



20 April 2017

H.E. António Guterres  
Secretary-General  
United Nations  
NW YORK NY 10017 USA

Dear Mr Secretary-General

**Orora Limited UNGC Communications on Progress (COP) 2017**

It is my pleasure to present Orora Limited's (Orora) first United Nations Global Compact (UNGC) Communications on Progress and re-affirm our support of the ten UNGC principles on human rights, labour, environment and anti-corruption.

Orora is a multi-national packaging solutions and displays company operating in seven countries with more than 6,500 team members and 53,000 shareholders. In a world of diminishing resources, increasing economic and climate change risk, Orora's focus on planet, people and prosperity provides a sustainability framework that helps ensure we make the most of opportunities and tackle the challenges created by our ever-changing environment.

We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company by embedding them into the Orora operating framework, known as The Orora Way.

In Orora's first year as a signatory to the UNGC, we undertook a thorough assessment to understand how our operations currently support the ten UNGC principles and to identify opportunities for improvement. While this assessment confirmed our belief that Orora has well-established practices in relation to human rights, labour, environment and anti-corruption, we will pursue continuous improvement in our operations by setting and working towards challenging objectives for the year ahead. These objectives are set out in the final section of the attached Communications on Progress.

Orora will continue to advocate for the principles of the UNGC in all of our business, political and community interactions. I am proud to lead a company that is part of such an important global initiative.

Yours sincerely

A handwritten signature in black ink, appearing to read "Nigel Garrard".

**Nigel Garrard**  
**Managing Director & CEO**

Att



United Nations  
Global Compact Progress on  
Communications 2017

## HUMAN RIGHTS

**Principle 1** Business should support and respect the protection of internationally proclaimed human rights

**Principle 2** Make sure that they are not complicit in human rights abuses

### The Orora Way

Orora's major centres of operation, in Australia, New Zealand and North America, are in some of the most demographically diverse countries. In line with our Values of Teamwork, Passion, Respect and Integrity, we strive to create an inclusive culture which recognises and values difference. This commitment is detailed in our [Code of Conduct and Ethics Policy](#) and our [Talent Through Diversity Policy](#), which promote equal opportunity and ensure that all team members are treated with dignity, courtesy and respect and enjoy a workplace which is free from discrimination, sexual harassment, bullying and victimisation. These policies form part of Orora's corporate governance framework, as described in Orora's [Corporate Governance Statement](#) and [Annual Report](#) which are published annually, and as referenced on Orora's [website](#).

Orora's Diversity Council has been pivotal in driving the diversity agenda across the company with a strong focus on gender representation in talent acquisition and a wide range of initiatives to promote and encourage diversity.

In 2015, the Board set measurable objectives for advancing gender diversity within the business. These objectives are set out below and have been communicated by the Managing Director and CEO and Executive Leadership Team to all team members across the business:

- By the financial year ending 30 June 2017, 30% of new team members hired will be female
- By the financial year ending 30 June 2017, 30% of new team members hired at senior leadership level will be female.

The safety of our team members is a critical component of our values-led approach. We are focussed on respecting our people and working to keep them safe. Safety action plans are in place across all of our businesses. Safety initiatives at Orora are guided by our Safety Policy and our five-year [Occupational Health and Safety Strategy](#), which outlines our goal of "No Injuries", and our key objectives in relation to leadership, safety management systems, plant and equipment design, and capability.

Orora also supports Human Rights in its supply chain, with suppliers required to comply with Orora's [Code of Conduct and Ethics Policy](#), which places the same expectations of ethical behaviour on our suppliers as it does of our team members. This is embedded into our tender processes and supplier contractual obligations.

## Our Achievements FY 2016 and FY 2017

Some of the key achievements over the last 2 financial years have been:

- Progressing well on Orora's gender diversity targets in FY 2016:
  - 26% of new team members hired were female; and
  - 34% of new team members hired at senior leadership level were female, which is currently tracking at above target.
- Orora Chairman's public commitment in early 2016 to female board members making up a minimum of 30% of Orora's Board of Directors by 2018 in line with board diversity targets set by the Australian Institute of Company Directors. This target has already been met but this public commitment remains an important component of our Diversity and Inclusion Strategy.
- The launch of Women in Leadership at Orora (WILO) program in August 2016. Through this program, we aim to develop a diverse leadership pipeline by helping our women realise their full potential and develop leadership skills to thrive and succeed in their career at Orora.
- The introduction of a Champions of Change Program, a network of 15 influential senior leaders tasked with advocating and influencing improvement in gender equality at Orora. This group is chaired by our Managing Director and CEO, Nigel Garrard.
- The launch of a 5-year Diversity and Inclusion Strategy on International Women's Day 2017 which aims to build an inclusive culture that supports diversity; attracts, recognises and rewards diverse talent; and has visible senior leadership commitment and accountability on diversity and inclusion progress.
- The launch of the Safety Leadership Program to better equip leaders to more effectively manage safety in their areas of responsibility.
- The development of a Chain of Responsibility Framework which provides guidance on the minimum acceptable standard of compliance within the Orora supply chain and ensures all participants in the Orora supply chain commit to transporting and handling our products and materials in accordance with relevant legislation and standards to help keep our people safe and the communities in which we operate.

## LABOUR

**Principle 3** Businesses should uphold the freedom of association and effective recognition of the rights to collective bargaining

**Principle 4** Elimination of all forms of forced and compulsory labour

**Principle 5** The effective abolition of child labour

**Principle 6** The elimination of discrimination in respect of employment and occupation

### The Orora Way

Orora's operations are governed by our [Code of Conduct & Ethics Policy](#) and a wide range of labour laws and standards covering working hours, wages, leave, safety and freedom of association in countries where we operate.

Orora respects freedom of association in the workplace by ensuring that team members are free to become members of industrial associations, to be represented by industrial associations, to participate in lawful industrial action, to join a union or to engage in other forms of collective bargaining if they so wish. Where such arrangements exist, Orora engages with trade unions to negotiate employment frameworks, and manage safety hazards.

Decisions on hiring, salary, benefits, advancement, termination or retirement are based solely on each team member's ability to do the job regardless of cultural background, disability, gender, family responsibility, religious or political beliefs, age, sexual orientation or any other area of potential difference.

Orora also supports labour rights in its supply chain, with suppliers required to comply with Orora's [Code of Conduct and Ethics Policy](#), which places the same expectations of ethical behaviour on our suppliers as it does of our team members. This is embedded into our tender processes and supplier contractual obligations.

### Our Achievements FY 2016 and FY 2017

In addition to the achievements which support our commitment to Principles 1 and 2, some of the other key achievements over the last 2 years have been:

- The introduction of a gender pay gap review into the annual salary review process across Orora Group.
- The launch of an enhanced Parental Leave Policy for team members in Australia and New Zealand.
- Recognition of Orora's highly effective and collaborative approach to collective bargaining by academics and government authorities as particularly progressive (<https://www.fwc.gov.au/documents/documents/engagement/case-studies/orora-case-study-2015.pdf>).

## ENVIRONMENT

<b>Principle 7</b>	Businesses should support a precautionary approach to environmental challenges
<b>Principle 8</b>	Undertake initiatives to promote greater environmental initiatives
<b>Principle 9</b>	Encourage the development and diffusion of environmentally friendly technologies

### The Orora Way

Orora's risk-based approach to responsible environmental management is outlined in our [Environment Policy](#). Details of Orora's Sustainability Framework and Orora's Eco Targets, Orora's five-year resource efficiency targets, are outlined on our [website](#), and reported on each year in Orora's [Annual Report](#).

All environmental efforts are designed to contribute to Orora's Eco Targets. These were announced on World Environment Day 2014 and aim to deliver significant improvements in relation to greenhouse gas emissions, waste to landfill and water usage by FY19 (from December 2013). The targets are:

- 10% reduction in greenhouse gas emissions intensity
- 25% reduction in waste to landfill intensity
- 10% reduction in water use intensity

These targets are underpinned by a detailed Resource Efficiency Program. Site performance on emissions, energy, water and waste is monitored via an online reporting platform and communicated with the site on a monthly basis. The Company's collective progress against these targets is disclosed in Orora's [Annual Report](#). Orora also regularly discloses information on its greenhouse gas emissions and mitigation activities via the CDP (formerly the Carbon Disclosure Project).

Our packaging is designed with Sustainable Packaging Design principles in mind, where we focus on:

- Fit-for-purpose: accessibility, transport, information
- Low impact materials: recyclability, responsible and ethical sourcing
- Resource efficiency: recycled content, low impact/clean manufacturing
- Resource recovery: end-of-life solutions

In Australia, Orora is a signatory to the Australian Packaging Covenant (APC), and [reports on Orora's progress](#) in relation to the APC's three strategic goals on sustainable packaging design, improved recycling rate and improved product stewardship.

Our [Sustainable Fibre Sourcing Policy](#) & Due Diligence Framework also ensures that the major raw materials in our operations (paper and board) are sourced from socially and environmentally responsible sources, as defined by the Forest Stewardship Council® (FSC®).

Orora has FSC® Chain of Custody Certification at our recycled paper mill in Botany, NSW, Australia (FSC-C129579); as well as SFI Certified Fibre Sourcing Label Use Certification for our CorruKraft and Manufactured Packaging Products (MPP) businesses in North America.

## Our Achievements FY 2016 and FY 2017

Some of the key achievements have been:

- The completion of an external, independent assessment of our exposure to material economic, environmental and social sustainability risks, to better understand any issues that could have the potential to impact our resilience now and in the future. While no material exposure to environmental or social sustainability risks exist at this time, Orora continues to actively monitor and address other areas of potential impact identified throughout this process, including energy pricing and supply, ethical sourcing, resource depletion, and climate risk.
- Exceeding two of Orora's three EcoTargets as at June 2016 – Orora has achieved a 20% reduction in GHG emissions intensity, a 67% reduction in waste to landfill intensity and a 7% reduction water use intensity compared the baseline year, 2013.
- Investments totalling more than \$7.5 million over the last five years in energy efficiency projects which have saved approximately 115,000 GJ in energy across 26 manufacturing sites in Australasia.
- Invested \$1.2 million in a new wastewater treatment system, at our Fibre Packaging manufacturing site at Scoresby, (Victoria, Australia), which optimises microbial digestion to significantly reduce the volume of solids in the treatment process, and has reduced hazardous waste output by 95% and water use by 20 kL per day.
- The expansion of Orora's FSC® Chain of Custody Certification Program - Cartons Botany, OFP Revesby, and Cartons Heidelberg, in January 2016, March 2016, and November 2016 respectively (FSC-C128621, FSC-C129579).

## ANTI-CORRUPTION

**Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery

### The Orora Way

Orora recognises the importance of honesty, integrity and fairness in conducting its business and all Orora team members are expected to act with the utmost integrity and objectivity at all times. Orora is committed to complying with all applicable laws in the countries in which it operates and conducts its business to the highest ethical standards.

Our commitment to ethical business practices and expectations for all our team members, contractors, business partners and suppliers is supported by the Orora corporate governance framework, as detailed in our corporate governance policies and our commitment to the ten UNGC principles. Orora's corporate governance framework and policies are explained in our [Corporate Governance Statement](#), published annually.

Orora provides training related to ethical business conduct, including bribery and corruption, competition and conflicts of interest, mutual respect, discrimination and whistleblowing as part of Orora's induction processes. Refresher training is undertaken on a regular basis, with high risk groups receiving more focused training on competition laws and bribery.

In support of Orora's team members and Orora's commitment to promoting ethical and honest behaviour, Orora provides opportunities for team members to voice any concerns they may have anonymously. This includes via Orora's whistleblower service, known as the Orora Integrity Reporting Service. This service is operated through an independent third party to facilitate reporting by team members of potential misconduct in the workplace. The service ensures that team members can raise concerns regarding inappropriate conduct in good faith without being subjected to victimisation, harassment or discriminatory treatment and to having such concerns properly investigated. This service is also available to third parties, including customers, suppliers or members of the public. Each report to the Integrity Reporting Service is investigated thoroughly and appropriate action taken where necessary. Matters raised via the Orora Integrity Reporting Service are reported to the Board of Orora.

Team members also have the opportunity to make comments about anything related to Orora and their work environment by participating in Orora's bi-annual, confidential, team member engagement survey.

### Our Achievements FY 2016 and FY 2017

Some of the Key Achievements over the last 2 years have been:

- The roll-out of an online anti-corruption and anti-bribery training program designed by TRACE International to eligible team members and further face-to-face training provided to at risk groups.
- Publication in August 2016 of the annual Orora [Corporate Governance Statement](#).

## Overarching Opportunities

Based on our current practices and findings from UNGC Self-Assessment, we have identified a number of overarching opportunities for improvement over the next 12 months.

### Opportunity in FY 2018

Review alignment of current Orora Group Policies against Orora Values, UNGC Principles and other supranational recommendations, and update as required

Undertake a further external, independent assessment of our exposure to material economic, environmental and social sustainability risks, to identify any new issues that could have the potential to impact our resilience now and in the future and develop a response where appropriate.

Develop a reporting framework (including metrics/indicators) integrating UNGC COP into Orora's Annual Report.