



Another tough year

Company/ASX Code	Orora Limited/ORR
AGM date	Wednesday 21 October 2020
Time and location	10.30 am AEDT Virtual Meeting
Registry	Link
Webcast	Yes
Poll or show of hands	Poll
Monitor	Gavin Morton
Pre AGM Meeting?	Yes, with Company Secretary

The individual involved in the preparation of this voting intention has no shareholding in this company.

Item 1	Consideration of accounts and reports
ASA Vote	No vote required

Summary of ASA Position.

On 30 April 2020, Orora sold its paper business to Nippon Paper Industries for \$1.72 billion with net proceeds after tax of \$1.55 billion. \$600 million of this was distributed to shareholders. Orora share price was \$2.54 at FY end. Share buy backs of 10% of share capital commenced in September 2020. Share price is currently \$2.42. The total impact of COVID -19 was \$25 million, with 90% of earnings disruption occurring in North America. Net debt decreased to \$292.1 million. FY dividend was 12 cents.

Orora`s Australian beverage businesses sales increased slightly by 0.9% to \$785.9 million. Marginal decrease in profit. The near- term focus is improvement in efficiencies including investment in digital capabilities

North American businesses sales increased by 6.5%. EBIT decreased by 25% to \$77.1 million which represents an EBIT margin of 2.8%. Near term efforts are aimed at improving efficiencies and investment in digital capabilities. A return to exploring growth opportunities will only occur when existing businesses are more stable.

Orora has revised its business strategy with organic growth, returns-focused investment and capital management components. There will be a rigorous approach to capital allocation.

Orora has continued to emphasise the importance of People, Planet and Prosperity. Orora`s sustainability activity is overseen by the Board of Directors, the Safety, Sustainability & Environmental committee and the Executive Leadership.

Summary

(As at FYE)	2020	2019	2018	2017	2016
NPAT (\$m)	168.3	217.0	214.1	186.2	162.7
UPAT (\$m)	127.7	161,2	212.1	171.1	168.7
Share price (\$)	2.54	3.24	3.57	2,86	1.35
Dividend (cents)	12.0	13-0	12.5	11.0	9.5
TSR (%)	(17.9)	(5.6)	25.5	11.0	9,5
EPS (cents)	17.4	13.4	17.7	14.3	14.1
CEO total remuneration, statutory (\$m)	1.7	6.4	3,8	4.0	3.9

For the FY 2020, the CEO's total actual remuneration was 18.3 times the Australian Full time Adult Average Weekly Total Earnings (based on May 2020 data from the Australian Bureau of Statistics).

Brian Lowe was appointed CEO and Managing Director on October1 2019. He received his base salary and a STI cash payment. A new chairman, Rob Sindel was appointed in February 2020.

Item 2	Re-election of Abi Cleland as Non-Executive Director.
ASA Vote	For

Ms Cleland was appointed to The Board in 2014. She has had extensive experience in industrial, retail, agriculture and financial sectors. She is Chair of the Safety, Sustainability and Environment Committee. She owns 128,574 Orora shares, whose value exceeds her annual fee of \$230,900. She has 4 Directorships in listed companies. ASA policy is that a Director should not hold more than 5 Directorships in listed companies. Ms Cleland meets all ASA policies in regards to experience, tenure and skin in the game. We intend to vote open proxies in support of her election.

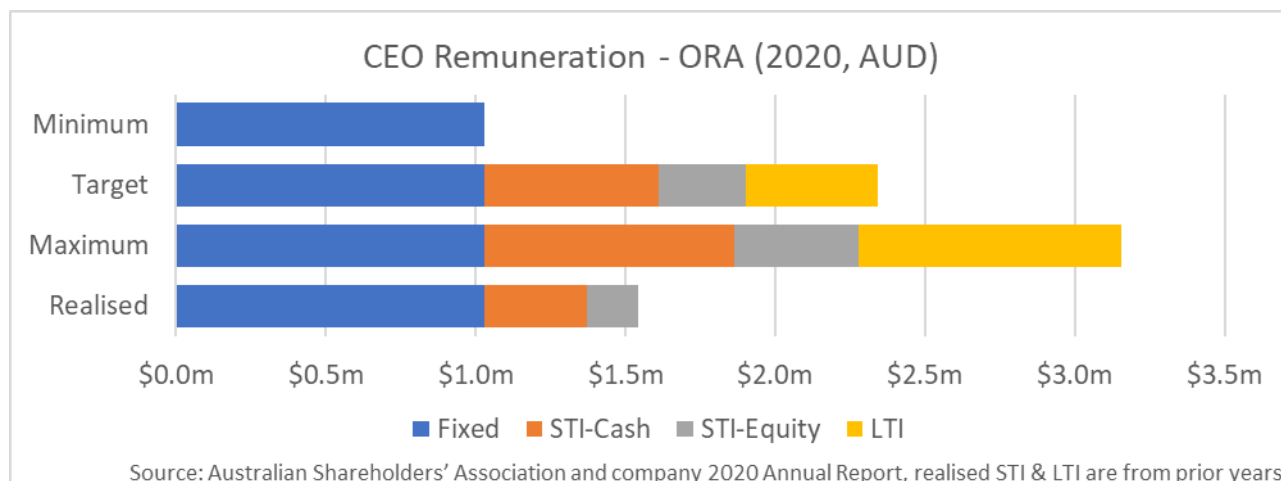
Item 3	Incentive Grants to Managing Director and CEO
ASA Vote	For

Summary of ASA Position.

STI and LTI conditions are similar to those approved for the previous CEO. The use of options will no longer be part of Orora's LTI plan. Performance rights are awarded by reference to VWAP for the Company's shares in the 5 days prior to the end of the company's financial year. The results are audited by an external company. We intend to vote open proxies in support of this award which gives approval to the conditions applying to incentive payments to the MD and CEO.

Item 4	Remuneration Report
ASA Vote	For

Summary of ASA Position



STI Plan.

Performance measures are based PBIT (50%), RoAFE (10%), AWC (10%), and Personal strategic measures (30%). Payment 2/3 in cash and 1/3 in equity deferred for 2 years. ASA guideline for STI payments is for 50% in deferred equity and 50% in cash deferred for 12 months. Orora has had a difficult year. The COVID-19 virus has impacted on the U.S and Australian economies. The sale of Paper Products has improved the debt to equity ratio. STI payments varied between 54.7% and 38.1% of maximum opportunity, indicating an alignment between executive remuneration and financial performance.

LTI Plan.

LTI plan vests over a 3 year period with a subsequent one year holding period, rather than the ASA guideline of 4 years. LTI grants are in the form of performance rights. The performance hurdles that apply to full year 2020 are EPS growth 4%. Total shareholder return (TSR) 50th percentile. Each has a 50% weighting. If a hurdle is not met, all incentives in that grant will lapse. The performance rights are allocated using face value of the shares. The LTI plan rules include forfeiture and clawback provisions which can be applied if an executive has acted in a manner contrary to Orora values.

On balance, sufficient of the STI and LTI plans meet ASA guidelines, and we intend to vote open proxies in favour.

Item 5	Amendment to Constitution
ASA Vote	For

Summary of ASA Position

Fees for paper-based transfers.

This amendment would allow the company to recover transfer costs from the relevant transferring parties.

Restricted Securities.

Amendment to ASX Listing rules requires listed entities to have specific wording in their constitution regarding the treatment of restricted securities in order to issue restricted securities. The company does not currently have any restricted securities on issues. The Proposed Constitution includes the requisite wording.

Virtual General Meetings.

Current legislation, which allows companies to hold virtual meetings expires in March 2021. The company wants to have the ability to have virtual meetings in the future, unless the law provides otherwise.

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