

Society

Brambles businesses are part of the communities in which they operate and Brambles recognises its responsibility to manage the impacts of its business on those communities. The Code of Conduct addresses areas such as business integrity, competition and human rights. Employees receive training in the Code of Conduct and these aspects. In addition, the code is now available in a number of languages: Chinese (simplified), Chinese (traditional), Danish, Dutch, English, Finnish, French, French Canadian, German, Hindi, Italian, Norwegian, Portuguese, Spanish, Swedish, Tamil and Thai.

Brambles competes fairly in the markets in which it operates.

Brambles conducts business in accordance with the laws and regulations of each country in which a Brambles business is located. Brambles did not receive any significant fines or non-monetary sanctions for noncompliance with laws and regulations.

The Audit Committee of the Board reviews and approves the internal audit plan annually. The Audit Committee also monitors financial reporting risks. Internal audits are regularly conducted at a country level and reported back to the Audit Committee.

The Group Risk Committee reviews Brambles policies on risk management to satisfy itself that management has developed a sound system of risk management and internal control and that the system is operating effectively and efficiently.

COUNTRIES OF OPERATION

Brambles operates in over 45 countries.

Brambles has interests in four countries that FTSE4GOOD classifies as 'of concern'. The countries are:

- China (both CHEP and Recall have operations and employees in China);
- Saudi Arabia (CHEP has operations and employees in Saudi Arabia);
- United Arab Emirates (CHEP has operations and employees in the UAE); and
- Zimbabwe (CHEP has operations and employees in Zimbabwe).

Operations in these countries comprise less than 0.3% of Brambles' global sales revenue. All operations are conducted in accordance with Brambles' policies.

ECONOMIC

Brambles' businesses benefit the local communities in which they operate by creating employment directly and indirectly, by providing high quality support services that assist customers in growing their businesses and by purchasing materials from local and national suppliers.

Brambles' total market capitalisation as at 30 June 2009 was US\$6.8b.

Because CHEP and Recall are multi-domestic operations, Brambles does not have a group policy on spending on locally-based suppliers. A high percentage of supplies are procured in the regions in which they operate.

Local purchasing and hiring decisions are the responsibility of management within the operating businesses.

The majority of employees are hired from within the regions in which Brambles' businesses operate, including senior managers.

From time to time, CHEP provides pallets and containers free of charge to transport emergency supplies for relief efforts in times of disaster.

For example, CHEP provided pallets to transport emergency supplies to victims of bushfires in Victoria, Australia in February 2009, cage units to DHL in Boksburg, South Africa for refugee camps following widespread attacks on foreigners, pallets to the State Emergency Service in Queensland, Australia in response to the Warrego River flood in January 2008, pallets to provide aid to those affected by Hurricane Katrina in New Orleans, USA in August 2005 and containers to the Southern African Foundation for the Conservation of Coastal Birds in 2000 to wash penguins affected by a major oil spill.

Neither Brambles nor its operating businesses are recipients of any significant or material government subsidies or grants.

\$4.02b
SALES REVENUE US\$

\$900.6m
UNDERLYING PROFIT US\$

CASE STUDY: CHEP USA ENCOURAGES SUPPLIER DIVERSITY

CHEP is committed to diversity in all of its business practices. This extends to suppliers as well. Supplier diversity is a fundamental business strategy for CHEP. An integral part of its mission is a commitment to purchase from a supplier base representative of CHEP's employees, customers and communities.

CHEP USA's internal supplier set up process has been enhanced to include suppliers' minority/non-minority group status. This information will be input into its system and will improve efforts to capture diversity suppliers and allow CHEP USA to update internal diversity reporting. This will serve as a platform for future diversity efforts.

CASE STUDY: CHEP SOUTH AFRICA SUPPORTS EMERGING ENTREPRENEURS

CHEP South Africa has initiated a program of support for emerging black entrepreneurs. CHEP identifies elements of its operations that are suitable for outsourcing and then establishes the necessary infrastructure and procedures to outsource the work to qualifying businesses.

HUMAN RIGHTS

Brambles supports and upholds the principles contained in the United Nations Universal Declaration of Human Rights, which promotes the protection of people's human rights against violations by individuals, groups or nations. The standards declare that respect for human rights and human dignity "is the foundation of freedom, justice and peace in the world".

Brambles' support of the principles set forth in the declaration is included in Brambles policies and Code of Conduct. Brambles respects the human rights of its employees and other stakeholders. Brambles will not tolerate child labour or forced labour in its own operations or those of its suppliers.

Brambles communicates its human rights policy to all employees globally through the Code of Conduct. The code is available in Chinese (simplified), Chinese (traditional), Danish, Dutch, English, Finnish, French, French Canadian, German, Hindi, Italian, Norwegian, Portuguese, Spanish, Swedish, Tamil and Thai.

The Senior Vice President – Human Resources (who reports to the Chief Executive Officer and who is a member of the Executive Leadership Team) has operational responsibility for the adherence to human rights across the Brambles Group.

None of Brambles operations are believed to be at risk for incidents of child or forced labour.

Bi-annual management declarations confirm, among other matters, the adequacy of internal control procedures, the effectiveness of risk management systems and compliance with all regulatory and statutory requirements. Designated General Managers at the country level of both CHEP and Recall are required to sign the management declaration standards questionnaires, which include specific questions regarding significant, or potentially significant, allegations of human rights abuses.

All sales agents, consultants and similar advisors who act on behalf of Brambles are expected to act in accordance with Brambles' business integrity principles, as stated in the Code of Conduct. Further, all major suppliers are expected to share its social standards.

BRIBERY AND CORRUPTION

Corrupt practices are completely unacceptable to Brambles and strictly prohibited. This is clearly communicated to all employees in the Code of Conduct. No bribes or similar payments will be made to, or accepted from, any party. All of Brambles' operations are monitored for risks related to bribery and corruption. All commercial transactions must be properly and accurately recorded. Sales agents, consultants and similar advisors must be appointed in accordance with these principles and paid at a rate consistent with their services. Assets and confidential information must be fully protected and must not be used by employees for personal gain.

Employees must not engage in activities that involve, or could appear to involve, a conflict between their personal interests and the interests of Brambles. Employees receive training in the Code of Conduct, including the area of Business Integrity.

Brambles' internal practices include controls to monitor activities where there may be a risk of bribery or corruption. These internal controls have operated and subsequent action taken. Internal procedures include prevention controls, such as segregation of duties (eg a manager of a project does not control the expenses for that project), specified minimum control standards, bi-annual management declarations and detect controls (eg management review of expenditure, internal audits, test procedures, monitoring of invoices and amounts close to authorisation levels, etc). In the bi-annual management declarations designated General Managers at the country level of both

CHEP and Recall are required to sign off on standards questionnaires, including questions based on the Code of Conduct. This declaration includes a direct question regarding bribery and the training provided to employees on the Code of Conduct.

PUBLIC POLICY

Brambles does not make donations to political parties and will not do so without the specific endorsement of shareholders. In the bi-annual management declarations designated General Managers at the country level of both CHEP and Recall are required to sign off on standards questionnaires, including a direct question regarding donations to political organisations.

Brambles is the member of the Business Council of Australia (BCA), but representations by the BCA may or may not reflect Brambles position on specific public policy issues.

COMMUNITY SUPPORT

Brambles' businesses and its people are part of the communities in which they operate and Brambles provides financial and other forms of support to a broad range of charitable and community organisations around the world.

This support is provided in three ways:

- donations funded by Brambles headquarters, primarily through the Community Reach program;
- contributions made by Brambles' businesses to a range of local and national charities; and
- personal contributions made by Brambles employees around the world to a range of fundraising events and activities.

Brambles provided over A\$600,000 in grants and donations during the year and supported causes that benefit health, the environment, education, or safety – in order to reinforce these key priorities of its business and culture.

Under the Community Reach program, grants were made to support organisations in the USA, UK, Spain, South Africa, China, New Zealand, Australia, India and other countries. The grants included donations to purchase equipment for an eye care clinic theatre in India, funding for the construction of a simple water treatment facility for a school in rural China and supporting a job training and functional living program for high school students with autism in Florida in the United States.

Brambles also continued to support the Great Barrier Reef Foundation's ZooX Atlas Project and Clean Up the World (CUW), an organisation that mobilises 35 million people in over 100 countries each year "to clean up, fix up and conserve the environment". Further information about CUW and its activities can be found on its website at www.cleanuptheworld.org.

The Vice President Investor Relations and Corporate Affairs is responsible for overseeing Brambles' Community Reach program and other community involvement.

CASE STUDY: CHEP CARES IN USA

CHEP Cares, the employee-led charity at CHEP USA, continues to provide strong support for local and national non-profit groups during the current economic downturn. In the past 12 months CHEP Cares provided direct aid to the American Heart Association, Feeding America, Junior Achievement, Susan G Komen for the Cure, Habitat for Humanity, March of Dimes, Toys for Tots and other charitable organisations. CHEP USA employees volunteered more than 1,800 hours of their time to support charitable and community organisations. In addition, they donated more than US\$35,000, while CHEP's matching funds and other corporate contributions to various charities totalled US\$155,000.

In July 2009, Habitat for Humanity Orlando and CHEP USA dedicated a second completed building at Staghorn villas. CHEP employees volunteered more than 1,000 days of building in continued support of the Habitat Orlando project, which will provide affordable homes for 58 local families in 10 buildings, with a three year financial contribution.



CASE STUDY: VICTORIAN BUSHFIRE DISASTER, AUSTRALIA - FEBRUARY AND MARCH 2009

During the months of February and March 2009 a number of Brambles employees were directly or indirectly affected by the bushfires that ravaged the Australian state of Victoria.

Over the past couple of years, Brambles has provided funding to the Toolangi Rural Fire Service for the extension of the fire station facilities through the Community Reach program. In November 2008, Brambles received another application asking for funding to relocate the station as the current site was deemed inadequate and unsuitable for the planned extension.

On Black Saturday, 7 February 2009, the Toolangi fire station became a focal point for local fire fighting efforts and the shortcomings of the current site were apparent. The widespread destruction across the region and the overwhelming funding priorities to rebuild would see the relocation of the Toolangi Rural Fire Station to the end of a very long list of priorities.



To ensure that the community receives the infrastructure it needs, Brambles made a contribution of A\$80,000 to the relocation and building of a new station. This donation gives the Toolangi

community the ability to appropriately plan the components and layout of the station and allow them to focus their energies on more immediate reconstruction needs.

In addition, Brambles donated A\$25,000 to the Kinglake Unit of the Victorian State Emergency Service (SES) to help replace a truck destroyed in the fires.

CASE STUDY: CHEP WORKS TO ENCOURAGE SOCIAL INCLUSION IN SPAIN

The RAIS Foundation (Support Network for Social and Employment Integration) was established in Madrid in 1998 to encourage social integration. RAIS carries out programs and projects specifically aimed at the homeless and other people in danger of social exclusion. RAIS Foundation has recently been awarded the European Excellence Award for its contribution towards the construction of society. In June, the RAIS Foundation signed an agreement with the Ministry of the Environment in Spain to integrate environmental sustainability into its field of work.

CHEP has been working closely with RAIS to support them in their daily tasks by applying CHEP Six Sigma tools to improve processes and make the most of their limited resources. Last year, CHEP was also involved in the 'Way of St James' challenge, improving confidence in those who face social exclusion.



CASE STUDY: CHEP SOUTH AFRICA SUPPORTS EMPOWERMENT THROUGH EDUCATION

CHEP South Africa has long held the view that the key to long-term sustainable empowerment is education and it was this view that initially prompted support for the CHEP Intongela Primary School in the impoverished Valley of a Thousand Hills area of KwaZulu-Natal back in the 1990s.

In 1998 the local primary school had only four classrooms to cater for 400 pupils and was in dire need of assistance. CHEP sponsored building extensions and provided financial aid to extend the school's facilities over the following years in association with the Natal Schools Project, adding four extra classrooms, a library, science laboratory, administration wing, providing electricity and water facilities, fencing, gates and computers for staff. CHEP has also sponsored the building of a further six general classrooms.



Another CHEP initiative was an outreach program in conjunction with Westville Boys' High of Durban. CHEP donated computers, printers and other hardware and implemented a training program whereby pupils travelled to Intongela Primary School each week to train teachers in their use.

CHEP has continued its support by sponsoring promising children through both secondary and tertiary education. CHEP's aim for the future is to build on this initiative by widening its scholarship program to ensure that at least as many children are on the program as there are executives in the business.

CASE STUDY: CHEP SOUTH AFRICA SUPPORTS ETHELBERG CHILDREN'S HOME

CHEP has committed itself to supporting Ethelbert Children's Home, a long-established and progressive children's home in the Durban area of South Africa.

In 2007, with funding from both CHEP and Brambles (through the Community Reach program) a learning and media centre for the school was built. The centre has continued to meet the needs of the children through supporting academic learning, developing life skills, researching for school projects, improving computer literacy and providing learning games for the younger children. CHEP has a project team that regularly visits the school and assesses ongoing needs. Volunteers from CHEP assist the carers and children with computer literacy and life skills programs.



The home has touched CHEP employees worldwide and packages of toys and clothing have been received from many. Every year CHEP employees host a Christmas party, complete with presents, for the excited children.