 87% of sites, representing 91% of total revenue are ISO14001 certified.

Our Tobacco Packaging business has a group matrix certification for BS OHSAS 18001, ISO 9001 and ISO 14001 that means all of their sites comply with these standards.

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.

Our Australasian Business started the implementation of an integrated Health, Safety and Environmental Management System, based on the AS 4801 and ISO 14001 standards across all sites in the business. This project commenced in November 2012 and is currently being piloted at nominated sites. The project aims to standardise processes, procedures and reporting across the business, with resulting savings in audit costs and improved management of co-worker health and safety and our environmental impacts.

We received four small fines globally for non-compliance with environmental regulations over the year, totalling \$16 518.

Looking to the future

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

11.1.2 Environmental targets and performance

Our approach

Our global EnviroAction program sets short and long-term reduction targets for greenhouse gas emissions, municipal water use and waste to landfill. The program is designed 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. Another area of focus is the integration of environmental aspects in new product development and in working with suppliers, all of which contribute to our performance.

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 our 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 Research and Development, Sales and Marketing teams, and Procurement.

EnviroAction targets

In FY2010-2011, at the end of the first five-year EnviroAction period, we had reduced our waste to landfill intensity by 59% and our water use intensity by 46%, whilst our greenhouse gas emissions intensity decreased by 4.5% from the baseline.

We determined the second round of reduction targets to be:

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
- > A long-term objective of zero waste to landfill.

Water use

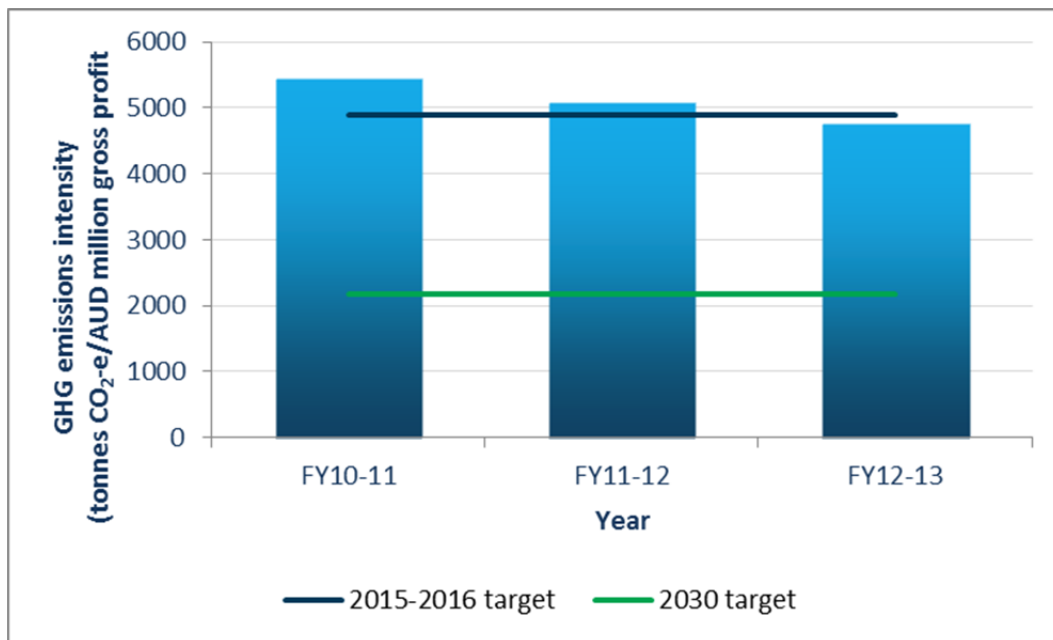
- > 25% reduction in water use intensity from FY2010-2011 by FY2015-2016 (in our Australasia business only); and
- > Implementation of water management plans in other regions.

These targets use a financial intensity measure, with gross profit as the denominator because 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.

How we are doing

Greenhouse gas emissions

This year was the second year in our second five year EnviroAction period. We achieved a 13% reduction in GHG emissions intensity, compared to the baseline.



GHG emissions intensity by year where intensity is tonnes of CO₂-e per million dollars of gross profit

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

Total (scope 1, 2 and 3) absolute GHG emissions in FY2012-2013 were 10.9 million tonnes. This is a 7% reduction in absolute emissions compared to our baseline year of FY2010-2011. Our combined scope 1 and 2 emissions represented 22% of total emissions.

The FY2010-2011 baseline for our EnviroAction targets and the data from FY2011-2012 was recalculated this year to include 11 acquired sites.

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

Numerous projects have been implemented across the company to reduce energy use and associated greenhouse gas emissions this year.

Our Flexibles and Tobacco Packaging businesses are implementing a program of continued improvement in printing processes that will reduce associated greenhouse gas emissions.

Our site in Cramlington, UK has reduced their electricity use by over 30 per cent, and gas use by around 25 per cent over the last five years. Most of the saving resulted from a range of small initiatives identified through a series of brainstorming meetings with Cramlington co-workers. Successes include lighting improvements, optimising oxidizer efficiency and equipment temperatures and ensuring full shut down of equipment that is not in use. Their approach and ideas are now being shared with other sites.

Over the last three years, our Fibre site at Brooklyn has been on a formidable sustainability journey. Through efficiency audits conducted in both 2009 and 2011, around fourteen projects with the potential to reduce energy use and carbon emissions (as well as improving workplace safety) were identified.

The projects, which have dramatically improved working conditions, include boiler control upgrades, heating improvements, temperature controls and lighting improvements. The site has reduced electricity use by 13% and gas use by 28% over the three years, reducing greenhouse gas emissions by over 1 400 tonnes and saving over \$100 000.

Our Tobacco Packaging business undertook to reduce the number of new printing cylinder bases used across their sites. They typically used about 24 000 printing cylinder bases per year for new engravings. A Cylinder Base Pool initiative saw the creation of a central pool of used cylinder bases - which vary in diameter and length. Plants were then able to draw upon the pool when they needed a cylinder base. The initiative has decreased new cylinder use from 33% new bases to 16% new bases and saved almost 5 million dollars in the first seven months. The initiative also reduced CO₂ emissions by 2 400 tonnes and water use by 269 million litres in the same period.

As part of our ongoing program to ensure the accuracy of our environmental reporting, our Group Internal Audit Team visited seven Australian sites during the year and confirmed the effectiveness of the processes/controls in place around the data collection and entry. They visited two sites in China and assured the data that had been entered into EnviroChart was correct.

Within our Flexibles Europe and Americas business, the Group Internal Audit team completed a review of the electricity and gas usage and waste to landfill data entered into EnviroChart by a number of sites, using a risk-based approach. Sites were selected on the following basis:

- > Sites which reported significant amounts/quantities in FY2011-2012 and therefore any risk of error may have a key impact on the overall data from the Flexibles Europe and Americas business.
- > Those sites where the reported data in Envirochart looked unusual or unexpected
- > New sites recently acquired or integrated into Amcor

Waste from our operations

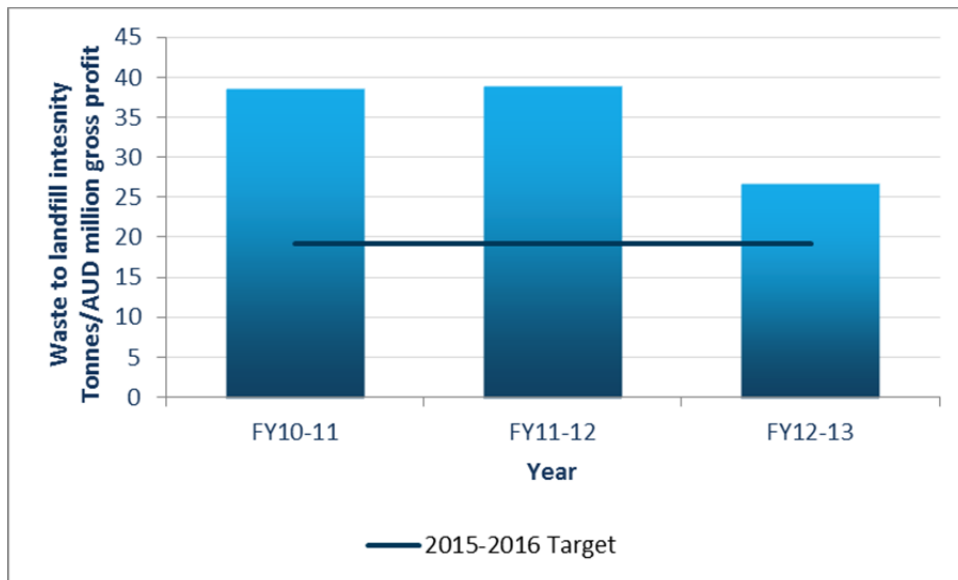
Waste produced by our sites goes to a variety of destinations. Where possible, it is recycled either internally or by external parties. Waste that cannot be recycled is sent to landfill or incineration, often with energy recovery, depending on local waste management infrastructure. Waste classified as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

Our total waste for FY2012-2013 was 552 kilotonnes, with over 80% of this being recycled.

Our absolute waste to landfill in FY2012-2013 was 62 kilotonnes (11% of our total waste). The majority of our waste to landfill is produced by our Australian paper mills due to unwanted materials

such as plastics being contained in the collected waste paper that we use as a raw material. These typically represent approximately 10% of the materials delivered to the mill by recycling operations.

Compared with our FY2010-2011 baseline, waste to landfill intensity has decreased by 31%.



Waste to landfill intensity by year where intensity is tonnes of waste per million dollars of gross profit

The reduction in our waste to landfill volumes can be attributed to a range of waste reduction activities, including:

At our Atlanta site, co-workers identified the opportunity to save costs and reduce material use by optimising how cartons were produced from cartonboard sheet. By changing how the cartons were cut from the sheet and developing a mechanism to rotate the cartons for delivery to an automated bander, they were able to reduce the required width of the sheet from 646 mm to 508 mm, whilst still producing the same number of cartons. This resulted in a 21% reduction in technical waste.

In China our Jiangyin site installed two waste solvent recovery machines and another machine for treating waste rags containing solvents. With these three machines, an average of 90 kg of solvents are recovered every day.

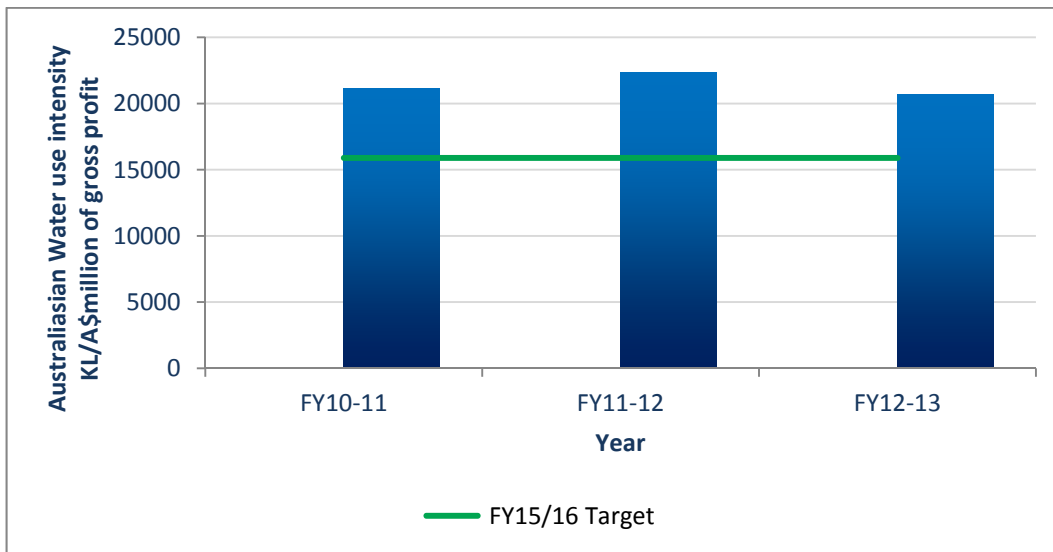
Our Bericap business in the USA identified oil cap material that could not be recycled (multi-layer oil cap liner) that was creating 80 tonnes of waste per year. They explored waste-to-energy options in order to remove this from the waste-to-landfill stream and successfully removed 80 tonnes per annum with this move.

Water use

Our sites used a total of 902 239 kilolitres of water during FY2012-2013. This represents nearly 9% reduction in absolute water use compared to our baseline year of FY2011-2012 and demonstrates the impact of having water management plans at each of our sites.

The majority of our municipal water use is attributable to our Rigid Plastics business in the Americas, where it is mainly used for evaporative cooling, and to our Paper and Board manufacturing sites in Australia, as paper manufacturing processes are inherently water intensive. Alternative water sources, such as recycled water supplied by the local water authority are used for cooling at the three paper and board mills and at other manufacturing sites.

Water use intensity for our Australasian business for FY2012-2013 was 20656 KL per A\$ million of gross profit. This represents a 12% reduction, compared to the baseline year of FY2010-2011.



Water use intensity per year for our Australasian business, measured in kilolitres per A\$million of gross profit

During FY2011-2012, we conducted an assessment of all our manufacturing sites using the World Business Council for Sustainable Development Global Water Tool. Of the 30 sites in regions identified as water stressed or water scarce, 13 are covered by water use reduction targets in our Business Groups. The remaining sites in these regions have water management plans in place and have been assessed as low water risk due to low site water usage or no locally identified need for water reduction by authorities.

No water target has been set for our Rigid Plastics business as the majority of sites are not in regions identified as water stressed or scarce. However water management plans are in place at all Rigid Plastics sites, and their water use intensity continues to decrease. The business developed a water stewardship plan in FY2012-2013 to identify and address water related risks to their operations.

All of the sites within our Flexibles Europe and Americas business completed Water Management Plans in FY2011-2012 and updated them this year. None of these sites have been requested to implement water use reduction plans by local authorities and risk assessments for the few sites located in water stressed or water scarce regions showed that no water quantitative reduction targets are necessary.

The EnviroChart database allows us to benchmark the resource efficiency of each of our sites. This allows us to identify sites with outlying performance which can then be further investigated. For example, our site in Jiangyin, China was identified as having unusually high water usage for a site of that type. In response, 19 water meters were installed and this identified two significant leaks on the site. These were repaired in December 2012, reducing water use on the site by 32 megalitres per year.

By applying our water management approach to an acquired site in Nunawading, Australia, we will save approximately 581 kilolitres per year of water. The evaporative coolers used to cool the buildings were identified as a major contributor to water use on the site. By investing in more efficient absorption pads for the coolers, their efficiency was quickly improved, reducing the water needed to achieve the cooling effect.

Looking to the future

We will continue to drive operational efficiencies to meet our EnviroAction targets.

11.1.3 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) 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, as exemplified in the work of the Aluminium Stewardship Initiative (ASI), see section 11.4.3

Customers

We work with our customers to reduce the GHG emissions, water use 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, fully in line with the requirements of the EN13428 and ISO18602:2013 standards. At the end of the development phase, extensive field testing on the customer's filling machines are part of the product qualification process; this ensures that the best operating conditions are identified before scaling up the production.

Consumer use of packaging

As discussed in the Marketplace section 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.

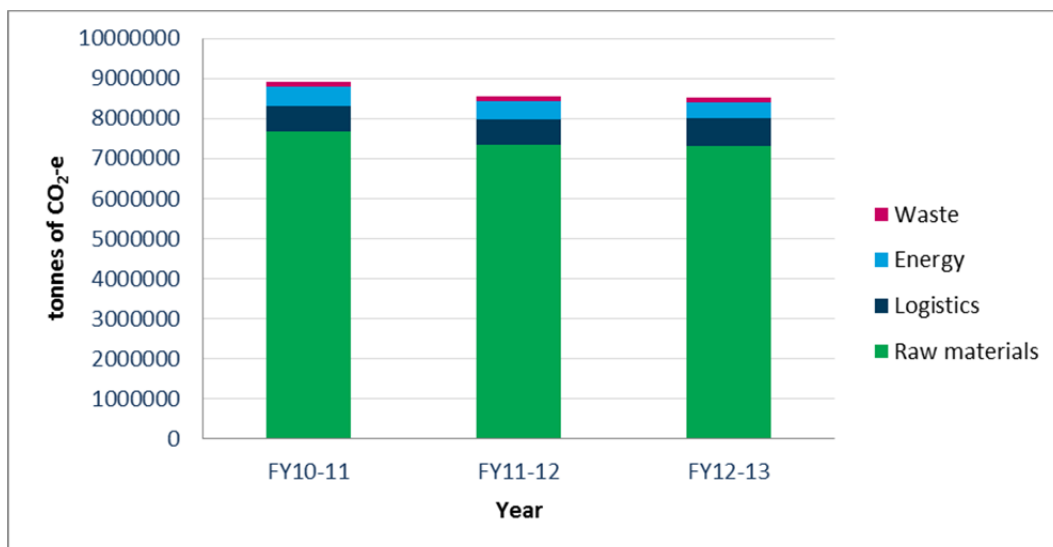
Packaging end of life

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)

We have reduced the absolute scope 3 GHG emissions associated with our raw materials by 4.5%, 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 e.g. foil laminates for coffee packaging. As discussed in the Marketplace section of this report, we are actively working to increase the amount of Post Consumer 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).

A continuous improvement program, ProcurePlus, is underway across our global businesses. One of the aims of this program is to optimize the raw materials we use to reduce overall environmental impacts.

You can learn about the work we are doing to reduce the environmental impacts across our value chain in section 11.1.3 of this report.

Looking to the future

Our main focus will be on the raw materials used by our operations (type of material and different supply routes for the same material) and on working with our supply chain to reduce the scope 3 GHG emissions associated with our raw materials.

11.2 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

11.2.1 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.

At many of our larger sites, stakeholder engagement is a requirement of their ISO 14001 certified environmental management systems. 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. Our larger sites may have procedures in place to govern the management of complaints as part of their environmental management systems. Concerns about noise, odours and employee behaviour 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

The variety of community engagement activities undertaken by our sites around the world matches the diversity of the communities in which we operate. Examples from FY2012-2013 include:

A significant community concern this year was the sale of our Fairfield Paper Mill site in Victoria, Australia. Occupied by Amcor for over 90 years, the site fronts Melbourne's major river and is less than ten kilometres from the City centre. We participated in several community meetings with local government representatives to discuss future development of the site. The site has been sold and will be redeveloped as a residential area.

In Sydney, Australia, the redevelopment of our Botany Paper Mill also included significant community engagement, with regular newsletters being distributed to local residents and posted on our website. A hotline telephone service was also available for the community to provide feedback. Following the official opening in February, 2013, the Mill hosted a family fun day for co-workers and their families at the site. Those who attended the fun day were able to see up close what their loved ones do at work.

At Revesby, New South Wales, Australia, our Fibre Packaging site hosted students from Abbotsleigh Girls' School. The full day program was organised to assist the students with their studies in operation management.

In Europe, our site in Singen, Germany, hosted the popular annual football tournament 'Singen Industry Challenge Cup'. A major event on the calendar of the local community, it is always

organised by a local Singen company. The tournament is a fantastic opportunity for the people of Singen to socialise with many different people. This year's event was the 47th annual football tournament, with 15 teams representing 10 local companies.

Also in Europe, our co-workers at the site in Łódź, Poland hosted a Family Day, where co-workers and their families were invited to the site, along with children from a local orphanage. The children enjoyed many activities, including decorating costumes and jewellery, face painting and building totem poles.

In China, Amcor co-workers supported a Children's Home in Shanghai, undertaking a team challenge to master the Chinese art of dumpling-making. After a chef-led demonstration, participants were asked to make as many dumplings as possible to fill their bamboo steamers. As the dumplings were tallied, children from the orphanage and their teacher were presented with over 200 backpacks, resulting from the efforts of the Dumpling Challenge participants.

A Safety and Sustainability Fair was organised by our site in Manchester, Michigan, USA. The fair included participation by local water and energy organisations as well as ergonomics and safety demonstrations, sustainability and waste collection training and a safety demonstration by the local Fire Department.

Representatives from our sites often participate in local community information sessions. For example, representatives from our Ilkeston site in the UK, are part of a working group of local business working alongside the Environmental Agency to discuss how to deal with odour complaints within the area.

Our site in Lieksa, Finland participates with other local companies in an event that aims to show the local community what each company does.

Looking to the future

Historically, the operations of our three Paper Mills in Australia have had the most impact on local residents and had formal community consultation programs in place. With the closure of two of the three Mills by 2014, our sites globally will largely consist of factories, distribution centres or offices within commercial or industrial areas of towns and cities. These sites will 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.

11.2.2 Supporting our local communities

Our approach

We encourage our co-workers to 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. Requests for support from local community groups are managed by co-workers at the each Amcor site. This support usually takes the form of volunteerism, financial support, contributions of packaging products (often donated in partnership with our customers) and other contributions to meet specific community needs.

We also have a global partnership with the EarthWatch organisation. This provides our global co-workers with the opportunity to participate in scientific field-based research projects each year.

Our performance

With each site managing their own local community contribution activities, those contributions are not consolidated on a global basis. Also, many of the activities undertaken at our sites involve the donation of volunteer hours and money by our co-workers. This year, we commenced improvements in the way community contributions made by the Company are reported, so that we can track and measure our global contributions. We anticipate this centralised reporting will commence in FY2013-2014.

For FY2012-2013, our global investment was approximately \$170 000 (centrally reported) in community partnerships and support (in monetary value). This is substantially lower than previous years, largely due to the manual process involved in collecting the information and some of our larger contributions being paid in the next financial year (so not eligible to be counted in the total).

In what is now its third year of running a community partnership grants program, Rigid Plastics received fourteen applications for grants across North America, and Central and South America. Rigid Plastics responded to every single one of the 14 applications, supporting veterans, orphans, people with disabilities and victims of domestic violence.

Amcor Rigid Plastics did more than simply fund the programs – co-workers actively engaged and partnered with residents and organisations from their local community, utilising a broad range of skills from recycling to building expertise, helping to build lasting bonds with their local communities.

Our Flexibles Asia Pacific business organised their annual Volunteer Day in November 2012 to demonstrate their commitment to the Amcor core value of Social Responsibility. Each site within the Business selects activities appropriate for their community. For example, co-workers at the Singapore head office organised a volunteer day on the 10th of November, 2012, where co-workers volunteered their time on a Saturday to revitalise homes for the needy elderly. By cleaning, painting and donating household and grocery items, the Amcor co-workers made life a little easier for some local elderly community members.

Co-workers at our site in Novgorod, Russia have supported the 'Clean Banks' environmental campaign since 2002. Co-workers and their families helped clean up around 16 cubic metres of litter this year from the lake banks in the Novgorod region.

In Australia, we provided printed Christmas boxes to transport gifts to Australian soldiers posted overseas. The boxes were packed with items such as books and treats.

In August, the Amcor TORTOUR 2012 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 Project Blindspot, a charity project by The Laureus Sport for Good Foundation to fund sporting activities for disadvantaged children around the world. The TORTOUR Team raised £16 223 and crossed the finish line six hours earlier than their initial estimate.

In Brazil, a team of co-workers shared comfort and gifts at *Creche Lar Nossa Senhora do Pobres*, a local daycare facility for needy families. Similarly, in Venezuela co-workers visited the cancer ward at *Hospital Central de Valencia* to celebrate Children's Day. The gifts they brought with them were

very much appreciated and they also provided chairs to outfit a small children's dining room in the cancer ward.

Looking to the future

We recognise that we need a global strategy to guide and account for our community investment and social responsibility activities. Development of such a strategy began in FY2012-2013, with the aim of having our investment strategy be consistent with the Amcor brand, match our organisational strengths and resonate with customers, co-workers at both global and local levels.

11.2.3 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

Whilst our sites around the world frequently donate packaging and packaging expertise to worthy causes, these donations are not centrally reported.

One example of our packaging expertise in action for a community cause was design and production of more than 5 000 collection boxes for the Wesley Mission in Victoria, Australia. These boxes were used as food collection points in supermarkets and schools during the busy Christmas period. Thanks to these donation boxes, the Wesley Mission was able to collect more than 44 tonnes of food to donate to those in need.

Looking to the future

The strategy we are developing to guide the community investment and social responsibility activities undertaken by our sites will have a strong focus on utilising our packaging expertise to deliver social improvements.

11.3 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

11.3.1 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 strategy.

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 to implement the strategy.

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

Our Business Groups are required to report monthly to Amcor's Board on any significant instances of non-compliance with these standards or local legislation.

With fire being a high safety risk, our sites actively work to reduce the risk. Audits are conducted by specialist risk engineers from our insurance company at a frequency that is appropriate for the risk associated with each site. 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.

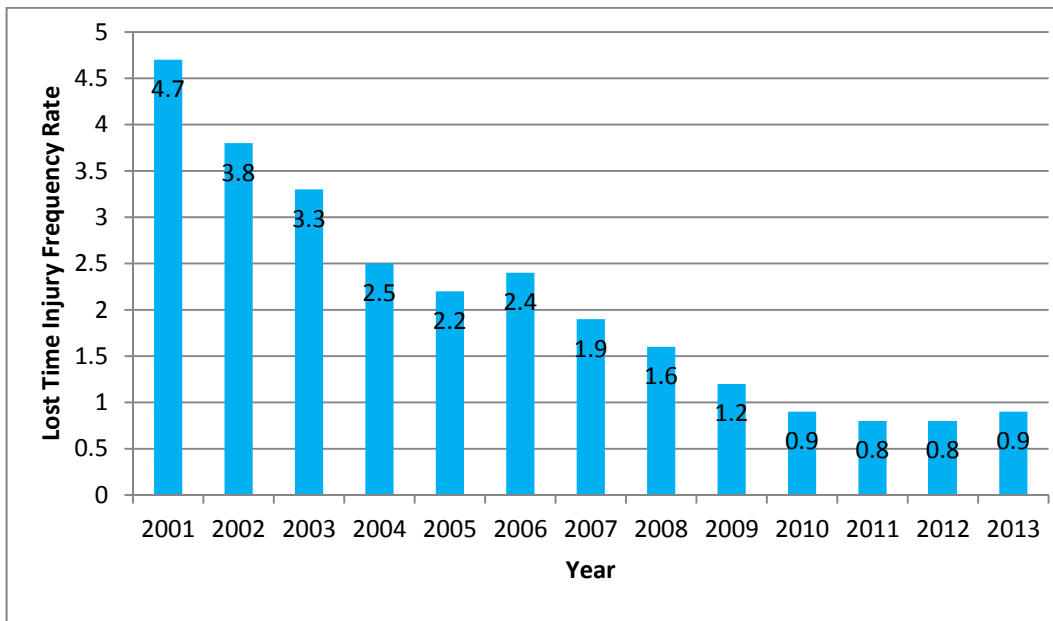
It's our policy to only include the safety data from acquired sites 12 months after the acquisition has been completed. This ensures that the site has had time to adopt our safety approach and culture prior to reporting data.

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:

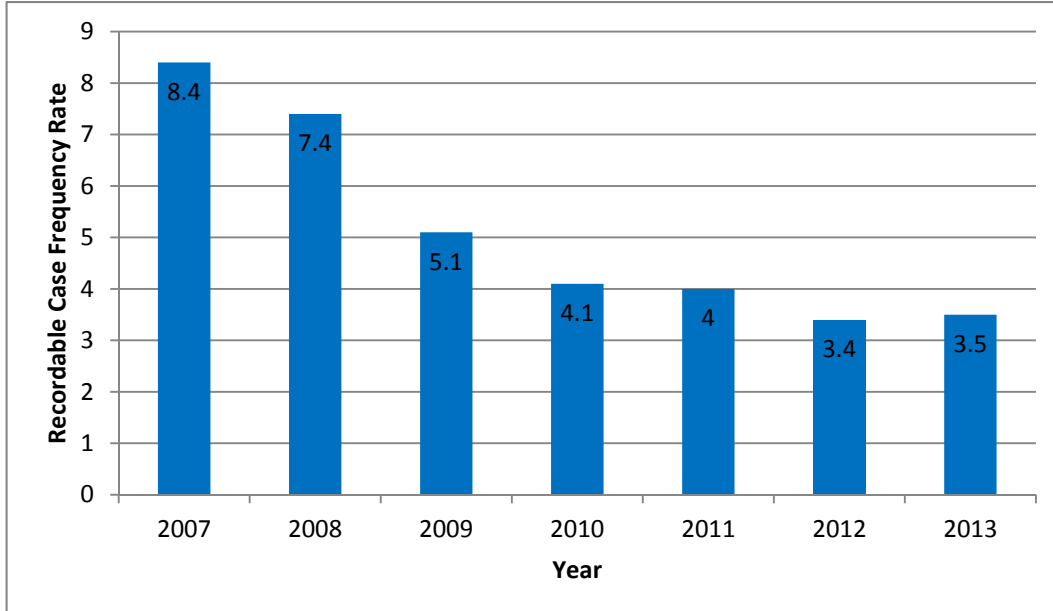
- > Number and frequency of first aid treatments
- > Number and frequency of near miss learnings
- > Number and frequency of behavioural audits
- > Number Fire safety incidents

Our performance

During FY2012-2013 a fatal accident occurred at our plant in Allentown, Pennsylvania, in the USA. A contractor working in the loading dock area was fatally injured by a tractor trailer, which was being driven by a second contractor. Amcor sites took action to reduce the risk of similar accidents in the future, including risk assessments for contractor tasks for operations near loading docks.



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 FY2012-2013, the LTIFR was 0.9, corresponding to 71 cases across our global business. This compares to last year's restated rate of 0.8¹. Both Amcor co-workers and contractors are included in the metric.



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 FY2012-2013, the RCFR was 3.5, corresponding to 267 cases across our global business. This compares to last year's restated rate of 3.4. Both Amcor co-workers and contractors are included in the metric.

¹ Since the finalisation of our 2012 Sustainability Report, the LTIFR result for FY2011-2012 has been recalculated from 0.7 to 0.8 and the RCFR from 3.1 to 3.4. This is attributable to the integration of acquired sites and changes in injury severity over time.

Following a workplace incident at Amcor's Athol Park Fibre Packaging site in South Australia in November 2010, where a co-worker suffered severe multiple fractures to her leg and foot, we were fined \$96 000 in December 2012.

In the 'Safety Spotlight: ASX100 Companies & More' report, published by Citi Research in May 2013, Amcor's Lost Time Injury Frequency Rate was 11th lowest of the 72 companies who report the metric. 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 7th lowest of the 40 companies who report this metric.

123 900 behavioural audits were completed during FY2012-2013. A behavioural audit involves observation and discussion with a co-worker into prevent unsafe acts and to reinforce positive safety behaviours and actions. These positive interactions are an important part of our safety culture.

During FY2012-2013 some interesting safety initiatives were undertaken at our sites around the world, including:

In St. Petersburg, Russia, the Plant Leadership Team introduced a pro-active risk ranking system, allowing the team to identify risks, pro-actively rank them, prioritise and track corrective actions and create a total risk rating for each area and for the entire plant. This innovation won the team the Amcor 2012 CEO Outperformance award for safety.

At our site in Cumbria, UK co-workers were able to nominate good causes to receive Company donations in recognition of reaching over 7 years without a lost time accident. A total of £500 was available for donation.

To recognise their success in reducing their recordable lost time injuries by 75% in one year, whilst also improving their operational performance our site in Alzira, Spain organised a family day to celebrate this outstanding success. Over 450 people joined together to celebrate, bringing together co-workers and their families. Many fun activities took place throughout the morning which highlighted the importance of the Safety First values in the workplace.

Our site in Gent, Belgium developed a safety platform for their extrusion machine, eliminating the need for co-workers to climb on the machine itself and allowing for easier cleaning and maintenance. The site has also introduced a Ceramic Blade Policy, replacing steel blades with ceramic blades that are adequate for cutting through their plastic product but reducing the risk of injury to co-workers.

Our Beverage Cans site in Canning Vale, Australia introduced a Fatigue Toolbox for new co-workers as part of their Zero Harm "Fatigue Fit" campaign. The Toolbox is designed to educate co-workers on how best to manage their health and wellbeing when undertaking shift work..

In Finland, the Finnish Zero Accidents Forum of the Finnish Institute of Occupational Health granted the classification "Taso I – Maailman kärjessä" (Grade I – In the world's forefront) to one of our Finnish sites. The safety level classification "Grade I" was given to only 15 Finnish workplaces.

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. The continued implementation of our five year strategy should push us further towards our goal of no injuries.

In the short term, our internal safety auditing program is being strengthened with the implementation of 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 started tracking and reporting recordable cases, lost time injuries and behavioural audits that included contractors in January 2013. Next financial year we will also be calculating frequency rates for contractor safety statistics to better understand injuries suffered by contractors across our sites.

Our safety challenges also include the continuing integration of newly acquired sites. It typically takes up to twelve months to implement our safety standards and often longer to get those sites to the level of safety performance we require.

11.3.2 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 last survey was conducted in 2012 and generated over 26 000 responses. Some of our Business Groups also carry out more regular "pulse surveys" at different sites, depending on business conditions.

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

Over the last 12 months, we have embedded the Amcor Leadership Framework in our Human Resource processes. This includes induction and onboarding programs, recruitment, and management and leadership development programs. Leadership competencies are now also assessed through our Amcor performance management process and in November 2012 we launched an Amcor 360 Tool to provide development feedback to co-workers on these competencies.

Feedback from the 2012 Engagement Survey led to the introduction of an online workplace collaboration tool called Amcor Connect which is being rolled out across the company. It aims to strengthen collaboration in the sharing of best practice between co-workers globally.

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. Our next employee engagement survey is planned for 2014.

11.3.3 Diversity and equal opportunity

We are a diverse global organisation with over 33 000 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 above).

> The proportion of females on the Board of Directors

Responsibility for driving our Diversity approach is managed by our Corporate Human Resources function, with the Human Resources function within each of our Business Groups having responsibility for day-to-day operational activities associated with our approach.

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

Our performance

As at June 30th, 2013:

Approximately 20% our co-workers were female

25% of our leadership positions were held by females

The Board included one female Director (12.5% of total Directors)

Our Global Management Team has a strong focus on gender representation in talent acquisition. Over the last 12 months, we have seen a distinct increase in the appointment of females to our senior roles. Fifty eight percent of senior role appointments were female

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.

We do not publicly report data on the comparative remuneration between genders.

There are also a wide range of initiatives underway in our global operations to promote and encourage diversity at Amcor. Examples include:

- > A Diversity Council operates within our Australasian Business Group. Sponsored by the President of the Business Group, it is continuing to raise the profile of diversity across the business group.
- > Amcor continues to be a corporate partner to the National Association of Women in Operations in Australia, with co-workers from across our Australasian business attending events hosted by the organisation throughout 2012
- > In North America, our operations established a Young Women's network, which meets monthly to support young women beginning their careers.

Looking to the future

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

11.4 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

11.4.1 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 industry. 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 sustainability impacts associated with all the stages of a product's life - from raw material extraction through materials processing, manufacture, distribution, use and disposal or 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 allows different packaging options to be compared. These assessments are typically undertaken during our product development process or at the request of customers.

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 (over 3600).

Many of our customers have specific sustainability objectives for packaging, such as carbon footprint reduction and optimization. There is also increasing interest on ethical sourcing for the complete supply chain. 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, where appropriate for their role, and is supported by formal training in its use. We currently have over 200 active users of ASSET™.

The use of the ASSET™ tool is being formally integrated into the product development stage-gate review process, meaning that sustainability is routinely considered as part of product development. The integration of sustainability into product development is determined at business unit or site-level, depending on the packaging being manufactured, the local regulatory requirements and customer-specific requirements.

A sustainability assessment within the product development process is frequently conducted in collaboration with our customers as they must ultimately make decisions about potential trade-offs.

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.

In Australia, the requirements of the Australian Packaging Covenant (APC) led us to develop a star rating system for inclusion on customer proposals. New and existing products are assessed against the APC sustainable packaging guidelines and for new products, these guidelines are formally considered early in the stage-gate review process to ensure that only the best concepts proceed to the design stage. A comparison of the impacts of the original and final designs is used in APC reporting.

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 supply chain.

How we are doing

We performed 599 life cycle assessments using ASSET this year. The number of packaging life cycle assessments in the ASSET database is now over 3 600 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. The ASSET tool and database are regularly audited for compliance with the PAS2050:2008 standard for cradle-to-gate and the GHG protocol on product carbon footprinting. Successful audits were completed by the Carbon Trust in December 2012 and May 2013.

The ASSET™ tool is now integrated into the product development process for our two largest businesses: Flexibles Europe & Americas and Rigid Plastics, which represent more than 50% of our revenue.

As a strategic supplier to most of the world's largest food, beverage, healthcare and pharmaceutical manufacturers, we have a significant role to play in helping them meet their sustainability targets. In practice, this means activities such as those listed below:

PepsiCo: To support PepsiCo's Corporate sustainability program – Performance with Purpose, we continually improve the efficiency of our production lines and help them improve their own performance.

P&G: We are a member of the P&G Supplier Sustainability Board, which includes around 30 invited suppliers from different sectors. The Board supports P&G's systematic effort to improve the environmental sustainability of their supply chain.

Campbell's Soup: We work with their product teams to improve the sustainability impacts of their product packaging, including reducing packaging weight and using recycled plastics.

Coca Cola: We participate in their Supplier Sustainability Summit, collaborating on how Coca Cola can meet their sustainability targets.

Nestle: Around the world, we work with Nestle to improve the sustainability of their packaging and meet their sustainability objectives.

Novartis: Working with several divisions of Novartis, we helped identify and establish metrics for their future sustainability goals and will work with them to achieve those goals.

Bayer: As a bottle supplier to Bayer, we helped them consolidate the bottles they use from 13 sizes to 5. This was achieved without increasing the greenhouse gas emissions associated with the packaging, measured on a per pill basis.

As a signatory to the Australian Packaging Covenant (APC), we work with Australia's largest food and beverage companies to help them meet the APC goals relating to packaging design, recycling and product stewardship. Eight of those companies approached us this year to support their compliance with the APC's sustainable packaging guidelines

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.

11.4.2 Promoting responsible packaging

Our approach

As a global leader in the packaging industry, we have a leading 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 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 selecting packaging.

How we are doing

Global initiatives

We sponsored and co-directed the study on LCA for food packaging by the UNEP/SETAC Life Cycle Initiative. UNEP (United Nations Environment Program) and SETAC (Society for Environmental Toxicology and Chemistry) cooperate in the Life Cycle Initiative to build expertise and capability around the world to put life cycle thinking into effective practice.

We were co-founder and continue to strongly support the Aluminium Stewardship Initiative (ASI), which aims at developing the ASI Standard to address responsible sourcing of aluminium. Launched in 2012, the ASI is a non-profit initiative that seeks to mobilise a broad base of stakeholders to establish and promote responsible leading practices, across the aluminium value chain, in business ethics, environmental performance and social performance.

Industry associations

We belong to many industry bodies around the world (listed online at www.amcor.com/sustainability and in section 4.13 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)

Aluminum Stewardship Initiative (ASI)

European Organization for Packaging and the Environment

Australian Food & Grocery council

American Institute for Packaging and the Environment

National Association for PET Container Resources

Conferences and seminars

Our Sustainability Leaders presented at 15 conferences and seminars around the world this year. These presentations communicated our sustainability strategy and journey, the importance of packaging life cycle assessments and sustainability issues and trends.

11.4.3 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 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 400 global brands, 17 000 suppliers and more than 21 000 sites in 160 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 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 \$8 billion every year on goods and services 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 suppliers globally, which number around 35 000. As reported last year, we released a Supplier Code of Conduct and are beginning to put additional systems and processes in place to evaluate and manage the sustainability risks within our supply chain.

How we are doing

As suppliers in the value chain

203 out of our 225 registered manufacturing sites have completed SEDEX Self Assessment Questionnaires about labour standards, health and safety, business integrity and environmental performance. Of these sites, 20 were audited by a third party according to the Sedex-SMETA audit protocol that confirmed their performance.

Thirty eight customers are linked to our SEDEX profile, allowing them to access information about our sites at any time.

Similarly, our EcoVadis assessment is shared with six customers, three of which were new this year, indicating growing acceptance of this platform. Within this platform, we are awarded a Silver Rating for our performance.

This year, thirteen of our largest customers also requested our information from us via the CDP supply chain initiative.

As customers in the value chain

Our Supplier Code of Conduct is being implemented across our Business Groups. Our largest business, Flexibles Europe and Americas, has confirmed that 97% of their key suppliers have

either signed the Amcor Supplier Code of Conduct or have internal codes of conduct that are aligned with ours. Our other businesses are in the process of completing this.

The next step in our vendor qualification process is to focus on identifying risks associated with key vendors. We are asking suppliers to complete questionnaires that assess 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 results of these questionnaires are used to determine a score for each supplier, as part of a Balanced Score Card approach. The score is then used to prioritise further investigation of the supplier's systems and processes.

Looking to the future

We continue to implement our Supplier Code of Conduct across all of our businesses and will continue to work on our vendor qualification process to identify the risks in our supply chain and improve performance.

11.5 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

11.5.1 Sustainable business growth

Our approach

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

How we are doing

We have continued to deliver excellent financial performance, with profit after tax and before significant items for the year ending 30 June 2013 being \$689.5 million, up 8.6% over last year.

Our financial results for FY2012-2013 can be found in the 2012 Annual Report, available online at www.amcor.com.

11.5.2 Governance, risk management and business continuity

Our approach

Our approach to governance is to foster an organisation that supports individual and professional integrity and responsible behaviour in all facets of our business.

All of our directors, managers and co-workers are required to abide by our Code of Conduct and Ethics Policy.

Our Enterprise Risk Management (ERM) program provides an integrated approach that sees risk management embedded as part of all key organisational processes. Read more about our ERM program in section 4.9 of this document.

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

A description of our governance processes can be found in section 4 of this document or in our 2013 Annual Report, available at amcor.com.

How we are doing

Since the Global Financial Crisis, there has been a worldwide increase in concerns regarding fraud. To strengthen our governance in this area we began a project in FY2012-2013 to increase the level of focus on fraud in our business activities.

Three key elements of the project were implemented:

- > Our Fraud policy was refreshed and a global message was communicated to every Amcor employee

- > Fraud control self-assessments, focusing on payroll, inventory and accounts payable, were completed for 99% of our operations.
- > Potential 'red-flags' were identified for each site and the responsible Financial Controllers and General Managers completed and signed-off a workflow assessment.

This year we conducted pilot Business Continuity Assessments at four strategically important sites. Suppliers to these sites were mapped geographically and risk data was overlaid to support the identification of potential risks (e.g. hurricanes) to the continuity of operations at those sites. The results of these pilot assessments are being integrated with the central planning functions for each site and plans for responding to such events have been developed.

We also conducted Crisis Management training for our Executive Team in Australia, as well as the leadership teams within our Rigid Plastics businesses.

Looking to the future

We will continue to implement our Fraud project, with progress reported regularly to our Board Audit Committee.

We plan to conduct Business Continuity assessments for all strategically important sites and share best practices with all remaining sites in the Amcor Group. The results will be used for business continuity planning to ensure we can continue to supply products and services after a natural disaster or other event.

We will also finish training the management teams within our Businesses in crisis management and are planning training in more complex cross-border/cross-jurisdictional issues as well.

11.5.3 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 (refer to section 4.9 for more information about our risk management process)

Our Performance

We have identified the following key risks and opportunities arising from climate change and are managing them within our Enterprise Risk Management system.

Carbon Taxes: We participate in emissions trading schemes in multiple countries we operate in. Our operations also pay carbon taxes in countries where they are applicable. Our emissions reduction program has been in place for over seven years, with both short and long term goals in place. We are actively working to reduce emissions to meet those goals.

Carbon taxes also present an opportunity to develop new markets and segments through light weight packaging and low carbon materials substitution, resulting in new products and business services.

Extended Producer Responsibility (EPR) legislation: Several countries are considering legislation to increase recycling rates that would essentially tax packaging to fund recycling systems. There is the potential that the tax on packaging could be greater than the cost of recycling. While a risk to our business, this legislation is also an opportunity as higher recycling rates would reduce the environmental impacts and popular objections to packaging. It would also increase the amount of post consumer recycled material available, which is currently a limiting factor for our operations. We may also be able to design packaging that is more recyclable and lower cost, resulting in a competitive advantage by lowering the cost impact of EPR legislation to our customers. Refer to the Marketplace section of this report for more information.

Natural disasters: The potential increase in natural disasters due to climate change poses risks to our asset protection and business continuity. We have previously experienced supply chain disruptions as a result of flooding in USA, Australia and Thailand, impacting our sites and our customers. We believe our robust business continuity program enables us to continue to service

our customers in the case of a severe weather. Learn more about our business continuity program above.

Changes in rainfall patterns: Our customers may be impacted by climate-change induced changes to rainfall patterns e.g. fresh produce growers, which will change their need for packaging materials for their products. In this situation, wastage of fresh produce becomes an increasingly significant issue. Our modified atmosphere packaging can increase the life span of fresh produce, enabling more food to reach its destination without becoming spoiled. We also have a range of packaging types suitable for distribution of fresh water to regions where water supply is a problem.

Changing consumer behavior: Public focus is often on end of life solutions for packaging and there is a mid to long term risk that our customers will select packaging which has better recycling and recovery options (but often higher impact on climate change). There is an opportunity to use our product innovation and life cycle assessment capabilities to deliver new products that enhance our premium position and sustainability leadership. We will also continue to work with industry associations to promote a life cycle approach to packaging selection. Refer to the Marketplace section of this report for more information.

Looking to the future

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

12 Other important issues for our stakeholders

In addition to our areas of focus, we report on the issues we've identified as being highly important to both our stakeholders and Amcor.

12.1 Human rights & discrimination

Our approach to human rights and discrimination is described in our Code of Conduct and Ethics policy (available at amcor.com/policies).

Co-workers and other stakeholders can report instances of discrimination or human rights abuses via our Whistleblower Service, which can be accessed anonymously by telephone in 34 countries, or by email and postal mail. Instances which are determined to be material are reported to our Board of Directors and resolved through grievance procedures managed by the Corporate Legal function.

As discussed in section 11.4.3 of this report, our sites complete SEDEX self assessment questionnaires that include questions about human rights and labour conditions.

During FY2012-2013 no material discrimination claims were identified through internal or third party use of our Whistleblower Service, and no material discrimination claims were escalated beyond the Amcor business group level.

12.2 Labour Practices

In 2006, we set minimum global labour standards for our operations. We believe that we are not only required to abide by the national laws of each country in which we operate, but that we must also conduct our business in accordance with internationally accepted practices and procedures, such as the OECD Guidelines for Multinational Enterprises. Our Company Code of Conduct and Ethics Policy (available at amcor.com/policies) sets minimum standards for the following labour practices:

- > Mutual respect
- > Discrimination
- > Forced and child labour
- > Compensation
- > Benefits
- > Freedom from harassment
- > Providing a safe working environment

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

Co-workers can report instances of harassment and bullying or non-compliance with our Code of Conduct via our Whistleblower Service, which can be accessed anonymously by telephone in 34 countries, or by email and postal mail.

We also monitor our labour practices and human rights performance through membership of the Supplier Ethical Data Exchange (SEDEX). SEDEX is a global not-for-profit membership organisation that enables the sharing of ethical performance between suppliers and their customers. SEDEX provides an online platform for reporting labour standards, health and safety, business integrity and environmental performance information. Over 90% of our 225 manufacturing sites have completed a SEDEX self assessment questionnaire (SAQ). The questionnaire includes questions about labour conditions and human rights. Within SEDEX, 67% of our manufacturing sites have received a 'low' overall risk rating. This rating is based on the questionnaire responses submitted by each site and the inherent risk associated with the country in which each site is located.

Our Group Internal Audit function audits responses to the SEDEX SAQ when they visit sites as part of their annual audit schedule. The responses are also checked during third party SEDEX audits according to the SEDEX-SMETA audit protocol.

12.3 Standardised tobacco packaging

Our tobacco packaging business represents approximately 10% of our sales and we are keenly watching the impact of the introduction of the Plain Tobacco Packaging legislation in Australia, with other countries considering similar legislation. This is a complex issue and it's still too early to determine if the legislation in Australia will deliver the outcome desired by the Government. While we support the intent of these proposals to improve public health, we believe these new laws may have some serious, unintended consequences such as:

- > Increased counterfeiting: Standardised packs are much easier to copy and do not require sophisticated printing equipment. This makes it easier for counterfeiters to enter the market, and could potentially prompt a flood of illegally manufactured tobacco products. A higher volume of counterfeit tobacco products could encourage organised crime, driven by the potential to make high profit on the black market. Standardised packs mean consumers will find it difficult to tell the difference between real and counterfeit products.
- > Health risks: Counterfeit products are unregulated and potentially more accessible to underage consumers. There is no quality control of counterfeit cigarettes.
- > Loss of tax revenues: Governments risk significant loss of tax revenue due to counterfeit trade.

12.4 End of life solutions for packaging

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.

12.5 Conflict Minerals

Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) now requires all U.S. listed companies to investigate both the source and chain of custody of tin, tungsten, tantalum, and gold (3TG) used in their products and disclose whether trade in these minerals supports the conflict in the Democratic Republic of Congo (DRC) and its neighbouring countries. Subsequent to this legislation, many of our customers requested that we assess our products and processes to identify any use of conflict minerals. On May 30th, 2013, the U.S. Securities and Exchange Commission (SEC) issued a limited guidance that packaging materials do not fall into the scope of the conflict minerals provision of the Dodd-Frank Act and issuers are not requested to conduct any country of origin inquiry in their packaging supply chain. Despite our customers no longer needing this information from us, we are continuing to identify risk areas in our supply chain where conflict minerals may be used. This investigation is ongoing.

12.6 Fibre Sourcing

Illegal logging is a global problem with significant negative economic, environmental and social impacts. Lack of visibility of the forest source of timber fibre presents a risk within our supply chain. Governments around the world are implementing regulations, such as the EU Timber Regulation, to counter the trade in illegally harvested timber.

To identify the risks associated with the virgin timber fibre, wood chips, carton board and finished paper products we purchase, we commissioned a third party to conduct a risk assessment of the global paper/board suppliers to our business units. The risk assessment aimed to provide an overview of potential legal, environmental and social risks that may be associated with the wood fibre in our pulp and paper supply chains from different regions.

As part of managing identified risks, we are developing a fibre sourcing policy and conducting detailed risk assessments at sites identified as being high risk.

As part of our approach to fibre sourcing, our new paper mill in Botany, New South Wales, Australia received Forest Stewardship Council accreditation this year. The Mill currently uses 100% recycled feedstock. Seven of our flexible packaging manufacturing sites are also FSC certified

12.7 Post-consumer recycled PET

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 is an industry issue. 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 biggest impact we can have is to create demand for recycled PET and HDPE by offering containers made from it to our customers. The number of bottles we offer with 100% PCR content has increased considerably over the last 4-5 years. The manufacture of bottles containing PCR used over 26 000 tonnes of post consumer resin throughout the Americas this year.

Our Rigid Plastics facilities in South America began using post-consumer recycled (PCR) material in their production this year, consuming 3046 tonnes in FY2012-2013, with further projects planned. The embodied energy in post-consumer recycled PET is roughly half that of virgin PET. However, the social implications of our use of this material throughout the entire supply chain must be considered and we are working closely with local organisations to understand this. 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.

12.8 Bioplastics

We are experiencing limited interest from customers in packaging manufactured from bio-plastics i.e. plastics that are made from renewable feedstock and/or that are compostable. This has largely been due to the higher cost of these materials, compared to traditional materials as well as the lack of industrial composting infrastructure in most countries.

Depending on specifications from the customer as well as local market conditions, a full range of packaging solutions from bioplastics is available. This ranges from low barrier packaging for produce and bakery to high barrier packaging for coffee, which are all produced today. We are also constantly looking for new materials in this space as well as new feedstock options (e.g. for second and third generation bioplastics), which could provide break-through innovations and sustainability benefits in the longer term future.

12.9 Extended producer responsibility for packaging

In addition to existing schemes e.g. in Europe and Canada, several countries are considering Extended Producer Responsibility (EPR) legislation to increase recycling rates that would essentially tax packaging to fund recycling systems. There is the potential that the tax on packaging could be greater than the cost of recycling.

This legislation is often very complex and the impacts change over time. We are currently actively gathering facts and data on the implications of such legislation so that we can make informed decisions. We participate in the appropriate industry groups to advocate for the packaging industry. For example we hold a board position on the Plastics Recycling Corporation of California, which provides support to the recycling industry as well as advocacy for the PET container industry.

12.10 Product safety and quality

We are proud of our research and development, quality control and manufacturing processes which ensure the safety and integrity of our packaging. However, 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. Protecting the health of the consumer is a priority to us and our customers.

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 need a less rigorous approach to product safety.

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 and all sites were required to achieve compliance to at least level 3 by June 2013. This was achieved and the next target is to have all sites at level 4 by the end of FY2013-2014.

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.

Twenty seven 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

All 60 Rigid Plastics manufacturing sites in the Americas are expected to be GFSI certified in 2014.

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

12.11 Counterfeiting

Counterfeiting of their products is an issue for some of our customers, particularly those in the tobacco and pharmaceutical industries. Wineries are also reporting counterfeited products.

To help combat counterfeiting, we offer sophisticated packaging that requires considerable capital investment and technical expertise to manufacture, making it difficult for counterfeiters to reproduce. Examples include; internally embossed wine bottles and holographic printing on flexible plastic packaging. We also offer system-approaches such as our N'Crypt pharmaceutical security solution. This combines multiple layers of technologies, such as specialised printing techniques and authentication features, with secure production and supply chain processes to protect brands from counterfeiting.

13 Independent assurance statement

Amcor Limited (Amcor) commissioned Net Balance Management Group Pty Ltd (Net Balance) to provide independent assurance over the content of the 2013 Group GRI Sustainability Report (the Report). The Report presents Amcor's sustainability performance over the period 1 July 2012 to 30 June 2013. Amcor was responsible for the preparation of the Report and this statement presents our opinion as independent assurance providers. Net Balance's responsibility in performing its assurance activities is to the Board and Management of Amcor in accordance with the terms of reference agreed with them. Other stakeholders should perform their own due diligence before taking any action as a result of this statement.

Assurance Standard and Objectives

The assurance engagement was undertaken in accordance with AccountAbility's AA1000 (2008) Assurance Standard (AA1000AS). This standard allows for the evaluation of an organisation's management, performance and reporting on sustainability issues.

This was undertaken by evaluating the organisation's adherence to the AA1000 AccountAbility Principles (2008) of:

Inclusivity: How does the organisation include stakeholders in developing and achieving an accountable and strategic response to corporate responsibility and sustainability?

Materiality: How does the organisation include in its reporting the material (most important) information required by its stakeholders to make informed judgements, decisions and actions?

Responsiveness: How does the organisation respond to stakeholder concerns, policies and relevant standards and adequately communicate these in its reporting?

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.

Assurance Type, Level, Scope and Limitations

Net Balance provided Type 2 moderate level of assurance in accordance with the AA1000AS. The review of adherence to the Principles was undertaken using the criteria outlined in the AA1000 Assurance Principles Standard (2008), while assessment of the accuracy and quality of selected sustainability performance information was guided by the ASAE3000. A third-party level check of the Report against the Global Reporting Initiative (GRI) G3.1 Guidelines was also provided. The topics covered by this assurance engagement and the criteria used during the process included the following:

Table 1: 2012-2013 Sustainability Performance information selected for assurance

Performance Area	Assessment Criteria	Report Reference
Energy and greenhouse gas emissions	GRI Indicators: EN3, EN4, EN16, EN17, EN18.	Pages: 33,36,39
Waste generation and recycling	GRI Indicator: EN22	Page: 40
Water consumption	GRI Indicator: EN8	Page: 34
Environmental impacts and compliance	GRI Indicators: EN26, EN28	Pages: 42,42
Risk management processes	GRI Profile Disclosure: 4.9	Page: 20
Health and safety performance	GRI Indicators: LA7, LA8	Page: 45
Product responsibility	GRI Indicator: PR1	Page: 52

The scope of the assurance excluded or was limited by the following:

- > The scope of work did not involve assurance of financial data, other than that relating to environmental, social or broader economic performance where applicable.
- > The head office was visited as part of this assurance engagement. All non-head office data was reviewed remotely.
- > Net Balance has adopted an approach of focusing on one business group each year in addition to the review of Group level data so that all Amcor businesses are covered in more detail over time. This year, Net Balance visited Amcor Flexibles Asia Pacific (AFAP), following previous visits to Amcor Australasia and Amcor Flexibles Europe & Americas in prior years.

Assurance Methodology

The assurance engagement was undertaken in August and September 2013, and involved:

- > Interviews with Amcor Group managers responsible for oversight of the sustainability strategy, environmental performance, occupational health and safety, internal audit and compliance. Interviews were also held with AFAP managers responsible for environment, community and climate change management.
- > A review of Amcor's Materiality determination process.
- > Interviews with key personnel responsible for collating and writing various parts of the Report to substantiate the reliability of selected claims.
- > A review of Report content for any significant omissions and anomalies, particularly in relation to claims as well as trends in data.
- > Testing of selected data points and statements relating to the subject matter outlined in Table 1.
- > A Global Reporting Initiative (GRI) G3.1 application level assessment.

Our Independence

Net Balance was not responsible for preparing any part of the Report. Net Balance confirms that we are not aware of any issues that could impair our objectivity in relation to this assurance engagement, in accordance with our Independence Policy, a copy of which is available at <http://www.netbalance.com/services/assurance>.

Our Competency

The Amcor assurance engagement was carried out by an experienced team of professionals led by a Lead Sustainability Assurance Practitioner (Lead CSAP), accredited by AccountAbility in the UK. The project included personnel with expertise in environmental, social and economic performance measurement across a range of industry sectors. Net Balance is a global leader in the use of AccountAbility's AA1000AS, having undertaken over 200 assurance engagements in Australia in the past six years. The project team has also demonstrated experience in the application of the ASAE3000.

Findings and Conclusions

Adherence to AA1000 Principles

Inclusivity:

Amcor was found to have a range of formal and informal processes in place that facilitate the engagement with key internal and external stakeholders on the Group's material issues. This year's engagement focused on testing AFAP's approach to inclusivity. Senior AFAP management personnel were interviewed on topics which included health and safety, reducing greenhouse gas impacts, product quality and safety, innovation and risk management. Amcor was found to have appropriate processes in place which facilitate engagement with key stakeholder groups on each of these issues.

Materiality:

Net Balance reviewed Amcor's Group materiality assessment process as part of the assurance engagement. The materiality process was found to be guided by a standardised procedure and

process. The results of the previous year's extensive materiality work were reviewed and updated by Amcor to reflect emerging trends within the market place. The issues identified through this process were found to reflect key issues that are currently being managed across the Group. This year's engagement focused on the testing of AFAP's management of material issues. AFAP was found to have strategies in place to assist in managing health and safety, reducing greenhouse gas impacts, product quality and safety, innovation and risk management.

Responsiveness:

Net Balance tested the responsiveness of Amcor to the management of the selected material issues through a series of interviews with management, the review of performance management systems and supporting documentation. Building on previous year's work, Amcor was found to report more regularly on performance against their environmental targets (EnviroAction Targets) to the Executive team. This increased focus has allowed the business to respond to and manage performance closely. This focus on targets has also resulted in environmental performance improvements across the Group. AFAP has clear strategies and targets in place to help the business group improve performance in health and safety, reducing greenhouse gas impacts, product quality and safety, innovation and risk management.

Reliability of Performance Information

Based on the scope of the assurance process, the following was observed with regard to performance information:

- > The findings of the assurance engagement provide confidence in the systems and processes used for managing and reporting sustainability performance information included in the scope of this assurance engagement.
- > The level of accuracy of sustainability performance information was found to be acceptable.
- > Data trails selected were identifiable and traceable, and the personnel responsible were able to reliably demonstrate the origin and interpretation of data.
- > The GRI application level check found that the reporting was classified as B+ in accordance with the GRI 3.1.

Based on our assurance procedures, nothing has come to our attention that causes us to conclude that the selected sustainability performance information has not been prepared, in all material respects, in accordance with the criteria as presented in Table 1.

The Way Forward

Overall, it is Net Balance's opinion that nothing came to our attention to indicate that the Report was not a fair representation of Amcor's environmental, social and economic performance during the reporting period.

To ensure Amcor continues to improve Net Balance has provided a number of recommendations. These recommendations relate to; the consolidation of sustainability data management systems across the Group to further improve data management; the enhancement of the material issues determination process to reflect a value chain based approach; and the adoption of the GRI G4 guidelines and the principles of integrated reporting. Further detail on these recommendations has been provided in a report to Amcor's Board and Management.

On behalf of the assurance team
27 September 2013
Melbourne, Australia



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14 GRI 3.1 Content Index

1	Strategy and Analysis.....	6
1.1	Statement from the most senior decision-maker of the organisation	6
1.2	Description of key impacts, risks and opportunities	8
2	Organisational Profile	10
2.1	Name of the Organisation	10
2.2	Primary brands, products and/or services	10
2.3	Operational structure of the organization	10
2.4	Location of the organisation’s headquarters	10
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	11
2.6	Nature of ownership and legal form	11
2.7	Markets served	11
2.8	Scale of the reporting organization	12
2.9	Significant changes during the reporting period regarding size, structure and ownership	12
2.10	Awards Received in the reporting period	12
3	Report Parameters	14
3.1	Reporting period	14
3.2	Date of most recent previous report	14
3.3	Reporting cycle	14
3.4	Contact point for questions regarding the report or its contents	14
3.5	Process for defining report content	14
3.6	Boundary of the report	16
3.7	State any specific limitations on the scope or boundary of the report	16
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organizations	16
3.9	Data measurement techniques and the bases of calculations	16
3.10	Explanation of the effect of any re-statements of information provided in earlier reports	16
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report	17
3.12	Table identifying the location of the Standard Disclosures in the report	17
3.13	Policy and current practice with regard to seeking external assurance for the report	17
4	Governance, Commitments and Engagement	18
4.1	Governance structure of the organisation	18
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	18
4.3	Number and gender of members of the highest governance body that are independent and/or non-executive members	18
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	19

4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives and the organisation's performance (including social and environmental performance).	19
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	19
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	19
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	20
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	20
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance)	21
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	22
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	22
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations	22
4.14	List of stakeholder groups engaged by the organisation	24
4.15	Basis for identification and selection of stakeholders with whom to engage	25
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	25
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting ²⁶	
5	Performance Indicators: Economic.....	27
5.1	Disclosure on Management Approach	27
	EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	28
	EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change	29
	EC3 Coverage of the organization's defined benefit plan obligations	29
	EC4 Significant financial assistance received from government	29
6	Performance Indicators: Environmental	31
6.1	Disclosure on Management Approach	31
	EN1 Materials used by weight or volume	31
	EN2 Percentage of materials used that are recycled input materials	32
	EN3 Direct energy consumption by primary energy source	33
	EN4 Indirect energy consumption by primary source	33

EN5 Energy saved due to conservation and efficiency improvements	34
EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	34
EN7 Initiatives to reduce indirect energy consumption and reductions achieved	34
EN8 Total water withdrawal by source	34
EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	36
EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	36
EN13 Habitats protected or restored	36
EN14 Strategies, current actions, and future plans for managing impacts on biodiversity	36
EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	36
EN16 Total direct and indirect greenhouse gas emissions by weight	36
EN17 Other relevant indirect greenhouse gas emissions by weight	39
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved	39
EN19 Emissions of ozone-depleting substances by weight	40
EN20 NO _x , SO _x , and other significant air emissions by type and weight	40
EN22 Total weight of waste by type and disposal method	40
EN23 Total number and volume of significant spills	41
EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	42
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	42
EN27 Percentage of products sold and their packaging materials that are reclaimed by category	42
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	42
7 Performance Indicators: Labor Practices and Decent Work.....	44
7.1 Disclosure on Management Approach	44
LA1 Total workforce by employment type, employment contract, and region	44
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region	45
LA8 Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	45
LA10 Average hours of training per year per employee by employee category	45
LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	45
8 Performance Indicators: Human Rights.....	46
8.1 Disclosure on Management Approach	46
HR1 Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns or that have undergone human rights screening.	46

HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	46
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights	46
HR4	Total number of incidents of discrimination and actions taken	46
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk.	46
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	47
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor	47
HR 8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	47
HR 9	Total number of incidents of violations involving rights of indigenous people and actions taken.	48
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	48
9	Performance Indicators: Society	49
9.1	Disclosure on Management Approach	49
SO1	Local Community	49
SO2	Percentage and total number of business units analysed for risk related to corruption	50
SO3	Percentage of employees trained in the organization's anti-corruption policies and procedures.	50
SO4	Actions taken in response to incidents of corruption	50
SO5	Public policy positions and participation in public policy development and lobbying	50
SO7	Total number of legal actions for anticompetitive behavior, anti-trust and monopoly practices and their outcomes	51
SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations	51
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	51
10	Performance Indicators: Product Responsibility	52
10.1	Disclosure on Management Approach	52
PR1	Life cycle stages in which the health and safety impacts of products are assessed	52
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services	52
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	53
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	53
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	53
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	53

PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications,	53
PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	53
PR9 Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	53
11 Our areas of focus.....	54
11.1 Environment	54
11.2 Community	62
11.3 Workplace	66
11.4 Marketplace	71
11.5 Economy	77
12 Other important issues for our stakeholders.....	80
12.1 Human rights & discrimination	80
12.2 Labour Practices	80
12.3 Standardised tobacco packaging	81
12.4 End of life solutions for packaging	81
12.5 Conflict Minerals	81
12.6 Fibre Sourcing	81
12.7 Post-consumer recycled PET	82
12.8 Bioplastics	82
12.9 Extended producer responsibility for packaging	82
12.10 Product safety and quality	83
12.11 Counterfeiting	84
13 Independent assurance statement	85
14 GRI 3.1 Content Index.....	89

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