



## Climate Change 2015 Information Request Brambles

### Module: Introduction

#### Page: Introduction

##### CC0.1

###### Introduction

Please give a general description and introduction to your organization.

Brambles is a supply chain logistics company that operates in more than 50 countries, primarily through our CHEP and IFCO brands. We specialise in the pooling of returnable pallets, crates and containers. Our pooling solutions services operate under three business segments: Pallets, RPCs and Containers. Our Pallets business (under the CHEP brand) issues, collects and reissues returnable pallets through a network of service centres in multiple countries. Pallets also provides supply chain optimisation and transport management services. In the USA, we provide a national network of pallet management services to sort, repair and reissue pallets (known as Pallets Recycling). Our RPCs business (under the IFCO brand in Europe, North and South America and under the CHEP brand in Australia, New Zealand and South Africa) provides reusable plastic crates (RPCs) to transport fresh produce from producers to grocery retailers. Our Containers business provides intermediate bulk, automotive and chemical and catalyst containers to customers. We also provide airline container pooling and repair and non-flight critical aviation equipment maintenance and repair through CHEP Aerospace and cargo carrying units for the offshore oil and gas industry through Ferguson.

For more information, go to [www.brambles.com](http://www.brambles.com).

To concentrate on ongoing opportunities in pooling solutions, Brambles demerged its Recall business, a leading provider of information management services in December 2013. Although this investor response covers the FY14 year, Recall data has not been included to allow for comparison going forward.

##### CC0.2

###### Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed

Mon 01 Jul 2013 - Mon 30 Jun 2014

##### CC0.3

###### Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country

Australia

United Kingdom

Rest of world

##### CC0.4

###### Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

##### CC0.6

###### Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.

If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email [respond@cdp.net](mailto:respond@cdp.net).

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

#### Further Information

### Module: Management

#### Page: CC1. Governance

##### CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

##### CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

The Board is responsible for the establishment and review of the effectiveness of the Group's system of internal control and risk management. This includes consideration of climate change risks. The Board is also responsible for the Group's Environmental Policy and Corporate Social Responsibility Policy. The Brambles Sustainability Committee and the Executive Leadership Team (ELT) help to formulate sustainability strategy, policies and targets, including those relating to climate change. Brambles has developed a sustainability strategy and reports its sustainability performance, policy and overall governance on its

website (please see document attached).

**CC1.2**

**Do you provide incentives for the management of climate change issues, including the attainment of targets?**

Yes

**CC1.2a**

**Please provide further details on the incentives provided for the management of climate change issues**

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Facility managers	Recognition (non-monetary)	Emissions reduction project Emissions reduction target Efficiency project	Eg Pallets Australia service centres have energy efficiency targets. Meeting these targets is assessed as part of each individual site manager's personal development plan each year. Brambles also has an emissions reduction target that includes its sites.
All employees	Recognition (non-monetary)	Other: Environmental volunteerism and recognition	Brambles has an employee volunteering policy, which provides employees with three days of paid volunteer leave per year during usual contracted hours. This time can be used to volunteer their services to community-based not-for-profit environmental or educational organisations. During FY14, more than 1,216 employees volunteered a total of 11,461 hours. Brambles recognises the volunteering efforts of our employees by featuring them in internal communications, on www.chep.com, and in our sustainability reporting, ie Sustainability Review.
Other: Suppliers and Customers	Recognition (non-monetary)	Emissions reduction project Behaviour change related indicator Other: Recognition of sustainability efforts	Brambles uses its logistics knowledge to minimise the carbon footprint of our customers by working with suppliers to reduce transport distances and associated emissions. We also work collaboratively with customers and suppliers to eliminate unnecessary empty return truck trips. Brambles features the customers and suppliers that it works with online at www.chep.com and in its Sustainability Review (see p 8).
Environment/Sustainability managers	Monetary reward		Brambles' Global Head of Sustainability has KPI targets based on improved external recognition of the company's sustainability efforts (such as through CDP) (annual bonus). Within the business, members of the sustainability team have KPIs linked to reductions objectives (annual bonuses). In some regions, this is cascaded down to other departments (eg Operations Europe). Other employees have bonuses partly linked to implementing energy efficient measures and achieving reduction targets.
Energy managers	Monetary reward	Emissions reduction target Efficiency target	Eg Pallets Europe monitors progress on energy initiatives versus targets regularly, both absolute emissions and using a KPI of grams CO2 per C-stock generated. Monetary bonuses are linked to KPI achievement.
Management group	Monetary reward	Energy reduction target	For some senior managers, annual bonuses are linked to implementing energy efficient measures and achieving reduction targets.

**Further Information****Attachments**

[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC1.Governance/Brambles\\_2014\\_Sustainability\\_Review.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC1.Governance/Brambles_2014_Sustainability_Review.pdf)

[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC1.Governance/Sustainability\\_Governance\\_PDF.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC1.Governance/Sustainability_Governance_PDF.pdf)

**Page: CC2. Strategy**

**CC2.1**

**Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities**

Integrated into multi-disciplinary company wide risk management processes

**CC2.1a**

**Please provide further details on your risk management procedures with regard to climate change risks and opportunities**

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	Global - Brambles risk management processes cover its entire operations in every region	3 to 6 years	Brambles risk management processes are outlined in detail on its website and on pp 27-28 of the corporate governance statement in its 2014 Annual Report (attached).

**CC2.1b**

**Please describe how your risk and opportunity identification processes are applied at both company and asset level**

Brambles has adopted a risk management framework that sets out the processes for the identification and management of risk throughout the Group. Full details of the objectives of the framework and the strategies and processes applied to manage these risks are described in the Corporate Governance Statement on pp 27-28 of the 2014 Annual Report.

The Board is responsible for approving and reviewing the effectiveness of the Group's system of internal control and risk management. The Board is supported in this role by management (in particular by the CEO), the Audit Committee (in relation to financial reporting risks) and the Group's internal audit function. Each business unit and Brambles headquarters has a risk and control committee, chaired by the Group President or the CFO (for HQ).

The Board is updated on sustainability issues, including detailed information on operational activities, objectives and external feedback on performance. The CEO, also a member of the Board, has operational responsibility for sustainability. Sustainability is overseen by a Sustainability Committee. Members include the CEO, Group Senior VP Human Resources, Group VP Strategy and Planning, Group VP Risk and Audit, Group Company Secretary and a business representative from each of the segments. The committee's remit is outlined in the attached Sustainability Governance doc. Risks related to extreme weather events and other impacts are managed at site and asset levels through Brambles Group Risk and Audit. Where available, Brambles has GPS coordinates for sites to map against exposure to weather and other events. Site building surveys are also conducted globally. Brambles works with its insurer to expand natural catastrophe modelling by site and possible events. Brambles businesses also respond to the need to move products and supplies on pallets in times of emergency, such as natural disasters.

**CC2.1c**  
**How do you prioritize the risks and opportunities identified?**

Risks to the achievement of business objectives were identified through a process of examination between the ELT, risk management, Group Presidents, risk and control committees and functional process owners, as well as regular management reporting and discussions. Identified risks were assessed in terms of their underlying causes, business consequences, external variable, current internal control effectiveness, likelihood of occurrence, overall risk priority and risk mitigation status. The resulting net risk and control profiles were presented to the Board, together with a risk improvement program designed to increase the effectiveness of controls and manage the overall level of risk. The risk management framework provides for biannual production of a Group risk matrix, which sets out the top 10 'net' risks facing the Group and the steps being taken to mitigate those risks (see the Annual Report 2014 p 6). The timing of the emergence of risk impacts will vary between each risk type and whether they are operational versus strategic risks. The consequence rating needs to be considered in the context of potential impact in the next 12 months, as well as the possible annual impact at some stage over the next 2-5 years should the risk be more strategic in nature. Brambles' key sustainability topics process enables it to identify and prioritise issues expected to impact Brambles and its stakeholders. The topics identified are used to update activities. Stakeholders are engaged through ongoing processes, including Brambles Employee Survey & Net Promoter Score, which are under the direct control of senior management. Key sustainability topics were reviewed and prioritised by senior management, with reference to employee and customer engagement tools. For FY14, the key sustainability topics included 'Use of resources' and 'Emissions', both of which impact climate change. (See attached Sustainability Governance document)

**CC2.2**  
**Is climate change integrated into your business strategy?**

Yes

**CC2.2a**  
**Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process**

Brambles sustainability strategy and objectives include policies and targets which address material risks arising from climate change and these are integrated into the strategies of the Group's business units.

In 2010, Brambles announced its sustainability strategy and outlined its strategic objectives and initiatives over the five years to 2015. The intent of Brambles' sustainability strategy and roadmap is to:

- demonstrate the inherent sustainability value that exists for Brambles and its stakeholders; and
- focus on areas in the supply chain where Brambles can improve its sustainability offering.

Brambles aims to integrate sustainability into the way it does business so it can continuously improve and develop more efficient, safer and environmentally sustainable supply chains. The targets Brambles has set for 2015 and beyond are key drivers in Brambles' efforts to improve continuously and deliver more efficient, safer and environmentally sustainable supply chains. One of the targets for 2015 was a 20% reduction in the emission levels for applicable sites in the Group (based on 2010 levels). Brambles achieved this target in FY13, ahead of schedule.

Further commentary on the targets and the progress made towards these is in the attached Sustainability Review. As a result of recent developments in regulatory reporting frameworks, the acquisition of new businesses and the demerger of Recall, Brambles will conduct a key sustainability topics analysis process and a complete review of its sustainability targets. An announcement of its updated strategy and new targets will be made in the latter half of 2015.

**CC2.2c**  
**Does your company use an internal price of carbon?**

No, and we currently don't anticipate doing so in the next 2 years

**CC2.3**  
**Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)**

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

**CC2.3a**  
**On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Mandatory carbon reporting	Neutral	Australian NGER legislation submission – annual since 2011. Brambles is required to submit its Scope 1 and 2 energy consumption and GHG emissions in accordance with this legislation.	The National Greenhouse and Energy Reporting (NGER) Scheme was introduced by the Australian Government in 2007 to provide data and accounting in relation to greenhouse gas emissions and energy consumption and production. The Scheme's legislated objectives are to: - underpin the carbon price mechanism - inform policy-making and the Australian public - meet Australia's international reporting obligations - provide a single national reporting framework for energy and emissions reporting. The Scheme is administered by the Clean Energy Regulator.
		In the UK, the CRC Energy Efficiency Scheme (through the Department of Energy and Climate Change) is a legislative requirement whereby CHEP	The CRC Energy Efficiency Scheme (or CRC Scheme) is designed to improve energy efficiency and cut emissions in large public and private sector organisations. The CRC affects large public and private sector organisations

Energy efficiency	Neutral	reports its UK Scope 1 and 2 emissions and purchase allowances based on these emissions (excluding transport). CHEP UK engages with a consultant to report and keep up-to-date with any changes and simplifications to the legislation.	across the UK, together responsible for around 10% of the UK's greenhouse gas emissions. Participants include supermarkets, water companies, banks, local authorities and all central government departments. CHEP appears in the annual report publication at <a href="https://www.gov.uk/government/publications/crc-annual-report-publication-2013-to-2014">https://www.gov.uk/government/publications/crc-annual-report-publication-2013-to-2014</a> .
Other: Food waste	Support	World Economic Forum - working with business, political, academic thought leaders to help shape global, regional and industry agendas. In March 2013, Brambles joined the World Economic Forum and became a steering committee member on the Forum's food waste project. Brambles also increased its efforts in FY13 to address food waste in partnership with customers and suppliers. With the world's population forecasted to rise to 9.1 billion by 2050, it is estimated that food production needs to increase by 70% to keep pace with the growing population. At the same time, it is estimated that between one-third and one half of the food produced by the developed world is lost post-harvest between the farm and consumer. The contribution of food waste to GHG emissions through both landfill and increased pressure on agricultural resources is well documented. Brambles recognises that through the application of its logistics and supply chain expertise it is uniquely placed to help reduce food waste throughout the value chain. Brambles has a target of increased participation in relevant industry forums and customer advisory panels to further improve customer engagement.	The WEF has publicly stated that cutting food loss and waste is a great way to drive sustainability and development and a crucial step on the way to providing quality, nutritious food to a growing global and urban population. The WEF's New Vision for Agriculture initiative engages leaders of business, government, civil society, farmers organisations, development partners and other groups to work together to achieve sustainable agricultural growth. The initiative works at the global level with the G8 and G20, and facilitates national-level partnerships. Substantial gains in agricultural productivity can be realised through investment, innovation, policy and other improvements.
Other: Environmental performance	Support	Pallets Australia is engaged with the government's Office of Environment and Heritage NSW, through its Sustainability Advantage program. The program works to: - integrate environmental strategies with business planning; - use resources more efficiently; - engage and train staff to become an employer of choice; - enhance customer, supplier and community relationships; - measure their carbon footprint and manage their emissions; and - manage environmental risk and ensure compliance. Further information is available on their website at: <a href="http://www.environment.nsw.gov.au/sustainbus/sustainabilityadvantage.htm">http://www.environment.nsw.gov.au/sustainbus/sustainabilityadvantage.htm</a> .	Results depend on a company's own efforts, while Sustainability Advantage provides expertise, training, tools and a network of organisations working towards sustainability.

**CC2.3b**

**Are you on the Board of any trade associations or provide funding beyond membership?**

Yes

**CC2.3c**

**Please enter the details of those trade associations that are likely to take a position on climate change legislation**

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
CEI-Bois	Consistent	CEI-Bois, the European Confederation of woodworking industries, was founded in 1952 and represents the interests of the European woodworking industry. The primary goal of CEI-Bois is to further the interests of the European wood sector and to this end, it aims to influence EU policy-making. It is the main body representing and defending the interests of the European woodworking and furniture industries towards the European Union	CHEP EMEA's Director, Government and Regulatory Affairs is the chairman of this body and his team is involved in climate change and environmental policies for the group and dealing with the European Director-General Environment and Director-General Climate.
FEPPEB, the European Federation of Wooden Pallet and Packaging Manufacturers	Consistent	The main objectives of FEPPEB are the promotion of timber packaging and the determination and defence of the interests of the European Wooden Pallet and Packaging Industry. Also monitors and provides comment on illegal logging/timber, renewable energy and biomass (through associated organisations) and lightweight packaging.	CHEP EMEA's Director, Government, Regulatory & Affairs is an Executive Director of FEPPEB. In this role he addresses climate change impact with the Director-General Environment; for example, through the adverse impact on climate with Drying Chambers for Heat Treatment to ensure pallets and lumber are ISPM15 compliant. (see attached)
Australian Food and Grocery Council's Sustainability Council	Consistent	CHEP is a founding member of the AFGC's Sustainability Council. AFGC is the leading national organisation representing Australia's food, drink and grocery manufacturing industry. AFGC's Sustainability Commitment is a ten year strategy that sets clear objectives, targets, metrics and case studies that will shape the future direction of the food and grocery manufacturing industry's performance across water, energy and emissions, packaging and social and sourcing indicators.	In 2012, the AFGC's Future of Packaging white paper identified a need for greater understanding of the implications of packaging on sustainability outcomes. As a responsible partner throughout food supply chains, CHEP Australia commissioned the Royal Melbourne Institute of Technology's Centre for Design study on 'The role of packaging in minimising food waste in the supply chain of the future.' The study was released in June 2013 and a copy is available at <a href="http://chepp.com">chepp.com</a> . Food waste is a contributor to GHG emissions through landfill.
Efficient Consumer Response (ECR) and related organisations	Consistent	The ECR ("Efficient Consumer Response") movement effectively began in the mid-nineties and was characterized by the emergence of new principles of collaborative management along the supply chain. Related organisations with which CHEP is involved include the Consumer Goods Forum and GS1, which focuses on the design and implementation of global standards and solutions to improve the efficiency and visibility of supply and demand chains globally and across sectors.	The CHEP President, Europe is a board member for ECR (Europe). Climate change issues are dealt with to a lesser extent by GS1. CHEP is a member of the Consumer Goods Forum, which is focused on advancing the industry through strategic priorities, including sustainability.

**CC2.3d**

**Do you publicly disclose a list of all the research organizations that you fund?**

Yes

**CC2.3e**

**Do you fund any research organizations to produce or disseminate public work on climate change?**

Yes

**CC2.3f**

**Please describe the work and how it aligns with your own strategy on climate change**

Brambles head office provides space free of charge to The Nature Conservancy, a conservation organisation working around the world to protect ecologically important lands and waters for nature and people. It addresses threats to conservation involving climate change, fresh water, oceans, and conservation lands.

CHEP publishes a list of associations and memberships online at [http://www.chep.com/About\\_CHEP/Associations/](http://www.chep.com/About_CHEP/Associations/). This details CHEP's work with many leading industry organisations and partners, including environmental partnerships.

**CC2.3g****Please provide details of the other engagement activities that you undertake**

In 2013, Brambles became a signatory to the UN Global Compact, indicating support for its principles, including those on environmental challenges and responsibilities. Brambles communication on progress for 2013 can be found at <http://www.brambles.com/sustainability/reporting-framework/un-global-compact-communication-on-progress-2013>.

CHEP is also a member of other regional bodies that work on climate change or related issues from time to time, for example, the Australian Packaging Covenant.

CHEP lists all of its associations on its website (please see the attachment at the bottom of this question). CHEP is a member of Lean and Green in Europe and Green Freight in Europe. Lean and Green promotes measuring and reducing carbon emissions; while Green Freight assists CHEP with its pioneering presence in new geographies. CHEP participates in projects with both organisations. In North America, CHEP supports the National Arbor Day Foundation, a non-profit conservation and education organisation dedicated to planting trees. This is an example of the activities in which CHEP engages.

**CC2.3h****What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

The CEO, who is a member of the Board, has operational responsibility for sustainability issues. The Board receives regular updates on business operations which include, where applicable, sustainability issues, operational activities and objectives for the relevant business unit.

**CC2.4****Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?**

No opinion

**CC2.4a****Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)**

The Board's position on an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels, etc, has not been sought in time for this submission. However, the Board is responsible for the establishment and review of the effectiveness of the Group's system of internal control and risk management., including consideration of material climate change risks. The Brambles Sustainability Committee and the Executive Leadership Team (ELT) help to formulate sustainability strategy, policies and targets, including emissions reductions targets that may be impacted by international agreement. Brambles has committed to Zero Harm; this Charter is attached.

**Further Information****Attachments**

[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC2.Strategy/1404\\_FEFPEB\\_Marc\\_Miechelsen\\_Chairman\\_press.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC2.Strategy/1404_FEFPEB_Marc_Miechelsen_Chairman_press.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC2.Strategy/Brambles\\_2014\\_Sustainability\\_Review.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC2.Strategy/Brambles_2014_Sustainability_Review.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC2.Strategy/Zero\\_Harm\\_Charter\\_\(Feb\\_2013\)\\_ENGLISH.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC2.Strategy/Zero_Harm_Charter_(Feb_2013)_ENGLISH.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC2.Strategy/2014\\_Annual\\_Report\\_final\\_3.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC2.Strategy/2014_Annual_Report_final_3.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC2.Strategy/Sustainability\\_Governance\\_PDF.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC2.Strategy/Sustainability_Governance_PDF.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC2.Strategy/Risk\\_Management\\_web\\_page\\_May\\_2015.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC2.Strategy/Risk_Management_web_page_May_2015.pdf)

**Page: CC3. Targets and Initiatives****CC3.1****Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?**

Absolute target

**CC3.1a****Please provide details of your absolute target**

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
Abs1	Scope 1+2	93%	20%	2010	133245	2015	In 2010, Brambles set a 20% reduction target on 2010 emission levels by 2015. The target is applicable to Recall and CHEP sites that have reported data since 2010. (Recent acquisitions and facilities in economies defined as emerging and developing by the IMF are not included). In FY13, the emissions from applicable CHEP and Recall sites decreased by a total of 24.5%, exceeding the reduction target two years ahead of time. In FY14, Recall emissions were not included in our reported data due to the demerger of Recall from the Brambles Group in December 2013. However, retained sites included in this target recorded a further CO2-e emissions reduction of 4%.

**CC3.1d****For all of your targets, please provide details on the progress made in the reporting year**

ID	% complete (time)	% complete (emissions)	Comment
Abs1	80%	100%	In 2010, Brambles set a 20% reduction target on 2010 emission levels by 2015. The target is applicable to Recall and CHEP sites that have reported data since 2010. Recent acquisitions and facilities in economies defined as emerging and developing by the IMF are not included. In FY13, the emissions from applicable CHEP and Recall sites decreased by a total of 24.5%, exceeding the reduction target two years ahead of time. In FY14, Recall emissions were not included in our reported data due to the demerger of Recall from the Brambles Group in December 2013. However, retained CHEP sites included in this target recorded a further CO2-e emissions reduction of 4%. Recall achieved a 37.5% reduction in emissions from 2010 to FY13. With the demerger of Recall, which comprised 68% of the applicable sites in scope, the target will be reviewed and Brambles will consider the inclusion of recent acquisitions and Scope 3 emissions. Announcement of new targets will take place in the latter half of 2015.

**CC3.2**

**Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?**

Yes

**CC3.2a**

**Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party**

Growing interest among customers to understand the impact of their supply chains gives Brambles' businesses an opportunity to develop better and more accurate ways to measure emissions and energy that will demonstrate environmental benefits of product and service offerings. Brambles has an extensive network of service centres and outsources many to third party providers. This provides Brambles with a great deal of flexibility to adjust its network to meet changing customer needs and reduce or optimise transport costs and efficiencies. Brambles offers its customers a sustainable business model through product stewardship and product reuse.

The use of returnable, reusable supply chain packaging solutions offered by Pallets, RPCs and Containers allows customers to reduce GHG emissions. Pallets USA and Pallets Europe have environmental calculators that enable customers to determine how much they can reduce solid waste, GHG emissions and energy consumption by using the CHEP pallet pooling system instead of alternative shipping platforms, such as limited use or non-pooled lumber pallets. The Pallets Europe calculator was developed in conjunction with Leeds University. The USA LCI included a quantified analysis of waste associated with the life-cycle of pallets in the pooled system. Total solid waste per 100,000 pallet trips was less than 27 tonnes, compared with almost 50 tonnes of solid waste (including lumber, fuel, process, etc) generated by pooled plastic and non-pooled lumber pallets. In 2011, CHEP Australia commissioned a comparative LCA of returnable plastic crates (RPCs) vs a disposable cardboard carton for fresh produce distribution. The environmental benefits generated for RPC users on a daily basis include more than 175 tonnes of GHG emissions saved; more than 1.2 million L of water saved; and more than 20 tonnes of solid waste avoided. The study complies with ISO 14044 methodology and has been thoroughly peer reviewed by two independent industry experts. The key results from the study highlight the sustainability efficiencies of Brambles' RPC system when compared to a single use corrugated cardboard carton system, including 70% less GHG emissions; 95% less solid waste (reduction in manufacturing process waste, even with an assumption of 100% recycling of cartons after use) and 85% less water usage in washing than required for manufacture and recycling of a single use corrugated cardboard carton system. Brambles' RPC system for produce has proven its sustainability credentials, delivering customers outstanding environmental performance as well as functionality and financial value in the supply chain. Unlike Brambles' pallet pooling system, many other types of lumber pallets (without a clear system of ownership and accountability) end up in landfills. Brambles' businesses avoid this problem by maintaining ownership of its assets and enforcing a system of controls to ensure that its pallets are recovered and materials are reused or recycled at the end of their useful lives. Brambles is committed to using resources more efficiently and minimising waste. Brambles is committed to continuously improving its performance to meet customers' and stakeholders' sustainability expectations. Brambles has established processes to collect data on waste streams and has committed to improving its recycling rates on an annual basis. Brambles businesses actively manage all waste streams related to pallet pooling activities, including lumber, corrugate, steel and plastic. Brambles businesses minimise the impact of internal waste generation by ensuring that scrap pallets, containers and crates are recycled. When pallets are repaired, lumber that is in good condition is reused to repair other pallets. The remaining timber is recycled for other uses, such as fuel and mulch. Brambles is working to reduce its environmental footprint by using its logistics know-how to minimise the footprint of its customers and the supply chain. Pallets also works collaboratively with customers to eliminate unnecessary empty return truck trips, so that customers benefit from sharing transportation and filling empty space on trucks. Since 2008, Pallets has also been using multimodal (train, sea and road) solutions to move its pallets throughout its network. Customers participating in Pallets Europe's carbon neutral pallet program are able to offset the annual footprint of their CHEP pallet movements. (see 2014 Sustainability Review pp 6-7). CHEP and LeanLogistics are both Environmental Protection Agency (EPA) SmartWay partners in the USA. SmartWay is a collaboration between the US EPA and the freight transportation industry that helps freight shippers, carriers and logistics companies improve fuel efficiency and save money. CHEP has joined the Green Freight Europe (formerly called the SmartWay Europe Initiative) to participate in the development of a standard recognised methodology for transport emissions measurement and reduction in Europe.

**CC3.3**

**Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)**

Yes

**CC3.3a**

**Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings**

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	2	36
Implementation commenced*	1	
Implemented*	26	460619
Not to be implemented		

**CC3.3b**

**For those initiatives implemented in the reporting year, please provide details in the table below**

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building fabric	Brambles improves the energy efficiency of service centres through various projects, such as the installation of insulation. This is planned for three Canadian service centres in FY15.		Scope 1 Scope 2	Voluntary			1-3 years	Ongoing	Three service centres installed insulation prior to installing a biomass boiler in 2014.
									2. Dismantling and transfer of

<p>Energy efficiency: Building services</p>	<p>1. Pallets Americas: IT virtualisation program and removal of computer servers. 2. Manchester Site Consolidation. 3. Thermal Power Station (BBH) 4. Thermal Power Station (Castrop)</p>	<p>867</p>	<p>Scope 1 Scope 2</p>	<p>Voluntary</p>	<p>176700</p>	<p>456000</p>	<p>1-3 years</p>	<p>Ongoing</p>	<p>Z-Warehouse high speed pallet inspection and repair line into Trafford Park and closure of the Warehouse resulting in important utility consumption reduction. 3 &amp; 4. The Thermal Power Station (TPS) generates electricity and heat with a natural gas-fueled engine. The electricity is used for the operations and the additional by-product heat is used for heating of the wash water and the hall. Electricity is be generated by TPS, emissions are accounted for in natural gas used. The site continues to use utility provider to provide est. 35% electricity for lighting, office and other general power needs aside from operation.</p>
<p>Energy efficiency: Processes</p>	<p>1. RPCs will have replaced all conventional blow dryers with centrifugal dryers by FY16, which use about 80% less energy. RPCS has installed 40 centrifugal dryers around the world. 2. Cold Water Wash Trial at RPC sites. 3. South African sites MOL (metering online): Energy Efficiency Reports, Monthly Consumption, Wastage Reports - R4596.48 monthly fee. 4. Implementation of water recycling plant and improved washing machine at Buenos Aires planned for 2015/16.</p>	<p>426324</p>	<p>Scope 1 Scope 2</p>	<p>Voluntary</p>	<p>11000</p>	<p>52000</p>	<p>1-3 years</p>	<p>Ongoing</p>	<p>2. This is a saving for about 4 month of FY14 from using cold water to wash RPCs rather than warm water. Water is heated by Natural Gas. More savings will be seen in FY15. Please note, this is a trial and we may go back to warm water wash if quality has reduced. 3. UPGRADE of meters: Hardware = R68 540. Monthly fees - 23 points at R450 per point per month = R10 350 (costs not converted to USD so not included in table).</p>
<p>Low carbon energy purchase</p>	<p>Green Energy: Pallets UK updated their energy contract to ensure sites receive electricity from cleaner sources, including energy produced from hydro, wind, tidal, wave, photovoltaic, biomass, waste gases and industrial waste sources. Other plants in Europe also updated energy supply agreements to source energy from green energy sources.</p>	<p>3600</p>	<p>Scope 2</p>	<p>Voluntary</p>	<p>0</p>	<p>0</p>	<p>&lt;1 year</p>	<p>Ongoing</p>	
<p>Low carbon energy installation</p>	<p>1. Gas power station, Crailsheim, Germany 2. Block heat and power station and water recycling plant in Crailsheim, Germany. This has lead to a significant reduction of energy (gas and electricity) of approximately 30%.</p>	<p>90</p>	<p>Scope 1 Scope 2</p>	<p>Voluntary</p>	<p>174000</p>	<p>520000</p>	<p>1-3 years</p>	<p>6-10 years</p>	

Process emissions reductions	The Pallets USA customer storage program addresses transport emissions by reducing the need for transport to and from third party storage sites. The program reimburses customers for storing pallets on-site using seasonally available space, eliminating additional pallet handling and damage.	193	Scope 3				<1 year	Ongoing
Transportation: fleet	Pallets Americas changed its fleet from all diesel to a mix of smaller trucks with a lower carbon fuel impact		Scope 1	Voluntary			<1 year	1-2 years
Transportation: use	We use our logistics knowledge to minimise the carbon footprint of our customers and their supply chains through network optimisation, reducing transport distances and associated emissions. Network optimisation is where transportation is sourced as close as possible to customer outlets, reducing travel distance and associated emissions. Pallets also works collaboratively with customers to eliminate unnecessary empty return truck trips, so that customers benefit from sharing transportation and fill empty space on trucks. Since 2008, Pallets Europe and Pallets Australia has also been using multimodal (train, sea and road) solutions to move its pallets throughout its network. Over FY14, the Innovation program developed mobile apps for Pallets in the UK and Australia, updating logistics information directly to our systems in real time. The information can be used to track transport and improve opportunities for transport collaboration and emissions reduction. Australian logistics operations has ISO14001 certification for all transport. As a part of this certification, continuous improvement is required in environmental management, including emissions reductions.	24881	Scope 1 Scope 3	Voluntary			<1 year	Ongoing
Product design	Pallet pooling offers environmental benefits, including reduction in emissions, compared to white wood exchange pallets. In 2014, Unilever replaced its white wood exchange pallets for CHEP pooled pallets, with additional CO2-e savings of approximately 4,700 tons in one year. RPCs develop specialised crates for specific fruit and produce applications, aimed at reducing waste, improving reverse logistics (meaning a crate can be transported more efficiently on return and reduce emissions from transport). Our Innovation Centre in Florida also collaborates with customers to test packaging, new products and technologies. Pallets also runs a test track facility that addresses life-cycle, market needs, material sustainability and selection, design and repair operations. In July 2014, Pallets introduced a new generation plastic quarter pallet. Increased recycled content, stackability and reduced weight have cut its carbon footprint by 10%. It is also Pallets' first certified carbon neutral product. The quarter pallet is being used by more than 1,400 customers in Germany.	4700	Scope 1 Scope 2 Scope 3	Voluntary			<1 year	Ongoing
	Waste contributes a significant amount of GHG emissions globally. The Pallets business is constantly improving timber reclaim capability by implementing better technologies							



Other	<p>to dismantle pallets. Brambles also has a target of zero wood waste to landfill. Brambles businesses address the environmentally important issue of waste, especially food loss and waste in the supply chain. In FY14, Brambles and Unilever worked on a WEF project addressing India's tomato fresh produce sector. Losses during harvest, transport and at local marketplaces are around 25-30%. CHEP plastic crates significantly reduce losses during transport, with further improvements in packaging and logistics possible. Unilever and RPCs are collaborating on a pilot to test these solutions, evaluating their impacts on food loss. RPCS also donate crates to Foodbank sites to provide fruit and vegetables to the Foodbank network. Brambles CEO Tom Gorman is also on the Board of Enactus and Brambles works with Enactus to support food loss and waste programs in Australia. Pallets' Last Mile Solutions project targets retailers and logistics and helps to address waste reduction in store for retail customers. Brambles is also a member of the project board of the WEF's New Vision for Agriculture, working to grow awareness of food loss and waste with targeted stakeholders.</p>	Scope 3	Voluntary	1390000	>25 years	Ongoing	
Behavioral change	<p>Various initiatives, such as Clean up the World, National Water Week, Growing with CHEP - International Day of Forestry, Earth Hour participation</p>	Scope 1 Scope 3	Voluntary		<1 year	Ongoing	<p>Examples include Clean up the World - Recycling Campaign: September 2014 / National Water Week - communications to create awareness. Growing with CHEP - International Day of Forestry - cabbage seed packs. Earth Hour - Brambles picture competition.</p>

**CC3.3c**  
**What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Compliance with regulatory requirements/standards	<p>Regulatory requirements drive investment in emission reduction activities in certain parts of our operations as we comply with state, local, federal and international requirements. Various regulations affect building design and retrofits, fleet services and other activities in our operations.</p>
Dedicated budget for low carbon product R&D	<p>Pallets has offered its carbon neutral pallet program since 2013, starting in Spain. The program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. In 2014, Pallets Europe announced that its pallet pool in Sweden was carbon neutral. In Germany, fast moving consumer goods producer Henkel replaced remaining white exchange pallets and took up the carbon neutral offering for all pallet movements in the country. Customers in Spain, Germany, Portugal and Belgium have also joined the carbon neutral pallet program. In July 2014, Pallets introduced a new generation plastic quarter pallet, developed in conjunction with customers and partners. Increased recycled content, stackability and reduced weight have cut its carbon footprint by 10%. It is also Pallets' first certified carbon neutral product. The quarter pallet is being used by more than 1,400 customers in Germany.</p>
Employee engagement	<p>Brambles regularly encourages its employees to reduce their environmental footprint or find ways to benefit their natural environment. From time to time, training videos and other educational activities are provided to employees to improve their environmental awareness and behaviours. For example, environmental calculators allowing employees to estimate their carbon footprint are available on Brambles intranet 'Walter'. Sustainability information is also provided on the intranet, including promoting Earth Hour each year, Earth Hour competitions and other sustainability information. Brambles and its businesses communicate the environmental volunteering done by employees in its internal newsletters and intranet. In some businesses, Brambles 'give as you earn' policy encourages employees to donate to not-for-profit community-based organisations, including environmental organisations, with matching programs in place in some businesses. Sustainability leadership is provided throughout the Group. For example, Pallets Australia has established a Sustainability Leadership Committee comprising directors and managers. Environmental coordinators (one representative from each site) will champion environmental initiatives.</p>
Internal incentives/recognition programs	<p>For some employees, a monetary reward (bonus) is linked to sustainability achievements, including energy savings, emissions reductions and external recognition of emissions reduction activities (such as through CDP). This applies to Sustainability Directors and managers, as well as others, throughout the Group. In some regions (and increasing) this is cascaded to other departments (Operations Europe, for example). Pallets Europe monitors progress versus target regularly, both absolute emissions and using a KPI, grams CO2 per C-stock generated. Sites achieving emissions savings are recognised in internal publications in some businesses. For example, Pallets Australia publishes sites that achieve emissions reductions in its internal newsletter, its sustainability report and on its internal television system.</p>
Partnering with governments on	<p>For example, Pallets Australia participates in the NSW Government's Sustainability Advantage Program to access best practice</p>

technology development	advice on sustainability for continual improvement.
Other	Setting targets and sharing best practice throughout the Group: Brambles set a target of 20% reduction on 2010 emission levels by 2015. Brambles implemented its iCARE online system in FY13 to record and track energy, waste and water data regularly and better analyse the information, allowing for collaboration on energy and efficiencies throughout the Group. In addition to providing more accurate information of Brambles reporting requirements, iCARE will allow the businesses to benchmark operations and identify efficiencies across the Group.

**Further Information**

**Attachments**

- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/Lift\\_Lock\\_Foldable\\_Plastic\\_Crate.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/Lift_Lock_Foldable_Plastic_Crate.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/VOLUNTEER\\_DAY- St\\_Louis.ppt](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/VOLUNTEER_DAY- St_Louis.ppt)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/New\\_standard\\_in\\_reusable\\_plastic\\_crate\\_drying\\_innovation.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/New_standard_in_reusable_plastic_crate_drying_innovation.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/1310\\_CHEP\\_Aldi\\_and\\_food\\_waste\\_Australia.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/1310_CHEP_Aldi_and_food_waste_Australia.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/Down\\_to\\_Earth\\_Issue\\_4\\_South\\_Africa\\_Oct\\_2014.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/Down_to_Earth_Issue_4_South_Africa_Oct_2014.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/Screen\\_shot\\_Earth\\_hour\\_2014\\_site\\_registration.png](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/Screen_shot_Earth_hour_2014_site_registration.png)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/Brambles\\_2014\\_Sustainability\\_Review.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/Brambles_2014_Sustainability_Review.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/CHEP\\_volunteering\\_Big\\_Businesses\\_Help\\_the\\_Environment\\_-\\_City\\_of\\_Ryde.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/CHEP_volunteering_Big_Businesses_Help_the_Environment_-_City_of_Ryde.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/Walter\\_screen\\_shot\\_Earth\\_Hour\\_2014.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/Walter_screen_shot_Earth_Hour_2014.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/The+CAN+June+2014\\_Save\\_the\\_Coral\\_employee\\_volunteering.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/The+CAN+June+2014_Save_the_Coral_employee_volunteering.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/2014\\_Sustainability\\_Review\\_-\\_supplementary\\_information.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC3.TargetsandInitiatives/2014_Sustainability_Review_-_supplementary_information.pdf)

**Page: CC4. Communication**

**CC4.1**  
**Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)**

Publication	Status	Page/Section reference	Attach the document
In voluntary communications	Complete	1-25	<a href="https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/CC4.1/Brambles_2014_Sustainability_Review.pdf">https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/CC4.1/Brambles_2014_Sustainability_Review.pdf</a>
In other regulatory filings	Complete	UK CRC Scheme: Worksheet 1, <a href="https://www.gov.uk/government/publications/crc-annual-report-publication-2013-to-2014">https://www.gov.uk/government/publications/crc-annual-report-publication-2013-to-2014</a>	<a href="https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/CC4.1/UK_CRC_info_2013_to_2014_LIT_10047-2.xlsx">https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/CC4.1/UK_CRC_info_2013_to_2014_LIT_10047-2.xlsx</a>
In other regulatory filings	Complete	Australian NGERs submission, via their online system	
In voluntary communications	Complete	<a href="http://www.brambles.com/sustainability">http://www.brambles.com/sustainability</a>	

**Further Information**

Media releases and case studies that refer to emissions reductions are also published on CHEP's website at [www.chep.com](http://www.chep.com).

**Module: Risks and Opportunities**

**Page: CC5. Climate Change Risks**

**CC5.1**  
**Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

**CC5.1a**  
**Please describe your inherent risks that are driven by changes in regulation**

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							Corporations that fail to register and report or comply with obligations under the NGER Act may be liable for penalties. Penalty provisions	In Australia, the National Greenhouse	The cost of lodging this submission in

Emission reporting obligations	Australian National Greenhouse Energy Reporting Scheme submission. Following the divestment of Recall, Brambles emissions in Australia may not reach the threshold in future years and this scheme will no longer apply.	Increased operational cost	Up to 1 year	Direct	Virtually certain	Low	are set out in Part 5 of the NGER Act (from page 40, attached). Eg the penalty for failure to apply for registration is 2,000 penalty units. An additional civil penalty may also be incurred for each day after the due date that a corporation fails to apply for registration. It is exceptionally unlikely that this would happen for Brambles.	and Energy Reporting System (NGER) threshold for 2011 is 50 kilotonnes of CO2-e, or 200 terajoules of energy. In 2011 and 2012, Brambles' CHEP and Recall operations in Australia were required to report their emissions. This is an ongoing requirement.	2013 included the engagement of an independent third party to assist with reporting energy and GHG emissions data as per the legislation guidelines. The cost of this engagement was low and not considered material.
Carbon taxes	Australia introduced a carbon tax in July 2012 - supplier and customer impacts. This carbon tax applied for the FY14 financial year, until its repeal in July 2014.	Increased operational cost	Up to 1 year	Indirect (Supply chain)	Virtually certain	Low	On 1 July 2012, a carbon tax was introduced in Australia. Brambles is not directly liable under the carbon tax, ie won't pay the tax directly (initially set at \$23 per tonne). However, Brambles businesses may experience cost increases from electricity, gas suppliers and transport contractors (using fuel) seeking to pass through their increased costs. Some of Brambles' customers were liable under the tax. Customers may also experience cost increases from electricity, gas suppliers and transport contractors, leading to budgetary pressures they will seek to recover. Because the carbon tax was repealed in July 2014, this will not be a regulatory risk going forward.	Brambles has a carbon reduction strategy in place and was managing impacts prior to the carbon tax legislation being passed. Pallets Australia's carbon reduction strategy was initiated to meet Brambles' sustainability target of 20% reduction of GHG emissions on 2010 levels from 2015. Pallets Australia has quantified its carbon impact from service centres and in FY12 started projects to measure other aspects of greenhouse gas emissions and a suite of energy audits to identify further reduction opportunities in service centres. Pallets will continue to monitor the impact of any alternative schemes. Pallets has provided responses to customers in Australia seeking reassurance that we are responsibly managing carbon tax impacts.	The cost of carbon reduction projects in Australia is not separated from other capital expenditure and improvement projects. Brambles is not directly liable under the carbon tax so did not incur any costs to manage this in FY14.
								In the UK, the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme	

<p>Cap and trade schemes</p>	<p>In the UK, the Carbon Reduction Commitment Energy Efficiency Scheme came into force in April 2010. Both CHEP and Recall are registered. Other countries are also considering similar schemes, or are on the point of launching, like the USA and China. Cap and trade schemes will lead to an increase in cost for Brambles, its businesses and its customers.</p>	<p>Increased operational cost</p>	<p>Up to 1 year</p>	<p>Direct</p>	<p>Virtually certain</p>	<p>Low</p>	<p>Pallets UK registered and submitted its footprint report to the UK Environment Agency in July 2012. From April 2012, participants in the scheme will be required to purchase allowances for the tonnes of CO<sub>2</sub>-e they generate.</p> <p>legislation came into force in April 2010. The CRC Energy Efficiency Scheme in the UK is a legislative requirement to report and purchase allowances based on Scope 1 and 2 emissions (excluding transport). Together with the reputation considerations, the scheme encourages organisations to develop energy management strategies that promote a better understanding of energy usage. The scheme is designed to tackle CO<sub>2</sub> emissions not already covered by Climate Change Agreements (CCAs) and the EU Emissions Trading Scheme. CHEP reports its emissions once a year to the Environment Agency, and purchases allowances (currently at £12 a tonne of CO<sub>2</sub>). CHEP registered and submitted its footprint report to the UK Environment Agency in July 2012. From April 2012, participants in the scheme will be required to purchase allowances for the tonnes of CO<sub>2</sub>-e they generate. Brambles has invested in an environmental management system and started implementing strategies that will reduce energy consumption and emissions over the coming years.</p>	<p>The cost of iCARE is not substantial to the business. Pallets UK also works with an independent consultancy firm to report Brambles' emissions in the UK. Costs associated with risk mitigation activities take a number of forms. There are raw material costs (eg buying certified sources), capital costs (eg investments in energy efficiency projects) and overhead costs (eg employing sustainability experts, etc). Specific costs are not disclosed due to commercial sensitivity.</p>
							<p>Brambles seeks to minimise this risk through its sustainability strategy, including targets to reduce its impact on the environment (including emissions reductions). CHEP mitigates this risk by keeping an</p>	<p>The cost of independent assurance of Brambles GHG emissions is not separated from assurance of other sustainability indicators. Costs</p>

<p>Other regulatory drivers</p>	<p>The Australian Competition and Consumer Commission supervises companies making green claims, including carbon claims. This could impact Brambles' public statements.</p>	<p>Other: Reputational risk and possible fine</p>	<p>Unknown</p>	<p>Direct</p>	<p>Exceptionally unlikely</p>	<p>Low</p>	<p>Risks of making 'green claims' including carbon claims without evidence to substantiate is a Federal Court action.</p>	<p>inventory of carbon related claims aligned with evidence that has been assured by submission under the National Greenhouse and Energy Reporting Act 2007. Since FY12, Brambles has used the services of an independent third party to verify its data and statements in its annual sustainability review, including its GHG emissions. (see attached assurance statement for FY14).</p>	<p>associated with risk mitigation activities take a number of forms. There are raw material costs (eg buying certified sources), capital costs (eg investments in energy efficiency projects) and overhead costs (eg employing sustainability experts, etc). Specific costs are not disclosed due to commercial sensitivity.</p>
<p>Other regulatory drivers</p>	<p>Proliferation of regional legislation. Brambles businesses in Australia were directly affected by NGER and the carbon tax in FY13 and its business in the UK is directly affected by the UK Carbon Reduction Commitment Energy Efficiency scheme, as noted above. While neither of these represent a substantive risk to the company, the potential proliferation of similar and varying legislation in other countries could present a risk since the Company operates in more 50 countries around the world.</p>	<p>Increased operational cost</p>	<p>&gt;6 years</p>	<p>Direct</p>	<p>About as likely as not</p>	<p>Low</p>	<p>Details on current impacts are noted above. While current requirements do not represent a substantive cost to Brambles, proliferation of such legislation could introduce operational complexity and associated cost burden to the business. This could impact Brambles' ability to predict possible additional operational costs, reporting requirements, impacts on services to customers and so on.</p>	<p>Brambles global Occupational Health, Safety and Environment reporting and analysis system (iCARE) allows us to better assess the impact of legislation should it come into force, given the greater ease of accessing emissions data in individual countries and regions. This online, easy to access system has replaced the previous method of collecting data through spreadsheets. Brambles businesses have the capacity to enter their energy, waste and water data regularly and analyse the information at their discretion. iCARE includes emissions data at a site and country level. It also allows integrated compliance analysis and reporting.</p>	<p>The cost of implementing iCARE is not substantial to the business.</p>
	<p>Many of Brambles' customers provide FMCG products that may be impacted by voluntary or mandatory product labelling regulation. This information requires cooperation with their suppliers, including Brambles' businesses, to determine the</p>						<p>Customer requests for information to enable them to calculate the carbon impact of individual brands or products will require Brambles to</p>	<p>Brambles collects extensive data on its environmental impact using its occupational health, safety and environment reporting and analysis system iCARE, implemented in FY12. In addition, CHEP Europe offers a carbon neutral pallet service,</p>	<p>The cost of</p>

<p>Product labelling regulations and standards</p>	<p>carbon impact of its services. For example, in 2012, the European Commission commissioned a study to investigate the possibility of creating a product label which provides consumers with information about the environmental lifecycle performance of the product. In July 2009, Wal-Mart announced an environmental labeling program for its products and has worked with competitors and The Sustainability Consortium developing measurement and reporting systems.</p>	<p>Increased operational cost</p>	<p>Up to 1 year</p>	<p>Indirect (Client)</p>	<p>More likely than not</p>	<p>Low</p>	<p>improve its own data collection systems. While current requirements do not represent a substantive cost to Brambles, proliferation of such legislation or customer and industry initiatives could introduce operational complexity and associated cost burden to our businesses.</p>	<p>allowing customers to further reduce environmental impact. The service enables customers to purchase carbon credits to help finance emission-reduction projects worldwide. CHEP uses LCI and LCA data where possible to enable it to calculate its customers' environmental impact, including greenhouse gas emissions. If required by customers, CHEP will collaborate to determine its impact in their supply chains.</p>	<p>implementing iCARE from FY12 is not substantial to the business. Specific costs related to joint collaborations with customers are not disclosed due to commercial sensitivity.</p>
<p>Fuel/energy taxes and regulations</p>	<p>Brambles and its customers rely on transport providers to move its pooling solutions and goods throughout the supply chain. Fuel/energy taxes and regulations could impact on the cost of transport services.</p>	<p>Increased operational cost</p>	<p>1 to 3 years</p>	<p>Indirect (Supply chain)</p>	<p>About as likely as not</p>	<p>Low-medium</p>	<p>Brambles works to reduce transport distances through its logistics knowhow. Pallets is pursuing a number of initiatives to reduce cost and emissions related to the movement of pallets. (see p 8 and 18-19 of the sustainability review 201r for further info) For example, the Total Pallet Management program allows us to manage all of a customer's pallet needs onsite and supply pallets without the need for additional transport. Network optimisation focuses on the number and location of service centres based on sourcing requirements and locations, location of manufacturers, transport costs and plant capacity. Pallets Europe's multimodal solutions use train, sea and road to move its pallets throughout its network. Using rail instead of road in FY14 saved more than 3 million kilometres in road trips and almost 3,000t CO2-e.</p>	<p>Brambles works to reduce transport distances through its logistics knowhow. Pallets is pursuing a number of initiatives to reduce cost and emissions related to the movement of pallets. (see p 8 and 18-19 of the sustainability review 201r for further info) For example, the Total Pallet Management program allows us to manage all of a customer's pallet needs onsite and supply pallets without the need for additional transport. Network optimisation focuses on the number and location of service centres based on sourcing requirements and locations, location of manufacturers, transport costs and plant capacity. Pallets Europe's multimodal solutions use train, sea and road to move its pallets throughout its network. Using rail instead of road in FY14 saved more than 3 million kilometres in road trips and almost 3,000t CO2-e.</p>	<p>Management of suppliers is conducted through normal procurement processes. No incremental cost is associated. Relevant financial information is reported in Brambles annual report (attached).</p>

Other regulatory drivers	Government regulations affect all aspects of Brambles' operations. Those regulations impose obligations on (amongst other things) environmental protection.	Increased operational cost	1 to 3 years	Direct	About as likely as not	Low	Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.	If Brambles is unable to comply with its regulatory obligations, it could give rise to litigation, adversely affect licences held by Brambles to operate its businesses and damage its reputation, which could adversely affect its operational and financial performance. Any material change or increase in regulatory obligations could also adversely affect the viability of Brambles' current business model and strategies. (see attached Scheme Book - demerger of Recall pp 105-106)	Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.
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**CC5.1b**  
Please describe your inherent risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in temperature extremes	Increased intensity, period and frequency of heat waves, causing infrastructure impacts, such as buckling rail tracks and temporary port closure	Increased operational cost	1 to 3 years	Indirect (Supply chain)	About as likely as not	Low	All of these potential effects are also likely to impact our insurance premiums over time, as for the business community generally. Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.	In December 2012, Brambles commissioned a climate change adaptation report from an independent third party to investigate risks and opportunities in its business from climate change. The outcomes of the report were used in part to address the issues identified in this response. For example, increasing temperature extremes could impact on the availability of grid electricity, access and the ability for our services to access transport on affected infrastructure, such as roads, rail, etc, increased exposure at particular times of the year (for eg, peak demand).	Risks and potential implications are monitored through risk management processes. No incremental cost is associated. Overhead costs, such as employing sustainability experts, etc are not disclosed due to commercial sensitivity, but are not substantial. Insurance premiums are not disclosed due to commercial sensitivity.
								The impact of unexpected events, including floods, was noted in the Scheme Book (p 106). Group Risk and Audit manages risk with robust site and asset management	

<p>Change in precipitation extremes and droughts</p>	<p>Changing temperature and precipitation patterns may lead to physical effects on our assets (wooden pallets, etc) and decreased availability of raw materials in the supply chain. Climate change may increase the occurrence and frequency of floods, which can then affect our direct operations.</p>	<p>Increased operational cost</p>	<p>Up to 1 year</p>	<p>Direct</p>	<p>More likely than not</p>	<p>Low</p>	<p>Floods leading to property damage and business interruption will increase costs, cause supply chain disruption and impact insurance premiums. Potentially catastrophic losses may be uninsurable or not insurable on a financially reasonable basis. Brambles could be subject to material liability or lose invested capital/profits from uninsured/uninsurable loss (see Scheme Book p106) Given the range of potential scenarios, we are unable to meaningfully quantify the implications at the current time.</p>	<p>plans and modelling, including emergency response and business continuity. Global building surveys applying Zero Harm standards are conducted continually (Charter attached). Work to apply GPS coordinates for every site in order to map against events, including weather events and rating in terms of likelihood of events where data is available from insurers and regulators (eg USA) is underway. In 2014, Brambles expanded natural catastrophe modelling with its insurer. The 2011 Qld floods demonstrated Brambles' resilience. Two flood-affected service centres were impacted by water rising up to 2.4 metres. Customer transactions were rerouted to other service centres. About 90 per cent of equipment at both service centres had to be replaced (costs recouped through insurance). The 2012 Thai floods impacted operations, but caused no significant asset losses or business interruptions, continuing to service customers. CHEP often provides pallets to assist emergency services. Changes in precipitation may also impact on our ability to provide a resilient product, as prolonged rainy seasons and humidity may cause mould on pallets. Brambles' Group risk matrix, which sets out the top 10 "net" risks facing the Group and the steps taken to mitigate those risks in FY14 included risks to</p>	<p>Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.</p>
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								equipment quality (p6 Annual Report).	
Tropical cyclones (hurricanes and typhoons)	Increased, intensity, frequency and area of impact of cyclones, causing damage to road, rail and port infrastructure and our outsourced facilities.	Increased operational cost	Up to 1 year	Indirect (Supply chain)	About as likely as not	Low	Given the range of potential scenarios, we are unable to meaningfully quantify the implications at the current time.	Some of Brambles' global operations and infrastructure services required to continue to operate may be exposed to some physical risks from climate change. Brambles' Group risk matrix, which sets out the top 10 "net" risks facing the Group and the steps being taken to mitigate those risks in FY13 included risks to our business model, due to changing supply chain dynamics and customer needs. Current market issues that could support competitive service offerings include (among other things) the embedded cost of asset losses in the current model. These issues could, over time, have an impact on revenue, cost base, economies of scale and the value of existing assets (see page 6 of the Annual Report 2014 for further details).	Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.
							Increased intensity, frequency and area of impact of cyclones, causing damage to our service centres would have financial	The impact of unexpected events on Brambles' operations, including hurricanes, was noted in the Scheme Book (p 106). Group Risk and Audit manages risk with robust site and asset management plans and modelling, including emergency response and business continuity. Global building surveys applying Zero Harm standards are conducted continually (Charter attached). Work to apply GPS coordinates for every site in order to map against events, including weather events and rating in terms of	

<p>Tropical cyclones (hurricanes and typhoons)</p>	<p>Increased, intensity, frequency and area of impact of cyclones, causing damage to our assets, including facilities.</p>	<p>Reduction/disruption in production capacity</p>	<p>Up to 1 year</p>	<p>Direct</p>	<p>About as likely as not</p>	<p>Low</p>	<p>implications, including repairing damage to buildings, infrastructure and assets, interruption to services to customers, temporarily reduced demand for services by impacted customers, lost work time and revenue, increased utility cost and increased insurance premiums. Given the range of potential scenarios, we are unable to meaningfully quantify the implications currently.</p>	<p>likelihood of events where data is available from insurers and regulators (eg USA) is conducted. In 2014, Brambles expanded natural catastrophe modelling with its insurer. Brambles' Group risk matrix, which sets out the top 10 "net" risks facing the Group and the steps being taken to mitigate those risks in FY14 included risks to our business model, due to changing supply chain dynamics and customer needs. Current market issues that could support competitive service offerings include (among other things) the embedded cost of asset losses in the current model. These issues could, over time, have an impact on revenue, cost base, economies of scale and the value of existing assets (see p 6 of the Annual Report 2014 for further details).</p>	<p>Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.</p>
<p>Sea level rise</p>	<p>Long term inundation risk of ports, low lying road and rail.</p>	<p>Increased operational cost</p>	<p>&gt;6 years</p>	<p>Indirect (Supply chain)</p>	<p>Unknown</p>	<p>Low</p>	<p>Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.</p>	<p>Rising sea levels over time may impact on port and road infrastructure and the ability for our services to access transport on the affected infrastructure. Should over the mid to long term the impacts of climate change prompt the relocation of customers' operations, or the location of served industry sectors (such as fresh produce), then Brambles would need to consider the most appropriate basis for service continuity to those customers or industries.</p>	<p>Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.</p>
								<p>We are indirectly exposed to the potential physical impacts our clients face as a result of climate change, and</p>	

<p>Induced changes in natural resources</p>	<p>Risks to Brambles' client sectors, such as food and agriculture and information technology, due to changing areas of suitable land, increased incidence of pest and disease, impacts on production, may impact on demand for provision of services by Brambles' businesses.</p>	<p>Reduced demand for goods/services</p>	<p>&gt;6 years</p>	<p>Indirect (Client)</p>	<p>About as likely as not</p>	<p>Low</p>	<p>As this is currently not being experienced by Brambles' businesses and given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.</p>	<p>particularly clients in vulnerable sectors such as agriculture and food manufacturing and production. Brambles' Group risk matrix, which sets out the top 10 "net" risks facing the Group and the steps being taken to mitigate those risks in FY14 included risks to our business model, due to changing supply chain dynamics and customer needs. Current market issues that could support competitive service offerings include (among other things) changes in retailer behaviour. These issues could, over time, have an impact on revenue, cost base, economies of scale and the value of existing assets (see page 6 of the Annual Report 2014 for further details). Should over the mid to long term the impacts of climate change prompt the relocation of customers' operations, or the location of served industry sectors (such as fresh produce), then Brambles would need to consider the most appropriate basis for service continuity to those customers or industries.</p>	<p>Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.</p>
								<p>Brambles depends on the availability of natural resources, such as lumber, fuel and plastic resin. Brambles' Group risk matrix, which sets out the top 10 "net" risks facing the Group in FY14 included risks to our business model, due to changing supply chain dynamics and customer needs. Current market issues that could support competitive</p>	

<p>Induced changes in natural resources</p>	<p>Risks to Brambles' supplier sectors, such as transport and forestry. Changing and unstable weather patterns, such as temperature increases and limited rainfall could generate more drought incidences and pose challenges to raw material and agricultural systems. Significant increases in fuel prices may negatively impact its operations. Brambles relies on the continued supply of raw materials essential to its operations, including lumber.</p>	<p>Increased operational cost</p>	<p>&gt;6 years</p>	<p>Indirect (Supply chain)</p>	<p>About as likely as not</p>	<p>Low</p>	<p>Impacts on raw materials and fuel would lead to increased costs for Brambles' businesses. Brambles could require substantial capital expenditure to adjust its business models to meet developments. Failure to source sufficient lumber and other raw materials required for the production of pallets at acceptable costs could significantly affect Brambles' operations. Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.</p>	<p>service offerings include (among other things) increasing fuel costs (see p 6 of the Annual Report 2014). Droughts may impact on the availability of lumber in certain regions for our suppliers. The Scheme Book - demerger of Recall (attached) noted that rapid and sustained changes in the availability and price of lumber and fuel may result in decreased demand for Brambles' services, increases in its costs and reduced profitability (p 104). It also noted Brambles has operations directly or indirectly exposed to volatility in costs of fuel, lumber and other raw materials (p 106). While Brambles generally sources supplies of raw materials from a range of providers in each geographic region, in Australia Brambles is dependent on a single supplier for its lumber and plastic resin. Brambles' pallet pooling system operates on the principles of recover, reduce, reuse and recycle, reclaiming and reusing lumber when pallets are conditioned. RPCs (IFCO) recycles 100% of its RPCs and regrinds all damaged containers to reprocess the granulate for use in new RPCs. This reduces the need for virgin raw materials. (see p14 Sust Review)</p>	<p>Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.</p>
								<p>The physical impacts of climate change are predicted to have the most significant consequences in emerging economies, such as those in</p>	

<p>Other physical climate drivers</p>	<p>Melting ice, rising sea levels, more frequent and severe droughts and floods are part of the environmental changes that businesses face and make some of our customers (eg food industry) more exposed than others. The physical impacts of climate change are predicted to have the most significant consequences in emerging economies, such as those in Asia and Africa. This could have implications for the viability of our business activities in these regions.</p>	<p>Reduced demand for goods/services</p>	<p>&gt;6 years</p>	<p>Direct</p>	<p>About as likely as not</p>	<p>Low</p>	<p>All of these potential effects are likely to impact our insurance premiums over time, as for the business community generally. Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.</p>	<p>Asia and Africa. This could have implications for the viability of our business activities in these regions. Brambles noted the risks associated with international operations in the attached Scheme Book (p 106). Physical climate impacts could lead to socio-economic disruption in these regions. Food, water and energy shortages could lead to reduced prosperity, mass movement of populations and political instability. Reduced food production or other impacts on our customers (or potential customers) could also have an impact on the demand for our services in these areas. Brambles' Group risk matrix, which sets out the top 10 "net" risks facing the Group and the steps being taken to mitigate those risks in FY14 included risks to our business model, due to changing supply chain dynamics and customer needs. Current market issues that could support competitive service offerings include (among other things) changes in retailer behaviour. These issues could, over time, have an impact on revenue, cost base, economies of scale and the value of existing assets (see page 6 of the Annual Report 2014 for further details).</p>	<p>Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.</p>
							<p>If Brambles' computer</p>	<p>Brambles relies extensively on information technology and communications systems to process transactions, manage its business and track resources. In particular,</p>	

Tropical cyclones (hurricanes and typhoons)	Brambles' computer systems, including back up systems, are subject to damage or interruption from power outages, catastrophic events, such as fires, tornadoes and hurricanes, and so on.							systems and back-up systems are damaged or cease to function properly, Brambles may have to make a significant investment to fix or replace them and it may suffer interruptions in its operations in the interim. Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.	given the number of individual transactions that Brambles is required to process, uninterrupted operation of computer systems is critical. Brambles has independent and physically separate primary and secondary computer systems, as well as offsite storage and a disaster recovery plan. (see attached Recall Scheme book, p 104 for more info)	Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.
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**CC5.1c**  
Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Our customers and society in general are increasingly concerned about and addressing their own impacts on climate change. Reputational risk could arise if we are not seen to be addressing our own impacts on the environment and assisting our customers with their supply chain	Reduced demand for goods/services	1 to 3 years	Direct	About as likely as not	Low	Brambles' sales revenue in the 12 months ended 30 June 2013 was US\$5,989.9 million. Revenue specifically related to major customers is not reported due to commercial sensitivity.	Climate change mitigation/adaptation and deforestation are of increasing concern to stakeholders, including customers. Brambles' Group risk matrix sets out the top 10 "net" risks facing the Group in FY13 and steps to mitigate those risks, including risk of competition and retention of major customers (p7 Annual Report 2014). Reputational risk could arise by not addressing our environmental impacts and assisting customers' supply chains, especially as attention extends to forest commodities and water. A lack of transparency could lead to customers moving to competitors, undermining our credibility and value of our business brand. Brambles 2010 sustainability strategy and objectives aim to integrate sustainability. The targets Brambles sets for 2015 and beyond are key drivers in Brambles' efforts to continuously improve and deliver more efficient, safer and environmentally sustainable supply chains. In FY14, Brambles worked with external advisors to identify and prioritise issues most material to the Group. Commentary on issues, targets and progress is in the Sustainability Review 2014. The Group engaged proactively on issues such as food waste, environmental impact, etc, with partners, associations, NGOs, the Consumer Goods Forum, WEF and the UNGC. Brambles	The costs of management actions to address our environmental impact are embedded within the business and not separately reported.

								reports using the GRI framework annually. In FY14, more customers in Europe began participating in the carbon neutral pallet program (see pp 6-7 of the 2014 Sust Review).
Fluctuating socio-economic conditions	The potential for increased physical effects on the markets we serve could indirectly lead to reduced demand and wider social disadvantages.	Reduced demand for goods/services	>6 years	Indirect (Client)	About as likely as not	Low	Because this is a long-term risk with unpredictable implications from climate change, we are unable to meaningfully quantify the actual financial implications at the current time as it relates specifically to climate change.	Physical effects on the clients and the markets we serve could lead to reduced demand and wider social disadvantages. Brambles' Group risk matrix, which sets out the top 10 "net" risks facing the Group and the steps being taken to mitigate those risks in FY14 included risks to our business model, due to changing supply chain dynamics and customer needs. Current market issues that could support our competitive service offerings include (among other things) changes in retailer behaviour. These issues could, over time, have an impact on revenue, cost base, economies of scale and the value of existing assets (p6 Annual Report 2014). Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.
Reputation	Exclusion from ethical/green investment funds and other impacts. Brambles is subject to the risk that negative publicity, whether true or not, may affect stakeholder perceptions of Brambles' past actions and future prospects (see Scheme Book p 106)	Reduced stock price (market valuation)	>6 years	Direct	Unlikely	Unknown	Brambles market capitalisation as at 30 June 2014 was A\$14.63 billion. The percentage of shares held by ethical/green investment funds is not known. A list of Top 20 shareholders is on p57 of the Annual Report 2014.	Brambles could face reputational damage that affects its share price through exclusion from ethical/green investment funds, including superannuation funds in Australia that increasingly consider sustainability initiatives of the companies they invest in. Brambles' Group risk matrix, which sets out the top 10 "net" risks facing the Group and the steps being taken to mitigate those risks in FY14 included risks to our business model, strategy and execution and innovation (p6 Annual Report 2014). If Brambles does not effectively communicate to the market this may lead to a loss of investor confidence in the business and its management and reduced share performance. Brambles seeks to minimise this risk through its sustainability strategy, including targets to reduce its impact on the environment (including emissions reductions). Brambles annual reporting on progress regularly provides communication to the investment community to alleviate this risk. Brambles considers sustainability throughout its business operations, including through its Code of Conduct and Zero Harm Charter. Brambles responded to investor requests regarding environmental management and performance in FY14. Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.

Further Information

**Attachments**

- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC5.ClimateChangeRisks/Brambles\\_2014\\_Sustainability\\_Review.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC5.ClimateChangeRisks/Brambles_2014_Sustainability_Review.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC5.ClimateChangeRisks/2014\\_Annual\\_Report\\_final\\_3.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC5.ClimateChangeRisks/2014_Annual_Report_final_3.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC5.ClimateChangeRisks/Scheme\\_Book\\_Oct\\_2013.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC5.ClimateChangeRisks/Scheme_Book_Oct_2013.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC5.ClimateChangeRisks/Zero\\_Harm\\_Charter\\_\(Feb\\_2013\)\\_ENGLISH.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC5.ClimateChangeRisks/Zero_Harm_Charter_(Feb_2013)_ENGLISH.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC5.ClimateChangeRisks/Brambles\\_Limited\\_assurance\\_report\\_FY14.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC5.ClimateChangeRisks/Brambles_Limited_assurance_report_FY14.pdf)

**Page: CC6. Climate Change Opportunities**

**CC6.1**  
**Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

- Opportunities driven by changes in regulation
- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

**CC6.1a**  
**Please describe your inherent opportunities that are driven by changes in regulation**

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Carbon taxes	Australia's carbon tax, which came into effect on 1 July 2012, may have resulted in companies selecting suppliers who are responsibly managing carbon impact. However, the carbon tax was repealed in July 2014 and this will not be an issue going forward. Carbon taxes may be	Increased demand for existing products/services	Up to 1 year	Direct	Very likely	Low	Brambles' Australian businesses were not directly liable or directly impacted by the carbon tax legislation. Brambles does not report revenue from specific customers for reasons of commercial sensitivity and does not currently track Australian	CHEP Australia communicated to customers that it is a responsible supply chain partner and before the introduction of the carbon tax provided them an evaluation of the impact the carbon tax legislation was expected to have on CHEP Australia. It provided an outline of some of CHEP Australia's key initiatives to reduce carbon emissions. It informed customers of the measures it is taking to reduce exposure to the carbon tax legislation and carbon management initiatives to meet CHEP's target to reduce GHG emissions in its own operations by 20 per cent by 2015 and manage carbon impacts in CHEP's supply chain. The initiatives include: - Installing energy efficient equipment repair equipment; - Energy audits across CHEP Australia's network to identify further opportunities;	All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring



	introduced in other countries where Brambles has customers and this will be monitored going forward.						customers who have specifically chosen Brambles' businesses for the reasons indicated.	- '20 High' smart logistics solution saving around 7% emissions per trip to transport empty pallets to rebalance CHEP Australia's equipment pool and customer returns; - Offsetting 100% emissions from sales fleet under GreenFleet since 2006; - Tracking CHEP Australia's own supply chain energy use; - Recycling programs to minimise waste to landfill, another source of greenhouse gas emissions; and - participating in the NSW Government's Sustainability Advantage Program to access best practice advice on sustainability for continual improvement.	these.
Fuel/energy taxes and regulations	Brambles works to reduce its environmental footprint by using its logistics knowhow to reduce transport distances and associated emissions for its customers and the supply chain through network	Increased demand for existing products/services	Up to 1 year	Indirect (Supply chain)	More likely than not	Low	Brambles does not report revenue from specific customers for reasons of commercial sensitivity and does not currently	Any new or extended fuel taxes or regulation may allow Brambles businesses to work with customers and supply chain to reduce transport distances and associated emissions through its logistics knowhow. Its LeanLogistics business is a global solutions provider of transportation management system applications and supply chain services enabled by the industry's largest transportation network. Brambles works to reduce its environmental footprint by using its logistics knowhow to minimise the footprint of its customers and the supply chain through	All opportunities and their potential implications are investigated through our operational

	optimisation. It also develops fuel saving products for air and shipping customers. Regulation and taxes on fuel could lead to a greater interest in these services.						track customers who have specifically chosen its services for the reasons indicated.	network optimisation, which reduces transport distances and associated emissions. Further details on reducing emissions related to transport are reported in the Sustainability Review 2014 (p8, attached) and publicised during the year through media. While energy costs were less than 5% of total operational spend in FY14, energy commodity costs could be exacerbated in the future by climate related factors. There are opportunities for us to derive operational savings by investing in energy efficiency initiatives at our sites.	processes. No incremental cost is associated.
Cap and trade schemes	Cap and trade schemes present incentives to cutting GHG emissions cost-effectively through energy efficiency, promoting energy efficient equipment, renewable alternatives, etc, and making these cheaper due to increased market demand.	Reduced operational costs	Up to 1 year	Direct	About as likely as not	Low	Brambles met its target of 20% less GHG emissions on 2010 levels ahead of target in FY13. Reducing energy use was a key component of emissions reductions activities, subsequently reducing energy costs. Brambles will announce a new targets for emissions and energy use in 2015.	The move to more energy efficient equipment rewards continuous improvement in our equipment upgrades and energy usage through reduced operational costs. While Brambles businesses do not currently participate in an emissions trading or cap and trade schemes, these may affect us in future if they are adopted or expanded in countries where we operate.	Details of energy efficient equipment installation and moving to renewable sources of energy, including costs, are outlined in our response to CC3 in this questionnaire (targets and initiatives).
	New regulations and initiatives to provide environmental communication to consumers are expected in some countries (eg EU, France, Belgium, Sweden, Germany,						Brambles does not report revenue from	Product labelling requirements present an opportunity for Brambles' businesses to demonstrate the reduction in GHG emissions from using its pooling solutions. The program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally	Management of customers and accounts

Product labelling regulations and standards	Greece, China, Thailand, Japan, Mexico). This will mean some of our FMCG customers with high awareness of climate change (demonstrated by engagement and participation in external initiatives such as CDP) will be looking to reduce the entire life cycle impact of their products.	Increased demand for existing products/services	Up to 1 year	Direct	Virtually certain	Low-medium	specific customers for reasons of commercial sensitivity. Pallets has offered its carbon neutral pilot program since 2013, starting in Spain.	recognised VCS-certified carbon credits in reforestation projects in developing countries. In 2014, Pallets Europe announced that its pallet pool in Sweden was carbon neutral. In July 2014, Pallets introduced a new generation plastic quarter pallet, the first certified carbon neutral product. Further information on carbon neutral program and pallets is available in the 2014 Sustainability Review, pp 6-7.	is conducted through normal account management processes. No incremental cost is associated. Sales/revenue information is reported in Brambles annual report.
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**CC6.1b**

Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other physical climate opportunities	Brambles businesses have demonstrated their ability to respond to customer needs in situations that may arise due to climate change, such as extreme weather events. Climate change and environmental issues are top on the agenda for a number of multinational customers (for example, Nestle, Unilever, Procter & Gamble and Jaguar Land Rover participate in the CDP, some as leaders), who carefully assess the impacts of physical events due to climate change.	Increased demand for existing products/services	Up to 1 year	Direct	Virtually certain	Low	Brambles does not report the value of individual contracts due to commercial sensitivity.	Brambles businesses have demonstrated their ability to respond to customer needs in situations such as extreme weather events. For example, In 2012, our operations were impacted by the extensive flooding in Thailand, but suffered no significant asset losses or business interruptions. Pallets was able to continue servicing customers throughout the period. Brambles businesses have an extensive network of service centres and uses many outsourced service centres. This provides them with a great deal of flexibility to adjust the network to meet changing customer needs or to reduce or optimise transport costs. The benefits of our service and business model are also more attractive to	The costs of product development are not separated out for environmental or sustainability projects. All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring these.

								existing and potential customers as they address the impacts of energy, packaging and waste regulation and reporting on their businesses.	
Change in temperature extremes	Changing climactic conditions allow Brambles businesses to develop products to help their customers withstand these conditions faced in transportation, such as international shipping.	New products/business services	Up to 1 year	Direct	Virtually certain	Low	Brambles does not report the value of individual contracts due to commercial sensitivity.	Several product developments address customers' needs to respond to changing climate patterns and temperature extremes with an environmentally friendly solution. For example, CHEP introduced its reusable automotive international shipping container IcoQube in September 2012, which ensures greater protection for goods during shipment, completely fills a standard sea container and significantly reduces the waste associated with traditional packaging. It improves CHEP's ability to solve important automotive supply chain issues, including the extreme climate conditions and high levels of humidity found inside sea vessels, for example when crossing the equator (see attached product spec).	The costs of product development are not separated out for environmental or sustainability projects. All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring these.
	Climate change will impact agricultural and forestry systems. We work with suppliers in lumber (development),						Brambles work with suppliers in achieving sustainability outcomes is conducted	In order to achieve improvement and promotion of responsible and sustainable procurement of timber, the Group continues to work with strategic suppliers to further increase the available supply of chain of custody certified timber. A target of achieving chain of custody certification for 100% of timber purchased for CHEP pallets by 2015 has been set, to provide a focus	The costs of procurement practices, such as supplier programs, is not separated

Induced changes in natural resources	securing longer term supply of raw materials. This improves our competitive opportunity in creating reliable supply of high quality raw materials that may be impacted by changes in temperature patterns.	Other:	>6 years	Indirect (Supply chain)		Low	as a part of its general procurement practices. The value of individual supply contracts is not reported due to commercial sensitivity.	for the continual improvement and promotion of the responsible and sustainable procurement of lumber. In FY13 for the first time, Brambles reported its timber sourcing through CDP Forests, achieving sector leadership in recognition of its efforts. According to CDP Forests, deforestation accounts for approximately 10-15% of the world's greenhouse gas emissions, equivalent to the entire transport sector.	out for environmental/sustainability projects and managed through operational processes. No incremental cost is associated with these.
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**CC6.1c**  
Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer	Climate change and environmental issues are top on the agenda for a number of multinational customers (for example, Nestle, Unilever, Procter & Gamble and Jaguar Land Rover participate in the CDP, some as leaders). According to CDP Forests, deforestation accounts for approximately 10-15% of the world's greenhouse gas emissions, equivalent to the entire transport	Increased demand for existing	Up to 1 year	Direct	Very likely	Low-medium	Brambles does not report the value of individual contracts due to commercial sensitivity. However, Pallets EMEA (which includes the European customers and products	n 2014, Pallets Europe announced that its pallet pool in Sweden was carbon neutral. In Germany, FMCG producer Henkel took up the carbon neutral offering for all pallet movements in the country. Customers in Spain, Germany, Portugal and Belgium have also joined the carbon neutral pallet program. Pallets' first certified carbon neutral plastic quarter pallet is also being used by more than 1,400 customers in Germany (see 2014 Sustainability Review, pp 6-7). Brambles business model offers customers returnable and reusable supply chain packaging solutions. Through CHEP's pooling system, users of pallets, crates and containers are able to reuse assets continuously, reducing the	The costs of product development are not separated out for environmental or sustainability projects. The cost of carbon credits as part of the carbon neutral pallet program are passed on to customers directly. All

<p>behaviour</p>	<p>sector. The benefits of Brambles' products and its business model are more attractive to existing and potential customers as they address the impacts of energy, packaging and waste regulation and reporting on their businesses and seek to limit deforestation in their supply chains. Pallets has also offered its carbon neutral pallet program since 2013.</p>	<p>products/services</p>					<p>mentioned) reported sales revenue of US\$1,447.3 million in FY14, an increase of 7% on the previous year (see the Annual Report 2014, p 9).</p>	<p>consumption and waste of raw materials, while CHEP's optimised network increases efficiency and reduces emissions associated with transportation. The increased awareness of sustainability issues presented the opportunity for the benefits of CHEP's existing products to be recognised by customers and formally measured. The benefits of CHEP products and its business model are more attractive to existing and potential customers as they address the impacts of energy, packaging and waste regulation and reporting on their businesses. The environmental benefits of pallet pooling were highlighted in media around customer contracts won or extended in FY14.</p>	<p>opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring these.</p>
								<p>Climate change and environmental issues are the focus of many companies, keen to address supply chain impacts. This includes Brambles' customers and potential customers. Through our supply chain packaging solutions, pallets, crates and containers are reused continuously, reducing consumption and raw material waste, while an optimised network increases efficiency and reduces transport emissions. Increased awareness of sustainability issues presents opportunity for the benefits of existing products to be</p>	

<p>Reputation</p>	<p>Climate change and environmental issues are important to many multinational companies, including those who are customers or are potential customers, and other stakeholders, such as investors and providers of capital. The benefits of Brambles' products and its business model are more attractive to existing and potential customers as they address the impacts of energy, packaging and waste regulation and reporting on their businesses. Inclusion in ethical/green investment funds and sustainability indices can also be a result of good environmental performance (such as DJSI).</p>	<p>Increased demand for existing products/services</p>	<p>Up to 1 year</p>	<p>Direct</p>	<p>Very likely</p>	<p>Low-medium</p>	<p>Brambles does not report the value of individual contracts due to commercial sensitivity. Brambles does not estimate revenue growth for customers adopting for purely environmental reasons.</p>	<p>recognised and formally measured. There was extensive media coverage during FY14 of customers adopting our pooling solutions related to environmental benefits, including reduced emissions (see attached). In addition, Brambles' focus on addressing its own environmental footprint and supply chain (for eg, by working towards its 2015 target of chain of custody certification for lumber purchased for CHEP pallet manufacture, reducing GHG emissions by 20%, removing lumber waste from landfill, improving recycling, etc) could lead to broad reputation gains. Being recognised through external programs, such as CDP and DJSI (2013 CDP Forests sector leader and being listed on the DJSI World index, see attached) means we are clearly communicating our performance and actions on climate change to stakeholders, including investors. A good reputation could also impact our ability to recruit employees committed to our environmental actions.</p>	<p>All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring these.</p>
								<p>Food waste in particular is an issue that generates wastage of resources, including water, energy and superfluous GHG emissions, for our customers (reduced supply of</p>	

<p>Other drivers</p>	<p>Increasing constraints on carbon emissions and amplified scarcity of resources are issues that are critical to our customers. Brambles and its businesses are focused on reducing waste in customers' supply chains and the pressure on raw materials.</p>	<p>Wider social benefits</p>	<p>&gt;6 years</p>	<p>Indirect (Client)</p>	<p>More likely than not</p>	<p>Low</p>	<p>Brambles does not report the value of individual contracts due to commercial sensitivity. Brambles does not estimate revenue growth for customers adopting purely to reduce food waste; however, it participates on the WEF food waste project with customers.</p>	<p>agricultural materials). For example, in its 2012 CDP response, Nestle estimated the financial implication of food waste in its supply chain at CHF 20 million a year in increasing costs. It is estimated that between one third and one half of the food produced by the developed world is lost post-harvest between the farm and consumer. Brambles recognises that through the application of its logistics and supply chain expertise it is uniquely placed to help reduce food waste throughout the value chain. In March 2013, Brambles joined the World Economic Forum as a partner and became a steering committee member of the Forum's food waste project. Brambles and Unilever worked on a WEF project in FY 14 that addressed supply chain barriers in India's tomato fresh produce sector, which experiences losses during harvest, transport and at marketplaces of about 25%. Unilever and RPCs are collaborating on a pilot to test solutions and evaluate impacts of food loss. (see Sustainability Review 2014, p 24).</p>	<p>All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring these.</p>
<p>Increasing humanitarian demands</p>	<p>From time to time, Brambles' businesses provide pallets and containers free of charge to transport emergency supplies for relief efforts in times of disaster. In addition, Brambles' businesses have assisted agencies providing humanitarian aid with analysis of</p>	<p>Wider social benefits</p>	<p>Up to 1 year</p>	<p>Direct</p>	<p>Virtually certain</p>	<p>Low</p>	<p>Brambles does not report the value of individual contracts due to commercial sensitivity. However, Brambles reported in-kind donations of pallets and crates to the</p>	<p>Brambles responds to requests for assistance through its normal business processes. Engagement with agencies is as per normal commercial</p>	<p>All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated</p>



their supply of goods through our logistics knowledge.						value of US\$1,390,000.	channels.	with monitoring these.
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**Further Information**

**Attachments**

- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/130819\\_Canada\\_Overwaitea\\_contract.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/130819_Canada_Overwaitea_contract.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1311\\_EU\\_Henkel\\_and\\_CHEP.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1311_EU_Henkel_and_CHEP.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1404\\_Europe\\_CHEP\\_and\\_Henkel\\_2.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1404_Europe_CHEP_and_Henkel_2.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/Unilever\\_to\\_Deliver\\_Improved\\_Sustainability\\_Outcomes.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/Unilever_to_Deliver_Improved_Sustainability_Outcomes.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/DJSI\\_Industry\\_Mover\\_email.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/DJSI_Industry_Mover_email.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/2014\\_Annual\\_Report\\_final\\_3.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/2014_Annual_Report_final_3.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/13\\_EU\\_Henkel\\_and\\_CHEP\\_4.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/13_EU_Henkel_and_CHEP_4.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1309\\_EU\\_Casbega\\_Coca-Cola\\_contract.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1309_EU_Casbega_Coca-Cola_contract.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/Brambles\\_2014\\_Sustainability\\_Review.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/Brambles_2014_Sustainability_Review.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/13\\_EU\\_Henkel\\_and\\_CHEP.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/13_EU_Henkel_and_CHEP.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/IFCO\\_DeCA\\_rel\\_vf.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/IFCO_DeCA_rel_vf.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/13\\_EU\\_Henkel\\_and\\_CHEP\\_3.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/13_EU_Henkel_and_CHEP_3.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1310\\_CHEP\\_Aldi\\_and\\_food\\_waste\\_Australia.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1310_CHEP_Aldi_and_food_waste_Australia.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1308\\_Canada\\_Overwaitea\\_contract.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1308_Canada_Overwaitea_contract.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/13\\_EU\\_Henkel\\_and\\_CHEP\\_2.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/13_EU_Henkel_and_CHEP_2.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1402\\_Casbega\\_Coca-Cola\\_contract\\_with\\_CHEP.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1402_Casbega_Coca-Cola_contract_with_CHEP.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1404\\_Europe\\_Henkel\\_and\\_CHEP.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1404_Europe_Henkel_and_CHEP.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/130901\\_Aust\\_CHEP\\_reducing\\_food\\_waste\\_\(Aldi,\\_etc\).pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/130901_Aust_CHEP_reducing_food_waste_(Aldi,_etc).pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/Bosal\\_outsources\\_its\\_container\\_management.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/Bosal_outsources_its_container_management.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1404\\_Europe\\_CHEP\\_and\\_Unilever.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/1404_Europe_CHEP_and_Unilever.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/140413\\_CHEP\\_FMCG\\_pallet\\_in\\_Australia\\_lighter\\_reduce\\_waste.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/140413_CHEP_FMCG_pallet_in_Australia_lighter_reduce_waste.pdf)
- [https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/140403\\_IFCO\\_COOP\\_FJS.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC6.ClimateChangeOpportunities/140403_IFCO_COOP_FJS.pdf)

**Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading**

**Page: CC7. Emissions Methodology**

**CC7.1**

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Wed 01 Jul 2009 - Wed 30 Jun 2010	58130
Scope 2	Wed 01 Jul 2009 - Wed 30 Jun 2010	86890

**CC7.2**

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use	
<input type="checkbox"/>	The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
<input type="checkbox"/>	Other

**CC7.2a**

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

See attached Supplementary Information 2014 - Data measurement techniques and explanations

**CC7.3**

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	Other: GHG protocol and Australian national greenhouse account factors and EIA factors for USA states and regions.

**CC7.4**

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
Other: See attached spreadsheet: 2014 Emission factors, under 'Further Information'			

**Further Information****Attachments**

[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/2014\\_Sustainability\\_Review\\_-\\_supplementary\\_information.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/2014_Sustainability_Review_-_supplementary_information.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/FY14\\_Emissions\\_factors.xlsx](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/FY14_Emissions_factors.xlsx)

**Page: CC8. Emissions Data - (1 Jul 2013 - 30 Jun 2014)****CC8.1**

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Other: Please see attached Supplementary Information 2014 doc under 'Boundaries' for an exact description

**CC8.2**

Please provide your gross global Scope 1 emissions figures in metric tonnes CO<sub>2</sub>e

78750

**CC8.3**

Please provide your gross global Scope 2 emissions figures in metric tonnes CO<sub>2</sub>e

79060

**CC8.4**

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

**CC8.4a**

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded
In December, Brambles demerged the document management business Recall. No data for Recall for FY14 has been included	Emissions are not relevant	Emissions are not relevant	Recall was demerged in December 2013 and reports its GHG emissions for the entire financial year separately as a standalone business (including a submission to CDP).
Data from the Airworld and Transpac businesses, which were acquired during FY14, is not included	Emissions excluded due to a recent acquisition	Emissions excluded due to a recent acquisition	

**CC8.5**

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 5% but less than or equal to 10%	Extrapolation Other: Uncertainty in data received	Data is manually entered in our system on a monthly basis. This involves the risk of human errors or unintended mistakes in system use. Where invoice data has not been received for a period in the reporting year, the first step is to confirm that the facility is still operated by Brambles. If the operation is confirmed energy use is estimated, then calculated using the average energy consumed in the months for which an invoice has been received.
Scope 2	More than 5% but less than or equal to 10%	Extrapolation Other: Uncertainty in data received	Data is manually entered in our system on a monthly basis. This involves the risk of human errors or unintended mistakes in system use. Where invoice data has not been received for a period in the reporting year, the first step is to confirm that the facility is still operated by Brambles. If the operation is confirmed energy use is estimated, then calculated using the average energy consumed in the months for which an invoice has been received.

**CC8.6**

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

**CC8.6a**

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Limited assurance	<a href="https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/CC8.6a/Brambles_Limited_assurance_report_FY14.pdf">https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/CC8.6a/Brambles_Limited_assurance_report_FY14.pdf</a>	1-3	ISAE3000	100
Not applicable	<a href="https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/CC8.6a/NGERS_FY14_Data_FINAL.xls">https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/CC8.6a/NGERS_FY14_Data_FINAL.xls</a>	Submission on Australian GHG emissions for all operations in Australia under the definition of operational control made via online system in 2014	Australian National GHG emission regulation  (NGER)	

**CC8.7**

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

**CC8.7a**

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Limited assurance	<a href="https://www.cdp.net/sites/2015/16/2116/Climate%20Change%202015/Shared%20Documents/Attachments/CC8.7a/Brambles%20Limited%20assurance%20report%20FY14.pdf">https://www.cdp.net/sites/2015/16/2116/Climate Change 2015/Shared Documents/Attachments/CC8.7a/Brambles Limited_assurance_report FY14.pdf</a>	1-3	ISAE3000	100
Not applicable	<a href="https://www.cdp.net/sites/2015/16/2116/Climate%20Change%202015/Shared%20Documents/Attachments/CC8.7a/NGERS%20FY14%20Data%20FINAL.xls">https://www.cdp.net/sites/2015/16/2116/Climate Change 2015/Shared Documents/Attachments/CC8.7a/NGERS FY14 Data FINAL.xls</a>	Submission on Australian GHG emissions for all operations in Australia under the definition of operational control made via online system in 2014	Australian National GHG emission regulation (NGER)	

**CC8.8**

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Year on year change in emissions (Scope 1 and 2)	The assured information, as stated in the provided assurance statement, includes all information and data on emissions as stated in the attached 2014 Sustainability Review on p 18, excluding quantitative and qualitative information related to Scope 3 emissions.
Emissions reduction activities	The assured information, as stated in the provided assurance statement, includes all information and data on emissions as stated in the attached 2014 Sustainability Review on p 18, excluding quantitative and qualitative information related to Scope 3 emissions.

**CC8.9**

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

**Further Information****Attachments**

[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC8.EmissionsData\(1Jul2013-30Jun2014\)/2014\\_Sustainability\\_Review\\_-\\_supplementary\\_information.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC8.EmissionsData(1Jul2013-30Jun2014)/2014_Sustainability_Review_-_supplementary_information.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC8.EmissionsData\(1Jul2013-30Jun2014\)/Brambles\\_2014\\_Sustainability\\_Review.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC8.EmissionsData(1Jul2013-30Jun2014)/Brambles_2014_Sustainability_Review.pdf)

**Page: CC9. Scope 1 Emissions Breakdown - (1 Jul 2013 - 30 Jun 2014)**

**CC9.1**

Do you have Scope 1 emissions sources in more than one country?

Yes

**CC9.1a**

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO <sub>2</sub> e
Australia	5336
United Kingdom	6035
Rest of world	67382

**CC9.2**

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division

**CC9.2a**

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO <sub>2</sub> e)
Pallets Americas	47340
Pallets EMEA (Europe, Middle East and Africa)	9780
Pallets Asia-Pacific	6410
RPCs	8160
Containers	7060
Brambles HQ	0

**Further Information**

**Page: CC10. Scope 2 Emissions Breakdown - (1 Jul 2013 - 30 Jun 2014)**

**CC10.1**

Do you have Scope 2 emissions sources in more than one country?

Yes

**CC10.1a**

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh)
Australia	17146	19002	0
United Kingdom	5533	12098	1604
Rest of world	56380	117564	0

**CC10.2**

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

**CC10.2a**

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions (metric tonnes CO2e)
Pallets Americas	38860
Pallets EMEA	9800
Pallets Asia-Pacific	14210
RPCs	10980
Containers	3020
Brambles HQ	1980

**Further Information****Page: CC11. Energy****CC11.1**

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

**CC11.2**

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	80975
Electricity	150267
Heat	
Steam	
Cooling	

**CC11.3**

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Diesel/Gas oil	6937
Liquefied petroleum gas (LPG)	27749
Motor gasoline	16187
Natural gas	25437
Other: Unspecified	2312

**CC11.4**

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
Tracking instruments, Guarantees of Origin	1603.5	Pallets UK updated their energy contract in May 2014 to ensure sites receive electricity from clean sources, including energy produced from hydro, wind, tidal, wave, photovoltaic, biomass, waste gases and industrial waste sources.
Non-grid connected low carbon heat, steam or cooling, generation owned by company	196.6	Electricity generated in Belgium from an onsite renewable resource.

**Further Information****Page: CC12. Emissions Performance****CC12.1**

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

**CC12.1a**

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to

the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities		Decrease	Pallets Americas reduced emissions impact through an IT virtualisation program, removal of computer servers and by changing its fleet from all diesel to a mix of smaller trucks with a lower carbon fuel impact.
Divestment		Decrease	
Acquisitions		Increase	In Pallets Americas, emissions from Pallets Recycling (formerly IFCO PMS) and Pallets Canada were estimated and included for the first time in FY14.
Mergers			
Change in output			
Change in methodology			
Change in boundary	28	Increase	Brambles recorded an increase in Scope 1 and Scope 2 emissions of 28% in FY14. This was due to additional sites in Pallets and Containers being added to the network (and measurement system) for the first time.
Change in physical operating conditions		Increase	Emissions in the Americas rose due to the addition of a new office in Atlanta and harsh winter conditions in Canada and northern USA (the polar vortex phenomena).
Unidentified			
Other		Decrease	Pallets UK updated their energy contract to ensure sites receive electricity from cleaner sources, including energy produced from hydro, wind, tidal, wave, photovoltaic, biomass, waste gases and industrial waste sources.

**CC12.2**

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.0000291997	metric tonnes CO2e	unit total revenue	36	Increase	Demerger of Recall from Brambles Group in December 2014, inclusion of sites in Containers and Pallets Americas for the first time, changes in revenue.

**CC12.3**

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
11.475	metric tonnes CO2e	FTE employee	62	Increase	Demerger of Recall from Brambles Group, which removed a significant number of FTEs (FY13: 17,905; FY14: 13,752)

**CC12.4**

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.000165	metric tonnes CO2e	Other: C-gen: stands for C generation stock. 'A' generation stock is stock awaiting inspection, 'B' generation stock is that which is waiting to be conditioned or repaired and 'C' generation (C-gen) stock has been conditioned and is ready for a customer. C gen gives us an understanding of the number of products (pallets, crates, or containers) that have been conditioned at our sites, which is the productivity measure we use.			N/A First year of reporting an intensity figure, as defined.

**Further Information**

Last year's figures were reported incorrectly. In 2014, CC12.2 should have reported an intensity figure of 0.000021407833749 and CC12.3 should have reported a FTE intensity figure of 7.0422.

**Page: CC13. Emissions Trading****CC13.1**

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

**CC13.2**

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

Yes

**CC13.2a**

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
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Credit Purchase	Other: REDD+	Acre Amazonian Rainforest Conservation (VCS 963). Purchased as part of Pallets' carbon neutral pallet program, which allows customers to offset the footprint of their CHEP pallet movements and purchase internationally-recognised VCS certified carbon credits in reforestation programs in developing countries.	VCS (Verified Carbon Standard)	3640	3640	Yes	Voluntary Offsetting
Credit Purchase	Energy efficiency: service	Guatemala Water Treatment and Cookstove Project (GS 1321). Purchased as part of Pallets' carbon neutral pallet program, which allows customers to offset the footprint of their CHEP pallet movements and purchase internationally-recognised VCS certified carbon credits in reforestation programs in developing countries.	Gold Standard	1150	1150	Yes	Voluntary Offsetting
Credit Purchase	Other: Reforestation	Meru & Nanyuki Community Reforestation Project (VCS 995). Purchased as part of Pallets' carbon neutral pallet program, which allows customers to offset the footprint of their CHEP pallet movements and purchase internationally-recognised VCS certified carbon credits in reforestation programs in developing countries.	VCS (Verified Carbon Standard)	25	25	Yes	Voluntary Offsetting
Credit Purchase	Other: Reforestation	Uganda Community Reforestation (VCS 993). Purchased as part of Pallets' carbon neutral pallet program, which allows customers to offset the footprint of their CHEP pallet movements and purchase internationally-recognised VCS certified carbon credits in reforestation programs in developing countries.	VCS (Verified Carbon Standard)	1400	1400	Yes	Voluntary Offsetting

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, not yet calculated		In FY11, Brambles reviewed its operations to determine the main contributors to its Scope 3 emissions and identified purchased goods as one of these.		Purchased goods include harvesting of timber purchased from suppliers and other purchased goods and services, such as paper and cardboard. Brambles did not calculate the emissions from these sources. However, LCAs (product carbon footprint) have been carried out on timber pallets in EU and in 2014 in South Africa.
Capital goods	Relevant, not yet calculated		In FY11, Brambles reviewed its operations to determine the main contributors to its Scope 3 emissions and identified capital goods – particularly pallets and containers – as one of these.		Brambles did not calculate the emissions from its capital goods, including CHEP pallets and containers. Purchase of other fixed assets and IT supplies (relevant, not calculated) as these capital goods are not considered material.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, not yet calculated				The categories currently disclosed cover the majority of our emissions
Upstream transportation and distribution	Relevant, calculated				The categories currently disclosed cover the majority of our emissions
Waste generated in operations	Relevant, calculated		In FY14, Brambles' businesses generated 28,290.69 metric tonnes of general waste and 490.42 metric tonnes of hazardous waste.		Brambles is committed to using resources more efficiently and minimising waste. Our pooling system operates on the principles of recover, reduce, reuse and recycle. Brambles is committed to improving its performance continuously to meet customers' and stakeholders' sustainability expectations. Brambles' businesses have processes to collect data on waste streams and have committed to improving their recycling rates each year. We manages all waste streams related to pallet pooling activities including timber, corrugate, steel and plastic. Recycling and reuse data is reported in our 2014 Sustainability Review.
Business travel	Relevant, calculated	3950	Figure provided captures air travel taken by Brambles' employees using the AMEX corporate travel provider. It does not include other forms of travel, or air travel booked outside of the corporate travel provider for FY14. For FY14, regions using the corporate travel provider for all or part of the Year include the USA, Mexico, Argentina and Australia. This will extend in FY15 to include most of the Americas, UK and Europe, as well as Australia and New Zealand.	100.00%	
	Relevant,		In FY11, Brambles reviewed its operations to determine the main contributors to its Scope 3 emissions and identified		Brambles businesses run programs encouraging

Employee commuting	not yet calculated		employee commuting as one of these. No primary commuting data is available at this time. Brambles had 13,752 permanent employees around the world as at 30 June 2014.		employees to reduce commuting miles, for example, cycling programs.
Upstream leased assets	Not evaluated				The categories currently disclosed cover the majority of our emissions
Downstream transportation and distribution	Relevant, calculated	536809.28	We estimate Scope 3 emissions for transport. We calculate an emissions estimate either by using a specific module developed by our LeanLogistics business or, where that module cannot be used, estimates are made based on type of fuel, place of travel, type of vehicles and travel distances.		Estimates of Scope 3 emission levels increased in FY14 for by approximately 10% (combined OSC and transport). This is due to increases in production levels in Pallets Americas and EMEA OSCs and improved estimation methods in Asia-Pacific. RPCs included OSCs in MEA for the first time in FY14, as well as improving data collection for IFCO RPCs. Containers' OSCs were also included for the first time in FY14. We expect the estimation methods and collection processes to continue to improve in FY15.
Processing of sold products	Not relevant, explanation provided				Brambles retains ownership of its assets at all times, thereby ensuring that end of life management is controlled and recovery, reuse and recycling efforts can be maximised.
Use of sold products	Not relevant, explanation provided				Brambles retains ownership of its assets at all times, thereby ensuring that end of life management is controlled and recovery, reuse and recycling efforts can be maximised.
End of life treatment of sold products	Not relevant, explanation provided				Brambles retains ownership of its assets at all times, thereby ensuring that end of life management is controlled and recovery, reuse and recycling efforts can be maximised.
Downstream leased assets	Relevant, calculated	143230	We estimate outsourced service centre (OSC) emissions by applying our average internal service centre grams CO2-e per production unit and apply to production figures for the OSCs, using country specific emission factors.	0.00%	Estimates of Scope 3 emission levels increased in FY14 by approximately 10% (combined OSC and transport). This is due to increases in production levels in Pallets Americas and EMEA OSCs and improved estimation methods in Asia-Pacific. RPCs included OSCs in MEA for the first time in FY14, as well as improving data collection for IFCO RPCs. Containers' OSCs were also included for the first time in FY14. We expect the estimation methods and collection processes to continue to improve in FY15.
Franchises	Not evaluated				The categories currently disclosed cover the majority of our emissions
Investments	Not evaluated				The categories currently disclosed cover the majority of our emissions
Other (upstream)	Relevant, not yet calculated				is relevant. Brambles' businesses have commissioned life cycle analyses and life cycle inventory analyses in various regions to determine the performance of our pallet pooling systems. Results of these have been used to create environmental calculators in the USA and Europe to enable customers to determine by how much they can reduce solid waste, GHG emissions and energy consumption by using the CHEP pallet pooling system instead of alternative shipping platforms (such as non-pooled lumber pallets). Due to the complex nature of the pallet pool usage, calculations beyond those already reported are not made.
Other (downstream)	Not evaluated				The categories currently disclosed cover the majority of our emissions

**CC14.2**

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

No third party verification or assurance

**CC14.3**

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

**CC14.3a**

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Downstream transportation and distribution	Other: Increases in production levels in Pallets Americas and EMEA and improved estimation methods in Asia-Pacific	14	Increase	Estimates of Scope 3 emissions levels for Pallets only (not reported for whole of Brambles in FY13) increased in FY14 due to increases in production levels in Pallets Americas and EMEA and improved estimation methods in Asia-Pacific.
Downstream leased assets	Change in boundary	11	Increase	RPCs included outsourced service centres (OSC) for the first time in MEA, as well as improving data collection for IFCO RPCs. Containers OSCs were also included for the first time in FY14.

**CC14.4**

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers  
Yes, our customers  
Yes, other partners in the value chain

**CC14.4a**

**Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success**

Brambles is committed to achieving Zero Harm and considers environmental impacts in all decisions and engagements (Charter attached).

Pallets timber sourcing is controlled centrally by the global procurement team. We have a target of achieving chain of custody certification for 100% of timber purchased for CHEP pallets by 2015. According to CDP Forests, According to CDP Forests, deforestation accounts for approximately 10-15% of the world's greenhouse gas emissions, equivalent to the entire transport sector. Pallets works with its timber suppliers in sustainable timber production help to address this issue. 43% of timber purchased for CHEP pallets in FY14 carried chain of custody certification, while 94% was from certified sources. Further details are provided in the 2014 Sustainability Review, pp 16-17 and in Brambles' CDP Forests response 2014.

Brambles uses its logistics know-how to minimise the footprint of its customers and the supply chain through network optimisation, which reduces transport distances and associated emissions. This involves engagement with customers and subcontracted transport carriers. A specific module for CO2-e measurement of subcontracted transport carriers was developed by LeanLogistics and is implemented in Europe and the USA. Network optimisation focuses on the number and location of service centres based on sourcing requirements and locations, location of manufacturers, transport costs and plant capacity. Pallets also works collaboratively with customers to eliminate unnecessary empty return truck trips, so that customers benefit from sharing transportation and fill empty space on trucks.

Customers' use of the Total Pallet Management program (major manufacturers and retailers) allows Pallets to manage all of a customer's pallet needs onsite and supply pallets without the need for additional transport. This helps optimise the network and reduces the energy requirements of the pallet pool.

Brambles continues to address growing interest among customers to understand their supply chains and works closely with them to minimise their environmental footprint. Dedicated value solutions teams work in partnership with customers to evaluate their supply chains and develop solutions based on Lean and Six Sigma methodologies that deliver lower financial and environmental costs. Since 2008, Pallets has been using multimodal (train, sea and road) solutions to move its pallets throughout its network. Globally 24,881 tonnes of CO2-e was saved by collaborative transportation, multimodal and network optimisation in FY14. (see 2014 Sustainability Review, p 8)

Pallets has offered its carbon neutral pallet program since 2013. The program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. More than 7,800 tonnes of carbon has been offset for customers since 2013. For further details, please see the 2014 Sustainability Review, pp 6-7.

Many announcements and media articles during FY14 of contracts won or extended highlight the importance of the ability of Brambles' businesses to reduce emissions and environmental impact (ie waste reduction, etc) for its customers' supply chains. This includes Henkel, who took up the carbon neutral pallet program to replace white wood pallets and will reduce CO2 emissions by 895 metric tonnes per year, as well as preventing 76 metric tonnes of wood from being sent to landfill every year. (see attached article)

In FY13, Brambles developed a global supplier policy that was rolled out to all businesses in FY14 (see p 35, Schedule 13 of Code of Conduct). Suppliers are expected to follow the principles of Brambles Zero Harm commitment to achieving zero injuries, zero environmental damage and zero detrimental impact on human rights. The policy's implementation will include a period of engagement with strategic suppliers throughout the Group to consider the policy's aspects and application.

Brambles recognises that through the application of its logistics and supply chain expertise it is uniquely placed to help reduce food waste throughout the value chain. It is estimated that between one third and one half of the food produced by the developed world is lost post-harvest between the farm and consumer, impacting GHG emissions by its inclusion in landfill and the pressure placed on agricultural systems. Brambles is on the steering committee of World Economic Forum (WEF) food loss and waste project alongside several of its customers. (see pp 8, 24 of 2014 Sustainability Review).

Pallets and RPCs also assist FoodBanks around the world in providing pallets and crates to collect fruit and vegetables and move stock throughout the FoodBank network. CHEP UK works with FareShare, a national charitable organisation that works with the food industry to take surplus food that is fit for purpose and would otherwise end in landfill.

**CC14.4b**

**To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent**

Number of suppliers	% of total spend	Comment
850	24%	Brambles reported a total spend of US\$1,084.6M on transport in its Annual Report 2014 (p 73). The suppliers that it worked with in FY14 on projects outlined above are included in this amount. Total transport expense represents 24% of operating expenses reported for FY14. Brambles' businesses work with more than 850 transport providers around the world. This does not include the timber suppliers that it works with, where US\$441.3M was spent on raw materials and consumables (including timber) in FY14. (Annual Report 2014, p 73)

**CC14.4c**

**If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data**

How you make use of the data	Please give details
Identifying GHG sources to prioritize for reduction actions	We use our logistics knowledge to minimise the carbon footprint of our customers and their supply chains through working with our transport providers to reduce transport distances and associated emissions. Pallets also works with customers and transport providers to eliminate unnecessary empty return truck trips, so that customers benefit from sharing transportation and filling empty space on trucks.

**Further Information****Attachments**

[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/13\\_EU\\_Henkel\\_and\\_CHEP.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/13_EU_Henkel_and_CHEP.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/AMEX\\_corporate\\_travel\\_GHG\\_Emission\\_Detail\\_FY14.xls](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/AMEX_corporate_travel_GHG_Emission_Detail_FY14.xls)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/Code\\_of\\_Conduct\\_March\\_2014.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/Code_of_Conduct_March_2014.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/Brambles\\_2014\\_Sustainability\\_Review.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/Brambles_2014_Sustainability_Review.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/2014\\_Annual\\_Report\\_final\\_3.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/2014_Annual_Report_final_3.pdf)  
[https://www.cdp.net/sites/2015/16/2116/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/Zero\\_Harm\\_Charter\\_\(Feb\\_2013\)\\_ENGLISH.pdf](https://www.cdp.net/sites/2015/16/2116/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC14.Scope3Emissions/Zero_Harm_Charter_(Feb_2013)_ENGLISH.pdf)

**Module: Sign Off**

**Page: CC15. Sign Off**



**CC15.1**

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Juan-Jose Freijo	Global Head of Sustainability	Environment/Sustainability manager

**Further Information**

CDP: [D][-.]