ANNUAL REPORT 2014

TRANSPACIFIC

REFOCUSING OUR EFFORTS ON OUR CORE WASTE MANAGEMENT BUSINESS IN AUSTRALIA AND STRENGTHENING OUR MARKET LEADING POSITION

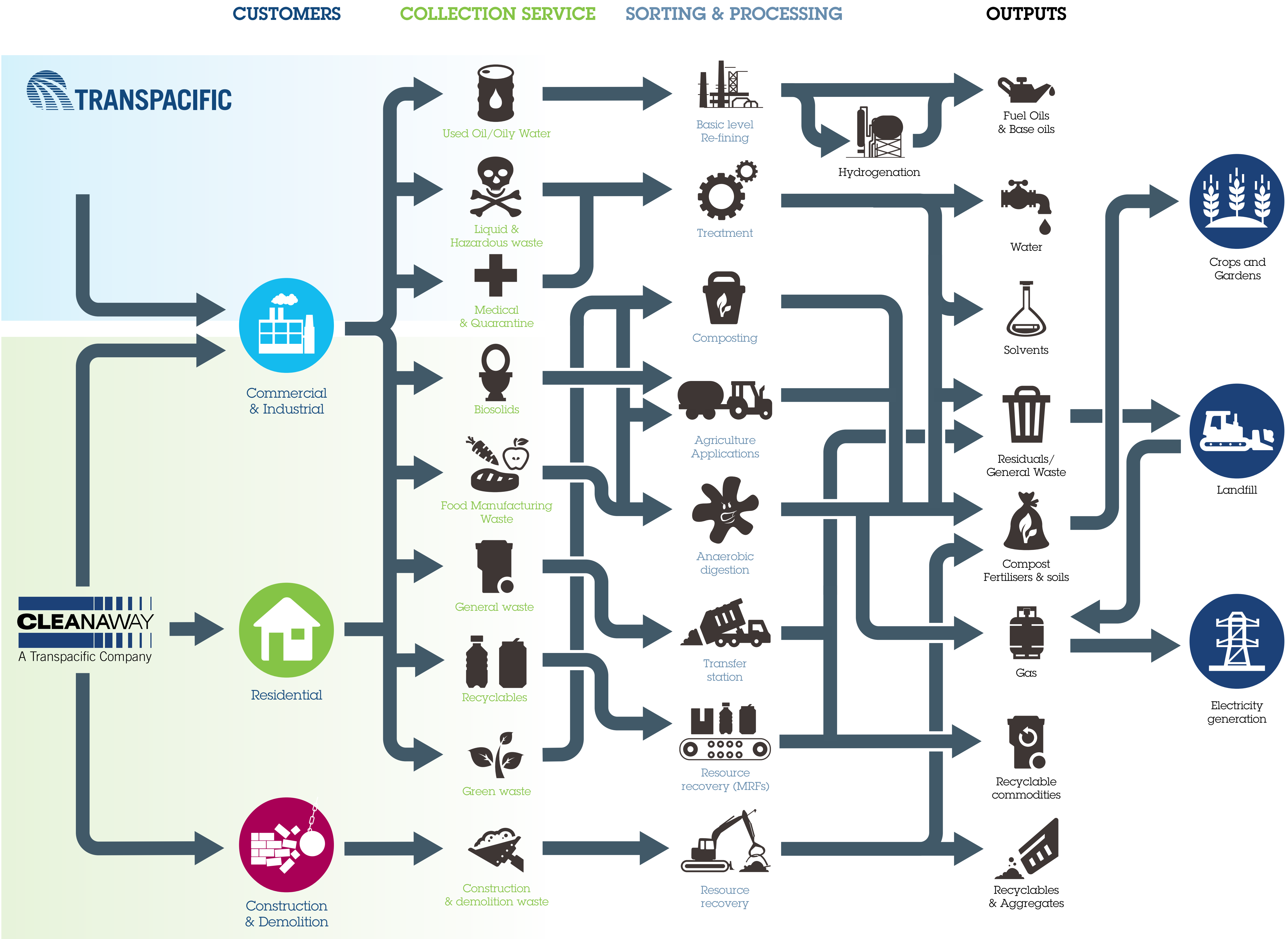
TABLE OF CONTENTS

WE STRIVE TOWARDS A CULTURE IN WHICH SAFETY IS INGRAINED INTO OUR EVERYDAY WORK AT EVERY LEVEL OF THE BUSINESS

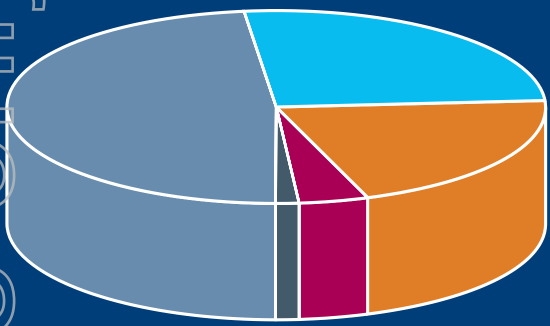
IMPROVING OUR PRODUCTIVITY BY ENSURING BEST PRACTICE IS IMPLEMENTED ACROSS ALL OUR BUSINESSES

BUSINESS OVERVIEW

Transpacific is Australia's leading waste management company, operating a national network of unique collection, processing, treatment and landfill assets from over 200 locations across Australia. Our philosophy is that all waste is a resource and we aim to incorporate recovery, recycling and reuse throughout our operations and those of our clients. We are strongly committed to the safe and responsible management of waste, regulatory compliance, and the protection and enhancement of the environment.



FINANCIAL HIGHLIGHTS



REVENUE $1,888.6 M

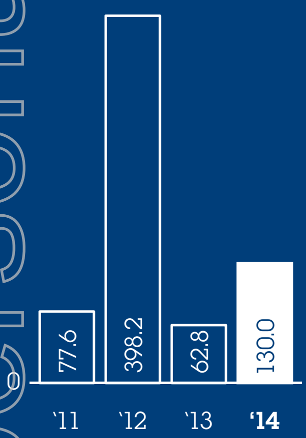
- CLEANAWAY $911.8 M
- INDUSTRIALS $485.0 M
- NEW ZEALAND $390.3 M
- COMMERCIAL VEHICLES $75.7 M
- OTHER $25.8 M

DIVIDENDS PER SHARE

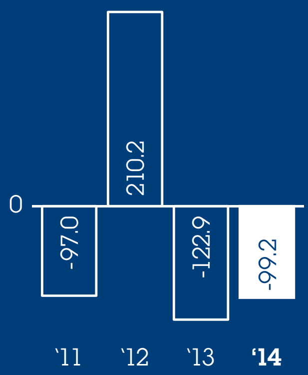
2014	1.5 C
2013	NIL

STATUTORY RESULTS

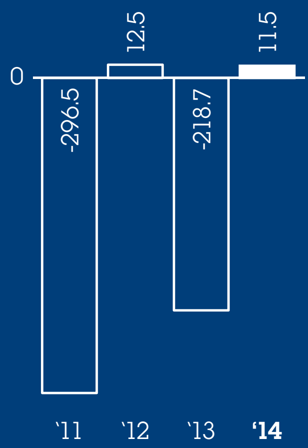
EBITDA ($M)



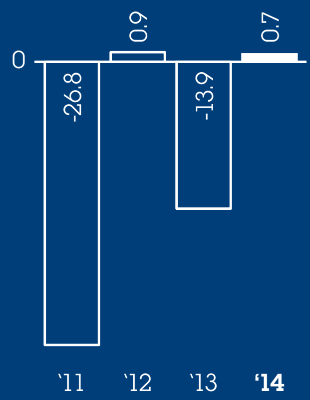
EBIT ($M)



NPAT ($M)



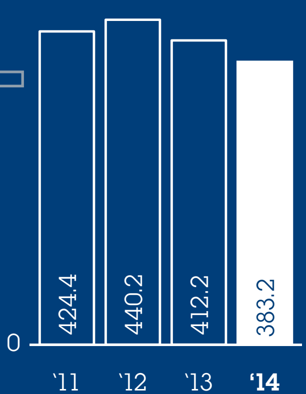
EPS (CPS)



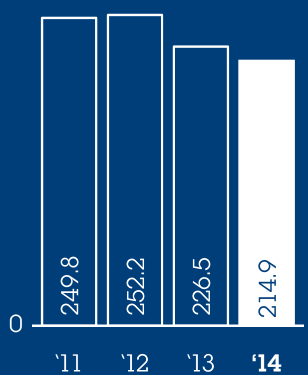
UNDERLYING RESULTS

Included in the Statutory Results are certain items which, in the Directors' view, should be excluded to show a result more reflective of ongoing operations. A reconciliation of Statutory to Underlying Results is set out on pages 34 and 35 in the Directors' Report.

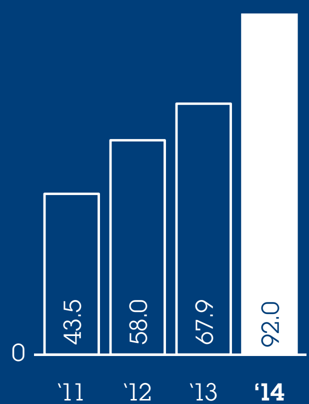
EBITDA ($M)



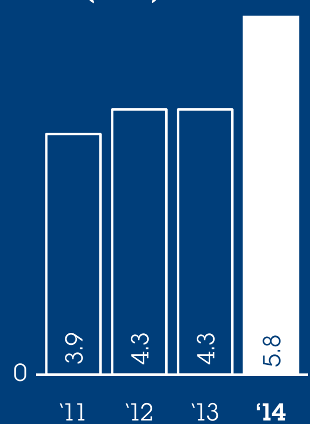
EBIT ($M)



NPAT ($M)



EPS (CPS)



CHAIRMAN'S REPORT

MARTIN HUDSON

Dear Shareholders,

It gives me pleasure to present to you the Transpacific Industries Group Limited 2014 Annual Report.

Throughout FY14 the health and safety of our people has remained a key focus of your Board and Management. On top of last year's 47% reduction in Total Recordable Injury Frequency Rate (TRIFR), I am pleased to report to you that in the past year our TRIFR has further reduced by 33%. A number of our operations achieved records regarding the time since reporting a lost time injury such as our Energy, Minerals and Remediation team in Whyalla, SA who achieved five years without a lost time injury. This is an excellent result and highlights the commitments we are making to create a zero harm work environment.

Sadly, however, we experienced a terrible tragedy in Adelaide during August 2014 involving one of our waste collection trucks. Two people lost their lives in that accident and two more were seriously injured, including the driver of our truck. Our thoughts and prayers are with the families and loved ones of the victims of this terrible accident.

The day after the accident, we took the decision to voluntarily ground our entire fleet across Australia to have them fully assessed and our driver training systems independently audited. All our waste services returned to normal within two weeks and I do want to thank all of our employees who put in a tremendous effort, day and night, to achieve this outcome.

Turning now to the FY14 results, trading conditions in the Australian market remained difficult, particularly in the mining, manufacturing and industrial sectors. The Australian and New Zealand waste management businesses reported revenues in line with last year however total group revenues declined 17.7% to $1,888.6 million due predominantly to the sale of our Commercial Vehicles business in August 2013.

Within our FY14 result we have addressed the significant matter of our long-term provisioning for landfill remediation and also allocated additional funding to tackle rectification at a range of landfill sites.

Statutory profit after tax attributable to ordinary shareholders was $11.5 million. This profit was impacted by a number of significant items totalling $80.5 million loss after tax, with the major component being a $189 million after tax charge related to landfill rectification and remediation provisions. However, these losses were mainly offset by the gains on the sale of the Commercial Vehicles and New Zealand businesses. Excluding these and other items, which in the Directors' view should be excluded to provide a result which is more closely aligned with the operations of the Company, underlying net profit after income tax attributable to ordinary equity holders was $92.0 million, a 35% increase over the previous corresponding period.

The Board now has the confidence to return to paying dividends as can be seen from the 1.5 cents per share fully franked dividend that will be paid on 8 October 2014. Our intention is to pay a regular dividend of 50 – 75% of underlying net profit after tax[1].

At last year's Annual General Meeting I spoke of the process the Company was engaged in to bring greater focus and efficiency to our operations and improving our financial performance. The core of this process was (and is) to establish a solid foundation to drive the Company's growth in the Australian market. Key to this was the need to strengthen the balance sheet of the Company.

With the sale of the New Zealand business for $885 million (June 2014), the sale of Commercial Vehicles business for $219 million (August 2013), and the disposal of a number of other non-core businesses during the year, over $1,136 million was realised. From a net debt position of $977.5 million last year, the Company had a net cash position of $136.7 million at 30 June 2014. This will allow us to redeem the $250 million in Step-up Preference Securities on issue at 30 September 2014.

[1] Total dividend for each financial year to be in the range of between 50% and 75% of underlying NPAT (after Step-Up Preference Securities distribution obligations have been met), taking into consideration the quantum of earnings for the period, future capital investment plans, and other factors such as the outlook for the business.

The Company has finalised a new $400 million syndicated debt facility, with improved pricing that reflects our enhanced credit profile, and increasing our weighted average debt maturity at 1 July 2014 from 1.9 years to 4.3 years.

We now have a balance sheet that enables us, with confidence, to assess a number of potential opportunities aimed at further strengthening your Company and maintaining its leadership in the waste management industry in Australia.

An essential element in achieving our overall aims has been the appointment of Bob Boucher as CEO in November 2013. Bob is a 25 year veteran of the waste management industry and prior to joining us was Executive Vice President of Operations for Republic Services, Inc. one of the largest non-hazardous solid waste companies in the United States.

At the time of his appointment the Board gave Bob a clear mandate to deliver a strengthened balance sheet and a renewed operational leadership team. In his relatively short time with the Company, Bob has already shown how effective he is as a leader. He is driving significant improvements in our operational performance as well as leading our pursuit of a number of growth initiatives.

In early 2014 Transpacific released its first Sustainability Report, providing our stakeholders with information about our sustainability initiatives, activities and efforts over the 2013 financial year. The Board and Management are committed to building a sustainable business and providing our customers and suppliers with sustainable solutions for their waste and recycling management needs. To this end, we have included in this Report (see pages 10 to 15) a snapshot of our sustainability initiatives and achievements for the 2014 financial year across the key areas of economic, environment, community and culture.

Transpacific services a large number of communities in Australia and the importance of being a responsible corporate citizen cannot be underestimated. During this past year for example, the Company undertook a range of activities to engage and build relationships with local communities including opening a Community Information Centre at our New Chum landfill in Queensland to educate the public on our operations there, holding community meetings and providing dedicated programs for community education.

Jeff Goldfaden, Warburg Pincus' nominee director, resigned following the sale of their shareholding in November 2013. Jeff provided valued input during his time on the Board and I would like to thank him for his contribution. It would be remiss of me not to acknowledge the important stabilising influence brought to the Company by Warburg Pincus in their time as our major shareholder.

In May 2014 Philippe Etienne was welcomed as a Director. Philippe brings to the Board a wealth of experience in developing and implementing business defining strategies and further strengthens the skills base of the Board.

I would like to thank my Board colleagues for their efforts and support during the year.

Finally, I would like to thank the management team and the Company's employees for their efforts during the past year. A considerable amount of work implementing a number of important initiatives has been done this year but there is more to be done as we strive to continue improving the operational performance of the Company and, with that, value to our customers and shareholders. I am confident that we have the team in place to deliver on this aim.

CEO'S REPORT
ROBERT BOUCHER

Dear Shareholders,

It is a pleasure to report to you for the first time as your CEO on the operational performance and strategic goals of Transpacific. The past financial year has been quite an eventful one for the Company.

As the Chairman highlighted in his report, I was appointed CEO in November 2013 with a strong mandate from the Board to address our balance sheet, renew our operational leadership team, and put in place a clear and executable strategy to get Transpacific back to growth.

I am pleased to report that, over the past ten months we have made excellent progress on each of these areas, and I will deal with them in greater detail within this report.

I have spent considerable time getting to know our operations and importantly, the people that drive our business 365 days of the year. I could best describe this past year as one where we are resetting our foundations, starting with being clear about what is important to us – our people, customers and growing the business in a profitable and sustainable way.

Firstly, I would like to highlight the importance of safety.

We work in an industry of manpower and machines that service customers in sometimes quite hazardous environments. We must strive towards a culture in which safety is ingrained into our everyday work at every level of the business.

This safety culture is starting to show some positive results with our TRIFR falling from 15.5 to 10.4 and a number of our locations achieving record levels of injury free periods. However, we cannot be satisfied with this improvement and will continue to work towards a zero harm environment.

I need to deal here with the tragic accident we experienced in Adelaide this August which took two lives and caused serious injuries to others. Nothing can replace the loss of those loved ones for the families involved, but we are committed to supporting them in facing their loss.

We took the decision to ground our fleet in light of the accident so that we could assure our people, customers, the communities we serve and our shareholders that our trucks were safe. All of the heavy vehicles in our fleet underwent a rigorous inspection and re-certification process. We also took the opportunity to reinforce safety training with all of our drivers.

I want to thank our team for the way they responded to this major crisis and worked tirelessly to get the fleet checked and back into operation, serving customers as quickly as possible. It was a major effort and the best of our team culture really shone through.

I would also like to thank our customers and the local communities we serve for their patience and understanding during the grounding. It was a tough but necessary decision to make, and they backed our decision and worked with us to minimise disruption. We were also really grateful for the way our industry peers and local councils stepped up and helped with priority collections during the grounding.

Turning now to our financial results, I can report that Transpacific delivered an underlying net profit after tax of $92.0 million, an increase of 35% on last year. Underlying EBIT of $214.9 million was down 5.1% on last year. Whilst the Underlying EBIT result was reflective of difficult trading conditions in the Australian market, especially in the manufacturing and industrial sectors, they were still far from satisfactory, especially in our Cleanaway business.

The Cleanaway business reported a 1.4% decline in revenues and a 2.3% decline in EBITDA compared to the prior year.

Front lift collection volumes in the Commercial & Industrial business were down over 1% for the year reflecting both general weakness in the economy and some loss of market share. Rear and skip lifts were up 8.1%.

Municipal revenues were down 1.0% on last year, as the business focuses on higher margin contracts. In 2014, 20 contracts were won or renewed at improved margins, and the contract pipeline remains strong.

Post collection revenues were down 7.6%, with volumes down 10% due to competitive market conditions in NSW and delays in cell construction impacting Queensland and Victorian landfill volumes. This year we have also taken the responsible step of addressing our landfill remediation provisioning issues, as well as providing enough funding to take us to best practice going forward, based on the operational expertise we now possess within the Company and the advice of external experts with deep industry knowledge.

I am confident we now have the right experience and skills within the company to manage our landfill remediation obligations appropriately moving forward.

We have made a number of changes to the management team and structure at Cleanaway and have implemented a series of initiatives aimed at revenue growth, increased landfill internalisation and productivity. These changes will take 18-24 months to fully implement but I am confident that we will start to see some benefits flowing from those initiatives in FY15.

The Industrials business did experience difficult market conditions as activity levels in the manufacturing and industrial sectors declined, numerous announcements regarding closure of

manufacturing capacity in Australia and subdued mining sector demand.

The Technical Services business, which collects, processes and recycles all forms of liquid waste, experienced significant volume declines, especially in the high margin hazardous liquids market. The Energy, Minerals and Remediation business did see a slight improvement in shut down work however, emergency response work was again low. Our Hydrocarbons business saw an increase in the competitive landscape in Australia as additional refining capacity was deployed.

The New Zealand business reported growth in both revenues and earnings during the past year. Activity levels in the important markets of Auckland and Christchurch increased and the business was well positioned to take advantage of this.

As I mentioned earlier, this has been an eventful year for Transpacific. We have significantly strengthened our balance sheet and at balance date had net cash of $136.7 million compared to a net debt of $977.5 million last year. We have achieved this result through the sale of our Commercial Vehicles business for $219 million, the sale of the New Zealand business for $885 million and the sale or closure of 39 non-core or loss making businesses.

It has also allowed Transpacific the ability to pay shareholder's a dividend for the first time since 2008. This is a clear sign of confidence from the Board that they believe we are on the path to sustainable growth.

These asset sales allow us to focus on the Australian waste management market and the financial flexibility we now have allows us to invest in our Cleanaway and Industrials businesses to achieve higher levels of shareholder returns.

The Business and Operational Review that was conducted last year and the work we have undertaken this year have highlighted a number of areas where our operational performance, position in the markets we service and margins can be improved. Effectively, these can be distilled down to four major strategic elements.

Firstly, growing our revenues, particularly in the Cleanaway Commercial & Industrials area where we have lost market share over the past few years and have not taken full advantage of revenue growth opportunities available to us. To do this we have instigated a new sales and marketing initiative targeted at reversing our market share decline and increasing the number of units collected on a daily basis. The new program will be rolled out across all major metropolitan markets this financial year and I look forward to reporting to you on our successes in the future.

Secondly, growing our landfill presence. Currently our landfill positions, particularly on the East Coast of Australia, are not at a level that will allow us to achieve profitable growth into the future.

A number of our landfills are reaching the end of their useful lives and it is important that we replace this capacity. It is also important that we increase our internalisation rate (meaning that we increase the amount of waste we collect that is disposed into our own landfills).

A successful execution of this strategy will result in increased margins and profitable growth.

Thirdly, improving our productivity by ensuring best practice is implemented across all our businesses, improving both fleet and labour utilisation and reducing our back office costs.

Finally, implementing a series of what I like to refer to as "tuck-in" acquisitions. These types of small acquisitions, targeted at where we currently have the route infrastructure in place, allow us to improve route efficiencies and increase margins. We are currently assessing a number of opportunities in this area.

To execute upon these initiatives and achieve profitable growth I have made a number of changes to my executive team. During the year Mr Jack Perko was appointed as Managing Director of Cleanaway, Ms Trish Unwin as Executive General Manager People, Environment and Reputation, Mr Mark Crawford as Executive General Manager Enterprise Operations and Mr Dan Last as General Counsel and Company Secretary. Together with Mr Stewart Cummins, Chief Financial Officer, and Mr Tony Roderick, Managing Director of Industrials, I am confident that I have the right team in place to make the necessary changes and implement our strategies. Further details of the executive team can be seen on pages 18 and 19 of the report.

Finally, I would like to thank the Board and all our employees for their efforts and support during this past year and I am looking forward to reporting on our successes to shareholders in the future.

CLEANAWAY REPORT

CLEANAWAY IS THE LEADING OPERATOR IN THE SOLID WASTE SECTOR IN AUSTRALIA. SERVICES PROVIDED INCLUDE

> Collections – commercial and industrial ("C&I"), municipal and residential collection services for all types of solid waste streams, including general waste, recyclables, construction and demolition waste and medical and washroom services.

> Post Collections – ownership and management of waste transfer stations, resource recovery and recycling facilities, secure product destruction, quarantine treatment operations and landfills.

> Commodities trading – sale of recovered paper, cardboard, metals and plastics to the domestic and international marketplace.

OVERALL PERFORMANCE

Market conditions remained quite subdued for the Cleanaway business in the 2014 financial year as general economic conditions impacted upon collection and post collection volumes.

Cleanaway revenues decreased 1.4% to $911.8 million as increases in Collections revenues were offset by lower volumes of waste processed through the Post Collections business. Underlying EBITDA decreased 2.3% to $189.8 million.

COLLECTIONS

Collections revenue and EBITDA contribution performance this year was driven by an 8.1% increase in rear and skip lift volumes in the Commercial & Industrial business, and average collections pricing up 3.3% on the prior year. Municipal revenues were down slightly, however EBITDA margins have improved with the business focusing on securing higher margin contracts. Commodity volumes were up 2.6%, with average prices up 22% on the prior year.

During 2014 Cleanaway was successful in winning or renewing 20 municipal waste collection contracts. This included renewal of the City of Greater Geelong contract, where 29 new vehicles will collect waste, recyclables and organics for close to 100,000 householders along with businesses in the area. By working collaboratively with the Council, Cleanaway will assist the City of Greater Geelong to meet its waste and recycling management goals, with over 2,477 tonnes of recyclables and 3,493 tonnes of organics being diverted from landfill each month.

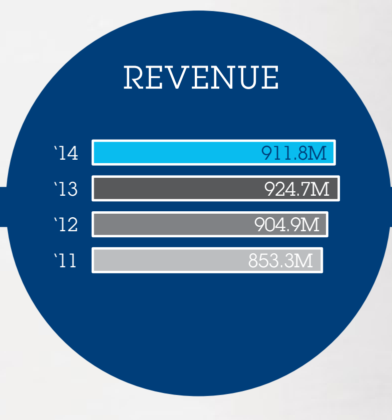
POST COLLECTIONS

Post Collections results were impacted by a reduction in volumes of 10% on the prior year. This was due to delays in the construction of landfill cells at the Queensland and Victorian landfills, and competitive market conditions in NSW. However volumes at our Western Australian landfill were up strongly as new contracts were secured.

MARKET REVIEW AND PRIORITIES

Market conditions for the 2015 financial year are not expected to vary materially from the 2014 financial year.

Cleanaway's main priorities will revolve around new sales and marketing initiatives targeted at improving market share, and increasing the level of collection volumes being disposed of in our own landfills. There are also a number of opportunities currently being assessed to improve our landfill capacity.




CLEANAWAY
A Transpacific Company
SL00950
EBITDA* ($M)
'14 189.8
'13 194.2
'12 203.8
'11 200.4
EBIT* ($M)
'14 98.8
'13 92.4
'12 110.1
'11 108.2
* Underlying

INDUSTRIALS REPORT

INDUSTRIALS IS THE LEADING OPERATOR IN THE AREAS OF:

- Technical Services – collection, treatment, processing and recycling of liquid and hazardous waste.
- Energy, Minerals and Remediation – services include industrial cleaning, vacuum tanker loading, site remediation, sludge management, parts washing, concrete remediation, CCTV, corrosion protection and emergency response services.
- Hydrocarbons – refining and recycling of used mineral oils to produce fuel oils and base oils.

OVERALL PERFORMANCE

The Industrials businesses experienced difficult market and trading conditions in the 2014 financial year.

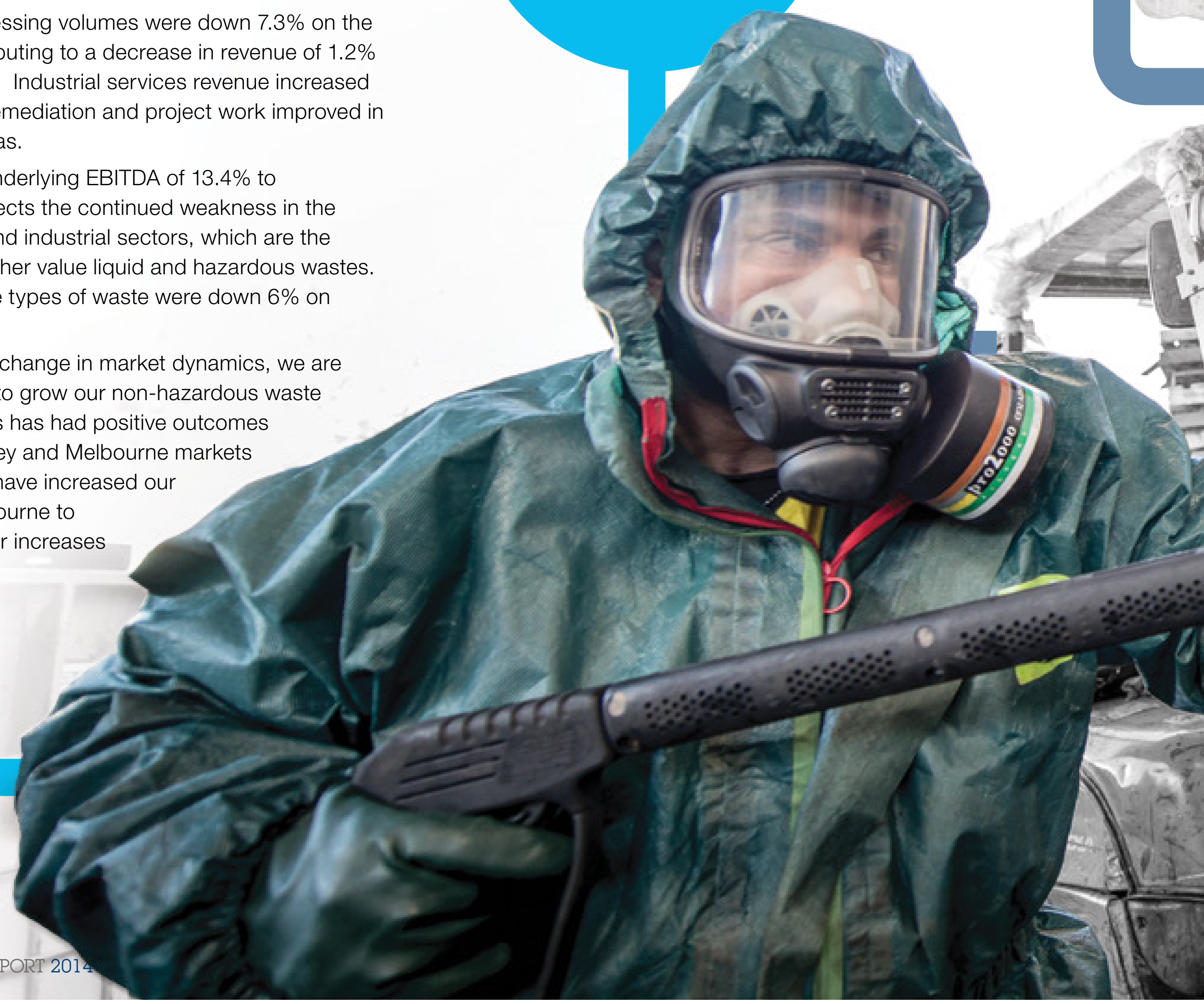
Revenues declined by 7.4% to $485.0 million, impacted by weak economic conditions and increased competition in the Hydrocarbons business. Underlying EBITDA decreased 16.1% to $90.1 million.

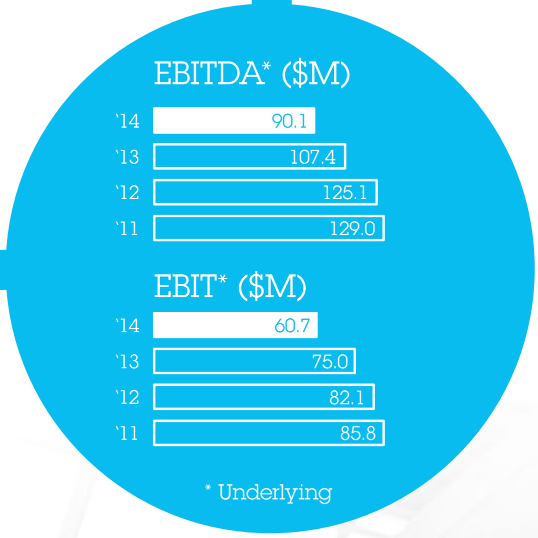
TECHNICAL SERVICES

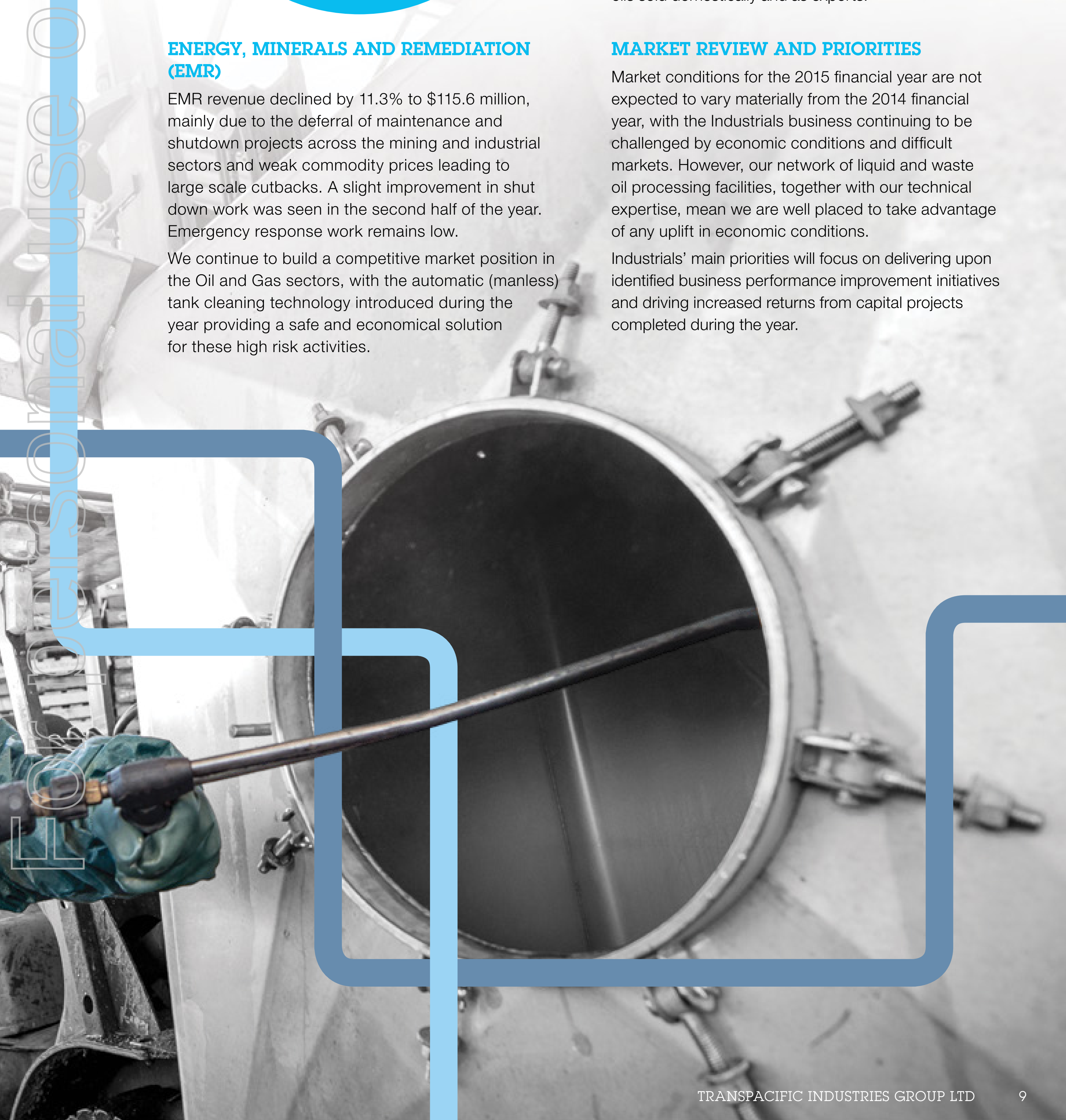
Total liquid processing volumes were down 7.3% on the prior year, contributing to a decrease in revenue of 1.2% to $218.9 million. Industrial services revenue increased as demand for remediation and project work improved in metropolitan areas.

A reduction in Underlying EBITDA of 13.4% to $34.4 million reflects the continued weakness in the manufacturing and industrial sectors, which are the generators of higher value liquid and hazardous wastes. Volumes of these types of waste were down 6% on the prior year.

Recognising the change in market dynamics, we are actively seeking to grow our non-hazardous waste businesses. This has had positive outcomes in both the Sydney and Melbourne markets to date, and we have increased our capacity in Melbourne to accommodate for increases in volume.







Billy Emmanouilidis, a Hazmat trained technician, decontaminating a dangerous goods storage vessel for a customer at our Technical Services Glendenning NSW site.

ENERGY, MINERALS AND REMEDIATION (EMR)

EMR revenue declined by 11.3% to $115.6 million, mainly due to the deferral of maintenance and shutdown projects across the mining and industrial sectors and weak commodity prices leading to large scale cutbacks. A slight improvement in shut down work was seen in the second half of the year. Emergency response work remains low.

We continue to build a competitive market position in the Oil and Gas sectors, with the automatic (manless) tank cleaning technology introduced during the year providing a safe and economical solution for these high risk activities.

HYDROCARBONS

Hydrocarbons revenue declined by 12.3% to $150.5 million, with underlying EBITDA decreasing by 23.1% to $39.0 million. An increase in waste oil refining capacity in the market contributed to a decline in collection volumes of 4.1%. Pricing was also impacted by higher competition for waste oil and a change in the market price of fuel and base oils sold domestically and as exports.

MARKET REVIEW AND PRIORITIES

Market conditions for the 2015 financial year are not expected to vary materially from the 2014 financial year, with the Industrials business continuing to be challenged by economic conditions and difficult markets. However, our network of liquid and waste oil processing facilities, together with our technical expertise, mean we are well placed to take advantage of any uplift in economic conditions.

Industrials' main priorities will focus on delivering upon identified business performance improvement initiatives and driving increased returns from capital projects completed during the year.

SUSTAINABILITY AT TRANSPACIFIC

AT TRANSPACIFIC, WE BELIEVE SUSTAINABILITY IS ABOUT ENSURING THE FUTURE PROSPERITY OF OUR COMPANY, THROUGH UNDERSTANDING OUR IMPACTS AND MANAGING THE RISKS AND OPPORTUNITIES THAT COME FROM ECONOMIC, SOCIAL AND ENVIRONMENTAL DEVELOPMENTS.

Broadly, these areas define our sustainability values: providing a strong shareholder return, connecting with communities, minimising our impacts on the environment and building a safe and engaging workplace culture for our people.

We are at the start of our sustainability journey. Our immediate challenge is to embed our sustainability values into the strategic priorities of the business in a way that aligns with our company's overall corporate responsibilities. As a starting point, we are working at clarifying the material issues core to our sustainability approach. To this end, this year we engaged sustainability consultants Net Balance to undertake an independent materiality assessment to determine the key issues and areas of focus that are important to our key stakeholders.

The work undertaken so far with the materiality assessment and the release of our first Sustainability Report last year using the Global Reporting Initiative guidelines, has been a positive step in demonstrating Transpacific's efforts and providing a benchmark for future performance. The outcomes of the materiality assessment has informed the content of this report and will form the basis upon which we build our formal sustainability strategy.

OUR FOUR SUSTAINABILITY VALUES

ECONOMIC

CONNECTING WITH COMMUNITIES

MINIMISING ENVIRONMENTAL IMPACTS

PEOPLE AND CULTURE

CONNECTING WITH COMMUNITIES

WE SEEK TO BE A VALUED MEMBER OF THE COMMUNITIES IN WHICH WE OPERATE. ENGAGING OPENLY WITH LOCAL COMMUNITIES, GOVERNMENTS AND OTHER KEY STAKEHOLDERS, WE WORK HARD TO BUILD CONSTRUCTIVE AND TRUSTING RELATIONSHIPS WITH RESIDENTS AND STAKEHOLDERS ACROSS OUR OPERATIONS NATIONALLY.

Paul Kristensen, Environmental and Technical Manager, undertaking environmental monitoring at our landfill facility in New Chum Qld.

PEOPLE & CULTURE

WE ARE COMMITTED TO CREATING A WORKPLACE CULTURE WHERE OUR PEOPLE – AND THEREFORE OUR BUSINESS – CAN THRIVE. OUR GOAL IS TO MAKE TRANSPACIFIC A GREAT PLACE TO WORK – A PLACE WHERE EACH EMPLOYEE FEELS VALUED, RESPECTED AND SAFE, CONTRIBUTES MEANINGFUL WORK, AND IS SUPPORTED TO PERFORM AT THEIR BEST.

MINIMISING ENVIRONMENTAL IMPACTS

AS A LEADING PROVIDER OF WASTE SERVICES, WE SEEK TO MITIGATE THE ENVIRONMENTAL IMPACTS OF OUR OPERATIONS AND TO ENHANCE POSITIVE OPPORTUNITIES THROUGH PARTNERING WITH CUSTOMERS, SUPPLIERS AND THE COMMUNITY.

ECONOMIC

OUR CORPORATE PRIORITIES ARE TO DELIVER SHAREHOLDER VALUE THROUGH STRONG MARKET PERFORMANCE, WORKING WITH INDUSTRY PARTNERS AND SERVICING CUSTOMER NEEDS.

CREATING AN ENDURING SAFETY CULTURE

The health, safety and welfare of our people is our first and foremost consideration. Our Zero Harm goal reflects our belief that every employee must return home each day in the same condition they arrived for work.

Over the past few years, we have made significant improvements in our overall safety performance. Transpacific's Total Recordable Incident Frequency Rate (TRIFR) improved 34% on last year, reducing to 10.4. While we are pleased with this progress, we are now placing greater emphasis on engaging employees to create an enduring safety culture; one that goes beyond process and compliance to driving leadership, behaviours and accountability.

An enduring safety culture is one where safety is ingrained in every day work at all levels of the organisation – from drivers and operators to senior managers. It is about demonstrating safe behaviours, leadership and individual responsibility. Management commitment and empowerment to call out unsafe acts in the workplace is also fundamental. To describe this culture and the commitment from Senior Management, Transpacific launched the "Get a Grip on Safety" campaign in June this year.

"Get a Grip" means taking control of one's own actions, individual responsibility, and understanding the risks and the processes to complete work safely.

Throughout the year, we also made a number of system improvements including:

> Revising the Health, Safety and Environment (HSE) Management Standards;

> Simplifying the HSE Management System and improving access to it via the new Safety and Sustainability Portal;

> Developing a comprehensive Safety and Sustainability Plan;

> Sharing safety knowledge through Safety Positives and Hazard Alerts; and

> Increased visibility through the development of risk-specific poster campaigns and competitions to communicate expected behaviours and engaging our people at a site level.

Looking forward to FY15, we will continue to engage our people at all levels of the business with a view to creating an enduring safety culture and a team of safe, enthusiastic and positive people.

PEOPLE & CULTURE

4,200 EMPLOYEES ACROSS AUSTRALIA

136 GRADUATED FROM LEADERSHIP DEVELOPMENT PROGRAMS

85 FEMALE EMPLOYEES ACROSS VIC, NSW, QLD & WA PARTICIPATED IN THE 'MY MENTOR' PROGRAM SAFETY

TOTAL RECORDABLE INJURY FREQUENCY RATE 10.4 TARGET 10.9

34% REDUCTION ON LAST YEAR

12 SITES CELEBRATED LTI FREE MILESTONES

Cecilia Hanlon and Tanille Carruthers measuring base oil water content at our Hydrogenation Plant in Rutherford NSW.

CONNECTING WITH COMMUNITIES

PARTICIPATED IN 13 COMMUNITY MEETINGS RELATING TO 4 TRANSPACIFIC SITES

OPEN DAYS HELD AT TRANSPACIFIC SITES

CLEANAWAY EDUCATION PROGRAM PARTICIPANTS:
- OVER 16,000 STUDENTS IN NSW
- OVER 9,000 IN QUEENSLAND

21 STUDENTS CURRENTLY ENROLLED IN THE GENR8 PROGRAM

EDUCATING THE COMMUNITY

Our objective is to engage, listen and respond to the community in an open, honest and collaborative manner. We undertake a range of activities to engage and build relationships with local communities including the delivery of community newsletters, the development of community webpages, holding community meetings and providing dedicated programs for community education.

KNOW WASTE

In New South Wales, Transpacific has a dedicated Education team offering waste and recycling education learning through the kNOw Waste Program. Aiming to improve participants' knowledge in relation to waste and recycling issues, develop environmental values and encourage positive long-term environmental behaviours, we offer this program to Preschools, Primary and Secondary Schools and community groups, in partnership with local councils across metropolitan Sydney. In FY14, more than 16,000 students and over 400 community members participated in the kNOw Waste Program.

COMMUNITY INFORMATION CENTRES

Transpacific has a number of Community Information Centres located in Victoria, Queensland, Western Australia and the Northern Territory. Open to the public, the centres provide in-depth information on key parts of our operations such as landfill and transfer station operations; green organics processing; remediation and rehabilitation works; fact sheets on recycling and how to reduce waste to landfill. Our centres also host our waste and education programs for local students and resident groups.

GENR8

Transpacific supports the GenR8 initiative, a structured 20-week work placement program within the transport, logistics and supply chain industry in Queensland. Offered to Year 12 students keen to gain firsthand experience of industry work, students receive a nationally recognised qualification on completion. The GenR8 program provides students with the opportunity to learn about the waste management industry with placements across both Cleanaway and Industrials. We also have six students placed with our corporate office in Milton learning about corporate functions. This is the second year of our participation with a growing number of regions in Queensland.

Rebecca Evered, Senior Education Officer Sydney NSW, delivering waste education to high school students.

CARBON MANAGEMENT
PROGRESS AGAINST OUR STRATEGY

Transpacific follows internationally recognised Carbon Management Principles to manage our emissions profile. Understanding that carbon emissions present material impacts to our stakeholders, our carbon management strategy uses a range of programs and technologies and is an important part of the broader sustainability framework.

Through FY14, we made good progress against objectives and goals set in 2011 to minimise emissions from the Company's owned and managed landfills.

Transpacific has measured scope 1 and scope 2 emissions since 2009, through participation in the National Greenhouse and Energy Reporting program. There are a number of challenges in measuring landfill emissions, such as: the release of landfill emissions over a number of decades; the inability to directly measure fugitive emissions from landfill; and uncertainty around the NGER's methodology.

Total carbon emissions across our business have been trending down since 2011 through avoidance, reduction and switching.

AVOIDANCE

Increased focus on maximising recycled volumes, thus diverting waste from landfill and avoiding those emissions.

Administrative changes and the reclassification of wastes under amended NGER's determination have contributed to the downward trend in emissions.

REDUCTION

We have reduced carbon emissions through a number of measures, including:

> The installation, expansion and optimisation of landfill gas recovery systems across 12 landfill sites;

> Increased energy production from recovered gas and exploration of the use of waste as an alternate fuel; and

> The trial of equipment with hybrid technology, the use of GPS in equipment to maximise efficiency and the use of drones to conduct aerial surveys instead of high-fuel aircraft.

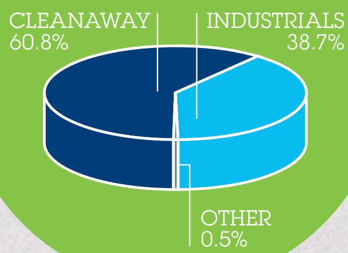
MINIMISING ENVIRONMENTAL IMPACTS

2013 NET ENERGY CONSUMPTION WAS 3.3 MILLION GJ
2014 NET ENERGY CONSUMPTION REDUCED TO 2.6 MILLION GJ

FY14 TOTAL EMISSIONS: 585,106 TONNES OF CO2E[1]

13% LOWER EMISSIONS REPORTED IN FY14

2014 NET ENERGY CONSUMPTION



SWITCHING

Switching to renewable resources has also been a key strategy over the past year. We have trialled collection vehicles fuelled by landfill gas and investigated the possibility of a collection fleet with dual fuel systems. Solar panels and wind turbines installed at remote sites have also reduced the use of diesel generators.

	2011 - BASELINE	2014 - CURRENT	2015 - TARGET
Landfills owned	15	15	15
Landfill Gas Flaring	6	5	6
Pilot Systems	2	0	1
Landfill Gas Testing	1	0	0
Energy Recovery[2]	6	8	9
CFI/ERF Credits	0	1[3]	4

[1] Total Scope 1 and Scope 2 Emissions

[2] From Landfill Gas Flaring

[3] Third Party

BOARD OF DIRECTORS

MARTIN HUDSON

Independent Non-Executive Director since 14 September 2009

Appointed Chairman in March 2013

Non-Executive Director of CNPR Limited (appointed December 2011). Former Non-Executive Director of NM Superannuation Pty Ltd (the Trustee of Axa Asia Pacific Holdings Limited's public superannuation funds) and AMP Superannuation Ltd (the Trustee of AMP's public superannuation fund) – resigned June 2014.

Significant board and commercial experience in risk management, executive leadership, governance and strategic direction derived from various roles at Fosters Group Limited (Senior Vice President Commercial Affairs and Chief Legal Counsel), and Southcorp Limited (Company Secretary and Chief General Counsel), as General Counsel to the Pacific Dunlop Group of Companies, and for over 20 years, partner of national law firm Herbert Smith Freehills.

Holds tertiary qualifications in law. Member of the Australian Institute of Company Directors.

ROBERT BOUCHER JR

Executive Director and Chief Executive Officer

Executive Director (appointed 18 December 2013) and Chief Executive Officer (appointed 13 November 2013)

Extensive experience across a range of operational, senior and executive management roles, gained in some of the United States' leading waste businesses.

Previously Executive Vice President of Operations for Republic Services, Inc., a leader in the US non-hazardous solid waste industry. Prior to that he was President and CEO of Synagro Technologies, Inc., America's largest recycler of organic residuals for water and wastewater management.

RAY SMITH

Chairman of the Audit and Risk Committee

Member of the Remuneration and Nomination Committee

Independent Non-Executive Director since 1 April 2011.

Non-Executive Director of Crowe Horwath Australasia Limited (appointed May 2009), K&S Corporation Ltd (appointed February 2008). Former Director of Warrnambool Cheese and Butter Factory Company Holdings Limited (resigned May 2014), and Willmott Forests Limited (resigned March 2011). Trustee of the Melbourne & Olympic Parks Trust.

Significant corporate and financial experience in the areas of strategy, acquisitions, treasury and capital raisings, and was Chief Financial Officer of Smorgon Steel Group for 11 years.

Holds tertiary qualifications in Commerce. Fellow of CPA Australia and Fellow of the Australian Institute of Company Directors.

EMMA STEIN

Member of the Audit and Risk Committee

Member of the Health, Safety and Environment Committee

Independent Non-Executive Director since 1 August 2011.

Non-Executive Director of DUET Group (appointed June 2004), Programmed Maintenance Services Ltd (appointed June 2010) and Alumina Limited (appointed February 2011). Former Non-Executive Director of Transfield Services Infrastructure Fund (resigned July 2011) and Clough Limited (resigned December 2013).

Significant corporate experience within industrial markets and was the UK Managing Director for French utility Gaz de France's energy retailing operations.

Holds tertiary qualifications in Science and Business Administration (MBA). Fellow of the Australian Institute of Company Directors.

TERRY SINCLAIR

Member of the Audit and Risk Committee

Member of the Remuneration and Nomination Committee

Independent Non-Executive Director since 1 April 2012.

Chairman of Marrakech Road Pty Ltd and Advisor-Australasia, P3 Global Management Inc.

Previously Managing Director of Service Stream Limited (resigned May 2014) and Chairman of AUX Investments (jointly owned by Qantas and Australia Post), which is the Parent Company for Star Track Express and Australian Air Express; and Head of Corporate Development at Australia Post.

Career includes senior leadership roles across the resources, industrials, logistics and communications sectors with BHP and Australia Post.

Holds a Master of Business Administration (MBA), a Graduate Diploma of Management and tertiary qualifications in mining surveying. Member of the Australian Institute of Company Directors.

MIKE HARDING

Chairman of the Remuneration and Nomination Committee

Member of the Health, Safety and Environment Committee

Independent Non-Executive Director since 1 March 2013.

Chairman of Downer EDI Limited (appointed November 2010), and Roc Oil Company Limited (appointed December 2013). Former Director of Santos Limited (resigned May 2014) and Clough Limited (resigned 2010).

Significant experience with industrial businesses, having previously held management positions around the world with British Petroleum (BP), including President and General Manager of BP Exploration Australia.

Holds a Masters in Science, majoring in Mechanical Engineering.

MARK CHELLEW

Chairman of the Health, Safety and Environment Committee

Member of the Remuneration and Nomination Committee

Independent Non-Executive Director since 1 March 2013.

Former Managing Director and Executive Director of Adelaide Brighton Limited (retired May 2014).

Over 30 years of experience in the building materials and related industries, including roles such as Managing Director of Blue Circle Cement in the United Kingdom and senior management positions within the CSR group of companies in Australia and the United Kingdom.

Holds tertiary qualifications in Engineering and a Graduate Diploma of Management.

PHILIPPE ETIENNE

Member of the Audit and Risk Committee

Member of the Health, Safety and Environment Committee

Independent Non-Executive Director since 29 May 2014.

Most recently Managing Director and Chief Executive Officer of Innovia Security Pty Ltd, a position he held from October 2010 until his retirement in September 2014.

Previously held a range of other senior executive positions with Orica in Australia, the USA and Germany including strategy and planning and responsibility for synergy delivery of large scale acquisitions.

Holds a Bachelor of Science in Physiology and Pharmacology and has completed post-graduate marketing qualifications and a Master of Business Administration.

EXECUTIVE TEAM

STEWART CUMMINS

Chief Financial Officer

Stewart joined Transpacific as Chief Financial Officer in May 2011.

Stewart has more than 20 years of financial management experience gained in a range of senior and executive roles. Prior to joining Transpacific, Stewart was Finance Director at TNT Express in Australia/New Zealand. He has also held senior financial roles with Arthur Andersen, Caltex Australia, Dairy Farmers and Multiplex Group.

Stewart has a Bachelor of Economics and a Master of Management. He is a Fellow of the Institute of Chartered Accountants in Australia and a Graduate Member of the Australian Institute of Company Directors.

JACK PERKO

Managing Director, Cleanaway

Jack joined Transpacific as Managing Director, Cleanaway in March 2014.

Jack has more than 25 years of waste management and recycling experience gained in a range of senior operational and executive roles in the United States. His recent roles include region president for Republic Services, Inc., responsible for the company's operations in the east, covering 16 states and Puerto Rico, employing over 9,000 people with annual revenue of US$2.6 billion.

Jack has a Bachelor of Public Administration and a Master of Business Management.

TRISH UNWIN

Executive General Manager, People, Environment and Reputation

Trish joined Transpacific as EGM People, Environment and Reputation in January 2014.

Trish has more than 20 years of human resources experience gained in a range of senior and executive roles in Australia and Asia. Prior to joining Transpacific, Trish was the Director of Linea Solutions – a consulting business supporting organisations during times of transformation, and had been working with Transpacific since April 2013. She has also held senior human resources roles with Australia Post and Mars Incorporated.

Trish has a Bachelor of Applied Science and is a Graduate Member of the Australian Institute of Company Directors.

MARK CRAWFORD

Executive General Manager, Enterprise Operations

Mark joined Transpacific as EGM, Enterprise Operations in February 2014.

Mark has more than 10 years operational experience gained in senior and executive roles. He has worked across Australia and Asia Pacific to integrate complex business models and has extensive transformation experience across all business disciplines. Prior to joining Transpacific, Mark held a number of General Management roles at Australia Post, most recently as General Manager for the International business.

Mark holds qualifications in Information Technology.

ROBERT (BOB) BOUCHER JR

Executive Director and Chief Executive Officer

Bob joined Transpacific as Chief Executive Officer in November 2013.

Bob has more than 25 years of waste management experience across a range of operational, senior and executive management roles gained in some of the United States' leading waste businesses. Prior to joining Transpacific, Bob was Executive Vice President of Operations for Republic Services, Inc., a leader in the US non-hazardous solid waste industry. Prior to that, he was president and CEO of Synagro Technologies, Inc., America's largest recycler of organic residuals for water and wastewater management.

ANTHONY (TONY) RODERICK

Managing Director, Industrials

Tony joined Transpacific in December 2005 and was appointed Managing Director for Industrials in October 2009.

Tony has more than 25 years of experience in the environment and waste management industries. Prior to joining Transpacific he held the position of General Manager Nuplex Environmental Australia and New Zealand. He has also held landfill, liquid waste and market development management positions with Browning Ferris Industries, and Senior Technical positions with Melbourne Water.

Tony holds qualifications in Civil Engineering and Environmental Management.

DAN LAST

General Counsel and Company Secretary

Dan joined Transpacific as General Counsel and Company Secretary in March 2014.

Dan is an experienced General Counsel and Company Secretary. Prior to joining Transpacific, Dan was the General Counsel and Company Secretary of Foster's Group Limited. He has also worked in top tier law firms in Australia and overseas.

Dan has a Bachelor of Laws (Hons) and a Bachelor of Commerce.

CORPORATE GOVERNANCE STATEMENT

Transpacific Industries Group Ltd (Transpacific or the Company) and its Board of Directors are committed to ensuring its policies and practices reflect a high standard of corporate governance across the Company's operations. Accordingly, Transpacific's governance arrangements are consistent with the Corporate Governance Principles and Recommendations (2nd Edition) published by the ASX's Corporate Governance Council in effect for the 2014 financial year.

This statement sets out Transpacific's key governance principles and related policies and practices. These are subject to regular review by the Board in conjunction with management to ensure that they reflect changes in law and developments in corporate governance.

The Charters and Policies supporting Transpacific's corporate governance practices and referred to in this Statement are available on the corporate governance section of the Transpacific website – www.transpacific.com.au/corporate-governance

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The Transpacific Board is responsible for the overall stewardship, strategic direction, governance and performance of the Company. The Board operates under a Charter which sets out its role, powers and responsibilities. The Board's objectives are to:

- Oversee and monitor the strategic direction of Transpacific and provide effective oversight of its management and its business activities;
- Optimise Transpacific's performance so as to create and build sustainable value for shareholders within a framework of appropriate risk assessment and management; and
- Ensure Transpacific's legal and other obligations to all legitimate stakeholders are being achieved.

The key responsibilities and duties of the Board towards achievement of these objectives are also set out in the Charter as follows:

- Oversight of Transpacific, including its control and accountability systems, to ensure the creation and protection of shareholder value;
- Protecting Transpacific's financial position and its ability to meet its debts and other obligations as they fall due;
- Promulgating clear standards of ethical behaviour required of Directors, senior executives and employees, and encouraging observance of those standards;
- Reviewing, ratifying and monitoring systems of risk management, internal compliance and control, codes of conduct and legal compliance;
- Ensuring that an appropriate health, safety and environment framework is in place to support safe workplace practices and minimise the impact of Transpacific's activities on the environment;
- Contributing to the development of, and final approval of, management's corporate strategy and performance objectives;
- Monitoring the implementation of the strategic plans and performance objectives of Transpacific, and assessing Transpacific's performance against these;
- Adopting an annual budget for the financial performance of Transpacific and monitoring performance against it;
- Approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestments;
- Approving the Chief Executive Officer's terms of engagement, and where required, his termination benefits;
- Reviewing the remuneration and incentive framework for senior management and all Transpacific employees;
- Ensuring Transpacific's financial report complies with relevant accounting standards and presents a true and fair view, and approving the annual report and financial report upon recommendations from the Audit and Risk Committee, and in accordance with the Corporations Act, ASX Listing Rules and any other applicable regulations;
- Approving Transpacific's dividend policy and authorising payment of dividends;
- Ensuring proper and timely financial and governance reporting to shareholders and other stakeholders;
- Ensuring appropriate resources are available for Transpacific in the pursuit of its objectives;
- Reviewing on a continuing basis:
  - recruitment, retention and termination policies and procedures for senior management;
  - executive succession planning (in particular the office of CEO); and
  - executive development activities;

CORPORATE GOVERNANCE STATEMENT

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> Reviewing, at least annually, diversity initiatives and progress toward their achievement; and
> Monitoring and overseeing the management of shareholder and community relations.

The Board has delegated the responsibility of day to day management and performance of Transpacific and the development and implementation of Board endorsed strategy to the Chief Executive Officer (CEO) and management. This delegation is formally reflected in, and governed by delegated authority limits, which are reviewed regularly by the Board.

Evaluating the performance of Senior Executives

Transpacific has a performance management system that includes a scorecard of individual performance measures and standards. The system includes processes for the setting of objectives and the annual assessment of performance against objectives.

The Board is responsible for evaluating the performance of the CEO on an annual basis, assessed against Transpacific's financial performance, business transformation, management development and enhanced safety and sustainability performance.

The CEO conducts performance reviews of Senior Executives on an annual basis and reports on their performance to the Human Resources Committee.

The process for evaluating the performance of Senior Executives is further described in the Remuneration Report.

The performance of the CEO and Senior Executives was reviewed in August 2014.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Transpacific's Constitution calls for at least three but not more than 10 Directors. The Board is currently comprised of seven independent Non-Executive Directors, and one Executive Director (the CEO). Profiles of current Directors, outlining their appointment dates, qualifications, directorships of other listed companies (including those held at any time in the three years immediately before the end of the financial year), experience and expertise, are set out on pages 16 to 17 of the Annual Report.

DIRECTOR INDEPENDENCE

As required under the Board Charter and recommended by the ASX guidelines, the Board comprises a majority of independent Non-Executive Directors.

The Charter states that a Non-Executive Director is independent if he or she is not a member of management and is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement.

When determining the independent status of a Non-Executive Director, the Board will take into account whether that Director:

> Is a substantial shareholder of Transpacific or an officer of, or otherwise associated directly with, a substantial shareholder of Transpacific;
> Is employed, or has previously been employed in an executive capacity by the Transpacific group less than three years prior to serving on the Board;
> Has, within the last 3 years, been:
  - a principal of a material professional advisor to the Transpacific group;
  - a material consultant to the Transpacific group; or
  - an employee materially associated with the service provided by such adviser or consultant to the Transpacific group;
> is a material supplier or customer of the Transpacific group, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
> Has a material contractual relationship with the Transpacific group other than as a Director of Transpacific.

Whether or not a material relationship exists is determined on a case-by-case basis, giving consideration to the nature of the relationship and the circumstances of the Director. Materiality is considered from the perspective of the Company, the Director, and the person or entity with which the Director has a relationship.

The Board reviews the independence of directors before they are appointed, on an annual basis, and at any other time where the circumstances of a Director changes such as to require reassessment.

The Board has reviewed the independence of each of the Directors in office at the date of this report and has determined that all Non-Executive Directors are independent. Certain Non-Executive Directors hold directorships in companies with which Transpacific has commercial relationships. Details of these other directorships are set out on pages 16 to 17.

CORPORATE GOVERNANCE STATEMENT

The independent status of Directors standing for election or re-election is identified in the notice of Annual General Meeting. If the Board's assessment of a Director's independence changes, the change is disclosed to the market.

Conflicts of interest

Directors are required to keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of Transpacific. A Director who has an actual or potential conflict of interest or a material personal interest in a matter is required to declare that potential or actual conflict of interest to the Board. If the Board determines that there is a material conflict of interest, the Board may require the relevant director to:

a) not receive the relevant papers;
b) not be present at the meeting while the matter is considered; and
c) not participate in any decision on the matter.

The Board may resolve to permit a Director to have an involvement in a matter involving a potential or actual conflict of interest. In such instances the Board will minute full details of the basis of the determination and the nature of the conflict, including a formal resolution concerning the matter.

Chair of the Board

The Board Charter requires an independent Non-Executive Director to hold the position of Chairman, unless the Board otherwise resolves. The Chairman, Martin Hudson, is an independent Non-Executive Director.

The Chairman's responsibilities are set out in the Board Charter.

The roles of the Chairman and CEO are not exercised by the same person.

The Chairman attends Board Committee meetings in an ex-officio capacity.

Board committees

The Board has the ability under the Company's Constitution to delegate its powers and responsibilities to committees of the Board. This enables the Board to focus on specific issues. For the 2014 year, the following standing committees were in place to assist the Board in the discharge of its responsibilities:

> Audit Committee;
> Risk and Compliance Committee;
> Nominations Committee; and
> Human Resources Committee.

The Board has resolved to restructure its Board Committees from 1 July 2014 as a result of changes to the underlying business activities of the Company and to improve the efficiency of its governance activities. The former Audit and Risk and Compliance Committees have been merged to form an Audit and Risk Committee. The Nominations and Human Resources Committees have also been merged to form a Remuneration and Nomination Committee. A standalone Health, Safety and Environment Committee has been established.

The Charter of each Committee sets out their respective duties and responsibilities.

Details of individual Directors' memberships of Board Committees are provided in the biographies included on pages 16 to 17 of the Annual Report.

All Directors are entitled to attend meetings of the standing committees. Papers considered by the committees, and minutes of each committee meeting, are provided to all Directors. The proceedings of each meeting are reported at the next Board meeting by the relevant committee Chair.

Directors' attendance at Board and Board Committee meetings

The number of Board and Board Committee meetings held and attendance by Directors at these meetings is set out in the Directors' Report on page 38.

The Non-Executive Directors receive regular briefings on Transpacific's operations from the Senior Executive team, undertake site visits, and receive presentations from external parties in a range of fields.

The Non-Executive Directors meet without the presence of management during the course of regular Board meetings, and on other occasions as required outside regular Board meetings.

Independent advice

The Board and each of the Committees has the authority to seek any information it requires from any employee or external party, including the Internal and External Auditors. After consultation with the Chairman, a Director may take such independent legal, financial or other advice as they consider necessary to fulfil their duties, at the expense of the Company. The Chairman may determine that any external advice received by an individual Director be circulated to the remainder of the Board.

Nomination Committee

The function of this Committee is to assist the Board to ensure that it is of an effective composition, size and commitment to adequately discharge its responsibilities and duties.

The Nomination Committee consisted of the following Non-executive Directors:

M M Hudson (Chairman)
R M Smith
J G Goldfaden (until 4 November 2014)
R M Harding (from 4 November 2014)

CORPORATE GOVERNANCE STATEMENT

The Committee's key responsibilities, as set out in its Charter, include:

- Determining the appropriate size and composition of the Board (including skills, knowledge, diversity and experience) and making recommendations to the Board with regard to any appropriate changes;
- Setting a formal and transparent procedure for selecting new Non-Executive Directors for appointment to the Board;
- Making recommendations to the Board on the appointment, re-election and removal of Directors and appointment and removal of key executives;
- Developing and implementing Board and CEO succession plans;
- Developing strategies to address Board diversity;
- Ensuring there is an appropriate induction program in place for new Non-Executive Directors, as well as ongoing training and education programs for the Board to ensure that all directors are provided with adequate information regarding the operation of the business, the industry and their legal responsibilities and duties; and
- Reviewing and making recommendations to the Board on remuneration of Non-Executive Directors, including any adjustments to be put to the AGM on the aggregate amount that should be approved by shareholders for Non-Executive Directors' remuneration.

These responsibilities rest with the Remuneration and Nomination Committee from 1 July 2014.

Performance evaluation

The Board considers that reviewing its performance is essential to good governance. Under its Charter, the Board is responsible for undertaking regular reviews of its own performance, and that of the Board Committees and individual Directors.

The review process is designed to help optimise performance by providing a mechanism to raise and resolve issues, and to provide recommendations to assist the Board, Board Committees and individual Directors to enhance their effectiveness.

The Board's performance is externally and internally evaluated in alternate years. An external evaluation was undertaken during the second half of FY14. The results of the evaluation were provided to the Board in June 2014.

PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING

Code of Conduct

Transpacific recognises that its reputation is an essential element to its success, and that its reputation is directly attributable to the ethical behaviour of those who represent it. Transpacific has developed a Corporate Code of Conduct (the Code) which sets out certain basic principles that all Directors, employees, contractors and consultants are expected to follow in all dealings related to Transpacific, to ensure that Transpacific's business is conducted in accordance with the laws and regulations of all areas in which it operates.

The Code is fully endorsed by the Board and is regularly reviewed and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in Transpacific's integrity.

Any breach of the Code is considered a serious matter which may result in disciplinary action, including termination of employment.

A copy of the Code is available on the Transpacific website – www.transpacific.com.au/corporate-governance

Whistleblower policy

Transpacific's Whistleblower Policy further sets out the Company's commitment to high standards of conduct and ethical behaviour in all areas of business activity.

Employees who are aware of any serious misconduct or unethical behaviour that contravenes the Corporate Code of Conduct, any Company policies or the law, are encouraged to report this to their manager or make a report under the Transpacific Whistleblower program, FairCall. The Policy provides that all reports will be investigated in an appropriate manner, and that feedback on the outcome of the investigation will be provided to the person making the report where appropriate.

Securities Trading Policy

Transpacific's Securities Trading Policy reinforces the Corporations Act 2001 restrictions in relation to insider trading, and prohibits Directors, Executives and other employees from dealing in Transpacific shares at any time if that person is in possession of price sensitive information that has not been made public. The policy complies with the ASX listing rule requirements on trading policies.

CORPORATE GOVERNANCE STATEMENT

Under the policy, employees (other than Directors and Executives) are only permitted to trade in Transpacific securities in the six week periods commencing the day after:

> The announcement of Transpacific's half-year and full-year results to the ASX; and
> The Annual General Meeting has been held,

or at any time Transpacific has a prospectus open, or that the Board declares trading permissible in a written note to all staff and the ASX.

Before any Director or Executive deals in any Transpacific securities at any time, including during Trading Windows, he or she must obtain written approval from:

> The Chairman, in the case of Directors and Executives; or
> In the case of the Chairman, the Chairman of the Risk and Compliance Committee (from 1 July 2014, the Chairman of the Audit and Risk Committee).

Directors, Executives and other employees are prohibited from engaging in short-term or speculative trading in Transpacific securities, as well as trading in derivatives.

No Director, Executive or employee may directly or indirectly enter into any margin loan facility against Transpacific securities unless prior written consent of the Chairman of the Board is obtained (in the case of employees, this applies only to the extent their margin loan is considered material). The Securities Trading Policy is available on the Transpacific website – www.transpacific.com.au/corporate-governance

Diversity

Transpacific has a workforce made up of people with diverse values, backgrounds, skills, experiences and needs. Transpacific values this diversity, and recognises the benefits that it brings to the Company, its customers and other key stakeholders. Transpacific's Diversity Policy and the supporting processes are aimed at creating a culture where our employees understand that each individual is unique and that managing diversity makes us more creative, flexible, productive and competitive.

The Policy requires the Board to establish measurable objectives in relation to gender diversity, and to assess, at least annually, the objectives and progress made towards achieving them.

As part of Transpacific's commitment to gender diversity, the following measurable objectives were set in 2012:

> To increase representation of females across the whole of Transpacific to 20% by 30 June 2015;
> To increase the representation of females in management roles to 25% by 30 June 2015; and
> To increase the representation of females in operational roles to 6% by 30 June 2015.

Progress toward achieving these objectives is set out below:

TARGETS FOR 30 JUNE 2015	AS AT 30 JUNE 2014	AS AT 30 JUNE 2013	AS AT 30 JUNE 2012
Increase female representation to 20%	20%	19%	18%
Increase female in management roles to 25%	21%	19%	14%
Increase females in operational roles to 6%	4%	4%	4%

Progress has been made in increasing the number of females in management roles and across Transpacific as a whole, with initiatives in place to support this including:

> Policies and programs that promote and drive diversity and inclusion as a business imperative;
> A greater focus on talent management initiatives including training, development, mentoring programs and succession planning; and
> Investment in diversity-related training programs.

Management will review its program for the 2015 year to ensure those initiatives aimed specifically at increasing females in operational roles remain appropriate.

In terms of Transpacific's overall gender profile, one of the seven Non-Executive Directors is female and one of seven members of the Executive Committee is female. Overall 20% of the Transpacific workforce are female.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Audit Committee

Transpacific's Audit Committee assists the Board to independently verify and safeguard the integrity of Transpacific's financial reporting and review and evaluate all material capital management financing and treasury risk management proposals.

The Audit Committee consisted of a majority of independent non-executive Directors as follows:

R M Smith (Chairman)

M P Chellew

E R Stein

J G Goldfaden (until 4 November 2013) (not independent)

The Committee has appropriate financial expertise and all members are financially literate and have an appropriate understanding of the industries in which Transpacific operates. The Committee met four times during the year – see page 38 for details of meetings. The Chairman of the Board is not permitted to Chair this Committee.

The Committee's key responsibilities and duties are to:

> Review financial reports (including the annual report and related regulatory filings) to be issued by the Company prior to their release to the market, to ensure they are legally compliant, consistent with Committee members' information and knowledge, and suitable for shareholder needs;

> Make recommendations to the Board on the adoption of financial reports and related regulatory filings;

> Assess the management processes supporting external reporting;

> Approve the audit plan of the External Auditors, monitor their progress against that plan, and ensure that the annual statutory audit and half-year review are conducted in an effective manner;

> In conjunction with the Risk and Compliance Committee, approve the audit plan of the Internal Auditors and monitor their progress against the financial aspects of that plan;

> on an annual basis, assess the performance and independence of the External and Internal Auditors;

> Make recommendations for the appointment or removal of the External and the Internal Auditors; and

> Review and monitor the compliance with the Company's Treasury Policy.

The Committee has the authority to seek any information it requires from any employee or external party, including the Internal and External Auditors.

The Committee meets with the Internal and External Auditors without management present on a regular basis.

These responsibilities rest with the Audit and Risk Committee from 1 July 2014.

Certification under section 295A of the Corporations Act 2001

In accordance with section 295A of the Corporations Act 2001, the Chief Executive Officer and the Chief Financial Officer have provided a written statement to the Board declaring that, in their opinion:

> The Company's financial statements and notes thereto comply with accounting standards, and present a true and fair view of the Company's and consolidated entity's financial position and performance; and

> The Company's financial records for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001,

and also states that:

> The financial statements and notes thereto are in accordance with the Corporations Act 2001; and

> As at the date of the written statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The written statement confirms to the Board that the declarations and statements above regarding the integrity of the financial statements is founded on a sound system of risk management and internal control and that such system was operating effectively and efficiently in all material respects in relation to financial reporting risks.

Independence of the External Auditor

Ernst & Young were appointed as the company's External Auditors in November 2009.

The 2014 financial year audit will be the fifth year that the lead External Audit partner has been involved in the audit of the Company. Based on a recommendation from the Company's Audit Committee, and in light of the significant number of strategic and operational initiatives currently being implemented by the Company, the Board has resolved to extend the lead External Audit partner's term for a further 12 month period. In considering the extension in term, the Board considered the lead External Audit partner's knowledge and understanding of the Group, in particular his understanding of its current operating and reporting systems, transformation strategies and programs.

CORPORATE GOVERNANCE STATEMENT

The Board noted that this extension is consistent with maintaining the quality of the audit and will not give rise to a conflict of interest.

All non-audit services to be undertaken by the External Auditor require the prior approval of the Chairman of the Audit Committee.

Ernst & Young's independence declaration to the Board for the financial year ended 30 June 2014 forms part of the Directors' Report and is provided on page 56 of this Annual Report.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

Transpacific has adopted a Continuous Disclosure Policy which sets out the procedures and requirements expected of all employees of the Company, including Directors and Senior Executives to ensure compliance with its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act 2001.

The Continuous Disclosure Policy is available on the Transpacific website – www.transpacific.com.au/corporate-governance

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

Transpacific is committed to ensuring shareholders are provided with full, open and timely material information about its activities. In addition to compliance with its continuous disclosure obligations under the ASX Listing Rules, Transpacific achieves this through:

> Ensuring that all communications with shareholders, including the annual report and notice of Annual General Meeting, satisfy statutory requirements and are easily understandable;

> Ensuring that all shareholders have the opportunity to receive external communications issued by the Company. All Company announcements and information released are available under the investor section of the Transpacific website;

> Encouraging shareholders to attend annual general meetings to hear the Chairman's address, and to use the opportunity to ask questions. If shareholders are unable to attend in person, they are encouraged to participate through the appointment of a proxy, or proxies. Shareholders are also invited, at the time of receiving the notice of meeting, to submit written questions they would like addressed at the Annual General Meeting; and

> The Company's External Auditor attends the Annual General Meetings to answer questions from shareholders about the conduct of the audit, the preparation and content of the Audit Report, the accounting policies adopted by the Company, and the independence of the Auditor in relation to the conduct of the audit. Shareholders attending the meeting are made aware that they may ask such questions of the Auditor, and are provided an opportunity to submit written questions prior to the meeting.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

The Board recognises that effective risk management processes are imperative to the Company achieving its business objectives and to the Board meeting its corporate governance responsibilities.

Risk and Compliance Committee

The function of the Risk and Compliance Committee is to assist the Board to:

> Ensure Transpacific addresses all legal and other obligations to all legitimate stakeholders including employees, shareholders and other external counterparties;

> Establish a sound system of risk oversight, management and internal control;

> Ensure that Transpacific's systems and processes are properly controlled and functioning effectively; and

> Actively promote ethical and responsible decision making within Transpacific.

The Risk and Compliance Committee is also responsible, in conjunction with the Audit Committee, for approving the internal audit plan.

The Risk and Compliance Committee consisted entirely of Non-Executive Directors as follows:

E R Stein (Chairman)
R M Smith
T A Sinclair
R M Harding

The Committee met five times during the year– see page 38 for details.

The Board has adopted a Risk Management, Compliance and Assurance Policy that sets out Transpacific's commitment to proactive enterprise risk management and compliance. The policy is supplemented by an enterprise wide risk management framework that seeks to embed risk management processes into Transpacific's business activities. The Risk and Assurance functions continue to work with the businesses to implement this framework.

CORPORATE GOVERNANCE STATEMENT

At a management level, Transpacific has dedicated Risk and Assurance teams, who are responsible for refining the existing risk management processes within Transpacific, and for managing the internal audit activities across the Group. To ensure a best practice approach to internal auditing, Transpacific uses a co-sourced model for internal audit.
Both KPMG and Transpacific carry out the work required in the annual internal audit plan.

The Risk and Compliance Committee meets with the Internal Auditors on a regular basis without Management present.

Transpacific also has detailed control procedures in place which cover management accounting, financial reporting, maintenance of financial records, project appraisal, environment, health and safety, IT security, compliance and other risk management issues.

In addition to maintaining appropriate insurance, numerous risk management controls are embedded in the Company's risk management and reporting systems. These include:

> Risk management systems and internal controls seeking to ensure that financial reporting risks are appropriately managed;

> Policies regarding the maintenance of written financial records in accordance with section 286 of the Corporations Act;

> Guidelines and limits for approval of all expenditure inclusive of capital expenditure and investments;

> Policies and procedures for the management of financial risk and treasury operations, including hedging exposure to foreign currencies and interest rates;

> Annual budgeting and monthly reporting systems for all divisions which enable monitoring of progress against performance targets, evaluation of trends and variances to be acted upon;

> Preparation and ongoing review of five year strategic plans for all divisions;

> Health and safety programs and targets; and

> Due diligence procedures for acquisitions.

Management reports to the Risk and Compliance Committee on a regular basis regarding Enterprise Risk Management, compliance, the results of internal audit reviews, and the effectiveness of Transpacific's management of its material business risks.

These responsibilities rest with the Audit and Risk Committee from 1 July 2014, with the exception of health safety and environment matters which from 1 July 2014 are overseen by the Health, Safety and Environment Committee.

Certification under section 295A of the Corporations Act 2001

The written statement provided to the Board under section 295A of the Corporations Act 2001, referred to above in respect of Principle 4, confirmed that the declarations and statements were founded on a sound system of risk management and internal control and that such system was operating effectively and efficiently in all material respects in relation to financial reporting risks.

Health, Safety and Environment (HSE)

Transpacific recognises the importance of HSE issues and is committed to a Zero Harm philosophy. Transpacific:

> Monitors its compliance with all legislation;

> Continually assesses and improves the impact of its operations on the environment;

> Encourages employees to actively participate in the management of HSE issues; and

> Encourages management to drive performance in HSE by including lead and lag indicators as measures in individual scorecards.

Transpacific has an externally certified Integrated Management System meeting the requirements of AS4801 (Occupational Health and Safety), ISO 14001 (Environment) and ISO 9001 (Quality). The Company also has an internal monitoring and review program in place as part of the Compliance Management Strategy.

Transpacific has continued its pursuit of techniques and technologies designed to minimise its environmental impact. Specific focus has been given to increasing energy efficiency, diverting waste from landfill and maximising recycling. Throughout the year, the business has sustained an active program of installation and expansion of gas capture infrastructure at its landfills. It has also embraced an online carbon management system, granting greater transparency to consumption and emissions data across all operations and providing a basis for ongoing, targeted improvement programs.

Information on compliance with significant environmental regulations is set out in the Directors' Report.

Reflecting the Board's overarching commitment to health and safety at the highest level, and the importance of safety and environmental issues to our business, a new Health Safety and Environment Committee of the Board has been established from 1 July 2014. This Committee will assume the health, safety and environmental responsibilities previously overseen by the Risk and Compliance Committee.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

Human Resources Committee

The function of the Human Resources Committee is to:

> Provide oversight of Transpacific's overall human resources strategy (including remuneration and compensation plans) on behalf of the Board; and
> Support management with its objective of enabling business success through developing the capability and engagement of Transpacific's employees.

The Committee does this by ensuring Transpacific has in place appropriate human resources strategies and remuneration and employment policies that are consistent with best practices and business requirements, and that Transpacific adopts and complies with remuneration and employment policies that:

> Attract, retain and motivate high calibre executives so as to ensure the sustainable success of Transpacific for the benefit of all stakeholders;
> Are consistent with the human resource needs of Transpacific;
> Motivate management to pursue the long-term growth and success of Transpacific within an appropriate control framework; and
> Demonstrate a clear relationship between executive performance and remuneration.

The Human Resources Committee also oversees Transpacific's diversity policies and practices, including remuneration by gender.

The Human Resources Committee consisted entirely of Non-Executive Directors, as follows:

R M Harding
(Chairman from 1 January 2014)

T A Sinclair
(Chairman until 31 December 2013)

M P Chellew

J G Goldfaden
(until 4 November 2013)

The Committee met three times during the year – see page 38 for details.

These responsibilities rest with the Remuneration and Nomination Committee from 1 July 2014.

Remuneration Report

The Remuneration Report, which has been included in the Directors' Report, provides information on Transpacific's remuneration policies and payment details for Non-Executive Directors and Key Management Personnel.

FINANCIAL REPORT

DIRECTORS' REPORT

The Directors present their Report together with the Consolidated Financial Statements of the Group, consisting of Transpacific Industries Group Ltd ("Transpacific" or "the Company") and its controlled entities, for the financial year ended 30 June 2014 and the Auditor's Report thereon.

Directors

The names of Directors of the Company at any time during or since the end of the financial year are set out below. Directors were in office for this entire period unless otherwise stated.

M M Hudson	Non-Executive Director, Chairman
R C Boucher Jr	Executive Director (appointed 18 December 2013) and Chief Executive Officer (appointed 13 November 2013)
R M Smith	Non-Executive Director
E R Stein	Non-Executive Director
T A Sinclair	Non-Executive Director
R M Harding	Non-Executive Director
M P Chellew	Non-Executive Director
P G Etienne	Non-Executive Director (appointed 29 May 2014)

Former Directors

J G Goldfaden	Non-Executive Director (resigned 4 November 2013)
K G Campbell	Executive Director and Chief Executive Officer (resigned 29 November 2013)

The office of Company Secretary is held by D J F Last, LLB and K L Smith, B.Com (Hons), CA.

Particulars of Directors' qualifications, experience and special responsibilities are detailed on pages 16 and 17 of the Annual Report.

Principal Activities

During the financial year the principal continuing activities of Transpacific Industries Group Ltd and its subsidiaries (the "Group") were:

- Commercial and industrial, municipal and residential collection services for all types of solid waste streams, including general waste, recyclables, construction and demolition waste and medical and washroom services;
- Ownership and management of waste transfer stations, resource recovery and recycling facilities, secure product destruction, quarantine treatment operations and landfills;
- Sale of recovered paper, cardboard, metals and plastics to the domestic and international marketplace;
- Collection, treatment, processing and recycling of liquid and hazardous waste, including industrial waste, grease trap waste, oily waters and used mineral and cooking oils in packaged and bulk forms;
- Industrial solutions including industrial cleaning, vacuum tanker loading, site remediation, sludge management, parts washing, concrete remediation, CCTV, corrosion protection and emergency response services; and
- Refining and recycling of used mineral oils to produce fuel oils and base oils.

During the current year the Group divested a number of assets, including its Commercial Vehicles, New Zealand and its Manufacturing Plastics businesses. Refer to Significant Changes in the State of Affairs and Section A in the notes to the Financial Statements.

Other than matters noted above, there were no other significant changes in the nature of the activities of the Group that occurred during the year.

Dividends and Distributions

The Company declared a fully franked dividend on ordinary shares for the financial year ended 30 June 2014 of 1.5 cents per share. The record date of the dividend is 29 August 2014 with payment to be made 8 October 2014. The financial effect of the dividend has not been brought to account in the Financial Statements for the year ended 30 June 2014 and will be recognised in a subsequent Financial Report.

The financial effect of the Step-up Preference Securities ("SPS") distribution for the period ending 30 September 2014 of $7,625,000 ($3.05 per unit) has not been brought to account in the Financial Statements for the year ended 30 June 2014 and will be recognised in a subsequent Financial Report. The proposed distribution is expected to be fully franked.

Details of distributions in respect of the financial year are as follows:

	2014 $'M	2013 $'M
STEP-UP PREFERENCE SECURITIES:		
Distribution of $3.18 per unit paid on 15 October 2013 (2012: $3.60)	8.0	9.0
Distribution of $2.99 per unit paid on 15 April 2014 (2013: $3.23)	7.5	8.1
Total Distributions Paid	**15.5**	**17.1**
Total Distributions and Dividends Paid	**15.5**	**17.1**

On 18 August 2014, Transpacific granted approval to the Responsible Entity of the SPS Trust to redeem the SPS on 30 September 2014. Refer to the subsequent event disclosure on page 37.

Review of Results

Financial Results

The Group's Statutory Profit from Continuing and Discontinued Operations After Income Tax for the year ended 30 June 2014 was $28.9 million (2013: Loss of $200.4 million).

The Group's Underlying Profit After Income Tax (Attributable to Ordinary Equity Holders) for the year ended 30 June 2014 of $92.0 million was up by 35.5% on the prior year (2013: $67.9 million).

The Group comprises three continuing segments. Details of the continuing segments and a summary of the segment and Group's results for the financial year are set out below:

Segment Overview

The Group's segment reporting aligns with the Group's divisional structure.

CLEANAWAY	
Core Business	Cleanaway is the leading operator in the solid waste sector in Australia. Services provided include: • Collections – commercial and industrial ("C&I"), municipal and residential collection services for all types of solid waste streams, including general waste, recyclables, construction and demolition waste and medical and washroom services. • Post Collections – ownership and management of waste transfer stations, resource recovery and recycling facilities, secure product destruction, quarantine treatment operations and landfills. • Commodities trading – sale of recovered paper, cardboard, metals and plastics to the domestic and international marketplace.
Financial Metrics	Sales revenues decreased 1.4% to $911.8 million as increases in Collections revenues were offset by lower revenues reported in the Post Collections business. Underlying EBITDA decreased 2.3% to $189.8 million predominantly due to lower volumes of waste processed through the Post Collections business.
Performance	**Collections** Collections revenue and EBITDA contribution performance this year was driven by an 8.1% increase in rear and skip lift volumes in the Commercial & Industrial business, and average collections pricing up 3.3% on the prior year. Municipal revenues were down slightly, however EBITDA margins have improved with the business focusing on securing higher margin contracts. Commodity volumes were up 2.6%, with average prices up 22% on the prior year. **Post Collections** Post Collections results were impacted by a reduction in volumes of 10% on the prior year. This was due to delays in the construction of landfill cells at the Queensland and Victorian landfills, and competitive market conditions in NSW. Revenues, excluding state based landfill levies and carbon tax, reduced 7.6% to $125.3 million and volumes were down by 10.0%.
Market Review and Priorities	Market conditions remained quite subdued for the Cleanaway business in the 2014 financial year as general economic conditions impacted upon collection and post collection volumes. The market conditions for the 2015 financial year are not expected to vary materially from the 2014 financial year. Cleanaway's main priorities will revolve around new sales strategies targeted at improving market share and pricing, and increasing the level of collection volumes being disposed in Company owned landfills. There are also a number of landfill opportunities currently being assessed by the business.

Segment Overview (continued)

INDUSTRIALS	
Core Business	Industrials' is the leading operator in the areas of: • Technical Services – collection, treatment, processing and recycling of liquid and hazardous waste. • Energy, Minerals and Remediation – services include industrial cleaning, vacuum tanker loading, site remediation, sludge management, parts washing, concrete remediation, CCTV, corrosion protection and emergency response services. • Hydrocarbons – refining and recycling of used mineral oils to produce fuel oils and base oils.
Financial Metrics	Total revenues decreased by 7.4% to $485.0 million (including Product Stewardship for Oil subsidies), mainly within the Energy, Minerals and Remediation and Hydrocarbons businesses. Underlying EBITDA decreased 16.1% to $90.1 million mainly due to reduced volumes of higher margin liquid and hazardous waste, a reduction in the volume of hydrocarbon oil sales combined with a change in the mix of domestic versus export oil sales.
Performance	**Technical Services** Total volumes of liquids processed decreased 7.3% on the prior year, contributing to the decrease in revenue of 1.2% to $218.9 million. Industrial services revenue increased as demand for remediation and project work improved in metropolitan areas. The reduction in Underlying EBITDA of 13.5% to $34.4 million reflects the continued weakness in the manufacturing and industrial sectors, which are the generators of higher value liquid and hazardous wastes. Higher margin hazardous liquid volumes were down 6%. **Energy, Minerals and Remediation (EMR)** EMR revenue has declined by 11.3% to $115.6 million, which is mainly due to the deferral of maintenance and shutdown projects across the mining and industrial sectors and weak commodity prices leading to large scale cutbacks. A slight improvement in shut down work was seen in the second half of the year. Emergency response work remains low. **Hydrocarbons** Hydrocarbons revenue has declined by 12.3% to $150.5 million, with underlying EBITDA decreasing by 23.2% to $39.0 million. This was due to a reduction in collection volumes of 4.1% and a change in volume of domestic and export sales. Pricing has been impacted by higher competition for waste oil and a change in the market price of fuel and base oils sold domestically and as exports.
Market Review and Priorities	Market conditions for Industrials remained difficult over the 2014 financial year as the demand for services from the manufacturing and industrial sectors continues to decline. Industrials' main priorities will focus on identified business performance improvement initiatives and driving increased returns from capital projects completed during the year.
CORPORATE	
Core Business	Corporate provides a range of shared services functions that are not directly attributable to other identifiable segments. These functions include management, finance, legal, information technology, marketing and human resources that provide support to the other segments.
Financial Metrics	Corporate costs not recharged into the operating segments were $9.1 million (2013: $7.1 million).
Market Review and Priorities	The Corporate segment will continue to provide support to the other segments whilst also identifying ways to streamline the administration and support services structure.

Group Results

	STATUTORY [1]		UNDERLYING ADJUSTMENTS [2]		UNDERLYING [1]	
	2014 $'M	2013 $'M	2014 $'M	2013 $'M	2014 $'M	2013 $'M
Cleanaway	(27.0)	(36.7)	216.8	230.9	189.8	194.2
Industrials	86.7	62.1	3.4	45.3	90.1	107.4
Share of profits in Continuing Associates	1.7	1.0	-	-	1.7	1.0
Waste Management	**61.4**	**26.4**	**220.2**	**276.2**	**281.6**	**302.6**
Corporate	(38.4)	(16.6)	29.3	9.5	(9.1)	(7.1)
Continuing Operations EBITDA	**23.0**	**9.8**	**249.5**	**285.7**	**272.5**	**295.5**
New Zealand	100.9	25.8	(6.7)	52.8	94.2	78.6
Commercial Vehicles	5.3	35.8	-	-	5.3	35.8
Manufacturing	(9.9)	(13.1)	10.4	10.9	0.5	(2.2)
Share of profits in Discontinued Associates	10.7	4.5	-	-	10.7	4.5
EBITDA(i)	**130.0**	**62.8**	**253.2**	**349.4**	**383.2**	**412.2**
Depreciation and amortisation expenses	(229.2)	(185.7)	60.9	-	(168.3)	(185.7)
EBIT(ii)	**(99.2)**	**(122.9)**	**314.1**	**349.4**	**214.9**	**226.5**
Net finance costs	(94.6)	(116.6)	17.9	0.3	(76.7)	(116.3)
Changes in fair value of derivative financial instruments	(8.8)	12.5	8.8	(12.5)	-	-
Profit/(Loss) Before Income Tax	**(202.6)**	**(227.0)**	**340.8**	**337.2**	**138.2**	**110.2**
Income tax (expense)/benefit	59.4	26.6	(88.2)	(50.6)	(28.8)	(24.0)
Profit/(Loss) Before Gain on sale of Divestments and After Income Tax	**(143.2)**	**(200.4)**	**252.6**	**286.6**	**109.4**	**86.2**
Gain on sale from disposal of Commercial Vehicles Group after items transferred from reserves and income tax	**131.0**	**-**	**(131.0)**	**-**	**-**	**-**
Gain on sale from disposal of New Zealand after items transferred from reserves and income tax	**41.1**	**-**	**(41.1)**	**-**	**-**	**-**
Profit/(Loss) from Continuing Operations and Discontinued Operations After Income Tax	**28.9**	**(200.4)**	**80.5**	**286.6**	**109.4**	**86.2**
Attributable to:						
Ordinary Equity holders	**11.5**	**(218.7)**	**80.5**	**286.6**	**92.0**	**67.9**
Non-controlling interest	1.9	1.2	-	-	1.9	1.2
Step-up Preference Security holders	15.5	17.1	-	-	15.5	17.1
	28.9	**(200.4)**	**80.5**	**286.6**	**109.4**	**86.2**

1 The use of the term 'Statutory' refers to IFRS financial information and 'Underlying' to non-IFRS financial information. Underlying earnings are categorised as non-IFRS financial information therefore have been presented in compliance with ASIC Regulatory Guide 230 – Disclosing non-IFRS information, issued in December 2011. Underlying adjustments have been considered in relation to their size and nature, and have been adjusted from the Statutory information, for disclosure purposes, to assist readers to better understand the financial performance of the underlying business in each reporting period. These adjustments include transactions or costs that on their own or in combination with a number of similar transactions contribute to more than five percent of after tax profit. These include the financial effect of fair value changes, being the unrealised gains/(losses) arising from the mark-to-market on derivative financial instruments and the impact of asset revaluations (such as derivatives, financial instruments or property). These adjustments and the comparatives are assessed on a consistent basis year-on-year and include both favourable and unfavourable items. The exclusion of these items provides a result which, in the Directors' view, is more closely aligned with the ongoing operations of the Group. The non-IFRS information has been subject to review by the auditors.

2 Details of adjustments from Statutory to Underlying financial information are set out on page 35.

(i) EBITDA represents earnings before interest, income tax, and depreciation and amortisation expense.

(ii) EBIT represents earnings before interest and income tax expense.

The following table reconciles Profit/(Loss) from Continuing and Discontinued Operations After Income Tax (Attributable to Ordinary Equity Holders) to Underlying Profit After Income Tax (Attributable to Ordinary Equity Holders):

	NOTES	2014 $'M	2013 $'M
Profit/(Loss) From Continuing and Discontinued Operations After Income Tax (Attributable to Ordinary Equity Holders)		**11.5**	**(218.7)**
Underlying Adjustments to EBITDA:			
Impairment of assets	1	139.4	325.0
Rectification expense on landfill assets and operations	2	69.2	-
Loss on disposal of investments and site closures from Business and Operational Review	3	6.5	15.9
Restructuring costs, including redundancy	4	7.2	9.0
Costs associated with Business and Operational Review	5	-	7.3
Onerous lease provision	6	10.9	-
Changes in fair value of land and buildings taken to profit and loss	7	8.3	-
Costs associated with transformation program and other strategic projects	8	10.5	-
Refund of prior periods' tax credits	9	-	(7.9)
Other	10	1.2	0.1
Total Underlying Adjustments to EBITDA		253.2	349.4
Underlying Adjustments to Depreciation:			
Accelerated depreciation on landfill assets	11	60.9	-
Total Underlying Adjustments to Depreciation		60.9	-
Underlying Adjustments to Finance Costs:			
Write off of establishment costs associated with former debt facilities	12	17.9	-
Accelerated amortisation of Convertible Notes and redemption costs	13	-	0.3
Changes in fair value of derivative financial instruments	14	8.8	(12.5)
Total Underlying Adjustments to Finance Costs		26.7	(12.2)
Underlying Adjustments to Income Tax:			
Tax impacts of Underlying Adjustments to EBITDA and finance costs	15	(100.6)	(50.6)
Tax on deemed FX realisation event from NZ divestment	16	12.4	-
Total Underlying Adjustments to Income Tax		(88.2)	(50.6)
Gain on sale of Commercial Vehicles Group after items transferred from reserves and income tax		(131.0)	-
Gain on sale of NZ business after items transferred from reserves and income tax		(41.1)	-
Total Gain on Sale from Divestments		(172.1)	-
Underlying Profit After Income Tax (Attributable to Ordinary Equity Holders)		**92.0**	**67.9**

1 Relates to landfill remediation review conducted during 2014. (2013: Relates to impairment of property, plant and equipment, and intangible assets).
2 Relates to rectification expense on landfill assets and operations as a result of the landfill remediation review.
3 Relates to the net realised loss on disposal of investments and sale of properties and assets. (2013: Relates to net realised loss on disposal of two investments, sale of numerous properties and sale of assets in the Manufacturing Metals business.) Refer to Section A in the notes to the Consolidated Financial Statements.
4 Relates to costs associated with redundancies due to site closures and organisational structure changes.
5 Relates to costs associated with Business and Operational Review of the Group conducted in 2013.
6 Relates to onerous lease for two leasehold properties.
7 Relates to decreases in the fair value of property, plant and equipment taken to profit and loss.
8 Relates to costs associated with the implementation of transformation programmes and other strategic projects initiated by the new CEO during the year.
9 Relates to collection of prior periods' tax credit refunds net of advisor fees.
10 Relates to other one off costs, including legal expenses incurred.
11 Relates to accelerated depreciation on landfill assets as a results of landfill remediation review.
12 Relates to write off of establishment of costs associated with former debt facilities.
13 Relates to accelerated amortisation of Convertible Notes and the associated redemption and repurchase costs in 2013 year.
14 Relates to unfavourable $8.8 million (2013: favourable $12.5 million) of changes in the mark-to-market valuation of derivative financial instruments.
15 Relates to the tax impact on the Underlying Adjustments to EBITDA and finance costs.
16 Relates to NZ divestment giving rise to a deemed NZ FX realisation event on Branch loan notes.

Principal Risks

The material business risks that could adversely impact the Group's financial prospects in future periods are economic growth and the regulatory environment.

RISK	
Economic Growth	The state of the economy and the sectors of the economy to which the Group is exposed materially impacts future prospects. Factors which have impacted results in recent periods include increases and decreases in GDP and CPI, increases and decreases in manufacturing, industrials, construction industry and resource sector activity.
Regulatory Environment	The regulatory environment materially impacts future prospects. Regulatory requirements which have impacted historical results include state-based waste levies, carbon tax, environmental regulations and planning regulations. Regulatory requirements, including environmental regulations impacting the waste management activities, have increased over time and will potentially increase in the future.

The Group manages these risks in accordance with ASX Principle 7: Recognise and Manage Risk as set out in the Corporate Governance Statement on the Transpacific website.

Financial Position Review

Operating Cash Flows

Operating cash flow decreased 20.9% (2013: increase of 4.6%) to $223.5 million (2013: $282.4 million). The decrease in the operating cash flow was primarily a result of the divestment of businesses during the year.

Balance Sheet

The Group's balance sheet has increased net assets from $2,007.3 million to $2,058.7 million as a result of the repayment of debt following the divestment of the New Zealand and Commercial Vehicles businesses.

With the repayment of debt the Group's net cash at 30 June 2014 was $136.7 million versus net debt of $977.5 million in the prior period.

Debt Management

On 30 June 2014, the Group repaid loans of $692 million and cancelled syndicated banking facilities of $896 million. At the balance date the Group had total debt facilities of $357 million (2013: $1,479 million).

Subsequent to the balance date, on 1 July 2014, the Group refinanced its syndicated bank facility by establishing a new $400 million syndicated bank facility.

Significant Changes in the State of Affairs

On 31 August 2013, the Group completed the sale of its Commercial Vehicles Group to Penske Automotive Group Inc. for $219 million. Following completion adjustments the final settlement was $238.7 million and generated a gain of $131 million after tax.

On 30 June 2014, the Group completed the sale of its New Zealand business to Beijing Capital Group for NZ$950 million (subject to completion adjustments). A gain of $41.1 million after tax has been recognised in the financial year 2014.

Other than matters mentioned in this Report, no other significant changes in the state of affairs of the Group occurred during the financial year under review.

Events Subsequent to Reporting Date

On 30 June 2014, the Group repaid and cancelled the majority of its existing syndicated banking facility and entered into a new $400 million syndicated facility effective from 1 July 2014.

On 18 August 2014, Transpacific granted approval to the Responsible Entity of the SPS Trust to redeem the SPS on 30 September 2014.

On 18 August 2014, the Company declared a fully franked dividend on ordinary shares for the financial year ended 30 June 2014 of 1.5 cents per share.

Other than the items noted above, there were no significant events subsequent to year end.

Likely Developments and Expected Results of Operations

The Group will continue to pursue strategies aimed at improving the profitability, return on capital employed and market position of its principal activities during the next financial year.

Disclosure of information regarding the likely developments in the operations of the Group and the expected results of those operations in future financial years have been included in the Segment Overview section of this Report.

Environmental Regulation

The Group's operations are subject to significant environmental regulation and the Group holds environmental licences for its sites.

The Group is committed to achieving the highest standards of environmental performance. There were no material breaches of environmental statutory requirements and no material prosecutions during the year. Aggregate fines paid during the year were $20,814 (2013: $92,200).

The Group is registered under the *National Greenhouse and Energy Reporting Act*, under which it is required to report energy consumption and greenhouse gas emissions for its Australian facilities.

In addition, the Group's Australian operations have been required to comply with the Australian Federal Government's *Clean Energy Act* from 1 July 2012.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Directors' Meetings

The number of Directors' meetings (including circular resolutions) and Committee meetings, and the number of meetings attended by each of the Directors of the Company during the financial year were:

	DIRECTORS' MEETINGS		AUDIT COMMITTEE		RISK AND COMPLIANCE COMMITTEE		HUMAN RESOURCES COMMITTEE		NOMINATION COMMITTEE	
	MEETINGS HELD WHILE A DIRECTOR	NUMBER ATTENDED	MEETINGS HELD WHILE A MEMBER	NUMBER ATTENDED	MEETINGS HELD WHILE A MEMBER	NUMBER ATTENDED	MEETINGS HELD WHILE A MEMBER	NUMBER ATTENDED	MEETINGS HELD WHILE A MEMBER	NUMBER ATTENDED
DIRECTORS										
M M Hudson	19	19	*	*	*	*	*	*	2	2
R M Smith	19	17	4	4	5	5	*	*	2	2
E R Stein	19	18	4	3	5	5	*	*	*	*
T A Sinclair	19	19	*	*	5	5	3	3	*	*
R M Harding	19	18	*	*	5	3	3	2	1	1
M P Chellew	19	18	4	3	*	*	3	2	*	*
P G Etienne	3	3	*	*	*	*	*	*	*	*
R C Boucher Jr	10	10	*	*	*	*	*	*	*	*
FORMER DIRECTORS										
J G Goldfaden	6	6	1	1	*	*	1	1	1	1
K G Campbell	8	8	*	*	*	*	*	*	*	*

Directors' Interests

The relevant interest of each Director in the shares and options over such instruments issued by the companies within the Group and other related bodies corporate, as notified by the Directors to the Australian Securities Exchange in accordance with section 205G(1) of the *Corporations Act 2001*, at the date of this Report is as follows:

	ORDINARY SHARES	PERFORMANCE RIGHTS	STEP UP PREFERENCE SECURITIES
NON-EXECUTIVE			
M M Hudson	42,858	-	-
R M Smith	65,715	-	-
E R Stein	30,300	-	-
T A Sinclair	-	-	-
R M Harding	-	-	-
M P Chellew	-	-	18
P G Etienne	-	-	-
EXECUTIVE			
R C Boucher Jr	350,514	-	-

REMUNERATION REPORT (AUDITED)

Remuneration Report

This Remuneration Report (Report) outlines the remuneration arrangements for Key Management Personnel (KMP) of the Group in accordance with the requirements of the *Corporations Act 2001* and its Regulations. The information in this Report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

Contents

The Report contains the following sections:

A. Key Management Personnel

For the purposes of this Report, KMP are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Director (whether Executive or otherwise) of the Company.

Reflecting Transpacific's focus on core business, there were a significant number of changes to the KMP and broader Executive team during the year. Key changes included:

- Mr Boucher's appointment as Chief Executive Officer (CEO) on 13 November 2013, following Mr Campbell's resignation;
- Mr Glavac's and Mr Nickels' departure from the Group, reflecting the sale of the Commercial Vehicles Group and New Zealand businesses respectively;
- Mr Perko's appointment as Managing Director Cleanaway on 6 March 2014, following the departure of Mr Clark; and
- The appointment of key functional heads in Mr Crawford as Executive General Manager Enterprise Transformation, Ms Unwin as Executive General Manager People, Environment & Reputation and Mr Last as General Counsel and Company Secretary, the latter following the departure of Mr Carroll.

Under the new Executive team structure, the Chief Executive Officer, Chief Financial Officer and Managing Directors of the Cleanaway and Industrials businesses are considered KMP, while the functional heads are not.

The KMP disclosed for the financial year ended 30 June 2014 are detailed in the following table.

REMUNERATION REPORT (AUDITED)

CONTINUED

NAME	TITLE	PERIOD KMP (IF LESS THAN FULL YEAR)
NON-EXECUTIVE DIRECTORS		
M M Hudson	Chairman and Non-Executive Director	
R M Smith	Non-Executive Director	
E R Stein	Non-Executive Director	
T A Sinclair	Non-Executive Director	
R M Harding	Non-Executive Director	
M P Chellew	Non-Executive Director	
P G Etienne	Non-Executive Director	From 29 May 2014
FORMER NON-EXECUTIVE DIRECTOR		
J G Goldfaden	Non-Executive Director	Until 4 November 2013
EXECUTIVES		
R C Boucher Jr	Executive Director and Chief Executive Officer	From 13 November 2013
S G Cummins	Chief Financial Officer	
J Perko	Managing Director Cleanaway	From 6 March 2014
A G Roderick	Managing Director Industrials	
FORMER EXECUTIVES		
K G Campbell	Executive Director and Chief Executive Officer	Until 29 November 2013
C M Carroll	Executive General Manager Legal and Commercial	Until 3 March 2014
N J A Clark	Managing Director Cleanaway	Until 14 March 2014
P A Glavac	Managing Director Commercial Vehicles	Until 30 August 2013
T H Nickels	Managing Director New Zealand	Until 30 June 2014

B. Highlights for the Year Ended 30 June 2014

Total Fixed Remuneration (TFR)	**2013/14 Total Fixed Remuneration Increases** Given their appointments during the year, neither Mr Boucher nor Mr Perko have received a total fixed remuneration (TFR) increase. Mr Cummins and Mr Roderick, the remaining Executive KMP, received TFR increases of 0.2% as a result of the Superannuation Guarantee increase.
Short-Term Incentive (STI)	**2013/14 Short Term Incentive Payments** The Board awarded short-term incentive (STI) payments to Executive KMP that reflected the performance of the Group and individuals against the financial and non-financial targets set. Payments were on average 103% of target and were pro-rated to reflect portion of the year as an employee. Consistent with the STI Plan Rules, 50% of an Executive KMP's STI payment is made in cash and 50% is allocated as Performance Rights which vest after a two year service condition. Further details are presented in Section J.

Other Incentives

During the year the Board approved:

- Discretionary bonuses to Mr Cummins of $100,000 for his role in leading the Business and Operational Review and $150,000 for his role in achieving the sale of the New Zealand business;
- A discretionary bonus of NZ$771,375 to Mr Nickels for his role in the sale of the New Zealand business. To recognise the criticality of his role in achieving a successful transition, the bonus is paid in two tranches: NZ$385,687 was paid on 27 June 2014, the remaining NZ$385,687 will be paid on 26 June 2015 and is subject to forfeiture in the event Mr Nickels' employment with the business is summarily terminated for serious misconduct, or he gives notice of the termination of his employment; and
- A discretionary bonus of $1,285,436 to Mr Glavac for his role in the sale of the Commercial Vehicles Group. To recognise the criticality of his role in achieving a successful transition, the bonus is paid in two tranches: $642,718 was paid on 13 September 2013, the remaining $642,718 will be paid in September 2014 and is subject to forfeiture in the event Mr Glavac resigns.

Long-Term Incentive (LTI)

2014 Long Term Incentive Offer

Performance Rights were issued under the 2014 Long Term Incentive (LTI) Offer on 24 March 2014. This offer features a four year performance period with relative total shareholder return (TSR) and earnings per share (EPS) performance hurdles. Further details are presented in Section G.

2011 Long Term Incentive LTI Offer

The three year performance period of the 2011 LTI Offer finished on 30 June 2013. The relative TSR and EPS performance hurdles of the 2011 LTI Offer were not met. As a result, the Performance Rights awarded to each participant lapsed, during the financial year.

C. Planned Changes for the Year Commencing 1 July 2014

2014/15 STI Plan

Change in Short Term Incentive Deferral

Following a review of the STI Plan, for the 2015 financial year onwards, with the exception of the CEO, the portion of an Executive KMP's STI that is paid as deferred Performance Rights will decrease from 50% to 33% whilst retaining the two year service condition. The Board considers this arrangement to be more in line with the market practice of like companies. The portion of the CEO's STI that is paid as deferred Performance Rights will remain at 50%.

D. Role of the Human Resources Committee

The Human Resources Committee (the Committee) provides oversight of the Group's overall human resources strategies (including remuneration and compensation plans) on behalf of the Board, and supports management with its objective of enabling business success through developing the capability and engagement of all employees.

The Committee is comprised entirely of independent Non-Executive Directors.

The Committee ensures that the Group establishes appropriate human resources strategies and remuneration and employment policies consistent with best practices and business requirements, and adopts and complies with remuneration and employment policies that:

- Attract, retain and motivate high calibre Executives so as to encourage enhanced performance of the Group;
- Are consistent with the human resources needs of the Group;
- Motivate Executives to pursue the long-term growth and success of the Group within an appropriate risk and control framework; and
- Demonstrate a clear relationship between Executive performance and remuneration.

From 1 July 2014 these responsibilities have been transferred to the Remuneration and Nomination Committee.

In accordance with the Committee's Charter, any engagement of a remuneration consultant to provide a remuneration recommendation in respect of KMP must be approved and received by the Committee. The remuneration recommendation must be accompanied by a declaration from the remuneration consultant that it was free from undue influence of KMP.

For the financial year ended 30 June 2014, and to the date of this Report, the Chair of the Committee sought information and advice directly from Godfrey Remuneration Group regarding CEO remuneration quantum and structure as well as a discussion paper regarding possible retention arrangements for key Executives. In order to ensure the information and advice was free from undue influence:

- Godfrey Remuneration Group was engaged by, and reported directly to, the Chair of the Committee; and
- The report containing the information and advice was provided directly to, and discussed with, the Chair of the Committee and Chairman.

The fees paid to Godfrey Remuneration Group for the information and advice were $29,260.

The Committee is satisfied the advice received from the Remuneration Consultants is free from undue influence from the KMP to whom the remuneration recommendations apply as the Remuneration Consultants were engaged by, and reported directly to, the Chair of the Remuneration Committee. The Remuneration Consultants also confirmed in writing to the Chair the remuneration recommendations were made free from undue influence by the Group's KMP.

E. Non-Executive Directors' Remuneration

Non-Executive Directors are paid a fee for being a Director of the Board and an additional fee if they chair a Board Committee.

Non-Executive Director fees are not linked to the performance of the Group and Non-Executive Directors do not participate in any of the Group's incentive plans.

Non-Executive Director fees are reviewed annually, and are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders. The total fees, inclusive of superannuation, were increased to offset the Superannuation Guarantee increase from 9% to 9.25% from 1 July 2013.

The current aggregate fee limit of $1,200,000 was approved by shareholders at the Company's 2010 Annual General Meeting.
For the year ended 30 June 2014, the aggregate fees (inclusive of superannuation) paid to all Non-Executive Directors was $982,314.

The Board will make a recommendation to the October 2014 Annual General Meeting to increase the aggregate fee limit by $300,000 to $1,500,000 (inclusive of superannuation contributions) per annum.

The Board believes that the proposed increase in the level of fees is reasonable having regards to:

- Warburg Pincus LLC (as former major shareholder) was previously entitled to a Board position, but did not take a fee for such role. The replacement Director (Mr Etienne) is now a fee earning Non-Executive Director;
- Aside from the increase to offset the superannuation guarantee increase, the base fees paid to Non-executive Directors have not increased since 2010. The proposed increase in the aggregate fee pool will provide the flexibility to adjust fees in the future in accordance with market benchmarks; and
- The Company's ability to retain and attract quality Directors.

There is no intention to increase Non-Executive Directors' fees for the 2015 financial year. The aggregate fees (inclusive of superannuation) expected to be paid to Non-Executive Directors during the 2015 financial year (based on the current Board and Committee structure) is $1,097,738.

The fee structure for the year ended 30 June 2014 is detailed in the following table.

	BOARD $	AUDIT COMMITTEE $	RISK AND COMPLIANCE COMMITTEE $	HUMAN RESOURCES COMMITTEE $	NOMINATION COMMITTEE $
Chairman	275,630	30,069	20,046	20,046	-
Non-Executive Director	125,287	-	-	-	-

The remuneration received by Non-Executive Directors for the years ended 30 June 2014 and 30 June 2013 is set out in the following tables.

YEAR ENDED 30 JUNE 2014	SALARY AND FEES $	SUPERANNUATION BENEFITS $	TOTAL $
NON-EXECUTIVE			
M M Hudson	252,288	23,337	275,625
R M Smith	142,199	13,153	155,352
E R Stein	133,025	12,305	145,330
T A Sinclair	123,720	11,444	135,164
R M Harding	123,699	11,442	135,141
M P Chellew	114,677	10,608	125,285
P G Etienne [1]	9,535	882	10,417
FORMER NON-EXECUTIVE			
J G Goldfaden [2]	-	-	-
Total	**899,143**	**83,171**	**982,314**

1 Appointed as Non-Executive Director on 29 May 2014.
2 Retired as Non-Executive Director on 4 November 2013. Mr Goldfaden had elected not to receive any Directors' fees as the representative Director of Warburg Pincus LLC, the former major shareholder.

YEAR ENDED 30 JUNE 2013	SALARY AND FEES $	SUPERANNUATION BENEFITS $	TOTAL $
NON-EXECUTIVE			
M M Hudson [1]	172,780	15,550	188,330
R M Smith	142,199	12,798	154,997
E R Stein	120,793	10,871	131,664
T A Sinclair	120,793	10,871	131,664
R M Harding [2]	38,226	3,440	41,666
M P Chellew [3]	38,226	3,440	41,666
FORMER NON-EXECUTIVE			
J G Goldfaden [4]	-	-	-
G T Tilbrook [5]	173,197	10,980	184,177
B R Brown [6]	76,451	6,881	83,332
Total	**882,665**	**74,831**	**957,496**

1 Appointed as Chairman on 1 March 2013.
2 Appointed as Non-Executive Director on 1 March 2013.
3 Appointed as Non-Executive Director on 1 March 2013.
4 Mr Goldfaden had elected not to receive any Directors' fees as the representative Director of Warburg Pincus LLC, the former major shareholder.
5 Retired as Non-Executive Director and Chairman on 1 March 2013.
6 Retired as Non-Executive Director on 1 March 2013.

F. Executive Key Management Personnel - Remuneration Strategy and Structure

The Group's remuneration strategy is designed to attract, retain and motivate high calibre Executives to ensure the sustainable success of the Group for the benefit of all stakeholders.

The Board ensures that Executive remuneration satisfies the following key criteria for good remuneration governance practices:

- Aligned to the Group's business strategy;
- Competitiveness and reasonableness as benchmarked against the external market;
- Performance linked to individual and financial performance; and
- Aligned to shareholder value through measuring Total Shareholder Return.

The Board, upon the recommendation of the Committee, has developed and adopted a structure driven by these key criteria which comprises a mix of fixed and variable remuneration components as outlined below.

Total Fixed Remuneration (TFR)	• Consists of base salary plus statutory superannuation contributions and other benefits. • Executives receive a fixed remuneration package which is reviewed annually by the Committee and the Board taking into consideration the responsibilities of the role, the qualifications and experience of the incumbent and benchmark market data including those companies with which the Group competes for talent. • In reviewing TFR the Committee and the Board takes into consideration business and individual performance as well as the factors outlined above. • There are no guaranteed base pay increases included in any KMP contract. • For the year ended 30 June 2014, the fixed remuneration packages of Mr Boucher and Mr Perko have not increased – reflecting their appointment during the year. The fixed remuneration packages of Mr Cummins and Mr Roderick were increased by 0.2% as a result of the Superannuation Guarantee increase from 9% to 9.25%.
Short-Term Incentive (STI)	• Target STI opportunities are expressed as a percentage of TFR. • The CEO has the ability to earn a target STI of 75% of TFR and Executives 50% of TFR with a stretch amount of 150% for the CEO and 100% for Executives. • For the year ended 30 June 2014, STI payments were determined by achievement of clearly defined financial performance targets including Group and divisional earnings before interest and tax (EBIT) and a balanced scorecard of individual measurements and performance standards. The Committee and the Board are responsible for reviewing the achievement of targets. • Maximum stretch amounts apply where 120% or more of the relevant financial performance targets are achieved and the highest level of individual performance standards are met. • EBIT performance measure was chosen primarily to align participant reward outcomes with the accomplishment of annual business plans and targets that drive divisional and Group performance. • The balanced scorecard includes: - Financial – earnings, return on total assets and capital expenditure targets; - Strategy & Customer – cross-selling opportunities, customer feedback and business growth targets; - Operational Efficiency – continuous improvement targets, safety and environmental performance target; and - People – succession planning, talent development and diversity. • The incentive is payable 50% cash and 50% Performance Rights. The cash component is paid after finalisation of the audited Consolidated Financial Statements each year. The Performance Rights are allocated around the same time with a two year restriction period, subject to continued employment.

Long-Term Incentive (LTI)	• Target LTI opportunities are expressed as a percentage of TFR. • The CEO has a target LTI opportunity of 75% of TFR and a maximum opportunity of 150% of TFR. Executives have a maximum LTI opportunity of 50% of TFR. • The number of Performance Rights offered is calculated by dividing an individuals' LTI opportunity by Transpacific's 20 day volume weighted average share price. Offers under the LTI are made on an annual basis. For the year ended 30 June 2014, one offer being the 2014 LTI Offer was made, the details of which are summarised in Section G. The details of previous offers that are still on-foot as at 30 June 2014 are summarised in Section K. • Performance Rights issued under the LTI plan are tested against the relevant performance hurdles at the end of the performance period. • Subject to meeting the relevant performance hurdles, upon vesting, the Performance Rights will be converted into ordinary shares in the Company. • Where the individual does not hold shares in the Company to the value of at least 12 months' TFR at the vesting date, 50% of the ordinary shares allocated upon vesting will be restricted until such time as they hold the equivalent of 12 months' TFR in Company shares. The Board has the right to waive any such restriction. • Where a participant ceases employment prior to the end of the performance period, the Performance Rights are forfeited unless the Board applies its discretion. The Board has discretion to determine the extent of vesting in the event of a change of control, or where a participant dies, becomes permanently disabled, retires or is made redundant.

G. Summary of the 2014 Long Term Incentive Offer

For the year ended 30 June 2014, an LTI offer was made to the Executive KMP other than the CEO, under the Group's LTI Scheme. At the 2014 Transpacific Annual General Meeting, shareholder approval will be sought for the CEO's 2014 LTI Offer which will be made on the same terms and conditions.

The details of the 2014 LTI Offer are summarised below.

Performance Period:
The performance period is for four years from 1 July 2013 to 30 June 2017.

Performance Hurdles:
Performance Rights issued under the 2014 Offer are allocated in two equal tranches: 50% is subject to the achievement of a relative TSR performance hurdle and 50% is subject to an EPS performance hurdle. These conditions are tested independently.

Under Tranche 1 – up to 50% of the Performance Rights will vest if the Company achieves a certain TSR ranking within S&P/ASX 200 Industrial Sector Index (excluding companies involved in resources or mining). The Board considers relative TSR to be an appropriate performance measure as it provides an objective measure for rewarding Executives based on the extent to which shareholder returns are generated, relative to the performance of companies of a similar size.

Under Tranche 2 – up to 50% of Performance Rights will vest if the Company achieves certain EPS performance targets. The Board considers EPS to be an appropriate measure as it generally aligns directly with the increasing value of the business.

REMUNERATION REPORT (AUDITED)

CONTINUED

TRANCHE 1: RELATIVE TSR

TRANSPACIFIC'S RELATIVE TSR RANKING	PROPORTION OF PERFORMANCE RIGHTS THAT WILL VEST
0 to 49^{th} percentile	0%
50^{th} percentile	50%
51^{st} to 74^{th} percentile	Straight line vesting between 51% and 99%
75^{th} to 100^{th} percentile	100%

TRANCHE 2: EPS

UNDERLYING EPS GROWTH HURDLE	PROPORTION OF PERFORMANCE RIGHTS THAT WILL VEST
< 10 cents per share	0%
10 cents per share	50%
Between 10 and 12.8 cents per share	Straight line vesting between 51% and 75%
Between 12.8 and 14.0 cents per share	Straight line vesting between 75% and 100%
>14.0 cents per share	100%

Number of Performance Rights:

There were 4,335,971 Performance Rights issued under the 2014 LTI Offer, of which 4,069,204 remain on issue at 30 June 2014. As a share-based payment, these Performance Rights were valued for accounting and reporting purposes using the Monte Carlo simulation method at $0.93 each.

Vesting:

The vesting date for the 2014 LTI Offer is 14 days after the release of results for the year ending 30 June 2017.

H. The Group's Performance

The Group's performance in respect of the current financial year and the previous four financial years is summarised in the following table.

	2010	2011	2012	2013	2014
Profit/(Loss) attributable to owners of the Company	$59,036,000	($296,543,000)[1]	$12,500,000	($218,700,000)[2]	$11,500,000[3]
EPS	6.7c	-26.8c	0.9c	-13.9c	0.7c
Underlying EPS	5.4c	5.2c	4.3c	4.4c	5.8c
Dividends per share	-	-	-	-	1.5c
Number of shares on issue	960,638,735	960,638,735	1,578,209,025	1,578,563,490	1,579,323,967
Share price at 30 June	$1.00	$0.82	$0.73	$0.80	$1.01
Change in share price	-$0.80	-$0.18	-$0.09	$0.07	$0.21

1 Includes underlying adjustments of $340.0 million after tax.
2 Includes underlying adjustments of $286.6 million after tax.
3 Includes underlying adjustments of $80.5 million after tax.

For the year ended 30 June 2014, the Board approved STI payments to the CEO and other Executive KMP that reflected Group, divisional and individual performance against agreed targets. Individuals who were not employed for the full financial year received a pro-rata STI payment. Further details are outlined in Section J.

I. Executive Key Management Personnel - Contract Terms

The CEO and other Executive KMP are employed on the basis of Executive Service Agreements (Agreements). These Agreements contain a range of terms and conditions including remuneration and other benefits, notice periods and termination benefits. The key contract terms are as follows:

- **Contract term**: no fixed term.
- **Notice Period**: (resignation or termination without cause) 12 months.
- **Redundancy**: 12 months' notice. Payment not to exceed average annual base salary over the previous 3 years.

The Company may terminate Agreements immediately for cause, in which case the Executive is not entitled to any payment in lieu of notice or contractual compensation.

The Agreements also provide for an Executive's participation in the STI and LTI plans subject to Board approval of their eligibility and in accordance with the terms and conditions of the respective plans.

Additional arrangements for the commencement during the year of Mr. Boucher and Mr. Perko are detailed as follows.

Chief Executive Officer
Reflecting the need to offer a remuneration package that would attract, motivate and retain a global Executive and given Mr Boucher's extensive waste management industry experience in the United States, his remuneration package includes a TFR of $1,100,000.

As previously disclosed in the 11 October 2013 Australian Securities Exchange ("ASX") announcement, Mr Boucher's Agreement also provides for:

- Relocation support for Mr Boucher and his family in moving from the United States to Australia. This support includes coverage of costs associated with moving personal and household items, health care coverage for the duration of his appointment, tax advice for the duration of his employment, a temporary motor vehicle for 4 weeks and temporary accommodation for a period of up to 3 months. The cost to the Group in providing this relocation support to Mr Boucher for the year ended 30 June 2014 is summarised in Section J; and
- A one-off allocation of 223,214 Transpacific shares (equivalent to $250,000) in recognition of incentives foregone in joining Transpacific. Following the receipt of a waiver from the ASX that shareholder approval was not required, these shares were allocated to Mr Boucher on 31 January 2014.

Managing Director, Cleanaway
Mr Perko's Agreement provides for:

- Relocation support for Mr Perko and his family in order to ensure a successful move to Australia. This support includes relocation expenses, temporary accommodation, home set-up costs, health care and tax return preparation for the duration of his employment. The cost to the Group in providing this relocation support to Mr Perko for the year ended 30 June 2014 is summarised in Section J; and
- A one-off allocation of $150,000 in Transpacific shares to be made 12 months after commencing employment (i.e. March 2015) in recognition of incentives foregone in joining Transpacific.

J. Executive Key Management Personnel - Remuneration Tables

The remuneration received by Executive KMP for the years ended 30 June 2014 and 30 June 2013 is set out in the following tables.

The share-based payments reflect the amounts required under the Australian Accounting Standards to be expensed by the Group in relation to any long term incentives and the deferral component of any short-term incentives. It represents the value of vested and unvested equity expensed during the period including reversal for forfeited equity incentives and the probability of the incentives vesting. These figures are accounting values and not the amounts actually received by Executive KMP. Whether or not Executive KMP realise any value from these share based payments will depend upon the satisfaction of the applicable performance conditions.

REMUNERATION REPORT (AUDITED)

CONTINUED

YEAR ENDED 30 JUNE 2014	SHORT-TERM BENEFITS				SHARE-BASED PAYMENTS	POST EMPLOYMENT		
	SALARY AND FEES $	OTHER CASH $	STI CASH[1] $	NON-MONETARY BENEFITS $	PERFORMANCE RIGHTS[2] $	SUPERANNUATION BENEFITS $	TERMINATION PAY $	TOTAL $
EXECUTIVE KEY MANAGEMENT PERSONNEL								
R C Boucher Jr [3]	654,667	168,348	333,150	4,215	250,000	-	-	**1,410,380**
S G Cummins [4]	633,530	250,000	209,600	3,685	221,491	17,775	-	**1,336,081**
J Perko [5,6]	238,457	164,923	59,250	2,814	80,092	-	-	**545,536**
A G Roderick [5]	633,530	188,762	39,100	2,082	30,349	17,775	-	**911,598**
FORMER EXECUTIVE KEY MANAGEMENT PERSONNEL								
K G Campbell [7]	334,804	-	-	1,163	(916,585)	7,406	1,048,055	**474,843**
C M Carroll [8]	361,854	-	-	1,630	(1,382)	17,775	255,981	**635,858**
N J A Clark [9]	500,468	-	-	3,383	(2,224)	13,331	748,067	**1,263,025**
P A Glavac [10]	92.255	1,570,089	-	208	(364,276)	2,962	-	**1,301,238**
T H Nickels [11]	431,452	348,377	305,754	8,803	(471,000)	12,944	-	**636,330**
Total	**3,881,017**	**2,690,499**	**946,854**	**27,983**	**(1,173,535)**	**89,968**	**2,052,103**	**8,514,889**

1. The STI payments approved by the Board, other than T H Nickels, are distributed as 50% cash (as disclosed in the table above) and 50% by way of Performance Rights which, subject to continued employment, will vest 30 June 2016.
2. The fair value of the Performance Rights is measured at the date of grant using a Monte Carlo simulation method and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed in the remuneration table above is the portion of the fair value of the Performance Rights allocated to this reporting period. Refer to Section G for further details regarding the fair value of rights.
3. Other cash comprises relocation costs; share based payments comprises the shares issued on commencement of employment.
4. Other cash comprises discretionary bonuses for Mr Cummins of $100,000 for his role in leading the Business and Operational Review and $150,000 for his role in achieving the sale of the New Zealand business.
5. Other cash comprises relocation costs.
6. Share based payments comprises the fair value of the Performance Rights under the 2014 LTI Offer and the portion of the sign-on shares allocated to this reporting period.
7. KMP until 29 November 2013. Termination pay comprises accrued annual leave of $151,635 and payment in lieu of notice of $896,420.
8. Employed until 30 April 2014. Termination pay comprises accrued annual leave of $5,466, a severance payment of $33,402 and payment in lieu of notice of $217,113.
9. KMP until 14 March 2014. Termination pay comprises accrued annual leave of $23,067 and payment in lieu of notice of $725,000.
10. KMP until 30 August 2013. Other cash comprises a discretionary bonus of $1,285,436 to Mr Glavac for his role in the sale of the Commercial Vehicles Group and a bonus paid in relation to the year ended 30 June 2013, which entitlement to and payment of, was determined following the sale of the Commercial Vehicles Group of $284,653. To recognise the criticality of his role in achieving a successful transition, the bonus is paid in two tranches: $642,718 was paid 13 September 2013, the remaining $642,718 will be paid in September 2014 and is subject to forfeiture.
11. KMP until 30 June 2014. Other cash comprises the first tranche of a discretionary bonus of NZ$771,375 to Mr Nickels for his role in the sale of the New Zealand business. To recognise the criticality of his role in achieving a successful transition, the bonus is paid in two tranches: NZ$385,687 was paid on 27 June 2014, the remaining NZ$385,687 will be paid 26 June 2015 and is subject to forfeiture.

YEAR ENDED 30 JUNE 2013	SHORT-TERM BENEFITS				SHARE-BASED PAYMENTS	POST EMPLOYMENT		
	SALARY AND FEES $	OTHER CASH $	STI CASH $	NON-MONETARY BENEFITS $	PERFORMANCE RIGHTS $	SUPERANNUATION BENEFITS $	TERMINATION PAY $	TOTAL $
EXECUTIVE KEY MANAGEMENT PERSONNEL								
S G Cummins	633,530	-	-	2,797	112,978	16,470	-	**765,775**
A G Roderick	633,530	-	-	4,391	177,676	16,470	-	**832,067**
FORMER EXECUTIVE KEY MANAGEMENT PERSONNEL								
K G Campbell	923,530	-	-	3,627	210,353	16,470	-	**1,153,980**
N M Badyk	55,364	-	-	2,605	(289,980)	16,874	756,457	**541,320**
C M Carroll	434,225	-	-	39,151	1,382	16,470	-	**491,228**
N J A Clark	505,794	-	-	970	2,224	12,353	-	**521,341**
P A Glavac [1]	553,530	-	38,750	497	181,779	16,470	-	**791,026**
T H Nickels [2]	382,220	-	3,177	8,480	149,984	6,405	-	**550,266**
Total	**4,121,723**	**-**	**41,927**	**62,518**	**546,396**	**117,982**	**756,457**	**5,647,003**

1 STI cash comprises the cash component of the $77,500 STI paid to Mr Glavac in relation to the year ended 30 June 2012.
2 STI cash comprises the cash component of the $6,235 STI paid to Mr Nickels in relation to the year ended 30 June 2012.

Proportion of Performance Related Remuneration

		PERCENTAGE OF TARGET STI RECEIVED [1]	PERCENTAGE OF REMUNERATION CONSISTING OF PERFORMANCE RIGHTS	PERCENTAGE OF REMUNERATION PERFORMANCE RELATED [2]
EXECUTIVE KEY MANAGEMENT PERSONNEL				
R C Boucher Jr	**2014**	**128%**	**18%**	**41%**
S G Cummins	**2014**	**128%**	**17%**	**51%**
	2013	-	15%	15%
J Perko	**2014**	**102%**	**15%**	**26%**
A G Roderick	**2014**	**24%**	**3%**	**8%**
	2013	-	21%	21%
FORMER EXECUTIVE KEY MANAGEMENT PERSONNEL				
K G Campbell	**2014**	**-**	**-**	**-**
	2013	-	18%	18%
N M Badyk	2013	-	-	-
C M Carroll	**2014**	**-**	**-**	**-**
	2013	-	1%	1%
N J A Clark	**2014**	**-**	**-**	**-**
	2013	-	1%	1%
P A Glavac	**2014**	**-**	**(28%)**	**93%**
	2013	14%	23%	28%
T H Nickels	**2014**	**132%**	**(74%)**	**29%**
	2013	2%	27%	28%

1 Calculated based on STI as a percentage of pro-rata target.
2 Calculated based on STI cash, other cash bonuses and share based payments as a percentage of total remuneration.

Performance Rights Granted and Movement During the Year

The aggregate number of Performance Rights in the Company that were granted as compensation, exercised and lapsed to each Executive KMP for the year ended 30 June 2014 is set out in the following table.

YEAR ENDED 30 JUNE 2014	BALANCE AT 1 JULY 2013	RIGHTS GRANTED DURING THE YEAR AS REMUNERATION [1]	VALUE OF RIGHTS GRANTED DURING THE YEAR [2]	RIGHTS EXERCISED DURING THE YEAR	VALUE OF RIGHTS EXERCISED DURING THE YEAR [3]	LAPSED / CANCELLED DURING THE YEAR	VALUE OF LAPSED / CANCELLED [4]	BALANCE AT 30 JUNE 2014	MAXIMUM TOTAL YET TO VEST
	NUMBER	NUMBER	$	NUMBER	$	NUMBER	$	NUMBER	NUMBER
EXECUTIVE KEY MANAGEMENT PERSONNEL									
R C Boucher Jr	-	-	-	-	-	-	-	-	-
S G Cummins	946,409	380,880	354,218	(175,092)	(176,843)	-	-	1,152,197	1,152,197
J Perko	-	424,740	395,008	-	-	-	-	424,740	424,740
A G Roderick	1,571,459	380,880	354,218	-	-	(300,000)	(255,000)	1,652,339	1,652,339
FORMER EXECUTIVE KEY MANAGEMENT PERSONNEL									
K G Campbell	1,858,992	-	-	-	-	(1,858,992)	(1,468,148)	-	-
C M Carroll	283,920	-	-	-	-	(283,920)	(139,121)	-	-
N J A Clark	456,722	-	-	-	-	(456,722)	(223,794)	-	-
P A Glavac	1,325,344	-	-	(213,294)	(215,427)	(1,112,050)	(856,255)	-	-
T H Nickels	1,090,959	-	-	-	-	(1,030,096)	(886,783)	60,863	-

1 Performance Rights were granted to Executive KMP under the 2014 LTI Offer on 24 March 2014, with vesting on release of results for the year ending 30 June 2017.
2 The fair value of Performance Rights granted on 24 March 2014, calculated using a Monte Carlo simulation method, is $0.93 per Performance Right.
3 Calculated per Performance Right as the market value of Transpacific shares on the date of exercise.
4 Value is calculated at fair market value of the performance right on date of grant.

The number of Performance Rights included in the balance at 30 June 2014 for the Executive KMP is set out in the following table.

ISSUED	2010	2012	2012	2013	2014		
	EEA[1]	LTI	STI	LTI	LTI	BALANCE AT 30 JUNE 2014	VESTED & EXERCISABLE AT THE END OF THE YEAR
EXECUTIVE KEY MANAGEMENT PERSONNEL							
R C Boucher Jr	-	-	-	-	-	-	-
S G Cummins	-	361,842	-	409,475	380,880	1,152,197	-
J Perko	-	-	-	-	424,740	424,740	-
A G Roderick	451,458	410,526	-	409,475	380,880	1,652,339	-
FORMER EXECUTIVE KEY MANAGEMENT PERSONNEL							
K G Campbell	-	-	-	-	-	-	-
C M Carroll	-	-	-	-	-	-	-
N J A Clark	-	-	-	-	-	-	-
P A Glavac	-	-	-	-	-	-	-
T H Nickels	-	-	60,863	-	-	60,863	60,863

1 Refer to Section K for a description of the Executive Engagement Award (EEA).

The unvested Performance Rights have a minimum value of zero if they do not reach the 50th percentile relative TSR measure, or if EPS hurdles are not met.

Subsequent to year end, no Performance Rights have been issued to KMP. No terms of Performance Rights transactions have been altered by the Company during the reporting period. The Board has not previously exercised its discretion to allow the early vesting of any Performance Rights under any of the incentive plans.

Securities Trading Policy

The Company prohibits Executives from entering into any hedging arrangements or acquiring financial products (such as equity swaps, caps and collars or other hedging products) over unvested Performance Rights which have the effect of reducing or limiting exposure to risks associated with the market value of the Company's securities.

No Directors or Senior Executives may directly or indirectly enter into any margin loan facility against the Company's securities unless the prior written consent of the Chairman of the Board is obtained.

K. Prior Year Share Plans

For the year ended 30 June 2014, one offer was made being the 2014 LTI Offer, the details of which are summarised in Section G. The details of previous offers that are still on-foot as at 30 June 2014 are summarised below.

2013 Long Term Incentive Offer

Performance Period:
The performance period is for four years from 1 July 2012 to 30 June 2016.

Performance Hurdles:
Performance Rights issued under the 2013 LTI Offer are allocated in two equal tranches: 50% is subject to the achievement of a relative TSR performance hurdle and 50% is subject to an EPS performance hurdle. These conditions are tested independently.

Under Tranche 1 – up to 50% of the Performance Rights will vest if the Company achieves a certain TSR ranking within the S&P/ASX 200 Industrial Sector Index (excluding companies involved in resources or mining).

Under Tranche 2 – up to 50% of Performance Rights vest if the Company achieves certain EPS performance targets.

TRANCHE 1: RELATIVE TSR

TRANSPACIFIC'S RELATIVE TSR RANKING	PROPORTION OF PERFORMANCE RIGHTS THAT WILL VEST
0 to 49th percentile	0%
50th percentile	50%
51st to 74th percentile	Straight line vesting between 51% and 99%
75th to 100th percentile	100%

TRANCHE 2: EPS

UNDERLYING EPS GROWTH HURDLE	PROPORTION OF PERFORMANCE RIGHTS THAT WILL VEST
< 10 cents per share	0%
10 cents per share	50%
Between 10 and 12.8 cents per share	Straight line vesting between 51% and 75%
Between 12.8 and 14.0 cents per share	Straight line vesting between 75% and 100%
>14.0 cents per share	100%

Number of Performance Rights:
There are currently 2,491,536 Performance Rights on issue at 30 June 2014. As a share-based payment, these Performance Rights were valued for accounting and reporting purposes using the Monte Carlo simulation method at $0.49 each.

Vesting:
The vesting date for the 2013 LTI Offer is 14 days after the release of results for the year ending 30 June 2016.

2012 Long Term Incentive Offer

Performance Period:
The performance period is for four years from 1 July 2011 to 30 June 2015.

Performance Hurdles:
Performance Rights issued under the 2012 LTI Offer are allocated in two equal tranches: 50% is subject to the achievement of a relative TSR performance hurdle and 50% is subject to an EPS performance hurdle. These conditions are tested independently.

Under Tranche 1 – 50% of the Performance Rights vest if the Company achieves a relative TSR of equal to or greater than the 50th percentile of the TSR of the S&P/ASX 200 Industrial Sector Index (excluding companies involved in resources or mining).

Under Tranche 2 – 50% of the Performance Rights vest if the Company achieves certain EPS growth targets (using the Company's 2012 financial year internal budget as the base for EPS growth).

TRANCHE 1: RELATIVE TSR

TRANSPACIFIC'S RELATIVE TSR RANKING	PROPORTION OF PERFORMANCE RIGHTS THAT WILL VEST
0 to 49th percentile	0%
50th to 100th percentile	100%

TRANCHE 2: EPS

UNDERLYING EPS GROWTH HURDLE	PROPORTION OF PERFORMANCE RIGHTS THAT WILL VEST
< 15% annualised EPS growth	0%
15% annualised EPS growth	50%
15% to 20% annualised EPS growth	Straight line vesting between 50% and 75%
20% to 25% annualised EPS growth	Straight line vesting between 75% and 100%

Number of Performance Rights:
There are currently 1,618,031 Performance Rights on issue at 30 June 2014. As a share-based payment, these Performance Rights were valued for accounting and reporting purposes using the Monte Carlo simulation method at $0.54 each.

Vesting:
The vesting date for the 2012 LTI Offer is 14 days after the release of results for year ending 30 June 2015.

Executive Engagement Award (EEA)

Shareholders approved the Executive Engagement Award (EEA) at the 2010 Annual General Meeting. The purpose of the EEA was to provide a one-off incentive to retain certain eligible Executives and Senior Managers, foster a responsible balance between short-term and long-term corporate results and long-term shareholder value creation, and build and maintain a strong spirit of performance and entrepreneurship.

The vesting of the Performance Rights is conditional upon the participant being employed at the vesting date (30 June 2015), and will vest at various percentages based on the Company's share price at that date as follows:

20 DAY VOLUME WEIGHTED AVERAGE SHARE PRICE	PERCENTAGE OF PERFORMANCE RIGHTS VESTING
Less than $3.00	0%
$3.00	50%
$4.50	100%
$6.00	200%
$9.00 or more	300%

The EEA is subject to the same employment and early vesting clauses as the LTI. The Company does not intend to make any further awards under the EEA.

L. Other Related Party Transactions

Share Holdings

The movement for the year ended 30 June 2014 in the number of ordinary shares in the Company held, directly or indirectly or beneficially, by each KMP, including their related parties, is detailed in the following table.

NAME	BALANCE AT THE START OF THE YEAR	RECEIVED DURING THE YEAR ON THE EXERCISE OF RIGHTS	OTHER CHANGES DURING THE YEAR	BALANCE AT THE END OF THE YEAR
NON-EXECUTIVE DIRECTOR				
M M Hudson	32,858	-	10,000	42,858
R M Smith	65,715	-	-	65,715
E R Stein	30,300	-	-	30,300
T A Sinclair	-	-	-	-
R M Harding	-	-	-	-
M P Chellew	-	-	-	-
P G Etienne	-	-	-	-
FORMER NON-EXECUTIVE DIRECTOR				
J G Goldfaden	-	-	-	-
EXECUTIVE KEY MANAGEMENT PERSONNEL				
R C Boucher Jr[1]	-	-	350,514	350,514
S G Cummins	40,000	175,092	100,000	315,092
J Perko	-	-	-	-
A G Roderick	-	-	-	-
FORMER EXECUTIVE KEY MANAGEMENT PERSONNEL				
K G Campbell	-	-	-	-
C M Carroll	-	-	-	-
N J Clark	-	-	-	-
P A Glavac	374,367	213,294	(374,367)	213,294
T H Nickels	-	-	-	-

1. Shares acquired during the year comprise a one-off allocation of 223,214 shares (equivalent to $250,000) in recognition of incentives foregone in joining Transpacific and 127,300 shares purchased on-market by Mr Boucher.

Loans to Executive Key Management Personnel

There were no loans to Executive KMP made during the period and no outstanding balances at reporting date.

Other Transactions and Balances with Executive Key Management Personnel and their Related Parties

The Group trades on normal commercial terms and conditions on an arm's length basis with the following companies:

- NGT Marketing - Mr Martin Hudson, a Non-Executive Director and Chairman of the Group, holds a beneficial interest in NGT Marketing;
- K&S Corporation Ltd and Crowe Horwath Australasia Limited - Mr Ray Smith, a Non-Executive Director of the Group, is a Non-Executive Director of these companies;
- Programmed Maintenance Services Ltd and Alumina Limited - Ms Emma Stein, a Non-Executive Director of the Group, is a Non-Executive Director of these companies;
- Downer EDI Limited and Santos Limited - Mr Mike Harding, a Non-Executive Director of the Group, is the Chairman of Downer EDI and was a Non-Executive Director of Santos; and
- Adelaide Brighton Limited - Mr Mark Chellew, a Non-Executive Director of the Group, was the Managing Director of this company.

Shares under Option

In the financial year ended 30 June 2014 and up to the date of this Report, no options were granted over unissued shares.

As at the date of this Report there are no unissued ordinary shares of the Company under option.

Details of Performance Rights granted under the STI and LTI offers in the 2014 and 2013 financial year are set out in a previous section of the Remuneration Report. Total Performance Rights outstanding as at 30 June 2014 is 11,586,348 (2013: 18,027,039).

Shares Issued on the Exercise of Performance Rights

In the financial year ended 30 June 2014 and up to the date of this report, the Company issued 862,074 shares as a result of the exercise of Performance Rights that vested on 30 June 2014.

In the prior year, the Company issued 354,465 ordinary shares as a result of the exercise of Performance Rights that vested on 30 June 2012.

Directors' and Officers' Insurance

During the financial year, the Company paid insurance premiums to insure the Directors and Officers of the Company. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as Directors and Officers of entities in the Group, and any other payments arising from liabilities incurred by the Directors and Officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the Directors and Officers or the improper use by the Directors and Officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities. Disclosure of the premium paid is not permitted under the terms of the insurance contract.

Non-audit Services

The Company may decide to employ the auditors on assignments additional to their statutory audit duties where the auditors' expertise and experience with the Company and/or the Group are important. During the financial years ended 30 June 2014 and 2013 non-audit services included due diligence, taxation and other advisory services.

The Directors have considered the position and in accordance with written advice provided by resolution of the Audit Committee, is satisfied that the provision of the non-audit services is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Company to ensure they do not impact the integrity and objectivity of the auditor; and
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid or payable to the auditor and its related practices for audit and non-audit services are set out below.

	2014 **$**	**2013** **$**
Ernst & Young:		
Audit services	1,451,536	1,360,000
Audit related services	248,376	178,812
Non-audit services		
Due diligence services	453,000	78,319
Total	**2,152,912**	**1,617,131**

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 56.

Extension of Lead Auditor's Term

Ernst & Young were appointed as auditors of the Company in November 2009. The audit for the 30 June 2014 financial year will be Mr Mike Reid's fifth successive audit, having been the lead auditor and signing partner for Ernst & Young since their appointment.

In accordance with section 324DAA of the *Corporations Act*, the Directors, having considered a recommendation from the Audit Committee, and in light of the significant number of strategic and operational initiatives currently being implemented by the Company, resolved that Mr. Reid's term as Ernst & Young's lead auditor in the external audit of the Company be extended for a period of 12 months. In considering an extension to Mr Reid's appointment, the Directors noted:

- Mr Reid's knowledge and understanding of the Group, in particular his understanding of its current operating and reporting systems, transformation strategies and programs; and
- That this extension is consistent with maintaining the quality of the audit and will not give rise to a conflict of interest.

Rounding of Amounts

The Company is of a kind referred to in ASIC Class Order 98/100 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest hundred thousand dollars or, in certain cases, to the nearest dollar.

This Report is made in accordance with a resolution of the Directors.

M M Hudson
Non-Executive Director and Chairman

R C Boucher Jr
Executive Director and Chief Executive Officer

Melbourne, 18 August 2014

AUDITOR'S INDEPENDENCE DECLARATION

Building a better working world

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Auditor's Independence Declaration to the Directors of Transpacific Industries Group Ltd

In relation to our audit of the financial report of Transpacific Industries Group Ltd for the financial year ended 30 June 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Mike Reid
Partner
18 August 2014

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	NOTES	2014 $'M	2013 $'M
CONTINUING OPERATIONS			
Revenue from continuing operations	B1(a)	1,421.3	1,495.0
Other gains or losses	B1(b)	(16.2)	(17.7)
Raw materials and inventory		(88.9)	(96.4)
Waste disposal and collection		(261.9)	(282.3)
Employee expenses		(540.0)	(547.0)
Depreciation and amortisation expenses		(195.1)	(152.4)
Repairs and maintenance		(80.6)	(82.9)
Fuel purchases		(55.4)	(44.2)
Leasing charges		(34.5)	(50.7)
Freight costs		(18.6)	(18.1)
Other expenses		(97.0)	(88.2)
Share of profits of associates		1.7	1.0
Net finance costs	B1(c)	(94.6)	(116.6)
Impairment of assets		(139.4)	(271.8)
Rectification expense on landfill assets and operations		(69.2)	-
Change in fair value of land and buildings		(8.3)	-
Change in fair value of derivative financial instruments		(8.8)	12.5
Loss Before Income Tax		**(285.5)**	**(259.8)**
Income tax benefit	B1(d)	76.9	56.6
Loss From Continuing Operations After Income Tax		**(208.6)**	**(203.2)**
DISCONTINUED OPERATIONS			
Profit for the period from Discontinued Operations After Income Tax	A3	237.5	2.8
Profit/(Loss) For The Period From Continuing and Discontinued Operations After Income Tax		**28.9**	**(200.4)**
Attributable to:			
Ordinary Equity holders		11.5	(218.7)
Non-controlling interest		1.9	1.2
Step-up Preference Security holders		15.5	17.1
Profit/(Loss) From Continuing and Discontinued Operations After Income Tax		**28.9**	**(200.4)**

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying Notes.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014 (CONTINUED)

	NOTES	2014 $'M	2013 $'M
Profit/(Loss) From Continuing and Discontinued Operations After Income Tax		**28.9**	**(200.4)**
Other Comprehensive Income			
Items that may be reclassified subsequently to profit or loss (recycled):			
Cash flow hedges			
Net gain taken to equity (net of tax $Nil (2013: $3.5 million))	E4(d)	-	8.4
Net gain taken to Profit and Loss	E4(d)	6.7	0.8
Translation of foreign operations			
Exchange differences taken to equity ($Nil tax effect)	E4(a)	87.7	62.2
Net loss on disposal of foreign operation ($Nil tax effect)	E4(a)	(59.3)	-
Items that will not be reclassified subsequently to profit or loss (not recycled):			
Revaluation of assets			
Revaluation of land and buildings (net of tax $1.7 million (2013: $0.2 million))	E4(b)	4.6	(0.6)
Net Comprehensive Income Recognised Directly in Equity		**39.7**	**70.8**
Total Comprehensive Income/(Loss) for the Year		**68.6**	**(129.6)**
Attributable to:			
Ordinary Equity holders		51.2	(147.9)
Non-controlling interest		1.9	1.2
Step-up Preference Security holders		15.5	17.1
Total Comprehensive Income/(Loss) for the Year		**68.6**	**(129.6)**
Earnings per Share for Profit/(Loss) Attributable to the Ordinary Equity Holders of the Company From Continuing And Discontinued Operations:			
Basic earnings per share (cents)	E1	0.7	(13.9)
Diluted earnings per share (cents)	E1	0.7	(13.9)
Earnings per Share for Loss Attributable to the Ordinary Equity Holders of the Company From Continuing Operations:			
Basic earnings per share (cents)		(14.0)	(14.0)
Diluted earnings per share (cents)		(14.0)	(14.0)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying Notes.

CONSOLIDATED BALANCE SHEET

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	NOTES	2014 $'M	2013 $'M
ASSETS			
Current Assets			
Cash and cash equivalents	B2(a)	190.1	76.2
Trade and other receivables	B2(b)	233.3	282.6
Inventories	B3(a)	10.7	165.2
Derivative financial instruments	E2(a)	-	9.0
Other assets	E3(a)	11.7	19.0
Total Current Assets		445.8	552.0
Non-current Assets			
Investments accounted for using the equity method	E2(b)	12.1	29.6
Property, plant and equipment	B3(b)	822.0	1,084.4
Land held for sale		6.6	7.7
Intangible assets	B3(c)	1,272.0	1,862.8
Other assets		-	0.4
Deferred tax assets	B1(d)	174.9	99.5
Total Non-current Assets		2,287.6	3,084.4
Total Assets		2,733.4	3,636.4
LIABILITIES			
Current Liabilities			
Trade and other payables	B2(c)	180.7	264.9
Income tax payable		2.3	6.6
Borrowings	B2(d)	2.0	21.5
Derivative financial instruments	E2(a)	3.8	45.6
Employee benefits		36.5	44.7
Provisions	B3(d)	67.1	59.3
Other	E3(b)	2.2	18.8
Total Current Liabilities		294.6	461.4
Non-current Liabilities			
Borrowings	B2(d)	51.4	1,032.2
Employee benefits		9.3	9.4
Provisions	B3(d)	306.8	117.4
Other		12.6	8.7
Total Non-current Liabilities		380.1	1,167.7
Total Liabilities		674.7	1,629.1
Net Assets		**2,058.7**	**2,007.3**
EQUITY			
Issued capital	B4(a)	2,071.8	2,071.7
Reserves	E4	33.9	64.6
Retained earnings		(305.3)	(385.4)
Parent entity interest		1,800.4	1,750.9
Non-controlling interest	B4(b)	8.5	6.6
Step-up Preference Security holders	B4(c)	249.8	249.8
Total Equity		**2,058.7**	**2,007.3**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying Notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	ORDINARY SHARES	CONVERTIBLE NOTE	ASSET REVALUATION RESERVE	WARRANT RESERVE	EMPLOYEE EQUITY BENEFITS RESERVE	CASH FLOW HEDGE RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	OWNERS OF THE PARENT	NON – CONTROLLING INTEREST	STEP-UP PREFERENCE SECURITIES	TOTAL EQUITY
	$'M	$'M	$'M	$'M	$'M	$'M	$'M	$'M	$'M	$'M	$'M	$'M
At 30 June 2013	**2,071.7**	**-**	**32.9**	**60.9**	**5.9**	**(6.7)**	**(28.4)**	**(385.4)**	**1,750.9**	**6.6**	**249.8**	**2,007.3**
Profit for period	-	-	-	-	-	-	-	11.5	11.5	1.9	15.5	28.9
Other comprehensive income	-	-	4.6	-	-	6.7	28.4	-	39.7	-	-	39.7
Total comprehensive income for the year	-	-	4.6	-	-	6.7	28.4	11.5	51.2	1.9	15.5	68.6
Share-based payment	0.3	-	-	-	(1.8)	-	-	-	(1.5)	-	-	(1.5)
Transaction costs (net of tax)	(0.2)	-	-	-	-	-	-	-	(0.2)	-	-	(0.2)
Distribution to Step-up Preference Security Holders	-	-	-	-	-	-	-	-	-	-	(15.5)	(15.5)
Transfer to retained earnings	-	-	(7.7)	(60.9)	-	-	-	68.6	-	-	-	-
Balance at 30 June 2014	**2,071.8**	**-**	**29.8**	**-**	**4.1**	**-**	**-**	**(305.3)**	**1,800.4**	**8.5**	**249.8**	**2,058.7**
At 30 June 2012	**2,070.5**	**51.6**	**33.5**	**60.9**	**4.4**	**(15.9)**	**(90.6)**	**(218.3)**	**1,896.1**	**5.4**	**249.8**	**2,151.3**
(Loss)/profit for period	-	-	-	-	-	-	-	(218.7)	(218.7)	1.2	17.1	(200.4)
Other comprehensive income	-	-	(0.6)	-	-	9.2	62.2	-	70.8	-	-	70.8
Total comprehensive income for the year	-	-	(0.6)	-	-	9.2	62.2	(218.7)	(147.9)	1.2	17.1	(129.6)
Share-based payment	-	-	-	-	1.5	-	-	-	1.5	-	-	1.5
Transaction costs (net of tax)	1.2	-	-	-	-	-	-	-	1.2	-	-	1.2
Distribution to Step-up Preference Security Holders	-	-	-	-	-	-	-	-	-	-	(17.1)	(17.1)
Transfer to retained earnings	-	(51.6)	-	-	-	-	-	51.6	-	-	-	-
Balance at 30 June 2013	**2,071.7**	**-**	**32.9**	**60.9**	**5.9**	**(6.7)**	**(28.4)**	**(385.4)**	**1,750.9**	**6.6**	**249.8**	**2,007.3**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	NOTES	2014 $'M	2013 $'M
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,097.5	2,542.9
Payments to suppliers and employees		(1,784.6)	(2,152.0)
Interest received		1.9	1.3
Interest paid		(73.3)	(104.3)
Income taxes paid		(18.0)	(5.5)
Net Cash From Operating Activities	**E6**	**223.5**	**282.4**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(186.1)	(196.3)
Proceeds from sale of investments (net of disposed cash)		1,107.1	-
Proceeds from disposal of property, plant and equipment		32.0	28.2
Dividends received from associates		10.6	4.1
Net Cash From/(Used In) Investing Activities		**963.6**	**(164.0)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of distribution on Step-up Preference Securities		(15.4)	(17.1)
(Payment)/receipt of debt and equity raising costs (GST refund)		(0.1)	1.2
Proceeds from drawdown of bank loans		-	155.6
Repayment of bank loans		(960.7)	(59.0)
Repayment of interest rate hedges		(36.4)	-
Repayment of finance lease liabilities		(59.8)	(34.6)
Repayment of loans to/from related parties		(2.0)	(0.4)
Repurchase of Convertible Notes		-	(51.3)
Repayment of US Private Placement Notes		-	(115.3)
Net Cash Used In Financing Activities		**(1,074.4)**	**(120.9)**
Net Increase/(Decrease) In Cash And Cash Equivalents		112.7	(2.5)
Cash and cash equivalents at the beginning of the year		76.2	77.9
Net foreign exchange differences		1.2	0.8
Cash And Cash Equivalents At The End Of The Year	**B2(a)**	**190.1**	**76.2**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying Notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

These are the Consolidated Financial Statements of Transpacific Industries Group Ltd (“the Company”) and its subsidiaries (“the Group”). A list of subsidiaries is included in Section E8.

The financial statements are presented in Australian dollars.

The notes are set out in the following main sections:

Significant Changes in the Current Reporting Period

The financial position and performance of the Group was particularly affected by the following events and transactions during the reporting period:

- The sale of the Commercial Vehicles Group ("CVG") in August 2013 (Refer to Section A3);
- The sale of the New Zealand business in June 2014 (Refer to Section A3);
- The sale of the Manufacturing Plastics business in June 2014 (Refer to Section A2);
- Undertaking of a landfill remediation review;
- A review of the Group capital management strategy resulted in a full refinance of the syndicated facilities on 30 June 2014, with a new facility of $400 million effective 1 July 2014; and
- As a result of the Business and Operational Review in 2013, the sale or closure of 39 businesses across the Group occurred during the year.

A Group Structure

This section provides information which will help users understand how the Group structure affects the financial position and performance of the Group as a whole. In particular, there is information about:

- Operating results by segment; and
- Changes to the structure that occurred during the year as a result of discontinued operations.

A1 Segment Information

Description of Segments

The Group has identified its operating segments on the basis of how the Chief Operating Decision Maker reviews the internal reports about the components of the Group in order to assess the performance and allocation of resources to the segment. Information reported to the Group's Chief Executive Officer (Chief Operating Decision Maker) for the purpose of performance assessment and resource allocation is specifically focused on the following reportable segments:

Cleanaway

- Collections – commercial and industrial, municipal and residential collection services for all types of solid waste streams, including general waste, recyclables, construction and demolition waste and medical and washroom services.
- Post Collections – ownership and management of waste transfer stations, resource recovery and recycling facilities, secure product destruction, quarantine treatment operations and landfills.
- Commodities trading – sale of recovered paper, cardboard, metals and plastics to the domestic and international marketplace.

Industrials

- Technical Services – collection, treatment, processing and recycling of liquid and hazardous waste, including industrial waste, grease trap waste, oily waters and used mineral and cooking oils in packaged and bulk forms.
- Energy, Minerals and Remediation (EMR) – services include industrial cleaning, vacuum tanker loading, site remediation, sludge management, parts washing, concrete remediation, CCTV, corrosion protection and emergency response services.
- Hydrocarbons – refining and recycling of used mineral oils to produce fuel oils and base oils.

New Zealand

- Waste Management NZ – provider of solid waste services including collection, recycling, landfill construction and operation.
- Industrials NZ – services include the operation of specialist facilities, liquid and hazardous waste collections and treatment, and emergency response services.

This segment was dissolved due to the sale of the New Zealand business on 30 June 2014.

A Group Structure (Continued)

A1 Segment Information (Continued)

Description of Segments

Commercial Vehicles

- Importation and distribution – independent importer and distributor of Western Star, MAN and Dennis Eagle truck chassis and associated parts and MAN bus chassis and associated parts.

This segment was dissolved due to the sale of the Commercial Vehicles Group on 30 August 2013.

Manufacturing

- Manufacturing – manufacturing and servicing of vehicle bodies, parts washers, plastic and steel bins, and waste compaction units to support operations of the Group as well as third parties.

This segment was dissolved due to the sale of the Manufacturing Plastics business on 30 June 2014 and sale of the Manufacturing Metals business in 2013.

Associates

- Represents the Group's share of profits from the non-controlled entities in the Group.

Corporate

- Shared services functions that are not directly attributable to other identifiable segments. These functions include management, finance, legal, information technology, marketing, and human resources that provide support to the other segments identified above.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

The Group has the following allocation policies:

- Sales between segments are on normal commercial terms.
- Corporate charges are allocated where possible based on estimated usage of Corporate resources.

Segment assets and liabilities have not been disclosed as these are not provided to the Chief Operating Decision Maker. This information is provided at a Group level only.

Finance income and expenses and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Intra-segment and inter-segment revenues are eliminated on consolidation.

A Group Structure (Continued)

A1 Segment Information (Continued)

Segment Results

2014	CLEANAWAY $'M	INDUSTRIALS AUSTRALIA $'M	NEW ZEALAND[1] $'M	COMMERCIAL VEHICLES[2] $'M	MANUFACT-URING[3] $'M	ASSOCIATES $'M	CORPORATE $'M	GROUP $'M
Revenue								
Sales of goods and services – external	911.8	467.5	390.3	75.7	11.6		4.7	1,861.6
Inter-segment sales	77.3	104.2	8.0	0.7	6.6		-	196.8
Total Sales Revenue	989.1	571.7	398.3	76.4	18.2		4.7	2,058.4
Other revenue	6.5	19.2	1.1	0.2	-		-	27.0
Total Segment Revenue	995.6	590.9	399.4	76.6	18.2		4.7	2,085.4
Inter-segment elimination								(196.8)
Total Revenue								**1,888.6**
Underlying EBITDA:	**189.8**	**90.1**	**94.2**	**5.3**	**0.5**	**12.4**	**(9.1)**	**383.2**
Results from landfill engineering and remediation review	(139.4)	-	-	-	-	-	-	(139.4)
Rectification expense of landfill assets and operations	(69.2)	-	-	-	-	-	-	(69.2)
Divestments and site closures from business & operational review	(1.4)	(3.3)	6.7	-	(3.9)	-	(4.6)	(6.5)
Restructuring costs, including redundancy	(0.9)	(0.1)	-	-	-	-	(6.2)	(7.2)
Onerous lease provision	-	-	-	-	(6.5)	-	(4.4)	(10.9)
Changes in fair value of land and building	(3.9)	-	-	-	-	-	(4.4)	(8.3)
Costs of implementation of transformation program and other strategic projects	(2.0)	-	-	-	-	-	(8.5)	(10.5)
Other costs	-	-	-	-	-	-	(1.2)	(1.2)
Depreciation and amortisation expense	(151.9)	(29.4)	(33.9)	(0.2)	-	-	(13.8)	(229.2)
EBIT	**(178.9)**	**57.3**	**67.0**	**5.1**	**(9.9)**	**12.4**	**(52.2)**	**(99.2)**
Changes in fair value of derivative financial instruments								(8.8)
Net finance costs								(94.6)
Profit for the period from Discontinued Operations								(82.8)
Loss Before Income Tax								**(285.5)**
Income tax benefit								76.9
Loss from Continuing Operations After Income Tax								**(208.6)**
Net Profit from Discontinued Operations after income tax								**237.5**
Profit From Continuing and Discontinued Operations after Income Tax								**28.9**
Acquisition of property, plant and equipment	99.6	31.5	41.3	0.3	-	-	13.4	186.1

1 Effective 30 June 2014 the New Zealand segment was dissolved due to the sale of the business. Refer to Section A3.
2 Effective 30 August 2013 the Commercial Vehicles segment was dissolved due to the sale the business. Refer to Section A3.
3 Effective 30 June 2014 the Manufacturing segment was dissolved due to the sale the business. Refer to Section A2.

A Group Structure (Continued)

A1 Segment Information (Continued)

Segment Results

2013	CLEANAWAY $'M	INDUSTRIALS AUSTRALIA $'M	NEW ZEALAND[1] $'M	COMMERCIAL VEHICLES[2] $'M	MANUFACTURING[3] $'M	ASSOCIATES $'M	CORPORATE $'M	GROUP $'M
Revenue								
Sales of goods and services – external	924.7	506.4	351.0	445.8	37.6		1.1	2,266.6
Inter-segment sales	79.7	101.4	6.9	5.3	34.5		6.5	234.3
Total Sales Revenue	1,004.4	607.8	357.9	451.1	72.1		7.6	2,500.9
Other revenue	4.4	21.1	0.9	1.3	-		(0.3)	27.4
Total Segment Revenue	1,008.8	628.9	358.8	452.4	72.1		7.3	2,528.3
Inter-segment elimination								(234.3)
Total Revenue								**2,294.0**
Underlying EBITDA:	**194.2**	**107.4**	**78.6**	**35.8**	**(2.2)**	**5.5**	**(7.1)**	**412.2**
Settlement of, and legal costs associated with shareholders actions	-	-	-	-	-	-	(0.1)	(0.1)
Restructuring costs, including redundancy	(3.1)	(1.9)	(1.0)	-	(1.3)	-	(1.7)	(9.0)
Refund of prior periods' tax credits	5.0	3.8	-	-	-	-	(0.9)	7.9
Impairment of assets	(231.5)	(40.3)	(53.2)	-	-	-	-	(325.0)
Costs associated with Business and Operational Review	-	-	-	-	-	-	(7.3)	(7.3)
Net gain/(loss) from disposal of investments and properties	(1.3)	(6.9)	1.4	-	(9.6)	-	0.5	(15.9)
Depreciation and amortisation expense	(101.8)	(32.4)	(32.1)	(1.2)	-	-	(18.2)	(185.7)
EBIT	**(138.5)**	**29.7**	**(6.3)**	**34.6**	**(13.1)**	**5.5**	**(34.8)**	**(122.9)**
Changes in fair value of derivative financial instruments								12.5
Net finance costs								(116.6)
Profit for the period from Discontinued Operations								(32.8)
Loss Before Income Tax								**(259.8)**
Income tax benefit								56.6
Loss from Continuing Operations After Income Tax								**(203.2)**
Net Profit from Discontinued Operations after income tax(Section								**2.8**
Loss from Continuing and Discontinued Operations after Income Tax								**(200.4)**
Acquisition of property, plant and equipment	96.4	42.7	33.7	1.1	-	-	22.4	196.3

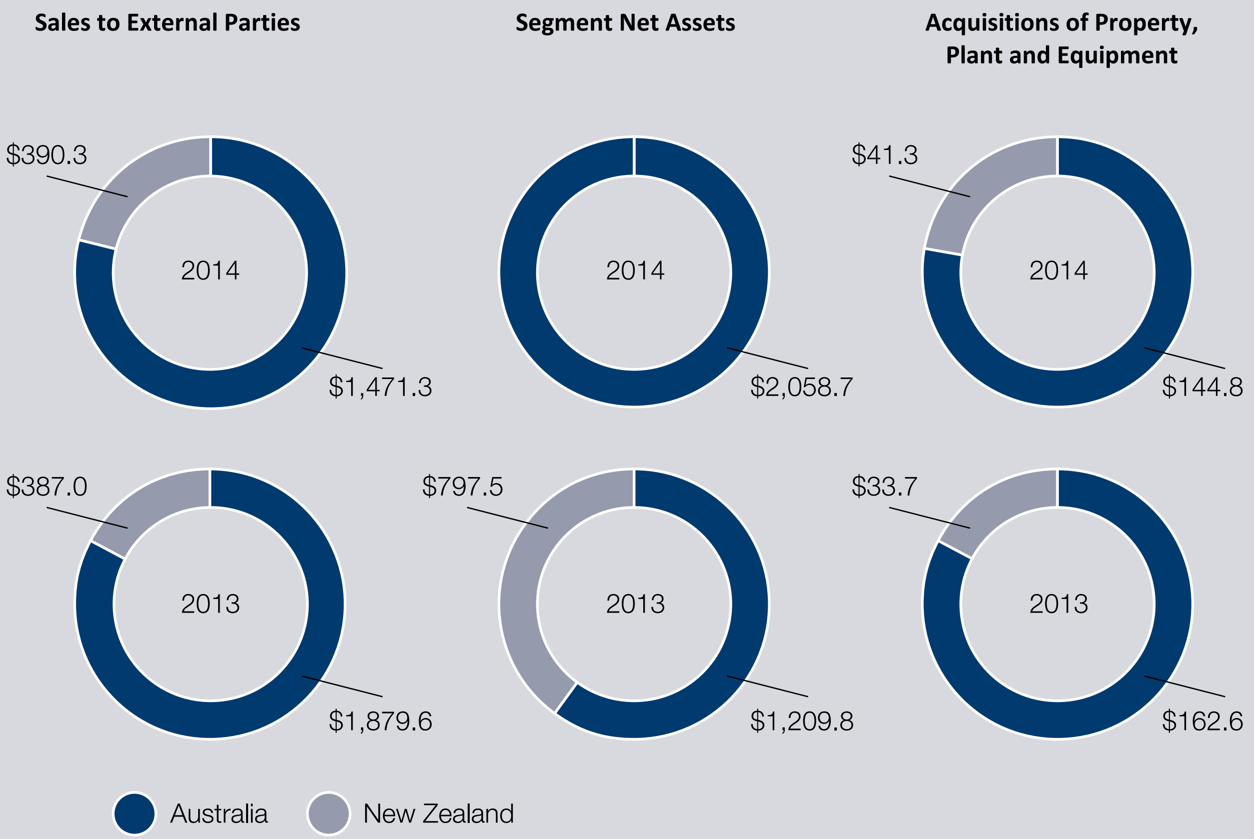
A Group Structure (Continued)

A1 Segment Information (Continued)

Geographic Information

The geographical information is based on the location of the external customer and its business location is shown below. All amounts shown are in millions.

Australia	All business segments have operations
New Zealand	All business segments have operations



There are no individual customers to whom sales exceed 10% of total sales of the Group.

A Group Structure (Continued)

A2 Business Combinations and Disposals

During the year the Group disposed of its interest in the Commercial Vehicles Group and its New Zealand business as disclosed below in Section A3.

The Group also disposed of its interest in the Manufacturing Plastics business that resulted in a net loss of $10.4 million. This transaction is not deemed to be material to the Group to warrant additional disclosure.

During the 2013 year the Group disposed of its interest in two investments that resulted in a net loss of $6.3 million and the sale of assets relating to the Manufacturing Metals business that resulted in a net loss of $9.6 million. Neither transaction is deemed material to the Group to warrant additional disclosure.

Refer to Section E13(B) for a summary of the accounting policy for business combinations.

A3 Discontinued Operations

During the year ended 30 June 2014 the Group classified two segments, being Commercial Vehicles Group and New Zealand, as Discontinued Operations.

The results of the Discontinued Operations included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income are set out below:

	NOTE	2014 $M	2013 $M
Results of Discontinued Operations			
Operating profit of Commercial Vehicles Group after income tax	A3(a)	3.6	24.5
Gain on disposal of Commercial Vehicles Group after items transferred from reserves and income tax	A3(a)	131.0	-
		134.6	24.5
Operating profit/(loss) of New Zealand after income tax	A3(b)	61.8	(21.7)
Gain on disposal of New Zealand after items transferred from reserves and income tax	A3(b)	41.1	-
Net Profit From Discontinued Operations Attributable To Ordinary Equity Holders		**237.5**	**2.8**
Earnings per Share:			
Basic earnings per share (cents)		15.0	0.1
Diluted earnings per share (cents)		15.0	0.1

A Group Structure (Continued)

A3 Discontinued Operations (Continued)

(a) Sale of Commercial Vehicles Group

On 30 August 2013, the Group sold the Commercial Vehicles Group ("CVG") business to Penske Automotive Group, Inc.

For the purposes of these Consolidated Financial Statements, the CVG business has been classified as a Discontinued Operation. The results of the Discontinued Operations included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income are set out in the following table. The comparative results from CVG have been re-presented as Discontinued Operations in the current year, with a gain on sale of $131 million recognised in the Income Statement. At the half year, the Group recognised a provision for income tax which has been subsequently adjusted due to the allocation of available capital losses.

	2014 $M	2013 $M
Results Of Discontinued Operations From Sale Of Commercial Vehicles Group		
Revenue	76.6	452.4
Expenses	(71.5)	(417.8)
Profit before income tax from a discontinued operation	5.1	34.6
Income tax expense	**(1.5)**	**(10.1)**
Net Profit From Discontinued Operations After Income Tax Before Gain On Disposal	**3.6**	**24.5**
Gain on sale from disposal of Commercial Vehicles Group after items transferred from reserves to profit and loss	131.0	-
Income tax (expense)/benefit	-	-
Net Profit From Discontinued Operation After Income Tax Attributable To Ordinary Equity Holders	**134.6**	**24.5**

Cash flows from Commercial Vehicles Group

The net cash flows incurred by Commercial Vehicles Group are as follows:

	2014 $M	2013 $M
Operating	0.8	13.9
Investing	(0.4)	(1.1)
Financing	-	(25.7)
Net cash inflow/(outflow)	**0.4**	**(12.9)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014 (CONTINUED)

A Group Structure (Continued)

A3 Discontinued Operations (Continued)

(a) Sale of Commercial Vehicles Group (Continued)

Analysis of Assets and Liabilities Over Which Control Was Lost

	2014 $M
ASSETS	
Current Assets	
Cash and cash equivalents	8.0
Trade receivables	15.8
Inventories	135.9
Derivative financial instruments	6.4
Other current assets	2.9
Total Current Assets	**169.0**
Non-current Assets	
Property, Plant and equipment	6.6
Intangible assets	5.5
Deferred tax assets	9.6
Total Non-current Assets	**21.7**
Total Assets	**190.7**
LIABILITIES	
Current Liabilities	
Trade Payables	61.1
Employee Benefits	2.9
Provision	21.1
Total Current Liabilities	**85.1**
Non-current Liabilities	
Provisions	0.3
Other	0.2
Total Non-current Liabilities	**0.5**
Total Liabilities	**85.6**
Net assets disposed	**105.1**
Consideration received:	
Purchase price consideration	219.0
Working capital adjustment	19.7
Total consideration received	238.7
Less: cash and cash equivalents disposed	(8.0)
Net consideration received	230.7
Gross gain on disposal	131.0
Income tax expense	-
Gain On Disposal of Commercial Vehicles Group After Items Transferred from Reserves and Income Tax	**131.0**

A Group Structure (Continued)

A3 Discontinued Operations (Continued)

(b) Sale of New Zealand Business

On 30 June 2014, the Group sold its New Zealand business to a wholly owned subsidiary of the Beijing Capital Group.

For the purposes of these Consolidated Financial Statements, the New Zealand business is classified as a Discontinued Operation. The results of the Discontinued Operations included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income are set out in the following table. The comparative results from New Zealand have been re-presented as Discontinued Operations in the current year, with a gain on sale of $41.1 million recognised in the Income Statement.

	2014 $M	**2013 $M**
Results Of Discontinued Operations From Sale Of New Zealand Business		
Revenue	399.4	358.8
Expenses	(332.4)	(365.1)
Share of profit of associates	10.7	4.5
Profit/(loss) before income tax from a discontinued operation	77.7	(1.8)
Income tax expense	(15.9)	(19.9)
Net Profit/(Loss) From Discontinued Operations After Income Tax Before Gain On Disposal	**61.8**	**(21.7)**
Gain on sale from disposal of New Zealand after items transferred from reserves to profit and loss	41.1	-
Income tax expense	-	-
Other Comprehensive Income		
Items that may be reclassified subsequently to profit or loss (recycled)		
Foreign Currency Translation Reserve taken to profit and loss	(59.3)	-
Net Profit/(Loss) From Discontinued Operation After Income Tax Attributable To Ordinary Equity Holders	**43.6**	**(21.7)**

Cash flows from New Zealand business

The net cash flows incurred by New Zealand business are as follows:

	2014 $M	**2013 $M**
Operating	83.5	64.8
Investing	(36.9)	(30.4)
Financing	(43.7)	(44.0)
Net cash inflow/(outflow)	**2.9**	**(9.6)**

A Group Structure (Continued)

A3 Discontinued Operations (Continued)

(b) Sale of New Zealand Business (Continued)

Analysis of Assets and Liabilities Over Which Control Was Lost

	2014 $M
ASSETS	
Current Assets	
Cash and cash equivalents	8.6
Trade receivables	49.6
Inventories	1.6
Derivative financial instruments	7.1
Income tax receivable	6.6
Other current assets	1.1
Total Current Assets	**74.6**
Non-current Assets	
Investments accounted for using the equity method	22.2
Property, Plant and equipment	237.0
Intangible Assets	640.7
Total Non-current Assets	**899.9**
Total Assets	**974.5**
LIABILITIES	
Current Liabilities	
Trade Payables	39.5
Employee Benefits	5.0
Provision	0.9
Other current liabilities	0.8
Total Current Liabilities	**46.2**
Non-current Liabilities	
Deferred Tax Liability	17.7
Deferred Income	18.8
Provisions	21.2
Total Non-current Liabilities	**57.7**
Total Liabilities	**103.9**
Net assets disposed	**870.6**
Consideration received:	
Purchase price consideration	885.0
Less: cash and cash equivalent disposed	(8.6)
Net consideration received	876.4
Gross gain on disposal	41.1
Income tax expense	-
Gain On Disposal of New Zealand business After Items Transferred from Reserves and Income	**41.1**

B How Numbers are Calculated

This section provides additional information about those individual line items in the financial statements that the Directors consider most relevant in the context of the operations of the Group, including accounting policies that are relevant for an understanding of the items recognised in the financial statements, analysis and sub totals.

B1 Profit and Loss Information

(a) Revenue from Continuing Operations

	2014 $'M	2013 $'M
Sale of goods and services	1,395.6	1,469.8
Product Stewardship for Oil benefits ("PSO")	17.5	17.2
Other revenue	8.2	8.0
	1,421.3	**1,495.0**

Accounting for Revenue from Continuing Operations

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of goods to customers. Revenue from the rendering of services is recognised upon delivery of services to the customer.

(b) Other Gains or Losses from Continuing Operations

	2014 $'M	2013 $'M
Loss on disposal of property, plant and equipment	(1.1)	(1.2)
Loss on disposal of investments	(15.3)	(17.3)
Foreign currency exchange gains (net)	0.2	0.8
	(16.2)	**(17.7)**

B How Numbers are Calculated (Continued)

B1 Profit and Loss Information (Continued)

(c) Net Finance Costs

	2014 $'M	2013 $'M
Finance Costs		
Interest on bank overdrafts and loans	(62.8)	(96.5)
Interest on obligations under finance leases	(3.6)	(6.1)
Interest on Convertible Notes	-	(1.7)
Total Interest	(66.4)	(104.3)
Amortisation of deferred borrowing costs	(7.2)	(10.2)
Unwinding of discounts on provisions	(5.0)	(3.1)
Write off of establishment costs associated with former debt facilities	(17.9)	-
Accelerated amortisation of Convertible Notes and redemption costs	-	(0.3)
	(96.5)	**(117.9)**
Finance Income		
Interest revenue	1.9	1.3
	1.9	**1.3**
Net Finance Costs	**(94.6)**	**(116.6)**

Accounting for Finance Costs and Revenue

Finance costs are recognised as expenses in the period in which they are incurred. Finance costs include:

- Interest on bank overdrafts and short-term and long-term borrowings, including amounts paid or received on interest rate swaps;
- Amortisation of discounts or premiums relating to borrowings;
- Amortisation of ancillary costs incurred in connection with the arrangement of borrowings;
- Unwinding of discount provisions; and
- Finance lease charges.

There have been no qualifying assets and related debt to which borrowing costs could have been applied, and as a result no borrowing costs have been capitalised to qualifying assets.

Interest revenue is recognised on an accruals basis, taking into account the interest rates applicable to the financial assets.

B How Numbers are Calculated (Continued)

B1 Profit and Loss Information (Continued)

(d) Income Tax Expense/(Benefit)

	2014 $'M	2013 $'M
(i) Recognised in the statement of Profit or Loss and Other Comprehensive Income		
Current Tax Expense		
Current year	(1.6)	15.1
Adjustments for prior years	0.7	(3.8)
	(0.9)	11.3
Deferred Tax Expense		
Origination and reversal of temporary differences	(52.9)	(36.1)
Adjustment recognised in the current year in relation to deferred tax of prior years	(5.6)	(1.8)
	(58.5)	(37.9)
Income Tax Benefit	**(59.4)**	**(26.6)**
(ii) Numerical reconciliation between tax expense and pre-tax net profit		
(Loss)/Profit before tax		
From Continuing Operations	(285.5)	(259.8)
From Discontinued Operations	254.9	32.8
	(30.6)	(227.0)
Income tax using the domestic corporation tax rate of 30% (2013: 30%)	(9.2)	(68.1)
Increase/(decrease) in income tax expense due to:		
Share of associates' net profits	(0.1)	(0.1)
Non-deductible expenses/(non-assessable income)	(0.5)	(0.8)
Impairment write downs	-	48.2
(Over) provision in prior years	(4.9)	(1.4)
Amendments to prior year tax claims	-	(4.1)
Repurchase of Convertible Notes	-	0.1
Effect of different tax rates of subsidiaries operating in other jurisdictions	2.1	(1.3)
Gain on NZ divestment	(12.4)	-
Utilisation of previously not recognised capital losses against the gain on disposal of CVG	(39.3)	-
Other	4.9	0.9
Income Tax Benefit	**(59.4)**	**(26.6)**
Comprises		
Income tax expense/(benefit) from Continuing Operations	(76.9)	(56.6)
Income tax expense/(benefit) from Discontinued Operations	17.5	30.0
Income Tax Benefit	**(59.4)**	**(26.6)**

B How Numbers are Calculated (Continued)

B1 Profit and Loss Information (Continued)

(d) Income Tax Expense/(Benefit) (Continued)

Deferred income tax on items charged directly to Equity for the year totalled $5.2 million (2013: $3.5 million), which relates to cash flow hedges and asset revaluation reserve.

The Group has recognised tax losses as a deferred tax asset in relation to the New Zealand tax jurisdiction in the prior year and in the current year within the Australian tax jurisdiction. It is expected that sufficient profits will be generated in the future to utilise these carried forward tax losses. Refer to Section D1 for contingent liability disclosure for the current Taxation Authority Reviews.

(iii) Deferred Tax

Deferred income tax in the Consolidated Balance Sheet relates to the following:

	2014	2013
Deferred Tax Assets		
Property, plant and equipment	42.1	33.6
Employee benefits	14.8	15.8
Provisions	115.3	41.5
Tax losses	16.1	11.2
Other	4.9	23.2
	193.2	**125.3**
Deferred Tax Liabilities		
Other	18.3	25.9
	18.3	**25.9**
Net Deferred Tax Asset Australia	174.9	99.2
Net Deferred Tax Asset New Zealand	-	0.3
Total Net Deferred Tax Assets	**174.9**	**99.5**

Deferred income tax benefit in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year relates to the following:

	2014	2013
Deferred Tax Assets		
Property, plant and equipment (including impairment)	4.8	(47.7)
Employee benefits	3.4	0.3
Provisions	(80.7)	(6.4)
Tax losses	9.4	9.6
Change in fair value of cash flow hedges	9.2	9.8
Other	(1.6)	(0.8)
Deferred Tax Liabilities		
Adjustment recognised in the current year in relation to deferred tax of prior years	(5.6)	(1.8)
Other	2.6	(0.9)
	(58.5)	**(37.9)**

B How Numbers are Calculated (Continued)

B1 Profit and Loss Information (Continued)

(d) Income Tax Expense/(Benefit) (Continued)

Accounting for Income Tax Expense

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to used tax losses.

Tax Consolidation Legislation

The Company and all its wholly-owned Australian resident entities are part of a Tax-Consolidated Group under Australian taxation law. Transpacific Industries Group Ltd is the Head Entity in the Tax-Consolidated Group. The Tax-Consolidated Group has entered into a tax sharing and a tax funding agreement.

Refer to Section E13(C).

B2 Financial Assets and Liabilities

(a) Cash and Cash Equivalents

	2014 $'M	**2013 $'M**
Cash at bank and on hand	189.7	74.3
Short-term deposits	0.4	1.9
Cash and Cash Equivalents in the Consolidated Statement of Cash Flows	**190.1**	**76.2**

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are at call, and earn interest at the respective short-term deposit rates.

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities is disclosed in Section C2.

Accounting for Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances, short-term bills and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management position are included as a component of cash and cash equivalents for the purpose of the Consolidated Statement of Cash Flows.

B How Numbers are Calculated (Continued)

B2 Financial Assets and Liabilities (Continued)

(b) Trade and Other Receivables

	2014 $'M	2013 $'M
Trade receivables	215.0	262.7
Less: impairment of trade receivables	(2.8)	(4.7)
	212.2	258.0
Other receivables	21.1	24.6
	233.3	**282.6**

The Group's exposure to credit and currency risks and impairment losses related to trade and other receivables is disclosed in Section C2(f).

Accounting for Trade and Other Receivables

All trade debtors are recognised and carried at original invoice amount as they are due for settlement generally on average 30 days from the date of invoice. Some Operating Segments may give extended terms. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known as uncollectable are written off when identified. A provision for impairment is raised when collection of an amount is no longer probable.

(c) Trade and Other Payables

	2014 $'M	2013 $'M
Trade payables	56.8	149.7
Other payables and accruals	123.9	115.2
	180.7	**264.9**

Accounting for Trade and Other Payables

Trade and other payables are recognised and carried at original invoice amount.

Trade payables are non-interest bearing and are normally settled on 45 day terms.

Other payables and accruals includes tipping and disposal costs accruals as well as general accruals.

Refer to currency and liquidity risk in Section C2.

B How Numbers are Calculated (Continued)

B2 Financial Assets and Liabilities (Continued)

(d) Borrowings

	2014 $'M	2013 $'M
CURRENT		
UNSECURED		
Loans to related parties and associates	1.8	3.3
Other	0.2	0.2
	2.0	3.5
SECURED		
Obligations under finance leases and hire purchase liabilities	-	18.0
	2.0	**21.5**
NON-CURRENT		
UNSECURED		
Other	0.6	0.8
	0.6	0.8
SECURED		
Bank loans	-	937.8
US Private Placement Notes (market value)	50.8	51.8
Obligations under finance leases and hire purchase liabilities	-	41.8
	51.4	**1,032.2**
Total Borrowings	**53.4**	**1,053.7**

All borrowings are net of prepaid borrowing costs. Due to the refinancing and cancellation of facilities during 2014, borrowing costs associated with refinancing and cancelled syndicated facilities were expensed to the profit and loss.

Financing Facilities
The facility limits and maturity profile of the Group's main financing facilities are as follows:

FACILITY		*AMOUNT*	*MATURITY*
Syndicated Facility Agreement - Facility A	2 year tranche	$135 million	1 July 2016
- Facility B	4 year revolver	$130 million	1 July 2018
- Facility C	5 year revolver	$135 million	1 July 2019
US Private Placement Notes	10 year tenure	US$48 million	December 2017

On 30 June 2014 the Group repaid loans of $692 million and cancelled syndicated facilities of $896 million. At the balance date the Group had total syndicated debt facilities of $357 million (2013: $1,479 million). At 30 June 2014, there was no drawn debt under the syndicated facility agreement.

On 1 July 2014, the Group refinanced its syndicated bank facility by establishing a new $400 million syndicated bank facility.

Interest rates are variable under the syndicated facility agreement.

The USPP Private Placement ("USPP") Notes have been swapped to AUD fixed rate debt to mitigate the foreign currency risk associated arising for these borrowings.

B How Numbers are Calculated (Continued)

B2 Financial Assets and Liabilities (Continued)

(d) Borrowings (Continued)

The Group's finance facilities are summarised below:

	2014 $'M	2013 $'M
DEBT FACILITIES		
Facilities available under Syndicated Facility Agreement	303.0	1,425.0
Facilities available under USPP Notes	53.9	53.9
Total facilities	**356.9**	**1,478.9**
Facilities utilised at balance date for bank loans, guarantees and USPP Notes	(149.3)	(1,208.5)
Facilities Not Utilised at Balance Date	**207.6**	**270.4**

Facilities used at balance date include $95.4 million (2013: $133.3 million) in guarantees, and letters of credit which are not included in the Consolidated Balance Sheet.

Accounting for Borrowings

Borrowings are initially recognised at fair value of the consideration received net of issue costs incurred. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income over the period of the borrowings on an effective interest basis.

Borrowings are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

(e) Finance Lease and Hire Purchase Commitments

The Group leases plant and equipment under finance leases and hire purchase agreements expiring over terms of up to five years. At the end of the lease term the Group generally has the option to purchase the equipment at a residual value.

	NOTES	2014 $'M	2013 $'M
Commitments in relation to finance leases are payable as follows:			
Within one year		-	25.9
Between one and five years		-	40.5
More than five years		-	-
Minimum lease payments		-	66.4
Less:			
Future finance charges		-	(6.6)
Total Liabilities		**-**	**59.8**
Representing:			
Current	B2(d)	-	18.0
Non-current	B2(d)	-	41.8
Total Liabilities		**-**	**59.8**

B How Numbers are Calculated (Continued)

B2 Financial Assets and Liabilities (Continued)

(e) Finance Lease and Hire Purchase Commitments (Continued)

Accounting for Finance Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Refer to Section E13(I).

B3 Non-Financial Assets and Liabilities

(a) Inventories

	2014 $'M	2013 $'M
Raw materials and consumables – at cost	5.6	11.6
Work in progress – at cost	-	0.1
Finished goods – at cost	5.1	161.9
	10.7	173.6
Less: provision for obsolescence	-	(8.4)
	10.7	**165.2**

Accounting for Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is based on the method most appropriate to each particular class of inventory and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. The cost of inventory may also include transfers from Equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of inventory.

B How Numbers are Calculated (Continued)

B3 Non-Financial Assets and Liabilities (Continued)

(b) Property Plant and Equipment

	Land and Buildings – at fair value [1]		Landfill, Cell Development and Remediation Assets [1]		Leasehold Improvements		Plant and Equipment		Capital Work in Progress		Total Property, Plant and Equipment	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Opening written down value	**210.4**	216.3	**232.4**	338.7	**10.1**	9.9	**527.8**	557.2	**103.7**	95.6	**1,084.4**	1,217.7
Additions	**4.1**	6.2	**14.2**	16.0	**4.6**	1.0	**157.5**	167.8	**-**	-	**180.4**	191.0
Net movement in capital work in progress	**-**	-	**-**	-	**-**	-	**-**	-	**22.8**	5.3	**22.8**	5.3
Net movement in remediation asset	**-**	-	**167.9**	21.0	**-**	-	**-**	-	**-**	-	**167.9**	21.0
Disposals	**(15.5)**	(11.2)	**-**	-	**(0.3)**	-	**(11.3)**	(12.3)	**-**	-	**(27.1)**	(23.5)
Disposal of discontinued operations	**(45.3)**	-	**(55.5)**	-	**(6.6)**	-	**(118.1)**	-	**(18.1)**	-	**(243.6)**	-
Revaluation	**(2.0)**	-	**-**	-	**-**	-	**-**	-	**-**	-	**(2.0)**	-
Impairment of assets	**-**	-	**(139.4)**	(102.8)	**-**	-	**-**	(61.5)	**-**	-	**(139.4)**	(164.3)
Depreciation	**(4.0)**	(4.4)	**(96.8)**	(44.2)	**(1.2)**	(1.0)	**(127.2)**	(132.4)	**-**	-	**(229.2)**	(182.0)
Effect of movements in foreign exchange	**0.9**	3.5	**4.8**	3.7	**0.1**	0.2	**0.1**	9.0	**1.9**	2.8	**7.8**	19.2
Closing Written Down Value	**148.6**	210.4	**127.6**	232.4	**6.7**	10.1	**428.8**	527.8	**110.3**	103.7	**822.0**	1,084.4
Cost or Fair Value	**150.7**	219.1	**327.3**	403.2	**7.8**	15.2	**1,237.6**	1,385.3	**110.3**	103.7	**1,833.7**	2,126.5
Accumulated Depreciation	**(2.1)**	(8.7)	**(199.7)**	(170.8)	**(1.1)**	(5.1)	**(808.8)**	(857.5)	**-**	-	**(1,011.7)**	(1,042.1)
Written Down Value	**148.6**	210.4	**127.6**	232.4	**6.7**	10.1	**428.8**	527.8	**110.3**	103.7	**822.0**	1,084.4

1. During 2014 changes have been made to the presentation of property, plant and equipment to provide more relevant and reliable information regarding the classification of land and buildings. “Land at fair value” and “Buildings at fair value” have been reclassified to a single category “Land and Buildings at fair value”. Buildings carried at cost are included in Landfill, Cell Development and Remediation. There has been no overall impact on the Consolidated Balance Sheet. Comparatives have been amended to reflect the changes to classification.

B How Numbers are Calculated (Continued)

B3 Non-Financial Assets and Liabilities (Continued)

(b) Property Plant and Equipment (Continued)

Accounting for Property, Plant and Equipment

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation of all other assets, with the exception of landfill remediation and cell development assets, is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to the Group. Leasehold improvements are depreciated over the period of the lease or estimated useful lives, whichever is the shorter, using the straight-line method. Landfill remediation and cell development assets are depreciated on a usage basis over the individual landfill expected life.

Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

Buildings and site improvements	15 to 40 years
Plant and equipment	2.5 to 20 years
Leasehold improvements	5 to 10 years

Refer to Section E13(H).

Valuations of Land and Buildings

Non landfill land and buildings are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation of buildings. Land and buildings are combined for the purposes of fair value adjustments as this is how management view property and associated value. The fair values are recognised in the Consolidated Financial Statements of the Group, and are reviewed at the end of each reporting period to ensure that the carrying value of land and buildings is not materially different to their fair values.

Any revaluation increment (net of tax) is credited to the asset revaluation reserve included in the equity section of the Consolidated Balance Sheet. Any revaluation decrement directly offsetting a previous increment in the same asset is directly offset against the surplus in the asset revaluation reserve, otherwise it is charged to the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The fair values recorded are effective as at 30 April 2014. There were no changes in valuation techniques during the period.

The following table shows an analysis of the fair values of land and buildings recognised in the Consolidated Balance Sheet by level of the fair value hierarchy:

	Level 1	**Level 2**	**Level 3**	**Total**	**Total loss in the period taken to profit and loss**
Residential	-	1.7	-	1.7	-
Regional Industrial	-	-	40.4	40.4	(3.9)
Metropolitan Industrial	-	-	108.3	108.3	(4.4)
Total	**-**	**1.7**	**148.7**	**150.4**	**(8.3)**

Amounts taken to the profit and loss are shown in change in fair value of land and buildings.

There were no transfers between Levels during the year.

Level 2 valuations are based on a direct comparison approach whereby a property's fair value is estimated based on comparable transactions. The unit of comparison applied by the Group is the price per square metre (sqm).

B How Numbers are Calculated (Continued)

B3 Non-Financial Assets and Liabilities (Continued)

(b) Property Plant and Equipment (Continued)

Valuations of Land and Buildings (Continued)

The following table presents the details of the valuation approaches used under Level 3:

	Valuation technique	Key unobservable inputs	Range (Weighted average)
		Price per square metre	$60-250
Regional Industrial	**Summation**	Depreciation replacement cost	$0-1500
		Capitalisation rate	9.25%
	Capitalisation	Leased income per square metre	$75-130
	Direct Comparison	Price per square metre	$70-525
		Price per square metre	$15-285
Metropolitan Industrial	**Summation**	Depreciation replacement cost	$0-1500
		Capitalisation Rate	7.25%-10%
	Capitalisation	Leased income per square metre	$95-225
	Direct Comparison	Price per square metre	$300-1400

Under the summation method a property's fair value is estimated based on comparable transactions for the land on a price per square metre basis together with an estimate of the cost to replace any buildings or structures on site less depreciation.

Under the income capitalisation method, a property's fair value is estimated based on the normalised net operating lease income generated by the property, which is divided by the capitalisation rate (discounted by a rate of return).

Significant increases (decreases) in any of the significant unobservable inputs, in isolation, under the direct comparison, summation or capitalisation methods would result in a significantly higher (lower) fair value measurement.

If land and buildings were measured using the cost model, the carrying amounts would be as follows:

	2014 $'M	2013 $'M
LAND (EXCLUDING LANDFILL)		
Cost	81.5	110.1
BUILDINGS		
Cost	64.6	106.4
Accumulated depreciation	(16.8)	(30.3)
Closing Written Down Value	**47.8**	**76.1**

Leased plant and equipment

The carrying amount of plant and equipment held under finance lease and hire purchase contracts at 30 June 2014 is $Nil (2013: $61.3 million). Finance lease assets and assets under hire purchase contracts are pledged as security for the related finance lease and hire purchase liabilities.

B How Numbers are Calculated (Continued)

B3 Non-Financial Assets and Liabilities (Continued)

(b) Property Plant and Equipment (Continued)

Accounting for Landfills

The Group owns a total of 15 landfills. Of the 15 landfills, 7 of these are closed. Those that are open are expected to close between 2015 and 2064. The Group's remediation provisions are based on a 30 year post-closure period.

It is the Group's policy at time of development or acquisition of a landfill and reporting dates to:

a) Capitalise the cost of a developed landfill and cell development to landfills;
b) Capitalise the cost of purchased landfills;
c) Amortise the cost of cell development over the useful life of the cell;
d) Assess impairment of each landfill asset or Group of landfill assets which work together as a unit by reference to tangible values. If impaired an impairment loss is recorded;
e) Measure the tangible value by reference to remaining available airspace and the future earnings it will generate; and
f) Recognise revenue streams in the reporting period earned.

Discounted cash flows are used to test impairment.

During the 2013 year, all intangible assets relating to landfill were impaired to $Nil carrying value, so no further impairment is possible on intangible assets. However, any negative change in the underlying assumptions in the future would result in a further impairment of tangible assets. Due to this change a review of the tangible assets associated with each of the landfill sites resulted in the reclassification of land, building and leasehold improvements to landfill assets during the year. This change has been incorporated into the comparatives.

Refer to Section E13(H).

In 2014, the Group appointed a specialist US landfill engineering firm to conduct an evaluation of potential remediation liabilities and other operational issues at a number of operational and closed landfill sites. The purpose of the evaluation was to assess the current condition of the facilities, provide recommendations to mitigate potential future issues, achieve best practice and provide estimates of financial resources needed to meet the recommendations. As a result of the evaluation, the Group increased its existing remediation provision by $154.4 million and created a rectification provision of $69.2 million against the remediation and cell development assets. A subsequent review of these assets results in an accelerated depreciation charge on closed landfills of $60.9 million and impairment on open landfills of $139.4 million.

(c) Intangible Assets

	Goodwill		Other Intangibles		Total Intangibles	
	2014	2013	**2014**	2013	**2014**	2013
Opening written down value	**1,777.5**	1,900.3	**85.3**	88.9	**1,862.8**	1,989.2
Additions	**-**	-	**0.4**	-	**0.4**	-
Derecognised on disposal of assets	**(643.2)**	(5.0)	**(3.0)**	-	**(646.2)**	(5.0)
Impairment of intangible assets	**-**	(160.7)	**-**	-	**-**	(160.7)
Amortisation	**-**	-	**(1.5)**	(3.7)	**(1.5)**	(3.7)
Effect of movements in foreign exchange	**56.3**	42.9	**0.2**	0.1	**56.5**	43.0
Net Book Value	**1,190.6**	1,777.5	**81.4**	85.3	**1,272.0**	1,862.8
Cost	**1,190.6**	1,777.5	**125.7**	128.1	**1,316.3**	1,905.6
Amortisation	**-**	-	**(44.3)**	(42.8)	**(44.3)**	(42.8)
Net Book Value	**1,190.6**	1,777.5	**81.4**	85.3	**1,272.0**	1,862.8

At 30 June 2014, other intangibles include customer contracts valued at $2.8 million (2013: $6.7 million) and brand names valued at $78.6 million (2013: $78.6 million). Contracts are amortised over their useful life. Brand names are not amortised as they are assessed as having an indefinite useful life. Refer to Section E13(J).

B How Numbers are Calculated (Continued)

B3 Non-Financial Assets and Liabilities (Continued)

(c) Intangible Assets (Continued)

Annual Impairment Testing

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised but is subject to impairment testing. In accordance with the Group's accounting policies, the Group performs its impairment testing annually at 30 June. Goodwill and non-current assets are reviewed at each reporting period to determine whether there is an indication of impairment. Where an indicator of impairment exists, a formal review is undertaken to determine the estimate of the recoverable amount.

Results of Impairment Testing

During the financial year ended 30 June 2014, all intangible assets and non-current assets were tested for impairment as required by AASB 136 *Impairment of Assets*. An impairment of $139.4 million was recorded during the financial year on non-current asset as a result of the landfill remediation review. Refer to Section B3(c).

Prior year impairment of goodwill and non-current assets of $325 million before tax is summarised in the below table.

OPERATING SEGMENT	LANDFILL, CELL DEVELOPMENT REMEDIATION ASSETS $'M	PLANT AND EQUIPMENT $'M	TOTAL TANGIBLE ASSETS $'M	GOODWILL $'M	TOTAL IMPAIRMENT $'M
Cleanaway	102.8	23.4	126.2	105.3	231.5
Industrials	-	16.3	16.3	24.0	40.3
New Zealand	-	21.8	21.8	31.4	53.2
Total	**102.8**	**61.5**	**164.3**	**160.7**	**325.0**

Key Assumptions Used for Value-In-Use Calculations

The recoverable amounts of the cash generating units (CGU's) have been based on value-in-use calculations. These calculations use cash flow projections based on actual operating results and financial budgets approved by the Board. The key assumptions used in the testing of these CGUs for both 2014 and 2013 financial years were as follows:

VARIABLE	ASSUMPTION 2014	ASSUMPTION 2013	COMMENT
Nominal EBITDA growth – years 1 to 5	1.5% - 4.0%	0.0% - 4.6%	Based on 5 year financial plan submitted to the Board (excluding strategic objectives)
Nominal growth rate beyond 5 year financial plan (terminal growth rate)	3.0% - 3.5%	3.0% - 3.5%	Based on forecast CPI, GDP and other macro-economic factors
Discount rate (excluding Post Collections)	7.8%	8.2%	Discount rate is post tax for assets with comparable risk profiles. The discount rate has been based on an industry Weighted Average Cost of Capital ("WACC")
	11.4%	11.7%	Discount rate pre-tax
Post Collections discount rate	10%	10%	Discount rate is post tax for assets with comparable risk profiles
	14.3%	14.3%	Discount rate pre-tax
Capital expenditure	Forecast	Forecast	Based on budgeted capital expenditure escalated to align with future growth assumptions.

B How Numbers are Calculated (Continued)

B3 Non-Financial Assets and Liabilities (Continued)

(c) Intangible Assets (Continued)

For impairment testing purposes, the CGUs with significant goodwill and indefinite life intangibles attributable to them are:

	2014		2013	
CASH-GENERATING UNIT	GOODWILL $'M	INDEFINITE LIFE INTANGIBLES $'M	GOODWILL $'M	INDEFINITE LIFE INTANGIBLES $'M
Collections	1,052.8	78.6	1,054.2	78.6
New Zealand	-	-	587.7	-
	1,052.8	**78.6**	**1,641.9**	**78.6**

There are no other individual CGUs with significant goodwill and indefinite life intangibles attributable to them.

Impact of Possible Changes in Key Assumptions

Collections

	2014	2013
Discount rate	7.8%	8.2%
Nominal EBITDA growth – years 1 to 5	3.5%	4.6%
Nominal growth rate beyond five years plan	3.5%	3.5%

The recoverable amount of the Collections CGU currently exceeds its carrying value by approximately $135 million (2013: $180 million). This excess in recoverable amount could be reduced to $Nil should changes in the following key assumptions occur:

1. Discount rate – an increase in the discount rate of over 0.5% (2013: 0.6%) would result in a reduction of the recoverable amount to below the carrying value.
2. Nominal growth rate beyond five year plan – a decrease in the growth rate beyond the initial five years of over 0.6% (2013: 0.8%) would result in a reduction of the recoverable amount to below the carrying value.
3. Nominal EBITDA growth – years 1 to 5 – a decrease in the nominal EBITDA growth rate of over 3.1% (2013: 1.2%) would result in a reduction of the recoverable amount to below the carrying value.

B How Numbers are Calculated (Continued)

B3 Non-Financial Assets and Liabilities (Continued)

(d) Provisions

	Rectification		Remediation		Other Provisions		Total	
CURRENT	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Balance at beginning of year	**-**	-	**25.0**	31.9	**34.3**	27.7	**59.3**	59.6
Provisions transferred from non-current	**-**	-	**12.2**	-	**-**	-	**12.2**	-
Provisions made during the year	**13.4**	-	**12.7**	-	**5.6**	41.3	**31.7**	41.3
Provisions used during the year	**-**	-	**-**	-	**-**	(33.9)	**-**	(33.9)
Provisions reversed during the year	**-**	-	**(5.2)**	-	**(1.0)**	(0.8)	**(6.2)**	(0.8)
Provisions disposed due to discontinued operations	**-**	-	**(0.6)**	-	**(22.3)**	-	**(22.9)**	-
Remediation work completed	**-**	-	**(8.0)**	(6.9)	**-**	-	**(8.0)**	(6.9)
Effect on movement of foreign exchange	**-**	-	**-**	-	**1.0**	-	**1.0**	-
Balance at end of year	**13.4**	-	**36.1**	25.0	**17.6**	34.3	**67.1**	59.3
NON CURRENT								
Balance at beginning of year	**-**	-	**117.4**	92.1	**-**	-	**117.4**	92.1
Unwinding of discounts on provision	**-**	-	**5.0**	3.1	**-**	-	**5.0**	3.1
Change in discount rate	**-**	-	**2.9**	(8.5)	**-**	-	**2.9**	(8.5)
Change in assumptions (i)	**-**	-	**6.2**	29.1	**-**	-	**6.2**	29.1
Provisions made during the year	**55.8**	-	**141.7**	-	**8.6**	-	**206.1**	-
Provisions transferred to current	**-**	-	**(12.2)**	-	**-**	-	**(12.2)**	-
Provisions disposed due to discontinued operations	**-**	-	**(20.6)**	-	**-**	-	**(20.6)**	-
Effect on movement of foreign exchange	**-**	-	**2.0**	1.6	**-**	-	**2.0**	1.6
Balance at end of year	**55.8**	-	**242.4**	117.4	**8.6**	-	**306.8**	117.4

(i) The change in assumptions represents changes in Environmental guidelines and estimate of cost reviews.

Accounting for Provisions

A provision is recognised in the Consolidated Balance Sheet when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Included in other provisions is an amount of $11.4 million (2013: $10.0 million) in relation to workers compensation self-insurance of the Group under the Comcare scheme. The workers compensation self-insurance provision is reassessed annually based on actuarial advice.

Also included in other provisions is an amount of $0.7 million (2013: $8.5 million) in relation to warranties.

The provision for remediation has been estimated using current expected costs and techniques applicable to the operating of each landfill and the disturbed area. These costs have been adjusted for future value of the expected costs at the time of works being required. These costs have then been discounted to estimate the required provision at a rate between 3.20% and 4.57% (2013: 3.11% - 4.07%). Refer to timing of cash flows related to closed landfills at B3(b) and accounting policy at E13H(iii).

During the 2014 year, the Group appointed a specialist US landfill engineering firm to conduct an evaluation of potential remediation liabilities and other operational issues at a number of operational and closed landfill sites. As a result of the evaluation, the Group increased its remediation provision and created a rectification provision to address operational obligations and defects in existing infrastructure, update costs to reflect fuller engineering work and incorporate landfill engineering best practice.

B How Numbers are Calculated (Continued)

B4 Contributed Equity

(a) Issued Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs incurred by the Company arising on the issue of capital are recognised directly in Equity as a reduction of the share received.

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. Ordinary shares have no par value.

	2014		2013	
	NUMBER OF SHARES	**$'M**	**NUMBER OF SHARES**	**$'M**
Balance at the beginning of year	1,578,563,490	2,071.7	1,578,209,025	2,070.5
Issued during financial year:				
- Issue of shares under the Company's employee incentive plan	537,263	-	354,465	-
- Issue of shares under employment contract	223,214	0.3	-	-
- Transaction costs	-	(0.2)	-	1.2
Balance at End of Year	**1,579,323,967**	**2,071.8**	**1,578,563,490**	**2,071.7**

(b) Non-Controlling Interest

	NOTES	2014 $'M	2013 $'M
Contributed equity		2.3	2.3
Retained earnings		6.2	4.3
		8.5	**6.6**

(C) Step-up Preference Securities (SPS)

	2014		2013	
	NUMBER OF UNITS	**$'M**	**NUMBER OF UNITS**	**$'M**
Balance at the beginning of year	2,500,000	249.8	2,500,000	249.8
Balance at End of Year	**2,500,000**	**249.8**	**2,500,000**	**249.8**

The SPS units are classified as Equity according to AASB 132 *Financial Instruments: Presentation* due to the redemption and settlement features resulting in a fixed amount of equity instruments. AASB 132 states that if a contract is for the exchange of a fixed amount of cash, for a fixed number of shares, the contract is considered to represent a residual interest and to be classified as Equity. The redemption of the shares is at the discretion of the Group rather than the unit holder, therefore the units are classified as Equity.

The rights of SPS holders to payments rank ahead of ordinary shareholders.

On 18 August 2014, Transpacific granted approval to the Responsible Entity of the SPS Trust to redeem the SPS units on 30 September 2014. SPS holders will be entitled to be paid, for each Note, its face value of $100 and the distribution amount for the period ending 30 September 2014 of $3.05. Refer to Section D3 – Events Occurring after the Reporting Date.

B How Numbers are Calculated (Continued)

B4 Contributed Equity (Continued)

(C) Step-up Preference Securities (Continued)

Distributions on the SPS are discretionary, payable semi-annually, non-cumulative and payable on the 180 day bank bill swap reference rate plus a margin.

Where a distribution on SPS is not paid, the Company may not declare or pay any dividends on ordinary shares until such time as an amount equivalent to unpaid distributions in the past 12 months have been paid, all SPS have been redeemed or exchanged, or a special resolution of the SPS holders has been passed approving such action.

C Risk

C1 Critical Estimates and Judgements

The preparation of financial statement require the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity. It also covers those items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in Section E together with information about the basis of calculation for each affected line item in the financial statements.

The areas are:

- Estimation of provision for landfill remediation;
- Estimation of provisions for workers compensation;
- Land and building valuations;
- Recovery of deferred tax assets and taxation; and
- Impairment review and testing.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Consolidated Entity and that are believed to be reasonable under circumstances.

Refer to Section E13(O).

C2 Financial Risks

The Group's principal financial instruments, other than derivatives, comprise bank loans, US Private Placement Notes, finance leases and hire purchase contracts, and cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade receivables, trade payables and equity investments.

The Group is exposed to market risk, credit risk and liquidity risk and its senior management oversees the management of these risks. The Group has in place a Treasury Policy that focuses on managing the main financial risks, interest rate risk, credit risk, liquidity risk and foreign currency risk. The policy is reviewed by the Audit and Risk Committee and approved by the Board. The treasury activities are reported to the Audit and Risk Committee and Board on a regular basis with the ultimate responsibility being borne by the Chief Financial Officer ("CFO").

C Risk (Continued)

C2 Financial Risks (Continued)

The Group's overall financial risk management focuses on mitigating the potential financial effects to the Group's financial performance. The Group also enters into derivative transactions, principally interest rate swaps and forward currency contracts. The purpose is to manage the interest rate and currency risks arising from the Group's operations and its sources of finance.

It is the Group's policy that no trading in financial instruments shall be undertaken.

(a) Market Risk

Market risk is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise of three types of risk: foreign currency risk, interest rate risk, and equity price risk.

Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 30 June 2014 and 2013.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of the hedge designations in place at 30 June 2014.

The following assumptions have been made in calculating the sensitivity analyses:

- The Consolidated Balance Sheet sensitivity relates to derivative financial instruments.
- The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 30 June 2014 and 2013 allowing for the effect of hedge accounting on certain instruments.
- The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges at 30 June 2014 for the effects of the assumed changes of the underlying risk.

(b) Foreign currency risk

Foreign currency risk arises as a result of having assets denominated in a currency that is not the business units functional currency (balance sheet risk) or from transactions or cash flows denominated in a foreign currency (cash flow risk).

Following the sale of the Commercial Vehicles Group and the New Zealand businesses, Foreign Currency Risk is not material to the Group.

The USPP Notes currency risk has been hedged by a foreign currency swap for the interest and currency exposure which has been in place since inception and converts to AUD fixed rate debt.

At balance date the Group held the following facilities denominated in foreign currency:

	USD $'M	AUD $'M
30 June 2014		
US Private Placement Notes	48.0	50.8
30 June 2013		
US Private Placement Notes	48.0	51.8

C Risk (Continued)

C2 Financial Risks (Continued)

(c) Credit risk exposures

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet contractual obligations, with the maximum exposure being equal to the carrying amount of these instruments. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not require collateral in respect of financial assets. For certain export sales the Group requires the vendor to provide a letter of credit.

The Group minimises concentrations of credit risk by undertaking transactions with a large number of customers. In addition, receivable balances are monitored on an ongoing basis with the intention that the Group's exposure to bad debts is minimised.

Credit risk on interest rate and foreign exchange contracts is minimal as counterparties are large Australian and international banks with acceptable credit ratings determined by a recognised ratings agency.

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's Treasury policy where the Group only deals with large reputable financial institutions.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet. The Group's maximum exposure to credit risk at the reporting date was:

	NOTE	CARRYING AMOUNT	
		2014 $'M	**2013 $'M**
Cash and cash equivalents (excluding bank overdrafts)	B2(a)	190.1	76.2
Loans and receivables	B2(b)	233.3	282.6
Other forward exchange contracts (derivatives)		-	9.0
		423.4	**367.8**

(d) Interest rate risk exposures

Interest rate risk is the risk that the fair value of the financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates, which could result in an adverse effect on the Group's financial performance. The Group's exposure primarily relates to its exposure to market interest rates on debt obligations.

Borrowings issued at variable rates expose the Group to cash flow interest rate risk whilst borrowings issued at fixed rate expose the Group to fair value interest rate risks. The Group manages the exposure by using interest rate swaps in-line with hedging parameters under its Treasury Policy.

Hedging

The Group's exposure to interest rate risk is predominantly cash flow interest rate risk. The Group adopts a policy of regularly assessing cash flow at risk from movements in interest rates and then determines any interest rate risk mitigation strategy. At 30 June 2014 there were no interest rate swaps in place with the exception of the US Private Placement foreign currency interest rate swap.

The Group classifies interest rate swaps as derivatives and states them at fair value. The Group analyses its exposure to interest rate risk regularly and the impact on cash flow and considers current and future financing positions, alternative financing and hedging arrangements whilst considering the mix of fixed and variable interest rates.

C Risk (Continued)

C2 Financial Risks (Continued)

(d) Interest rate risk exposures (Continued)

Hedging (Continued)

At the reporting date the interest rate profile of the Group's interest bearing financial instruments was:

	2014 $'M	2013 $'M
Fixed Rate Instruments		
Financial liabilities	(53.4)	(160.5)
	(53.4)	**(160.5)**
Variable Rate Instruments		
Financial assets	190.1	85.2
Financial liabilities	-	(961.7)
	190.1	**(876.5)**

Sensitivity Analysis for Variable Rate Instruments and Derivatives

At 30 June 2014 the Group had no exposure to interest rate risk on variable debt.

Effective Interest Rates and Repricing Analysis

In respect of income-earning financial assets and interest-bearing financial liabilities of the Group, the following table indicates their effective interest rates at reporting date and the periods in which they reprice. No other financial assets or liabilities are exposed to any interest rate risk.

	EFFECTIVE INTEREST RATE (%)	TOTAL	1 YEAR OR LESS $'M	1 – 2 YEARS $'M	2 – 3 YEARS $'M	3 – 4 YEARS $'M	>4 YEARS $'M
2014							
Financial Assets							
Cash and deposits	2.50	190.1	190.1	-	-	-	-
Total Financial Assets		**190.1**	**190.1**	**-**	**-**	**-**	**-**
Financial Liabilities							
US Private Placement Notes	10.80	50.8	-	-	-	50.8	-
Secured bank loans	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-
Payable to related parties	10.00	1.8	1.8	-	-	-	-
Other	6.00	0.8	0.8	-	-	-	-
Total Financial Liabilities		**53.4**	**2.6**	**-**	**-**	**50.8**	**-**

C Risk (Continued)

C2 Financial Risks (Continued)

(d) Interest rate risk exposures (Continued)

Effective Interest Rates and Repricing Analysis (Continued)

	EFFECTIVE INTEREST RATE (%)	TOTAL	1 YEAR OF LESS $'M	1 – 2 YEARS $'M	2 – 3 YEARS $'M	3 – 4 YEARS $'M	>4 YEARS $'M
2013							
Financial Assets							
Cash and deposits	2.74	76.2	76.2	-	-	-	-
Foreign currency swaps	-	9.0	9.0	-	-	-	-
Total Financial Assets		**85.2**	**85.2**	**-**	**-**	**-**	**-**
Financial Liabilities							
US Private Placement Notes	10.80	51.8	-	-	-	-	51.8
Secured bank loans	5.51	937.8	-	392.6	340.7	204.5	-
Lease liabilities	8.87	59.8	23.3	29.4	6.9	0.2	-
Payable to related parties	10.00	3.3	3.3	-	-	-	-
Interest rate swaps	6.32	45.6	45.6	-	-	-	-
Other	6.00	1.0	1.0	-	-	-	-
Total Financial Liabilities		**1,099.3**	**73.2**	**422.0**	**347.6**	**204.7**	**51.8**

(e) Liquidity Risk

Liquidity risk is the risk the Group will not be able to meet its financial obligations as they fall due.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, preference shares, finance leases and hire purchase contracts.

The Group regularly reviews existing funding arrangements and assesses future funding requirements based upon known and forecast information provided by each business unit. This allows effective monitoring of the maturity of its debt portfolio.

The following table discloses the contractual maturities of financial liabilities, including estimated interest payment and excluding the impact of netting agreements:

2014	CARRYING AMOUNT $'M	CONTRAC-TUAL CASH FLOWS $'M	LESS THAN 1 YEAR $'M	1 – 2 YEARS $'M	2 – 5 YEARS $'M	MORE THAN 5 YEARS $'M
Non-derivative Financial Liabilities						
US Private Placement Notes	50.8	(69.6)	(5.5)	(5.5)	(58.6)	-
Loans from associates	1.8	(2.0)	(2.0)	-	-	-
Finance lease liabilities	-	-	-	-	-	-
Secured bank loans	-	-	-	-	-	-
Trade and other payables(i)	180.7	(180.7)	(180.7)	-	-	-
Derivative Financial Liabilities						
Interest rate swaps(ii)	3.8	(3.8)	(3.8)	-	-	-
Other	0.8	(0.8)	(0.8)	-	-	-
TOTAL	**237.9**	**(256.9)**	**(192.8)**	**(5.5)**	**(58.6)**	**-**

(i) Excludes derivatives shown separately.
(ii) Interest rate swaps include the cross currency swaps for the USPP.

C Risk (Continued)

C2 Financial Risks (Continued)

(e) Liquidity Risk (continued)

2013	CARRYING AMOUNT $'M	CONTRACTUAL CASH FLOWS $'M	LESS THAN 1 YEAR $'M	MORE THAN 5 YEARS $'M	2 – 5 YEARS $'M	MORE THAN 5 YEARS $'M
Non-derivative Financial Liabilities						
US Private Placement Notes	51.8	(79.6)	(5.8)	(5.8)	(68.0)	-
Loans from associates	3.3	(3.6)	(3.6)	-	-	-
Finance lease liabilities	59.8	(66.4)	(25.9)	(32.6)	(7.9)	-
Secured bank loans	960.7	(1,102.6)	(65.7)	(445.4)	(591.5)	-
Trade and other payables(i)	264.9	(264.9)	(264.9)	-	-	-
Derivative Financial Liabilities						
Interest rate swaps(ii)	45.6	(45.6)	(45.6)	-	-	-
Other	1.0	(1.0)	(1.0)	-	-	-
TOTAL	**1,387.1**	**(1,563.7)**	**(412.5)**	**(483.8)**	**(667.4)**	**-**

(i) Excludes derivatives shown separately.
(ii) Interest rate swaps include the cross currency swaps for the USPP.

All non-derivative financial liabilities, excluding bank overdraft, are carried at amortised cost.

The Group manages liquidity risk by monitoring forecast cash flows on a weekly basis and ensuring that adequate unutilised borrowing facilities are maintained.

(f) Impairment Losses

The ageing of the Group's trade receivables at the reporting date was:

	GROSS 2014 $'M	IMPAIRMENT 2014 $'M	GROSS 2013 $'M	IMPAIRMENT 2013 $'M
Not past due	175.7	0.0	168.9	0.6
Past due 0-30 days	21.6	0.1	67.6	0.9
Past due 31-120 days	10.6	0.2	14.8	0.5
Past due 121 days to one year	4.3	0.3	9.1	1.0
More than one year	2.8	2.2	2.3	1.7
	215.0	**2.8**	**262.7**	**4.7**

The impairment at 30 June 2014 of $2.2 million (2013: $1.7 million) greater than one year relates to several minor customers.

C Risk (Continued)

C2 Financial Risks (Continued)

(f) Impairment Losses (Continued)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2014 $'M	2013 $'M
Balance at 1 July	4.7	5.1
Divestments of discontinued operation	(0.7)	-
Impairment reversed recognised	(1.2)	(0.4)
Balance 30 June	**2.8**	**4.7**

No single customer's annual revenue is greater than 2% of the Group's total revenue. Trade and other debtors that are neither past due or impaired are considered to be of a high credit quality.

(g) Fair values

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities

2014	QUOTED MARKET PRICE (LEVEL 1)	VALUATION TECHNIQUE – MARKET OBSERVABLE INPUTS (LEVEL 2)	VALUATION TECHNIQUE – NON MARKET OBSERVABLE INPUTS (LEVEL 3)	TOTAL
Liabilities				
Derivative financial instruments:				
Interest rate swaps	-	3.8	-	3.8
2013				
Assets				
Derivative financial instruments:				
Currency rate swaps	-	9.0	-	9.0
Liabilities				
Derivative financial instruments:				
Interest rate swaps	-	45.6	-	45.6

All assets and liabilities for which fair value is measured or disclosed in the financial statements are classed within the fair value hierarchy on the basis of nature, characteristics and risks and described as follows and based on the lower level of input that is significant to the fair value measurement as a whole.

Level 1 – the fair value is calculated using prices in active markets.
Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset of liability, either directly (as prices) or indirectly (derived from prices).
Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers during the year.

The Group enters into interest rate swaps and currency rate swaps with financial institutions with investment grade credit ratings. These derivatives are valued using techniques with market observable inputs. The valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies and currency basis spreads between the respective currencies. The changes in counterparty credit risk and the Group's own non-performance risk did not have a material effect on fair value.

C Risk (Continued)

C3 Capital Management

When managing capital, management's objective is to ensure that the Group uses a mix of funding options, with the objectives of optimising returns to security holders and prudent risk management.

The facility limits and maturity profile of the Group's main financing facilities are contained in Section B2(d).

The capital structure of the Group comprises debt, which includes the borrowings, cash and cash equivalents and equity attributable to equity holders of the parent, such equity comprising issued capital, reserves and retained earnings as disclosed in the Consolidated Balance Sheet.

The Group is subject to and complied with externally imposed capital requirements, repurchasing, retiring or repaying in, the USPP Notes, the Transpacific Step-up Preference Securities and any other hybrid equity instrument issued by it prior to its stated maturity or expiry date (other than in circumstances where it is obliged to do so).

During the 2014 financial year, the Group made $960.7 million of facility debt repayments, repaid $59.8 million in finance leases and paid out interest rate hedges costing $36.4 million during the year.

On 30 June 2014, the Group cancelled syndicated facilities of $896 million. At the balance date the Group had total syndicated banking facilities of $357 million (2013: $1.479 million). This facility was replaced with a $400 million syndicated facility effective from 1 July 2014.

D Unrecognised Items

D1 Contingent Liabilities

The Taxation authorities in New Zealand are reviewing particular aspects of the Group's tax position in New Zealand. The review is ongoing and at this time it is too early to identify the outcomes and related adjustments that may arise, if any.

Certain companies within the Group are party to various legal actions that have arisen in the normal course of business. It is not expected that any liabilities or assets arising from these legal actions would have a material effect on the Group.

There have been no other material changes to the commitments, contingent liabilities or contingent assets of the Group subsequent to the year ended 30 June 2014.

D2 Commitments

(a) Operating lease commitments

The Group leases property, plant and equipment under operating leases expiring over terms of up to ten years. Leases generally provide the Group with a right of renewal at which time all terms are renegotiated.

	2014 $'M	**2013 $'M**
Future minimum rentals payable under non-cancellable operating lease rentals are payable as follows:		
Within one year	19.1	31.4
Between one and five years	28.2	70.8
More than five years	15.4	55.2
	62.7	**157.4**

D Unrecognised Items (Continued)

D2 Commitments (Continued)

(b) Capital expenditure and other commitments

	2014 $'M	2013 $'M
Commitments in relation to capital expenditure and purchase commitments entered into:		
Within one year	32.1	55.8
More than one year	0.7	4.3
Commitments Not Recognised in the Consolidated Financial Statements	**32.8**	**60.1**

(c) Guarantees

The Group is, in the normal course of business, required to provide guarantees and letters of credit on behalf of subsidiaries and associates in respect of their contractual performance related obligations. These guarantees and indemnities only give rise to a liability where the entity concerned fails to perform its contractual obligations.

	2014 $'M	2013 $'M
Bank guarantees outstanding at balance date in respect of financing facilities	3.0	3.0
Bank guarantees outstanding at balance date in respect of contractual performance	92.4	130.3
Insurance bonds outstanding at balance date in respect of contractual performance	15.6	15.9
	111.0	**149.2**

D3 Events Occurring after the Reporting Date

On 1 July 2014, the Group entered into a new syndicated facility of $400 million.

On 18 August 2014, Transpacific granted approval to the Responsible Entity of the SPS Trust to redeem the SPS on 30 September 2014.

On 18 August 2014, the Company declared a fully franked dividend on ordinary shares for the financial year ended 30 June 2014 of 1.5 cents per share.

Other than the items noted above, there were no significant events subsequent to year end.

E Other Information

This section provides information that is required under Accounting Standards and the *Corporations Act 2001* but that in the Directors view is not critical to understand the financial statements.

E1 Profit and Loss Information

Earnings per Share

	2014	2013
Calculated in accordance with AASB 133:		
From Continuing and Discontinuing Operations		
Basic earnings per share (cents per share)	0.7	(13.9)
Diluted earnings per share (cents per share)	0.7	(13.9)
From Discontinued Operations		
Basic earnings per share (cents per share)	15.0	0.1
Diluted earnings per share (cents per share)	15.0	0.1
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	1,578,656,694	1,578,529,371
Effect of performance rights and warrants on issue	93,203	320,346
Weighted Average Number of Ordinary Shares Used as the Denominator in Calculating Diluted Earnings Per Share	**1,578,749,897**	**1,578,849,717**

	2014 $'M	2013 $'M
Reconciliation of earnings used as the numerator in calculating basic and diluted earnings per share:		
Profit/(Loss) from continuing operations	(208.6)	(203.2)
Profit/(Loss) from discontinued operations	237.5	2.8
Net profit attributable to non-controlling interests	(1.9)	(1.2)
Distribution to Step-up Preference Security holders	(15.5)	(17.1)
Profit/(Loss) from Continuing and Discontinued Operations after Tax Attributable to Ordinary Equity Holders	**11.5**	**(218.7)**

Earnings per share accounting policy

(i) Basic Earnings Per Share

Basic earnings per share is determined by dividing net profit after income tax attributable to members of the Group, excluding any costs of servicing Equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

E Other Information (Continued)

E2 Other Financial Assets and Financial Liabilities

(a) Derivative Financial Instruments

	2014 $'M	2013 $'M
Current Assets		
Derivatives at fair value	-	9.0
	-	**9.0**
Current Liabilities		
Derivatives at fair value	3.8	45.6
	3.8	**45.6**

In 2013, interest rate swaps amounting to $17.8 million were hedge accounted by the Group. All interest rate swaps were repaid in June 2014 with the exception of the USPP fixed rate swap. The Group's exposure to interest rate risk and sensitivity analysis of the variable rate instruments and derivatives is disclosed in Section C.

Derivative financial instruments accounting policy

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange and interest rate risk, including forward foreign exchange contracts and interest rate swaps.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The gain or loss on re-measurement to fair value is recognised immediately in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. However, where the derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the balance date, taking into account current interest rates and the current creditworthiness of the swap counterparties. The fair value of forward foreign exchange contracts is their quoted market price at the reporting date, being the present value of the quoted forward price. On entering into a hedging relationship, the Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions (cash flow hedges), or hedges of net investments in foreign operations.

Refer to Section E13(E).

E Other Information (Continued)

E2 Other Financial Assets and Liabilities (Continued)

(b) Equity Accounted Investments

(a) Details of interests in associates are as follows:

			OWNERSHIP INTEREST		CARRYING VALUE OF INVESTMENT	
ENTITY	**COUNTRY**	**REPORTING DATE**	**2014 %**	**2013 %**	**2014 $'M**	**2013 $'M**
Solid Waste Management:						
Living Earth Ltd	New Zealand	30 June	-	50	-	1.9
Midwest Disposals Ltd	New Zealand	30 June	-	50	-	2.9
Pikes Point Transfer Station Ltd	New Zealand	30 June	-	50	-	0.8
Daniels Sharpsmart New Zealand Ltd	New Zealand	30 June	-	50	-	0.2
Transwaste Canterbury Ltd	New Zealand	30 June	-	50	-	10.7
Waste Disposal Services (unincorporated joint venture)	New Zealand	30 June	-	50	-	-
Wonthaggi Recyclers Pty Ltd	Australia	30 June	50	50	0.6	0.7
Earthpower Technologies Sydney Pty Ltd	Australia	30 June	50	50	-	-
Technical Services Management:						
Total Waste Management Pty Ltd	Australia	31 December	50	50	4.6	3.6
Western Resource Recovery Pty Ltd	Australia	31 December	50	50	6.9	8.8
Industrial Management:						
ERS Co Pty Ltd	Australia	30 June	49	49	-	-
					12.1	**29.6**

On the 30 June 2014, the Group completed the sale of its New Zealand business, including all associates, to the Beijing Capital Group.

The reporting dates for those entities noted as at 31 December is a result of that being the reporting date of the other 50% shareholder.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014 (CONTINUED)

E Other Information (Continued)

E2 Other Financial Assets and Liabilities (Continued)

(b) Equity Accounted Investments (Continued)

Share of associates' balance sheet

	2014 $'M	2013 $'M
Total Asset	28.8	106.4
Total Liabilities	(4.7)	(47.2)
Net Assets as Reported by Associates	24.1	59.2
Share of Associates' Net Assets Equity Accounted	12.1	29.6

Share of associates' revenue and profit

	2014 $'M	2013 $'M
Revenues (100%)	94.8	87.3
Expenses	(65.4)	(71.9)
Profit before income tax (100%)	**29.4**	**15.4**
Share of Associates' profit before income tax	14.7	7.7
Share of income tax expense	(2.3)	(2.2)
Share of Associates' Net Profit/(Loss) Recognised	12.4	5.5

Impairment losses and commitments

During the year the Associates were tested for impairment and no adjustments were made as a result (2013: $Nil).

As at the reporting date the Associates had capital commitments in relation to contracts of $Nil (2013: $Nil).

Refer to Section E13(Aii).

E Other Information (Continued)

E3 Other Non-Financial Assets and Liabilities

(a) Other Assets

	2014 $'M	2013 $'M
Prepayments	10.9	13.2
Other current assets	0.8	5.8
	11.7	**19.0**

(b) Other Liabilities

	2014 $'M	2013 $'M
Deferred income	2.2	18.8
	2.2	**18.8**

Deferred income relates to prepaid waste collection amounts not yet serviced and goods not yet supplied.

E4 Other Reserves

	2014 $'M	2013 $'M
Foreign currency translation reserve	-	(28.4)
Asset revaluation reserve	29.8	32.9
Warrants reserve	-	60.9
Hedging reserve	-	(6.7)
Employee equity benefits reserve	4.1	5.9
	33.9	**64.6**

(a) Foreign Currency Translation Reserve

Nature and Purpose of Reserve

The foreign currency translation reserve is used to record differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the net investment hedged in these securities.

Movements

Foreign currency translation reserve:

	2014 $'M	2013 $'M
Balance at beginning of year	(28.4)	(90.6)
Disposal of foreign discontinued operation	(59.3)	-
Exchange differences taken to Equity	87.7	62.2
Balance at End of Year	**-**	**(28.4)**

E Other Information (Continued)

E4 Other Reserves (Continued)

(b) Asset Revaluation Reserve

Nature and Purpose of Reserve

The asset revaluation reserve is used to record revaluations of non-current assets (including non-landfill land and buildings).

	2014 $'M	2013 $'M
Asset revaluation reserve:		
Land and buildings	32.9	33.5
Balance at beginning of year	32.9	33.5
Disposal of land and buildings	-	(0.6)
Divestment of business transferred to retained profit	(7.7)	-
Revaluation of land and building	4.6	-
Balance at End of Year	**29.8**	**32.9**

(c) Warrants Reserve

Nature and Purpose of Reserve

The warrants reserve is used to record revaluations of warrants issued on recapitalisation.

Movements

Warrants reserve:

	2014 $'M	2013 $'M
Balance at beginning of year	60.9	60.9
Warrants expired during the year	(60.9)	-
Balance at End of Year	**-**	**60.9**

The warrants expired on 30 June 2014. The balance of reserves has been transferred to retained earnings.

E Other Information (Continued)

E4 Other Reserves (Continued)

(d) Hedging Reserve

Nature and Purpose of Reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedge transactions that have not yet occurred.

Movements

Hedging reserve:

	2014 $'M	2013 $'M
Balance at beginning of year	(6.7)	(15.9)
Transfer to Other Comprehensive Income (net of $Nil tax (2013: net of $0.4 million tax))	-	0.8
Net gain arising from changes in fair value of hedging instruments (net of $Nil tax (2013: $4.9 million))	-	11.7
Net (loss) arising from changes in fair value of hedging instruments (net of $Nil tax (2013: $1.4 million))	-	(3.3)
Net gain taken to Profit and Loss	6.7	
Balance at End of Year	**-**	**(6.7)**

(e) Employee Equity Benefits Reserve

Nature and Purpose of Reserve

The employee equity benefits reserve is used to record the value of equity benefits provided to employees as part of their remuneration. Refer to Section E9 for further details of these plans.

Movements

Employee equity benefits reserve:

	2014 $'M	2013 $'M
Employee equity benefits reserve:		
Balance at beginning of year	5.9	4.4
Share based payment expense/(benefit)	(1.8)	1.5
Balance at End of Year	**4.1**	**5.9**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014 (CONTINUED)

E Other Information (Continued)

E5 Retained Earnings

Dividends and distributions

The Company declared a fully franked dividend on ordinary shares for the financial year ended 30 June 2014 of 1.5 cents per share. The record date of the dividend is the 29 August 2014 with payment to be made on the 8 October 2014.

Details of distributions in respect of the financial year are as follows:

	2014		2013	
	AMOUNT PER SHARE/UNIT	**TOTAL $'M**	**AMOUNT PER SHARE/UNIT**	**TOTAL $'M**
Step-up Preference Securities				
Distribution period ended 30 September: fully franked at 30% tax rate	$3.18	8.0	$3.60	9.0
Distribution period ended 31 March: fully franked at 30% tax rate	$2.99	7.5	$3.23	8.1
Total Distribution Paid		**15.5**		**17.1**

After the reporting date the following distribution was proposed by the Directors. The distribution has not been provided for.

Proposed for:				
Step-up Preference Securities				
Distribution period ended 30 September: fully franked at 30% tax rate	$3.05	$7.6	$3.18	8.0

Franking credit balance

	2014 $'M	2013 $M
30% franking credits available for subsequent financial years	37.0	35.0

The above available amounts are based on the balance of the franking account at year end, adjusted for:

(a) Franking credits that will arise from the payment of current tax liabilities;

(b) Franking debits that will arise from the payment of dividends recognised as a liability at the year end; and

(c) Franking credits that will arise from the receipt of dividends recognised as receivables by the tax Consolidated Group at the year end.

E Other Information (Continued)

E6 Reconciliation of Profit after Income Tax to Net Cash Inflow from Operating Activities

	2014 $'M	2013 $'M
Profit/(Loss) From Continuing and Discontinuing Operations After Income Tax	28.9	(200.4)
ADJUSTMENTS FOR:		
Sale of discontinued operations	(172.1)	-
Write off of establishment costs associated with former debt facilities	17.9	-
Accelerated amortisation of Convertible Notes and redemption costs	-	0.3
Depreciation and amortisation	229.2	185.7
Change in fair value of derivative financial instruments	8.8	(12.5)
Change in fair value of land and buildings	8.3	-
Impairment on non-current assets and intangibles	139.4	325.0
Rectification expense of landfill assets and operations	69.2	-
Share of associates' net profits	(12.4)	(5.5)
Net loss/(gain) on sale of investments and properties	(1.9)	15.9
Net loss/(gain) on disposal of property, plant and equipment	(3.2)	0.7
Performance Rights expense	(1.9)	1.5
Other non-cash items	11.1	2.8
Net Cash Flow From Operating Activities Before Changes in Assets and Liabilities	**321.3**	**313.5**
CHANGES IN ASSETS AND LIABILITIES ADJUSTED FOR EFFECTS OF PURCHASE OF CONTROLLED ENTITIES DURING THE FINANCIAL PERIOD:		
(Increase)/decrease in receivables	(11.4)	18.3
(Increase)/decrease in other assets	2.8	(1.3)
(Increase)/decrease in inventories	14.1	(3.8)
Increase/(decrease) in payables	(19.7)	11.2
Increase/(decrease) in income tax payable	(11.1)	2.5
(Increase)/decrease in deferred taxes	(79.9)	(34.4)
Increase/(decrease) in other liabilities	1.9	(29.6)
Increase/(decrease) in other provisions	5.5	6.0
Net Cash From/(Used In) Operating Activities	**223.5**	**282.4**

During 2014 and 2013 financial year, the Group did not acquire any plant and equipment by means of finance lease.

E Other Information (Continued)

E7 Related Party Transactions

(a) Key management personnel

Disclosures relating to key management personnel are set out in the Remuneration Report on pages 39 to 53.

(b) Wholly-owned Group transactions

The wholly-owned Group consists of Transpacific Industries Group Ltd and its wholly-owned entities listed at Section E8. Transactions between Transpacific Industries Group Ltd and other entities in the wholly-owned Group during the years ended 30 June 2014 and 30 June 2013 consisted of:

(a) Loans advanced by Transpacific Industries Group Ltd and other wholly-owned entities;

(b) Loans repaid to Transpacific Industries Group Ltd and other wholly-owned entities;

(c) The payment of interest on the above loans;

(d) The payment of dividends to Transpacific Industries Group Ltd and other wholly-owned entities;

(e) Management fees charged to wholly-owned entities; and

(f) Sales between wholly-owned entities.

The above transactions are all eliminated on consolidation.

(c) Other related parties

	2014 $'M	2013 $'M
Aggregate amounts included in the determination of (loss)/profit before tax that resulted from transactions with each class of other related parties:		
Interest expense		
Non-controlling interests	-	-
Aggregate amounts brought to account in relation to other transactions with each class of other related parties:		
Loans advanced to/(from):		
Associates	0.2	-
Loan repayments to:		
Associates	-	-
There are no aggregate amounts receivable from, and payable to, each class of other related parties at balance date.		
Current loans:		
Non-controlling interests	1.8	3.3
	1.8	**3.3**

Transactions were made on normal commercial terms and conditions and at market rates, except that there are no fixed terms for the repayment of loans between the parties. Interest on loans was charged at 10% (2013: 10%).

E Other Information (Continued)

E8 Subsidiaries

ENTITY	COUNTRY OF INCORPORATION	2014 %	2013 %
Transpacific Industries Group Ltd – Parent	Australia		
Transpacific Securities Pty Ltd	Australia	100	100
Transpacific SPS Trust	Australia	100	100
Transpacific Sustain Pty Ltd	Australia	100	100
Transpacific Innovations Pty Ltd	Australia	100	100
Transpacific Co Pty Ltd[ii]	Australia	100	100
Transpacific Resources Pty Ltd[ii]	Australia	100	100
Environmental Recovery Services Pty Ltd[ii]	Australia	100	100
ERS Australia Pty Ltd[ii]	Australia	100	100
Kleenparts Pty Ltd	Australia	100	100
Transpacific Energy Pty Ltd	Australia	100	100
Transpacific Oil Pty Ltd	Australia	100	100
ERS Singapore Pte Ltd	Singapore	100	100
ERS Taiwan Ltd	Taiwan	100	100
Transpacific Industries Pty Ltd[ii]	Australia	100	100
Associated Oils Pty Ltd	Australia	100	100
ATS Developments Pty Ltd	Australia	100	100
Australian Pollution Engineering Pty Ltd	Australia	100	100
Australian Resource Recovery Pty Ltd	Australia	100	100
Australian Terminal Services Pty Ltd	Australia	100	100
L V Rawlinson & Associates Pty Ltd	Australia	100	100
Mann Waste Management Pty Ltd	Australia	100	100
Nationwide Oil Pty Ltd[ii]	Australia	100	100
Oil & Fuel Salvaging (Qld) Pty Ltd	Australia	100	100
NQ Resource Recovery Pty Ltd[ii]	Australia	100	100
Olmway Pty Ltd[i]	Australia	50	50
QORS Pty Ltd	Australia	100	100
Solidsep Pty Ltd	Australia	100	100
Transpacific Biofuels Pty Ltd[i]	Australia	50	50
Transpacific Environmental Services Pty Ltd	Australia	51	51
Transpacific Manufacturing Systems Pty Ltd	Australia	100	100
Transpacific Refiners Pty Ltd[i]	Australia	50	50
Transpacific Superior Pak Pty Ltd[ii]	Australia	100	100
Transwaste Technologies (1) Pty Ltd	Australia	100	100
Transwaste Technologies Pty Ltd[ii]	Australia	100	100

(i) Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. As wholly owned subsidiaries, the Group have power over the investees through management control and the casting vote of Transpacific Refiners Pty Ltd, Olmway Pty Ltd, and Transpacific Biofuels Pty Ltd. The Company has the capacity to dominate decision making in relation to the financial and operating policies so as to enable those entities to operate as part of the Group in pursuing its objectives.

(ii) These wholly owned subsidiaries have entered into a deed of cross guarantee with Transpacific Industries Group Ltd on 29 June 2007 pursuant to ASIC Class Order 98/1418 and are relieved from the requirement to prepare and lodge an audited Financial Report.

E Other Information (Continued)

E8 Subsidiaries (Continued)

ENTITY	COUNTRY OF INCORPORATION	2014 %	2013 %
Transpacific Baxter Pty Ltd(ii)	Australia	100	100
A J Baxter Pty Ltd	Australia	100	100
Baxter Business Pty Ltd(ii)	Australia	100	100
Baxter Recyclers Pty Ltd	Australia	100	100
Transpacific Cleanaway Pty Ltd(ii)	Australia	100	100
Enviroguard Pty Ltd(ii)	Australia	100	100
Getabin Pty Ltd	Australia	100	100
Transpacific Cleanaway Hygiene Pty Ltd	Australia	100	100
Transpacific Collections Pty Ltd	Australia	100	100
Transpacific Recycling Pty Ltd	Australia	100	100
Transpacific Ventures Pty Ltd	Australia	100	100
Transpacific Industrial Solutions Pty Ltd(ii)	Australia	100	100
ACN 122 808 324 Pty Ltd	Australia	100	100
Transpacific Industries Holdings Pty Ltd	Australia	100	100
Transpacific Paramount Services Pty Ltd	Australia	100	100
Transpacific Waste Management Pty Ltd(ii)	Australia	100	100
Ashrye Pty Ltd	Australia	100	100
Clarinda Landfill Pty Ltd	Australia	100	100
Max T Pty Ltd	Australia	100	100
Rubus Holdings Pty Ltd(ii)	Australia	100	100
Rubus Intermediate One Pty Ltd(ii)	Australia	100	100
Rubus Intermediate Two Pty Ltd(ii)	Australia	100	100
Transpacific Cleanaway Holdings Pty Ltd(ii)	Australia	100	100
Transpacific Resource Recycling Pty Ltd	Australia	100	100
Waste Management Pacific (SA) Pty Ltd	Australia	100	100
Waste Management Pacific Pty Ltd(ii)	Australia	100	100
Western Star Trucks Australia Pty Ltd(iii)	Australia	-	100
MAN Automotive Imports (NZ) Ltd	New Zealand	-	100
Man Automotive Imports Pty Ltd	Australia	-	100
Man Imports Pty Ltd	Australia	-	100
Western Star Truck Centre Trust	Australia	-	100
Transpacific Industries Group Finance (NZ) Ltd (iv)	New Zealand	-	100
ERS New Zealand Ltd (iv)	New Zealand	-	100
Healthcare Waste Ltd (iv)	New Zealand	-	100
Transpacific Technical Services (NZ) Ltd (iv)	New Zealand	-	100
Transpacific Industries Group (NZ) Ltd (iv)	New Zealand	-	100
Canterbury Material Recovery Facilities Ltd (iv)	New Zealand	-	100
Canterbury Waste Services Ltd (iv)	New Zealand	-	100
Eastern Bins Ltd (iv)	New Zealand	-	100

(ii) These wholly owned subsidiaries have entered into a deed of cross guarantee with Transpacific Industries Group Ltd on 29 June 2007 pursuant to ASIC Class Order 98/1418 and are relieved from the requirement to prepare and lodge an audited Financial Report.

(iii) On 30 August 2013, Western Star Trucks Australia Pty Ltd and its subsidiaries (MAN Automotive Imports (NZ) Ltd, Man Automotive Imports Pty Ltd, Man Imports Pty Ltd and Western Star Truck Centre Trust) were divested to Penske Automotive, Inc.

(iv) On 30 June 2014, Transpacific Industries Group NZ Ltd and all other New Zealand entities were sold to a subsidiary of the Beijing Capital Group.

E Other Information (Continued)

E8 Subsidiaries (Continued)

ENTITY	COUNTRY OF INCORPORATION	2014 %	2013 %
Get-A-Bin Ltd (iv)	New Zealand	-	100
Otago Waste Services Ltd (iv)	New Zealand	-	100
Recycle New Zealand Ltd (iv)	New Zealand	-	100
Superior Pak NZ Ltd (iv)	New Zealand	-	100
Tartan Industries Ltd (iv)	New Zealand	-	100
The Wheelibin Company Ltd (iv)	New Zealand	-	100
Transpacific Collections Ltd (iv)	New Zealand	-	100
Transpacific Industrial Solutions (NZ) Ltd (iv)	New Zealand	-	100
Transpacific Recycling Ltd (iv)	New Zealand	-	100
Transpacific Waste Management Ltd (iv)	New Zealand	-	100
Waste Management Ltd (iv)	New Zealand	-	100
Waste Care Ltd (iv)	New Zealand	-	100
Waste Disposal Services Ltd (iv)	New Zealand	-	100
Transpacific All-Brite Ltd (iv)	New Zealand	-	100
Flexi-Bin Ltd (iv)	New Zealand	-	100
General Rubbish Collection Ltd (iv)	New Zealand	-	100
Budget Bins Ltd (iv)	New Zealand	-	100
Sunshine Garden Bag & Bin Company Ltd (iv)	New Zealand	-	100

(iv) On 30 June 2014, Transpacific Industries Group NZ Ltd and all other New Zealand entities were sold to a subsidiary of the Beijing Capital Group.

E Other Information (Continued)

E9 Share-Based Payments

On 1 June 2010 the Group issued Performance Rights attached to an Executive Engagement Award ("EEA"). The 2010 and 2011 LTI and the EEA are exercisable in one tranche if certain performance standards are met. The 2012 LTI is exercisable in two tranches if certain performance standards are met.

The vesting of the Performance Rights issued under the EEA is conditional upon the participant being employed at vesting date (30 June 2015), and will vest at various percentages based on the Company's ordinary share price at that date as follows:

20 DAY VWAP	PERCENTAGE OF PERFORMANCE RIGHTS VESTING
Less than $3.00	0%
$3.00	50%
$4.50	100%
$6.00	200%
$9.00 or more	300%

On 1 June 2010, 3 September 2010, 28 September 2011 and 2 November 2011 the Group issued Performance Rights attached to a Long Term Incentive Plan ("LTI"). The Performance Rights issued under the 2010 and 2011 LTI offers were tested on vesting date and have now lapsed as the hurdles have not been met.

The 2012 LTI will vest in two equal tranches based if the following performance hurdles, which are tested independently, are met:

- Tranche 1 – 50% of the Performance Rights vest if the Company achieves a relative TSR of equal to or greater than the 50th percentile of the TSR of the S&P/ASX 200 Industrial Sector Index (excluding companies involved in resources or mining).
- Tranche 2 – 50% of the Performance Rights vest if the Company achieves certain EPS growth targets.

The percentage of performance targets which will vest under each of these tranches, is as set out in the table below:

TRANCHE 1: RELATIVE TSR

TRANSPACIFIC'S RELATIVE TSR RANKING	PROPORTION OF PERFORMANCE RIGHTS THAT WILL VEST
0 to 49th percentile	0%
50th to 100th percentile	100%

TRANCHE 2: EPS

UNDERLYING EPS GROWTH HURDLE	PROPORTION OF PERFORMANCE RIGHTS THAT WILL VEST
< 15% annualised EPS growth	0%
15% annualised EPS growth	50%
15% to 20% annualised EPS growth	Straight line vesting between 50% and 75%
20% to 25% annualised EPS growth	Straight line vesting between 75% and 100%

E Other Information (Continued)

E9 Share-Based Payments (Continued)

On 24 March 2014 and 19 June 2013 the Group issued Performance Rights attached to a Long Term Incentive Plan ("LTI"). The 2013 and 2014 LTI will vest in two equal tranches if the following performance hurdles, which are tested independently, are met:

- Tranche 1 – Up to 50% of the Performance Rights vest if the Company achieves a certain TSR ranking within in S&P/ASX 200 Industrial Sector Index (excluding companies involved in resources or mining). The percentage of the Performance Rights which will vest under this tranche is set out in the table below:
- Tranche 2 – Up to 50% of Performance Rights vest if the Company achieves certain EPS performance targets.

The percentage of the performance targets, which will vest under each of these tranches, is set out in the table below:

TRANCHE 1: RELATIVE TSR

TRANSPACIFIC'S RELATIVE TSR RANKING	PROPORTION OF PERFORMANCE RIGHTS THAT WILL VEST
0 to 49th percentile	0%
50th percentile	50%
51st to 74th percentile	Straight line vesting between 51% and 99%
75th to 100th percentile	100%

TRANCHE 2: EPS

UNDERLYING EPS GROWTH HURDLE	PROPORTION OF PERFORMANCE RIGHTS THAT WILL VEST
< 10 cents per share	0%
10 cents per share	50%
Between 10 and 12.8 cents per share	Straight line vesting between 51% and 75%
Between 12.8 and 14.0 cents per share	Straight line vesting between 75% and 100%
>14.0 cents per share	100%

During the 2012 year the Group issued Performance Rights under the terms of the Group's STI annual incentive plan which vested on 30 June 2014.

The following Performance Rights have been granted during the 2014 and 2013 years:

DATE GRANTED	FIRST EXERCISE DATE ON OR AFTER	EXPIRY DATE	NUMBER GRANTED 2014	NUMBER GRANTED 2013
Issue (8) 13 September 2012 – AIP (STI)	30 June 2014	Six months following excise date	-	987,192
Issue (9) 5 October 2012 – AIP (STI)	30 June 2014	Six months following excise date	-	66,141
Issue (10) 19 June 2013 – LTI	Release of results for the year ending 30 June 2016	Six months following excise date	-	4,992,034
Issue (11) 13 September 2013 – STI	30 June 2015	Six months following excise date	125,715	-
Issue (12) 24 March 2014 – LTI	Release of results for the year ending 30 June 2017	Six months following excise date	4,335,971	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014 (CONTINUED)

E Other Information (Continued)

E9 Share-Based Payments (Continued)

The number of Performance Rights are as follows:

	NUMBER OF PERFORMANCE RIGHTS 2014	NUMBER OF PERFORMANCE RIGHTS 2013
Outstanding at the beginning of the period	18,027,039	15,772,829
Granted during the period	4,461,686	6,045,367
Exercised during the period	(537,263)	(354,465)
Cancelled/lapsed during the period	(10,365,114)	(3,436,692)
Outstanding at the End of the Period	**11,586,348**	**18,027,039**
Exercisable at the End of the Period	**375,538**	**-**

Total share based payment expense included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income is set out in Section E4(e).

The Performance Rights granted as part of the STI have been valued at the share price on the date of issue as they have a zero exercise price. All other parameters remain consistent to those below.

All other Performance Rights granted during the year were fair valued by an external party using the Monte Carlo simulation method. The following table sets out the assumptions made in determining the value of these Performance Rights:

SCHEME **NUMBER OF RIGHTS** **DATE OF ISSUE**	**EEA** **9,945,265** **01/06/10**	**2012 LTI** **4,741,101** **28/09/11**	**2013 LTI** **4,992,034** **19/06/13**	**2014 LTI** **4,335,971** **24/03/14**
Vesting period	June 2015	August 2015	August 2016	August 2017
Measurement period (years)	5.1	3.8	3.0	4.0
Risk free interest rate (%)	5.38%	4.36%	2.73%	3.13%
Volatility (%)	54.94%	68.53%	39.74%	37.80%
Fair value	$1.34	$0.54	$0.49	$0.93

The vesting date is on or after the date which is 14 days after the date on which the annual financial results of the Company for the respective Financial Years are released to ASX.

E Other Information (Continued)

E10 Deed of Cross Guarantee

The Consolidated Statement of Profit or Loss and Other Comprehensive Income and Consolidated Balance Sheet of the entities who are a party to the Deed of Cross Guarantee are:

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	2014 $'M	2013 $'M
CONTINUING OPERATIONS		
Revenue from continuing operations	1,324.0	1,544.5
Other income	42.3	33.7
Raw materials and inventory	(68.1)	(116.2)
Waste disposal and collection	(252.0)	(306.3)
Employee expenses	(523.1)	(575.5)
Depreciation and amortisation expenses	(190.0)	(143.6)
Repairs and maintenance	(78.0)	(88.8)
Fuel purchases	(53.2)	(49.1)
Leasing charges	(51.9)	(58.1)
Freight costs	(16.2)	(18.2)
Other expenses	(72.2)	(89.0)
Share of profits of associates	1.4	0.6
Net finance costs	(92.0)	(107.2)
Impairment of assets	(139.4)	(154.7)
Rectification expense of landfill assets and operations	(69.2)	-
Changes in fair value of derivative financial instruments	(8.8)	12.5
Fair value of land and buildings	(8.3)	-
Gain on divestment of businesses	172.1	-
Profit/(Loss) Before Income Tax	**(82.6)**	**(115.4)**
Income tax benefit/(expense)	50.2	13.8
Profit/(Loss) From Continuing Operations After Income Tax	**(32.4)**	**(101.6)**
DISCONTINUED OPERATIONS		
Profit/(Loss) for the period from Discontinued Operations	**4.5**	**33.2**
Profit/(Loss) For The Period From Continuing and Discontinued Operations	**(27.9)**	**(68.4)**
Other Comprehensive Income		
Cash flow hedges		
Net gain/(loss) taken to equity	-	8.4
Net gain/(loss) taken to profit and loss	-	-
Net Comprehensive Income/(Loss) Recognised Directly in Equity	**-**	**8.4**
Total Comprehensive Income/(Loss) for the Year	**(27.9)**	**(60.0)**

Refer to Section E8 for parties in the Deed of Cross Guarantee.

E Other Information (Continued)

E10 Deed of Cross Guarantee (Continued)

BALANCE SHEET	2014 $'M	2013 $'M
ASSETS		
Cash and cash equivalents	181.0	58.6
Trade and other receivables	254.5	276.3
Inventories	8.2	127.3
Other assets	8.4	98.9
Total Current Assets	452.1	561.1
Investments accounted for using the equity method	11.5	12.5
Other financial assets	314.5	950.3
Property, plant and equipment	736.1	817.7
Intangible assets	1,239.9	1,244.3
Deferred tax assets	168.4	88.1
Total Non-current Assets	2,470.4	3,112.9
Total Assets	2,922.5	3,674.0
LIABILITIES		
Trade and other payables	209.0	263.8
Income tax payable	1.6	15.7
Borrowings	244.7	264.8
Employee benefits	36.2	39.5
Provisions	41.4	67.5
Other	5.1	43.1
Total Current Liabilities	538.0	694.4
Borrowings	56.9	1,026.1
Employee benefits	9.3	9.3
Provisions	326.7	98.5
Other	74.6	9.2
Total Non-current Liabilities	467.5	1,143.1
Total Liabilities	1,005.5	1,837.5
Net Assets	**1,917.0**	**1,836.5**
EQUITY		
Issued capital	2,169.9	2,071.7
Reserves	32.3	83.1
Retained earnings	(285.2)	(318.3)
Total Equity	**1,917.0**	**1,836.5**

The effect of the deed is that TPI has guaranteed to pay any deficiency in the event of winding up of any controlled entity or if they do not meet their obligations under the terms of overdrafts, loans, leases or other liabilities subject to the guarantee. The controlled entities have also given a similar guarantee in the event that TPI is wound up or if it does not meet its obligations under the terms of overdrafts, loans, leases or other liabilities subject to the guarantee.

The above financial information has been updated for the inclusion of Transpacific Industries Pty Ltd NZ Branch balance sheet and results in the current and comparative periods. As a result the deed of cross guarantee companies is showing borrowings of $244.7 million which primarily relates to the loan notes from the Transpacific SPS Trust.

E Other Information (Continued)

E11 Parent Entity Financial Information

	2014 $'M	2013 $'M
Current assets	149.9	32.6
Total assets	2,307.1	3,212.9
Current liabilities	11.2	61.2
Total liabilities	62.7	1,074.5
Issued capital	2,071.8	2,073.2
Retained earnings	168.5	11.6
Reserves:		
Warrant	-	60.2
Employee equity benefits	4.1	5.9
Hedging	-	(12.5)
Total	2,244.4	2,138.4
Profit/(loss) of the parent entity	48.8	18.8
Total comprehensive income of the parent entity	10.7	22.1

The Parent Entity guarantees the contractual commitments of its subsidiaries as requested.

E12 Auditors Remuneration

	2014 $	2013 $
Ernst & Young:		
Audit services	1,451,536	1,360,000
Audit related services	248,376	178,812
Non-audit services		
Due diligence services	453,000	78,319
	2,152,912	**1,617,131**

E Other Information (Continued)

E13 Summary of Accounting Policies

Reporting Entity

Transpacific Industries Group Ltd and its subsidiaries ("the Group") is a group domiciled and incorporated in Australia with operations in Australia and New Zealand. The Consolidated Financial Report of Transpacific Industries Group Ltd consists of the Consolidated Financial Statements of the Group and the Group's interest in associates and jointly controlled entities.

The Consolidated Financial Statements of the Group for the year ended 30 June 2014 were authorised for issue in accordance with a resolution of the Directors on 18 August 2014.

The significant accounting policies adopted in the preparation of the Consolidated Financial Report are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of Preparation

The Consolidated Financial Report is a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards ("AAS") (including Australian Interpretations) adopted by the Australian Accounting Standards Board ("AASB"), the *Corporations Act 2001*, and complies with other requirements of the law.

The Consolidated Financial Report of the Group complies with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board ("IASB").

The Consolidated Financial Report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets (non-landfill land and buildings) and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted, which is the Group's functional currency.

The Group is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order amounts in the Consolidated Financial Report have been rounded off to the nearest hundred thousand dollars, unless otherwise stated.

The preparation of the Consolidated Financial Statements is in accordance with IFRS. The standards require Management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the Group.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Prior year comparatives have been adjusted to comply with current year presentation where appropriate.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ended 30 June 2014. The impact of these not yet effective Standards and Interpretations has been determined by Management and are addressed in Section E13(P).

E Other Information (Continued)

Significant Accounting Policies

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policy notes set out below.

The following significant accounting policies have been adopted in the preparation and presentation of the Consolidated Financial Report.

(A) BASIS OF CONSOLIDATION

(i) Subsidiaries

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2014. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, it has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group’s voting rights and potential voting rights.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the income statement and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

If the Group loses control over a subsidiary it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences, recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the Company’s share of components previously recognised in Other Comprehensive Income to Consolidated Statement of Profit or Loss and Other Comprehensive Income.

E Other Information (Continued)

Significant Accounting Policies (Continued)

(A) BASIS OF CONSOLIDATION (CONTINUED)

(ii) Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control those policies.

Under the equity method, investments in associates are carried in the Consolidated Balance Sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group's net investment in associates. Goodwill included in the carrying amount of the investment in associates is not tested separately, rather the entire carrying amount of the investment is tested for impairment as a single asset. If any impairment is recognised, the amount is not allocated to the goodwill of the associate.

The Group's share of its associates' post-acquisition profits or losses is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, and its share of post-acquisition movements in reserves is recognised in Reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Dividends receivable from associates are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Where the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions with associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

(B) BUSINESS COMBINATIONS

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured at fair value as at the acquisition date through the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with AASB 139 *Financial Instruments: Recognition and Measurement* in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. If the contingent consideration is classified as Equity, it shall not be remeasured until it is finally settled within Equity.

E Other Information (Continued)

Significant Accounting Policies (Continued)

(C) INCOME TAX

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in Equity are also recognised directly in Equity.

(D) FOREIGN CURRENCY

(i) Foreign Currency Transactions and Balances

Foreign currency transactions are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and are reported on a net basis. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Australian dollars at foreign exchange rates ruling at the dates the fair value was determined.

(ii) Financial Statements of Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Australian dollars at foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated to Australian dollars at rates approximating the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on re-translation are recognised directly in a separate component of Equity. Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in Equity.

(iii) Net Investment in Foreign Operations

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are taken to Equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate.

E Other Information (Continued)

Significant Accounting Policies (Continued)

(E) DERIVATIVE FINANCIAL INSTRUMENTS

Fair Value Hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedge item for which the effective interest method is used is amortised to the Consolidated Statement of Profit or Loss and Other Comprehensive Income over the period to maturity using a recalculated effective interest rate.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Amounts accumulated in Equity are recycled in profit or loss in the periods when the hedged item affects profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or liability, the gains and losses previously deferred in Equity are transferred from Equity and included in the initial measurement of the cost of the asset or liability.

When the hedging instrument expires or is sold, or terminated, or when a hedge no longer qualifies for hedge accounting, any cumulative gain or loss existing in Equity at that time remains in Equity and is recognised when the forecast transaction is ultimately recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in Equity is recognised immediately in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Derivatives that do not Qualify for Hedge Accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

(F) REVENUE

Revenue from the rendering of services is recognised upon delivery of services to the customer. Revenue is recognised for the major business activities as follows:

Cleanaway

Revenue is recognised when the service has been provided to customers.

Industrials

Technical Services

Revenue from the collection and treatment of liquid waste is recognised when the waste has been collected and treated.

EMR

Contract revenue is measured by reference to labour hours incurred to date and actual costs incurred. Other revenue is recognised upon the delivery of goods or services to customers.

Hydrocarbons

Revenue is recognised on the sale of oil and by-products to customers on shipment or passing of control of the goods.

Interest

Interest revenue is recognised on an accruals basis, taking into account the interest rates applicable to the financial assets.

Dividends

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates are accounted for in accordance with the equity method of accounting.

E Other Information (Continued)

Significant Accounting Policies (Continued)

(F) REVENUE (CONTINUED)

Other Revenue

Other revenue is recognised when the right to receive the revenue has been established.

(G) IMPAIRMENT OF ASSETS

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. Impairment losses on financial assets are directly written off to the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Impairment of equity investments classified as available-for-sale is recognised where a significant or prolonged decline in the fair value of the investment occurs. This is determined by reference to current market bid prices. Impairment of loans and receivables is recognised when it is probable that the carrying amount will not be recovered in full due to significant financial difficulty or other loss event of the debtor. Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffer an impairment loss are reviewed for possible reversal of the impairment loss at each subsequent reporting date.

(H) PROPERTY, PLANT AND EQUIPMENT

Landfills, Cell Development and Provision for Remediation

(i) Landfills

The Group owns landfill assets. A landfill may be either developed by the Group or purchased by the Group.

The cost of developing a landfill includes the cost of land, permitting and overall site and infrastructure development to bring the asset to the condition necessary for its intended use, that is, to receive and dispose of waste.

The value composition of a landfill changes over time. Initially a landfill's value has the characteristics of an intangible asset including location, permitting and airspace which generates future earnings. Landfill airspace and licences are both considered to be integral components of a landfill asset and as such have been combined with effect from 1 July 2008.

E Other Information (Continued)

Significant Accounting Policies (Continued)

(H) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(ii) Cell Development

A landfill will normally be divided into parts, with each part (a cell) being developed one at a time to receive waste. When a cell is nearly full, a new cell is developed in readiness to receive waste from the time the former cell closes.

The closed cell is then capped and may return a revenue stream, such as from the sale of landfill gas, to the Group for years to come. The cost of cell development includes earthworks, gas capture infrastructure and cell lining to bring the asset to its condition necessary for its intended use, that is, to receive and dispose of waste and generate revenue streams. Cell development costs also include the cost of capping on closure of the cell. Expenditure on cell development may be incurred in one reporting period but the airspace in the cell may last for more than that reporting period.

In recognition of the above, it is the Group's policy at time of cell development and reporting dates to:

a) Capitalise the cost of cell development in landfill assets;

b) Amortise the cost of cell development over the useful life of the cell; and

c) Recognise revenue streams in the reporting period earned.

The amortisation for a reporting period is calculated by the tonnes of airspace consumed during the reporting period divided into the total airspace available at the beginning of the reporting period. Future landfill site restoration and aftercare costs capitalised are depreciated at rates that match the pattern of benefits expected to be derived from use of the respective sites.

(iii) Provision for Landfill Remediation

A landfill is deemed full when its permitted airspace is consumed and it cannot legally accept any more waste. Alternatively, a landfill may be deemed full earlier should other factors exist, for example, if it is not economically viable to continue accepting waste. At that point the cost of cell development is fully amortised to $Nil.

Generally, a landfill must be maintained for a defined period and left in a condition specified by the Environmental Protection Authority or government authorities. Therefore remediation occurs on an ongoing basis, at the time the landfill closes and post-closure. Certain landfills will also have revenue streams from, for example, the supply of landfill gas into electricity grids for many years.

In recognition of the above, it is the Group's policy at time of development and at each subsequent reporting date to:

a) In the case of developing a landfill, provide for the expected remediation at time of development;

b) In the case of purchasing a landfill, account for the acquisition in accordance with *AASB 3 Business Combinations* at the time of acquisition;

c) Calculate the expected cost of remediation for each landfill asset or group of landfill assets working together; and

d) Assess the adequacy of the provision for remediation against (c) at each reporting date and either confirm its adequacy or increase or decrease the provision to the landfill asset or the Consolidated Statement of Profit or Loss and Other Comprehensive Income as required and account for the cost of remediation against the provision.

Future landfill site restoration and aftercare costs provided for are initially capitalised in the Consolidated Balance Sheet. Any change in the provision for future landfill site restoration and aftercare costs arising from a change in estimate of those costs is also recognised in non-current assets in the Consolidated Balance Sheet and amortised.

The provision is stated at the present value of the future cash outflows expected to be incurred, which increases each period due to the passage of time and is recognised in current and non-current provisions in the Consolidated Balance Sheet. The annual change in the net present value of the provision due to the passage of time is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as a time value adjustment as finance cost. Due to the long term nature of remediation obligations changes in estimates occur over time.

E Other Information (Continued)

Significant Accounting Policies (Continued)

(H) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(iv) Landfill Sales

A landfill may be disposed of as an operating landfill or it may be retained until post-closure and then sold.
In accordance with the above, it is the Group's policy at time of sale and reporting periods to:

a) If the landfill is sold as an operating landfill, recognise the profit on sale of an asset; or
b) If the completed landfill is intended to be sold in the future, transfer the landfill balance to inventory or non current assets held for sale as applicable.

Other Property, Plant and Equipment

Land and buildings are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation of buildings. The fair values are recognised in the Consolidated Financial Statements of the Group, and are reviewed at the end of each reporting period to ensure that the carrying value of land and buildings is not materially different to their fair values.

Any revaluation increase arising on the revaluation of land and buildings is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense in profit or loss, in which case the increase is credited to the Consolidated Statement of Profit or Loss and Other Comprehensive Income to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of land and buildings is charged as an expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to the Consolidated Statement of Profit or Loss and Other Comprehensive Income. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the asset revaluation reserve, net of any related deferred taxes, is transferred directly to retained earnings.

Plant and equipment, and equipment under finance lease are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable in bringing the asset to the location and condition necessary for its intended use. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition. Cost also may include transfers from Equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Borrowing costs related to the acquisition or construction of qualifying assets are also capitalised as part of that asset.

Gains and losses on disposal of an item of other property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the other property, plant and equipment and are recognised net within "other income" in Consolidated Statement of Profit or Loss and Other Comprehensive Income. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to Retained Earnings.

E Other Information (Continued)

Significant Accounting Policies (Continued)

(I) LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

(i) Finance Leases

Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the Consolidated Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on finance costs. Refer to Section B1(c).

Finance leases are depreciated over the shorter of the estimated useful life of the asset or the lease term.

(ii) Operating Leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(J) INTANGIBLES

(i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business, subsidiary or associate at the date of acquisition. Goodwill on the acquisition of businesses or subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is not amortised. Instead goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

(ii) Research and Development

Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The expenditure capitalised includes the costs of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Borrowing costs related to the development of qualifying assets are also capitalised. Other development expenditure is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

(iii) Other Intangible Assets

Other intangible assets include customer contracts recognised on business combinations and licences. Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (see below) and impairment losses (see Section E13(G)).

(iv) Amortisation

Amortisation is charged to net income on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite (e.g. brand names). Goodwill and intangible assets with an indefinite useful life are systematically tested for impairment at each reporting date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives of contracts are 3 to 20 years.

E Other Information (Continued)

Significant Accounting Policies (Continued)

(K) REPAIRS AND MAINTENANCE

Plant and equipment of the Group is required to be overhauled on a regular basis. This is managed as part of an ongoing major cyclical maintenance program. The costs of this maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated in accordance with Section E13(H). Other routine operating maintenance, repair and minor renewal costs are also charged as expenses as incurred.

(L) EMPLOYEE BENEFITS

(i) Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and vesting sick leave expected to be settled within 12 months of the reporting date are recognised in other creditors and provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long Service Leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Short-term Incentive Compensation ("STI") Plans

A liability for employee benefits in the form of STI is recognised when the STI criteria has been achieved and an amount is payable in accordance with the terms of the STI plan.

Liabilities for STI are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

(iv) Employee Benefit On-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(v) Share-based Payment Transactions

Share-based payments are provided to Executives and employees via the Transpacific Industries Group Limited Annual Incentive Plan, Long Term Incentive Plan and an Executive Engagement Award.

Share-based compensation payments are measured at fair value at the date of grant and expensed to employee benefit expense with a corresponding increase in Equity over the period from grant date to when the employees become unconditionally entitled to the Performance Rights. Fair value is measured by an external valuer using the Monte Carlo simulation method that takes into account the exercise price, the term of the Performance Right, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the Performance Right.

E Other Information (Continued)

Significant Accounting Policies (Continued)

(M) INVESTMENTS AND OTHER FINANCIAL ASSETS

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument at trade date.

Financial assets are initially measured at fair value plus transaction costs where the instrument is not classified at fair value through the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Transaction costs related to financial assets classified as fair value through profit and loss are expensed immediately.

The Group's non-derivative financial assets are currently measured after initial recognition as loans and receivables or available-for-sale financial assets. The Group has no non-derivative financial assets classified as fair value through the Consolidated Statement of Profit or Loss and Other Comprehensive Income or held-to-maturity under accounting standard AASB 139 *Financial Instruments: Recognition and Measurement*. Subsequent measurement of loans and receivables is disclosed in Section B2(b).

Available-for-sale financial assets are measured at fair value with any changes in the fair value recognised directly in Equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in Equity is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The Group's investments in equity securities, other than controlled entities and associates, are classified as available-for-sale. Fair value is determined by reference to official bid prices quoted on the relevant securities exchange, or where not listed and fair value cannot be reliably ascertained, at cost. Controlled entities and associates are accounted for in the Consolidated Financial Statements as set out in Section E13(A).

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(N) GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax ("GST"), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the Consolidated Statement of Cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(O) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Directors evaluate estimates and judgements incorporated into the Consolidated Financial Report based on historical knowledge and best available current information. Critical accounting estimates and judgements in the Consolidated Financial Report are:

(i) Impairment

Details of the key estimates used in assessing value-in-use calculations and impairment generally are disclosed in Section B.

(ii) Remediation Provisions

The Group assesses provisions for remediation costs in respect of its landfill sites by reference to external and internal sources to determine the best estimate of costs required to remediate the landfill sites. Further details are disclosed in Section E13(H).

E Other Information (Continued)

Significant Accounting Policies (Continued)

(O) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(iii) Land and Building Values

The Group assesses the fair value of all land and property assets held at fair value each reporting date. Fair value is established using recent market transactions between willing buyers and sellers in an arm's length sale in the normal course of business. Movements in market prices and the level of transactions impact the ability of the Group to estimate fair value.

(iv) Accounting for Landfills

Details of the key estimates used in assessing landfill values are included in Section E13(H).

(v) Workers Compensation Self-insurance Provisions

Independent actuarial valuations are used to estimate the provision required for workers compensation where the Group is self-insured.

(vi) Recovery of Deferred Tax Assets

Deferred tax assets, including those arising from tax losses not recouped, capital losses and temporary differences, are recognised in the Consolidated Balance Sheet, only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Management considers that it is probable that future taxable profits will be available to utilise those temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future profits.

(vii) Taxation

Deferred tax liabilities arising from temporary differences in investments, caused principally by retained earnings held in foreign tax jurisdictions, are recognised unless repatriation of retained earnings can be controlled and are not expected to occur in the foreseeable future. Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on Management's estimates of future cash flows. These depend on estimates of future production and sales volumes, operating costs, restoration costs, capital expenditure, dividends and other capital management transactions. Judgements are also required about the application of income tax legislation.

These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the Consolidated Balance Sheet and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

(vi) Valuation of Derivative Financial Instruments

The Group's accounting policy for the valuation of derivatives requires an estimate of the fair value of foreign currency contracts and interest rate swaps.

(P) APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

(i) Standards and Interpretations Affecting Amounts Reported in the Current Period (and/or Prior Periods)

There are no new and revised Standards and Interpretations adopted in these Consolidated Financial Statements that have affected the amounts reported.

E Other Information (Continued)

Significant Accounting Policies (Continued)

(P) APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS (CONTINUED)

(ii) Standards and Interpretations adopted with no effect on financial statements

The following new and revised Standards and Interpretations have been adopted in the current year and have no material impact on the amounts reported in these Consolidated Financial Statements.

- *AASB 7 Financial Instruments: Disclosures* – Offsetting Financial Assets and Financial Liabilities
- *AASB 10 Consolidated Financial Statements, AASB 127 Separate Financial Statements*
- *AASB 11 Joint Arrangements, AASB 128 Investments in Associates and Joint Ventures*
- *AASB 12 Disclosure of Interest in Other Entities*
- *AASB 13 Fair Value Measurement*
- *AASB 19 Employee Benefits*

(Q) FAIR VALUE MEASUREMENT

The Group measures financial instruments, such as derivatives and non-financial assets such as land and buildings, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principle market for the asset or liability, or
- In the absence of a principle market, in the most advantageous market for the asset or liability.

The principle or the most advantageous market must be accessible by the Group.

The fair value of an asset or liability is measured using the assumptions that the market participants act in their economic best interest.

A fair value measurement of non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use of, by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

DIRECTOR'S DECLARATION

In the Directors' opinion:

(a) the financial statements and notes together with the additional disclosures included in the Directors' Report designated as audited, are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2014 and of its performance for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), and the *Corporations Regulations 2001*;

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Section E13;

(c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

(d) this declaration has been made after receiving the declarations required to be made to the Directors in accordance with section s295A of the *Corporations Act 2001* for the financial year ended 30 June 2014; and

(e) as at the date of this declaration, there are reasonable grounds to believe that the members of the closed Consolidated Group identified in pages 109 to 111 will be able to meet any obligation or liabilities to which they are or may become subject to, by virtue of the deed of cross guarantee.

This declaration is made in accordance with a resolution of the Directors.

M M Hudson	R C Boucher Jr
Non-Executive Director and Chairman	Executive Director and Chief Executive Officer

Melbourne, 18 August 2014

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Independent auditor's report to the members of Transpacific Industries Group Ltd

Report on the financial report

We have audited the accompanying financial report of Transpacific Industries Group Ltd, which comprises the consolidated balance sheet as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note E13, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

EY
Building a better working world

Opinion

In our opinion:

a. the financial report of Transpacific Industries Group Ltd is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note E13.

Report on the remuneration report

We have audited the Remuneration Report included in pages 39 to 53 of the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Transpacific Industries Group Ltd for the year ended 30 June 2014, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

Mike Reid
Partner
Brisbane
18 August 2014

SHAREHOLDER INFORMATION

TOP 20 SHAREHOLDERS AS AT 31 AUGUST 2014

1.	J P MORGAN NOMINEES AUSTRALIA LIMITED	401,685,457	25.43
2.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	299,283,984	18.95
3.	NATIONAL NOMINEES LIMITED	295,628,381	18.71
4.	CITICORP NOMINEES PTY LIMITED	100,812,828	6.38
5.	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <PI POOLED A/C>	85,457,874	5.41
6.	BNP PARIBAS NOMS PTY LTD <DRP>	43,124,549	2.73
7.	UBS NOMINEES PTY LTD	31,017,416	1.96
8.	INDUSTRIAL INVESTMENT HOLDINGS PTY LTD	29,000,000	1.84
9.	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	17,543,003	1.11
10.	BNP PARIBAS NOMS (NZ) LTD <DRP>	13,705,268	0.87
11.	RBM NOMINEES PTY LTD <CASH PROTECTION A/C>	13,479,022	0.85
12.	AMP LIFE LIMITED	13,094,014	0.83
13.	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <PIIC A/C>	11,478,949	0.73
14.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	8,892,291	0.56
15.	JJ RICHARDS & SONS PTY LTD	8,891,724	0.56
16.	UBS NOMINEES PTY LTD	8,550,000	0.54
17.	WESTREET INVESTMENTS PTY LTD	8,454,000	0.54
18.	CUSTODIAL SERVICES LIMITED <BENEFICIARIES HOLDING A/C>	7,065,985	0.45
19.	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING COLLATERAL>	6,511,000	0.41
20.	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <PISELECT>	6,058,744	0.38

Top 20 holders of FULLY PAID ORDINARY SHARES	1,409,734,489	89.24
Total Remaining Holders Balance	169,914,289	10.76
Total Fully Paid Ordinary Shares on Issue	1,579,648,778	100.00

SHAREHOLDER INFORMATION
(CONTINUED)

SUBSTANTIAL SHAREHOLDERS

The number of shares held by substantial shareholders as disclosed in the shareholding notices given to the Company as at 31 August 2014 were:

Perpetual Limited and subsidiaries	194,906,001	12.34%
Cooper Investors	140,380,864	8.89%
Dimensional Fund Advisors	79,075,430	5.01%

An entity has a substantial shareholding if the total votes attaching to shares in which the entity and their associates have a relevant interest is 5% or more. The list of the 20 largest shareholders is based on the number of shares held in the name of each shareholder (not including their associates), even if the shareholder does not have a relevant interest in the shares for example, because the shareholder holds the share as a nominee. The list of the 20 largest shareholders of the Company and the list of substantial shareholders of the Company differ for this reason.

Statement of Quoted Securities

The Company's total number of shares on issue as at 31 August 2014 was 1,579,648,778 ordinary fully paid shares.

At 31 August 2014 the total number of shareholders owing these shares was 9,877 on the register of members maintained by Computershare Investor Services Pty Ltd. 89.24% of total issued capital is held by or on behalf of the 20 largest shareholders.

Voting Rights

Under the Company's Constitution, every member is entitled to vote who is present at a general meeting of the Company in person or by proxy or by attorney or, in the case of a corporation, by representative, shall, upon a show of hands, have one vote only.

Proxies - Where a member is entitled to cast two or more votes it may appoint not more than two proxies or attorneys. Where a member appoints two proxies, neither proxy is entitled to a vote on a show of hands.

Poll - On a poll, every member entitled to vote shall, whether present in person or by proxy or attorney or, in the case of a corporation, by representative, have one vote for every share held by the member.

At 31 August 2014, there were 10,630,135 performance rights on issue to executives under incentive schemes.

Voting rights will be attached to the unissued ordinary shares when the performance rights have been exercised.

Distribution Schedule of Shareholders

No. of Shares	1-1,000	1,001-5,000	5,001-10,000	10,001-100,000	100,001 and over
	2,425	3,189	1,650	2,411	202

The number of shareholders each holding less than a marketable parcel of the Company's ordinary shares ($500 in value) at 31 August 2014 was 1,506.

SECURITIES EXCHANGE LISTING

The shares of Transpacific Industries Group Ltd are listed on the Australian Securities Exchange under the trade symbol TPI.

CORPORATE DIRECTORY

Transpacific Industries Group Ltd
ABN 74 101 155 220

REGISTERED OFFICE

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CORPORATE OFFICE

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Melbourne VIC 3004

DIRECTORS

Martin Hudson (Chairman)
Robert Boucher Jnr (CEO)
Mark Chellew
Philippe Etienne
Mike Harding
Terry Sinclair
Ray Smith
Emma Stein

COMPANY SECRETARY

Dan Last
Kellie Smith

SHARE REGISTRY

Computershare Investor Services Pty Limited
117 Victoria Street
West End Qld 4101

FOR FURTHER ENQUIRIES REGARDING THIS ANNUAL REPORT CONTACT

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Level 1
159 Coronation Drive
Milton QLD 4064

Share Registry
Computershare
Investor Services Pty limited
117 Victoria Street
West End QLD 4101

Company Website
transpacific.com.au