



**Innovating. Collaborating.
Informing.**

2020 Sustainability Review





Innovating

Designing packaging that takes into account full life cycle environmental impacts.

Collaborating

Taking action and making progress to improve waste management infrastructure.

Informing

Sharing technical expertise to educate and empower consumers.

Welcome

Towards a system of responsible packaging

Consumers' increasing demand for more sustainable products is reshaping the packaging industry and creating a powerful incentive for companies to lead through innovation.

The year 2020 highlighted for many why there will always be a role for packaging: to keep food fresh longer, to enable broader distribution of medicines and to keep healthcare equipment sterile. At Amcor, we are proud of the role our products play.

We also know that sustainability is our greatest opportunity. Consumers deserve to know that the packaging they need and value does not have a negative environmental impact. The answer – to keeping a growing global population fed, healthy and safe – is responsible packaging.

We believe responsible packaging requires product innovation, waste management infrastructure and consumer participation. This approach guides our investment in best-in-class research and development (R&D) capabilities; our partnerships to encourage the expansion of contemporary waste management infrastructure; and our work with brands to help inspire consumers to recycle more.

We are fully embracing our leadership position in the packaging industry and made solid progress on all three elements of responsible packaging in 2020. Our highlights for the year include announcing our technological breakthrough to create the world's first recyclable retort packaging; continuing our collaboration with CEFLEX to set industry standards; and conducting our own research on consumer attitudes and behaviors towards sustainable packaging.

Sustainability is comprehensively embedded across Amcor's business – from how we run our factories more efficiently to the steps we have taken to ensure responsible procurement and ethical practices across our supply chain. And we remain on track to meet our commitment that all our packaging will be recyclable or reusable by 2025.

Of course, there is much more to do. We are confident that our R&D will deliver the necessary package innovation and that consumers' actions will continue to reflect their values. But we also need improved waste management infrastructure so that society and the environment can realize the benefits. We know that wherever a sensible infrastructure is in place, the system works. We need infrastructure owners to learn from those countries and regions that are already succeeding. Expanding that example would radically reduce the problem of waste leakage.

I appreciate your interest in our sustainability strategy and hope you will find this report both interesting and exciting. We are making great progress thanks to the tireless care and work of thousands of colleagues around the world. As the leader in sustainable packaging innovation, we move forward with urgency, confidence and optimism. We will continue making progress and reporting on it regularly.

Ron Delia
Chief Executive Officer



Our Cover Stories

Sustainability at Amcor

Sustainability is Amcor’s most exciting growth opportunity. We are leveraging our unique scale, reach, and expertise to meet our customers’ growing sustainability expectations and lead the way for the packaging industry.

At Amcor we know that sustainability goes far beyond the products that we make ourselves. Nonetheless, the defining sustainability issue in our industry is minimizing the presence of packaging waste in the environment.

This is a challenge and an opportunity. The answer is responsible packaging, which rests on three pillars – innovating for product design, collaborating for better waste management and recycling infrastructure, and informing for greater consumer participation.

Innovating

Amcor is leading the way in defining and developing the innovative, more sustainable products our customers want and their consumers expect. Our capabilities are best-in-class, with more than \$100M annual investment in R&D and a team of deeply experienced professionals working globally to create new packaging solutions. In the last four years, Amcor products have won many awards for innovation, including recognition for packaging that requires fewer resources or is designed to be recycled. This is the pillar of activity where we have the highest degree of control and we are proud of the progress we have made.



Collaborating

Like any other products that are designed to be recycled, packaging requires a sorting, collecting, and recycling infrastructure. In many countries, forward-thinking policies and environmental considerations over the years have led to steady investment in such infrastructure. Other regions, however, do not yet offer consumers an easy and effective way to participate in responsible waste management practices. If governments are to legislate in this area it is important that they work with industry to ensure that policy is effective in achieving the desired outcomes.



Informing

On their own, product design and waste management infrastructure are necessary but not sufficient. Ultimately, we also need to ensure that consumers have the understanding and the resources to recycle. This year, Amcor has worked with companies and non-governmental organizations (NGOs) across the value chain to build our understanding of how to create a plastics system that works.



Our Recycling Journey

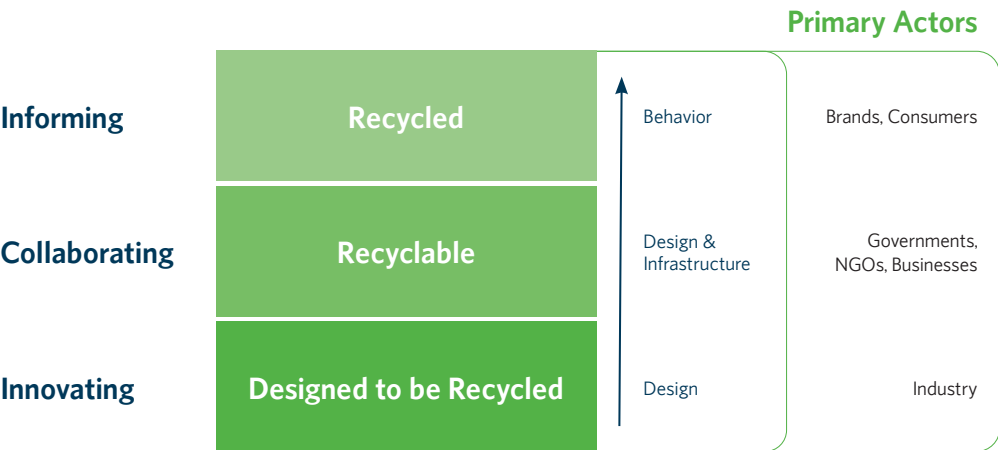
Amcor continues to explore a range of alternative routes to responsible packaging in partnership with our customers. The truth is that we have not yet - as an industry or as a society - made the best use of the technology we know works when it comes to reducing waste: recycling.

We are constantly investing in innovation to design an increasing amount of our packaging to be recycled. We are working with others to promote investment in the waste management and recycling infrastructure needed to ensure that packaging is truly recyclable, and we are working to inform consumers and affect behavior change so that our products are recycled. We know we have a role to play in all three of these areas, but our primary focus must be on designing more packaging to be recycled. We need governments, brand owners, and others across the industry to join us in delivering the infrastructure and education that will make the most of these innovation breakthroughs.

In Closing

Amcor continues to lead on sustainability. This year we released our first-ever sustainability report written to Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) reporting guidelines. This transparency gives our customers – and our wider stakeholders – confidence in Amcor’s ongoing dedication to pioneering responsible packaging and to holding ourselves accountable to our wider sustainability responsibilities. **If you are interested in reading our detailed and data-rich sustainability report, please visit amcor.com/sustainability.**

At Amcor, we see sustainability as our biggest opportunity. It guides everything we do and it animates our decisions. We will continue to leverage our unique strengths – our size, our scale and our best-in-class capabilities – to make yet more progress in FY21 and beyond.



Innovating

We all want packaging that protects the products we need and value, but does not have a detrimental impact on the environment.

Amcor's sustainability strategy is premised on achieving this through our three pillars – innovating, collaborating, and informing. Of these, it is through innovation that we can drive progress from within. We are focused on innovations that solve the biggest problem our industry faces – how to ensure that when our packaging comes to the end of a particular use, that does not mean it is at the end of its life. By designing our packaging to be recyclable or reusable, Amcor is leading the way in defining and developing the innovative, more sustainable products our customers want and their consumers expect.

Not only was Amcor the first packaging company to commit to all its packaging being recyclable or reusable by 2025, but we have gone even further. Our capabilities are best-in-class, with more than \$100M annual investment in R&D and a team of deeply experienced professionals working globally to create new packaging solutions.

Amcor is the partner of choice for customers who want to protect their brands through packaging that is more functional, more attractive, more intelligent, and better for the environment.

In the last four years, Amcor products have won many awards for innovation, including recognition for packaging that requires fewer resources or is ready for recycling. In FY20, we increased our purchase of post-consumer recycled (PCR) resin by 37% from the previous year – up to over 83,917 tonnes.

Innovation in these areas keeps Amcor on course to reduce the virgin plastic used in our supply chain by 200,000 tonnes and to meet our commitment that all Amcor packaging will be recyclable or reusable by 2025.

Our new e-commerce testing laboratories help customers choose custom-made products for that channel, greatly reducing wastage and subsequent environmental impact.

Innovations that make packaging more sustainable are Amcor's biggest opportunity – both commercially and in terms of our contribution to reducing waste and waste leakage. We are proud of the progress we have made through our innovation efforts.

Responsibly Selecting Raw Materials

The raw materials used to produce a package have a wide range of implications for its performance and environmental impact.

Amcor selects raw materials based on their ability to protect the product inside the package and their capacity to minimize the overall environmental footprint of our packaging. We also seek to reduce our reliance on virgin resources like fossil fuels.

Post-Consumer Recycled Materials

Post-consumer recycled (PCR) materials are those that have served their purpose (have been used by the consumer) and have subsequently been recycled to produce a new raw material. Using PCR replaces the use of virgin materials and lowers the greenhouse gas emissions per unit of packaging. It also gives value to plastic waste and helps promote its reuse into other packaging products. As part of our 2025 pledge, Amcor is committed to achieving 10% use of PCR resins across our portfolio by 2025. In FY20, we used 83,917 tonnes of recycled materials, representing 4.3% by weight of our total resins purchased.



Bio-Based Materials

Unlike traditional resins that are produced from depletable fossil fuels, bio-based resins are derived from renewable resources such as sugar cane, corn, potatoes, rice, soy, wheat, and trees. In addition to decoupling packaging from fossil fuels, using bio-based resins often contributes to a lower carbon footprint compared to traditional resins. In FY20, Amcor used 436,268 tonnes of bio-based raw materials – approximately 14% of our total materials. This number includes bio-based resins as well as paper and paperboard.



Responsibly Sourced Materials

Responsibly sourced materials – those sourced from socially and environmentally responsible suppliers, as confirmed by certification schemes – can support a more sustainable packaging strategy. Amcor works with our suppliers and trusted third parties to ensure that labor practices, forest management, environmental controls, mining activities, and agricultural management are held to the highest environmental, social, and ethical standards. Some of the certifications Amcor seeks out for our materials include Forest Stewardship Council (FSC) for wood-based materials, Bonsucro and International Sustainability & Carbon Certificate (ISCC) for bio-based materials, and Aluminum Stewardship Initiative (ASI) for aluminum materials.



2020 at a Glance

We work together with stakeholders and partners towards eliminating plastic waste in the environment. By innovating, collaborating and informing we deliver responsible packaging that meets consumers' growing sustainability needs.

Informing

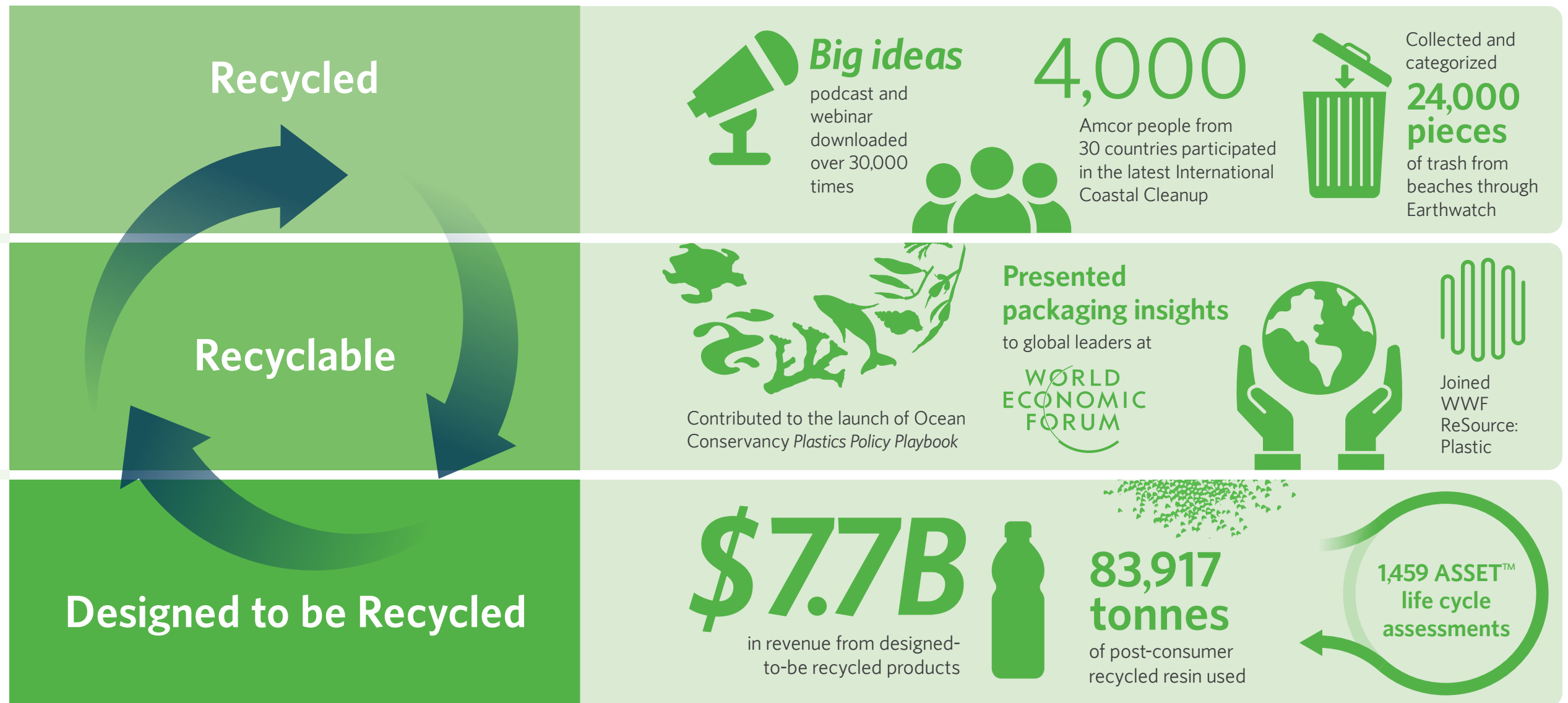
Sharing our expertise to enable consumers' participation in recycling.

Collaborating

Working with partners to accelerate the development of efficient waste management infrastructure.

Innovating

Designing unique packaging solutions that consider their full environmental life-cycle.



Awards and Recognition



Dow Dupont Innovation Awards 2020



Alufoil Trophy 2020



Flexible Packaging Association 2020

Collaborating with Our Partners



Designing for a Smaller Environmental Footprint

Amcor considers the full packaging life cycle during our product development process.

Life cycle assessments show that protecting the product inside the package is the most important way to reduce its overall footprint. Additional design decisions related to the types and amounts of materials used and disposal options can also impact a package's carbon footprint.

Amcor's R&D and product design experts have mastered a range of strategies to reduce the environmental footprint of our packaging while improving product protection. These include using more PCR content, sourcing raw materials with lower carbon footprints, using fewer raw materials through product lightweighting and downgauging, and designing packaging that can be disposed of through lower-footprint waste streams such as recycling or reuse.



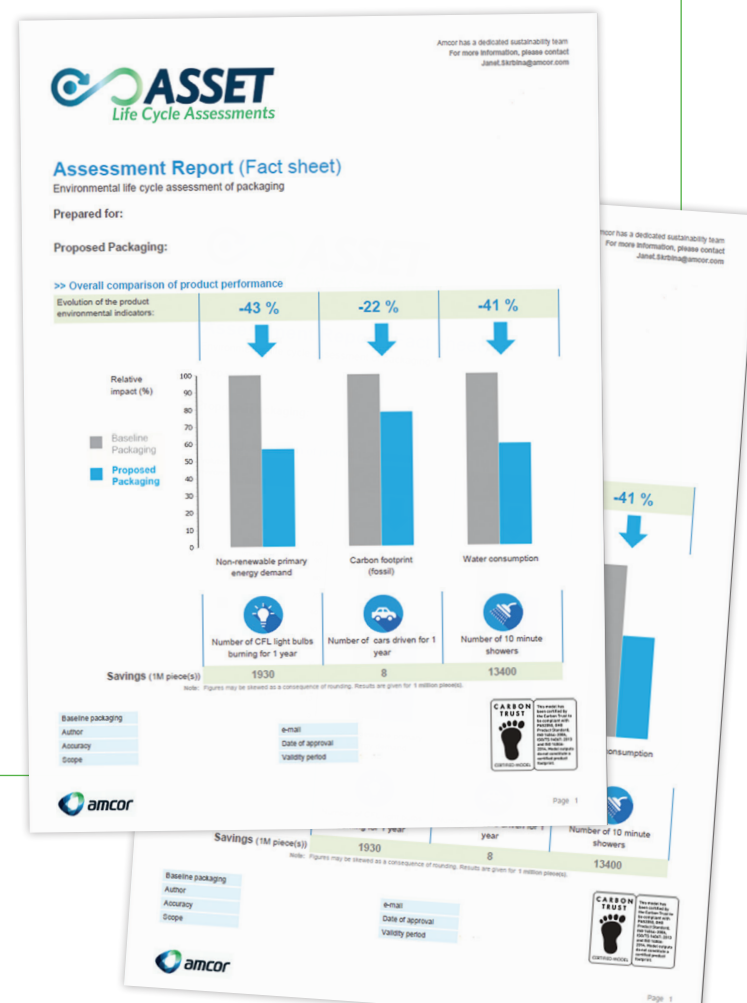
ASSET™ Life Cycle Assessments

To help guide our product development processes, Amcor uses a proprietary LCA software called ASSET™ (the Advanced Sustainability Stewardship Evaluation Tool).

ASSET™ generates life cycle data and insights for different packaging options. It cuts through the noise and gives brands data-based comparisons of the environmental impact of different packaging solutions and supports them in making informed, fact-based decisions aligned with their product responsibility goals.

ASSET™ is externally certified by the Carbon Trust every two years, meaning it is grounded in internationally recognized standards and best practices in environmental life cycle assessment.

In FY20, Amcor conducted 1,459 assessments using ASSET™, bringing the total number of assessments in our database to 9,614.



Planning for Future Life

Amcor is committed to ensuring that the value of our packaging lives on after its initial use.

We consider the future life of our packaging at the very beginning of our design process so it can be collected and reused or disposed of in a way that reduces its environmental impact and maintains the value of its materials.

Recyclable

In alignment with our pledge to develop all our packaging to be recyclable or reusable by 2025, much of Amcor's innovation work is focused on design for recyclability. Amcor experts advise our customers when they are faced with recyclability challenges and collaborate to identify feasible, high-performance solutions where they exist, and to innovate new solutions where they are not yet available.

In FY20, approximately USD \$7.7B of revenue across our Flexibles, Rigid, and Specialty Cartons businesses was from packaging designed to be recycled according to industry-leading Project Barrier guidelines. We additionally calculate that over 95% of our Rigid Packaging portfolio by weight was considered recyclable in practice and at scale in FY20. One of our main priorities moving forward is to collaborate on increasing access to recycling infrastructure for flexible packaging, in order to ensure all our packaging that is designed to be recycled can actually be recycled in practice and at scale by 2025.



Reusable

Reusable packaging is an emerging frontier for innovation in responsible packaging. Amcor defines reusable packaging as that which is refilled or used again for its original purpose. Reusable packaging models break down into two general groups: refillables and returnables. In refillable models, the user refills the package as needed, either at home or on-the-go. Under returnable models, consumers use the product and then return the packaging to the company to be cleaned and refilled.

While reusable packaging is currently a small percentage of our total business, sales of reusable and refillable containers in markets where refill programs exist have more than doubled in the past three years. Amcor teams are supporting this growth by developing packaging that contributes to both of the reusable business models described above.

Amcor additionally offers compostable packaging that biodegrades in a commercially managed or home composting system according to relevant industry standards. Because most compostable packaging will not biodegrade in the natural environment and requires an industrial recycling infrastructure that is not widely available, we carefully assess opportunities on a case-by-case basis to ensure our customers identify the packaging solutions that are truly the best performers from an environmental perspective.



Collaborating

The biggest barrier to eliminating waste leakage is poor waste management systems and infrastructure.

Proper waste management improves people's lives, protects public health, and has been shown to unlock economic benefits. It is also the only means by which we can ensure that the progress we are making by designing an increasing amount of packaging to be recycled is realized. To achieve this requires participation across the full value chain: raw material suppliers, packaging converters like Amcor, industry bodies, retailers, brands, food and beverage producers, NGOs, governments, collection and recycling organizations, and consumers. For this reason, one key focus of our approach to collaboration is working with others to understand and build the infrastructure that we need to deliver good waste management and recyclability at scale.

Amcor also works across the packaging value chain to create and define standards that align our industry behind common definitions and design standards that advance sustainability. We additionally show leadership in terms of our disclosures and our collaborations across industry, science, academia, and government to fill knowledge gaps and support better decision-making by all.

Fundamentally, we will not enjoy the full benefits of our progress in designing packaging to be recycled if governments do not make parallel progress in waste management and infrastructure investment. Consumers rightly expect the packaging they value to be recyclable or reusable. We are succeeding in designing that packaging to meet those standards, but we must still work with others to ensure that the collection and processing systems are in place to make this a reality in practice.

Innovation-driven design is crucial to developing a circular economy for packaging, but product design is only one piece of a much larger sustainability puzzle. Multiple levels of collaboration will be required to ensure a more responsible and circular future for the packaging industry. Amcor is proud of our continued leadership in bringing together stakeholders throughout the value chain to deliver a responsible packaging system that works.

Developing Waste Infrastructure

To enable a circular economy for packaging, all consumers must have access to waste management infrastructure that allows them to properly and responsibly dispose of the packaging after use. Achieving this requires participation across the full value chain: raw material suppliers, packaging converters like Amcor, industry bodies, retailers, brands, food and beverage producers, NGOs, governments, collection and recycling organizations, and consumers.

Collaborating to develop and improve waste management infrastructure in markets around the world is the only way to achieve the best outcomes for the environment. One key focus of Amcor's global partnership strategy is working with others to build the infrastructure solutions needed to create a circular economy for packaging in all the markets in which our products are sold.



Defining Industry Standards

Building a circular economy for packaging will require industry to align around common goals, definitions, and design standards for responsible packaging. Agreeing on these areas ensures that, as individual companies advance their own sustainability agendas, their work still dovetails with the collective – and more sustainable – vision for the future of the industry. It also heads off conflicts between the directions in which packaging and waste technology innovations evolve as companies in both industries strive to develop new solutions to support better waste management.

Amcor has taken a leadership role in building consensus around industry goals and standards to create a circular economy for packaging.



Closing Data Gaps

Reliable data is essential to developing the solutions needed to support a circular economy for packaging. It helps identify areas where interventions by industry are needed and track progress of those interventions. Collaborating across industry, science, academia, and government to fill knowledge gaps will support better decision-making by all. Amcor participates in partnerships and disclosure efforts to drive better data quality and increased data availability across the packaging industry.

Informing

Historically, consumers interested in sustainability have mainly focused on understanding the environmental characteristics of a product.

Now, they are increasingly aware of the impact of the product's packaging and what happens to it after they use it.

As Amcor innovates to design the future of packaging, it is essential that we also work to educate our customers and consumers so they can make responsible, fact-based purchasing decisions.

Additionally, while access to waste management infrastructure is necessary for delivering responsible packaging, it alone is not sufficient. It is also vitally important that we work to give consumers the information that empowers them to use that infrastructure correctly.

This is not something that Amcor can achieve on our own. We need the whole value chain to engage in better informing consumers about how to play their part in ensuring that the end of their packaging's use is not the end of its life. In particular, brand owners will need to find simpler and more human ways of communicating recyclability to their consumers if we are to succeed. Amcor is committed to supporting our customers in this quest by sharing our deep knowledge and understanding of what motivates consumers to engage in good waste management.

We do have an important role to play in helping to empower consumers so they can make consumption choices based on accurate information that is clear and well-understood. Amcor is actively involved in efforts to inform and engage consumers about our packaging, its environmental impacts, and the most responsible ways to dispose of it.

Sharing Consumer Insights

We know successfully engaging and educating consumers on the topic of sustainability requires understanding their habits, attitudes, and values. Amcor regularly engages in consumer research to gain insight about the end users of our packaging. Increasingly, sustainability topics are part of this research. By sharing this knowledge with brands, we empower them to help their customers make smart, thoughtful purchasing decisions.



Partnering Regionally

One important way we work to empower consumers to participate in recycling and reuse is through our partnerships with brands, retailers, NGOs, and industry organizations around the world. Because packaging design and waste management infrastructure differ based on geographic location and culture, we participate in a range of regional partnerships focused on reaching consumers locally. Some of our key local partners include The Recycling Partnership, REDcycle and Soft Plastics Recycling, and the Plastics Pact network.

Engaging in Public Discourse

Amcor's strong global presence gives us the opportunity to directly reach consumers in markets around the world. Our sustainability leaders actively engage in public discourse to ensure balanced, accurate, fact-based information about packaging sustainability is available to Amcor customers and consumers. We also work with legislators and regulators to advocate for public policy measures based on sound science to ensure our global consumer base has access to the products and infrastructure they need to participate in a circular economy for packaging.

Our FY20 roster of engagements included events hosted by groups such as the World Economic Forum, Responsible Business Summit, Retail Innovation Council, Consumer Goods Forum, Sustainable Packaging Coalition, Australian Government Plastics Summit, Packaging Europe, LaPET, and Plastics News.

Reducing Impacts and Reporting Progress

As a leader in sustainability, Amcor has implemented robust programs to manage the environmental and social impacts of our operations and supply chain.

We are committed to a continuous journey of transformation — adapting and adjusting our practices as needed to minimize impact, maximize benefit, and align with industry best practices as they evolve.

Prioritizing Occupational Health & Safety

Protecting our co-workers, contractors, and visitors is a core value at Amcor, and safety is our top priority. We champion workplace safety as we push toward our ultimate goal of zero workplace injuries.

Reducing Our Environmental Footprint

Similar to most manufacturing companies, Amcor's operations result in greenhouse gas (GHG) emissions, waste production, and water usage. EnviroAction is our internal program to reduce the environmental impacts of our operations by pursuing reductions across these three areas. Launched in 2008, the program establishes a set of long-term goals to drive reductions in GHG emissions, waste, and water use by 2030.

Driving Responsible Procurement

Amcor's customers look to us to be a partner in protecting their supply chains from environmental, labor, and human rights risks. We reduce these risks by tracking and managing the environmental and social impacts of our upstream suppliers to ensure a supply chain that is responsible, ethical, and transparent.

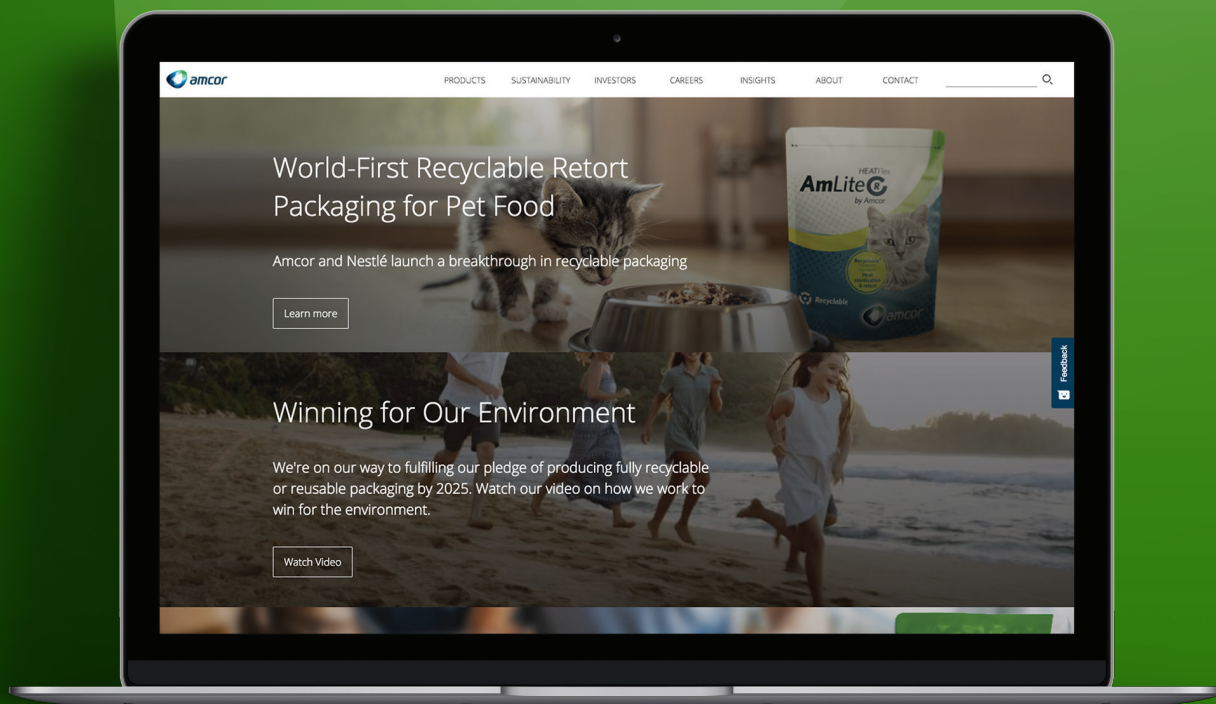
Developing Talent

We strive to attract high-caliber co-workers and support talent development at all levels of the organization. We invest in training and education because we believe that, as the capabilities of our people increase, so do Amcor's.

Fostering Ethics & Integrity

Amcor adheres to the highest standards of honesty and integrity and promotes a culture of ethical behavior. We are committed to increasing shareholder value in conjunction with fulfilling our responsibilities as a good corporate citizen.





Visit amcor.com/sustainability
for more information on our
global sustainability strategy



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