



AMCOR AUSTRALASIA

Australian Packaging Covenant

Action Plan 2011-2015

From the Desk of Nigel Garrard

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

The fundamental role of packaging is to deliver a product to the customer in a condition fit for its intended purpose. While packaging is only a small part of a product's overall environmental footprint, its greatest contribution to sustainability is the prevention of waste.

While packaging delivers significant sustainability benefits, we also recognise that packaging potentially has environmental impacts throughout its lifecycle that need to be managed.

Amcor, as a leading provider of responsible packaging solutions, is committed to providing the most effective, efficient and sustainable products to our many customers worldwide.

With our continued commitment to sustainability through our Sustainability Policy, and continued collaboration with our customers, we are committed to new ways of working that reduce both our impacts and those of our customers.

Therefore it gives me great pleasure to present Amcor Australasia's 2010-2015 Australian Packaging Covenant Action Plan, which establishes our continued support and commitment to its Goals, Key Performance Indicators and Product Stewardship initiatives for the next five years,

Please do not hesitate to contact me or the Amcor APC Steering Committee in relation to any aspect of our Action Plan.

Yours Sincerely,

Nigel Garrard
Managing Director
Amcor Australasia

Contents

From the Desk of Nigel Garrard	2
Contents.....	3
About Amcor Australasia.....	4
Amcor's Commitment to Sustainability.....	6
Amcor Australasia's APC Action Plan 2011-2015.....	8
Amcor's Ongoing Commitment.....	9
Goal 1 Design.....	10
Goal 2 Recycling.....	12
Goal 3 Product Stewardship.....	14
Contacts.....	17

About Amcor Australasia

Amcor Australasia is one of six Operating Business Units of Amcor Limited, a publically listed company on the Australian Stock Exchange (ASX). The company has operations in five geographic areas – Australasia, North America, Latin America, Europe and Asia; with over 300 sites in 44 countries and some 35,000 employees (co-workers).

As one of the world's largest packaging companies, we offer customers the highest standards in innovative packaging solutions, reliable service and partnerships built on excellence.

Amcor's main products include PET plastic and metal containers for beverage applications, flexible packaging for the food and healthcare markets, tobacco packaging, folding cartonboard for fast moving consumer goods markets, corrugated boxes and a North American distribution business that contribute to annual sales of A \$9.9 billion.¹

Amcor Australasia (AA) accounts for approximately 28 per cent² of the Company's annual sales. In Australia, AA operates over 50 packaging and recycling sites in all States and Territories and is a leading manufacturer of fibre, metal, flexible plastic and glass packaging with annual sales of around A \$1.9 billion.³

Details on each of Amcor Australasia Businesses are provided below.

Amcor Paper

Amcor Paper is a leading producer of recycled paper, brown liners and fluting grades for the Australian and Asian markets. With the commissioning of a new Paper Machine at our Botany site (NSW), Amcor Paper will increase efficacy and capacity to suit Amcor's internal and external requirements.

Amcor Fibre Packaging

A leading packaging supplier to food, beverage and industrial manufacturers in Australia and New Zealand, Amcor Corrugated Packaging offers a full service, from design and testing through to automation and supply chain integration.

Amcor Fibre Displays

Amcor Fibre Displays produces high impact Point of Sale (POS) displays from their production centres throughout Australia and New Zealand

Amcor Cartonboard

Amcor Cartonboard supplies cartonboard from its Petrie Mill in Queensland, the only cartonboard mill in Australia, to packaging manufacturers across Australia and New Zealand.

¹ AMCOR LIMITED 2009-10 Sales Figures.

² Amcor Australasia (inclusive of the US-Based Amcor Packaging Distributions) Sales Figures.

³ Australian Operations ONLY: 2009-10 Sales Figures for Amcor Australasia and Amcor Flexibles Asia Pacific.

Amcor Cartonboard has been a major supporter of the Australian Recycled Cartonboard program for over 15 years, increasing awareness and prompting the benefits of using Australian-made recycled cartonboard to companies and customers across Australia.

Amcor Folding Cartons

With eight plants across Australia and New Zealand, Amcor Folding Cartons has the widest geographical coverage of any carton manufacturer in the region.

Amcor St Regis Bates

Amcor St Regis Bates supply Dairy, Food, Cement and Mineral companies globally, St Regis Bates manufactures multi-wall paper sacks while also trading in other bulk packaging.

Amcor Recycling

Amcor is one of Australia's largest recyclers of paper and cardboard. They provide services including the collection, sorting and recycling of waste from industry, supermarkets and households.

Amcor Beverage Cans

Amcor Beverage Cans is the market leader in metal packaging for beverages. They supply Australian and New Zealand beverage manufacturers with a wide range of aluminium beverage can solutions.

Amcor Closure Systems

Amcor Closures, located in Melbourne and Adelaide Australia, produces plastic and metal closures under licence from leading global closure technology providers. They service food and beverage manufacturers throughout Australia and New Zealand, including many of the region's wine makers.

Amcor Glass

Based in South Australia, Amcor Glass manufactures premium wine and beer bottles for Australian and New Zealand customers.

Amcor Flexibles

Amcor Flexibles Asia Pacific in Australia and New Zealand offers flexible packaging solutions for food and beverage, personal care and healthcare products.

Amcor's Commitment to Sustainability

Amcor's commitment to sustainability management starts with our Belief Statement: 'We Believe in Responsible Packaging'. Providing responsible packaging means that we must meet our stakeholders' expectations to minimise the impact of packaging and utilise our expertise as a global packaging leader to make a positive contribution to society.

We have developed a framework for tracking and reporting our sustainability management performance that reflects the interests of our broad range of stakeholders. This framework recognises our Corporate Social Responsibility which includes our Code of Conduct and Ethics Policy.

Sustainability at Amcor is outlined in five domains: Economy, Workplace, Marketplace, Environment, and Community.

This Sustainability Framework was developed in accordance with international frameworks such as the Global Reporting Initiative and the Dow Jones Sustainability Index. As such, it can be used for benchmarking against various international standards and our corporate peers.

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

More details on this framework and our performance can be found in Amcor's Sustainability Report 2010⁴.

In line with Amcor's commitment to sustainability, Amcor Australasia is implementing its Sustainability Policy⁵ that commits us to new ways of working that reduce both our impacts, and that of our customers, through the products and services we provide.

To ensure that sustainable behaviour is embraced as an integral part of our operations we specifically undertake to:

- Deploy environmentally responsible packaging solutions for our customers
- Employ efficient manufacturing processes that promote the efficient use of resources (energy, water and waste minimisation) in our operations and supply chains;
- Engage all co-workers in the pursuit of best in class sustainability performance;
- Engage with the communities in which we operate; and
- Value and demonstrate social responsibility.

Our customers also benefit from working with our Innovation and Development and Sustainability Services Groups that assist our customers in attaining their sustainability goals.

⁴ Available at <http://www.amcorannualreport2010.com/sustainability/>

⁵ Available at <http://media.amcor.com/documents/AA-Sustainability-Policy-v5.pdf>

Amcor Innovation and Development Group

This corporate group works with individual Amcor Divisions and their customers to provide innovative packaging solutions for specialized requirements.

Amcor Sustainability Services Group

This corporate group works with individual Amcor Divisions and their customers to provide sustainability services, including but not limited to Sustainability Strategy Development, Sustainability Training, Australian Packaging Covenant Action Plan Development, Australian Packaging Covenant Auditing and Reporting, Project Management, Life Cycle Assessments and Transport Modelling.

This group can also assist companies, where appropriate, to become signatories to the Australian Packaging Covenant.

Amcor Australasia's APC Action Plan 2011-2015

This document is Amcor Australasia's (AA) Action Plan under the new Australian Packaging Covenant agreement.

This action plan documents AA's commitment towards the APC Goals, Key Performance Indicators and product stewardship initiatives for the next five years.

This Action Plan will be reviewed and reported on annually as required by the APC Council and updated to reflect outcomes and new initiatives as progress is made.

Amcor's Ongoing Commitment

As a packaging manufacturer, Amcor supplies products to a large number of brand owners. As such Amcor acknowledges that packaging has significant sustainability benefits which include the protection and prolonged shelf-life of products, as well as marketing, distribution and branding of goods, while also having environmental impacts throughout its lifecycle, that need to be managed.

Amcor was a Founding Member of the National Packaging Covenant (NPC) in 1999. Amcor is committed to the principle of product stewardship, by managing its operations and designing its products in an environmentally, socially and commercially responsible way.

In our continued support of the Australian Packaging Covenant (APC), Amcor will actively contribute to reducing environmental impacts of consumer packaging through:

- Designing packaging in line with the Sustainable Packaging Guideline or equivalent including designing packaging that is more resource efficient and more recyclable;
- Increasing the recovery and recycling of used packaging from households and away-from-home sources; and
- Taking action to reduce the incidence and impacts of litter.

2010 was the final reporting year under the second iteration of the NPC and Amcor's NPC Action Plan 2005-10. In accordance with the Australian Packaging Covenant and its new five-year Strategic Plan (2010-2015) Amcor has developed this five-year Action Plan to demonstrate its commitment and continued support of the APC Goals relating to Design, Recycling and Product Stewardship.:

Goal 1 Design

Optimise packaging and reduce environmental impact without compromising product quality and safety

Amcor's Intent

Amcor will use the Sustainable Packaging Guidelines (SPG) or equivalent for all new and revised packaging designs and development in order to reduce environmental impacts without compromising product quality and safety.

Actions

- 1.1 Amcor will formally incorporate the use of the SPG or equivalent in the design and development of all new and revised packaging products commercialised by customers (brand owners) for the Australian Market.
- 1.2 Amcor will continue to collaborate with customers (brand owners) in developing Responsible Packaging Solutions and meeting their obligations under the APC.
- 1.3 Amcor will establish a centralised database to record improvements and changes in design and development of all new and revised commercialised packaging.
- 1.4 Amcor will report its progress against Action 1.1 from the central database (described above) in the Company's APC Annual Reports.

Targets

- 100% of new packaging for customers (brand owners) will be assessed against the SPG or equivalent;
- Maximise the assessment of existing packaging for APC Signatory customers (brand owners) against the SPG or equivalent;
- Amcor will continue to maximise the percentage of pre- and post-consumer recycled content in its packaging in conjunction with customer requirements, packaging functionality and in accordance with current food contact and material safety regulations and legislation;
- Amcor will continue to optimise the amount of material utilised to achieve required functional performance levels.

Baseline 2009-10

Recyclability and recycled content of Packaging

Packaging Type	Amcor's Current Recycled Content (%)	% of Product Content Recyclable
Primary Packaging		
Beverage can (Aluminium)	56 (a)	100
Glass Bottle	21.5	100
Carton – Artcote White	30	100
Carton – Artcote Kraft	80	100
Carton – Artcote Grey	95	100
Carton – Starcote Laminating	100	100
Cartons – Carrierboard	75	100
Flexibles – Mono PE	0	10 (b)
Flexibles – Composite	0	0 (b)
Sack – Unlined	0	100
Sack – PE Liner	0	100
Sack – Non recyclable liner	0	65
Closures – Aluminium	15	95
Closures – Steel	15	95
Closures – Plastic	0	100
Secondary Packaging		
Corrugated – Recycled	100	100
Corrugated – Virgin Liners	30	100
Corrugated – Coated	30	100

Notes:

- (a) Accounts for the average recycled content for all can components from all suppliers.
- (b) Both Mono PE and Composite flexible materials can be 100 percent recycled back into other non-packaging recycled products such as fence posts.

Goal 2 Recycling

The efficient collection and recycling of packaging

Amcor's Intent

Amcor will actively support the efficient and effective collection and recycling of packaging.

Amcor is committed to using products that have a substantially lower impact on the environment than comparable options while maintaining quality, functionality and cost competitiveness, with the aim of delivering both value for money and value to the environment.

Actions

- 2.1 Amcor will continue to maintain and continually improve existing collection and where appropriate, in conjunction with its waste management service provider, develop a plan to progressively increase collection of pre-consumer materials⁶ and post-consumer⁷ packaging from Amcor sites.
- 2.2 Amcor will continue to seek solutions to maximise the diversion of pre-consumer materials and post-consumer packaging from landfill to recovery systems through its Recycling Business.
- 2.3 Amcor will review its current purchasing procedures and practices to ensure the selection and purchase of products has regard to minimising environmental impact throughout the course of the manufacturing, transport, use, recycling and disposal lifecycles.

Targets

- Amcor will continue to provide recycling collection facilities for process waste and other site waste;
- Amcor will continue to offer tailor-made recycling solutions to our customers and other external parties.

⁶ "Pre-consumer materials" means material diverted from the waste stream during a manufacturing process. Excluded is reutilisation of materials such as rework, regrind or scrap generated in a process and capable of being reclaimed within the same process that generated it. (Adapted from the AS/NZS ISO:14012:2000, Environmental labels and declarations – self-declared environmental claims)

⁷ "Post-consumer packaging" means packaging material generated by households or by commercial, industrial and institutional facilities in their role as end-users of the product which can no longer be used for its intended purpose. This includes returns of material from the distribution chain. (Adapted from the AS/NZS ISO:14012:2000, Environmental labels and declarations – self-declared environmental claims)

Baseline 2009-10

Amcor operates over 50 manufacturing operations across Australia. The company also has corporate and divisional offices in Melbourne.

Amcor provides recycling collection facilities for pre-consumer and post-consumer packaging at all manufacturing sites and offices.

Amcor's current Procurement Policy includes environmental criteria as part of the supplier selection process.

Amcor's current procedures in relation to buying recycled products or materials are based on the following:

- Amcor Australasia Procurement Policy;
- Amcor Standard Request for Quotation and Contract Supply;
- Amcor Purchasing Memorandum of Understanding (MoU) for suppliers; and
- Sustainable Procurement Assessment checklist and questionnaire.

Goal 3 Product Stewardship

A demonstrated commitment to product stewardship by the supply chain

Amcor's Intent

Amcor is committed to supporting and promoting product stewardship.

Actions

- 3.1 Amcor will formally document the review of all packaging against the SPG or equivalent.
 - Amcor will also review all material specifications with respect to legislative obligation to ensure that safety and performance of Amcor products are not compromised.
- 3.2 Where practicable, Amcor will encourage supply contractors to provide take-back and recycling of packaging materials and develop internal mechanisms to collate and recycle as part of its Recycling Business.
- 3.3 Where practicable, Amcor will encourage waste management contractors to provide collecting and recycling of packaging materials and develop internal mechanisms to collate and recycle as part of its Recycling Business.
- 3.4 Amcor will continue working with customers to assist them in meeting their Covenant obligations.
- 3.6 Amcor will actively support resource efficiency throughout its operations.
- 3.7 As a packaging manufacturer, Amcor will continue to:
 - Procure used pre-consumer materials and post-consumer packaging from any recovery system that is commercially viable and meets appropriate safety and quality standards ('Australian Council of Recycling' – Materials Specifications);
 - Procure used pre-consumer materials and post-consumer packaging from any market sector that is commercially viable and meets appropriate safety and quality standards;
 - Procure commercially viable secondary raw materials in excess of its internal manufacturing demand. Excess quantities will be made available to external markets;
 - Conduct best practice and emerging technology reviews to ensure it is in a position to economically utilise and where appropriate maximise the quantity of recycled materials in its packaging;
 - Liaise closely with customers (brand owners) to meet functional and supply chain consolidation; and
 - Influence customers (brand owners) regarding graphics (labelling and material recycling information) where possible.
 - **Amcor takes the safety of its products very seriously.** We will continue to monitor the research regarding safety and quality and to test our products thoroughly to ensure their quality and safety meets stringent requirements prior to supply for our customers. At any time, if Amcor believes a product poses a health or safety risk, we

are committed to communicating transparently, withdrawing our products from sale and notifying our customers immediately.

Targets

- 100% of new packaging for customers (brand owners) will be assessed against the SPG or equivalent;
- Maximise the assessment of existing packaging for APC Signatory customers (brand owners) against the SPG or equivalent;
- Amcor will provide relevant data to its customers (brand owners) in a timely manner to allow them to complete their Action Plans and Annual Reports;
- Resource efficiency improvements by target year 2015 based on 2009-10 baseline.

	GHG Emissions	Water (purchased)	Waste to Landfill	Hazardous Waste
Absolute Reduction Target	100,000 tonnes CO ₂ Equivalent	150,000 Kilolitres	35,000 tonnes	2,500 tonnes

Note:

These reduction targets are for Amcor Australasia and Amcor Flexibles Asia Pacific (AFAP) Australian and New Zealand operations ONLY. Each Business Group has its own individual reduction targets for each of the four resource parameters. Some individual targets may be higher or lower than the overall targets due to the nature of the operations of each Business Group.

- Amcor will continue to maximise recycled content for materials type and applications in accordance with food packaging safety standards, packaging functionality and customer requirements, where the customer accepts recycled content;
- Amcor will secure reliable and cost effective secondary raw materials recovery that meets the feedstock requirements of Amcor's Business Groups
- Amcor will encourage stakeholder initiatives to improve quality standards and plans to strictly maintain its current specifications as a minimum requirement;
- Amcor will continue to participate in the Supplier Ethical Data Exchange (SEDEX). SEDEX is a membership organisation for businesses committed to continuous improvement and the ethical performance of their supply chains.

Baseline 2009-10

Resource Efficiency Targets are measurable against Amcor Australasia new baseline year 2009-10.

Secondary materials in Amcor's manufacturing processes include significant volumes of pre-consumer materials diverted from landfill.

Market sector	Baseline 2009-10 (000's tpa)
Kerbside – consumer fibre packaging & paper	82
Kerbside - glass	50.2
Industrial – consumer fibre packaging & paper	492

Volumes of excess secondary raw materials sold to external users by Amcor.

Market Sector	Baseline 2009-10 (000's tpa)
Domestic sale – consumer fibre packaging	39
Domestic – transport LDPE	0
Domestic –other packaging	7.6
Export –consumer fibre packaging & paper	182
Export – transport LDPE	3.8
Export – other packaging	9.2

Contacts

For any enquiries regarding this report please contact:

Amcor's Australian Packaging Covenant Steering Committee

Amcor Australasia

109 Burwood Road

Hawthorn, Victoria, 3022

P: + 61 3 9811 7111

Attention Amcor Australasia Group Environment and Sustainability Manager