

Brambles



2009 SUSTAINABILITY REPORT

Sustainability is fundamental to the way Brambles does business.

Through its two businesses, CHEP (pallet and container pooling services) and Recall (information management), Brambles makes a positive contribution to sustainable business practices, especially for its customers.



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CEO Letter

Sustainability is fundamental to the way Brambles does business. We constantly strive to make Brambles more sustainable, through the quality of our products, the depth of customer relationships, the career paths of our people and the responsible management of financial resources. We believe that CHEP and Recall make a positive contribution to sustainable business practices. Sustainability is part of Brambles' business strategy.

This is underpinned by a culture of continuous improvement. We are never satisfied with what has been achieved, because Brambles' customers, shareholders and people demand continuous improvement.

Brambles is a company with significant reach and presence, with one billion pallet and container movements per year, over 300 million pallets and containers, 88 million cartons in Recall information centres and operations that span over 45 countries in every trading continent across the world.

This report is intended to give a comprehensive overview of our work to make Brambles a more sustainable business. I look forward to the year ahead, which will be exciting for Brambles' sustainability journey. Over the next 12 months we will be reviewing sustainability strategy and creating a five year roadmap for Brambles that will include tangible markers against which its progress can be tracked.

Please enjoy reading this report and be assured that at Brambles, sustainability is a core principle.

Best wishes

Tom Gorman

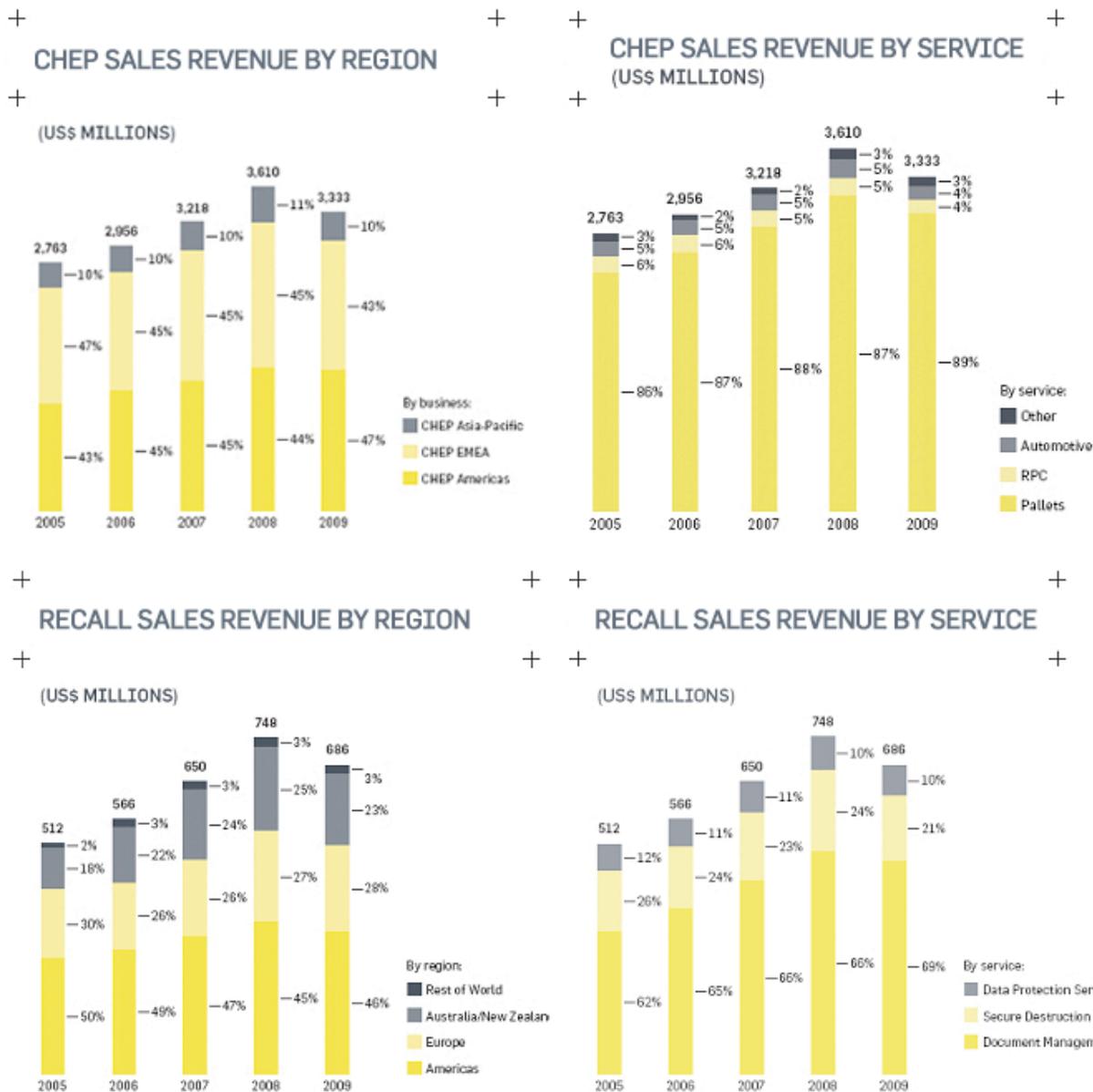


Our Presence and Reach

Brambles has two business units:

1. CHEP (managed as three groups: CHEP Americas, CHEP EMEA (Europe, Middle East and Africa) and CHEP Asia-Pacific); and
2. Recall.

Brambles headquarters are in Sydney, Australia. Brambles operates in over 45 countries.



CHEP issues, collects, repairs and reissues over 300 million pallets and containers to assist manufacturers, distributors and retailers to transport their products safely and efficiently.

Recall manages the secure storage, retrieval and destruction of physical and digital information for nearly 80,000 customers worldwide.

Brambles has over 12,000 employees.

Financial Performance

Brambles' total revenue in fiscal 2009 was US\$4.02b. CHEP sales represent 83% of company sales, Recall sales 17% for the year ended 30 June 2009. Brambles' total market capitalisation as at 30 June 2009 was US\$6.8b. There were no significant changes to the size, structure, or ownership of Brambles during the year.

12,000+
EMPLOYEES

US\$4.02b
SALES REVENUE

300 m+
PALLET AND CONTAINERS

88m
CARTONS

Mission and Values

Mission

- To be the world's leading provider of innovative business solutions in support services
- To use our outsourcing expertise to add exceptional value in the eyes of our customers
- To create superior shareholder value through our people and their enterprising spirit

Shared Values

- All things begin with the customer
- We are committed to diversity, people and teamwork
- We have a passion for success

Always acting with integrity and respect for the community and the environment.

CODE OF CONDUCT

Brambles has a Code of Conduct, which provides an ethical and legal framework for all employees in the conduct of Brambles' business. The Code of Conduct defines how Brambles relates to its shareholders, employees, customers, suppliers and the community. The Code of Conduct is available in Chinese (simplified), Chinese (traditional), Danish, Dutch, English, Finnish, French, French Canadian, German, Hindi, Italian, Portuguese, Norwegian, Spanish, Swedish, Tamil and Thai.

Brambles implements its Code of Conduct through a variety of training and induction programs. All new employees receive and sign-off a copy of the Code of Conduct when they commence employment. In addition, business units provide regular training. For example, in CHEP Americas training on the Code of Conduct is conducted annually for all employees.

Senior managers are asked to either sign off on compliance with the Code of Conduct every six months, or to identify those areas for which they cannot sign off. The sign-offs may be subject to audit testing by Corporate Audit.

Brambles regularly reviews its Code of Conduct. The last update occurred in May 2009.

SPEAKING UP / SILENT WHISTLE

In the Code of Conduct, Brambles has a Speaking Up Policy.

Brambles' Speaking Up Policy encourages employees to raise any beliefs in the existence of actual or planned breaches of the law and/or company policies. This includes threats to health and safety or the environment, as well as society issues such as bribery and corruption.

CHEP Americas and Recall have also implemented a Silent Whistle program. Primarily supporting the Speaking Up Policy, the Silent Whistle program allows employees to raise concerns, lodge complaints, ask questions, make comments and provide feedback to their business units.

The Silent Whistle program is web-based. Complaints and concerns can also be raised via a toll free telephone number. Complaints can be made anonymously. Once received, complaints are investigated and feedback is provided to the complainant.

It is proposed to extend Silent Whistle throughout the Group during 2010.

INTERNAL COMPLIANCE

Bi-annual management declarations confirm, among other matters, the adequacy of internal control procedures, the effectiveness of risk management systems and compliance with material regulatory and statutory requirements.

Designated General Managers at the country level of both CHEP and Recall are required to sign the management declaration standards questionnaires. There are specific questions regarding compliance with occupational health and safety (OH&S) regulations, competition regulations, employment regulations, environmental regulations and others. Managers are asked to consider strategic, commercial, operational, financial, OH&S and environmental issues. Any incidences that have occurred that may have a material impact upon Brambles' good reputation, the health and safety of stakeholders or the general public or the natural environment must be disclosed.

Also required are details of any communications received during the course of the year from local communities, governments or legitimate special interest groups raising any significant, or potentially significant, community relations issues or allegations of human rights abuses.

The management declaration questionnaire also asks for responses to a number of questions regarding Brambles Code of Conduct, including issues pertaining to bribes, conflict of interest, political donations, as well as training in the Code of Conduct and the communication of updates in the Code of Conduct to employees.

Governance

Brambles Limited has a primary listing on the Australian Securities Exchange (ASX) under the code 'BXB', with a secondary listing on the London Stock Exchange.

Brambles fully complies with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (2nd ed).

Brambles' Board has overall responsibility for overseeing the effective management and control of the Brambles Group on behalf of Brambles' shareholders and supervising executive management's conduct of its affairs within a control and authority framework which is designed to enable risk to be prudently and effectively assessed and monitored. Brambles' Chairman is an independent Non-executive Director. Brambles currently has nine Directors, eight of whom are independent Non-executive Directors. From 1 December 2009, Brambles will have ten Directors, eight of whom will be independent Non-executive Directors.

Non-executive Directors are required to hold Brambles' shares equal to their annual fees after tax within three years of their appointment. Individual average share ownership of the Non-executive Directors was worth approximately A\$182,000 as at 20 August 2009.

The Board is regularly updated on sustainability issues, including detailed information on operational activities, objectives and external feedback on Brambles' performance in this area.

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 and sustainability issues.

The Chief Executive Officer, who is also a member of the Board, has operational responsibility for sustainability issues.

Sustainability is overseen by a Sustainability Committee, which is a management committee. The committee members include the Senior Vice President – Human Resources (Chair of the committee, who reports to the CEO and is a member of the Executive Leadership Team), Senior Vice President - Strategic Development, Group Vice President Risk and Audit, Group Company Secretary and a business representative from each of the business units: CHEP Americas, CHEP EMEA, CHEP Asia-Pacific and Recall.

The committee's remit is, on behalf of the Executive Leadership Team, to:

- Develop and implement Brambles' sustainability strategy;
- Co-ordinate all sustainability activities across the Group, ensuring that best practice is evaluated, shared and implemented; and
- Provide Group-wide resources to assist the development of sustainability activities in each business unit.

The committee meets at least four times a year.

The Brambles Executive Leadership Team helps to formulate sustainability policies (including climate change) and is responsible for implementing sustainability policies across the organisation.

Remuneration of Board members and senior management is a formal Board responsibility, overseen by the Remuneration Committee. All members of this committee are non-executives. The Remuneration of Directors is disclosed individually within the Remuneration Report of the Annual Report.

A copy of the Remuneration Committee's Charter giving full details of its duties and responsibilities is available on the website. Details of Brambles' Remuneration Policy can be found in the Remuneration Report of the Annual Report.

Selection and nomination of Board members is a formal Board responsibility, overseen by the Nominations Committee. All members of this committee are Non-executive Directors. A copy of the Nominations Committee's Charter is available on the website.

The Nominations Committee is also responsible for reviewing the structure, size and composition (including the balance of skills, knowledge and experience) of the Board and the effectiveness of the Board as a whole. This committee reviews the executive and non-executive leadership needs of Brambles.

The approval of financial statements and the establishment and monitoring of Brambles' systems of internal control and risk management is a formal Board responsibility. The Board has established an Audit Committee to, amongst other things, monitor and review the integrity of financial statements and internal financial controls.

For further details on Board and management committees, please refer to the Corporate Governance Statement in the Annual Report.

Brambles has processes in place for the Board to monitor potential conflicts of interest. For further details please refer to the Corporate Governance Statement in the Annual Report.

RISK MANAGEMENT

Brambles' strong risk management culture and corporate governance underpin the company's performance. Brambles uses a risk analysis framework that is fully compliant with Australian Standards/New Zealand Standards AS/NZS 4360 Risk Management. Brambles does not explicitly reference the precautionary approach in its risk management framework. Brambles employs sound risk management practices. Risk management processes and key business risks are disclosed in the Annual Report and on the website.

Brambles has a Group Risk Committee that assists the Board in fulfilling its corporate governance and oversight responsibilities by establishing, monitoring and reviewing internal control and risk management systems. The committee also regularly reports to the Board. Further information on the Group Risk Committee and its Charter can be found on the website.

Stakeholder Engagement

Brambles actively seeks feedback from its key stakeholders. Key stakeholders are identified as those groups significantly impacted by the policies and practices of Brambles and its operating businesses. Each key stakeholder group has a primary point of contact within Brambles who is responsible for the appropriate engagement and actions.

Customers	Group Presidents of CHEP Group President and Chief Operating Officer, Recall
Investors	Vice President Investor Relations and Corporate Affairs
Employees (including contractors)	Senior Vice President - Human Resources Group Company Secretary (human rights) Group Vice President Risk and Audit (safety)
Community and the environment	Vice President Investor Relations and Corporate Affairs Group Vice President Risk and Audit
Suppliers	Group Presidents of CHEP Group President and Chief Operating Officer, Recall
Government and regulatory bodies	Group Company Secretary Group Presidents of CHEP Group President and Chief Operating Officer, Recall

Feedback from key stakeholders is reported throughout the Sustainability Report within the relevant section.

Brambles holds regular meetings with relevant regulatory bodies, government and non-government organisations (NGOs) and employee representative bodies and also conducts customer, employee and supplier surveys and consultation forums, local community forums and focus groups.

Brambles uses the Annual Report and the Annual General Meeting to communicate with shareholders about its financial situation, performance, strategies and activities. General Meetings allow an opportunity for shareholders to engage directly with the Board. The Vice President Investor Relations and Corporate Affairs and Group Company Secretary deal with shareholder enquiries at other times.

Brambles encourages vigorous and robust analysis by the investment community and a policy of consistent access and treatment is applied, irrespective of the views and recommendations expressed. Brambles holds briefings with investors and analysts to provide information and seek feedback from time to time. A record of any briefings is maintained and a copy of presentation material is available on the website. New or updated information and materials provided at these meetings are also released to the Australian Securities Exchange.

Brambles follows a calendar of regular disclosure to the market on its financial and operational results. This calendar is available on the website.

Brambles ensures that employees are informed of significant company news and strategic developments through regular announcements and newsletters, in-house publications, information posted on the intranet and face to face meetings with senior managers.

A regular Brambles Engagement Survey gathers all employees' perceptions of their workplace and is confidential. The results of that survey are communicated to employees. Data is used to track progress from previous surveys, measure Brambles against internal and external best practice and

identify key actions for improvement. The most recent survey was conducted in April 2008. The next survey will be conducted in November 2009.

Each of Brambles' businesses regularly assesses levels of customer satisfaction. CHEP and Recall conduct regular customer satisfaction surveys. Customer feedback is also sought through face to face contact and focus groups.

As part of Brambles' internal compliance efforts, designated General Managers at the country level of CHEP and Recall are required to include details of any representations received from local communities, governments or legitimate special interest groups raising any significant, or potentially significant, community relations issues in bi-annual management declarations.

Environment

Brambles Environmental Policy is available on its website.

Environmental policy is set by the Board. Responsibility for the implementation of the policy is with the Executive Leadership Team, which is assisted by the Sustainability Committee. The Environmental Policy is communicated to all employees.

Brambles holds regular meetings with relevant regulatory bodies, government and non-government organisations, and also conducts customer and supplier surveys and consultation forums. Representatives of Brambles' businesses attend and participate in local industry environmental issues and working groups.

Each Brambles business operates its own environmental management systems which are monitored by the Group Risk Committee. The Group Presidents of CHEP and the Group President and Chief Operating Officer of Recall have operational responsibility for environmental management. Senior managers are required to provide a statement on environmental compliance twice each year. Each business also prepares regular environmental compliance reports for the Group Risk Committee and the Board.

While some operations are ISO 14001-certified, including CHEP European automotive container service centres and pallet service centres in the UK and Spain, Brambles is no longer expanding the number of certified sites. Brambles is focused on improving the environmental management plans for each site to ensure compliance with the principles of its Environmental Policy. Periodic audits are conducted to evaluate compliance.

Business units may from time to time operate environmental incentive programs. For example, CHEP USA launched a hybrid vehicle incentive program in May 2008. Under the program, employees are eligible to receive US\$2,000 if they purchase an environmentally friendly vehicle, such as a hybrid car or truck.

During the year CHEP USA received *Supply and Demand Chain Executive* magazine's 'Green Supply Chain' Award, which recognises organisations that are taking steps to realise green goals. CHEP was also recently featured in a logistics focused segment of the television series *Sustainable Planet*.

CHEP Europe continued to successfully deploy its environmental impact and benefits calculator, developed in conjunction with Leeds University. The calculator demonstrates the environmental benefits of using CHEP's pooling model to existing and prospective customers, which has helped prospective customers decide to join the CHEP program.

Potential future costs of environmental regulations are factored into capital expenditure proposals, in accordance with their estimated likelihood of eventuation. Brambles environmental emissions are a relatively small component of its operations and investment decisions.

CASE STUDY: CHEP USA EMPLOYEES GO HYBRID

Rachel Maier, Regional Sales Manager, Tyson for CHEP in Orlando, Florida, purchased a Toyota Prius hybrid car in 2008, taking advantage of CHEP's incentive program. Under the program, CHEP USA employees receive US\$2,000 for the purchase of an environmentally friendly vehicle.



Rachel decided on the Prius for several reasons. "I am passionate about the environment so lowering emissions was a key factor," she says.

"Also, from a financial perspective, better mileage and the nice incentive CHEP offered was much appreciated!"

Susan Cannington and her husband Doug, who both work for CHEP in Orlando, Florida, purchased a Honda Civic hybrid car in July 2008.

Susan says, "Both my husband Doug and I work at CHEP in Orlando and live in Deland, which is a 100+ mile commute every day.

"Last year, with the announcement of the hybrid car incentive program at CHEP, we realised we could receive not only the financial benefit from CHEP, but also the reduced consumption of fuel.

"On average, we have reduced our fuel consumption by 55%."

A win for the Canningtons and the environment!



ENERGY

	Kilotonnes (kt) CO ₂ -e*	Terajoules (TJ)
Brambles HQ	0.11	0.43
Recall	91.20	1,033.10
CHEP	61.74	641.87
TOTAL	153.05	1,675.40

IMPROVING ENERGY EFFICIENCY

CHEP and Recall continually work to optimise networks and automate processes to improve plant capacity and make them more energy efficient. Network optimisation reduces transport distances and associated emissions. CHEP's Total Pallet Management (TPM) program offered to major manufacturers and retailers allows CHEP to manage all of a customer's pallet needs on-site and supply CHEP pallets without the need for additional transport. Customers' use of the TPM program help optimise the network and reduces the energy requirements associated with the pallet pool.

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. For example, CHEP Europe employs a central planning team to address these issues across the whole of Europe.

Recall SDS performs route optimisation. This has resulted in fewer large secure destruction centres and more depots that send material on to the centres. By increasing route density, not only are operations consolidated but emissions per tonne of paper shredded and recycled are reduced.

Recall ensures purpose-built, state-of-the-art megacentres address energy efficiency and other environmental initiatives in the building's design.

CASE STUDY: CHEP USA ENERGY SAVING PROJECT

CHEP USA is an ENERGY STAR® Partner and has made the commitment to track and reduce energy use in its buildings and facilities. ENERGY STAR® is a joint program of the US Environmental Protection Agency (EPA) and the US Department of Energy, helping protect the environment through energy efficient products and practices.

The ENERGY STAR® partnership offers a proven energy management strategy that helps measure current energy performance, set goals, track savings and reward improvements. CHEP USA is making various lighting, technology and facility management enhancements in an effort to reduce energy consumption.

* CO₂-equivalent (CO₂-e) is the universal unit of measurement to indicate the full global warming potential (GWP) of a particular greenhouse gas emission. It takes into account the GWP of each of the six Kyoto greenhouse gases, and expresses them in terms of the equivalent units of carbon dioxide. It is used for measuring and reporting different emissions sources on a common basis. At the corporate level, CO₂-e is typically reported in kilotonnes (kt).

EMISSIONS

Like most businesses Brambles impacts on climate change through the consumption of energy, which entails the burning of fossil fuels.

However, Brambles has a relatively light greenhouse gas (GHG) emissions footprint. For instance in Australia, Brambles is not obliged to report under Australia's new National Greenhouse and Energy Reporting (NGER) scheme, which came into effect in the 2009 financial year.

Although Brambles' GHG emissions footprint is light, it recognises the need to improve its processes in capturing GHG data and during the year it undertook a standardised and improved process for GHG reporting.

Third party industry advisors were engaged to guide the use of the most appropriate and accurate measurement protocols and externally review Brambles' methodology.

As a result, Brambles has improved the completeness and accuracy of GHG emissions data. This was achieved through the provision of additional and consistent guidelines for the estimation of GHG emissions.

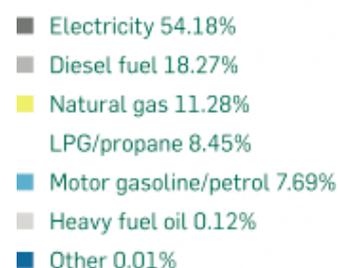
The improved process uses globally accepted conversion and emissions factors:

- The World Business Council for Sustainable Development and the World Resources Institute's GHG Protocol conversion and emissions factors for fuel and gas consumption across all global operations;
- The National Greenhouse Accounts (NGA)* emissions factors for electricity consumption of all Australian operations;
- The Energy Information Administration (EIA)** emissions factors for electricity consumption of all US operations; and
- The International Energy Agency (IEA) *** emissions factors (as prescribed by the GHG Protocol) for electricity consumption for all other global operations.

In previous years Brambles used GHG protocols from government bodies wherever available. GHG emissions were calculated from energy purchases in accordance with government-published averages per unit of energy consumed.

Brambles did not report energy data for Scope 1 (direct purchases of fuel, eg company owned transport or heating) and Scope 2 (indirect energy purchases, eg electricity) GHG emissions prior to this year.

GREENHOUSE GAS GENERATION BY SOURCE



* National Greenhouse Accounts (NGA) Factors (Nov 2008) National Greenhouse and Energy Reporting (Measurement) Determination 2008 (Schedule 1)

** Energy Information Administration, Updated State- and Regional-Level Greenhouse Gas Emission Factors for Electricity (March 2002)

*** International Energy Agency Data Services. 2007. "CO2 Emissions from Fuel Combustion (2007 Edition)". (CO2 Emissions per kWh from Electricity and Heat Generation)

Due to the improvement in collection methods there are differences between data reported for this financial year and previous years. However, this methodology will be used for all future reporting, giving a standard and robust base for energy efficiency improvements and initiatives.

CHEP prefers the use of and actively sources heat treated lumber for its pallets when required, as opposed to the use of ozone-depleting methyl bromide (MB). This is in accordance with Brambles' corporate values, its customers' priorities and the MB phase-out requirements set forth in the Montreal Protocol and Clean Air Act. MB has been designated a Class 1 ozone-depleting substance and a Class 1 acute toxin.

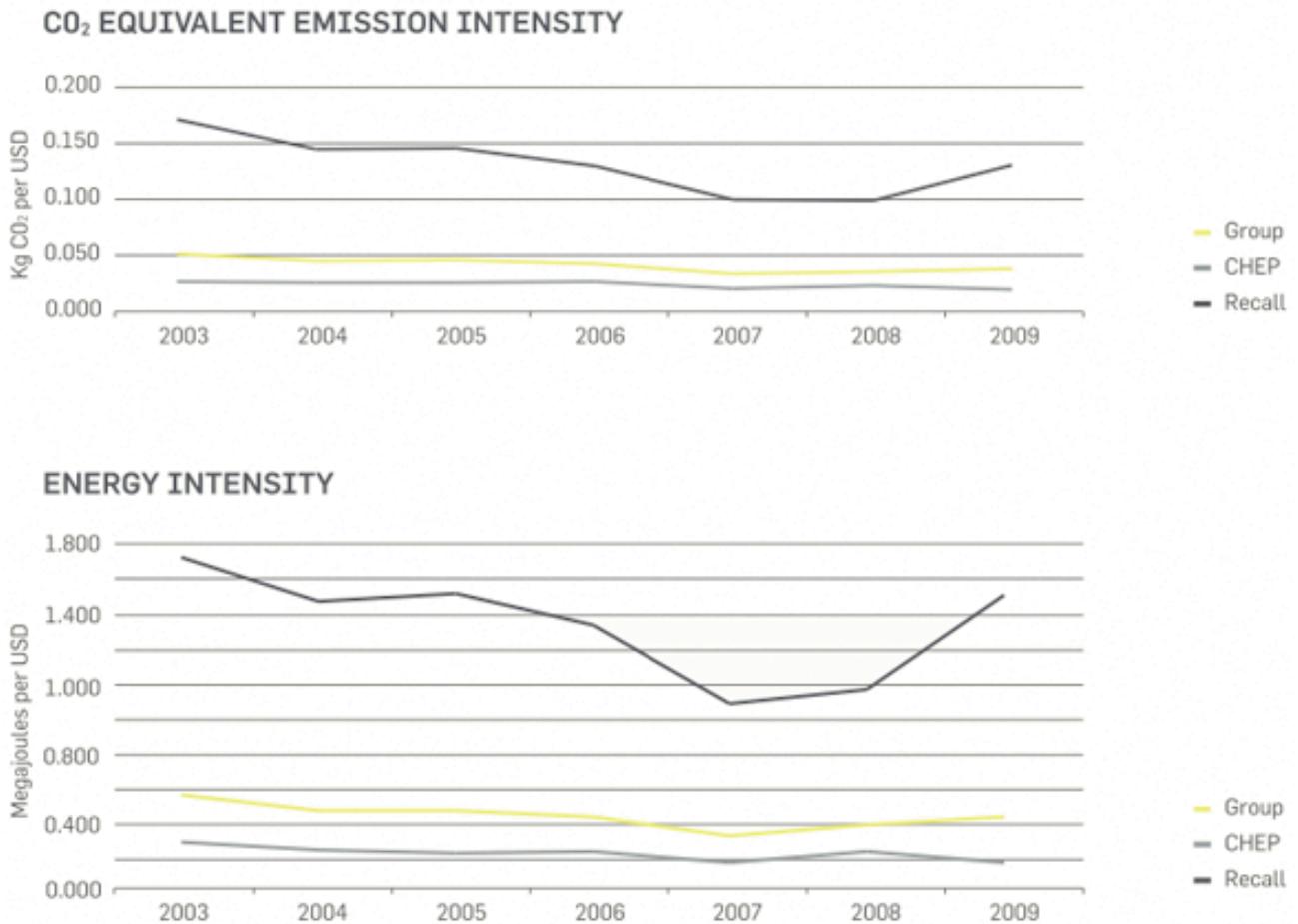
Brambles' global GHG emissions 2009

	Brambles HQ		Recall		CHEP		TOTAL	
	kt CO2-e	TJ	kt CO2-e	TJ	kt CO2-e	TJ		
Scope 1	-	-	45.84	-	24.28	-	70.12	kt CO2-e
	-	-	-	721.19	-	415.18	1,136.37	TJ
Scope 2	0.11	-	45.36	-	37.46	-	82.93	kt CO2-e
	-	0.43	-	311.91	-	226.69	539.03	TJ
	0.11	-	91.20	-	61.74	-	153.05	kt CO2-e
	-	0.43	-	1,033.10	-	641.87	1,675.40	TJ

In 2009, Brambles GHG emission and energy use intensities increased due to a number of factors, namely:

- An improvement in data collection and analysis in the current year compared to previous years; and
- Recall USA's decision to scale back on the subcontracting/outsourcing of couriers transporting documents. In-house couriers are running longer routes and servicing broader geographic areas.

Brambles notes that, because its GHG emissions footprint is so light, even small changes in its operational activities can have a relatively large impact on the intensity measures.



CASE STUDY: CHEP EUROPE USES GHG DATA LOGGERS

CHEP Europe decided to better monitor energy consumption and calculate the carbon equivalent GHG emissions arising from plant operations, product processing and repair activities. The Birmingham plant in the UK was selected to benchmark the project as the plant presented a good mix of manual, semi-automated and automated processes. Monitoring commenced in January 2009.

The boundaries of the site were set and sub-divided into zones and sub-zones of buildings, storage, equipment and processes to improve specific measurement of electricity, gas and diesel oil consumption.

Using mobile devices that attach to the power supply, known as data loggers, electricity usage was measured over a defined time period. Purchase and meter data were used to determine gas and diesel usage. The energy consumption data was uploaded into a GHG model that was developed specifically as an energy management tool.

The GHG model draws from the GHG Protocol developed by the World Resources Institute and recommended by the Carbon Trust and the Department for Environment, Food and Rural Affairs in the UK. Advice was sought from independent environmental consultants to endorse the methodology and provide independent validation of the GHG model.

Comparison of carbon intensity by site and by process, identification of opportunities to reduce energy consumption and emissions and reporting more accurate energy and emission data are some of the additional benefits of the GHG model.

CASE STUDY: RECALL'S LONDON MEGACENTRE

The design for Recall's new facilities takes into account environmental factors. The Recall London MegaCentre, opened in 2009, received a UK Government carbon emission controls rating of B31. This rating measures the energy and carbon emission efficiency of a building using a grade from 'A' to 'G'. An 'A' rating is the most efficient, while 'G' is the least efficient. The rating received for the Recall centre is better than what the UK Government designates for carbon emission controls in new buildings of its type.



CASE STUDY: CHEP USA GHG INITIATIVES FOR CUSTOMERS

The size of CHEP's network combined with innovative customer partnerships decreases the use of transportation in the supply chain. In 2008, CHEP purchased LeanLogistics, a company focused on optimising transportation across the supply chain. LeanLogistics is a leading provider of innovative transportation solutions. Leveraging one of the industry's largest transportation networks, technology and services are combined to tailor new innovative techniques that deliver savings and create a sustainable transportation network.

Both CHEP and the LeanLogistics division are EPA SmartWay™ Partners. The SmartWay™ brand signifies a partnership among government, business and consumers to protect the environment, reduce fuel consumption, and improve air quality for future generations.



CASE STUDY: CHEP EUROPE IMPROVES COLLECTION AND REDUCES TRANSPORT EMISSIONS

CHEP collects more than 400 million pieces of equipment back from its European customer base each year. While this process is successful, further improvements were identified.

Through the alignment of collection processes and making best use of internal data, CHEP has developed an intelligent system that predicts pallet flows through any of its 300,000 customer locations across Europe. CHEP reviewed core flow volumes through customer locations and found that, for most customers, 80% of their volumes were stable. This allows CHEP to work with customers and transporters to put in place agreements that facilitate stable transport flows with a clear, consistent cost base.

The improved system allows CHEP to more effectively organise transport for its customers and streamline transport flows across the supply chain. This reduces transport distances and related emissions.

Further information from Brambles' Operations Review in May 2009, focusing on CHEP and Recall's European businesses, is available on Brambles website.

CASE STUDY: CHEP AUSTRALIA CAR FLEET REDUCES GHG EMISSIONS

To help reduce its impact on the environment, CHEP Australia upgraded its car fleet during the year by purchasing vehicles that use liquefied petroleum gas (LPG). LPG powered vehicles have lower life cycle emissions than petrol powered vehicles. As a result, CHEP Australia emitted 13 tonnes less damaging carbon dioxide into the atmosphere last year. As the fleet continues to be renewed, the benefits of this program will grow.

In addition, CHEP Australia has been a participant in the Greenfleet Australia program since 2006. Greenfleet is a registered environmental charity helping the community reduce the environmental impact of travel, business and lifestyle choices by adopting low-carbon alternatives and biosequestration. Through the program, CHEP Australia's company car fleet GHG emissions are offset by planting forests that soak up carbon dioxide from the atmosphere, reduce soil erosion and salinity, improve water quality and provide habitat for native animals.

WASTE AND RECYCLING

Compared with disposable pallets, pallet pooling significantly reduces the use of resources and waste – an estimated seven million tonnes a year of waste savings for its customers in the USA alone.

CHEP's business model is based on the principles of reduce, reuse and recycle:

REDUCE: Pallet pooling reduces burdens on the world's lumber supply and waste streams through responsible use of wood in products that are designed for repeated use and greater supply chain efficiency, an example of source reduction. Decreased pallet-related product damage with the CHEP pallet design further reduces environmental burdens and contributes to the success of other supply chain packaging reduction initiatives.

REUSE: A key economic element of pallet pooling is to deploy higher quality platforms that can be reused extensively. Continuous inspection, maintenance and repair further prolong the useful life of pooled pallets.

RECYCLE: Controlled end of life management and a clear sense of ownership help to ensure wood recovery, reuse and recycling efforts are maximised to keep waste out of landfills.

In the US, an average CHEP pallet contains between 12-37% recycled content, depending on the age of the pallet, and approximately 35% of lumber is reused in pallet repairs before being recycled.

CHEP USA has developed a website that enables customers to calculate 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 white wood or disposable pallets. The environmental calculations generated by the website are based on a comprehensive Life Cycle Inventory Analysis conducted on CHEP USA's pallet pooling system in 2006. A copy of the analysis can be found on the website.

The life cycle environmental savings created by members of the CHEP USA pooling program in financial year 2009 amounted to approximately:

- 1.1 billion kilograms of solid waste (a 95% reduction compared to using one way pallets);
- 7.8 trillion British Thermal Units (BTUs)* of energy (enough to power over 200,000 homes for a year); and
- 590 million kilograms of GHG emissions.

Findings of the report included a quantified analysis of waste associated with the life cycle of pallets in the pooled system. Waste per 100,000 pallet trips was less than 50,000 pounds, compared to over one million pounds of waste generated by non-pooled one-way pallets.

In Europe, CHEP has worked with Leeds University to develop a similar calculator that demonstrates the environmental benefits of the CHEP pallet pooling system when compared with returnable white wood or disposable pallet alternatives over a 10 year period.

The CHEP environmental calculator is installed on the laptop of every CHEP Europe sales representative, enabling the team to quantify the benefits of CHEP to existing and potential customers.

Unlike CHEP's pallet pooling system, many other types of wood pallets (without a clear system of ownership and accountability) end up in landfills. CHEP avoids this problem by maintaining ownership of its assets and enforcing a system of controls to ensure that its pallets are recovered and the materials are reused or recycled into other uses at the end of their useful lives.

In addition to its pool of more than 250 million pallets, CHEP also operates a pool of some 40 million plastic containers. The pool provides reusable or returnable plastic containers as a substitute for disposable cardboard packaging used to transport fresh fruit and vegetables.

CHEP actively manages all waste streams related to pallet pooling activities – including wood, corrugate, steel, and plastic.

CHEP minimises the impact of its internal waste generation by ensuring that scrap pallets, containers and crates are recycled.

Waste paint is treated to render it solid, but is then directed to landfill as the better of its current disposal options.

Recall collected, shredded and sent for recycling over 200,000 tonnes of paper last year, which equates to approximately three million trees.

Recall assists its customers in managing their physical and digital documents throughout their life cycles, from creation to secure destruction. Recall believes that it benefits the environment by assisting customers to reduce material usage by providing space- and paper-efficient document archival and retrieval solutions.

All the material used in the production of Recall's cartons is recyclable. Those cartons are supplied on CHEP pallets, as opposed to one way white wood pallets.

Brambles had no significant spills during the year.

* The British thermal unit (BTU) is a traditional unit of energy equal to about 1.06 kilojoules. It is used in the power, steam generation, heating and air conditioning industries.

CASE STUDY: REDUCING CUSTOMER WASTE IN THE FRESH FOOD SUPPLY CHAIN

Golden State Foods Australia, a market leader in Australia in the supply of fresh-cut produce and salads to food service and retail industries, including the likes of McDonalds and KFC, has chosen to use CHEP's foldable reusable plastic crates (FRPCs). CHEP handles and manages Golden State Foods Australia's produce bins and pallets that move enough vegetables to fill 11 Olympic swimming pools every day.

Golden State Foods' Procurement Manager, Chris Bunge, extolled the virtues of the CHEP FRPCs, "The ventilated walls of the CHEP bins help keep produce cool, thereby extending its shelf life and reducing waste."

"The fold down front means that staff can easily reach in and safely remove the product."

Fully reusable and recyclable, the crates are also designed to reduce manual handling OH&S risks. A significant reduction in the incremental folding height of the crates can result in reduced transport impacts on the environment and logistics cost savings. Additional environmental benefits can be gained with a reduction in the number of cardboard cartons in the supply chain and a reduction in waste going to landfill.

COMPLIANCE

Brambles complies with all material environmental laws and regulations applicable to it and its businesses. None of Brambles operations were involved in any significant adverse environmental prosecutions or received significant non-monetary sanctions during the year.

Brambles does not have a regulatory obligation to participate in the EU Emissions Trading Scheme. It does not participate or anticipate participating in any trading schemes within the next two years.

Brambles is cognisant of the requirements of the Australian National Greenhouse and Energy Reporting (NGER) legislation. It did not have any reporting obligations arising from this legislation in the 2009 financial year.

For the year, Brambles operations in Australia generated 33.67 kt CO₂-e, or 196.36 TJ of energy. This is well below the NGER first year threshold of 125 kt CO₂-e, or 500 TJ of energy.

WATER

Water is not a material component for Brambles operations given its low usage and as such, comprehensive data is not collected on its consumption, reuse or recycling.

However, individual sites adopt water-saving practices in accordance with their environmental management systems.

For example, CHEP Australia utilises water recycling and reuse in crate washing plants, within the relevant Hazard Analysis Critical Control Points (HACCP) regulations. HACCP is a standard designed to prevent, reduce or eliminate potential biological, chemical and physical food safety hazards. As part of the FRPCs project to streamline fresh produce delivery to Woolworths' supermarkets in Australia, CHEP upgraded its crate-washing service centre network with recycling systems that cut water usage and sewer discharge by up to 90 per cent.

CASE STUDY: CHEP AUSTRALIA'S OXLEY WATER RECYCLING PLANT

In drought affected southern Queensland, the Oxley Service Centre team decided to treat their waste water and recycle it for washing pallets. The results stunned everyone, with an estimated 2.4 million litres of water to be saved annually.

The Oxley Service Centre washes approximately 250,000 plastic and wooden pallets each year. With level five water restrictions in the area, the team at Oxley were keen to cut their water usage.

“After washing the pallets at Oxley, the water would literally go straight down the drain,” said John Arthur, Regional Operations Manager QLD/NT.

“The team thought there must be a better way of managing the water used in the washing process.”

The water treating and recycling unit, designed and installed in conjunction with Pneumatic Solutions Qld, began operating in June 2008. The unit filters the water used to wash pallets, capturing and removing any debris. The filtered water is then pumped back into the pallet washing machines and the process continues.

According to John, the unit has had a dramatic effect on water consumption at the service centre.

“Since it was installed, the unit has reduced the annualised pallet washing water usage by approximately 75% or 2.4 million litres of water per annum,” he said. “This equates to a saving of about 10 litres of water per pallet wash.”

The effectiveness of the unit was calculated and the water savings complied with the South East Queensland Business Water Efficiency Program. CHEP sought and was granted a subsidy from SEQ Water of around A\$40,000, approximately half the initial capital cost of the unit.



CLIMATE CHANGE

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 Brambles Sustainability Committee and the Executive Leadership Team help to formulate sustainability policies (including those impacting climate change) and the Group Presidents of CHEP and Group President and Chief Operating Officer of Recall are responsible for implementing sustainability policies across the organisation.

Brambles shares equivalent risks arising from climate change to those of the business community generally. These include the cost impacts of climate change on energy, water, insurance and transport. Brambles is actively managing its use of these elements and would further expect that cost impacts would most likely be recovered from the marketplace.

Brambles does not consider the company to be exposed to significant regulatory risks related to climate change. Brambles operations generally are not large energy users and as such are not considered likely to be included in current or proposed emissions trading schemes.

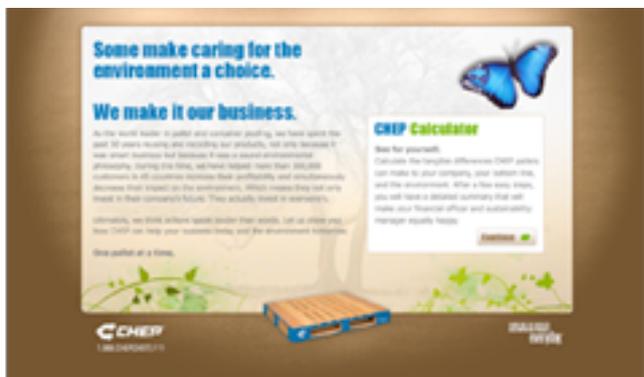
Brambles may be exposed to physical risks from climate change. Should over the mid to long term the impacts of climate change prompt the relocation of customers' operations, or the location of served industry sectors (such as fresh produce), then Brambles would need to consider the most appropriate basis for service continuity to those customers or industries.

Brambles continues to source lumber in accordance with strict lumber sourcing policies. These responsible and sustainable policies support the replenishment of natural resources, with a preference for plantations and state-managed forests with managed forest certifications. These policies are considered effective in managing and mitigating any physical risk arising from climate change.

Regulatory requirements that may result from climate change could present opportunities for Brambles. CHEP offers its customers a sustainable business model through product stewardship and product reuse. The benefits of these products and its business model are likely to become more attractive to existing and potential customers as they address the impacts of energy, packaging and waste regulation on their businesses. The mid to long term possible physical changes arising from climate change may represent 'step change' opportunities for firms and industries to adopt the shared use of returnable and reusable supply chain packaging solutions offered by CHEP.

For example, global warming and environmental issues are top on the agenda at key CHEP multinational customers in Europe, EU Governmental and Regulatory bodies and institutions. The EU Commission and its 27 EU member states committed to reduce carbon emissions by at least 20% by the year 2020 over 1990 emissions' levels. The UK Department for Environment, Food and Rural Affairs has set a target of 30% CO2 reduction.

The increased awareness of sustainability issues arising from the emergence of climate change as an essential element of business planning and operations presents the opportunity for the environmental benefits of CHEP's existing products to be recognised by customers and formally measured using life cycle assessments. CHEP in the USA and Europe currently offers interactive environmental calculators for prospective customers to quantify the benefits of the CHEP products and business model. Equally, it provides an opportunity for collaborative development of new products incorporating environmentally appropriate materials, and incorporating the maximum environmental benefit in their sourcing, design, conditioning and end of life recycling.



Supply Chain

Brambles considers environmental stewardship a key corporate value and is committed to driving efficiency and environmental sustainability in the supply chains CHEP and Recall serve, through an ongoing commitment to continuous improvement, innovation and supply chain collaboration.

Brambles has robust management systems for maintaining and improving relationships with customers and suppliers. Brambles policy is incorporated in the Code of Conduct and is clearly communicated to suppliers. For example, CHEP Europe purchasing contracts refer to the Code of Conduct and the Code of Conduct is passed on to suppliers. The majority of CHEP Europe purchases are under such contracts. Elements of the Code of Conduct are also included in material purchasing contracts with suppliers in CHEP Asia-Pacific. The code is available in a number of languages: Chinese (simplified), Chinese (traditional), Danish, Dutch, English, Finnish, French, French Canadian, German, Hindi, Italian, Norwegian, Portuguese, Spanish, Swedish, Tamil and Thai.

Responsibility for managing relationships with suppliers resides with the Group Presidents of each of Brambles' operating businesses.

Brambles systematically monitors relationships with suppliers. Brambles is committed to assessing supplier environmental standards against its own and requires evidence of such systems from suppliers to ensure good environmental performance.

A micro-site was built on the CHEP website in support of CHEP USA's "One Pallet at a Time" environmental sustainability campaign. The micro-site includes an environmental calculator that allows the user to enter supply chain information for their business and generate a report that shows the environmental impact and supply chain savings using the CHEP program. The micro-site can be viewed at www.chep.com/onepallet.

Compared with disposable pallets, pallet pooling significantly reduces the use of resources. Worldwide it has been estimated that the CHEP pallet pools reduce lumber use by the equivalent of 16 million trees per annum.

CHEP works with leading organisations aimed at promoting the use of sustainable forms of packaging in the supply chain. For example, CHEP USA is a member of the Sustainable Packaging Coalition and the Reusable Packaging Association. *Inbound Logistics* magazine in the USA recently named CHEP as one of its 25 Green Supply Chain Partners (G25).



CHEP also partners with leading environmental organisations such as Conservation International in the USA, which specialises in resource conservation and sustainable forestry, in an effort to ensure ongoing environmental excellence in its sourcing practices.

CHEP Asia-Pacific is a patron of the Gottstein Trust in Australia, a leading supporter of forestry research and education.

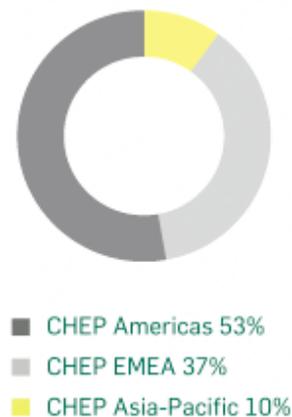
CHEP also takes a pro-active role in assisting governments and regulatory authorities in developing processes to assist in mitigating spreads of wood parasite infestations when these occur.

LUMBER

Estimated volume of lumber sourced by CHEP in 2008/09 (m3):

CHEP Americas	805,880
CHEP EMEA	550,671
CHEP Asia-Pacific	145,086
TOTAL	1,501,637

ESTIMATED LUMBER VOLUMES SOURCED BY REGION



CHEP’s lumber suppliers are internally audited and certified against rigorous standards for responsible lumber harvesting, reforestation and biodiversity preservation. CHEP maintains strict lumber sourcing policies supporting the replenishment of natural resources by sourcing lumber in a responsible and sustainable manner, with a preference for plantations and state-managed forests with managed forest certifications.

CHEP does not source from protected areas, parks or similar areas where harvesting operations are not complementary to responsible forestry management. A good example of reforestation practices is in the USA, where many CHEP suppliers are planting three or more trees for every tree harvested.

Major progress has been made during the year by CHEP Europe’s central sourcing department in only buying lumber for pallets and repairs from certified forest resources. More than 96% direct and indirect sourcing of pallets and lumber was Forest Stewardship Council (FSC) or Program for the Endorsement of Forest Certification (PEFC) certified.

An expert team at CHEP Europe started a project to develop a lumber traceability and marking system which allows the identification of the individual pallet element back to the forest source in order to provide further assurance that CHEP and its pallet suppliers only use controlled sustainable forest resources. The system will allow CHEP to demonstrate the use of only certified lumber.

CHEP actively manages controls governing acceptable wood species types and sourcing locations to prevent pest infestation.

CASE STUDY: CHEP EUROPE

CHEP Europe is working closely with ProForest, an independent consulting company specialising in the responsible management of natural resources. ProForest will review internal control processes and current environmental status of suppliers, relevant certifications and potential environmental risks associated with location/resource base. This will ensure suppliers are in compliance with the certification schemes to which they are registered (eg FSC/PEFC) and assure traceability to source and chain of custody throughout the supply chain.

ProForest will provide CHEP with comprehensive recommendations and an audit protocol to incorporate the requirements of the CHEP lumber sourcing policy. ProForest also selects suppliers for an in depth audit and provides coaching for CHEP in the audit process.

PRODUCT AND SERVICES

Wood is 100% recyclable and can be reused in the repair and manufacture of pallets and recycled into other uses, such as fuel, mulch and animal bedding. However, without a clear system of ownership and accountability, many other types of wood pallets still end up in landfills. CHEP avoids this problem by maintaining ownership of its assets and enforcing a system of controls to ensure that its pallets are recovered and the materials are reused or recycled into other uses at the end of their useful lives.

Recall reclaims cartons where possible and uses recycled material in the production of its cartons.

CASE STUDY: CHEP USA

An average CHEP USA pallet contains between 12-37% recycled content depending on the age of the pallet and approximately 35% of lumber is reused in pallet repairs before being recycled. After lumber is reused, it is recycled into other uses such as fuel, mulch and animal bedding.

CHEP works closely with leading industry groups and NGOs aimed at promoting the use of sustainable forms of packaging in the supply chain such as the Sustainable Packaging Coalition, Reusable Packaging Association and Wal-Mart's Packaging Sustainable Value Network.

Based on third-party life cycle inventory results, the CHEP USA pallet pooling system produces significantly less solid lumber waste, consumes less total energy, and produces less greenhouse gases than other common pallet options in the industry. The life cycle environmental savings created by members of the CHEP USA pooling program alone during the year amounted to approximately 1.1 trillion kilograms of solid lumber waste, a 95% reduction compared to using one way pallets and the equivalent of 109,176 dump trucks filled with waste. A copy of the analysis can be found on the website.

CASE STUDY: CHEP AUSTRALIA

CHEP Australia has active management programs to divert lumber waste from landfill. A significant proportion (estimated at 35%) of otherwise waste lumber is reused in the repair process; the balance is directed to alternate uses subject to local operations, including wood chip manufacturers and for use as fuel in energy stations and brick companies.

CASE STUDY: IMPROVING SUSTAINABILITY FOR US PRODUCE GROWERS

The use of a strong and recyclable pallet by Farmer's Best produce growers in the US meets all sustainability and safety goals for the industry.

Duda Farm Fresh Foods, Inc, one of the USA's leading produce growers and shippers, is now shipping all products on CHEP pallets. The company has a long history of environmental stewardship and views CHEP as a key partner in its sustainability efforts. Duda Farm Fresh Foods had been using white wood pallets and moved to CHEP because of cost, pallet quality and productivity issues. CHEP pallets are used to transport clementines, grapefruit, oranges, broccoli, cauliflower, celery, lettuce, leafy greens, onions and other fruits and vegetables from Duda Farm Fresh Foods facilities across the US to supermarket retailers, wholesale clubs and foodservice distributors as a part of the produce company's sustainability efforts.

BIODIVERSITY

The potential impact of sourcing lumber products on biodiversity include direct (deforestation, habitat destruction and degradation, land conversion for lumber plantations, introduction of non-native species) and indirect (improved access to previously undisturbed areas of forests) impacts. CHEP's responsible and sustainable lumber sourcing policies support the replenishment of natural resources.

CHEP does not source from protected areas, parks or similar areas where harvesting operations are not complementary to responsible forestry management.

While the vast majority of the lumber sourced by CHEP comes from plantations and state-managed forests with managed forest certifications, there are concerns that threatened lumber species may still make their way into the supply chain.* CHEP's internal auditing has identified the possible inclusion of Longleaf Pine, one of four sub-species of Southern Yellow Pine in the USA and classified as 'vulnerable' (exact sub-specie is not always nominated by suppliers) and the absence of specie identification for some mixed hardwood sourced in Malaysia.

Southern Yellow Pine, of which Longleaf Pine may be a constituent, comprises 17.5% of lumber purchased by CHEP Americas. CHEP intends to educate and work closely with its suppliers and continue current supply chain auditing practices to better understand and minimise the potential use of Longleaf Pine.

Although lumber sourced in Malaysia comprises less than 1% of all lumber purchased by CHEP globally, CHEP has commenced work to develop a due diligence plan enabling local lumber suppliers and millers to meet Brambles' transparency and ethical lumber knowledge and reporting expectations.

SUSTAINABLE LUMBER PLANTATIONS

CHEP South Africa has invested in its own lumber plantations, which makes a significant contribution to meeting its lumber requirements in that region and contributes positively to CHEP's sustainable lumber sourcing practices.

Over the past three years CHEP has acquired five lumber farms in the southern Drakensberg region of KwaZulu Natal in South Africa, covering approximately 2,500 hectares. The farms hold government tree planting permits to cover 1,700 hectares of pine tree plantations. The current standing volume of the plantations is sufficient to cover approximately 20% of CHEP South Africa's current annual lumber requirements for each of the next five years, securing the supply of lumber raw material in the region, which was becoming increasingly difficult to obtain. CHEP is currently in negotiation with other local plantation owners to match the current supply of standing trees, thereby extending supply for a further five years.

The CHEP farms are managed on a fully rotational and sustainable basis using best forestry practice, relating to the establishment, development, tending, protection and re-establishment of commercial plantations on a sustainable and environmentally acceptable basis.

*Defined as 'threatened' by the IUCN red list of threatened species, compiled by the International Union for Conservation of Nature and Natural Resources.

Since acquiring the plantations, CHEP has applied for the internationally recognised Forestry Stewardship Council (FSC) accreditation for environmentally well-managed plantations. Work is in progress for the effective eradication of alien species such as gum, wattle and bramble from non-permitted riparian and wetland areas. FSC-compliant forestry practices, as well as the general improvement of the plantation estates and the areas in which they are located have also been implemented. This includes effective thinning programs, plantation waste, pulp and saw log extraction control programs, improved fire prevention controls, improved staff facilities and local community programs, as well as significant improvement in estate roads.

Outside of its own plantations, lumber purchased for pallet and repair purposes by CHEP South Africa is only from government-permitted pine plantation owners. This means that lumber is only purchased from sustainable pine plantations that are managed in compliance with accepted silvicultural practices that are not harmful to the environment. Imported lumber suppliers are required to provide assurances as to the existence of acceptable and ongoing control systems in respect of silvicultural practice as well as logging and cutting processes.

CHEP's current waste management projects include the manufacture of composite blocks from waste lumber recovered from the repair of pallets at service centres and also from waste fibre at saw mills where the lumber from CHEP plantations is processed. This initiative alone can reduce the felling of up to 4,000 trees per annum.

CHEP South Africa's investment in its own lumber farms is providing security against both future supply shortages and major raw material cost increases, while conserving natural resources.



CASE STUDY: REDUCING CUSTOMERS ENVIRONMENTAL IMPACT

Tarmac, the leading supplier of heavy building materials in the UK, announced during the year that it will increase its use of CHEP pallets for distribution of its goods into the UK DIY market, further demonstrating the company's commitment to protecting the environment. Tarmac had been using white wood pallets to ship its Trupak products into retail customers' stores across UK and Ireland.

"Protecting the environment is a primary concern for Tarmac and we are confident that CHEP's pooling service, where equipment is continually reused across the supply chain, is not only more environmentally friendly than white pallet exchange, but also will deliver for us considerable improvements to the quality of our customer service," said Cliff Ogden, Director of Trupak, a division of Tarmac and the UK's largest supplier of pre-packaged building and decorative aggregates.

He added, "We are keen to minimise the impact of all our operations on the environment, preventing pollution and striving for continual improvement in our environmental performance, whilst working towards more sustainable operating practices."

“Not only is CHEP’s pooling model environmentally friendly, but also the robust quality of its pallets can handle our heavy building products, better than the alternative white pallets we have used in the past.”

By moving to CHEP’s pallet pooling service, which by its very nature is a greener alternative to one-way or white wood exchange, Tarmac will benefit from operational and pooling efficiencies and also contribute to the responsible use and conservation of natural resources.

Equally, Tarmac’s customers are reinforcing their commitment to green logistics by advocating CHEP equipment over the disposable or one way alternatives, which diminish lumber stocks and contribute to unnecessary waste disposal, creating a negative impact on the environment.

Customers

Brambles aims to use outsourcing expertise to add exceptional value in the eyes of the customer.

CHEP maintains close customer relationships, measures service and product performance and performs regular customer satisfaction surveys. CHEP provides a valuable service to over 385,000 customer locations in 45 countries from a network of over 550 service centres. CHEP has provided pooled pallets and containers for 50 years. CHEP endeavours to make it easy for its customers to do business with it. CHEP uses tools such as its Portfolio system, in which customers can view account activity, order pallets and containers and access invoices. Its technology is designed to allow CHEP and its customers to conduct business in a faster and more straight-forward manner.

Recall is committed to its CARE customer service initiative, which covers four main criteria:

- C**onsistency in the service provided
- A**ccuracy in storage, retrieval, backup or destruction of your information
- R**eliability in being responsive to customer needs
- E**fficiency in every process and action

These are high standards Recall endeavours to meet as a solution provider for the best in innovative information management.

Responsibility for managing relationships with customers resides with the Group Presidents of each of Brambles' operating businesses.

Both CHEP and Recall meet applicable product and service information and disclosure requirements where relevant to the regulations of the countries in which they operate. Brambles did not receive any significant fines or non-monetary sanctions for noncompliance with laws and regulations relating to the provision and use of products and services during the year.



CUSTOMER HEALTH AND SAFETY: ZERO HARM

Brambles is committed to achieving Zero Harm. The Zero Harm Charter applies to employees, contractors, customers and local communities. Under this commitment, Brambles thinks first of Zero Harm. Brambles considers health, safety and the environment in all decisions concerning the development of projects, the selection of commercial partners and suppliers and the launch of new products or services. Brambles does not let economic considerations overrule health and safety or respect for the environment.

CHEP and Recall consider the safety impacts of all products and services.

For example, CHEPSafe is the safety management system for CHEP Asia-Pacific. This is a risk assessment system which assesses the risk of internal repair processes and equipment used at CHEP service centres. All products are built to Australian standards by external companies and tested to ensure safety compliance prior to delivery to a customer. CHEP Europe's quality team have an engineering component which advises on handling equipment improvements to limit damage to equipment and reduce safety risk. Safety management systems operate at every CHEP

service centre around the world. In addition, CHEP's Innovation Centre in Florida is a world-class product testing laboratory and the health and safety impacts of each product are assessed in development.

Recall assists customers in the safe management of their document storage requirements by clearly labelling its cartons with suggested weight restrictions and correct handling techniques, specific to the size of the carton (which varies from region to region). All cartons are provided to customers flat packed. Recall has stringent processes for employees managing inbound cartons (for example, correct manual handling techniques) to ensure adequate risk management.

Neither CHEP nor Recall is able to fully assess the safety risk of customers using products on their own sites, due to the many variables involved. However, CHEP and Recall actively engage with customers and other organisations within the regions in which they operate, promoting health and safety impacts and responsible packaging solutions.

TPM locations in customer premises are run to CHEP Zero Harm standards. CHEP Europe encourages logistics providers to improve safety measures with a safety scorecard.

CHEP's Innovation Centre in the USA is a participating member laboratory of International Safe Transit Association (ISTA) and tests and certifies against ISTA's rigorous global packaging standards. ISTA is an organisation focused on the specific concerns of transport packaging and ISTA test procedures define how packages should perform to ensure protection of their contents. Use of ISTA test procedures reduces risks in the transport environment and increases confidence in the safe delivery of a tested packaged product.

CHEP South Africa is a member of the Responsible Container Management Services of South Africa, which aims to provide safe packaging solutions, protect the health and safety of people and the environment and promote extended producer responsibility and sustainable use of resources.

An example of the improvement in the safe management of pallets is CHEP's pallet dispenser/accumulator that helps reduce the problems of limited pallet storage space and forklift availability. By stacking pallets with reduced manual handling, it is a cost-effective, space saving solution that makes working in smaller environments safer. CHEP's Palift system improves worker safety by eliminating bending and stretching when loading and unloading pallets. It also generates up to 40% higher productivity as it self-adjusts.

Another example is customers moving 44 gallon drums of liquid on pallets, which can be dangerous and inefficient (with 20% of space on a pallet wasted). CHEP's Intermediate Bulk Containers (IBCs) are safer, easy to transport, minimise product contamination and maximise space on every pallet load.

CASE STUDY: REDUCING CUSTOMER INJURY RISK IN HANDLING PALLETS

When Australian company The Smith's Snackfood Company needed to improve OH&S and the efficiency of pallet handling systems at one of its distribution centres, one of its first calls was to CHEP. With a high volume of pallets moving through the order assembly area each week, the time consuming process of waiting for forklifts and breaking down large stacks of pallets had led to manual handling by staff, increasing the risk of injury.

Smith's was introduced to the CHEP pallet dispenser, which allows pallets to be loaded and accumulated into a stack and releases individual pallets at a rate of up to four per minute. By automating its pallet distribution process, Smith's was able to reduce manual handling and production bottlenecks.

The order picking process for Smith's is now safer and more efficient.



CASE STUDY: REDUCING CUSTOMER INJURY RISK IN HANDLING BEER KEGS

When Australia's two largest brewers, Foster's Group and Lion Nathan (which together account for approximately 97% of the Australian beer market), needed help in continuing to reduce the high risks associated with handling beer kegs, they joined forces and asked CHEP for assistance. CHEP led an initiative using Six Sigma methodologies to help reduce this risk. The CHEP team worked with the brewers over a nine month period to develop a number of short-term recommendations, which were either implemented or tested immediately. Several concept designs for lifting devices and containers for storage, transportation and keg dispensing were developed and are now being investigated further.

The project team also produced the National Guide for the Safe Handling of Beer Kegs, a comprehensive guide that will form the basis of training for all venue staff. CHEP is continuing to work with the brewers to provide further assistance and technical guidance as they implement these recommendations and standards.

CUSTOMER SATISFACTION

Both CHEP and Recall conduct regular customer satisfaction surveys. The results of these surveys are used internally to identify key areas of focus and improvement and some aspects are reported back to participating customers.

Customer satisfaction is one of CHEP's strategic priorities. This includes areas such as operational excellence, value for money and collaborative innovation. CHEP listens to its customers through customer surveys, face to face contact, focus groups and in country surveys.

For example, some of the priority areas identified by CHEP EMEA customers in the 2008 customer survey include pallet quantity/supply, transfers and exchanges, pricing, ordering and other electronic systems, pallet quality and contact with CHEP. Other areas identified as important were delivery, balances and tracking, invoicing, and collection.

CHEP responded to this feedback with several initiatives, including:

- Declaration Excellence (understanding the root causes of errors, reducing complexity with translation tables and global location numbers and a transaction matching system replacement);
- FOCUS (ensuring optimal customer service organisation structure, generating efficiencies to keep meeting the increasing customer demands and a better contact management system);
- BlueZone – Portfolio+Plus upgrade (CHEP’s business to business online system for customers and customer facing staff); and
- Invoice simplification.

Customer feedback to these initiatives has been positive. For example, following the Portfolio+Plus upgrade customers reported:

“This is a great tool for controlling stocks and movements. It is much more than we expected.” – European beauty products customer

“Very good reporting tools. This is exactly what we were looking for in order to check stocks and movements.” – European brand owner

“9 out of 10. It is very user friendly and I am very happy with it.” – Italian wine importer

“I was very pleased to see that the implementation had been thorough and all aspects of movement issues had been accommodated.” – UK fresh produce grower

CHEP Europe uses Voice of Customer (VoC) and Voice of Business (VoB) to obtain customer complaints. CHEP Americas has similar processes. CHEP Australia utilises a standard customer complaints process which ensures that all complaints are automatically emailed to each member of the CHEP Australian leadership team. There is a designated role accountable for follow through and close out of each item with the customer.

For Recall, high levels of customer satisfaction are crucial to further growth. Recall conducts annual customer surveys, using an external independent service provider. The latest survey found that Recall globally is within the top third of over 450,000 business to business service organisations surveyed for customer satisfaction.

In the European survey, 82% of all respondents said using Recall gives them a competitive advantage in their business and 87% said they would recommend Recall to other users.

Recall also uses an internal key performance indicator measurement system called Perfect Order that measures every work order received by every customer for every facility. Perfect Order is Recall’s promise to deliver the right items to the right person on time, every time. Every job is measured according to performance and effectiveness – not just in technical terms, but in the quality of the service provided. Recall’s service is continually monitored, with innovative service processes extending from offsite document management to monthly status reports. This data and the Perfect Order score is shared with clients, demonstrating Recall’s professionalism and transparency.



Recall has specific regional CARE teams that operate call centres to address customer queries and complaints.

CASE STUDY: REDUCING CUSTOMER PRODUCT DAMAGE

Ficosa Otomotiv San, the Turkish division of the Ficosa Group, one of the world's leading manufacturers of command and control systems for the automotive industry, has opted to use CHEP automotive containers to support its manufacturing operation in Turkey. CHEP delivers folding large containers to Ficosa's plant in Bursa, Western Turkey, from where they are used to transport components to other Ficosa plants in Eastern Europe. Decisive factors in Ficosa's decision to choose CHEP were its experience in the automotive industry and the opportunity to reduce product damage in transit.

"We were keen to improve our packaging processes and procedures and it soon became apparent that CHEP offered the best and most cost effective solution," said Fatih Aslanbas, Logistics Manager, Ficosa Otomotiv San.

"Ficosa is keen to ensure that we limit the level of product damage when shipping our components across Europe."

"Previously we had been using one-way packaging to deliver our products and by switching to CHEP we will significantly reduce the level of damage and the associated costs."

CUSTOMER PRIVACY

Recall operates global standards in relation to the security, access and protection of the information it manages for customers. These standards include:

- Global intruder detection standard and specification;
- Global access control standard and specification;
- Global closed circuit television (CCTV) surveillance standard and specification;
- Global manned guarding standard and specification;
- Global perimeter protection standard and specification;
- Global vehicle security standard and specification;
- Global GPS standard and specification;
- Global fire standard and specification; and
- Global standard operating procedures (SOPs).

All Recall sites globally are regularly measured and assessed for compliance with the above standards.

Recall ensures strict security is in place in terms of physical properties as well as user access – whether physically or online via its secure server. Some of the security practices at Recall include physical security design such as barriers and perimeter protection, manned entry, access points, gate houses, security guards and more, as well as security systems, such as CCTV monitoring, intruder alarm systems, access control systems (some with biometric access, fingerprint or retinal) and building safety/fire management systems.

Vehicle security includes features such as automatic locking for all driver, passenger and cargo doors, high intensity siren notification for drivers (in the event of door opening, unauthorised entry and unauthorised movement), heavy duty steel construction to all locks, the ability to disarm, alarm and open cargo doors independently and inbuilt automatic anti-tow (tilt system) protection.

Recall employees undergo pre-employment screening and background checks, ongoing screening and background checks (on a six monthly basis), safety and security induction and ongoing safety and security training.

Recall has comprehensive Business Continuity and Disaster Recovery Plans that address situations of natural disaster and regularly conducts site testing.

An internal measurement system records every incident where there is a possibility a customer's information has gone outside of Recall's control, known as security breach or security incident reporting. Every report of this nature is provided to the region's President within one day, who then passes it on to the Group President and Chief Operating Officer of Recall. Breaches and incidents are further reviewed at global leadership meetings to ensure potential system errors are rectified.

CASE STUDY: CUSTOMER COMPLIANCE

Recall uses the ReQuest system – introduced in late 2006 – a web-based interface, through which DMS clients can make service requests, track their information in real time and generate a variety of reports in a secure online environment. ReQuest allows clients to measure their compliance with various regulations and monitors how quickly and effectively Recall responds to customer demands.

RESEARCH AND DEVELOPMENT

Brambles carries out research and development activities in both its CHEP and Recall businesses.

CHEP's Innovation Centre in Florida is a world-class product testing and engineering facility. From packaging and unit load design to simulated supply chain testing, CHEP capitalises on the resources of its Innovation Centre to collaborate with customers around the globe, conduct packaging tests for customers and test new products and technologies such as radio frequency identification (RFID).

CHEP employs specialised engineers from a range of backgrounds to develop innovative products for its customers. CHEP also continuously tests its pallets and containers to make them more durable and safer for use in the supply chain, designing and improving pallet and container repair equipment, development of RFID and more.

Recall and CHEP continuously develop document management processes and develop and improve software.

CASE STUDY: RECALL EMPLOYS RFID TECHNOLOGY

Recall has been using RFID successfully across the United States and Canada since 2006. In November 2008, Recall became the first organisation to employ RFID technology for the information management industry in Australia.

RFID delivers increased security and management efficiency to the storage and auditing of customer records. By marking document archival cartons with passive RFID tags and using specially designed RFID equipment, Recall can provide enhanced inventory and audit reporting for its customers in a fraction of the time taken by traditional physical audits. For example, RFID allows individual cartons to be detected three rows deep. Standard bar coding, in comparison, requires manual search and identification. Previously, a million carton audit would take two years to hand-scan and complete, Recall's RFID-enabled facilities can now do it in a number of days.

CASE STUDY: CHEP CRATE SUPPLYING FRESH PRODUCE TO WOOLWORTHS IN AUSTRALIA

CHEP has specifically designed a range of Foldable Reusable Plastic Crates (FRPCs) to streamline the way vendors around Australia deliver their fresh produce to Woolworths supermarkets. The unique design of the crates meets a variety of handling demands. The three crate sizes are modular in design, allowing both column and cross stacking when erected and have a consistent height when folded. Each crate has locating tabs that lock on to the crates immediately below and alongside to ensure a secure load in transit.

The crates, exclusively for Woolworths' supply chain, will allow fresh produce suppliers all around Australia to pack and ship produce in the same crate that Woolworths puts on their supermarket shelves. CHEP has HACCP accredited facilities to wash and sanitise crates after each use. As part of the undertaking, CHEP has upgraded its crate-washing service centre network with recycling systems that cut water usage and sewer discharge by up to 90 per cent.

The system delivers optimal value, reduces OH&S risks associated with manual handling, is environmentally efficient and protects the quality of produce from the farm to the supermarket shelf. Reusable packaging such as CHEP crates can offer environmental benefits, including reduced waste to landfill when compared to traditional one way packaging. Transport savings and the associated reductions in vehicle movements deliver significant financial and environmental benefits within the supply chain.



CASE STUDY: USING TECHNOLOGY TO IMPROVE CUSTOMER ASSET MANAGEMENT

CHEP recognises the potential of RFID technology to resolve some customers' complex supply chain issues.

A major South African retailer, The SPAR Group, has a number of rolltainer and cooler box pools that utilise CHEP's Plus ID RFID service. SPAR uses rolltainers to package high value goods at risk from being stolen in transit from its distribution centres to stores. CHEP currently tracks rolltainers to and from two distribution centres: Northrand (250 rolltainers) and Cape Town (700 rolltainers).

Using the information gathered by CHEP's RFID system, SPAR can track and measure the efficiency of its assets in a variety of ways. It can also generate reports on the number, volume and holding periods of its assets by location, individual cycle times and history.

Through CHEP, SPAR can successfully mitigate the risk of equipment loss by being able to make individual stores accountable for the rolltainers. The Group has also successfully used the RFID information to proactively manage equipment dwell times at stores.

CHEP believes RFID technology deployed across closed loop industry supply chains can deliver real benefits to its customers.

People

Brambles recognises that people are its most important asset and is committed to providing a safe, rewarding and challenging environment for its employees and assisting them in reaching their potential.

Brambles is an equal opportunity employer. Its recruitment and selection processes are based on merit and skill competency. Brambles advertises vacancies internally via its intranet careers site. All suitable employees are encouraged to apply for appropriate roles. The only exception to this approach is targeted succession planning for specific roles.

Employee matters, including development and training, are the responsibility of the Senior Vice President – Human Resources, who reports directly to the Chief Executive Officer.

LABOUR PRACTICES

Brambles supports and upholds the United Nations Universal Declaration of Human Rights, as referenced in its Code of Conduct.

Through its employment policies, Brambles is committed to:

- providing a safe working environment with an objective of achieving Zero Harm through industry best practice in health and safety management;
- being an equal opportunities employer, committed to developing a diverse workforce where everyone is treated fairly irrespective of gender, sexual orientation, age, disability, race or religion;
- creating an environment where everyone is encouraged to give their best and realise their full potential, by providing learning and development opportunities for individuals and groups; and
- ensuring employees can discuss any problem connected with their work confident that they will receive a fair, impartial and confidential review of the issue.

CHEP and Recall pride themselves on promoting diversity within their teams. One example is Recall's European leadership team, which comprises seven different nationalities amongst its nine members. Recall believes that promoting diversity leads to a better understanding of local issues and cultures.

Under the Brambles Speaking Up Policy, everyone is encouraged to notify the company of any suspicions about actual or planned breaches of the law, company policies or the Code of Conduct. Details of whom to approach, how to do so and the subsequent process are clearly outlined. Brambles will not tolerate the victimisation of any employee who speaks up in such circumstances.

12,785
TOTAL NUMBER OF
EMPLOYEES IN FY09*

EMPLOYEES BY BUSINESS UNIT



Recall	37.4%
CHEP EMEA	32.8%
CHEP Americas	17.0%
CHEP Asia-Pacific	12.1%
Corporate	0.7%
Recall	4,784
CHEP EMEA	4,197
CHEP Americas	2,168
CHEP Asia-Pacific	1,546
Corporate	90
TOTAL	12,785

*Employee numbers are the 12 months average for the 2009 financial year.

Brambles continues to ensure that employees are informed of significant company news and strategic developments. Methods of employee communication include announcements and newsletters distributed by email, in-house publications, information posted on the intranet and face to face meetings with senior managers.

Brambles complies with all legislative requirements regarding superannuation and defined benefit plan obligations in the countries in which it operates. For example, in Australia, Brambles contributes at least 9% of employees' base salary to a designated superannuation fund, as required by Australian Federal legislation.

EMPLOYEE ENGAGEMENT

One of Brambles' core values is a commitment to diversity, people and teamwork. It is fundamental that each employee is treated with integrity and respect.

All employment policies and practices are designed with this in mind.

Employee engagement is monitored through the Brambles Engagement Survey (BES). This is extended to all employees and is confidential. It surveys employees' perceptions of their workplace and the data is used to track progress from previous surveys, measure Brambles against internal and external best practice and identify key actions for improvement.

The most recent BES was conducted in April 2008. The response rate of 86% was an improvement of 13 percentage points on the previous survey. The results of the survey were communicated to employees in each business and were used to identify and understand concerns at a local level and to drive action to address any concerns. The next BES will be conducted in November 2009.

Brambles believes that the interests of employees and shareholders should be aligned. This is achieved by ensuring that the Board of Directors and Executive Leadership Team members maintain a minimum shareholding in Brambles Limited. Employee share ownership across the group is encouraged through participation in Brambles' global employee share plan MyShare, which was approved by shareholders at Brambles 2008 AGM.

CASE STUDY: MYSHARE

Under MyShare eligible employees are able to contribute between A\$100 and A\$5,000 from their post tax salary over a twelve month period. Each month, these contributions are used to purchase Brambles shares on the Australian Securities Exchange. If the employee remains employed for two years, and does not sell the purchased or "acquired" shares, Brambles matches the shares on a one for one basis.

Brambles believes this plan is a great way for employees to acquire shares in the company and to build a meaningful stake in its success over time.

In its first year of operation, more than 2,000 employees in 24 countries elected to participate in MyShare, despite the volatile circumstances of most economies. Brambles anticipates that by the end of the first plan year (February 2010), more than half a million shares in Brambles will have been purchased by employees under the MyShare plan.

Brambles has made further improvements to the plan administration for the 2010 plan year, which should see an increase in the number of employees participating.

CASE STUDY: RECALL UK PROVIDES EMPLOYEE BENEFITS

A focus on reward and benefit in Recall UK has seen the introduction of many employee benefits at minimal or no cost – a recognition scheme, loans for annual travel cards, the introduction of a benefits booklet giving employees great discounts on many lifestyle related benefits, reduced gym membership fees and a part government funded bicycle purchase scheme to promote healthy living and the introduction of long term service awards. These additional benefits have had a positive impact on engagement.

CASE STUDY: CHEP SPAIN IS "COMMITTED TO BE A BEST PLACE TO WORK"

CHEP Spain focused on generating employee pride by participating in Spain's "Best Workplaces" survey; a survey designed around a trust and management culture. Over 250 companies participated in the country and CHEP Spain ranked 81 in the top 100 and within the top 20 of its company category. CHEP Spain is now entitled to use the logo "Committed to be a best place to work" – not only engendering pride in current employees but also promoting CHEP's business to the local market and attracting talent through great media exposure.

LABOUR/MANAGEMENT RELATIONS

Brambles respects the individual's right to freedom of association and relates to its people through both collective and individual agreements, according to local law, custom and practice.

Following its formation in 2004, the Brambles European Works Council meets formally on an annual basis. Its purpose is to bring together management and elected workers' representatives from all the EU Member States in which Brambles operates. Representatives are consulted, receive information and give their views on a range of issues such as health and safety, business performance, sales activity, business developments and employment trends. At the last meeting held in Manchester in July 2009 the Group President CHEP EMEA, the Senior Vice President – Human Resources and other senior management attended and took part in wide-ranging discussions with the Works Council members concerning Brambles, CHEP and Recall.

HEALTH AND SAFETY: ZERO HARM

Brambles is committed to achieving Zero Harm. This means zero injuries to employees, contractors, customers and local communities. Brambles' Zero Harm Charter is available on the website.

The Board is responsible for setting health and safety policies. The Group Presidents of CHEP and the Group President and Chief Operating Officer of Recall are responsible for policy implementation and safety performance, within the monitoring and reporting framework governed by the Group Risk Committee. More information is provided in the Corporate Governance Statement in the 2009 Annual Report.

Brambles believes everyone has the right to be safe at work and to return home to their family and friends as healthy as when they started the day.

Brambles' Zero Harm Charter, which sets out the vision, values and behaviours and commitment required to work safely, is provided to all employees and is available on the Brambles website.

Brambles' Zero Harm commitment is based on the belief that all accidents, injuries and harm can and should be prevented. To that end, every manager is accountable for achieving Zero Harm and required to demonstrate leadership in creating a culture which actively promotes Zero Harm. Everyone is responsible for committing and contributing to Zero Harm.

Brambles thinks first of Zero Harm, considering health, safety and the environment in all decisions concerning the development of projects, the selection of commercial partners and suppliers and the launch of new products or services. Economic considerations do not overrule health and safety or environmental concerns.

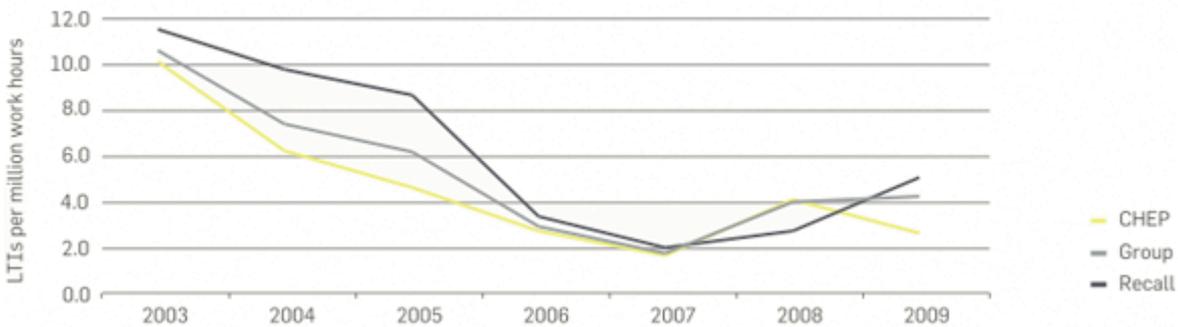
Brambles ensures that occupational health, safety and environment (OHS&E) management systems and training reflect its Zero Harm commitment.

Each business has its own OHS&E management systems, including business-specific policies, procedures, risk assessment, monitoring and compliance mechanisms. These systems include hazard management, near misses and system failure reporting, recording and corrective action procedures. OHS&E management systems are designed to ensure that each employee receives the appropriate safety training.

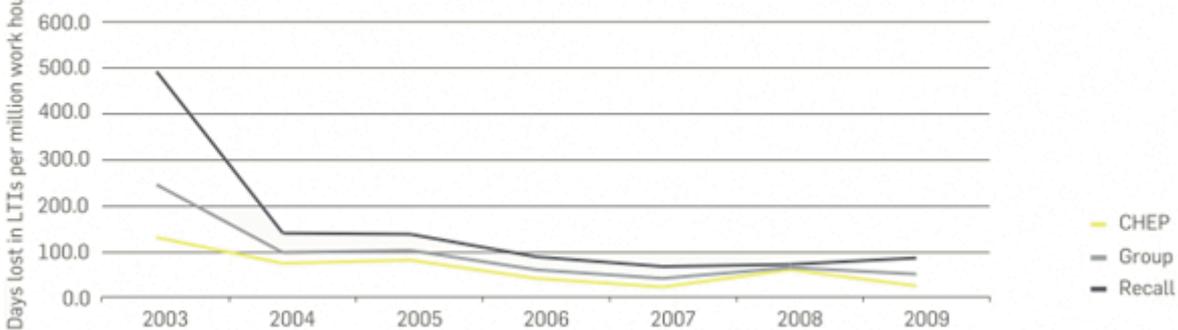
Safety is the responsibility of each individual employee, while accountability for safety is clearly integrated into manager and supervisor job descriptions.

Health and safety performance indicators measure compliance with corporate objectives and milestones, allow assessment of progress and comparison with industry benchmarks and provide incentive for improvement. These are shown below.

BRAMBLES LOST TIME INJURY FREQUENCY RATE



BRAMBLES LOST TIME INJURY SEVERITY RATE



Note: The data posted in the 2008 Annual Report under Lost Time Injury Frequency Rate (LTIFR) varies from that shown in this report. This variance is due to an error in the attribution of a Lost Time Injury (LTI) in the Recall business during this period, when the accident in question was counted in two categories. This was inaccurate and current year data addresses and corrects this error.

Overall, Brambles' health and safety performance has plateaued during the last fiscal year, although to some extent the end of year result does reverse the trend experienced in the previous year of increasing rates of injury across the Group.

At a business level, CHEP continues to drive a reduction in both injuries and their severity across the majority of operations. In contrast, Recall has had a problematic year, with an increase in numbers of incidents generally and some increase in severity, as measured in days lost.

During the year there were, sadly, two work-related fatalities in Recall. In October 2008, a Recall vehicle in Canada struck and killed a pedestrian and in November 2008, Mr Suresh Kumar, an employee of Recall in India, was fatally injured from the collapse of low height file shelving.

Both events have been the subject of major investigations seeking to fully understand their occurrence. These investigations have resulted in a range of actions being undertaken to prevent similar events from taking place both within Recall and across the Brambles Group.

Brambles is unhappy with this level of performance and particularly with the very serious and tragic events of the year in review. These results and events are inconsistent with the goal of Zero Harm. Brambles is working on new strategies to both address the issues identified and create step change in Group-wide health and safety performance. Some of these are reflected in the following case studies.

CASE STUDY: BRAMBLES' SAFETY MANAGEMENT INFORMATION SYSTEM

Brambles is rolling out a safety management information system (SMIS) globally. An initial pilot phase of 27 sites around the globe was successfully completed during the year, with plans in place to have approximately 350 sites implemented by the end of 2009 and the remainder completed in 2010. The system will provide Brambles the capability to communicate and analyse OHS&E, property, equipment, vehicles, business process and security incident knowledge and key learnings online in real time from over 450 sites in 45 countries (in multiple languages).

The SMIS provides an incident reporting and risk management tool that:

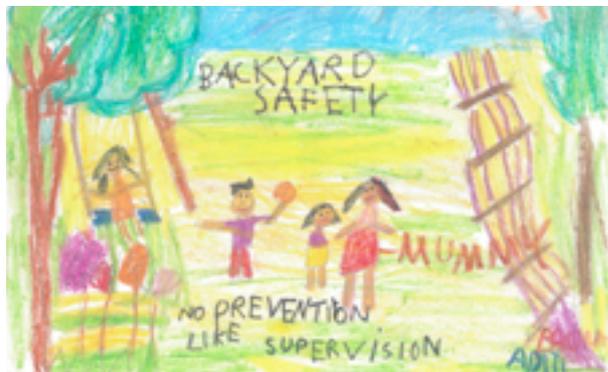
- allows users to report from all levels (activity, facility, country, region, business and group);
- has the ability to report and track incidents, near miss reporting and corrective actions;
- includes risk assessment and safety management tools; and
- allows individuals and the business to conduct comparative analyses of performance as well as the underlying root causes for that performance.

The SMIS is a vital tool in Brambles' journey towards Zero Harm. It allows Brambles to put in place a powerful risk management framework for evaluating OHS&E performance.

CASE STUDY: CHEP AUSTRALIA IMPROVES EMPLOYEES' HEALTH AND SAFETY AT HOME

CHEP Australia operates a 'Safety in the Home' program for its employees. A culture of safety at work is a natural extension of being safe at home.

The 'Safety in the Home' guide provides information to employees on the identification of safety hazards in the home and tips on preventative actions. It includes simple steps each individual can take that will assist in keeping themselves and their families safe. The guide covers areas such as ladder safety, lawn mower safety, LPG cylinder safety, cycling, kid-safe backyards and driveways, electrical safety, the flu and healthy living, complete with checklists and references.



As a part of the home safety program CHEP is running a calendar competition, where children submit a safety related picture. Twelve pictures will be selected to feature in a safety calendar for 2010, with the winners receiving prizes to the value of A\$250. Previous calendar images were a great feature and are displayed along with Zero Harm messages at numerous Brambles locations.

CASE STUDY: CHEP EUROPE CONTINUES TO DELIVER SAFETY IMPROVEMENT

CHEP Europe has had another landmark year with respect to safety. Its continuous safety improvement program delivered outstanding results in reducing both the frequency and severity of injuries. During the year the LTIFR frequency was reduced to just 0.5 LTI per one million hours worked, down by 69% compared with the previous year, which represents only three LTIs in 12 months.

CHEP's Birmingham UK Service Centre celebrated three years without a LTI and in February 2009 passed the one million exposed hour mark without an LTI.

TRAINING AND EDUCATION

Brambles is committed to ensuring that all its people are fully trained and equipped to do their job.

A large number of training courses are available to employees through a proprietary web based system, which enables Brambles to monitor the number of training days and their effectiveness.

Brambles operates a competency framework which allows employees to understand the skills and competencies required to do their job, and which ones need to be developed for higher level working.

This framework is at the core of Brambles' performance appraisal systems. Every employee has an annual appraisal with their manager.

Career progression is an important part of Brambles' employment offering and executive development activities that span the organisation. Brambles recruits from many of the best business schools for high potential executives, and provides intensive development opportunities to fast track these individuals.

Vacancies are advertised on the Brambles internal career website, which is available to all employees.

Brambles also holds a number of development centres each year to identify junior and middle managers who have the potential to move to higher levels of the organisation. In the last financial year, 56 executives went through these centres and 17 were subsequently promoted.

CASE STUDY: E-LEARNING

An online training system was first launched to CHEP employees in 2006. It was extended globally to CHEP, Recall and Brambles employees in 2008. The system, currently supplied by Skillsoft, is available to all employees. Over 11,000 employees have registered.

The system provides learning resources for skills improvement, professional development, performance support, and more. Courses range from business skills to desktop skills to employee safety and health training. During the year over 4,000 employees accessed the system and completed more than 8,800 online or instructor-led programs.

CHEP Asia-Pacific employees completed 244 e-learning courses from May-July 2009 and the top five courses were:

1. Advanced Excel 2003;
2. Basic Access 2003;
3. Energising and empowering employees;
4. Developing excellent time management; and
5. Interacting with the customer.

Simon Tall, Accounts Payable Manager with CHEP Australia, recently completed the 'Energising and empowering employees' e-learning course.

"I thoroughly enjoyed it and particularly liked the course content," says Simon.

"In the first few slides, you straight away see that the content clearly explains that energising your direct report does not have to be a sterile process.

"The course guides you through different ways you can encourage your employees in their daily jobs."

Simon said the course also made him realise that communicating people's skills and development needs should be about 'sharpening the saw' and ensuring the tools and processes they are using are working correctly.



CASE STUDY: CHEP SOUTH AFRICA ADDRESSES HIGH COST OF EDUCATION

CHEP South Africa helps employees manage the high cost of education in that region by providing bursaries and scholarships for them and their families. This program is also extended to the general community, where CHEP provides scholarships and bursaries at both secondary and tertiary levels to deserving candidates from underprivileged backgrounds.

Society

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

Brambles competes fairly in the markets in which it operates.

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

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

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

COUNTRIES OF OPERATION

Brambles operates in over 45 countries.

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

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

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

ECONOMIC

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

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

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

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

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

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

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

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

\$4.02b
SALES REVENUE US\$

\$900.6m
UNDERLYING PROFIT US\$

CASE STUDY: CHEP USA ENCOURAGES SUPPLIER DIVERSITY

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

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

CASE STUDY: CHEP SOUTH AFRICA SUPPORTS EMERGING ENTREPRENEURS

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

HUMAN RIGHTS

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

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

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

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

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

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

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

BRIBERY AND CORRUPTION

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

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

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

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

PUBLIC POLICY

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

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

COMMUNITY SUPPORT

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

This support is provided in three ways:

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

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

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

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

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

CASE STUDY: CHEP CARES IN USA

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

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



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

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

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

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



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

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

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

CASE STUDY: CHEP WORKS TO ENCOURAGE SOCIAL INCLUSION IN SPAIN

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

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



CASE STUDY: CHEP SOUTH AFRICA SUPPORTS EMPOWERMENT THROUGH EDUCATION

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

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



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

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

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

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

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



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

Report Parameters

This Sustainability Report covers the 2009 financial year. Last year's Sustainability Report was contained within the Annual Report and can be found on the website.

Further information about Brambles' Sustainability policies, practices, performance and reporting can be obtained by contacting the Vice President Investor Relations and Corporate Affairs at group.corporate.communications@brambles.com or by phone +61 (0) 2 9256 5222.

REPORT SCOPE AND BOUNDARY

This Sustainability Report covers all Brambles business operations, including Brambles' corporate office, CHEP sites and Recall sites, where Brambles has operational control or directly purchases materials or services. In addition, Brambles retains full operational control of policies, practices and data collection related to lumber, for both in-house and outsourced activities. Apart from lumber, the report does not include sites where Brambles does not have operational control (for example, outsourced activities).

There have been no significant changes in the scope or boundary of Brambles' operation from the previous year.

This report considers sustainability issues that may have a material impact upon Brambles' good reputation, the health and safety of stakeholders or the general public, the natural environment, or the societies in which its businesses operate. The basis for information included has been drawn from best practice and the Global Reporting Initiative's G3 Guidelines (for a table outlining the principles and indicators and where these appear in Brambles' Sustainability Report, please refer to the GRI Content Index).

Wherever possible, Brambles has provided comparisons between this year's data and data from previous years. Some data has not been compiled in previous years, however, and comparison is not possible. Measurement techniques and methodologies are described throughout the report where data is presented. The effects of any changes in information gathering or reporting are also stated throughout the report where necessary.

Brambles no longer reports transport fuel intensity data. Transport fuel is not a material consideration for Brambles' operating businesses.

COMMITMENTS TO EXTERNAL INITIATIVES

Brambles participates in the FTSE4Good, Dow Jones Sustainability Index and the Carbon Disclosure Project. Brambles is a founding member of the FTSE ISS Corporate Governance Index series (provided by FTSE Group and corporate governance leader Institutional Shareholder Services (ISS), allowing investors to track the performance of companies with sound corporate governance practices) and a constituent of the Ethibel Excellence Sustainability Index and the Australian SAM Sustainability Index.

Brambles is a member of the Business Council of Australia, an association of the CEOs of 100 of Australia's leading corporations established in 1983 as a forum for business leaders to contribute to public policy debates. Apart from this, Brambles is not a member of any national or international advocacy organisations at a corporate level.

GRI Content Index

R = Reported; NR = Not reported; NM = Not material

GRI APPLICATION LEVELS		STATUS	WHERE TO FIND BRAMBLES' RESPONSE
GRI DISCLOSURES AND INDICATORS			
PROFILE			
1.1	Statement from the most senior decision maker of the organisation CEO Statement	R	CEO Statement
1.2	Description of key impacts, risks, and opportunities	R	Our Impacts' sections, risks under Governance, opportunities under Environmental (including Climate Change) and Customers
2. ORGANISATIONAL PROFILE			
2.1	Name	R	Presence and Reach
2.2	Primary brands, products and services	R	Presence and Reach
2.3	Operational structure	R	Presence and Reach
2.4	Location of organisation's headquarters	R	Presence and Reach
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	R	Presence and Reach, and Society and Shareholder Review
2.6	Nature of ownership and legal form	R	Governance
2.7	Markets served	R	Presence and Reach
2.8	Scale of the organisation, including:	R	Presence and Reach
	- Number of employees;	R	Presence and Reach and People
	- Net revenues;	R	Presence and Reach
	- Total capitalisation;	R	Presence and Reach
	- Quantity of products or services provided; and	R	Presence and Reach
	- Breakdowns by country/region of the following:	R	Presence and Reach
	o Sales/revenues by countries/regions that make up 5 percent or more of total revenues; and	R	Presence and Reach
	o Employees.	R	Presence and Reach and Society
2.9	Significant changes during the reporting period regarding size, structure, or ownership	R	Report Scope and Boundary in Report Parameters
2.10	Awards received	R	Noted throughout
3. REPORT PARAMETERS			
REPORT PROFILE			
3.1	Reporting period	R	Report Parameters
3.2	Date of most recent previous report	R	Report Parameters
3.3	Reporting cycle	R	Report Parameters
3.4	Contact point for questions	R	Report Parameters
REPORT SCOPE AND BOUNDARY			
3.5	Process for defining report content, including:		
	- Determining materiality;	R	Report Scope and Boundary in Report Parameters
	- Prioritising; and	R	Report Scope and Boundary in Report Parameters
	- Identifying stakeholders.	R	Stakeholder Engagement
3.6	Boundary of the report	R	Report Scope and Boundary in Report Parameters
3.7	Any specific limitations on the scope or boundary of the report	R	Report Scope and Boundary in Report Parameters

3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities	R	Report Scope and Boundary in Report Parameters
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques	R	Report Scope and Boundary in Report Parameters
3.10	Explanation of the effect of any re-statements of information provided in earlier reports and the reasons	R	Report Scope and Boundary in Report Parameters
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods	R	Report Scope and Boundary in Report Parameters

GRI CONTENT INDEX

3.12	Table/list identifying the location of the standard disclosures in the report	R	Here
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ASSURANCE

3.13	Policy and current practice with regard to seeking external assurance for the report	R	Assurance
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4. GOVERNANCE, COMMITMENTS, AND ENGAGEMENT GOVERNANCE

4.1	Governance structure of the organisation, including committees under the Board responsible for specific tasks	R	Governance and Annual Report
4.2	Indicate whether the Chair of the Board is also an executive officer	R	Governance and Annual Report
4.3	The number of members of the Board that are independent and/or non-executive members	R	Governance and Annual Report
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the Board	R	Governance and Stakeholder Engagement
4.5	Linkage between compensation for members of the Board, senior managers and executives and the organisation's performance (including social and environmental performance)	R	Corporate Governance Statement in Annual Report
4.6	Processes in place for the Board to ensure conflicts of interest are avoided	R	Corporate Governance Statement in Annual Report
4.7	Process for determining the qualifications and expertise of the members of the Board for guiding the organisation's strategy on economic, environmental, and social topics	R	Corporate Governance Statement in Annual Report
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance	R	Mission and Values
4.9	Procedures of the Board for overseeing the organisation's identification and management of economic, environmental and social performance	R	Governance
4.10	Processes for evaluating the highest governance body's own performance	R	Corporate Governance Report in Annual Report

COMMITMENTS TO EXTERNAL INITIATIVES

4.11	Explanation of whether and how the precautionary approach or principle is addressed (Article 15 of the Rio Principles)	R	Risk Management in Governance section
4.12	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses	R	Risk Management in Governance section (AS/NZS 4360), Environment (ISO14001) and Human Rights (UN Declaration)
4.13	Memberships in associations and/or national/international advocacy organisations	R	Environment, Supply Chain and Public Policy in Society

STAKEHOLDER ENGAGEMENT

4.14	List of stakeholder groups engaged by the organisation	R	Stakeholder Engagement
4.15	Basis for identification and selection of stakeholders with whom to engage	R	Stakeholder Engagement

4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	R	Stakeholder Engagement, Supply Chain, Customers, People and Society
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	R	Supply Chain, Customer Satisfaction in Customers, Employee Engagement in People and Society
5. MANAGEMENT APPROACH AND PERFORMANCE INDICATORS			
ECONOMIC - MANAGEMENT APPROACH ECONOMIC PERFORMANCE INDICATORS			
ASPECT: ECONOMIC PERFORMANCE			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	R	Our Presence and Reach and Economic in Society
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	R	Climate Change in Environment
EC3	Coverage of the organisation's defined benefit plan obligations	R	Labour/Management Relations in Our People
EC4	Significant financial assistance received from the government	R	Economic in Society
ASPECT: MARKET PRESENCE			
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	NR	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	R	Economic in Society
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	R	Economic in Society
ASPECT: INDIRECT ECONOMIC IMPACTS			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, inkind, or pro bono engagement	R	Economic in Society
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	NR	
ENVIRONMENTAL - MANAGEMENT APPROACH ENVIRONMENTAL PERFORMANCE INDICATORS			
ASPECT: MATERIALS			
EN1	Materials used by weight or volume	R	Lumber in Supply Chain
EN2	Percentage of materials used that are recycled input materials	R	Products and Services in Supply Chain
ASPECT: ENERGY			
EN3	Direct energy consumption by primary energy source	R	Energy in Environment
EN4	Indirect energy consumption by primary source	R	Energy in Environment
EN5	Energy saved due to conservation and efficiency improvements	NR	
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	R	Improving Energy Efficiency in Environment
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	R	Improving Energy Efficiency in Environment
ASPECT: WATER			
EN8	Total water withdrawal by source	NM	Not a material component for Brambles, see Water in Environment
EN9	Water sources significantly affected by withdrawal of water	NM	Not a material component for Brambles, see Water in Environment

EN10 Percentage and total volume of water recycled and reused NM Not a material component for Brambles, see Water in Environment for information on water saving initiatives

ASPECT: BIODIVERSITY

EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas R Biodiversity in Environment

EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas R Biodiversity in Environment

EN13 Habitats protected or restored NR

EN14 Strategies, current actions, and future plans for managing impacts on biodiversity R Biodiversity in Environment

EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk R Biodiversity in Environment

ASPECT: EMISSIONS, EFFLUENTS AND WASTE

EN16 Total direct and indirect greenhouse gas emissions by weight R Emissions in Environment

EN17 Other relevant indirect greenhouse gas emissions by weight NR

EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved R Emissions in Environment

EN19 Emissions of ozone-depleting substances by weight NM Emissions in Environment

EN20 NO, SO and other significant air emissions by type and weight NM

EN21 Total water discharge by quality and destination NM

EN22 Total weight of waste by type and disposal method NR Not a material component for Brambles, see Water in Environment Data not collected on a standard, group-wide basis, see Waste and Recycling in Environment

EN23 Total number and volume of significant spills R Environment

EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII and percentage of transported waste shipped internationally NR

EN25 Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff NM Not a material component for Brambles, see Water in Environment

ASPECT: PRODUCTS AND SERVICES

EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation R Waste and Recycling in Environment and Products and Services in Supply Chain

EN27 Percentage of products sold and their packaging materials that are reclaimed by category R Waste and Recycling in Environment and Products and Services in Supply Chain

ASPECT: COMPLIANCE

EN28 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations R Environment

ASPECT: TRANSPORT

EN29 Significant environmental impacts of transporting products and other good and materials used for the organisation's operations and transporting members of the workforce NR

ASPECT: OVERALL

EN30 Total environmental protection expenditures and investments by type NR

SOCIAL PERFORMANCE INDICATORS

LABOUR PRACTICES AND DECENT WORK - MANAGEMENT APPROACH		R	People
LABOUR PRACTICES AND DECENT WORK PERFORMANCE INDICATORS			
ASPECT: EMPLOYMENT			
LA1	Total workforce by employment type, employment contract and region	R	People (total workforce by region)
LA2	Total number and rate of employee turnover by age group, gender and region	NR	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	NR	
ASPECT: LABOUR/MANAGEMENT RELATIONS			
LA4	Percentage of employees covered by collective bargaining agreements	NR	
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	NR	
ASPECT: OCCUPATIONAL HEALTH AND SAFETY			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	R	Health and Safety in People
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region	R	Health and Safety in People
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	R	Training and Education in People
LA9	Health and safety topics covered in formal agreements with trade unions	NR	
ASPECT: TRAINING AND EDUCATION			
LA10	Average hours of training per year per employee by employee category	NR	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	R	Training and Education in People
LA12	Percentage of employees receiving regular performance and career development reviews	R	Training and Education in People
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY			
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	R	Corporate Governance Statement in Annual Report (for Board)
LA14	Ratio of basic salary of men to women by employee category	NR	
HUMAN RIGHTS - MANAGEMENT APPROACH		R	Human rights in Society section
HUMAN RIGHTS PERFORMANCE INDICATORS			
ASPECT: INVESTMENT AND PROCUREMENT PRACTICES			
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	NR	
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	NR	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	NR	

ASPECT: NON-DISCRIMINATION

HR4 Total number of incidents of discrimination and actions taken NR

ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken to support these rights R Human Rights in Society

ASPECT: CHILD LABOUR

HR6 Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour R Human Rights in Society

ASPECT: FORCED AND COMPULSORY LABOUR

HR7 Operations identified as having significant risk for incidents of forced or compulsory labour and measures to contribute to the elimination of forced or compulsory labour R Human Rights in Society

ASPECT: SECURITY PRACTICES

HR8 Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations R Human Rights in Society

ASPECT: INDIGENOUS RIGHTS

HR9 Total number of incidents of violations involving rights of indigenous people and actions taken NR

SOCIETY - MANAGEMENT APPROACH SOCIETY PERFORMANCE INDICATORS

ASPECT: COMMUNITY

SO1 Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting R Environment, Supply Chain and Society

ASPECT: CORRUPTION

SO2 Percentage and total number of business units analysed for risks related to corruption R Bribery and Corruption in Society

SO3 Percentage of employees trained in organisation's anti-corruption policies and procedures R Bribery and Corruption in Society

SO4 Actions taken in response to incidents of corruption R Bribery and Corruption in Society

ASPECT: PUBLIC POLICY

SO5 Public policy positions and participation in public policy development and lobbying R Public Policy in Society

SO6 Total value of financial and in-kind contributions to political parties, politicians and related institutions by country R Public Policy in Society

ASPECT: ANTI-COMPETITIVE BEHAVIOUR

SO7 Total number of legal actions for anticompetitive behaviour, anti-trust and monopoly practices and their outcomes NR

ASPECT: COMPLIANCE

SO8 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations R Environment and Society

PRODUCT RESPONSIBILITY - MANAGEMENT APPROACH

PRODUCT RESPONSIBILITY PERFORMANCE INDICATORS

ASPECT: CUSTOMER HEALTH AND SAFETY

R Customers

PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement and percentage of significant products and services categories subject to such procedures	R	Products and Services in Supply Chain
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	NR	
ASPECT: PRODUCT AND SERVICE LABELLING			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	R	Customers
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by types of outcomes	NR	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	R	Customer Satisfaction in Customers
ASPECT: MARKETING COMMUNICATIONS			
PR6	Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship	NR	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes	NR	
ASPECT: CUSTOMER PRIVACY			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	NR	
ASPECT: COMPLIANCE			
PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services	R	Society

Assurance

Brambles has not sought external assurance for non-financial content and indicators in its Sustainability Report. However, the financial data used in this report has been taken from our Annual Report and has been verified and audited.

During the year, Brambles used the services of an independent third party provider to develop a global approach for greenhouse gas (GHG) calculations. The Brambles methodology was externally reviewed and suggested enhancements outlined and adopted. As a result, Brambles improved the completeness and accuracy of calculations relating to GHG emissions.

Brambles' Score



REPORT APPLICATION LEVELS

		2002 In Accordance	C	C+	B	B+	A	A+
Mandatory	Self Declared			Report Externally Assured		Report Externally Assured		Report Externally Assured
	Third Party Checked			Report Externally Assured		Report Externally Assured		Report Externally Assured
Optional	GRI Checked			Report Externally Assured		Report Externally Assured		Report Externally Assured

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures OUTPUT	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	Report Externally Assured	Same as requirement for Level B	Report Externally Assured
	G3 Management Approach Disclosures OUTPUT	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category	
	G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.	Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, Labor, Society, Product Responsibility.	Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.			

*Sector supplement in final version

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