

## Orora Limited Annual General Meeting

10.30 am Thursday 19 October 2023

### Chair's Address

Good morning ladies and gentlemen. I'm Rob Sindel, Chair of Orora Limited, and I will Chair the meeting today.

On behalf of the Board of Directors, I'm pleased to welcome you to the tenth Annual General Meeting of the Company. We are holding today's meeting as a hybrid meeting, so I welcome shareholders joining us online and those with us here in person today.

Before addressing the formal items of business, I will recap on the Company's major activities during the 2023 Financial Year, including the financial highlights, our approach and progress on our sustainability goals and an update on our strategic initiative; including our recently announced acquisition of Saverglass.

Brian will also provide additional comments on our safety, operational performance, sustainability achievements and progress against our strategic roadmap. Brian will also provide an update on our FY24 outlook.

### Board renewal

Two of our directors, Abi Cleland and Sam Lewis, will have accumulated 10 years of committed service to Orora during the current financial year. Whilst our board charter provides that a non-executive director will resign at the AGM following the tenth year except in exceptional circumstances, in light of the recently announced acquisition, we are mindful of ensuring an orderly board succession and transition.

Therefore, Abi Cleland, who is standing for re-election today, will remain on the board past the next AGM, however, will not stand for re-election at the end of this next three year term. Having stood for re-election at the last AGM, and to ensure orderly board succession, Sam Lewis will step down from the board before the next AGM. Our overriding objective is to ensure we continue to have an appropriate mix of skills, experience, knowledge and diversity.

### FY23 Financial Highlights

Turning briefly to the financial results for the year ended 30 June 2023.

Orora again delivered on its operating plans and strategy, reporting another solid increase in Group earnings and underlying EPS. This was driven by double-digit earnings growth in North America and another resilient earnings performance by our Beverage business in Australasia.

**Underlying Earnings Before Interest and Tax (EBIT) increased** by 12.3% on a reported basis driven by a significant increase in North American earnings, up 23.9%.

**Underlying Net Profit After Tax (NPAT)** was up 8.5% to \$203.0 million and **Underlying Earnings per Share (EPS)** increased 11.1% to 24.1 cents per share.

Cash generation remained strong with **underlying operating cash flow** in line with prior year, at \$270 million and **cash conversion** of 70%.

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www.ororagroup.com

The Board declared a final ordinary **dividend of 9.0 cents per share**, unfranked. This brought the total dividend in FY23 to 17.5 cents per share, a 6.1% increase on FY22. This represented a total dividend payout ratio of 72.6%.

### ***Financial performance***

Post the sale of the Fibre business in 2020 underlying EBIT and underlying EPS have delivered compound annual growth of 12.6% and 22.2%, respectively. Over the same period, Orora has grown revenue to almost \$4.3 billion and delivered strong growth in dividends.

This strong operational performance, combined with our growth in earnings and dividends, has also enabled us to continue our capital investment programme particularly in new Aluminium capacity. This has delivered solid growth in volumes which will continue to grow Cans earnings as additional capacity comes on stream over the next few years.

### ***Sustainability***

Orora redefined our sustainability framework in FY22, defining clear goals under the pillars of Circular Economy, Climate Change and Community. During the year, we continued to make good progress against these goals.

Under the Circular Economy pillar, we invested \$25m to increase our recycled glass content at our Gawler glass manufacturing plant. In North America, further progress was achieved on recycled content in corrugated board manufactured.

Transitioning to a low carbon future is a challenge for all manufacturing companies. FY23 data shows further decreases against our baseline FY19 year and a marginal decrease in emissions compared with those recorded for FY22. We remain on track to achieve our interim goal of a 40% reduction in greenhouse gas emissions for Scope 1 and 2 by 2035. During FY23, we began our examination of Scope 3 emissions for Orora and we will continue this work during the next 12 months.

Step change will come through investment in new technologies and pleasingly we began construction to upgrade the G3 furnace to oxyfuel technology at Gawler. This upgrade will position the G3 furnace in the top 10% of energy efficient furnaces worldwide, delivering a ~20% reduction in CO2 emissions. Construction of the oxygen plant is due for completion in FY25. We welcome government funding of \$12.5 million through the Modern Manufacturing Initiative to support the project.

Our review and implementation of findings from the Task Force on Climate Related Financial Disclosures (TCFD) was published during the year. No material risks were identified, with our strategy determined to be fit-for-purpose and supportive of Orora's long-term sustainable growth.

Brian will shortly provide further details on our sustainability achievements during the year.

### ***Governance***

As with sustainability, good corporate governance is integral to the culture and business practices at Orora. It enhances performance, creates value and supports an appropriate risk and return framework.

Our governance practices are summarised in our Corporate Governance Statement, which you can find in our FY23 Annual Report or on our website.

***Conclusion / Compelling investment proposition***

Orora continues to present a compelling investment proposition to our valued shareholders and investors. This is underpinned by the company's clear and consistent strategy and the differentiated value we offer as a design-led, sustainable packaging solutions provider.

On that note the board are very supportive of the recently announced acquisition of the premium global glass bottle producer, Saverglass. This marks a significant milestone for the company, representing a unique acquisition of a market-leading business with a consistent growth profile and robust financial performance. The addition of Saverglass to the Orora business is set to offer a significant platform for growth and value creation opportunity for our shareholders.

In September, the company successfully completed a fully underwritten equity raising, comprising a A\$450 million institutional placement and a \$895 million pro-rata entitlement offer, raising a total of A\$1,345 million. We appreciate the support shown by our existing and new shareholders for the acquisition of Saverglass.

Our CEO Brian Lowe will talk further about this exciting news shortly.

In closing, despite continuing global economic challenges, Orora remains well positioned to achieve long term growth for shareholders as we have done since our inception. The acquisition of Saverglass represents the next significant step in the company's evolution.

I extend my gratitude to the Orora Executive and Leadership teams, and all of our global team members for their outstanding contribution and the delivery of our strong results in FY23.

As Orora approaches its 10<sup>th</sup> anniversary, the board is very excited as we move into the next chapter of growth for the company.

I will now hand over to Brian for his comments.

**ENDS**

## **Managing Director and Chief Executive Officer's Address**

Thank you, Rob. And thank you all for your continued support of Orora.

### ***Continued focus on safety***

The health, safety and wellbeing of our people remains a fundamental and ongoing commitment at Orora.

Lost Time Injury rates remained relatively stable year on year, however we experienced a disappointing increase in the frequency of largely preventable, low severity injuries in FY23. One serious injury was regrettably recorded at our Glass facility. Extensive risk assessments have been undertaken and proactive controls implemented.

In FY23, we embedded the final elements of the Global Integrated Safety Improvement Program (GISIP) into our FY23-FY25 Global Health & Safety Strategy, which is focused on high-risk activities, improving effectiveness of critical controls, incident reporting and governance processes. Our Stay Safe rules were also communicated across global operations this year, targeting 10 high-risk activities, to educate and empower team members to stop work and speak up at any time if they believe conditions are unsafe.

We are confident safety performance will improve through focused continuous improvement and driving existing programs. This includes the implementation of Critical Control checklists in FY24 to verify critical controls for our highest-risk activities that are in place and effective.

I am pleased to report the first 3 months of FY24 has seen a substantial reduction in both Lost time and Recordable case injuries.

### ***FY23 business & operating highlights***

Our FY23 result again demonstrates the continued execution of our strategy, strategic priorities and embedded pricing discipline.

In **North America**, we delivered another strong earnings performance with EBIT up 15.0% in local currency terms, largely driven by strong performance in our OPS Distribution business.

- This result reflects the continued improvements in operating efficiency and cost to serve whilst ensuring strong pricing disciplines to manage inflation.
- Sales revenue was down due to the OPS Manufacturing business experiencing 12 months of lower volumes, reflecting the decline in the broader North American manufacturing industry, and the flow through impact of paper price deflation.
- Distribution also saw volume softness in 2H23. This was partially offset by some price increases as well as cost management initiatives, which were proactively deployed to partially reduce the earnings decline.
- Whilst softer trading conditions impacted OPS volumes in FY23, the business remains well positioned to drive earnings growth from any improvement in the US economy.
- Importantly, the benefits of our sustained and disciplined approach to operating efficiency and tight management of inflationary pressures, increased the North American segment EBIT margin by 90 basis points to 5.1% , with OPS now at 5.9%.

#### **In Australasia:**

- Revenue was up 14.1%, driven by 2.7% net volume growth, 3.5% relating to higher aluminium costs passed through to customers; and 7.9% from price increases and a positive product mix.

- Australasia's EBIT was in-line with forecast, up 1.8% on prior year. This was driven by approximately 10% sales volume growth in Cans, across all formats, which offset the softness in Glass volumes. Pleasingly, revenue and earnings from new Glass products were all higher than the prior year.
- Importantly, the Australasian business returned to growth in 2H23, growing underlying EBIT 8.5%, primarily from cost inflation recoveries.
- The FY23 results underscores the resilience and diversified strength of the Orora Beverage business in Australasia, with strong consumer demand for Cans driving volume gains and product mix improvements. This offset a softness in Glass due to a slowdown in domestic and export consumer demand for Australian commercial wine and beer.

### ***Progressing our strategy***

Our strategy continued to guide our actions, supporting the delivery of our achievements in FY23.

In North America, OPS has driven further improvements in financial performance and operating discipline and is investing to drive long-term volume growth, with an increase in sales resources. Our Beverage business in Australasia has focused on operational excellence, automation and lean manufacturing programs which have led to productivity gains to deliver strong volume growth in Cans. Our cans growth investments are well advanced, with stages 1 and 2 completed, comprising the can ends capacity increase at Ballarat and our new multi-size canning line at Dandenong, both now operational.

Looking at our FY24 priorities – OPS will continue to optimise the business and focus on driving customer account profitability, as well as leveraging digital platforms to further streamline processes. Continuing to invest in the OPS salesforce remains a focus to drive long-term growth.

The Beverage business in Australasia will further its cans capacity expansion, with the second canning line at Revesby NSW progressing well and due to come online in the second half of FY25. Product mix will continue to be optimised as the business diversifies its portfolio and, the business will benefit from the ongoing preference shift towards can formats.

### ***Introduction to Saverglass***

As Rob mentioned – a significant development was the announcement on September 5 that Orora will acquire premium global glass packaging business, Saverglass. This was the culmination of four years of disciplined execution of our strategy positioning Orora for the next phase of growth. This is a particularly exciting milestone that will establish Orora as a truly global, diversified sustainable packaging solutions provider.

Saverglass is a global leader in the design, manufacturing and decoration of high-end bottles for the premium and ultra-premium spirit and wine markets. It has an extensive manufacturing footprint with specialised assets and technical capabilities across six sites in Europe, North America and the UAE, in close proximity to key global production regions and customers worldwide. With over 50 years of craftsmanship, Saverglass is a long-term partner for some of the world's most well-known names in luxury wine and spirits, many of which you will instantly recognise. Their exclusive designs, quality and craftsmanship are critical to the brand recognition and success of their customers.

The Acquisition price is €1.29 billion Euro or approximately A\$2.15 billion Australian dollars. As Rob mentioned, we have successfully completed the A\$1.35 billion equity raising and we are well progressed with our acquisition debt financing.

The works council consultation processes have successfully completed, the share purchase agreement has been executed, and we are working toward completion of the acquisition in the final quarter of calendar 2023, and will update the market in due course. Our current expectation is that due to the timing of regulatory approval processes, completion is likely occur at the end of December, with earnings to flow from January 2024.

### ***Investment Highlights***

Orora's acquisition of Saverglass is strongly aligned to our growth strategy and provides valuable future growth avenues for the combined Group. It grows our core competencies in premium, value-add beverage packaging capabilities and provides geographic diversification, and a meaningful scale benefit to our existing glass assets.

Saverglass unlocks significant value creation opportunities for the combined group, leveraging complementary operational footprint, sustainability practices and customer network. We also gain access to a highly capable management team, with significant experience in leading a global network of glass manufacturing sites.

Importantly, this is the acquisition of a well-invested, established business model with a historically consistent long-term growth profile and robust financial performance. This will enable us to optimise production and leverage the combined expertise.

### ***Sustainability performance highlights***

During FY23 we continued to make progress towards "Our Promise to the Future" sustainability goals under the pillars of Circular Economy, Climate Change and Community that we announced in FY22. Key Sustainability achievements included:

- Under Circular Economy, we achieved 38% recycled content (cullet) in glass. This was in line with the prior reporting period, however more than 30,000 tonnes of new cullet sources were developed during FY23, with our cullet sourcing program now active in all mainland Australian States. This will further increase levels of recycled cullet in our glass containers during FY24 as we strive towards our target of 60% recycled content by 2025.
- In North America, OPS averaged 57% recycled content in our corrugated board manufactured, an increase of 3% from FY22. We also continued to explore new ways to utilise and maximise recycled content across the range in OPS.
- Under Climate change, total Scope 1 and 2 greenhouse gas emissions decreased by 4.84% (utilising Market-based factors for Scope 2) and 12.98% (utilising Location-based factors for Scope 2) from the FY19 baseline year. We also began our examination of Scope 3 requirements for Orora and this will continue during FY24.
- We also commenced our G3 furnace rebuild, utilising an Australian-first oxyfuel technology at our glass manufacturing plant in Gawler. When commissioned, this will deliver a step change reduction in greenhouse gas emissions for that furnace.

Along with the Board and executive leadership team, I am extremely proud of the dedication from our people in executing on 'Our Promise to the Future'.

**Outlook**

Finally, before I hand back to the Chair for the procedural part of the meeting, I would like to cover Orora's outlook for FY24.

In North America, as anticipated, volume softness in the second half of FY23 has continued in the first quarter of FY24, and these trading conditions are expected to continue into the second quarter. This reflects the ongoing slowdown in the broader North American manufacturing industry. The OPS business remains well positioned to drive earnings growth from any improvement in the US economy, with further margin accretion through account profitability programs and a continued focus on cost management, expected to be largely offset by ongoing volume softness.

In Australasia, continued strength in Cans with incremental volume growth from recent investments is expected to offset the ongoing softness in Glass from lower commercial wine volumes.

Whilst global and domestic economic conditions remain uncertain, Orora Group earnings are expected to be higher in FY24.

This statement excludes the impact of earnings from the Saverglass acquisition, which are expected to flow once the transaction completes.

This outlook remains subject to global and domestic economic conditions and currency fluctuations.

With that, I will now hand back to the Chair for the procedural part of the meeting. Thank you all.

**ENDS**

*Authorised for release to the ASX by Orora's Company Secretary, Ann Stubbings.*



# Orora Annual General Meeting

19 October 2023





# Important information

## **Forward Looking Statements**

This presentation contains forward looking statements that involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to Orora. Forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “forecast”, “plan”, “seeks”, “estimate”, “anticipate”, “believe”, “continue”, or similar. Indicators of and guidance on future earnings and financial position are also forward looking statements.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including Orora). In addition, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward looking statements will be achieved. Actual future events may vary materially from the forward looking statement and the assumptions on which the forward looking statements are based. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.

In particular, we caution you that these forward looking statements are based on management’s current economic predictions and assumptions and business and financial projections. Orora’s business is subject to uncertainties, risks and changes that may cause its actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward looking statements. There are a number of factors that may have an adverse effect on our results or operations, including but not limited to those identified as principal risks in our most recent Annual Report filed with the Australian Securities Exchange at [asx.com.au](http://asx.com.au)

These forward looking statements speak only as of the date of this presentation. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rule, Orora disclaims any obligation or undertaking to publicly update or revise any of the forward looking statements in this presentation, whether as a result of new information, or any change in events conditions or circumstances on which any statement is based. Past performance cannot be relied on as a guide to future performance.

## **No offer of securities**

Nothing in this presentation should be construed as either an offer or a solicitation of an offer to buy or sell Orora securities, or be treated or relied upon as a recommendation or advice by Orora.

## **Non-IFRS information**

Throughout this presentation, Orora has included certain non-IFRS financial information. This information is presented to assist in making appropriate comparisons with prior periods and to assess the operating performance of the business. Orora uses these measures to assess the performance of the business and believes that the information is useful to investors. All non-IFRS information unless otherwise stated has not been extracted from Orora’s financial statements and has not been subject to audit or review.

## **The following notes apply to the entire document.**

All currency amounts are in Australian dollars unless stated otherwise. All amounts are presented inclusive of AASB 16 Leases unless stated otherwise.

The financial periods presented in this report represent underlying earnings from continuing operations of the Group, excluding the impact of significant items, unless otherwise stated.

### **Continuing Businesses:**

FY23 – the net significant item expense after tax of \$18.2m relates to additional costs associated with the decommissioning of the former Petrie Mill site. These additional estimated costs to complete were recognised in FY23 following ongoing project review and reassessment of remediation requirements.

### **Discontinued Operations:**

FY22 – the net significant item expense after tax of \$2.4m relates to tax expense recognised upon finalisation of the tax position of the Australasian Fibre business and the filing of associated tax returns with tax authorities.

# Rob Sindel

*Chair*



# Board of Directors



**Rob Sindel**  
Chair



**Brian Lowe**  
Managing Director  
& CEO



**Abi Cleland**  
Independent  
Non-Executive Director



**Tom Gorman**  
Independent  
Non-Executive Director



**Sam Lewis**  
Independent  
Non-Executive Director



**Michael Fraser**  
Independent  
Non-Executive Director

# FY23 financial highlights

## Revenue

\$4,291.3m

4.9% increase

-0.9% constant currency

## Underlying Earnings Before Interest and Tax (EBIT)

\$320.5m

12.3% increase

+7.7% constant currency

## Underlying Net Profit After Tax (NPAT)

\$203.0m

8.5% increase

+4.0% constant currency

## Underlying Earnings Per Share (EPS)

24.1cps

11.1% increase

## RoAFE %

21.8%

60bps decrease

## Underlying operating cash flow

\$269.9m

1.0% decrease  
Cash conversion of 70.2%<sup>1</sup>

## Total FY23 Dividends

17.5 cps

+1.0 cps or 6.1% vs FY22  
72.6% payout ratio

## Leverage

2.0x

0.2x increase vs June 2022

## Total capex spend invested in the business

\$193.8m

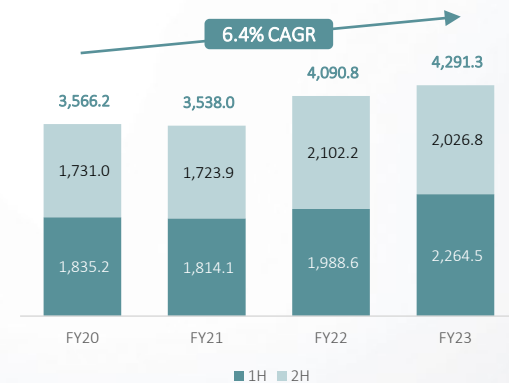
77.6% of depreciation<sup>2</sup>

- Disciplined execution of strategy delivers another solid increase in Group earnings, with underlying EBIT and underlying NPAT up 12.3% and 8.5% respectively
- Earnings growth largely driven by continued optimisation gains in the OPS Distribution business in North America
- Underlying EPS increased 11.1% to 24.1 cents per share
- Continued robust cash generation with underlying operating cash flow of \$269.9m, which includes base capex of \$48.8m, up \$12.4m compared to FY22
- Cash conversion at 70.2%<sup>1</sup>, reflecting higher working capital and base capex in Australasia
- Increased capital expenditure to support future Australasian earnings growth with total Group capex up \$106.6m to \$193.8m; growth capex up \$94.2m to \$145.0m
- Strong balance sheet, with leverage ratio of 2.0x
- Final dividend of 9.0 cps (unfranked) and total FY23 dividends of 17.5 cps (unfranked), up 5.9% and 6.1% respectively
- Group remains well-positioned for future growth

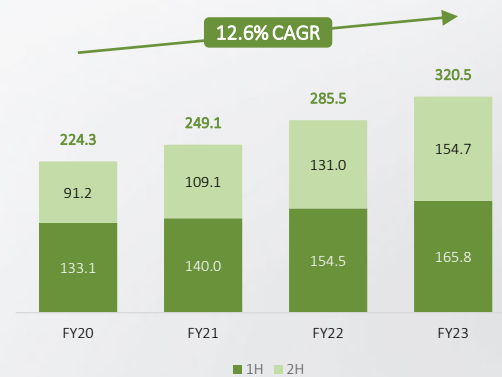
# Financial performance

Strong revenue and earnings growth following divestment of the Fibre business

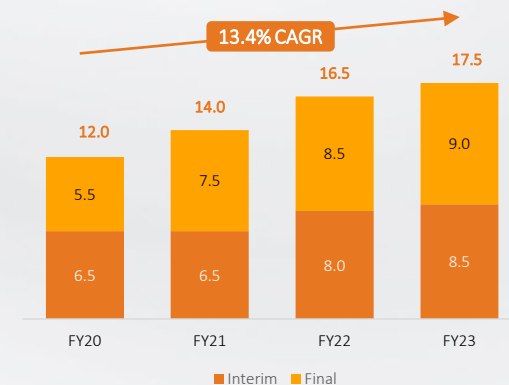
### Revenue (\$m)



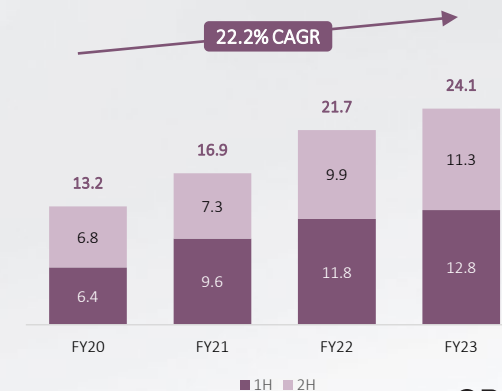
### Underlying EBIT (\$m)



### Ordinary dividends per share (cps)



### Underlying EPS (cps)



# Sustainability goals

## Our Promise to the Future



### Circular Economy

- Recycled content
- Recyclable packaging
- Recyclable substrates
- Certification

60% recycled content<sup>1</sup>  
for Glass beverage  
containers by 2025



### Climate Change

- GHG reduction
- Energy efficiency
- Renewable energy
- Climate risk analysis

Net zero emissions<sup>2</sup>  
by 2050  
40% reduction in emissions<sup>2</sup>  
by 2035



### Community

- Safety & health
- Diversity, equity & Inclusion
- Human rights and supply chain
- Responsible sourcing

Prioritising action for our  
people and our  
community

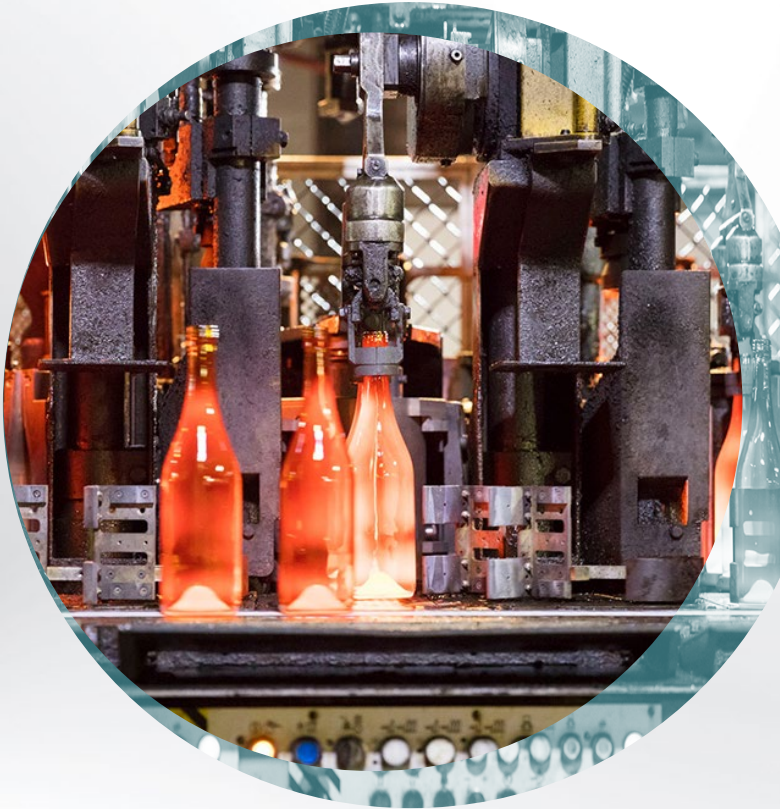


# Corporate governance

- Good corporate governance is integral to our culture and business practices
- Orora's corporate governance practices for FY23 comply with the ASX Principles and Recommendations 4th edition and are summarised in our Corporate Governance Statement, incorporated into our Annual Report
- Board is committed to ensuring that it is comprised of individuals who collectively have the appropriate skills and experience to develop and support the Board's responsibilities and Group objectives







# Compelling investment proposition

Orora provides investors with a robust and defensive earnings profile with attractive growth upside



**Leadership positions in attractive markets**



**Robust and diversified business model**



**Well invested assets and defensive growth profile**



**Long term customer trading relationships**



**Disciplined approach to capital allocation**



**Strong financial track record and strong growth prospects**



**Experienced stable management team**



**Favourably positioned in sustainability**

**A robust platform for further organic and inorganic growth in existing and new markets**



# Brian Lowe

*Managing Director and CEO*



# Orora safety performance update



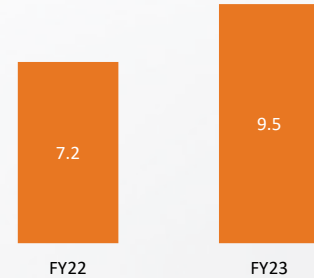
## Lost time injury frequency rate (LTIFR)\*



LTIFR\* = (Number of lost time injuries / Total number of hours worked for employees and contractors) x 1,000,000

RCFR^ = (Number of recordable case injuries (lost time, restricted work case and medical treatment) / Total number of hours worked for employees and contractors) x 1,000,000

## Recordable case frequency rate (RCFR)^



## Update on our approach to improving safety

- The frequency of largely preventable, low severity injuries increased in FY23, which is disappointing
- One serious injury was regrettably recorded at our Beverage Glass facility. Extensive risk assessment and proactive controls were implemented
- LTIFR remained stable year-on-year
- We are confident safety performance will improve through focussed continuous improvement and existing programs
- Our FY23-FY25 Global Health & Safety Strategy, focuses on high-risk activities, improving effectiveness of critical controls, incident reporting and governance processes
- We communicated the Orora Stay Safe rules targeting 10 high-risk activities educating and empowering our team members
- We relaunched Safety Leadership Tours (SLTs); informal safety conversations between senior leaders and team members to emphasise everyone's responsibilities for safety

# FY23 operating and segment highlights

Strong earnings growth in North America with continued resilient earnings performance in Australasia

## North America

Revenue  
(USD)  
**down  
5.1%**

Revenue impacted by softer macro-economic conditions

EBIT  
(USD)  
**up 15.0%**

Continued optimisation gains with embedded pricing disciplines

- **Revenue down 5.1%** (up 2.3% on a reported basis) largely reflecting a decline in broader manufacturing industry activity and flow-through impacts of price deflation
- **Local currency EBIT up 15.0% to US\$112.6m**, driven by strong performance in the OPS Distribution business, reflecting continued business optimisation gains, customer account profitability management and cost management
- Incremental margin accretion of 90bps in North America to 5.1%; **OPS EBIT margin increased by 70bps to 5.9%**

## Australasia

Revenue  
**up 14.1%**

Increase in revenue supported by 2.7% net volume growth

Underlying  
EBIT  
**up 1.8%**

Driven by strong earnings growth in Cans, partially offset by softness in Glass

- **Revenue growth of 14.1%** driven by:
  - 2.7% net volume growth
  - 3.5% higher aluminium cost passthrough
  - 7.9% through price increases and product mix
- **Underlying EBIT in line with expectations for FY23, up 1.8% to \$153.3m**, reflecting the growth in can volumes across all formats, partially offset by lower glass volumes
- **Underlying EBIT margin of 14.8%** primarily reflects the impact of lower glass volumes, the dilutionary impact of higher aluminium costs, and other inflationary impacts passed through to customers

# Progressing our business group strategies

Continued disciplined execution of our strategy to drive sustainable earnings growth

## Orora Packaging Solutions in North America – FY23 Progress

- ✓ Continued improvement in OPS financial performance and operating discipline, with EBIT margin up 70bps to 5.9% (total North America margin up 90bps to 5.1%)
- ✓ Profitable growth driven by Distribution, with salesforce alignment including embedding account profitability and pricing disciplines
- ✓ Ongoing development work on business model enhancement and optimisation, including improved digital platforms, customer interaction and automation
- ✓ Initiated integration of Orora Visual into OPS
- ✓ Continued investment in growing OPS sales resources and capabilities with the addition of ~40 new sales resources

## Orora Packaging Solutions in North America – FY24+ Priorities

- Continued focus on account profitability and investment in OPS salesforce with the recruitment of a further ~50 sales resources
- Continued enhancement of business model and leveraging digital platform investments to further streamline processes
- Extend OPS product and service offering, broaden customer base and expand custom packaging capabilities, including sustainability-related offerings
- Assess OPS manufacturing footprint and consider scale expansion and consolidation opportunities

## Orora Beverage in Australasia – FY23 Progress

- ✓ Execution of long-term contract for key Cans customer
- ✓ Production efficiencies delivering volume growth in Cans
- ✓ Ongoing redeployment of Glass capacity – continued growth in new Glass categories
- ✓ Significant capex investment providing future earnings growth and to meet increased customer demand in Cans whilst delivering on sustainability commitments
  - Ballarat ends capacity growth project completed March 2023, as planned
  - New multi-size cans line at Dandenong installed in June 2023, as planned
  - Cullet Beneficiation Plant now fully operational
  - Construction commenced on new multi-size can line at Revesby

## Orora Beverage in Australasia – FY24+ Priorities

- Deploy increased capacity in Cans, with a focus on efficiency to maximise profitability
- Optimisation of Glass product mix
- Enhance digital capabilities – including the launch of digital printing in Cans
- Drive supply chain excellence and pursue further automation
- Complete the acquisition of Saverglass and incorporate Gawler within the global Saverglass network

# Introduction to Saverglass

Saverglass is a global leader in the design, manufacturing, customisation and decoration of high-end glass bottles for the premium and ultra-premium spirit and wine markets

## Key investment highlights

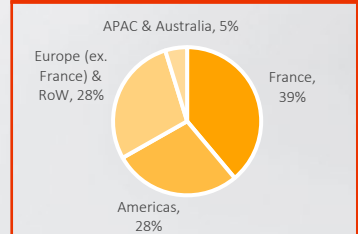


- **Leading global manufacturer** of premium glass bottles, differentiated by its integrated decoration capabilities
- **Preferred bottling partner** for luxury spirits and wine producers globally, with deeply entrenched and long term customer relationships
- **Global commercial reach** that addresses various end-markets servicing multi-national customers
- **Market reputation for quality and craftsmanship** supporting sustainable price premiums
- **Unique customer value proposition**, with ability to create tailored and bespoke exclusive designs
- **Extensive technical capabilities**, with expertise in technical advisory for new product development, both in glass and decoration

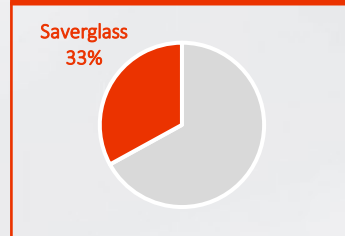
### Sales by end-market (CY22A, Glass)<sup>(1)</sup>



### Sales by geography (CY22A, Glass)<sup>(1)</sup>



### Market Share (Global Premium+ Spirits)<sup>(2)</sup>



**Revenue: €739m**

LTM Jun-23 Revenue

**15+ years**

Average top 20 customers tenure

**200+**

Proprietary catalogue designs

**100+**

Saverglass products sold to customers in 100+ countries

**EBITDA: €168m<sup>(3)</sup>**

LTM Jun-23 Adjusted EBITDA

Notes: (1) Reflects gross sales revenue. (2) Source: Roland Berger. (3) Reflects Adjusted LTM Jun-23 EBITDA, shown on a pre AASB-16 (Leases) basis as per French GAAP reporting standards.



# Investment highlights

Unique acquisition of a market leader and a logical and compelling extension of Orora's growth strategy as a global, sustainable value-added packaging solutions player

ORORA

+

SAVERGLASS

1

**Unique acquisition of a global market leader**, extending and enhancing Orora's core competencies in premium sustainable **value-added** beverage packaging

2

Well-positioned to benefit from **ongoing growth trends in premium spirits and wine**, enhancing Orora's embedded organic growth outlook

3

**Unlocks significant value creation opportunities** for the Combined Group, leveraging complementary operational footprint, sustainability practices and customer networks

4

Creates a **global, diversified packaging player of scale** with a strengthened platform and multiple growth pathways

5

**Highly capable management team, with significant experience** in managing a global network of glass manufacturing sites

6

Acquisition of a **well-invested, established business model** with a historically **consistent long-term growth profile and robust financial performance**

# FY23 sustainability performance highlights

We continue to invest and make good progress with our sustainability goals and commitments



## Circular Economy

- Achieved 38% recycled content (cullet) in manufactured glass products, in line with prior year, with a target to achieve 60% recycled content by 2025
- More than 30kt of new cullet sources were developed during FY23, with our cullet sourcing program now active in all mainland Australian states
- Continued focus to drive recycled content in manufactured corrugated board in North America with an average recycled content of 57%, up from 54% in FY22
- Achieved 57% recycled content in aluminium cans, inline with FY22



## Climate Change

- Scope 1 & 2 greenhouse gas emissions decreased by 4.84% (utilising Market-based factors for S2) and 12.98% (utilising Location-based factors for S2) from FY19 baseline
- Commenced site preparations to upgrade the G3 furnace to oxyfuelled technology in FY25 – enabling a ~20% reduction in G3 furnace CO<sub>2</sub> emissions
- New solar farm PPA executed to provide 35MW of solar generated electricity to South Australian facilities from FY24, enhancing renewable energy supply
- Ordered first EV tractor (truck) in a multi-year strategy to electrify our OPS fleet



## Community

- Continued rollout of Our Orora Culture Shaping workshops to move culture from 'good' to 'great'
- Women in Leadership at Orora (WILO) program in its seventh year
- Published our most recent modern slavery statement in November 2022 and implemented a new supplier onboarding assessment process to assess Modern Slavery risks
- Ongoing focus on DEI activities and progress against objectives



# FY24 outlook

- Whilst global economic conditions remain uncertain, Orora Group earnings are expected to be higher in FY24<sup>1</sup>
- In North America, further margin accretion through account profitability programs and a continued focus on cost management, is expected to be largely offset by ongoing volume softness
- In Australasia, continued strength in Cans with incremental volume growth from recent investments, is expected to offset the ongoing softness in Glass from lower commercial wine volumes
- This outlook remains subject to global and domestic economic conditions, and currency fluctuations







# Orora Annual General Meeting

19 October 2023

**Thank you**

