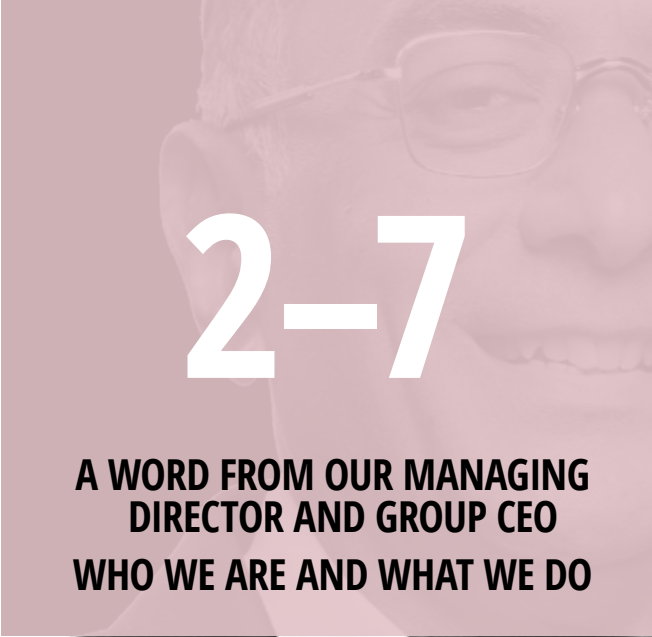




SUSTAINABILITY REVIEW

2019





2-7

**A WORD FROM OUR MANAGING
DIRECTOR AND GROUP CEO
WHO WE ARE AND WHAT WE DO**



9-19

**OUR STAKEHOLDERS
KEY SUSTAINABILITY
ISSUES**



21-43

PEOPLE



45-71

ENVIRONMENT



73-79

SOCIETY



81-89

**ETHICS AND GOVERNANCE
ABOUT THIS REPORT
GRI INDEX**

A WORD FROM OUR MANAGING DIRECTOR AND GROUP CEO

Pact is a leading provider of specialty packaging solutions, servicing both consumer and industrial sectors. We specialise in the manufacture and supply of rigid plastic and metal packaging, materials handling and pooling solutions, contract manufacturing services, recycling and sustainability services.

Our approach to sustainability is holistic and focuses on:

- delivering financial growth to our shareholders and value to our customers;
- looking after the health and safety of our people and having a diverse and inclusive workforce; and
- being environmentally sustainable and enhancing the liveability of the communities in which we operate.

While this *Review* is a snapshot of our performance in FY19, our commitment to sustainability began long ago. Over the last two decades we have been working hard to minimise packaging waste and we remain determined to become the number one partner in sustainable choices in our industry.

In addition, we have strengthened our approach to workplace safety, diversity and the development of our people and we will continue to make progress towards reaching our long-term targets in these areas.

We believe investing in sustainability and the future of packaging isn't just responsible, it's essential for long-term competitiveness and business growth. Now more than ever, our customers need us to deliver cutting edge solutions that will support their own sustainability credentials.

In FY19 we made significant progress towards achieving our 2025 *End of Waste Promise*, a pledge centred on leading the industry toward a circular economy.



“ WE BELIEVE INVESTING IN SUSTAINABILITY AND THE FUTURE OF PACKAGING ISN'T JUST RESPONSIBLE, IT'S ESSENTIAL FOR LONG-TERM COMPETITIVENESS AND BUSINESS GROWTH. ”

2-7

Our 2025 *End of Waste* targets are:

- 1. Reduce** — eliminate all non-recyclable packaging that we produce
- 2. Reuse** — have solutions to reduce, reuse and recycle all single-use secondary packaging in supermarkets
- 3. Recycle** — offer 30% recycled content across all of our packaging portfolio

Our Sustainability Services Division is now very well established, and we have grown to be the largest recycler of post-industrial resin in the southern hemisphere. This year we have worked together with State Government bodies to expand our capacity to recycle post-consumer waste by an additional 22,700 tonnes per annum.

We have also decreased consumption of hard to recycle expanded polystyrene (EPS) packaging by 30% (715 metric tonnes) by transitioning one of our major customers into recycled polyethylene terephthalate (rPET) meat trays and have increased our consumption of recycled resin by 2,712 tonnes.

In our *End of Waste* White Paper, released in November 2018, we acknowledged that consumers are aware of the problems caused by packaging waste but expect industry to provide more sustainable options. Australian consumers are demanding change and quite simply our waste management systems are no longer fit for purpose.

Our overarching recommendations included:

- A whole-of-industry approach to drive integration, investment and innovation.
- Setting brave and ambitious targets.
- Creating large sinks for consumption of recycled raw material.
- Simplifying the management of household waste for consumers.

In short, we believe that to create real change, the industry must come together to lead the charge towards the *End of Waste* and we will continue to work hard to bring about real changes.

Our progress in strengthening our sustainability performance and driving change in the industry would simply not be possible without our people. We encourage them to contribute their different and unique views, and in-line with this we focus on strategic recruitment that will enhance our workplace diversity. This is a significant driver of our innovation culture here at Pact and I would like to thank all our people for their ongoing dedication. We accept our role as a responsible employer and remain committed to supporting the United Nations Global Compact (UNGC) and advancing its principles through our actions.

I'd also like to thank our customers, communities and business partners for their continued support and the part they play in creating a safer and more sustainable future.



Sanjay Dayal
Managing Director and Group CEO

WHO WE ARE AND WHAT WE DO

At Pact Group our vision is to enrich lives everyday through sustainable packaging and manufacturing solutions.

Pact is a leading provider of specialty packaging solutions, servicing both consumer and industrial sectors. Pact specialises in the manufacture and supply of rigid plastic and metal packaging, materials handling and pooling solutions, contract manufacturing services, recycling and sustainability services.

Headquartered in Melbourne, Australia, Pact has an extensive manufacturing and supply network across Australia and New Zealand, and a growing presence in Asia. Pact caters to a diverse range of industries including the food, dairy, beverage, agricultural, chemical and industrial sectors. We deliver products and services to a broad range of trusted global and regional brands.

We are leaders in innovation. In FY19 we were again named one of Australasia's Most Innovative Companies. We are the only manufacturing company to achieve this prestigious recognition for seven consecutive years.

Of the seven years Pact has featured on the AFR BOSS Most Innovative Companies list, five of our winning nominations have been for innovative sustainability initiatives that increase the circularity of plastic material.

This approach to innovation, together with our unique technology platforms has cemented our position as a leader in the industry, known for our ability to consistently deliver leading packaging, contract manufacturing, supply chain and sustainability solutions to our customers.

The Group's strategy to maximise shareholder value

A key element of the Group's strategy is to maximise long-term shareholder value. The Group seeks to deliver long-term value through focus on three core areas:

Organic Growth — by protecting our core and growing organically over the longer term.

Efficiency — by embedding a culture of operational excellence and targeting the lowest cost of production.

M&A — growth through disciplined M&A in existing sectors and close adjacencies.

A detailed business strategy review has commenced under the leadership of the Group's new Managing Director and Group CEO. The review will clarify what is critical to Pact's continued success and will enable the Group to maximise long-term shareholder value.

OF THE SEVEN YEARS PACT HAS FEATURED ON THE AFR BOSS MOST INNOVATIVE COMPANIES LIST, FIVE OF OUR WINNING NOMINATIONS HAVE BEEN FOR INNOVATIVE SUSTAINABILITY INITIATIVES THAT INCREASE THE CIRCULARITY OF PLASTIC MATERIAL.



GROWING OUR POST-CONSUMER WASTE RECYCLING CAPABILITY

Pact has a well-established Sustainability Services Division that has been recycling post-industrial resin since the Company's inception and has grown to be the largest recycler of post-industrial resin in the southern hemisphere. Recycling post-consumer waste is more challenging due to the level of contamination in the waste stream and level of processing required to be able to create recycled food grade resin.

In FY19 Pact secured five government grants for investment in infrastructure that will expand our capacity to recycle post-consumer waste by an additional 22,700 tonnes per annum.

GROWING OUR ASSET POOLING PORTFOLIO

Pooling is the provision of returnable assets for shared use by customers throughout the supply chain. Pooling fresh produce crates eliminates the need to use single-life packaging such as corrugate boxes. By using our pooled assets and sustainability solutions, our customers' supply chains become more efficient in terms of cost and use of natural resources. In FY19 Pact secured the contract to operate pooling, washing and storage facilities for fresh produce supply for ALDI. This complements the Woolworths contract Pact secured in FY17.

In FY19, Pact also expanded its pooling offering via the acquisition of TIC Retail Accessories — a provider of innovative and sustainable closed-loop plastic garment hanger and accessories reuse services. This strategic acquisition expands the Group's closed-loop asset pooling capability, adds scale to our portfolio and further enhances our Asian platform. It is also strongly aligned with the Group's commitment to provide sustainable packaging and supply chain solutions to our customers.

PACT AT A GLANCE



Listed on the ASX
17 December
2013



We employ ~6000
employees, casuals
and contractors



Who work across
>110 Operating Sites
in 15 countries*



acsi

Pact's environmental,
social and governance
(ESG) reporting
has received the
'Leading' rating by the
Australian Council
of Superannuation
Investors



Pleasingly, our
lost time injury
frequency rate
(LTIFR) decreased
to 4.7 in FY19



— FINANCIAL REVIEW BOSS —
MOST INNOVATIVE
COMPANIES

Recognised as one
of Australasia's Most
Innovative Companies



>8,000 customers



>9,000 products
variants



>11 billion units
sold per annum

OUR PRODUCT PORTFOLIO



**OUR VISION
IS TO ENRICH
LIVES EVERYDAY
THROUGH
SUSTAINABLE
PACKAGING AND
MANUFACTURING
SOLUTIONS.**







9-19

OUR STAKEHOLDERS

At Pact we recognise the importance of open and honest dialogue with our stakeholders as a way of driving continuous improvement of our sustainability performance.

We are pleased to see our stakeholders become more and more invested in the key issues relating to sustainability. In line with this we actively interact with a wide range of stakeholder groups, including employees; shareholders; customers; consumers; suppliers; government bodies; and the broader communities in which we operate.

OUR STAKEHOLDERS

The value we create for our stakeholders is directly linked to our approach to sustainability and as such we continue to actively seek input from key stakeholder groups.

Our methods of communicating to, and with our stakeholders are diverse, as outlined below.

STAKEHOLDER

Directly affected

CUSTOMERS

We service customers in the food, dairy, beverage, chemical, pharmaceutical, retail, agricultural, industrial and other sectors.

How we engage

- Customer-led audits and assessments
- Regular customer business review meetings
- Newsletters, websites and other communications
- Customer presentations
- Conferences and trade shows
- Social media channels

CONSUMERS

The end-users of our products.

How we engage

- Websites and external communication channels such as social media
- Focus groups and consumer immersions

EMPLOYEES AND CONTRACTORS

Approximately 6,000 employees, casuals and contractors spread across 15 countries across Australia, New Zealand and Asia.

How we engage

- *Employee Engagement Survey*
 - Regular performance appraisals
 - Company intranet and websites
 - Workplace noticeboards and Toolbox Talks
 - Site and corporate inductions
 - Organisational social networking through Yammer
-

STAKEHOLDER

Directly affected

SHAREHOLDERS

Comprises of institutional investors, individuals and retail shareholders.

How we engage

- Websites, press releases and ASX releases
 - *Annual Report*
 - *Sustainability Review*
 - Mailed communication
 - Face-to-face meetings
 - Annual General Meeting (AGM)
 - Investor presentations and webcasts
 - Social media channels
-

SUPPLIERS AND BUSINESS PARTNERS

We engage with a wide range of suppliers and business partners across the world.

How we engage

- Supplier assessments
 - Newsletters and other written communications
 - Regular review meetings
 - Contract documents
-

STAKEHOLDER

Actively interested

GOVERNMENT AND REGULATORS

As required, we engage with Local, State and Federal Governments, primarily regarding regulatory compliance.

How we engage

- Face-to-face meetings
 - Reports, licensing and *Performance Statements*
-

COMMUNITY GROUPS

Non-profit groups, program partners and communities local to our site operations. Broadly, the focus is on our operational impacts, employment opportunities, donations and sponsorship opportunities.

How we engage

- Community engagement/support plans
 - *Community Giving Program*
 - Face-to-face community meetings
 - Local media
-

THIRD PARTY EMPLOYEE ORGANISATIONS

We respect freedom of association and work collaboratively with employees and their representatives.

How we engage

- Enterprise bargaining negotiation processes
 - Face-to-face meetings
 - Employee representation matters
 - Resolution of employee grievances and concerns
-

DETERMINING OUR MATERIAL ISSUES

The material issues addressed in this *Review* are in-line with the priorities identified for Pact Group and its stakeholders, in accordance with Global Reporting Initiative (GRI) G4 requirements. They directly inform our *Sustainability Strategy*, outlined below.

By identifying and taking action in response to material sustainability issues, we can create value for our stakeholders and the wider community.

Our key materiality issues are listed on pages 14 and 15.

Materiality analysis

We regularly consult our internal and external stakeholders to fully understand the issues that are important to them and our business.

In determining our material issues, we consider several key factors starting with our Vision and Values and the areas of interest identified by stakeholders and the global community. In addition, we consider the influence on upstream (eg. supply chain) and downstream (eg. customers) entities.

The issues we consider to be most material to our business have been prioritised through a weighting process and form the structure of this review.

OUR SUSTAINABILITY STRATEGY



People

Providing an honest, safe and respectful workplace with highly motivated and engaged talent



Environment

Reducing our environmental impact



Society

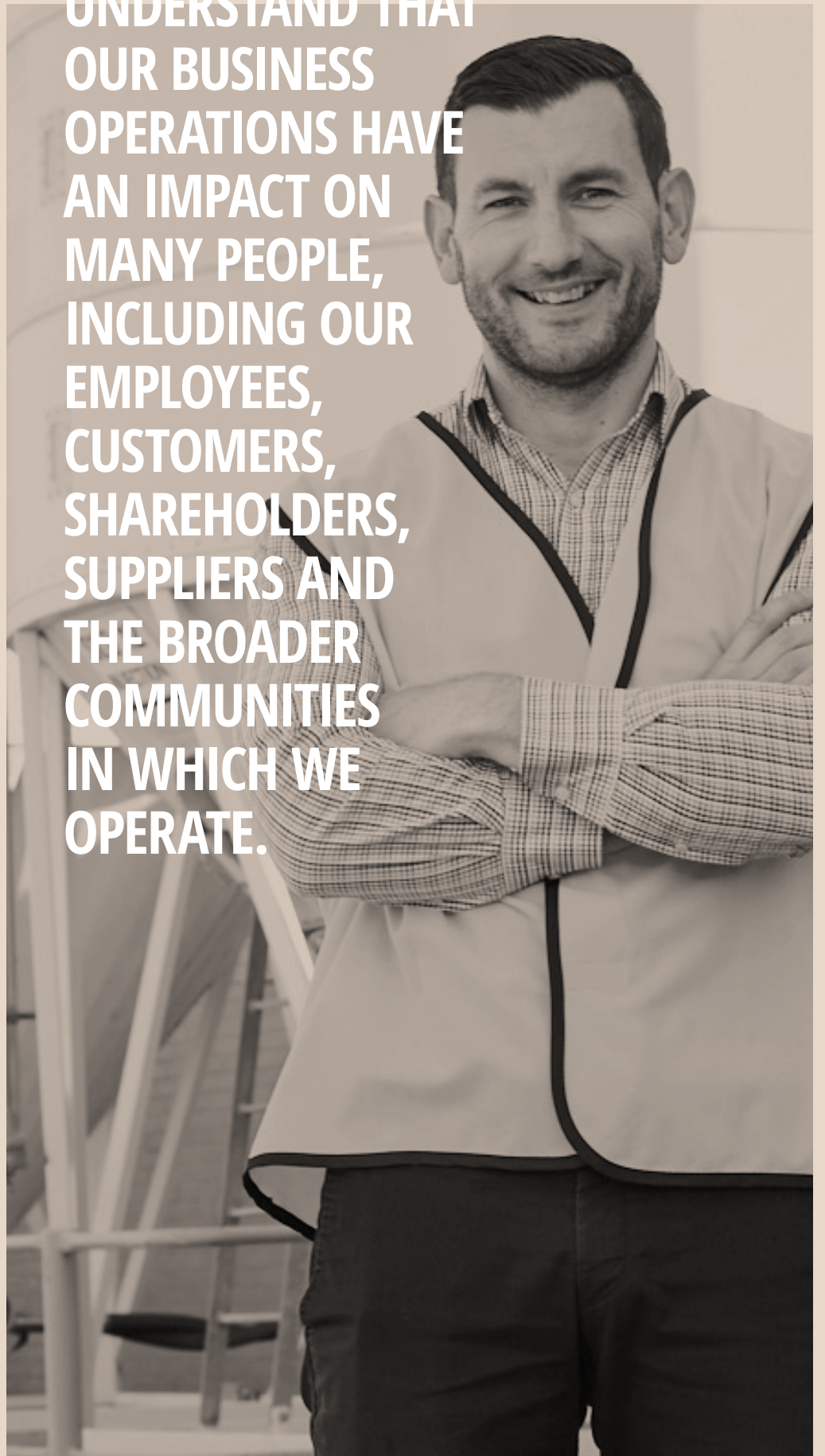
Investing in programs that positively impact the societies in which we work



Ethics & Governance

Conducting our business responsibly and with integrity

**AT PACT WE
UNDERSTAND THAT
OUR BUSINESS
OPERATIONS HAVE
AN IMPACT ON
MANY PEOPLE,
INCLUDING OUR
EMPLOYEES,
CUSTOMERS,
SHAREHOLDERS,
SUPPLIERS AND
THE BROADER
COMMUNITIES
IN WHICH WE
OPERATE.**



KEY SUSTAINABILITY ISSUES

Our material issues have been categorised into the following sections, which form the structure for this Review.

United Nations' Sustainable Development Goals

Our activities, informed by our material issues, are aligned with the United Nations' (UNs') Sustainable Development Goals (SDGs). We continue to monitor external trends and priorities and address these where appropriate. By mapping our activities against the SDGs we ensure our work is complementing these globally strategic priorities.

PEOPLE

	HEALTH AND SAFETY	TALENT MANAGEMENT	EQUALITY AND DIVERSITY
KEY ISSUES	<ul style="list-style-type: none"> Employee health, safety and wellbeing 	<ul style="list-style-type: none"> Employee engagement Talent management Employee reward and recognition 	<ul style="list-style-type: none"> Diversity and inclusion Fair and equitable labour relations
KEY INITIATIVES FOR FY19	<ul style="list-style-type: none"> Velocity EHS implementation Updates to Policy and Procedures New injury and claims management provider in Australia Site reviews against AS4024: Safety of Machinery Implementation of Group WHSE System in new acquisitions 	<ul style="list-style-type: none"> Online learning opportunities Performance appraisals completed for all salaried employees <i>Applause</i> — reward and recognition program Employee surveys 	<ul style="list-style-type: none"> Board approved gender diversity targets Workplace Gender Equality Agency (WGEA) Compliance Pact Women's Network Flexible work practices

UN SDGS



ENVIRONMENT

SOCIETY

ETHICS AND GOVERNANCE

KEY ISSUES

KEY INITIATIVES FOR FY19

ENERGY AND EMISSIONS

- Greenhouse gas emissions
- Regulatory compliance reporting including *National Greenhouse and Energy Reporting (NGER)*, and *National Pollutant Inventory (NPI) in Australia*

WASTE

- Materials usage
- Waste to landfill
- Ongoing waste reduction projects across sites
- Product design projects

PRODUCT STEWARDSHIP

- Sustainable packaging design
- Recycling and reconditioning of products
- Establishment of 2025 *End of Waste* Promise and launch of White Paper
- *Australian Packaging Covenant Action Plan*
- Product life cycle assessments
- Innovation model
- Customer and industry collection and recycling programs

COMMUNITY

- Investing in community initiatives and activities
- Human rights
- Supply chain
- *Community Giving Program*
- Continued signatory status of United Nations' Global Compact (UNGC)
- Member to local chapter of UNGC
- Site-based ethical audits and assessments
- Responsible procurement

GOVERNANCE

- Ethical conduct
- Taxation transparency
- Corporate governance
- Risk management
- Group Code of Conduct and Policies
- *Tax Transparency Report* published
- Risk Register and program

UN SDGS





2025 PROMISE

END OF WASTE

In FY18, we established our *2025 End of Waste Promise* to become the number one partner of sustainable choices for our customers.

OUR 2025 TARGETS

REDUCE

Eliminate all non recyclable packaging that we produce.

REUSE

Have solutions to reduce, reuse and recycle all single use secondary packaging in supermarkets.

RECYCLE

Offer 30% recycled content across our packaging portfolio.

FY19 KEY ACHIEVEMENTS

REDUCE

- Decreased consumption of Expanded Polystyrene (EPS) by 30% (715 metric tonnes).
- Successfully transitioned 100% of New Zealand's largest supermarket's EPS trays to rPET, effectively diverting 107 million single-use EPS trays per annum from landfill (refer to page 57).
- Transitioned one operating site in New Zealand from EPS to rPET.

REUSE

- Grew the use of Returnable Produce Crates (RPC's) in one of Australia's major supermarket's supply chain by 4%, and in the process reduced single-use corrugate secondary packaging by 927 tonnes.
- Launching in February 2020 Pact's Pooling division is introducing a fourth size RPC into two of Australia's major supermarkets that will increase the use of RPC's by a further 3% per annum through supporting produce types such as tomatoes, mushrooms, avocados, asparagus that are currently in single-use corrugate box.
- Won a contract to provide a major US retailer for the supply of garment hanger reuse services in FY20.

RECYCLE

- Increased our consumption of recycled resin by 2,712 tonnes.
- Secured Government grants for new infrastructure that will expand our existing recycling capacity by an additional 22,700 tonnes per annum (refer to pages 64, 65).
- Launched numerous new products containing recycled content including:
 - Glow Labs (refer to page 61)
 - Earthwise (refer to page 62)
 - Wheelie bin (refer to page 67).

CASE STUDY

END OF WASTE: A WHITE PAPER

In FY19 Pact set new, ambitious goals to drive change and lead the industry beyond the War on Waste to the *End of Waste* – a circular economy that will reuse, recycle and reduce landfill, without losing value.

Pact's *End of Waste* White Paper, released in November 2018, examines the economic cost imposts of change as well as the cost of inertia. It articulates the current opportunities facing the industry and proposes solutions to end household waste.

Pact's *End of Waste* White Paper proposes:

- A whole-of-industry approach to drive integration, investment and innovation
- Setting brave and ambitious targets
- Creating large sinks for consumption of recycled raw material
- Simplifying the management of household waste for consumers

Pact's *End of Waste* White Paper is available: https://pactgroup.com.au/wp-content/uploads/2018/11/Pact-End-of-Waste_A-White-Paper.pdf

“

**NOW, MORE THAN EVER,
INDUSTRY NEEDS INNOVATION
IN SUSTAINABILITY, AND
WHILE SUCH INNOVATION CAN
INCREASE COST TO THE SUPPLY
CHAIN, A UNIFIED APPROACH
CAN PROVIDE SCALE TO
REDUCE COSTS AND UNCOVER
NEW OPPORTUNITIES, SO
CONSUMERS ARE NOT FORCED
TO CHOOSE BETWEEN VALUE
AND SUSTAINABILITY.**

”

Raphael Geminder
Non-Executive Chairman



21-43

PEOPLE

The success of our business is directly linked to the accomplishments of our people. We have a culture of high performance and we attribute this to the fact that our employees feel inspired and empowered within the organisation.

Our culture is centred on diversity and inclusion and this brings some clear benefits, especially in relation to our ability to attract, engage and retain talented people.



EQUALITY AND DIVERSITY

AT PACT, WE UNDERSTAND THAT A WORK ENVIRONMENT CAN ONLY BE DESCRIBED AS FULLY INCLUSIVE IF IT ENABLES EMPLOYEES TO REALISE THEIR FULL POTENTIAL, REGARDLESS OF THEIR AGE, GENDER, ETHNICITY, SEXUAL ORIENTATION, OR ANY OTHER FACTOR.



Workforce breakdown

In FY19, we directly employed approximately 5,300 people.

Women made up 43% of our total workforce, with 33% in Australia and New Zealand, and 56% in Asia.

More than 98% of our people were employed on a permanent basis.

IN FY19 WOMEN
 COMPRISE 43% OF
 PACT'S WORKFORCE;
 UP FROM 34% IN FY18.



	Female	Male	Total	
AUS & NZ	914	2024	2938	Full-time
	36	12	48	Part-time
	104	67	171	Casual
	1054	2103	3157	Total AUS & NZ
Asia	1,247	972	2,219	Total Asia
TOTAL	2,310	3,075	5,376	
			~1,000	Contractors

Diversity and inclusion

Having a culture of diversity and inclusion brings considerable benefits to our organisation and helps us to achieve our objectives, by enhancing our reputation so that we can attract, engage and retain talented people.

Pact's *Diversity Policy* outlines our zero-tolerance stance on discrimination and details our commitment to providing working arrangements that cater to the needs of all our employees.

Gender diversity targets

Increasing female representation in our workplace is our priority in respect to diversity, with a strong focus on management level roles.

The following measurable gender diversity objectives were set by the Board for FY19 to achieve this:

1. Each monthly recruitment assignment requires at least one female candidate to be recommended for interview and/or job ready process.
2. Ensure the annual salary review outcomes for female monthly staff are not less than the same percentage increase in remuneration as males across the Group.
3. Include specific questions in the next *Group Employee Engagement Survey* to quantify gender as an issue in the workplace across the Group.

We have made significant progress towards reaching our objectives and have made several key appointments of professional females into operational and managerial leadership positions during FY19.

We continue to actively source and encourage females to apply for positions at Pact. To support this, we have directed external recruiters to source female applicants for all monthly staff vacancies.

Our annual salary review includes gender detail to enable the identification of any gender pay equity imbalance, with a view to minimising any such imbalance as part of the final approval process with the CEO.

Other initiatives include:

- Celebration of *International Women's Day* via hosting tables at events in both Melbourne and Sydney in March 2019.
- Silver corporate membership to National Women in Operations (NAWO) and participation at industry events continues to raise the profile of Pact.

The Group continues to lodge its annual public report with the Australian Workplace Gender Equality Agency (WGEA). WGEA has confirmed we have achieved compliance status for 2019.

FY20 gender diversity objectives

For FY20, the Board have updated the gender diversity objective to be:

1. Each monthly recruitment assignment requires at least one female candidate to be recommended for interview and/or job ready process.
2. The remuneration process at Pact Group is required to deliver gender pay equity across same and similar roles
3. Include specific questions in the next *Group Employee Engagement Survey* to quantify gender as an issue in the workplace across the Group.



Parental leave

Flexible work arrangements are available as needed for those employees returning from parental leave. During FY19 more than 59,000 hours of parental leave was taken across the business.

All permanent employees, both male and female, are entitled to take parental leave once they have completed one year of service with Pact.

Return to work and retention rates of employees who took parental leave, by gender is outlined in the table below:

	Female	Male	Total
Total employees on parental leave FY19	69	31	100
Returned from parental leave	62	31	93
Hours of parental leave taken	57,957	1503.4	59,460.4

Hours of parental leave taken across the Group

FY17
19,143

+125%

FY18
43,060

+38%

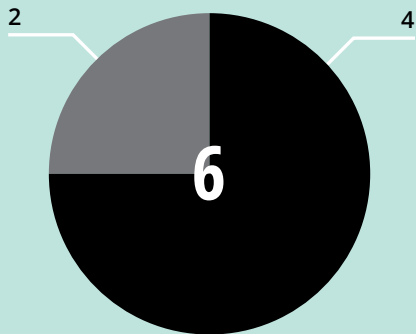
FY19
59,460



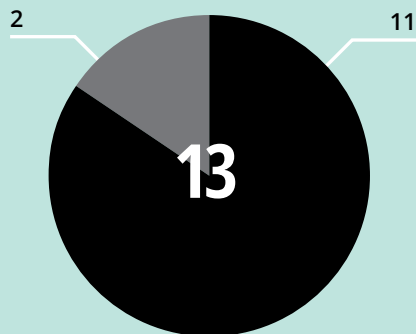
IN FY19 38% MORE PARENTAL LEAVE HOURS WERE TAKEN ACROSS THE GROUP COMPARED TO FY18.

DIVERSITY COMPOSITION ACROSS OUR BUSINESS

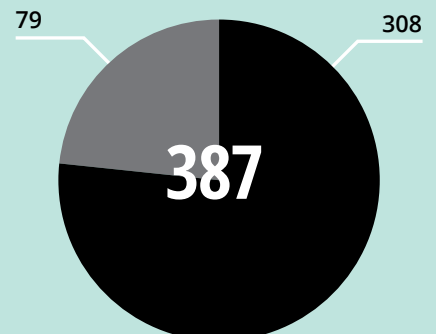
Board



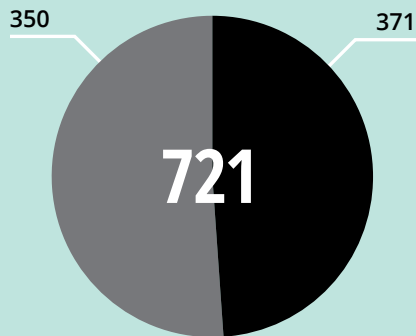
CEO and EGMs



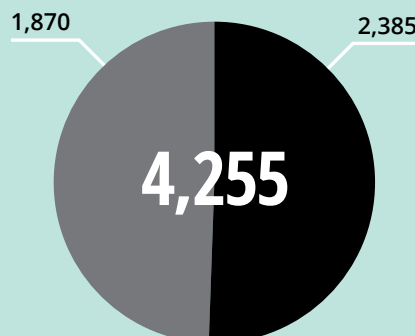
Managers / Supervisors



Professionals, Sales and Admin



Operations



● Female ● Male

Under 30	862
30-50	2,942
Over 50	1,572
Total	5,376

CASE STUDY

MORE POWERFUL TOGETHER

To celebrate this year's Australian *International Women's Day (IWD)* theme, *More Powerful Together*, Pact invited women from across the business to attend the annual UN Women National Committee Australia breakfast in Sydney and the Business Chicks lunch in Melbourne.

The attendees heard from inspiring keynote speakers and had the opportunity to discuss the important role we — as women, men, non-binary and gender diverse people — all play in creating meaningful future change.

International Women's Day is a global day celebrating the economic, political and social achievements of women and Pact Group is committed to providing opportunities for its employees to unite, network and mobilise for change.



#MorePowerfulTogether

UN WOMEN AUSTRALIA

ENSURING FAIR AND EQUITABLE LABOUR RELATIONS

Employee rights to freedom of association and collective bargaining is something Pact has always respected, and we believe it's key to our people feeling genuinely empowered.

Our employee arrangements vary, reflecting the diversity of our working arrangements and workforce. Labour relations are central to our sense of social responsibility.

More than 90% of our operations employees in Australia, 66% in New Zealand and 3% in Asia are covered by Enterprise Agreements.

All of our contractual agreements meet the statutory requirements in relation to termination and redundancy processes. In many cases, we exceed the regulatory standards.

MORE THAN 85% OF OUR FRONTLINE OPERATIONS EMPLOYEES IN AUSTRALIA AND NEW ZEALAND ARE COVERED BY ENTERPRISE AGREEMENTS.





TALENT MANAGEMENT

**WE OFFER LEARNING AND
DEVELOPMENT OPPORTUNITIES
THAT MOTIVATE OUR PEOPLE TO
REACH THEIR FULL POTENTIAL.**

A key part of ensuring our ongoing success here at Pact is our focus on actively building the skills of our employees to ensure they have the right knowledge and strategic capabilities to drive results. Our customised learning and development frameworks are regularly updated in response to our business needs and centre on capability drivers for the current and future state of the business.

Performance appraisals

All monthly salaried staff, including Executive and Senior Managers, participate in bi-annual performance appraisals that rate the achievement of goals against our plan from one to five.

The appraisal process is performed online via our Employee Central platform. Completion rates are monitored by the Human Resources department, and reported to the Functional and Divisional Executives, Managing Director and Group CEO and the Board.

Objectives are framed within the six Strategic Pillars established by the Pact Executive Leaders and are designed to ensure alignment of activity to the strategic goals of the organisation. The Strategic Pillars are:

- People
- Risk
- Operational Excellence
- Customer
- Strategic Mergers & Acquisitions (M&A)
- Financial

OFFICE-BASED EMPLOYEES HAVE ACCESS TO MORE THAN 50 ONLINE TRAINING COURSES.

Succession planning

A 9-Box Performance & Potential matrix has been developed and implemented for Executive and Senior Management positions.

All Executives have reviewed the 9-Box for their division or function. This process enables succession planning for key roles, as well as identification of high potential performers in the Group.

Succession plans are in place for key and critical roles.

Surveys

We believe open, honest, and respectful dialogue with our employees is essential to creating a high-performance culture. Employees are invited to participate in several surveys which aim to identify and understand potential issues and challenges throughout the life of their employment.

An *Onboarding Survey* is provided to new salaried staff at the end of their third month of employment and aims to gather information on the onboarding and induction experience to help identify potential issues with these processes.

An *Exit Survey* is provided to salaried staff who are ending their employment with Pact. This survey aims to gather information about why the employee is leaving the Group and to identify any potential issues of concern which may need to be rectified.

Our *Employee Engagement Survey* allows employees to have their say on everything from the quality of their workplace culture; their ability to collaborate with colleagues; the company's leadership quality; and broader business issues. This feedback helps to inform the programs and initiatives administered across the Group, and ultimately improve our workplace.

An *Engagement Survey* was not conducted in FY19. The next survey is planned for FY20.

Employee development

Training and skills development

In supporting our employees to deliver the best work they possibly can, whilst realising their full potential, we deliver a variety of training and development options.

Employees working onsite are offered development courses and skills training specific to their role. At the Group level, Pact utilises an online learning management system, ELMO Learning Management, to facilitate the rollout of more than 50 different training programs. These programs focus on a wide variety of areas, from compliance programs to personal development programs.

The corporate compliance programs address our obligations to create a legal and ethical workplace. Courses are mandatory for specific employees and include Company Induction (including our Code of Conduct); discrimination, bullying and harassment; consumer and competition training; information management; and cyber security.

Pact's personal development courses are available for learner self-selection and include skills-based courses and development.

Other workplace delivered training includes job specific skills; task instructions and processes; work health, safety and environment; operational efficiency; and quality systems training.

Survey Lifecycle



**ONBOARDING
SURVEY**



**ENGAGEMENT
SURVEY**



EXIT SURVEY

CASE STUDY

ALTO HAMILTON APPRENTICESHIP PROGRAM

Pact's Alto site in Hamilton, New Zealand, has been committed to employing, training and developing young people for several years. We are proud that in FY19 there were four apprentices employed at the site.

Alto is hopeful that the current cohort will add to the many apprentices across the years who have successfully completed their trade certificates with Alto. With their trade qualifications these employees have been promoted to roles such as die setters, fitters, electricians and team leaders.

Key activities focused on youth development include:

- employment and training of apprentices, and
- membership to and participation in the Waikato Engineering Careers Association (WECA).

One of the site's current plastics engineering apprentices, Isaac Haycock, was featured in the hardcopy and online *FutureForce* magazine in June 2019.

This magazine is distributed to secondary school students around the region and aims to provide readers with career inspiration and information. By highlighting success stories from local jobseekers and employers, along with the Company's own apprenticeship program, Alto hopes to demonstrate that the manufacturing and engineering fields are viable career options for youth and others.

Pact is proud that Isaac is the fourth Alto Hamilton apprentice that has been featured by the magazine.





CASE STUDY

VISCOUNT PLASTICS NZ — RUNNERS UP — Competenz 'TRAINING COMPANY OF THE YEAR'

In May 2019, Viscount Plastics NZ was recognised as Runners Up in the *Training Company of the Year* category at the *Competenz Awards*. These awards, sponsored by Plastics New Zealand, recognise companies that promote and foster a training culture within their organisation.

Throughout FY19, Viscount offered a range of formal training opportunities to employees, including certificates in the manufacturing (plastics) and plastics processing technology (injection moulding), as well as the apprenticeship in mechanical engineering (maintenance). These programs aim to build the employees' technical competence, with the view to improve quality and productivity.

Overall this culture of training and development has assisted Viscount to improve business performance; maintain good overall equipment effectiveness and Workplace Health, Safety & Environment performance; boost the morale of the employees, and improve employee retention. The training also helps Viscount maintain an engaged talent pool to meet the changing internal and external demands.

Currently Viscount employs two apprentices and is committed to the ongoing training and development of its employees and apprentices.



**THE PROGRAM FOSTERS
ENGAGEMENT AND A
HIGH-PERFORMANCE
CULTURE THROUGHOUT
THE ORGANISATION
WHERE OUR PEOPLE FEEL
EMPOWERED TO SUCCEED.**

Employee recognition

Applause reward and recognition program

Pact's award-winning reward and recognition program, *Applause*, places innovation in the hands of all employees.

The program fosters engagement and a high-performance culture throughout the organisation where our people feel empowered to succeed.

Applause Central, the program's online platform, creates a transparent central repository for ideas and provides an interactive platform where all employees can vote for and co-create a colleague's idea. The platform also delivers real-time communication updates across the business.

Categories for reward align with Pact's corporate values:

- We walk in our customers' shoes to serve them better
- We are committed to sustainability and providing an honest and respectful environment
- We are passionate about driving results
- We pursue opportunities for transformational change
- We act with speed and purpose

The overall winner for 2018 was Kate Everitt from Pact's Impact Innovation Team. Kate's winning idea will create a range of aerosols and other inhalant formats filled with nutraceutical actives that will quickly and efficiently improve and enrich the air in which we live. As the winner, Kate received a cash prize on the night to the value of \$7,500, with an additional \$7,500 to be awarded when the idea is commercialised.

Applause 2018 by numbers

The 2018 *Applause* program celebrated its seventh and most successful year to date.

Innovative Ideas

364

ideas in total

139

unique nominators
from 63 different
sites

Winning Ideas

170

award winners
across three rounds
of judging

28

gold winners

132

silver winners

10

special recognition
awards

63

people "Thanked" a
teammate for a job
well done!

7

platinum ideas

Social interactions

3,387

social interactions
across the entire
business

2,713

votes

335

comments

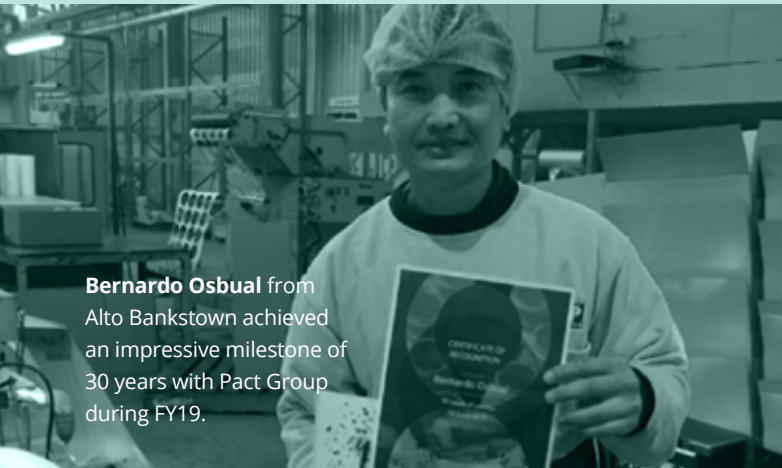
339

shares

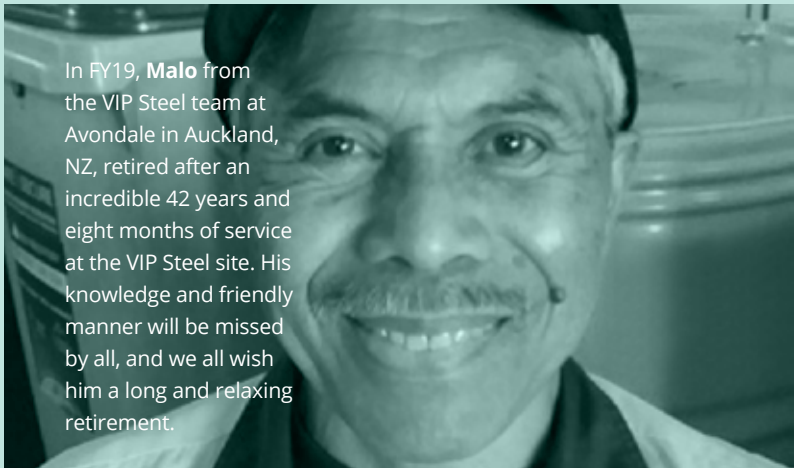
Recognition of long service

The contribution our employees make to the ongoing operation of Pact is significant and worthy of recognition. Long service certificates are presented to employees who have attained 10, 15, 20, 25 30 and 35+ years of continuous meritorious service.

The manager of an employee due to reach a key milestone is notified by email a month in advance of the date with a reminder to plan a suitable celebration to mark the milestone. A certificate is signed by Pact's Executive Leaders and on the day of the milestone, managers are prompted to post a photo of the employee receiving the certificate to Pact's social media platform, Yammer.



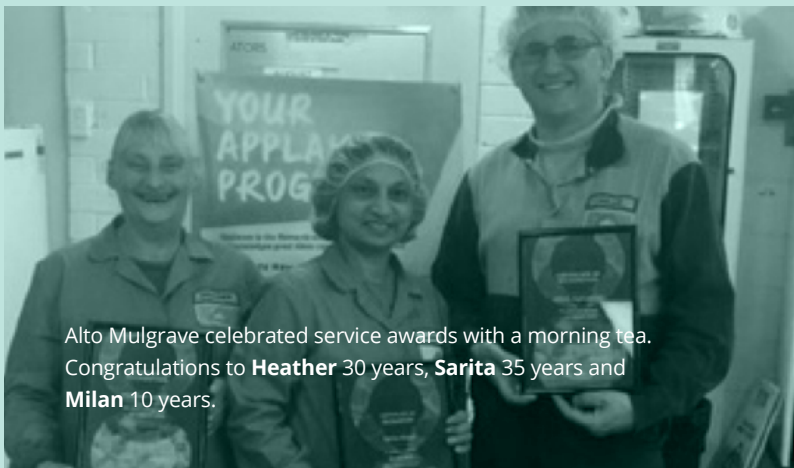
Bernardo Osbual from Alto Bankstown achieved an impressive milestone of 30 years with Pact Group during FY19.



In FY19, **Malo** from the VIP Steel team at Avondale in Auckland, NZ, retired after an incredible 42 years and eight months of service at the VIP Steel site. His knowledge and friendly manner will be missed by all, and we all wish him a long and relaxing retirement.



Maree Campbell was celebrated by the Viscount Mt Wellington, NZ, site for her 40 years of service. Well done Maree and a big thank you for all your hard work and dedication. 480 months, 2080 weeks outstanding!



Alto Mulgrave celebrated service awards with a morning tea. Congratulations to **Heather** 30 years, **Sarita** 35 years and **Milan** 10 years.

ONGOING FOCUS ON IMPROVING SAFETY CULTURE AND PROCESS

PACT'S TOWARDS
ZERO HARM SAFETY
CULTURE CENTRES
ON OUR ABILITY TO
LEAD AND RETHINK
PROCESSES, ADOPTING
PRACTICES THAT AIM
TO ACHIEVE ZERO
WORK-RELATED
INJURIES.

Keeping our people safe and healthy

At Pact, our safety culture means we believe any sort of injury is unacceptable and preventable. The health and safety of our people shapes everything we do and will always be our top priority.

Our leadership team strongly supports our goal of *Zero Harm* and both Executive and Senior Managers are focused on actively empowering our people to maintain safety in the workplace.

We are driven by our three-year safety strategy, *Towards Zero Harm — Incident Free Workplace 2020*, which was established in FY17. It has underpinned our activities in FY19 and is a key part of our overarching goal of *Zero Harm* to people and the planet.

Our safety performance

Pact's safety performance is measured by a range of lead and lag indicators which are reported internally monthly. We report externally in this Review and along with our financial results at the full and half year.

Key lead performance indicators include:

1. Safety observations completed for the month
2. Workplace inspections completed for the month
3. Hazards identified and resolved for the month

Key lag performance indicators include:

- Critical risk (high consequence) activities
- Labour cost impacts
- Total Recordable Injury close-out rate

The key injury frequency rates are Lost Time Injury Frequency Rate (LTIFR) and Total Reportable Injury Frequency Rate (TRIFR).

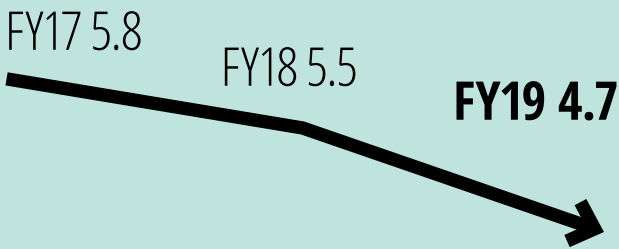
Our safety statistics cover all incidents and reports that occur at our workplaces related to permanent, casual and contracted employees and workers. This includes all acquisitions (regardless of time since the acquisition) and joint ventures (excluding Spraypac Products NZ Ltd).

We do not exclude specific employment types (such as contractors) and do not break the data down into gender, region or employee type. This is to ensure that the reporting is focused on total exposure at our workplaces.

The LTIFR represents the number of lost time injuries recorded for every one million hours worked over a rolling 12 month period. The number is determined by the total number of workplace injuries that resulted in lost time during the reporting period, irrespective of when the injury occurred.

The below graph indicates the LTIFR performance over the past three years. We are pleased to see an improvement in performance across the Group in FY19 for the second consecutive year. We continue our relentless focus to achieve our aspiration of *Incident Free Workplace 2020*.

Group Lost Time Injury Frequency Rate:



The TRIFR represents the number of lost time injuries, medically treated and restricted work injuries recorded for every one million hours worked over a rolling 12 month period. Pact's TRIFR for FY19 is 17.7.

Through inclusion of restricted work injuries in our TRIFR during FY19, defined as any injury which leads to more than 80% of a worker's daily tasks or hours being impacted, we have gained a deeper understanding of the types of injuries which may lead to lost time injuries in the future (for example where a worker requires surgery in the future). All restricted work injuries are managed in the same way as a LTI or Medical Treatment Injury (MTI) and require a full investigation and reporting.

There were no fatalities recorded for FY19.

All lost time, medical treated, serious and restricted work incidents are investigated utilising the iCAM process. Every other reported incident (near miss, hazard or incident) is investigated via a short form iCAM and risk assessment. These processes ensure the root cause/s are correctly identified and provides actionable tasks to prevent recurrence. In FY19 we continued our training program on iCAM across the Group to ensure employees are completing investigations consistently.

Every Pact workplace is required to report all incidents via our management system, VelocityEHS. This system enables real-time reporting and escalation of WHSE incidents and hazards. Further information on VelocityEHS is available on page 40. To ensure transparency and enable sharing of alerts across the Group, the WHSE performance scorecard is published on our intranet, site noticeboards, and via the VelocityEHS homepage monthly. Further information about our environmental performance is available on pages 46–48.

CASE STUDY

YOUR FAMILY NEEDS YOU -
WORK SAFE FOR YOURSELF
AND YOUR FAMILY



TOWARDS
ZERO
HARM

DON'T LET A WORKPLACE ACCIDENT TAKE YOU OUT OF YOUR FAMILY PICTURE

During FY19, several Pact sites participated in a safety awareness campaign that aimed to highlight to employees that the main reason to work in a safe manner was the people that they loved the most; their families.

Employees were encouraged to bring in a photograph of their family and place it in custom *Towards Zero Harm* decals on their locker as a constant reminder to consider the impact that workplace incidents have on their family if they were seriously injured.

Due to the success of this safety awareness campaign at the participating sites, it will be rolled out to all Pact sites in FY20.

Workplace Health, Safety and Environment (WHSE) System

Our Group wide WHSE System defines the minimum standards for all our workplaces and to manage critical risk in the most effective manner. The System incorporates a framework, manual, policies, procedures and forms, which we continually seek to improve. Our new VelocityEHS system has enabled mobile access to the system documents, to enable workers to access guidance wherever and whenever they require via their mobile devices.

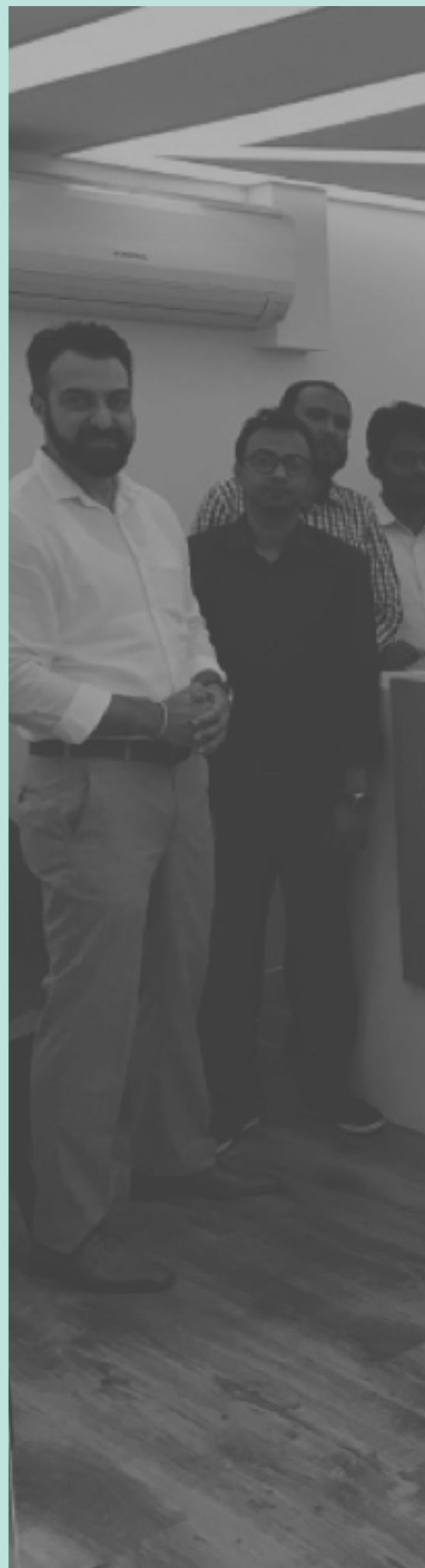
In FY19 we updated several policies and procedures to reflect changes to legislation and regulations, including introduction of a new *Chain of Responsibility Policy* in Australia. Procedures and training on this new Policy are planned for FY20 for sites across the Group in Australia.

Following the audit program completed in FY18, gap audits and follow-up visits at critical sites have been completed across the Group. A particular focus for the gap audits has been across our sites in Asia. The full site audit program, where sites are reviewed against the requirements of the WHSE System will be repeated in FY20. Results of all audits and inspections are communicated to sites and management and are available on our monthly performance Scorecard and on the Velocity system.

Focus on machinery safety continues to be a key priority. A review of *Australian Standard 4024: Safety of Machinery* has been conducted at several sites in Australia and New Zealand by an external expert to support in identifying hazards and managing critical risk items. Training on Risk Assessment and this Standard (in particular, design of controls, interlocks and guarding) has also been delivered.

Following the appointment of a new injury and claims management provider in Australia in FY19, a series of webinars have been rolled out to sites to train them on how to use the system. It is planned for the same processes to be rolled out to all sites in New Zealand in FY20. The consolidation of these processes with one central provider has simplified both the injury and claims management processes. The online portal is simple to use and provides more insightful data and reporting capability to enable us to better manage claims, with an overall aim of getting workers back to work sooner and reducing claims costs.

Our Group WHSE team continues to be responsible for setting the standard, providing expert advice, and developing and implementing Group-wide initiatives. The sites continue to be supported by dedicated WHSE resources, whilst being focused purely on safety and environmental management. External experts are utilised where required to complement our internal expertise, and where required to ensure our safety aspiration remains achievable.



CASE STUDY

WHSE IMPLEMENTATION IN ACQUISITIONS IN ASIA

Following the acquisitions of the Asian packaging operations (excluding Japan) of Closure Systems International (CSI), the Guangzhou China facility of Graham Packaging Company (GPC) and TIC Retail Accessories in 2018, the Group's geographical presence in Asia increased considerably. To ensure the same standards of safety and environmental practice are being applied at these newly acquired sites, the Group Risk Team worked with local site contacts to introduce and implement the Group WHSE System.

DURING FY19, 11 SITES ACROSS SIX COUNTRIES WERE VISITED BY A REPRESENTATIVE OF THE GROUP RISK TEAM, WHICH REPRESENTS MOST OPERATIONS ACROSS ASIA. THIS INCLUDED BOTH NEWLY ACQUIRED SITES AND EXISTING PACT SITES IN INDONESIA AND PHILIPPINES. THE COUNTRIES VISITED WERE BANGLADESH, CHINA, INDONESIA, PHILIPPINES, SOUTH KOREA AND THAILAND.

The purpose of the site visits was multi-faceted: to reinforce the importance of the Group's safety aspiration; to build working relationships between Group and local management; to provide dedicated and face-to-face support for the implementation of the Group WHSE System; and to gain a deeper understanding of local and site specific challenges and risks.

During the visits a detailed site and process inspection was conducted to develop a site specific WHSE Gap Analysis. This document will be used as the basis for prioritising actions to implement the WHSE system procedures and documentation, and any identified compliance, legal or high-risk requirements.

Training was also provided on the VelocityEHS system to ensure foremost that all sites in the Group are reporting hazards and injuries in an accurate and consistent manner. These sites are now utilising the suite of VelocityEHS modules along with the existing Pact sites and will join the FY20 WHSE audit program.



CASE STUDY

NEW WHSE MANAGEMENT SOFTWARE SYSTEM

Throughout FY19, a new work health, safety and environmental management software system, VelocityEHS, was successfully implemented across the Group. This project was delivered following significant capital, time and effort, and benefits have already been appreciated.

Several modules, including Incident Management, Action Management, Audits and Inspections, Compliance Management, Risk Management, Meeting Management, Training Management, Metrics and Reporting were implemented. This comprehensive suite of modules has linked together key WHSE processes and documentation retention requirements.

Velocity has enabled greater control, accuracy, transparency and accountability of processes, workflows and tasks. By automating these we have successfully removed duplication and inefficiencies in administrative processes, providing a holistic system for all WHSE system documentation requirements, task management and reporting.

With mobile capability for smartphones, integration to our existing worker databases, and translation packs, the WHSE system processes and forms are now available to all workers regardless of the time of day, location of work or language spoken.

CASE STUDY

SITE BASED SKIN CHECKS AND FLU SHOTS

The health and well-being of the Viscount Carrum Downs team is a top priority for the site, and in FY19 they once again offered free skin checks and flu shots to all employees.

Twenty-seven people took advantage of the free skin check, with local doctors also passing on information on sun safe practices and what changes to look for with freckles and moles over time.

Since the skin check program began four years ago, a large number of pre-cancer lesions have been detected and removed, with a number of employees saying they had no idea they were at risk prior to the check.

In April this year, free flu shots were also administered to 41 office and production employees.

Workplace health and wellbeing

The physical, mental and nutritional health of our employees is central to our organisation. It is for this reason we take a proactive approach to promoting the importance of a healthy body, mind and lifestyle.

Our health and wellbeing activities are predominately led by sites, to ensure they are delivering relevant outcomes for specific groups of employees.

In FY20 we will be rolling out a Group-wide mental health program for all employees.

Employee Assistance Program (EAP)

Our Employee Assistance Program (EAP) is available for employees and their families in Australia and New Zealand. This service offers access to confidential and independent counselling to provide emotional, mental and general psychological support. It is intended to enhance the wellbeing of our people when they need it and to provide support which may not otherwise be available or accessible.



IN FY20 WE WILL BE ROLLING OUT
A GROUP-WIDE MENTAL HEALTH
PROGRAM FOR ALL EMPLOYEES.



CASE STUDY

CLOSURE SYSTEMS INTERNATIONAL (CSI) NEPAL ENJOY A FAMILY DAY OUT!

Pact's CSI site in Nepal opened its doors to some of its littlest visitors ever ... kids!

For the first time in June 2018, the site held a family day where employees were encouraged to bring their children to work to learn more about the workplace where their father or mother work.

Various activities were organised for the day including a drawing competition, a talent show, balloon games, and tours. The children received prizes for their performances, and it was a great family day out!







45-71

ENVIRONMENT

Pact is dedicated to recycling and assisting our customers to meet their sustainability targets and as such we have developed and manufactured a variety of sustainable packaging solutions. Our focus is on ensuring all products, services and activities minimise harm to the environment and meet the requirements of our stakeholders without compromising the needs of future generations.

ENERGY AND EMISSIONS

PACT IS COMMITTED TO REDUCING AND ELIMINATING WASTE FROM OUR OPERATIONS.

There are several energy sources utilised during our manufacturing processes, including electricity, natural gas, LPG, diesel and butane. All our sites work to reduce the volume of energy consumed and site-based efficiency programs are rolled out on an as identified basis.

In Australia we report our Greenhouse Gas (GHG) emissions and energy use through the National Greenhouse and Energy Reporting (NGER) Scheme. This report is externally reviewed and assured to ensure accuracy and completeness of data.

In FY19 Pact Group consumed 1,976,630 GJ of energy and emitted 319,729 tCO₂e GHG emissions. The breakdown of this result is as follows:

- Scope 1: 20,623 tCO₂e
- Scope 2: 299,105 tCO₂e

Energy and emission breakdown

	Australia	New Zealand	Australia & New Zealand (Total)	Asia & Other
Total energy consumed (GJ)	1,334,255	311,976	1,646,231	330,399
Total GHG emissions (tCO ₂ e)	252,931	9,821	262,752	56,977
Breakdown:				
Scope 1 (tCO ₂ e)	17,398	2,571	19,969	654
Scope 2 (tCO ₂ e)	235,533	7,250	242,783	56,322

* Greenhouse gas emissions were reported in accordance with the World Resources Institute (WRI) Greenhouse Gas Protocol.

** Australian emission and energy content factors were derived from the National Greenhouse and Energy Reporting (NGER) (Measurement) Determination 2008 as amended.

*** New Zealand emission and energy content factors were derived from *Measuring Emissions: A Guide for Organisations. 2019 Detailed Guide. Wellington: Ministry for the Environment.*

****Asia emission factors derived from the Department for Environment Food and Rural Affairs (DEFRA) 2019.

A black and white photograph of two men standing outdoors. The man on the left is wearing a dark polo shirt and light-colored trousers, holding a small sapling. The man on the right is wearing a dark polo shirt with a logo and dark trousers, also holding the sapling. They are standing in front of a stone wall. The background is slightly blurred.

CASE STUDY

CSI INDIA CELEBRATE WORLD ENVIRONMENT DAY

To celebrate *World Environment Day*, Pact's CSI site in India hosted a tree planting day for employees and their families.

More than 35 people were on hand to help plant saplings across the site.

Employees and their families were then invited to participate in an art exhibition to further create awareness and encourage action to protect our environment. The artworks are displayed on noticeboards throughout the site.

Materials and waste

Materials

Pact manufactures and packages a diverse range of products on behalf of our customers and environmental sustainability is a key consideration for us.

Where possible and when a customer is supportive, we work to reduce the volume of raw materials utilised. For plastics-based products, resin is the primary raw material. For steel products, steel coil and tin plate are the primary raw materials. In FY19 we consumed approximately 200,000 tonnes of these materials.

Recycled resin is used in place of virgin resin, where customer requirements can be met, and product specifications allow the usage. Of all resin consumed in FY19, 8.6% was recycled resin.

Waste

Pact is committed to reducing and eliminating waste from our operations, and this has been a primary focus of the business.

All our sites work to reduce overall waste generated by our operating processes. Every site has recycling systems in place and we work with our recycling suppliers to recycle as much waste as possible, rather than sending to landfill.

Materials we most commonly recycle include paper, cardboard, steel, plastic, used oil and steel drums and intermediate bulk containers (IBCs).

Our Sustainability Services Division collects and recycles high density polyethylene (HDPE) and polypropylene (PP) plastics from our sites in Australia and New Zealand. Further information about the products which Pact recycle for us and on behalf of others is available on pages 68.

All hazardous waste is collected via licenced hazardous waste contractors and processed according to local legislation.

We recycled approximately 50% of all waste generated across the Group in FY19.

**WE ARE
COMMITTED
TO INCREASE
THE VOLUME OF
RECYCLED RESIN,
IN PLACE OF
VIRGIN RESIN,
AND TO REDUCE
THE OVERALL
MATERIALS
CONSUMED, IN
LINE WITH OUR
2025 END OF
WASTE PROMISE.**



PRODUCT STEWARDSHIP

PACT IS ACTIVELY INVOLVED IN THE CONCEPTION, DESIGN AND MANUFACTURE OF PACKAGING FOR A WIDE VARIETY OF PRODUCTS USED BY CONSUMERS.

We fully understand that packaging has a life after its contents have been consumed and that where possible, it's vital it can be repurposed, reconditioned, or recycled.

Pact is a signatory to the Australian Packaging Covenant (APC), and the APC is tasked with bringing government, industry and community groups together to fund projects that assess packaging sustainability issues.

Pact has an Action Plan in place outlining intended activities for 2019–2021 and an Annual Report with the APC is completed for the reporting period.

Sustainable packaging innovation

We provide a range of sustainability, recycling and environmental services to help our customers reduce the environmental impact of their product packaging and related processes.

This means that we are not just designing packaging to suit the product, we are focused on end-of-life management, in-line with existing recycling systems, collection programs and kerbside recycling.

We are focused on utilising appropriate materials to eliminate harmful substances wherever possible. Additionally, we clearly label our products with advice on appropriate end-of-life disposal, to reduce waste.

CASE STUDY

PACT WINS BOTH SUSTAINABLE DESIGN AND BEVERAGE CATEGORIES IN AUSTRALASIA'S PEAK PACKAGING AWARDS

At Australasia's premier *Packaging Innovation and Design Awards (PIDA)*, Pact won the Sustainable Packaging Design and Beverage categories. Pact also received a silver award in the Health, Beauty and Wellness category.

New Zealand's Lewis Road Dairy's post-consumer sourced 100% recycled plastic polyethylene terephthalate (rPET) milk bottle range won both the *Sustainable Packaging Design* and *Beverage Awards*. An Australasian first in its category, Lewis Road's rPET bottle range equates to approximately 340 tonnes of plastic that has been reused and diverted from landfill and contributes to forging a circular economy by including more recycled content into packaging.

Pact Group also won a silver award in the Health, Beauty and Wellness category for Essano's post-consumer sourced 100% recycled plastic polyethylene terephthalate (rPET) shampoo and conditioner bottle range. Moving from virgin HDPE to rPET equates to saving approximately 56 tonnes of plastic that has been reused and diverted from landfill.

The Australasian *Packaging Innovation and Design Awards (PIDA)* recognise companies and individuals making a significant difference in their field across Australia and New Zealand. The PIDAs, which are co-ordinated by the Australian Institute of Packaging (AIP) and Packaging New Zealand, are the exclusive feeder program for the prestigious WorldStar Packaging Awards.



**WINNING THE
2019 SUSTAINABLE
PACKAGING DESIGN
CATEGORY CEMENTS THE
ASPIRATIONAL TARGETS
WE DEVELOPED AS PART
OF OUR *2025 END OF
WASTE PROMISE* —
TO LEAD THE INDUSTRY
TOWARD A CIRCULAR
ECONOMY AND BE THE
NUMBER ONE PARTNER
OF SUSTAINABLE
CHOICES FOR OUR
CUSTOMERS.**

Sanjay Dayal
Managing Director and Group CEO, Pact Group



Packaging assessments

Pact's global design network considers the entire life cycle impact of a package including the choice of raw materials, energy, transportation configurations through to end-of-life.

We use Life Cycle Assessment (LCA) and the Packaging Impact Quick Evaluation Tool (PIQET) to perform rapid comparative environmental impact assessment of alternative designs at all stages of the design process.

APCO's Packaging Recycling Label Program

As part of Pact's commitment to APCO, Pact has joined its *Packaging Recycling Label Program*. The nationwide program will:

- provide a way for brand owners or packaging designers and manufacturers to assess whether an item of packaging could be classified as 'recyclable' in Australia and New Zealand through kerbside collection;
- deliver a clear, well understood on-pack label that will help consumers understand how to recycle products effectively;
- assist brand owners to design packaging that is recyclable at end-of-life; and
- increase recycling and recovery rates and contribute to cleaner recycling streams.



170+
INTERNAL
ASSESSMENTS

40+
CUSTOMER
ASSESSMENTS

CASE STUDY

PACT-OWNED PRODUCTS PREPare FOR THE AFTERLIFE

Consumer confusion about how to recycle different types of packaging is a significant challenge across Australia and New Zealand.

To help combat this issue, Pact has joined APCO's *Packaging Recycling Label Program* to assess its own range of products which are manufactured and sold by our Pascoe's Brand.

There are two elements to the *Program* — the Packaging Recyclability Evaluation Portal (PREP) and the Australasian Recycling Label (ARL).

Each product is assessed using the PREP tool, which provides an assessment of the packaging's recyclability through Australian and New Zealand kerbside collection.



Based on the outcome of the PREP assessment, a corresponding ARL can be applied on-pack to give clear and consistent information outlining the correct disposal method.



In FY19, Pact assessed more than 170 products from its Pascoe's range. Following the assessments, all labels will be updated to incorporate the ARL, and where packaging did not meet recyclability, consideration will be given to transition to a recyclable pack.



CASE STUDY

PACT JOINS NEW ACTION GROUP TO DRIVE 2025 PACKAGING TARGETS

Pact Group is part of a Collective Action Group that includes leading industry and government representatives tasked with developing a roadmap to drive the 2025 National Packaging Targets.

The Hon Trevor Evans MP, Assistant Minister for Waste Reduction and Environmental Management officially opened the first meeting of the Collective Action Group (CAG) in Melbourne on 25 June 2019.

The CAG team comprises 12 leading representatives from across the supply chain and government, charged with overseeing the progress of Australia's 2025 National Packaging Targets.

The 2025 targets were launched by government and industry in 2018, providing a clear mandate to deliver a new sustainable pathway for packaging in Australia. The CAG's role is to work with Australian Packaging Covenant Organisation (APCO) to oversee the development of a systemic model for how Australia can deliver the 2025 targets.

Over the next 12 months, APCO will be delivering an extensive program of projects to drive the delivery of the 2025 National Packaging Targets. These will be facilitated by a team of APCO Working Groups, comprising nearly 100 participants from industry and government across Australia which will in turn provide analysis and resources to the overarching CAG.

Collective Action Group members include:

Raphael Geminder, Chairman, Pact Group Holdings

Jeff Maguire, Group Head of CDS Implementation and Packaging Sustainability, Coca-Cola Amatil

Margaret Stuart, Head of Corporate and External Relations, Nestlé Oceania

Richard Macchiesi, General Manager, Insights and Innovation, Visy

Fiona Baxter, Group Manager Responsible Sourcing, Coles

Lok-Man Shu, Regional Environment Manager, David Jones and Country Road Group

Louise Vickery, Assistant Secretary, Australian Government Department of Environment and Energy

Kylie Hughes, Director Waste Policy and Legislation, Department of Environment and Science QLD

Terence Jeyretnam, Partner, Climate Change & Sustainability, EY

Paul Klymenko, CEO, Planet Ark

Peter Shmigel, CEO, Australian Council of Recycling

Justin Frank, Director, Marketing, Communications and Key Accounts, SUEZ Australia & New Zealand

Anne Astin, Independent Director, APCO, Chair of CAG

Brooke Donnelly, CEO, APCO and CAG Secretariat

Helen Lewis, Professor, Institute for Sustainable Futures and CAG Secretariat



“

**THE FORMATION OF
THE CAG IS AN EXCITING
MILESTONE IN OUR
WORK TOWARDS
DELIVERING THE
TARGETS AND IT'S
FANTASTIC TO BRING
TOGETHER SUCH A
PRESTIGIOUS GROUP OF
LEADERS FOR THE TASK.**


Brooke Donnelly
CEO of APCO

”

Reduce

At Pact, sustainable packaging design is a fundamental consideration when redesigning our existing portfolio and for all new product development.

We strive to design products and packaging with improved or enhanced technical performance, delivering the lowest possible environmental impacts and helping consumers make environmentally friendlier choices.

A grayscale photograph of a person's hands holding a white, rectangular, single-use EPS (Expanded Polystyrene) tray. The tray has a textured, grid-like surface. The person is wearing a light-colored shirt and a watch on their left wrist. The background is a soft, out-of-focus light color.

**IN FY19 PACT
DIVERTED
107 MILLION
SINGLE-USE
EPS TRAYS
FROM
LANDFILL.**



CASE STUDY

ELIMINATING NON-RECYCLABLE PACKAGING WE PRODUCE

Alto has successfully transitioned 100% of New Zealand's largest supermarket, Foodstuffs' EPS trays to rPET trays made from 30% Post Consumer Recyclate (PCR). By the end of 2020, Foodstuffs' trays will be comprised of 50% PCR rPET.

As EPS is not accepted via kerbside schemes, the transition that commenced in FY16 and concluded in FY19, equates to diverting 107 million single-use EPS trays per annum from landfill.

The use of rPET in Foodstuffs' trays repurposes more than 450 tonnes of pre-used plastic per annum.

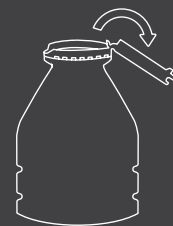
Lightweighting

Lightweighting, sometimes referred to as thin walling or down gauging, is the process by which existing packaging is adjusted and/or redesigned to reduce its overall weight without compromising its structural integrity and quality.

At Pact, we continue to invest in raw material, tooling, and technological innovation to produce even lighter packs that offer the same or improved technical performance whilst simultaneously reducing our environmental impact.

CASE STUDY

A SMALL CAP THAT PUTS THE ENVIRONMENT FIRST



In FY19, Pact secured exclusive license to launch the Snap Clic Pelican Closure to the Australasian market.

The revolutionary 'eco-responsible' flip top cap in a new type of closure that stays attached to the bottle after opening. This unique design delivers huge environmental benefits by using less resin in the manufacturing process and decreasing the opportunity for discarded tamper bands to end up as litter in the natural environment.

The Snap Clic Pelican cap meets the requirements of the European Commission's new legal action for reducing marine litter and was awarded the *Award Europe PactTheFuture 2018* in the Social Benefit Category.

CASE STUDY

GREEN IS GOOD... AND SMELLS EVEN BETTER!

Pact is proud to produce many of the Aldi Green Action and Verde products. In developing these products, synthetically derived surfactants were replaced with plant-based ingredients and sustainably sourced palm derived materials were used as per Aldi's Roundtable on Sustainable Palm Oil (RSPO) compliance policy. Many of the products have a low sodium content, no added phosphorus, and contain essential oils for perfuming instead of synthetic fragrances.

These products help consumers make environmentally friendlier choices and adopt better practices around the home by containing readily biodegradable ingredients and being safe for grey water and septic systems.



CASE STUDY

SUSTAINABLE PALM



In December 2018, Pact Group became certified through Roundtable on Sustainable Palm Oil (RSPO).

The RSPO has more than 4,000 members worldwide who represent all links along the palm oil supply chain. Members, depending on their roles within the supply

chain, have all committed to produce, source and/or use sustainable palm oil certified by the RSPO.

To support this important initiative, Pact's goal is to assist all our contract manufacturing customers in converting to a sustainable palm oil source.

Reuse

Incorporating recycled content into plastic packaging is one of the best tools at our industry's disposal to forge a circular economy. Pact continues to work on the development of packaging that incorporates recycled material, diverting used plastic from the waste stream and landfill.



**THE USE
OF rPET
EQUATES TO
APPROXIMATELY
111 TONNES
OF PLASTIC
THAT HAS BEEN
REUSED AND
DIVERTED FROM
LANDFILL.**

CASE STUDY

GLOW LABS PERSONAL CARE BOTTLES MADE FROM 100% rPET

In FY19, Pact manufactured three new personal care bottles made from 100% recycled resin for Earthwise's Glow Lab brand.

The bottles are approximately 25% lighter than the previous PET bottles which means we are using less material per bottle. Based on Glow Lab's current volumes, this equates to approximately 111 tonnes of plastic that has been reused and diverted from landfill.

The launch of Glow Lab's 100% rPET personal care bottles follows parent company Earthwise's move to incorporate 75% post-consumer recycled content into its laundry liquid bottles last year. Earthwise has pledged to support the New Zealand Plastic Packaging Declaration, making a commitment that 100% of its packaging is recyclable, reusable or compostable by 2025 or earlier.

GLOW
LAB

VANILLA PEPPERMINT
HAND WASH

A refreshing blend, enriched with
Pro-Vitamin B5, hydrates and regenerates skin



ANTIOXIDANT RICH



VITAMIN ENRICHED

100%
rPET

CASE STUDY

PACT MANUFACTURE LAUNDRY LIQUID BOTTLE FROM rHDPE FOR EARTHWISE

In FY19, Pact commenced manufacturing Earthwise's one litre laundry liquid bottles made from 75% recycled high-density polyethylene (rHDPE) sourced from post-consumer milk, juice and water bottles.

Joining other New Zealand based businesses, Earthwise has pledged to support the New Zealand Plastic Packaging Declaration, making a commitment that 100% of its packaging is recyclable, reusable or compostable by 2025 or earlier.

Earthwise is also one of 10 leading businesses backing a diagnostic study of New Zealand's entire plastic packaging system. The study is being completed by the Sustainable Business Network's Circular Economy Accelerator (CEA), and has widespread support from across the packaging sector including Pact, as it will help identify what is needed for a circular economy approach to plastic.



“

**WE STARTED
WITH OUR 1L
LAUNDRY LIQUID
BOTTLES AND
WILL INCLUDE
75% RECYCLED
CONTENT INTO
ALL BOTTLES
ACROSS OUR
HOUSEHOLD
CLEANING RANGE
BY 2020.**

Jamie Peters
Owner and director of Earthwise

”

Recycle

Pact Group is the largest recycler of post-industrial plastic packaging in Australasia and last year processed more than 30,000 tonnes of plastic waste. From this, more than 28,000 tonnes was converted into recycled resin pellets or products made from recycled material. The recycled resin replaces virgin resin in the manufacturing process within Pact and other plastic manufacturers throughout Australasia.

At Pact, we make sure that what we manufacture is suitable for existing recycling systems, collection programs and kerbside recycling. In doing this we select the most appropriate materials and focus on eliminating harmful substances. We also label our products with clear end-of-life disposal information.

CASE STUDY

GRANTS FOR PLANTS

In FY19, Pact received five significant co-funding grants to expand our recycling and processing capabilities of post-consumer packaging waste.

Victoria — Project 1: Near infrared polymer/colour sorting line

Pact Group's Sustainability Division (Astron) has received funding from Sustainability Victoria (SV) to expand its Cheltenham operation to include the reprocessing of post-consumer packaging collected through kerbside and sourced from Materials Recovery Facilities (MRFs).

The funding will contribute towards the acquisition and installation of a near infrared polymer/colour sorting line enabling the site to process approximately 2,000 tonnes per annum of post-consumer high-density polyethylene (HDPE) such as milk and juice bottles and polypropylene (PP) such as ice-cream containers, yoghurt pots and paint pails.

Victoria Project 2 — Baled low-value mixed plastics reprocessing

Astron has also received further funding from Sustainability Victoria (SV) to expand its operation to enable it to efficiently sort, clean and reprocess baled low-value post-consumer mixed plastics sourced from local Material Recovery Facilities, (MRFs).

Areas of the existing plant will be upgraded including: water treatment; shredding; wet granulating; mechanical drying and de-dusting/de-labelling — after which the material can be processed into recycled resin for sale internally and externally for use in manufacturing various plastic products.

The estimated additional annual volume Astron will be able to process is 2,500 tonnes per annum.

Queensland — Soft-film plastic recycling

Astron has received funding from the Queensland Government to expand its operations in Wacol, with new infrastructure to recycle post-industrial LDPE soft-film such as pallet, shrink and stretch wrap and post-consumer LDPE soft-film such as films and plastic bags.

When completed, the site will have the capacity to process an additional 7,000 tonnes per annum into a wide range of usable product such as slip-sheets, underground cable covers and industrial rigid packaging.

New South Wales — Near infrared polymer/colour sorting line

Astron has received funding from the New South Wales Environmental Protection Authority (EPA) to expand its Ingleburn operation to include the reprocessing of post-consumer packaging collected through kerbside and sourced from Materials Recovery Facilities (MRFs).


The funding will contribute towards the acquisition and installation of a near infrared optical colour and polymer sorting line enabling the site to process an additional 1,200 tonnes per annum of post-consumer high-density polyethylene (HDPE) such as milk and juice bottles and polypropylene (PP) such as ice-cream containers, yoghurt pots and paint pails.

New Zealand

Pact Group received New Zealand Government funding to transition to 100% locally-sourced recycled rPET in its food packaging range.

Funding secured from the Waste Minimisation Fund (WMF) will contribute to Pact's investment in state-of-the-art infrastructure that will thoroughly decontaminate the rPET flakes into rPET sheet that can be used in the production of 100% recycled, food-contact approved packaging including meat trays, bakery trays, deli containers, food containers and produce containers.

When full capacity is reached, the site will have the ability to process between 8,900 to 12,250 tonnes of rPET every year.



**GOVERNMENT
SUPPORT WILL
ENABLE PACT
TO EXPAND IT'S
EXISTING RECYCLING
CAPACITY BY AN
ADDITIONAL 22,700
TONNES PER ANNUM**

CASE STUDY

PACT GROUP HOST AUSTRALIAN PACKAGING COVENANT ORGANISATION (APCO) TOWARD 2025 INDUSTRY EVENT AND AUSTRALASIAN RECYCLING LABEL LAUNCH

In September 2018, Pact Group hosted the Australian Packaging Covenant Organisation (APCO) *Toward 2025 Industry Event and Australasian Recycling Label Launch*.

Pact Group welcomed the 2025 National Packaging Targets announced by Australia's Minister for the Environment, Melissa Price, which build on commitments made by state and territory environment ministers to set a path for Australia's recyclable waste.

The 2025 National Packaging Waste Targets are:

1. 100% of all Australia's packaging will be reusable, recyclable or compostable
2. 70% of Australia's plastic packaging will be recycled or composted
3. 30% average recycled content will be included across all packaging
4. Problematic and unnecessary single-use plastic packaging will be phased out through design, innovation or introduction of alternatives

Minister Price congratulated APCO, Pact Group and the initial working group of key business leaders including Coca-Cola Amatil, Goodman Fielder, Nestlé, Woolworths, Simplot and Unilever in tackling Australia's waste challenges and supporting these ambitious targets.



CASE STUDY

SULO COMMITTED TO CLOSED-LOOP PLASTIC RECYCLING OF BINS

More than 200,000 and growing: that's the number of old wheelie bins that have been collected for recycling as part of Pact's 2019 mobile garbage bin (MGB) replacement program with Northern Beaches Council.

The old wheelie bins are collected by SULO and sent to Pact's Sustainability Division, Astron, where they are washed, chipped, melted down and re-pelletised for use in the manufacture of new bins.

SULO aims to collect 330,000 old wheelie bins from the Council area by the end of the program and will replace these with new bins made from the collected and recycled content.

**1.5 MILLION KGS OF PLASTIC WILL
BE RECYCLED AS PART OF THIS BIN
REPLACEMENT PROGRAM.**

Reconditioning

Intermediate Bulk Containers (IBCs)

Supporting our new IBC manufacturing capabilities, and Pact also offers reconditioning and laundry services to help extend the life span of IBCs without compromising their quality. In FY19, Pact collected more than 175,000 used IBCs for reconditioning.

Our national collection and buying services provide our customers a truly cost-effective and complementary alternative to new packaging.

Drums

Pact also provides compliant collection, reconditioning and drum disposal services for both steel and plastic drums. Reconditioning provides a cost-effective and complementary alternative to new packaging.

In the past 12 months, Pact has collected more than 1 million used drums for reconditioning with 80% of these reconditioned into good-as-new drums for reuse and the remaining 20% sent to steel recyclers.

Customer and industry waste collection and hard recycling services

drumMUSTER

Every year, the Group collects more than 650,000 plastic drums (approximately 650 tonnes of material) as a participant in the national *drumMUSTER* recycling program. *drumMUSTER* is an Australian product stewardship program that is supported by chemical manufacturers and industry stakeholders to collect and recycle eligible containers. Prior to the program, these containers were typically sent to landfill or burned/buried on farms. Since its inception in 1998, *drumMUSTER* has recycled more than 21 million containers.

These hard to recycle products are either impractical or too expensive to collect via traditional networks. By diverting this waste from landfill and reprocessing it, Pact minimises the loss of valuable resources.

CASE STUDY

PARTNERING WITH ALDI TO BUILD A SUSTAINABLE PARTNERSHIP

In FY19, Pact Group was invited to attend and exhibit at ALDI's *Building Sustainable Partnership Forum*. At the event, ALDI Australia announced its sustainability commitments in front of more than 100 of its business partners.

As a speaker and panellist at the event, Raphael Geminder, Chairman of Pact Group, one of ALDI's long-standing business partners said: "Pact Group started its sustainability journey almost two decades ago, and it's now part of the Group's DNA. But even though we have been doing this for a long time — we are in uncharted waters. It's not business as usual, geopolitical and consumer shifts in sustainability have created an urgency towards action, to transform our system and move to a circular economy, creating the need to invest in scalable end-of-life solutions that will consume Australia's recyclable resources."

"Australia is an innovative advanced first world economy and to effect this shift, we will need to embrace closed-loop industry solutions, embrace collaboration and continue to eliminate waste in our supply chain. Collecting material is not a solution, we need to embrace and grow returnable packaging, aggressively expand pooling solutions and find large sinks that consume high levels of recycled material. We launched our *End of Waste 2025* commitment last year and are actively investing in solutions that help us achieve our goal and in turn help our partners achieve their own sustainability objectives."

Pact is proud to partner with ALDI and our other customers to support them achieve their own sustainability objectives and targets.

Innovation

ONE OF AUSTRALASIA'S MOST INNOVATIVE COMPANIES

In FY19 Pact Group was named as one of Australasia's Most Innovative Companies for the seventh consecutive year.

Pact Group ranked second on the Manufacturing & Consumer Goods list, from more than 800 nominated organisations across Australia and New Zealand. The assessment measures a top innovation implemented in the past 12 months. Specifically, the judges look at how valuable the problem is that the innovation is solving, the quality and uniqueness of the solution, and the level of impact that the innovation has had. Also assessed are internal elements such as innovation culture, strategy, resources and process, which demonstrate a sustainable and repeatable approach to innovation.

— **FINANCIAL REVIEW BOSS** —
MOST INNOVATIVE
COMPANIES

CASE STUDY

250
USED MILK
BOTTLES IN
LANDFILL

OR

250
RECYCLED MILK
BOTTLES TO MAKE
A WHEELIE BIN

In Australia, there are approximately 70,000 tonnes of bailed post-consumer milk bottles per annum destined for landfill. Pact's 2019 Australian Financial Review BOSS Most Innovative Companies award was for designing and manufacturing a household mobile garbage bin (or wheelie bin) made from 60% recycled milk bottles. Each bin is made using up to 4.8kg of recycled milk bottle plastic, or 250 milk bottles — the average number every Australian household consumes each year.

This project forms part of the Group's *End of Waste* strategy to create large sinkholes for recycled content into innovative solutions such as mobile garbage bins, telecommunication pits, freeway noise walls, slip sheets and underground cable covers that create a true circular economy for packaging waste.

Of the seven years Pact has made the list, five of the Group's winning nominations have been for innovative sustainability initiatives that increase the circularity of plastic material.





73-79



SOCIETY

A spirit of generosity is encouraged at Pact and we see this come to life in our people. Initiatives we support align with our core product and service offering, as well as our geographic footprint.

Pact is a multinational company and as such we believe in the value of community engagement at a local level and focus on supporting causes that create meaningful change.

INVESTING IN COMMUNITY INITIATIVES AND ACTIVITIES

PACT IS A GLOBAL COMPANY, OPERATING IN 15 COUNTRIES. WE ARE COMMITTED TO SUPPORTING INITIATIVES AND ACTIVITIES THAT FOSTER POSITIVE CONNECTIONS BETWEEN OUR EMPLOYEES, CUSTOMERS AND THE COMMUNITIES IN WHICH WE OPERATE.

Community Giving Program

At Pact, we actively encourage a spirit of generosity in our employees. Our Community Giving Program provides opportunities for employees to give back to charity groups they are passionate about, or personally connected with, in four ways:

- In-kind equipment and product donations
- Financial donations to charity partners with a purpose that strives to create lasting social change
- Monetary donation matching of personal employee fundraising contributions
- Corporate sponsorship

Given the breadth of Pact's community programs and initiatives, we do not quantify the percentage of Group operations with implemented community engagement, impact assessments and development programs. We do acknowledge this position may change in future years as Group projects evolve.



CASE STUDY

PACT SUPPORTS RONALD McDONALD HOUSE CHARITIES (AUSTRALIA AND NEW ZEALAND)

Pact is proud to continue its partnership with Ronald McDonald House Charities (RMHC) in Australia and New Zealand.

With 16 locations around Australia and three in New Zealand, Ronald McDonald Houses are attached to major women's or children's hospitals and work to support the ever-changing needs of seriously ill children and their families.

To support the incredible work of RMHC in FY19, we provided direct financial support and essential in-kind donations which help the Houses direct money to services and programs which help make the day-to-day lives of those most in need a little easier.



AUSTRALIA'S BIGGEST MORNING TEA

Australia's Biggest Morning Tea is Cancer Council's most popular fundraising event and the largest, most successful event of its kind in Australia.

The idea is simple — just get your friends, colleagues or community together over some tea and treats, and help to raise funds that go towards vital cancer research, support services, prevention programs, and advocacy.

The event is an annual feature of the Pact calendar and we are proud to have raised and donated more than \$100,000 since hosting our first *Morning Tea* 11 years ago.



ROYAL FLYING DOCTOR SERVICE

For the past eight years, Pact has been a proud financial supporter of the Royal Flying Doctor Service (RFDS). Delivered by a dedicated team of professionals, using the latest in aviation, medical and communications technology, the RFDS provides extensive primary health care and 24-hour emergency service to people over an area of 7.69 million square kilometres. It is a vital service for those that live, work and travel in rural and remote Australia.

ONGOING SUPPORT TO WASTE AID



Pact's Sulo brand is proud to continue its involvement with non-profit organisation WasteAid. WasteAid provides basic waste services to disadvantaged areas of Australia, predominantly assisting Aboriginal and Torres Strait Islander populations. Sulo has provided waste bins for various projects and Pact is proud to continue to provide further support to WasteAid as it continues to implement waste services throughout remote communities.

KEEP IT CLEAN



In FY19, Pact was proud to continue its financial support of Keep New Zealand Beautiful and Keep Australia Beautiful.

These two iconic not-for-profit organisations deliver sustainability education programs; waste minimisation and recycling initiatives; and are dedicated to keeping our communities clean, safe and beautiful.

ORANGE SKY AUSTRALIA



For the first time in FY19, Pact financially supported Orange Sky Australia, the charity helping to positively connect people experiencing homelessness through free laundry, showers and conversation.

Orange Sky operates 248 shifts from 27 vehicles in 22 cities every week around Australia. To date, it's provided 109,812 loads of washing, 9,952 warm showers and 175,957 hours of genuine and non-judgemental conversation.

**PACT'S DONATION SUPPORTED
41 HOMELESS PEOPLE WITH
CLEAN CLOTHES, WARM SHOWERS
AND NON-JUDGEMENTAL
CONVERSATIONS.**

CASE STUDY

HELPING FIGHT HUNGER IN AUSTRALIA

Each year Viscount Pooling Systems (VPS) proudly partners with Foodbank by providing in-kind hire of crates through its donation centres.

When produce doesn't meet retailers specification, growers have a choice to donate it to Foodbank.

In FY19 more than 40,700 crates passed through the Foodbank national network, saving the charity approximately \$40,000.

VPS' position in Australia's supply chains affords it a unique opportunity to support Foodbank, and we are excited to strengthen our long-term relationship and financial commitment in FY20 as we expand our crate retrieval program and network.

PACT'S IN-KIND EQUIPMENT DONATIONS ENABLED 5.28 MILLION MEALS¹ TO BE DONATED FY19.

¹. Equivalent meals calculated at 500grams per meal.

OUR SUPPLY CHAIN

WE'RE COMMITTED TO MINIMISING THE ENVIRONMENTAL AND SOCIAL IMPACTS OF OUR PRODUCTS THROUGHOUT OUR SUPPLY CHAIN.

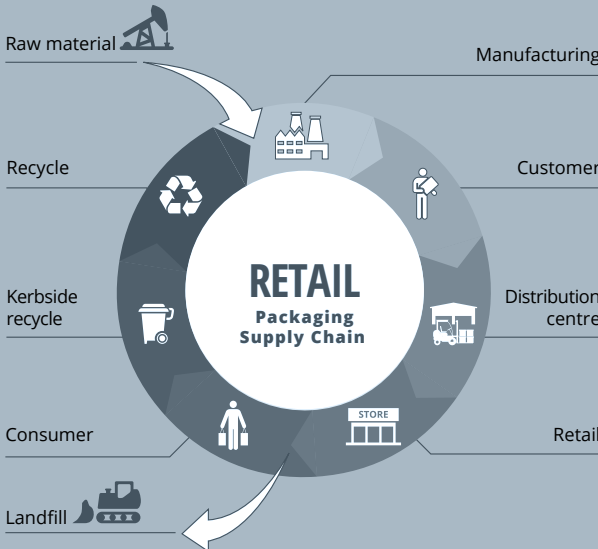
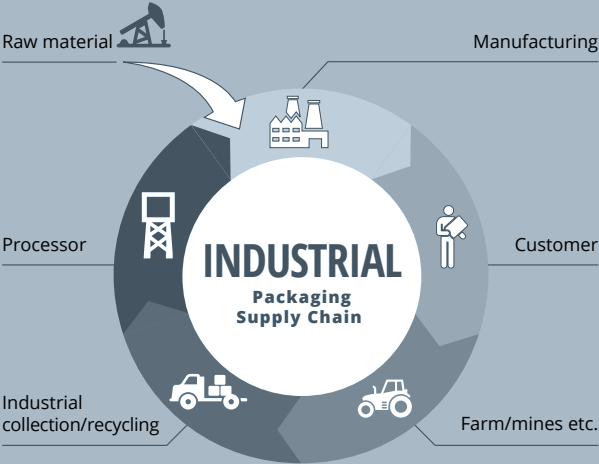
Responsible procurement

Our supply chain is relatively streamlined due to the nature of our business and the fact that raw materials make up approximately 50% of our total manufacturing costs. Overall it presents a relatively low overall risk.

Our *Quality Policy* is in place to ensure we continue to meet the requirements of our customers and to continue to exceed international standards of responsible operation.

Our *Supplier Code of Conduct* outlines the ethical, social and environmental requirements for our new suppliers. Assessments of existing suppliers are also carried out on a routine basis.

Both our *Quality Policy* and *Supplier Code of Conduct* can be found on the Pact website: www.pactgroup.com.au/sustainability.



This diagram visually represents our industrial and retail packaging supply chains.





81-91

ETHICS AND GOVERNANCE

Pact is committed to the highest level of governance and ethics. We strive to build a culture that is focused on compliance and risk-awareness.

Our *Code of Conduct* outlines how the Group expects its representatives to behave and conduct business in the workplace. It applies to all business activities involving suppliers, contractors, customers, shareholders and employees in Australia and overseas.

ETHICAL CONDUCT

OUR GROUP CODE OF CONDUCT OUTLINES OUR EXPECTATIONS IN RESPECT TO OUR SENSE OF CORPORATE RESPONSIBILITY AND INTEGRITY.

Our *Code of Conduct* outlines how the Group expects its representatives to behave and conduct business in the workplace. It provides a benchmark for professional behaviour to support the Group's business reputation and corporate image within the community. It covers key topics including: conflicts of interest; anti-bribery and corruption; gifts and commissions; facilitation payments; political contributions and securities trading.

It applies to all business activities involving suppliers, contractors, customers, shareholders and employees in Australia and overseas. The *Code* encourages the reporting of unethical behaviour and breaches of policy or company values. The related processes are further outlined in the Group *Whistleblower* Policy.

Supporting the *Code of Conduct* is a range of Group policies designed to ensure compliance with laws and regulations. The *Code* and policies are reviewed as needed to reflect changes to legislation, regulations or business risks. Training for employees is provided on a regular basis either in person or via our online learning management system.

The *Code* and Group policies are available on the Pact website: www.pactgroup.com.au/sustainability.

Anti-bribery and Corruption Policy

Our *Anti-bribery and Corruption Policy* outlines the standard of appropriate behaviours in respect to this topic. Training on the applicable laws has been provided to relevant Executive and Senior Managers. We continue to focus on this and are further developing and enhancing tools and procedures to mitigate risk.

During the reporting period, we have not had any incidents in which employees or contracts with business partners have been investigated or terminated due to corruption.

Competition and Consumer Act Compliance Policy

Our *Competition and Consumer Act Compliance* Policy states Pact's commitment to acting in accordance with the obligations under the *Competition and Consumer Act 2010 (CCA)* and *Commerce Act 1986*. Pact places great importance on compliance with this key area as it impacts how we deal with our competitors, suppliers and customers.

All our Executives, Senior Managers, sales team and other relevant employees complete online training and refresher training is delivered.

A breach of the CCA can result in significant penalties (to both the company and individuals) and significant damage to the Company's goodwill and reputation in the marketplace. During the reporting period, we have not had any legal action pending or completed regarding anti-competitive behaviour in which the Group has been identified as a participant. There have been no significant fines or non-monetary sanctions for non-compliance with laws and regulations in relation to competition law.

Environmental Policy

Our *Environmental Policy* sets out our commitment to continuously improve the environmental performance of our operations and services. This *Policy* reinforces our commitment to our 2025 *End of Waste Promise*, and to become the number one partner of sustainable choices for our customers.

Equal Opportunity, Harassment and Bullying Policy

We are committed to being an equal opportunity employer and will not tolerate unlawful discrimination, harassment, bullying, vilification or victimisation in the workplace. Our *Equal Opportunity, Harassment and Bullying Policy* sets out our expectations for high standards of behaviour in the workplace and the procedures for making complaints and investigating issues relating to unlawful discrimination, harassment or bullying.

Privacy Policy

Protecting our stakeholder's privacy is important to us and this Policy explains how Pact Group Ltd and its wholly owned subsidiaries manage personal information.

Quality Policy

Our *Quality Policy* outlines our commitment to operate our business in a manner that meets customers' and international quality standards.

Supplier Code Of Conduct

Conducting our business ethically and with integrity includes looking at our supply chain. Our suppliers must comply with all local laws and legislation and must declare all instances where the manufacture of our goods is outsourced.

Whistleblower Policy

This Policy supports the Group's *Code of Conduct* and is designed to promote and reinforce the Group's culture of honest and ethical behaviour. The purpose of this policy is to encourage employees to raise concerns about misconduct, malpractice, irregularities or any other behaviour which is dishonest, corrupt, illegal or inconsistent with any of the Group's values. It also sets out how the Group intends to make sure a Whistleblower is protected for reporting unacceptable behaviour.

Work Health And Safety Policy

The Group is committed to ensuring all work is completed incident and injury free, in-line with our strategic ambition *Towards Zero Harm*. This policy provides an overview of the Company's commitment to workplace health and safety and what is expected of employees and others.

Financial transparency

Tax transparency

Pact Group's approach to tax is governed by the following three principles:

- Pact pays tax where the underlying economic activity occurs.
- Pact does not hide assets or income through secrecy provisions.
- Pact does not shift profits to low or zero-tax jurisdictions.

These principles are enforced through a *Tax Governance Policy* that ensures the Board reviews and signs off on all significant tax decisions, and a tax risk management framework that guides management in the day-to-day management of tax issues.

A *Report* outlining our approach to taxation and providing details about the taxes we paid in FY17 was published during FY19 to help our stakeholders understand our tax paying position. The *Report* includes information on income and other taxes we have paid, to provide a clearer picture of our contribution to the Australian community. It is intended that a similar report will be prepared for future years.

Further information and a copy of Pact's FY17 Tax Transparency Report can be found on the Pact website: www.pactgroup.com.au/wp-content/uploads/2019/01/Pact-Tax-Transparency-Report-2017.pdf.

Political contributions and activities

Our *Code of Conduct* prohibits the use of corporate funds for political purposes. Pact does not contribute any monies to any candidate for election to a political party.

We do not prohibit political activity undertaken by an employee in their own individual, private capacity. However, to eliminate any appearance of coercion in such political activities, it is prohibited for any supervisor to solicit funds from a subordinate for political purposes.

Pact supports the involvement of its employees in community activities and professional organisations. However, outside activity must not create a conflict (or the appearance of a conflict) of interest.

CORPORATE GOVERNANCE AND RISK MANAGEMENT

Board

The Board of Directors is responsible for the overall corporate governance of Pact Group. The Board's role is to ensure that the Group is properly managed, to protect and enhance shareholder interests, and to ensure the Group operates in an appropriate environment of control and corporate governance.

The Board is comprised of a non-Executive Chairman, five independent non-Executive Directors, and an Executive Director.

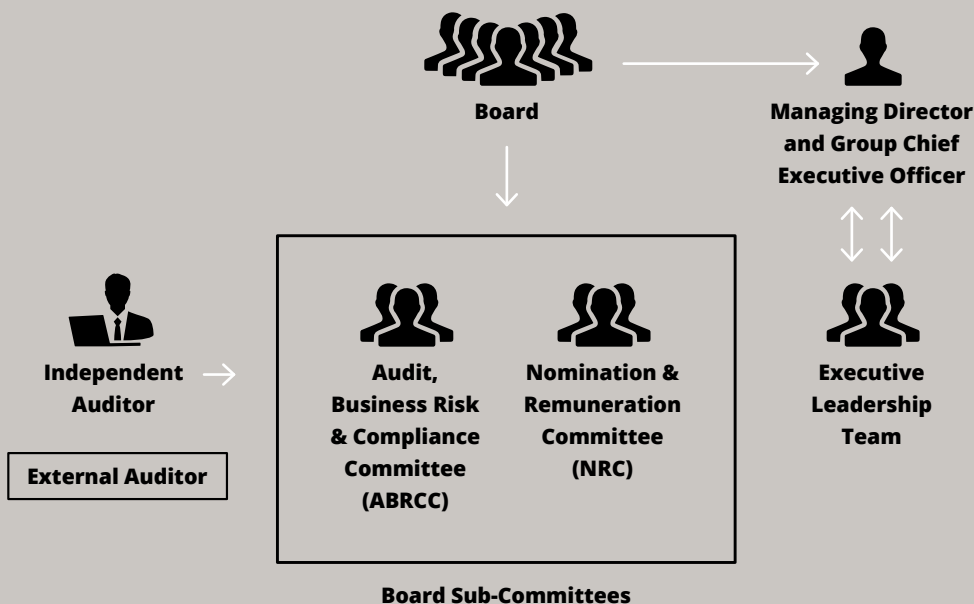
Board members have extensive experience in a range of relevant industries, including manufacturing, finance, information technology, operations, and public company experience.

Further information and biographies of the Group's Board members are available in the *Annual Report*, which is located on the Pact website: www.pactgroup.com.au/investor/leadership/board-of-directors.

The Board has delegated specific responsibilities to two governance sub-committees, which are chaired by Independent Directors.

The Nomination and Remuneration Committee and The Audit, Business Risk and Compliance Committee have defined responsibilities detailed in their respective charters. These charters can be viewed on the Pact website: www.pactgroup.com.au/investor/corporate-governance/boardandcommittee-charters.

Corporate Governance Structure



Risk management

Pact promotes a risk-aware culture in decision-making and is committed to manage all risks that may materially impact the business in a proactive and effective manner. Risks are identified and managed across a variety of areas, including but not limited to: operational; environmental; sustainability; cyber specific; compliance; strategic; ethical conduct; reputation or brand; technological product or service quality; human capital; financial reporting; and market-related risks.

The overall objectives of our risk management program are to:

- promote identification and mitigation of risks in a way that protects the businesses continuity and reputation of the Group, informs management decisions and drives competitive advantage;
- manage all risks that may materially impact the business in a proactive and effective manner; and
- disclose all material business risks, including those in the areas of economic, environmental and social sustainability risks.

The Board of Directors has overall accountability for the risk management program. Oversight has been delegated to the Audit, Business Risk and Compliance Committee (ABRCC) that is responsible for monitoring and review. The MD and Group CEO and Executive Committee are responsible for the day-to-day management of risk, within the risk appetite set by the Board.

The *Risk Management Policy* sets out our commitment to managing all risks in a proactive and effective manner, to drive competitive advantage. The *Policy* is complemented by our *Risk Management Framework*, which sets out the process for the identification and mitigation of risks to ensure business continuity, protection of the Group's reputation and informed management decisions. The *Framework* is based on the *Australian Standard 31000: Risk Management Principles* and the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations*.

During FY19 the *Risk Management Policy* and *Framework* were updated to reflect recent best practice and were endorsed by the ABRCC.

The Risk Management Policy is available on the Pact website: www.pactgroup.com.au/Investor/corporate-governance/policies-and-standards.

Further information on our corporate governance practices can be found in the Corporate Governance Statement on the Pact website: www.pactgroup.com.au/Investor/corporate-governance/policies-andstandards.

Human rights

United Nations Global Compact

The *United Nations Global Compact (UNGC)* is the world's largest corporate sustainability initiative, where businesses commit to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to progress the Sustainable Development Goals.

As a signatory to the *UNGC* and a member of the local chapter, Global Compact Network Australia, Pact Group upholds the principles of universal human rights, including accessibility, non-discrimination and labour rights across all our operations.

We demonstrate our commitment through the Group's:

- Code of Conduct, which requires the fair and equitable treatment of all Pact stakeholders and outlines the responsibilities of all employees in accordance with this; and
- Equal Opportunity, Harassment and Bullying Policy, in which Pact is committed to being an equal opportunity employer and to ensuring our workplace is free of unlawful discrimination, harassment and bullying.

Our online corporate induction covers our expectations with regards to the Group and employees upholding the principles of universal human rights. All new salaried employees are required to complete this within the first period of employment.

We lodged our annual *UNGC Communications On Progress* in December 2018 which can be downloaded from the UNGC website: www.unglobalcompact.org.

There have been no grievances about human rights impacts filed through formal grievance mechanisms during the reporting period.

Child and forced labour

As a signatory to the UNGC we are committed to supporting the abolishment of child labour and forced labour worldwide, and our policies explicitly prohibit this.

There have been no incidents of child or forced labour within the Group that we are aware of during the reporting period.

We will release our first *Modern Slavery Statement* in FY20, and comply with the principles of the *Australian Modern Slavery Act (2018)*.



Customer ethical audits

Pact participates in a number of sustainability and ethical business audits as part of our customers' tender and contractual requirements. These audits enable our partners to assess our sustainability credentials as key stakeholders in their supply chains.

A number of our sites participate in customer-initiated audits, including:

- Supplier Ethical Database Exchange (Sedex) — a secure online database that allows members to store, share and report on four key areas including labour standards, health and safety, the environment and business ethics. Some sites have also completed a Sedex Members Ethical Trade Audit (SMETA).
- Ecovardis — an online CSR analysis system which covers 21 criteria covering environment, fair labour and human rights, ethics, and sustainable procurement.

Our Affiliations



Global Compact
Network Australia

“AS A SIGNATORY TO THE UNITED NATIONS GLOBAL COMPACT, WE CONTINUOUSLY WORK TO ALIGN OUR OPERATIONS AND BUSINESS STRATEGY TO IT'S 10 PRINCIPLES.”



ABOUT THIS REPORT

This *Sustainability Review* for Pact Group Holdings Ltd has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (G4 version). This Review is in accordance with "core" GRI guidelines and no information is restated, and no changes have been identified.

The information contained in this *Review* relates to sites wholly owned and operated by Pact Group Holdings Ltd ("Pact" or "the Company") and its wholly owned subsidiaries ("the Group"). All data relates to the 12-month period or the status as at 30 June 2019 (FY19), unless otherwise stated.

All monetary amounts in the *Review* are stated in Australian dollars unless otherwise stated.

Information integrity and verification

Pact's Executive and Senior Management are responsible for the preparation and integrity of the information in this Review. We believe this *Review* fairly represents our sustainability performance during FY19.

Further information

Further information regarding Pact's sustainability performance is communicated through various channels including:

- www.pactgroup.com.au
- The Annual Report
- The Annual General Meeting (AGM)
- Disclosures to the Australian Securities Exchange (ASX), Company code (PGH).

Previous *Sustainability* and *Annual Reports* can be downloaded from the investor section of our website: www.pactgroup.com.au/sustainability.

If you have any questions or feedback, please email:
info@pactgroup.com.au



Independent Limited Assurance Statement to the Management and Directors of Pact Group Holdings Limited (Pact Group)

Our Conclusion:

Ernst & Young ('EY', 'we') were engaged by Pact Group to undertake 'limited assurance' as defined by Australian Auditing Standards, here after referred to as a 'review', over total combined scope 1 and scope 2 greenhouse gas (GHG) emissions (t.CO₂-e) for Pact Group's Australia and New Zealand operations included in its 2019 Sustainability Report for the year ended 30 June 2019. Based on our review, nothing came to our attention that caused us to believe that the total combined scope 1 and scope 2 greenhouse gas (GHG) emissions (t.CO₂-e) for Pact Group's Australia and New Zealand operations has not been prepared and presented fairly, in all material respects, in accordance with the criteria defined below.

What our review covered

We reviewed the total combined scope 1 and scope 2 greenhouse gas (GHG) emissions (t.CO₂-e) for Pact Group's Australia and New Zealand operations included in its 2019 Sustainability Report within the Environment – Energy and Emissions section of the report

Criteria applied by Pact Group

In preparing the total combined scope 1 and scope 2 greenhouse gas (GHG) emissions (t.CO₂-e) for Pact Group's Australia and New Zealand operations, Pact Group applied:

- ▶ The World Business Council for Sustainable Development and World Resources Institute's Greenhouse Gas Protocol Revised Edition
- ▶ Australian National Greenhouse and Energy Reporting (Measurement) Determination
- ▶ New Zealand Climate Change (Stationary Energy and Industrial Processes) Regulations 2009
- ▶ New Zealand Climate Change (Liquid Fossil Fuels) Regulations 2008
- ▶ New Zealand Climate Change (Unique Emissions Factor) Regulations 2009.

Key responsibilities

EY's responsibility and independence

Our responsibility was to express a conclusion on the total combined scope 1 and scope 2 greenhouse gas (GHG) emissions (t.CO₂-e) for Pact Group's Australia and New Zealand operations based on our review.

We were also responsible for maintaining our independence and confirm that we have met the requirements of the *APES 110 Code of Ethics for Professional Accountants* including independence and have the required competencies and experience to conduct this assurance engagement.

Pact Group's responsibility

Pact Group's management ("management") was responsible for selecting the Criteria, and preparing and fairly presenting the total combined scope 1 and scope 2 greenhouse gas (GHG) emissions (t.CO₂-e) for Pact Group's Australia and New Zealand operations in accordance with that Criteria. This responsibility includes establishing and maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

Our approach to conducting the review

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE 3000') and the terms of reference for this engagement as agreed with Pact Group on 17 July 2019.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the total combined scope 1 and scope 2 greenhouse gas (GHG) emissions (t.CO₂-e) for Pact Group's

Australia and New Zealand operations and related information and applying analytical and other review procedures.

Our procedures included:

- ▶ Conducted interviews with personnel to understand the business and reporting process
- ▶ Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Selected Performance Data during the reporting period
- ▶ Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- ▶ Undertook analytical review procedures to support the reasonableness of the data
- ▶ Identified and testing assumptions supporting calculations
- ▶ Tested, on a sample basis, underlying source information to check the accuracy of the data.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Use of our Assurance Statement

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Pact Group, or for any purpose other than that for which it was prepared.

You may not disclose this assurance report externally without our prior written consent.

Ernst & Young
Melbourne, Australia
09 October 2019

GLOBAL REPORTING INITIATIVE

Pact's 2019 Sustainability Review has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (G4 version). The following table summarises Pact's performance against "core" GRI guidelines.

Summary Index

General Standard Disclosures

Standard Disclosure	Description	Reporting status	Report heading	Page/s
Strategy and Analysis				
G4-1	Statement from the most senior decision-maker in the organisation	Fully	A word from our Managing Director and CEO	2-3
G4-2	Impacts and Risks summary	Fully	Key sustainability issues, Corporate Governance & Risk Management	14, 15, 84, 85
Organisational profile				
G4-3	Organisation name	Fully	About this report	88
G4-4	Primary products, services	Fully	Who we are and what we do	4
G4-5	Head office location	Fully	Who we are and what we do	4
G4-6	Countries of operation	Fully	Who we are and what we do	4
G4-7	Ownership and legal form	Fully	About this report	88
G4-8	Markets served	Fully	Who we are and what we do	4
G4-9	Scale of organisation	Fully	Who we are and what we do	4
G4-10	Employee structure / breakdown	Fully	Diversity	22, 23
G4-11	Employees covered by bargaining power	Fully	Industrial relations	28
G4-12	Supply chain description	Fully	Responsible Procurement	79
G4-13	Significant changes to organisation	Fully	About this report	88
G4-14	Overall approach to managing operational risk	Fully	Corporate Governance & Risk Management	84, 85
G4-15	External charters, principles, initiatives subscribed to	Fully	Human rights, product stewardship	86, 87
G4-16	Active in external memberships	Fully	Human rights, product stewardship	86, 87
Identified material aspects and boundaries				
G4-17	Who is covered by this report	Fully	About this report	88
G4-18	Boundaries of this report	Fully	About this report	88
G4-19	Material aspects identified	Fully	GRI Index — Specific Standard Disclosures	90
G4-20	Aspect boundaries — relevancy to entities inside organisation	Fully	Key Sustainability issues	14, 15
G4-21	Aspect boundaries — relevancy to entities outside organisation	Fully	Key Sustainability issues	14, 15
G4-22	Any restatements of previously reported information	Fully	About this report	88
G4-23	Any significant changes since last report	Fully	About this report	88
Stakeholder engagement				
G4-24	List of stakeholders	Fully	Stakeholders	10, 11
G4-25	Reason stakeholders chosen	Fully	Stakeholders	10, 11
G4-26	Approach to stakeholder engagement	Fully	Stakeholders	10, 11
G4-27	Issues raised by stakeholder groups	Fully	Key sustainability issues	14, 15
Report profile				
G4-28	Reporting period	Fully	About this report	88
G4-29	Date of previous report (if any)	Fully	About this report	88
G4-30	Reporting cycle (such as annual, biennial)	Fully	About this report	88
G4-31	Contact for any questions regarding this report	Fully	About this report	88
G4-32	In accordance with	Fully	About this report	88
G4-33	Approach to external assurance	Fully	About this report	88
Governance				
G4-34	Governance structure	Fully	Corporate governance & Risk Management	84, 85
G4-35	Process for delegating authority - economic, environmental & social topics	Fully	Corporate governance & Risk Management	84, 85
Ethics and integrity				
G4-56	Organisation's values, principles and standards e.g. code of conduct	Fully	Ethical conduct	82, 83

Specific Standard Disclosures

Standard Disclosure	Description	Reporting status	Report heading	Page
Category: Economic				
Material Aspect: Economic performance				
G4-DMA	Why economic performance is material	Fully	Our Materiality Process	12
G4-EC1	Local economic value — revenue, employees, community	Fully	2019 Annual Report	-
Category: Environmental				
Material Aspect: Materials				
G4-DMA	Materials policy	Partially	Materials and waste	48
G4-EN1	Materials used by weight — non-renewable, renewable	Partially	Materials and waste	48
Material Aspect: Energy				
G4-DMA	Energy policy	Partially	Energy and emissions	46
G4-EN3	Energy consumption within organisation	Partially	Energy and emissions	46
Material Aspect: Emissions				
G4-DMA	Emissions policy	Fully	Energy and emissions	46
G4-EN15	Scope 1 Direct GHG emissions	Partially	Energy and emissions	46
G4-EN16	Scope 2 Indirect GHG emissions	Partially	Energy and emissions	46

GLOBAL REPORTING INITIATIVE

Summary Index

Specific Standard Disclosures (continued)

Standard Disclosure	Description	Reporting status	Report heading	Page/s
Material Aspect: Effluents and Waste				
G4-DMA	Effluents and waste policy	Fully	Materials and waste	48
G4-EN23	Total weight of waste by type and disposal method	Partially	Materials and waste	48
Material Aspect: Products and Services				
G4-DMA	Environmental impacts policy from product & services	Fully	Product stewardship	49
G4-EN27	Impacts and mitigation of impacts from product & services	Partially	Product stewardship	49
Material Aspect: Environmental grievance mechanisms				
Category: Social				
Sub-category: Labour practices and decent work				
Material Aspect: Employment				
G4-DMA	Workforce & labour practices and policies	Fully	Workforce breakdown	26
G4-LA3	Return to work after parental leave and retention rates	Partially	Parental leave	25
Material Aspect: Labour/Management relations				
G4-DMA	Labour / management relations policy	Fully	Industrial relations	28
Material Aspect: Occupational Health & Safety				
G4-DMA	OHS policy	Fully	Safety, Health, and wellbeing	35–40
G4-LA6	Injuries, rates, days lost	Fully	Safety, Health, and wellbeing	35–40
G4-LA7	Workers with high risk jobs	Fully	Safety, Health, and wellbeing	35–40
Material Aspect: Diversity and Equal opportunity				
G4-DMA	Diversity & equal opportunity policy	Fully	Diversity	83
G4-LA12	Governance and workforce breakdown	Fully	Diversity	26
Material Aspect: Equal remuneration				
G4-DMA	Equal remuneration policy	Fully	Diversity	24
G4-LA13	Gender remuneration breakdown by job category	Partially	Diversity	26
Material Aspect: Labour practices grievance mechanisms				
Sub-category: Human Rights				
Material Aspect: Investment				
G4-DMA	Human rights policy	Fully	Human rights	86
G4-HR2	Percentage and number of hours employees trained in human rights	Partially	Human rights	86
Material Aspect: Non-discrimination				
G4-DMA	Non-discrimination policy	Fully	Human rights	86
G4-HR3	Number of discrimination incidents, resolutions	Fully	Human rights	86
Material Aspect: Freedom of association and Collective bargaining				
G4-DMA	Freedom of association & collective bargaining policy	Fully	Industrial relations	86
G4-HR4	Operations and suppliers violating this right	Partially	Industrial relations	86
Material Aspect: Child labour				
G4-DMA	Child labour policy	Fully	Human rights	86
G4-HR5	Operations and suppliers with incidents of child labour	Partially	Human rights	86
Material Aspect: Forced or Compulsory labour				
G4-DMA	Forced or compulsory labour policy	Fully	Human rights	86
G4-HR6	Operations and suppliers with incidents of forced labour	Partially	Human rights	86
Material Aspect: Supplier human rights grievance mechanisms				
G4-DMA	Policy for human rights grievance mechanism	Fully	Human rights	86
G4-HR12	Percentage and number of supplier human rights grievances	Partially	Human rights	86
Sub-category: Society				
Material Aspect: Local communities				
G4-DMA	Community investment and engagement policy	Fully	Community	74–77
G4-SO1	Percentage operations with community engagement & development	Partially	Community	74–77
Material Aspect: Anti-corruption				
G4-DMA	Anti-corruption policy	Fully	Ethical conduct	82
G4-SO4	Communication and training on anti-corruption	Fully	Ethical conduct	82
G4-SO5	Confirmed incidents of corruption, resolution	Fully	Ethical conduct	82
Material Aspect: Public policy				
G4-DMA	Political contribution policy	Fully	Financial Transparency	83
G4-SO6	Value of political contributions, broken down	Fully	Ethical conduct	83
Material Aspect: Anti-competitive behaviour				
G4-DMA	Anti-competitive behaviour policy	Fully	Ethical conduct	82
G4-SO7	Number of legal actions from anti-competitive behaviour	Fully	Ethical conduct	82
Material Aspect: Compliance				
G4-SO8	Value of fines from non-compliance	Fully	Ethical conduct	82





PACT

GROUP



www.pactgroup.com.au