Risk Factors Comparison 2023-08-17 to 2022-08-18 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

The following factors, as well as factors described elsewhere in this Annual Report on Form 10- K, or in other filings by us with the Securities and Exchange Commission, could **have a material** ~~adversely~~ -- **adverse** ~~affect~~ **effect on** our business, financial condition, results of operations, or cash flows. Other factors not presently known to us or ~~,~~ that we presently believe are not material ~~,~~ could also affect our business operations and financial results. Strategic Risks Changes in Consumer Demand — We are exposed to changes in consumer demand patterns and customer requirements in numerous industries. Sales of our products and services depend heavily on the volume of sales made by our customers to consumers. Alternative consumer preferences for products in the industries that we serve or the packaging formats in which such products are delivered, whether as a result of changes in cost, **economic environments, regulatory developments (including end user taxes),** convenience or health, environmental **,** and social concerns **,** and perceptions **, such as pressure to reduce packaging waste and the use of petrochemical components** , may result in a decline in the demand for certain of our products or the obsolescence of some of our existing products. Any new products ~~that~~ we produce may ~~not~~ **fail to** meet sales or margin expectations due to ~~many~~ **various** factors, including our or our customers' inability to accurately predict customer demand, end user preferences or movements in industry standards, or to develop products that meet consumer demand in a timely and cost- effective manner. Changing preferences for products and packaging formats may result in increased demand for other products we produce. However, **if** ~~to the extent~~ changing preferences are not offset by demand for new or alternative products, changes ~~to~~ **in** consumer preferences could have ~~an~~ **a material** adverse effect on our business, financial condition, results of operations, or cash flows. Key Customers and Customer Consolidation — The loss of key customers, a reduction in their production requirements or consolidation among key customers could have a significant adverse impact on our sales revenue and profitability. Relationships with our customers are fundamental to our success, particularly given the nature of the packaging industry and ~~the~~ other supply choices available to customers. While we do not have a single customer accounting for more than ~~ten percent~~ **10 %** of our net sales, customer concentration can be more pronounced within certain businesses. Consequently, the loss of any of our key customers or any significant reduction in their production requirements, or an adverse change in the terms of our supply agreements with them, could reduce our sales revenue and net profit. **In addition, acts of war and terrorism can impact local demand for our products. Although we have been largely successful in retaining customer relationships in the past,** ~~There~~ **there** is no assurance that existing customer relationships will be renewed at existing volume **, product mix,** or price levels, or at all. Customers with operations subject to physical risks, including ~~due to~~ **those caused by** climate change, may relocate production to **less affected** areas **, which could** ~~that are less impacted and such areas may~~ be ~~out of~~ **beyond the** range of Amcor' s production sites ~~or~~ **.** ~~supplying~~ **Supplying** such relocated facilities may lead to additional costs **. New regulations can also affect our relationships with customers** . Any loss, change, or other adverse event related to our key customer relationships could have ~~an~~ **a material** adverse effect on our business, financial condition, results of operations, or cash flows ~~, which effect may be material~~ . **Furthermore** ~~In addition~~ , ~~over~~ **in** recent years ~~certain~~ **, some** of our customers have acquired companies with similar or complementary product lines. This consolidation has increased the concentration of our business with these customers. Such consolidation may be accompanied by pressure from customers for lower prices, reflecting the increase in the total volume of products purchased or the elimination of a price differential between the acquiring customer and the **acquired** company ~~acquired~~ . While we have generally been successful ~~at~~ **in** managing customer consolidations, increased pricing pressures from our customers could have a material adverse effect on our results of operations. Competition — We face significant competition in the industries and regions in which we operate, which could adversely affect our business. We operate in highly competitive geographies and end use areas, each with varying barriers to entry, industry structures, and competitive behavior. We regularly bid for new and continuing business in the industries and regions in which we operate **,** and we ~~continue~~ **continually adapt** to ~~change~~ **changes** in ~~response to~~ consumer demand. ~~We~~ **While we** cannot predict with certainty the changes that may ~~affect~~ **impact** our competitiveness **, the main methods of competition in the general packaging industry include price, innovation, sustainability, service, and quality** . The loss of business from our larger customers, or the renewal of business on less favorable terms, may have a significant impact on our operating results. **Additionally** ~~In addition~~ , our competitors may develop ~~a~~ disruptive ~~technology~~ **technologies** or other technological innovations that could increase their ability to compete for our current or potential customers. **We cannot guarantee** ~~No assurance can be given~~ that the actions of established or potential competitors will not **materially** ~~have an adverse~~ **adversely** ~~effect~~ **affect** ~~on~~ our ability to implement our plans and ~~on~~ our business, financial condition, results of operations, or cash flows. Expanding Our Current Business — We may be unable to expand our current business effectively through either organic growth, including product innovation, **investments,** or acquisitions. Our business strategy includes both organic expansion of our existing operations, particularly through efforts to strengthen and expand relationships with customers in emerging markets, product innovation ~~,~~ **(** including to address changes in the industry or regulatory environments ~~,~~ **)** and expansion through **investments and** acquisitions. However, we may not be able to execute our strategy effectively for reasons within and outside our control. Our ability to grow organically may be limited by, among other things, extensive saturation in the locations in which we operate or a change or reduction in our customers’ growth plans due to changing economic conditions, strategic priorities, or otherwise. For many of our businesses, organic growth depends on product innovation, new product development, and timely responses to changing consumer demands and preferences. Consequently, failure to develop new or improved products in response to changing consumer preferences in a timely manner may hinder our growth potential, ~~affect~~ **impact** our competitive position, and adversely affect our business and results of operations. Additionally, over the past decade, we have pursued growth through acquisitions, and there can be no assurance that we will be able to identify suitable acquisition targets in the right geographic regions and with the right participation strategy in the future, or to complete such acquisitions on acceptable terms or at all. If we are unable to identify acquisition targets that meet our investment criteria and close such transactions on acceptable terms, our potential for growth by way of acquisition may be restricted, which could have ~~an~~ **a material** adverse effect on **the** achievement of our strategy and the resulting expected financial benefits. We **have also invested in companies which we do not control through our corporate venturing function. Our investment partners or other parties that hold the remaining ownership interests in companies we do not control may not have interests that are aligned with our goals. We have recognized impairment losses in the past in connection with our investments and we may be required to do so again in the future. We** also may face challenges in integrating ~~our~~ acquisitions with our existing operations. These challenges could include ~~difficulty~~ **difficulties** in integrating or consolidating business processes and systems ~~and~~ **, as well as** challenges ~~with~~ **in** integrating ~~the~~ business cultures **,** which may **result in synergies from** ~~lead to anticipated benefits of~~ acquisitions not being **fully** realized ~~fully,~~ or **taking** ~~at all, or may take~~ longer to realize than expected or ~~involve more~~ **incurring additional** costs to do so. ~~In~~ **Further, in pursuing growth through acquisitions, we face** ~~addition~~ **additional risks common with an acquisition strategy** , **including failure to identify significant contingencies or legal liabilities in** the **due diligence** process **, diversion** of ~~integrating operations could result in~~ **management' s attention from existing business,** ~~an~~ **and** ~~interruption~~ **interruptions** ~~of~~ **to** normal business **operations resulting from the process of integrating** operations. Operational Risks Global Economic Conditions — Challenging current and future global economic conditions, including **the Russia- Ukraine conflict and** inflation ~~and supply chain disruptions~~ , have had, and may continue to have, a negative impact on our business operations and financial results. Demand for our products and services ~~is dependent~~ **depends** on consumer demand for our packaging products, including packaged food, ~~beverage~~ **beverages** , healthcare, personal care, agribusiness, industrial, and other consumer goods. ~~As a~~ **Geopolitical events, such as increased trade barriers or restrictions on global trade, political, financial, or social instability, wars, civil or social unrest, natural disasters, or health crises, could** result ~~,~~ **in** general economic downturns ~~in~~ **, such as a recession** ~~our~~ - **or** ~~key geographic regions~~ **economic slowdown,** and **could** ~~globally can~~ adversely affect our business operations and financial results. ~~The COVID- 19 pandemic and~~ **Current global economic challenges, including the** Russia- Ukraine conflict **and** ~~have increased volatility in world economies. Current global economic challenges, including~~ relatively high inflation ~~and supply chain constraints in key regions in which we operate~~ , **may** ~~are likely to~~ continue to put pressure on our business **. For example, in advance of the Russia- Ukraine conflict, we proactively suspended operations at our small manufacturing site in Ukraine. We also operated three manufacturing facilities in Russia (" Russian business") until their sale on December 23, 2022. We are investing $ 110 million to $ 130 million of the sale proceeds from the Russian business in various cost saving initiatives to partially offset divested earnings from the Russian business. Future unrest in other regions where we operate, and political developments could have a material impact on our financial condition** . When challenging economic conditions exist, our customers may delay, decrease **,** or cancel purchases from us, and may also delay payment or fail to pay us altogether. Suppliers may have difficulty filling our orders and ~~distributors~~ **we** may have difficulty getting our products to customers, which may affect our ability to meet customer demands ~~,~~ and result in a loss of business. Weakened global economic conditions may also result in unfavorable changes in our product prices and product mix and lower profit margins. Although we take measures to mitigate the impact of inflation, including through pricing actions and productivity programs, if these actions are not effective **,** our cash flow, financial condition, and results of operations could **be** materially and adversely ~~be~~ impacted. In addition, there could be a time lag between recognizing the benefit of our mitigating actions and ~~when~~ the **impact of** inflation ~~occurs~~ and there is no ~~assurance~~ **guarantee** that our mitigating measures will ~~be able to~~ fully ~~mitigate~~ **offset** the impact of inflation ~~. Political uncertainty may also contribute to the general economic conditions in one or more markets in which we operate. For example, in fiscal year 2022, political developments and general civil unrest in South Africa and the Russia- Ukraine conflict resulted in net expenses of $ 213 million, including impairment and restructuring expenses. Future unrest in other regions in which we operate could result in a material impact to our financial condition. Political developments can also disrupt the markets we serve and the tax jurisdictions in which we operate, and may cause us to lose customers, suppliers, and employees, and adversely impact profitability~~ . International Operations — Our international operations subject us to various risks that could adversely affect our business operations and financial results. We have operations throughout the world, including facilities ~~located~~ in emerging markets. In fiscal year ~~2022~~ **2023** , approximately ~~73~~ **74** % of our sales revenue came from developed markets and ~~27~~ **26** % came from emerging markets. We expect to continue to expand our operations in the future, ~~particularly~~ **including** in the emerging markets. **Managing** ~~Management of~~ global operations is complex, particularly **due to** ~~given the often~~ substantial differences in the cultural, political, and regulatory environments of the countries **where** ~~in which~~ we operate. In addition, many ~~of the~~ countries **where** ~~in which~~ we have operations, including Argentina, Brazil, China, Colombia, India, **and** Peru, ~~Russia, South Africa, and Ukraine,~~ have ~~underdeveloped or~~ developing legal, regulatory, or political systems, ~~which~~ **that** are **dynamic and** subject to ~~dynamic~~ change ~~, including civil unrest~~ . The profitability of our operations may be adversely impacted by, among other things: • changes in applicable fiscal or regulatory regimes; • changes in, or difficulties in interpreting and complying with, local laws, sanctions, and regulations, including tax, labor, foreign investment **,** and foreign exchange control laws; • nullification, modification, or renegotiation of, or difficulties or delays in enforcing ~~,~~ contracts with clients or joint venture partners that are subject to local law; • reversal of current political, judicial, or administrative policies encouraging foreign investment or foreign trade, or ~~relating~~ **related** to the use of local agents, representatives, or partners in ~~the~~ relevant jurisdictions; • **trade restrictions, and quotas; • wars, acts of terrorism, social and ethnic unrest, and geopolitical events; •** pandemics **and other health crises** ~~, such as COVID- 19,~~ impacting ~~various~~ **different** regions of the world unequally; **• difficulties associated with expatriating** or **repatriating cash generated or held abroad; and** • changes in exchange rates and inflation, including hyperinflation ~~, which may be further exacerbated by the COVID- 19~~

~~pandemic~~ . ~~Further~~ **Furthermore** , ~~sustained~~ **prolonged** periods of **economic,** legal, regulatory, or political instability in the emerging markets **where** ~~in which~~ we operate could have ~~an~~ **a material** adverse effect on our business, cash flow, financial condition, and results of operations ~~, which effect may be material~~ . The ~~recent~~ conflict between Russia and Ukraine has negatively impacted the global economy and led to various economic sanctions being imposed by the U. S., **the European Union, the** United Kingdom ~~, European Union~~ , and other countries against Russia. ~~In advance of the conflict, we proactively suspended operations at our manufacturing site in Ukraine. We also operate three manufacturing facilities in Russia which we have classified as held for sale at June 30, 2022. We have recorded impairment charges related to our operations in Ukraine and Russia of $ 138 million in fiscal year 2022.~~ It is not possible to predict the broader or longer- term consequences of this conflict ~~. Further sanctions as well as steps taken by our customers, suppliers, or other stakeholders may disrupt our ability to sell our assets in Russia~~ . Continued escalation of geopolitical tensions related to the conflict could result in the loss of property, supply chain disruptions, significant inflationary pressure on raw material prices and cost and supply of other resources (such as energy and natural gas), fluctuations in our customers' buying patterns given regional shortages of food ingredients and other factors, credit and capital market disruption which could impact our ability to obtain financing, increase in interest rates, and adverse foreign exchange impacts. These broader consequences could have a material adverse effect on our business, cash flow, financial condition, and results of operations. ~~The~~ **Our** international ~~scope of our~~ operations **involve** ~~, which includes~~ limited sales ~~of our products~~ to entities located in countries subject to ~~certain~~ economic sanctions administered by the U. S. Office of Foreign Assets Control, ~~and~~ the U. S. Department of State, and Trade and other applicable national and supranational organizations (collectively," Sanctions") ~~, and operations~~ **. We also operate** in certain countries that are **occasionally** ~~from time to time~~ subject to Sanctions, **which** ~~including those enacted as a result of the Russia- Ukraine conflict, also requires~~ - **require** us to maintain internal processes and control procedures. Failure to do so could result in breach by our employees of various laws and regulations, including those relating to money laundering, corruption, export control, fraud, bribery, insider trading, antitrust, competition, and economic sanctions, whether due to a lack of integrity or awareness or otherwise. Any such breach could **result in sanctions (including fines and penalties) and could** have ~~an~~ **a material** adverse effect on our financial condition and ~~result in reputational~~ -- **reputation** ~~damage to our business, which effect may be material~~ . Raw Materials — Price fluctuations or shortages in the availability of raw materials, energy and other inputs could adversely affect our business. As a manufacturer of packaging products, our sales and profitability are dependent on the availability and cost of raw materials ~~and~~ **,** labor **,** and other inputs, including energy. All of the raw materials we use are purchased from third parties **,** and our primary inputs include polymer resins and films, **paper,** inks ~~and~~ **,** solvents, **adhesive,** aluminum, and **chemicals** ~~fiber- based carton board~~ . Prices for these raw materials are subject to substantial fluctuations that are beyond our control due to factors such as changing economic conditions **(including inflation)** ~~, pandemics, such as COVID- 19~~ , currency and commodity price fluctuations, resource availability **and other supply chain challenges** , transportation costs, ~~weather conditions and natural disasters,~~ geopolitical risks ~~,~~ **(** including war ~~(~~ such as the Russia- Ukraine conflict) **, pandemics and other health crises,** ~~and~~ - **an** ~~instability~~ **increase in the demand for products manufactured from recycled materials, weather conditions and natural disasters, greenhouse gas emissions and other sustainability related regulations** , and other factors impacting supply and demand pressures. For example, ~~we have seen disruptions~~ in ~~the supply of certain raw materials, such as specialty resins, and increased price volatility of certain raw materials across many of the regions in which we operate since the second half of~~ fiscal year ~~2021~~ **2023 , energy prices for oil and natural gas have been volatile in Europe (mainly due to the Russia- Ukraine conflict) and may continue to fluctuate in the future** . Additionally, changes in international trade policy in the countries in which we operate could materially impact the cost and supply of raw materials as duties are assessed on raw materials used in our production process and **the** global supply of key raw materials is disrupted. For example, in 2018, the U. S. government imposed a 10 % tariff on all aluminum imports into the United States from China and in ~~July~~ **March** ~~2022~~ **2023** , the U. S. Department of Commerce **preliminarily** ~~announced an investigation to determine~~ **determined** ~~whether~~ **that** imports of aluminum from Thailand and South Korea **are** ~~circumvented~~ **circumventing** the duties on ~~Chinese~~ aluminum **from China which could result in retroactive duties on purchases for which we are the importer of record which could have an adverse effect on our business, financial condition, results of operations, or cash flows** . While we have largely been able to successfully manage through these supply disruptions and related price volatility, there is no assurance **that** we will be able to successfully navigate ~~through any~~ ongoing and future disruptions. Increases in costs and disruptions in supply can have ~~an~~ **a material** adverse effect on our business and financial results. **We** ~~Although we~~ seek to mitigate these risks through various strategies, including ~~by~~ entering into contracts with certain customers ~~which~~ **that** permit ~~certain~~ price adjustments to reflect increased raw material **and other** costs or by otherwise seeking to increase our prices to offset increases in raw material **and other** costs and seeking alternative sources of supply for key raw materials **. However** , there is no guarantee that we will be able to anticipate or mitigate commodity and input price movements or ~~mitigate~~ supply disruptions. In addition, there may be delays in adjusting prices to correspond with underlying raw material costs and corresponding impacts on our working capital and level of indebtedness and any failure to anticipate or mitigate against such movements could have ~~an~~ **a material** adverse effect on our business, financial condition, results of operations, or cash flows ~~, which effect may be material~~ . Commercial Risks — We are subject to production, supply, and other commercial risks, including counterparty credit risks, which may be exacerbated in times of economic volatility. We face a number of commercial risks, including (i) operational disruption, such as mechanical or technological failures or forced closures due to ~~pandemics or~~ war (such as ~~COVID- 19 or~~ the Russia- Ukraine conflict) **or health crises** , each of which could ~~, in turn,~~ lead to production loss and / or increased costs, (ii) shortages in manufacturing inputs due to the loss of key suppliers or their inability to supply inputs **,** and (iii) risks associated with development projects (such as cost overruns and delays). Supply **or workforce** shortages, fluctuations in freight costs, limitations on shipping capacity, or other disruptions in our supply chain, including ~~as a result of~~ sourcing materials from a single supplier or those that may occur related to **war,** ~~COVID- 19 or other~~ natural disasters, or ~~war~~ **health crises** , could affect our ability to obtain timely delivery of raw materials, equipment **,** and other supplies, and in turn, adversely impact our ability to supply products to our customers. ~~Such disruptions~~ **Additionally, climate change** could have **negative effects on agricultural productivity, leading customers to face both availability** ~~an~~ **and price challenges with agricultural commodities, which may impact the demand for our products. For example, in fiscal year 2023,** adverse ~~effect~~ **weather conditions in the United States reduced cattle herds, leading to a rise in meat prices, which ultimately contributed to lower meat packaging sales volumes. We cannot predict the potential magnitude of these commercial risks** on our business ~~and~~ **,** financial **condition,** results **of operations** ~~. In response to the COVID- 19 pandemic~~ , ~~we have implemented employee safety measures across all our~~ - **or cash flows** ~~supply chain facilities, including proper hygiene, social distancing and temporary screening which at a minimum are in compliance with local government regulations. These measures may not be sufficient to prevent the spread of COVID- 19 among our employees. Illness, travel restrictions, absenteeism, or other workforce disruptions could negatively impact our supply chain, manufacturing, distribution, or other business activities~~ . Additionally, the insolvency of, or contractual default by, any of our customers, suppliers, and financial institutions, such as banks and insurance providers, may have a ~~significant~~ **material** adverse effect on our operations and financial condition. Such risks are exacerbated in times of economic volatility (such as economic volatility caused by ~~COVID- 19 and~~ the Russia- Ukraine conflict), either globally or in the geographies and industries in which our customers operate. If a counterparty defaults on a payment obligation to us, we may be unable to collect the amounts owed **,** and some or all of these outstanding amounts may need to be written off. If a counterparty becomes insolvent or is otherwise unable to meet its obligations in connection with a particular project, we may need to find a replacement to fulfill that party' s obligations or, alternatively, fulfill those obligations ourselves, which is likely to be more expensive. The occurrence of any of these risks ~~, including any default by our counterparties,~~ could have ~~an~~ **a material** adverse effect on our business, financial condition, results of operations, or cash flows, which ~~effect~~ may ~~be material and~~ result in a competitive disadvantage. ~~Global~~ Health ~~Outbreaks~~ **Crises** — Our business and operations may be adversely affected by ~~the ongoing Coronavirus pandemic~~ **pandemics , epidemics,** ~~(" COVID- 19")~~ or other ~~similar pandemics~~ **disease outbreaks** . Our business and financial results may be negatively impacted by outbreaks of contagious diseases, including COVID- 19. ~~As a~~ **Health crises have in the past and could in the future** result **in supply chain disruptions due to the temporary closure** of **our facilities, the facilities of our suppliers, or other suppliers in our supply chain, the shut- down of customers' operations, volatility in raw material costs, and labor shortages and may have broader global economic or geopolitical implications. For example, the Chinese government imposed sporadic** COVID- 19 **related lockdowns** ~~, governmental authorities have implemented and,~~ in ~~certain regions, are continuing to implement numerous measures to try to contain~~ the ~~virus~~ **first half of fiscal year 2023** , **which resulted** ~~such as travel bans and restrictions, limitations on gatherings, quarantines, shelter-~~ in **lower demand** ~~- place orders, and business shutdowns. Measures providing~~ for ~~business shutdowns generally exclude essential services and the critical infrastructure supporting the essential services. We have experienced minimal disruptions to~~ our ~~operations to date as~~ **products and also impacted global supply chains. While** we have **established protocols** ~~largely been deemed as providing essential services. COVID- 19 has in the past, and could in the future result in the temporary closure of our facilities, the facilities of our suppliers, or other suppliers in our supply chain. In limited cases to date, certain customers have shut down their operations temporarily to deal with the outbreak within their facilities, which has impacted their demand, and we may continue to experience volatility in demand from temporary customer shutdowns. In addition, COVID- 19 has significantly impacted and may further impact the economies and financial markets of affected countries, including negatively impacting economic growth, the proper functioning of capital markets, supply chains, foreign currency exchange rates and interest rates. COVID- 19 may result in a prolonged economic downturn, such as increased unemployment, decreases in capital spending, business shutdowns, or economic recessions, which could negatively affect demand for our customers' products. Despite our efforts~~ to manage these **potential** impacts, the extent to which **health crises may** ~~COVID- 19 or other pandemics~~ impact our business and operations ~~, including our ability to secure financing at attractive rates,~~ is unknown and the effect **on our business, financial condition, results of operations, or cash flows** could be material. Attracting and Retaining Skilled Workforce — If we are unable to attract and retain our global executive management team and our skilled workforce, we may be adversely affected. Our continued success depends on our ability to identify, attract, develop, and retain skilled **and diverse** personnel in our global executive management team and our operations. We focus on our talent acquisition processes, as well as our onboarding and talent and leadership programs, to ensure **that** our key new hires and skilled personnel' s efficiency and effectiveness ~~aligns~~ - **align** with Amcor' s values and ways of working. However, any failure to successfully transition key new hires and retain our skilled personnel in ~~any of our operations and~~ our global executive management team ~~,~~ **and in any of our operations** could impact our ability to execute on our strategic plans, make it difficult to meet our performance objectives **,** and be disruptive to our business. We are also impacted by regional labor shortages, inflationary pressures on wages, **a** ~~and an increasingly~~ competitive labor market **, and changing demographics** . While we have been successful to date in responding to regional labor shortages and maintaining plans for continuity of succession, there can be no assurance that we will be able to manage ~~through~~ future labor shortages or recruit, develop, assimilate, motivate, and retain employees in the future who actively promote and meet the standards of our culture. Operational EHS Risks — We are subject to costs and liabilities related to ~~current and future~~ environment, health and safety (" EHS") laws and regulations, as well as changes in the global climate, that could adversely affect our business. We are required to comply with EHS laws, rules, and regulations in each of the countries in which we operate and do business. Additionally, many of our products come into contact with ~~the~~ healthcare products and food and beverages they package and therefore, we are also subject to certain local and international standards related to such products. Compliance with these laws and regulations can require **a** significant expenditure of financial and employee resources . In addition, changes to such...... expenses that would be necessary for compliance . Federal, state, provincial, and local laws and requirements pertaining to workplace health and safety conditions are significant factors in our business to assure our people at all locations are able to go home safely every day. Changes to these laws and requirements may result in additional costs and actions across the affected country and / or region. Various government agencies may promulgate new or modified legislation ~~,~~ and implement special emphasis programs and enforcement actions that could impact specific ~~Company~~ **Amcor** operations covered by the respective program. Federal, state, provincial, foreign, and local environmental requirements relating to air, soil, and water quality, handling, discharge, storage, and disposal of a variety of substances, and climate change are also significant factors in our business **,** and changes to such requirements generally result in an increase to our costs of operations. We may be found to have environmental liability for the costs of remediating soil or water that is, or was, contaminated by us or a third **-** party at various facilities we own, used, or operate (including facilities that may be acquired by us in the future). Legal proceedings may result in the imposition of fines or penalties, as well as mandated remediation programs, that require substantial, and in some instances, unplanned capital expenditure. We have incurred in the past ~~,~~ and may incur in the future, fines, penalties, and legal costs relating to environmental matters, and costs relating to the damage of natural resources, lost property values, and toxic tort claims. Provisions are raised when it is considered probable that we have some liability **,** and the amount can be reasonably estimated. However, because the extent of potential environmental damage ~~,~~ and the extent of our liability for such damage, is usually difficult to assess and may only be ascertained over a long period of time, our actual liability in such cases may end up being substantially higher than the currently provisioned amount. Accordingly, additional charges could be incurred that would have an adverse effect on our operating results and financial position, which may be material. The effects of climate change and greenhouse gas effects may adversely affect our business. A number of governmental bodies have introduced, or are contemplating introducing, regulatory ~~change~~ **changes** to address the impacts of climate change, which, where implemented, may have **material** adverse impacts on our operations or financial results. Labor Disputes — ~~We are subject to the risk of~~ **Our business could be adversely affected by** labor disputes ~~, which could adversely affect~~ **and an inability to renew collective bargaining agreements at acceptable terms. Approximately 45 % of** our ~~business~~ **employees are covered by collective bargaining agreements** . Although we have not experienced any significant labor disputes in recent years, ~~there can be no assurance that~~ we ~~will not~~ **have experienced isolated work stoppages from time to time. We may** experience labor disputes in the future, including protests and strikes, which could disrupt our business operations and have an adverse effect on our business and results of operation. **We may also be unable to renegotiate collective bargaining agreements at acceptable terms.** Although we consider our relations with our employees to be good, ~~there can~~ **we may** be ~~no assurance that we will be able~~ **unable** to maintain a satisfactory working relationship with our employees in the future **. We may also be adversely affected by strikes and other labor disputes by the employees of our suppliers, customers, and other parties** . Climate Change- Our business is subject to risks related to climate change which could negatively impact our business operations and financial results. Climate change may have a progressively adverse impact on our business and those of our customers, suppliers, and partners. Many of the geographic areas where our production is located and where we conduct business may be affected by natural disasters, including ~~earthquakes,~~ snowstorms **, extreme heat** , hurricanes, flooding, forest fires **, deforestation, loss of biodiversity, earthquakes** , and drought. Such events may have a physical impact on our facilities **, workforce** , inventory, suppliers, and equipment and any unplanned downtime at any of our facilities could result in unabsorbed costs that could negatively impact our results of operations **. Additionally, climate change may result in higher insurance premiums** ~~for~~ - **or** the **inability to insure certain risks** ~~period in which it experienced the downtime~~ . Longer- term climate change patterns could significantly alter customer demand which is especially true for customers who rely on supply chains routinely impacted by weather. For example, agricultural supply chains would be impacted by increased levels of drought or flooding and customers in coastal regions would be impacted by frequent flooding. Information Technology and Cybersecurity Risks ~~complexity of~~ **We also maintain and have access to sensitive,confidential** ~~our~~ - **or** ~~processes~~ **personal data or information that is subject to privacy** and ~~associated costs~~ **security laws,regulations,and customer controls** .Despite our efforts to protect such information ~~and to comply with privacy and data protection laws and regulations~~ ,our facilities and systems and those of our customers and third- party service providers may be vulnerable to security breaches,cyber-attacks,misplaced or lost data,and programming and / or user errors that could lead to the compromising of sensitive,confidential,or personal data or information ~~,the improper use of our systems and networks,and the manipulation and destruction of data~~ .Information system damages,disruptions,shutdowns,or compromises could result in production downtimes and operational disruptions,transaction errors,loss of customers **,** and business opportunities,violation of privacy laws and legal liability,regulatory fines,penalties or intervention,negative publicity resulting in reputational damage,reimbursement or compensatory payments,and other costs,any of which could have an adverse effect on our business,financial condition,results of operations,or cash flows,which affect may be material and result in a competitive disadvantage.Although we attempt to mitigate these risks by employing a number of measures,our systems,networks,products,and services remain potentially vulnerable to advanced and **persistent threats.Financial Risks** Information Technology — A failure or disruption in our information technology systems could disrupt our operations, compromise customer, employee, supplier, and other data, and could negatively affect our business. We rely on the successful and uninterrupted functioning of our information technology and control systems to securely manage operations and various business functions, and on various technologies to process, store, and report information about our business, and to interact with customers, suppliers, and employees around the world. In addition, our information systems ~~increasingly~~ rely on **internal information technology systems and third- party systems, including** cloud solutions **,** which require different security measures. These measures cover technical changes to our network security, organization, and governance changes as well as alignment of third- party suppliers on market standards. As with all information technology systems, our systems may be susceptible to damage, disruption, information loss **,** or shutdown due to a variety of factors including power outages, failures during the process of upgrading or replacing software, hardware failures, **cyber- attacks (e. g., phishing, ransomware,** computer viruses **)** , **natural disasters, telecommunications failures, user errors, unauthorized access, and malicious or accidental destruction, or** catastrophic events **. While we have established** ~~, telecommunications failures, user errors, unauthorized access,~~ and ~~malicious~~ **regularly test** ~~or~~ **our** ~~accidental destruction~~

business disaster recovery plan , **there is no guarantee that it will resolve issues resulting from those disruptions in a timely manner. We may suffer material adverse effects on** ~~or~~ **our** ~~theft~~ **business, financial condition, results** of ~~information or functionality~~ **operations, and cash flows** . ~~Cybersecurity~~ **Financial** ~~Risk~~ **Risks Interest Rates** — **Rising interest rates increase** ~~The disruption of our operations or~~ **our borrowing costs on** ~~risk of loss of~~ our ~~sensitive business~~ **variable rate indebtedness and could have other negative impacts. As of June 30, 2023, approximately 30 % of our indebtedness was subject to variable interest rates. When interest rates increase, our debt service obligations on our variable rate indebtedness increase even when the amount borrowed remains the same. Higher** ~~information~~ **inflation , especially in Europe and the United States, has led central banks to rapidly raise interest rates throughout fiscal year 2023 to dampen inflation. These increases in interest rates will directly impact the amount of interest we pay on our variable rate obligations and continued or sustained increases in interest rates** could negatively impact our **business,** financial condition ~~and~~ **,** results of operations **, or cash flow** . **Furthermore, sustained or continued increases in interest rates could** ~~Increased~~ - **increase** ~~cyber~~ **the costs of obtaining new debt and refinancing existing fixed rate as well as variable rate indebtedness. We manage exposure to interest rates by maintaining a mixture of fixed** - **rate** ~~attacks, including computer viruses, ransomware, unauthorized access attempts, phishing, hacking,~~ and ~~other types of attacks pose a~~ **variable- rate debt, monitoring global interest rates, and, where appropriate, entering into various derivative instruments. However, if our derivative instruments are not effective in mitigating our interest rate** risk ~~to the security and availability of~~ **, if we are under- hedged,** ~~our~~ - **or if a hedge** ~~information technology systems, including those provided~~ **provider** ~~by~~ **defaults on** ~~third~~ - **their** ~~parties. We~~ **obligations under hedging arrangements, it could** have ~~experienced and expect to~~ **a material adverse impact on our business, financial condition, results of operations, or cash flow. In addition,** ~~continue~~ **continued** ~~to experience actual and attempted cyber- attacks~~ **increases in rising interest rates could reduce the attractiveness** of **cash management programs we use** ~~our information technology systems and networks. Geopolitical turmoil~~ , ~~including~~ **such** as **customer** ~~a result of the Russia- Ukraine conflict, heightens the risk of cyber- attacks. While we have operational safeguards in place to detect~~ and **supply chain finance programs** ~~prevent cyber- attacks and to date have not experienced any significant impacts~~ , ~~our safeguards may not always be able to prevent a cyber- attack from impacting our systems~~ which could **negatively** ~~have a material~~ impact **our cash and working capital and increase our borrowings. Refer to Note 14," Debt," of the notes to consolidated financial statements for information about our variable rate borrowings. Also refer to" Item 7A.- Quantitative and Qualitative Disclosures About Market Risk," including interest rate risk, in this Annual Report** on **Form 10** ~~our business, financial condition, results of operations, or cash flows. In addition, our customers and suppliers are susceptible to cyber~~ - **K** ~~attacks and disruption to their information technology systems could result in reduced demand for our products or limit our ability to supply our products~~ . We also maintain and have access to...... advanced and persistent threats. Financial Risks Indebtedness and Credit Rating — A significant increase in our indebtedness or a downgrade in our credit rating could reduce our operating flexibility and increase our borrowing costs and negatively affect our financial condition and results of operations. ~~At~~ **As of** June 30, ~~2022~~ **2023** , we had $ 6. ~~5~~ **7** billion of debt outstanding and a $ 1. ~~4~~ **3** billion ~~undrawn~~ **of a $ 3. 8 billion** revolving credit facility **undrawn** and we are not restricted in incurring, and may incur, additional indebtedness in the future. Our ability to pay interest and repay the principal of our indebtedness is dependent on our ability to generate sufficient cash flows **,** which is dependent, in part, on prevailing economic and competitive conditions and certain legislative, regulatory, and other factors beyond our control. If we are unable to maintain sufficient cash flows from operations to meet our debt commitments, our financial condition and results of operations are likely to be materially adversely impacted. We use cash provided by operations, commercial paper issuances, bank term loans, committed **and uncommitted** revolving credit facilities, debt issuances, and equity issuances to meet our funding needs. Credit rating agencies rate our debt securities on many factors, including our financial results, their view of the general outlook for our industry, and their view of the general outlook for the global economy. Any significant additional indebtedness would likely negatively affect the credit ratings of our debt. Actions taken by the rating agencies include maintaining, upgrading **,** or downgrading the current rating or placing us on a watch list for a possible future downgrade. If rating agencies downgrade our credit rating, place us on a watch list, or if there are adverse market conditions, including disruptions in the commercial paper market, the impacts could include reduced access to ~~the~~ commercial paper, credit **,** and capital markets, an increase in the cost of our borrowings or the fees associated with our bank credit facility, or an increase in the credit spread incurred when issuing debt in the capital markets. Refer to ~~"~~ Item 7 ~~-~~ **."** Management' s Discussion and Analysis of Financial Condition and Results of Operations,"" Liquidity and Capital Resources," of this Annual Report on Form 10- K for more information on our credit rating profile. In addition, a significant number of our operating subsidiaries are not guarantors of our indebtedness. In the event that any non- guarantor subsidiary becomes insolvent, liquidates, reorganizes, dissolves, or otherwise winds up, the assets of such subsidiary will be used to satisfy the claims of its creditors. The non- guarantor subsidiaries have no direct obligations in respect of our indebtedness **,** and therefore, a direct claim against any non- guarantor subsidiary and any claims to enforce payment on our indebtedness will be structurally subordinated to all of the claims of the creditors of our non- guarantor subsidiaries. Exchange Rates — We are exposed to foreign exchange rate risk. We are subject to foreign exchange rate risk, both transactional and translational, which may negatively affect our **reported cash flow,** financial ~~performance~~ **condition, and results of operations** . Transactional foreign exchange exposures **are associated with transactions** ~~result from exchange rate fluctuations, including~~ in **currencies** ~~respect of the U. S. dollar, the Euro, the Russian ruble and~~ other **than the entity' s functional** ~~currencies~~ **currency** ~~, including in Latin America, in which our costs are denominated, which may affect our business input costs and proceeds from product sales~~ . Translational foreign exchange exposures result from exchange rate fluctuations in the conversion of entity functional currencies to U. S. dollars, our reporting currency, and may affect the reported value of our assets and liabilities and our income and expenses. In particular, our translational exposure may be impacted by movements in the exchange rate between the Euro, the United Kingdom Pound Sterling, the **Swiss Franc, the** Australian Dollar, the Chinese Yuan, and the Brazilian Real against the U. S. dollar **. Refer to"**

Item 7A.- Quantitative and Qualitative Disclosures About Market Risk," including foreign exchange risk, in this Annual Report on Form 10- K. Exchange rates between transactional currencies may change rapidly due to a variety of factors. In addition, we have recognized foreign exchange losses related to the currency devaluation in Argentina and its designation as a highly inflationary economy under U. S. GAAP. ~~See~~ **Refer to** Note 2," Significant Accounting Policies," of the notes to consolidated financial statements **in this Annual Report on Form 10- K** for further information regarding highly inflationary accounting. To the extent currency devaluation occurs across our business, we are likely to experience a lag in the timing to pass through U. S. dollar- denominated input costs across our business, which would adversely impact our margins and profitability. As such, we may be exposed to future exchange rate fluctuations, and such fluctuations could have ~~an~~ **a material** adverse effect on our reported cash flow, financial condition, and results of operations ~~, the effect of which may be material~~. Our Board of Directors has approved a hedging policy to limit and manage the risk of such foreign exchange fluctuations, however, if our hedges are not effective in mitigating our foreign currency risks, if we are under- hedged, or if a hedge provider defaults on their obligations under hedging arrangements, it could have ~~an~~ **a material** adverse impact on our **reported cash flow, financial condition, and** results of operations ~~. Interest Rates — Rising interest rates increase our borrowing costs on our variable rate indebtedness and could have other negative impacts. As of June 30, 2022, approximately fifty percent of our indebtedness was subject to variable interest rates. When interest rates increase, our debt service obligations increase on our variable rate indebtedness even though the amount borrowed remains the same. Increases in short- term interest rates will directly impact the amount of interest we pay. We manage exposure to interest rates by maintaining a mixture of fixed- rate and variable- rate debt, monitoring global interest rates, and, where appropriate, entering into various derivative instruments. However, if our derivative instruments are not effective in mitigating our interest rate risk, if we are under- hedged, or if a hedge provider defaults on their obligations under hedging arrangements, it could have an adverse impact on our results of operations. In addition, rising interest rates could reduce the attractiveness of cash management programs we use, such as customer and supply chain finance programs, which could negatively impact our cash and working capital and increase our borrowings. Refer to Note 14," Debt," of the notes to consolidated financial statements for information about our variable rate borrowings. Also refer to" Item 7A- Quantitative and Qualitative Disclosures about Market Risk," including interest rate risk, in this Annual Report on Form 10- K~~. Goodwill and Other Intangible Assets — A significant write- down of goodwill and / or other intangible assets would have a material adverse effect on our reported results of operations and financial position. As of June 30, ~~2022~~ **2023**, we had $ 6. 9 billion of goodwill and other intangible assets. We review our goodwill balance for impairment at least once a year and whenever events or a change in circumstances indicate that an impairment may have occurred using the **appropriate** business valuation methods ~~allowed~~ in accordance with current accounting standards. Future changes in the cost of capital, **market multiples, market growth,** expected cash flows, or other factors may cause our goodwill and / or other intangible assets to be impaired, resulting in a non- cash charge ~~against~~ **in our** results of operations to ~~write down~~ **reduce the value of** these assets ~~for~~ **to** ~~the~~ **their fair value** ~~amount of the impairment~~. **Furthermore** ~~In addition~~, if we make changes ~~in~~ **to** our business strategy or if external conditions, such as the ~~Russia- Ukraine conflict~~ **interest rates due to higher inflation**, adversely affect our business operations, we ~~may~~ **could** be required to record an impairment charge for goodwill **and /** or ~~intangibles~~ **intangible assets**, which ~~would~~ **could** ~~lead to decreased assets and reduced net operating results. If a significant write down is required, the charge would~~ have a material adverse effect on our ~~reported~~ **business, financial condition, and** results of operations ~~and net worth~~. We have identified the valuation of **goodwill and other** intangible assets ~~and goodwill~~ as a critical accounting estimate. ~~See~~ **Refer to** " Item 7.- Management' s Discussion and Analysis of Financial Condition and Results of Operations,"" Critical Accounting Estimates and Judgments," of this Annual Report on Form 10- K. Internal Controls — If we fail to maintain an effective system of internal control over financial reporting **,** we may not be able to accurately report our financial results which may adversely affect investor confidence and adversely impact our stock price. We have been subject to the requirements of Section 404 of the Sarbanes- Oxley Act (" SOX") since fiscal year 2020. ~~While our~~ **Management is responsible for establishing and maintaining adequate** internal controls over financial reporting ~~currently~~ **and while they** meet the standards set forth in SOX, our internal control over financial reporting may not prevent or detect misstatements **,** as any controls or procedures, no matter how well designed and operated, can provide only reasonable assurance ~~from~~ **against** misstatement. ~~We identified~~ **If we fail** ~~two~~ **to** ~~material weaknesses in~~ **maintain the adequacy of** our internal ~~control~~ **controls** ~~over~~ **, we could be subject to regulatory scrutiny, civil or criminal penalties, or litigation. In addition, failure to maintain adequate internal controls could result in** financial ~~reporting in connection with~~ **statements that do not accurately reflect** our ~~listing~~ **financial condition, and we may be required to restate previously published financial information, which could lead to adverse effect** on ~~the NYSE in 2019 related to U. S. GAAP expertise and segregation of duties within key information technology systems which were remediated in fiscal years 2020 and 2021, respectively. There can be no assurance that we will not identify new material weaknesses in the future. Any newly identified material weaknesses could limit our ability to prevent or~~ **our operations** ~~detect a misstatement of our financial results~~, ~~lead to a~~ loss of investor confidence, and ~~have~~ a negative impact on the trading price of our common stock. Insurance — Our insurance policies, including our use of a captive insurance company, may not provide adequate protection against all of the risks we face. We seek protection from a number of our key operational risk exposures through the purchase of insurance. A significant portion of our insurance is placed in the insurance market with third- party ~~re- insurers~~ **reinsurers**. Our policies with such third- party ~~re- insurers~~ **reinsurers** cover a variety of risk exposures, including property damage **and business interruption**. Although we believe the coverage provided by such policies is consistent with industry practice, ~~they~~ **the** ~~may~~ **insurance coverage does** not ~~adequately cover certain~~ **insure us against all** risks **in our operations or all claims we may receive** and there is no guarantee that any claims made under such policies will ultimately be paid or that we will be able to maintain such insurance at acceptable premium cost levels in the future. Additionally, we retain a portion of our insurable risk through a captive insurance company, Amcor Insurances Pte Ltd, which is located in Singapore. Our captive insurance company collects annual premiums from our business groups ~~,~~ and assumes specific risks relating to various risk exposures, including property damage. The captive insurance company may be required to make ~~payment~~ **payments** for insurance claims ~~which~~ **that** exceed the captive' s reserves, which could have ~~an~~ **a material** adverse effect on our business, financial condition, results of operations, or cash flows. Legal and Compliance Risks Intellectual Property — Our inability to defend our intellectual property rights or intellectual property infringement claims against us could have an adverse impact on our ability to compete effectively. Our ability to compete effectively depends, in part, on our ability to protect and maintain the proprietary nature of our owned and licensed intellectual property. We own a number of patents on our products, aspects of our products, methods of use and / or methods of manufacturing, and we own, or have licenses to use, the material trademark and trade name rights used in connection with the packaging, marketing and distribution of our major products. We also rely on trade secrets, know- how, and other unpatented proprietary technology. If we are unable to detect the infringement of our intellectual property or to enforce our intellectual property rights, our competitive position may suffer. The **unauthorized** use of our intellectual property by someone else ~~without our authorization~~ could reduce certain of our competitive advantages, cause us to lose sales **,** or otherwise harm our business. We attempt to protect and restrict access to our intellectual property and proprietary information by relying on the patent, trademark, copyright, and trade secret laws of the countries in which we operate, as well as non- disclosure agreements. However, it may be possible for a third **-** party to obtain our information without ~~our~~ authorization, independently develop similar technologies, or breach a non- disclosure agreement entered into with us. Our pending patent applications ~~,~~ and our pending trademark registration applications ~~,~~ may not be allowed **,** or competitors may challenge the validity or scope of our patents or trademarks. Our competitors might avoid infringement by designing around our intellectual property rights or by developing non- infringing competing technologies. In addition, our patents, trademarks, and other intellectual property rights may not provide us **with** a significant competitive advantage. Furthermore, many of the countries in which we operate, particularly ~~the~~ emerging markets, do not have intellectual property laws that protect proprietary rights as fully as the laws of ~~the~~ more developed jurisdictions ~~in which we operate~~, such as the United States and the European Union. The costs associated with protecting our intellectual property rights could also adversely impact our business. Similarly, while we have not received any significant claims from third parties suggesting that we may be infringing on their intellectual property rights, there can be no assurance that we will not receive such claims in the future. If we were held liable for a claim of infringement, we could be required to pay damages, obtain licenses **,** or cease making or selling certain products. Intellectual property litigation, which could result in substantial ~~cost~~ **costs** to us and divert the attention of management, may be necessary to protect our trade secrets or proprietary technology or for us to defend against claimed infringement of the rights of others and to determine the scope and validity of others' proprietary rights. We may not prevail in any such litigation, and if we are unsuccessful, we may not be able to obtain any necessary licenses on reasonable terms or at all. Failure to protect our patents, trademarks, and other intellectual property rights could have ~~an~~ **a material** adverse effect on our business, financial condition, results of operations, or cash flows. Litigation — Litigation, including product liability claims, or regulatory developments could adversely affect our business operations, and financial performance. We are, and in the future will likely become, involved in lawsuits, regulatory inquiries, and governmental and other legal proceedings ~~arising out of~~ **that arise in** the ordinary course of our business **, including product liability claims, which may lead to financial or reputational damages** . Given our global footprint, we are exposed to more uncertainty regarding the regulatory environment. The timing of the final resolutions to lawsuits, regulatory inquiries, and governmental and other legal proceedings is typically uncertain. Additionally, the possible outcomes of, or resolutions to, these proceedings could include adverse judgments or settlements, either of which could require substantial payments. In addition, actions **or decisions** we have taken or may take, ~~or decisions we have made or may make,~~ as a consequence of ~~COVID- 19 or~~ the Russia- Ukraine conflict, may result in legal claims or litigation against us. **See** ~~Refer to~~ " Item 3.- Legal Proceedings" of this Annual Report on Form 10- K. Environmental, Social and Governance (" ESG") Practices — Increasing scrutiny and changing expectations from investors, customers, and governments with respect to our ESG practices and commitments may impose additional costs on us or expose us to additional risks. There is an increased scrutiny from shareholders, customers, and governments on corporate ESG practices. Our commitment to sustainability and ESG practices remains at the core of our business **,** and we have established **related** goals and targets ~~related to~~ **. For example, we have announced** our commitment **to science- based targets initiative (" SBTi ") and to achieve net zero GHG emissions by 2050. We are working with the SBTi to formalize our science- based targets as part of our plan to achieve net zero** . However, our ESG practices may not meet the standards of all of our stakeholders **,** and advocacy groups may campaign for further changes. Many of our large, global customers are also committing to long- term targets to reduce greenhouse gas emissions within their supply chains. If we are unable to support **our** customers in achieving these reductions, customers may seek out competitors who are better able to support such reductions. A failure, or perceived failure, to respond to expectations of all parties, including with meeting our own climate- related and other ESG target ambitions, could cause harm to our business and reputation and have a negative impact on the trading price of our common stock. New government regulations could also result in new or more stringent forms of ESG oversight and disclosures which may result in increased expenditures for environmental controls, new taxes on the products we produce and significantly increase our compliance costs to meet new disclosure requirements **, especially if they are inconsistent or fragmented across different jurisdictions. For example, the Corporate Sustainability Reporting Directive in the European Union and proposed SEC rules on climate- change disclosures may significantly increase our compliance costs** . Environmental, Health, and Safety regulations — Changing government regulations in environmental, health, and safety matters, including climate change, may adversely affect our company. Numerous legislative and regulatory initiatives have been passed and anticipated in response to concerns about greenhouse gas emissions and climate change. We are a manufacturing entity that utilizes petrochemical- based raw materials to produce many of our products. Increased environmental legislation or regulation, including regulations related to extended producer responsibility (" EPR"), could result in higher costs for us in the form of higher raw material cost, increased energy and freight costs, and new taxes on packaging products or result in reduced demand.

It is possible that certain materials might cease to be permitted to be used in our processes. Government bans of, or restrictions on **,** certain materials or packaging formats may close off markets to Amcor' s business ~~safety~~ **.In addition,changes to such** laws,regulations and standards are made or proposed regularly,and some of the proposals,if adopted,might,directly or indirectly,result in a material reduction in the operating results of one or more of our operating units.For instance,an increase in legislation with respect to litter related to plastic packaging or related recycling programs may cause legislators in some countries and regions in which our products are sold to consider banning or limiting certain packaging formats or materials ~~,or applying taxes or fees on some types of our products~~ .Additionally,increased regulation of emissions linked to climate change,including greenhouse gas **(carbon)** emissions and other climate- related regulations,could potentially increase the cost of our operations due to increased costs of compliance (which may not be recoverable through adjustment of prices),increased cost of fossil fuel- based inputs and increased cost of energy intensive raw material inputs.However,any such changes are uncertain,and we cannot predict the amount of additional capital expenses or operating expenses that would be **necessary for compliance** . Mandates to use certain types of materials, such as post- consumer recycled (" PCR") content, may lead to supply shortages and higher prices for those materials as current recycling rates may be insufficient to meet increased demand for PCR within and beyond the packaging industry. We could also incur additional compliance costs for monitoring and reporting emissions and for maintaining permits. Additionally, a sizable portion of our business comes from healthcare packaging and food and beverage packaging, both highly regulated markets. If we fail to comply with these regulatory requirements, our results of operations could be adversely impacted. Tax Law Changes — Changes in tax laws or changes in our geographic mix of earnings could have a material impact on our financial condition and results of operation. We are subject to income and other taxes in the many jurisdictions in which we operate. Tax laws and regulations are complex and the determination of our global provision for income taxes and current and deferred tax assets and liabilities requires judgment and estimation. We are subject to routine examinations of our income tax returns, and tax authorities may disagree with our tax positions and assess additional tax. Our future income taxes could also be negatively impacted by our mix of earnings in the jurisdictions in which we operate being different than anticipated given differences in statutory tax rates in the countries in which we operate. In addition, certain tax policy efforts, including any tax law changes resulting from the Organization for Economic Cooperation and Development (" OECD") and the G20' s inclusive framework on Base Erosion and Profit Shifting (" BEPS"), could adversely impact our tax rate and subsequent tax expense ~~. Despite the publication of the Anti Global Base Erosion model rules and initial commentary, there are many open points to be clarified and there is still significant uncertainty, which we will continue to monitor until a more conclusive assessment will be possible~~ . Risks Relating to Being a Jersey, Channel Islands Company Listing Ordinary Shares Our ordinary shares are issued under the laws of Jersey, Channel Islands, which may not provide the level of legal certainty and transparency afforded by incorporation in a U. S. jurisdiction and which differ in some respects to the laws applicable to other U. S. corporations. We are organized under the laws of Jersey, Channel Islands, a British crown dependency that is an island located off the coast of Normandy, France. Jersey is not a member of the European Union. Jersey, Channel Islands legislation regarding companies is largely based on English corporate law principles. The rights of holders of our ordinary shares are governed by Jersey law, including the Companies (Jersey) Law 1991, as amended, and by the Amcor Articles of Association, as may be amended from time to time. These rights differ in some respects from the rights of other shareholders in corporations incorporated in the United States. Further, there can be no assurance that the laws of Jersey, Channel Islands, will not change in the future or that they will serve to protect investors in a similar fashion afforded under corporate law principles in the U. S., which could adversely affect the rights of investors. U. S. shareholders may not be able to enforce civil liabilities against us. A significant portion of our assets ~~are~~ **is** located outside of the United States and several of our directors and officers are citizens or residents of jurisdictions outside of the United States. As a result, it may be difficult for investors to successfully serve a claim within the United States upon those non- U. S. directors and officers, or to enforce judgments realized in the United States. Judgments of U. S. courts may not be directly enforceable outside of the U. S. and the enforcement of judgments of U. S. courts outside of the U. S., including those in Australia and Jersey, may be subject to limitations. Investors may also have difficulties pursuing an original action brought in a court in a jurisdiction outside the U. S., including Australia and Jersey, for liabilities under the securities laws of the U. S. Additionally, our Articles of Association provide that while the Royal Court of Jersey will have non- exclusive jurisdiction over actions brought against us, the Royal Court of Jersey will be the sole and exclusive forum for derivative shareholder actions, actions for breach of fiduciary duty by our directors and officers, actions arising out of Companies (Jersey) Law 1991, as amended, or actions asserting a claim against our directors or officers governed by the internal affairs doctrine. The exclusive forum provision would not prevent derivative shareholder actions based on claims arising under U. S. federal securities laws from being raised in a U. S. court and would not prevent a U. S. court from asserting jurisdiction over such claims. However, there is uncertainty whether a U. S. or Jersey court would enforce the exclusive forum provision for actions claiming breach of fiduciary duty and other claims. ~~23~~ **24**