

# Brambles

Modern Slavery Statement

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Financial Year Ending 30 June 2021

Brambles Limited (ABN 89 118 896 021)

Financial Year Ending 30 June 2021

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## Modern Slavery Statement 2021

Brambles Limited (ABN 89 118 896 021), on its behalf and on behalf of its Group Companies (collectively, “**Brambles**,” “**we**” or “**our**”) makes the following joint Modern Slavery Statement under the UK *Modern Slavery Act 2015* (UK Act) and the Australia *Modern Slavery Act 2018 (Cth)* (Australian Act).<sup>1</sup> For purposes of the UK Act, this Statement is made by Brambles on behalf of the Brambles UK entities set out in Annexure A and, for purposes of the Australian Act, this Statement is made by the reporting entities Brambles, CHEP Australia Limited, Brambles Industries Limited, Brambles Holdings International Pty Ltd, Brambles Finance Australia Pty Ltd, Brambles Spain Pty Ltd and CHEP Technology Pty Ltd.

This Statement is set out in the following 9 parts:

1. Business and Organisational Structure
2. Brambles’ Policy Framework
3. Brambles’ Workforce
4. Brambles’ Supply Chain
5. Risks of Modern Slavery<sup>2</sup> in Brambles Operations’ and Supply Chains
6. Actions to Assess and Address the Risks of Modern Slavery
7. Assessing the Effectiveness of Our Actions
8. Looking Forward
9. Consultation with Our Group Entities

This is our second statement in response to the Australian Act and our sixth statement in response to the UK Act. In the past year we have continued to improve upon our work on Modern Slavery, deepening our understanding of the risks in our operations and supply chains and ensuring we have in place the most effective responses to those risks. This Statement outlines the governance processes, actions and progress in place throughout the financial year ended 30 June 2021 (**Financial Year 2021**) to improve upon our understanding and management of the risks of Modern Slavery in our operations and supply chain.

### Key Areas of Focus Since Our March 2021 Australian Modern Slavery Statement:

- Updated Brambles’ Human Rights Policy.
- Completed enhanced due diligence on timber suppliers, significantly progressed enhanced due diligence on existing third party plant operators and commenced due diligence on existing labor suppliers.
- Completed human rights risk assessment on timber suppliers.
- Updated our standard agreements with labor suppliers to strengthen human rights provisions.
- Developed our annual supplier self-assessment and certification.
- Strengthened our responsible sourcing program to embed monitoring and assessment activities to high risk timber suppliers, amongst others.

<sup>1</sup> A list of Brambles’ principal entities is set out on page 125 of Brambles’ [2021 Annual Report](#).

<sup>2</sup> Modern Slavery is based on the definition set out in the Australian Act and includes trafficking in persons, slavery, servitude, forced marriage, forced labor, debt bondage, deceptive recruiting for labor or services, and the worst forms of child labor where children are subjected to slavery or similar practices or engaged in hazardous work.

### 1. BUSINESS AND ORGANISATIONAL STRUCTURE

As a pioneer of the sharing economy, Brambles is one of the world's most sustainable logistics businesses. Our circular business model facilitates the "share and reuse" of the world's largest pool of reusable pallets and containers. This allows Brambles to serve its customers while minimising the impact on the environment and improving the efficiency and safety of supply chains around the world.

Brambles primarily serves customers in the fast-moving consumer goods (e.g., dry food, grocery, and health and personal care), fresh produce, beverage, retail, automotive and general manufacturing industries, counting many of the world's best-known brands among its customers. Brambles provides supply-chain logistics services to these customers, based upon its longstanding expertise in the management of reusable unit-load equipment such as pallets, crates and containers.

#### Overview of Brambles' Organisational Structure

Brambles carries out a supply-chain logistics business operating primarily through the CHEP brand. Brambles Limited, the ultimate holding company of the Brambles Group, is listed on the Australian Securities Exchange, and its registered office is located in Sydney, Australia. Brambles also has a corporate office in London, UK. Brambles operates in more than 60 countries, with its largest operations by headcount in Australia, the UK, the USA and South Africa.



### Overview of Brambles' Operations

Brambles operates primarily through the CHEP brand, specialising in the pooling of unit-load equipment and associated services, focusing on the outsourced management of pallets, crates and containers to customers globally.

CHEP's circular business model is based on the concept of "share and reuse," also known as pooling. With the CHEP pooling system, customers rent pallets from CHEP and transfer them to the next user, without the need to return them to CHEP first. This share and reuse model makes CHEP's customers' supply chains more efficient and more sustainable.

CHEP manages the administrative procedure, conditioning and quality assurance of the equipment, and in some cases the logistics of delivery and collection of equipment, allowing customers to focus on their core business.

Brambles' operations are located worldwide, and it manages its businesses within the following operating segments:

CHEP Americas: The pallet and container pooling businesses in the Americas

CHEP EMEA: The pallet and container pooling businesses in Europe, Middle East and Africa and the CHEP-branded reusable plastic container (RPC) business in South Africa

CHEP Asia-Pacific: The pallet and container pooling businesses in Asia-Pacific and the CHEP-branded RPC business in Australia and New Zealand

In each of these operating segments, Brambles rents, tracks, and maintains equipment, including pallets, crates and containers, and in some segments, Brambles leases facilities, including approximately 750 service centres where our pallets, crates and containers are repaired or washed, and may own or lease fleets to transport equipment to customers. Brambles also owns 18 pine timber farms and a sawmill and pallet manufacturing plant in South Africa. In each of these operating segments, Brambles employs workers, consistent with all applicable labour and employment laws and regulations.

Through its Better Communities sustainability goals, Brambles strives to build resilience, promote circularity and account for the connections between society, the economy and nature. To implement these goals, amongst other things, we support food banks with volunteer hours, corporate donations and sponsorships and in-kind donations, allowing a seamless flow of platforms to receive food donations from brands and retailers, many of whom are Brambles' customers, for re-distribution. For more information about Brambles' Better Communities goals, please see Brambles' [2021 Sustainability Review](#).

## 2. BRAMBLES' POLICY FRAMEWORK

Brambles has a robust policy framework, beginning with our Code of Conduct. Our Code sets out our commitment to responsible business practices and good governance, making clear that we are committed to doing what is right each and every day, and is supported by and references a range of Group policies, including our Human Rights Policy, our Zero Harm Charter, our Speak Up Policy and our Supplier Policy. Our Code of Conduct and these policies are available at [www.brambles.com](http://www.brambles.com).

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### The Code of Conduct

Brambles' Code of Conduct provides the ethical and legal framework for all employees in the conduct of Brambles' business. It sets out how Brambles relates to its customers, employees, shareholders, suppliers and the community. The Code applies to everyone working for Brambles and requires all its employees to comply with all applicable legal requirements, including all prohibitions against forced, bonded or compulsory labour, human trafficking or other kinds of slavery, at all times.

### Human Rights Policy

Brambles' Human Rights Policy, which is incorporated in the Code of Conduct, was approved and adopted by the Brambles Limited Board of Directors in November 2016. It is reviewed annually and was last updated in July 2021. This Policy, which articulates in a single, stand-alone document the various human rights principles advanced throughout Brambles' Code of Conduct, is guided by international human rights principles encompassed in the Universal Declaration of Human Rights, the International Labor Organisation's Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights. Amongst others, it prohibits—in Brambles' operations as well as those of its suppliers—the use of child labour, forced, bonded or compulsory labour, human trafficking or other kinds of slavery.

As a demonstration of its commitment to these principles, Brambles is a signatory to the United National Global Compact (UNGC) and continues to support the UNGC's Ten Principles in the areas of human rights, labour, environment and anti-corruption. Brambles' annual Communication on Progress can be found in the UN Global Compact tab of the Sustainability section of our website at [www.brambles.com](http://www.brambles.com). Further, in September 2016, Brambles signed the CEO Statement of Support for the United Nations Sustainable Development Goals, which includes a set of goals to end poverty, fight injustice and inequality, and protect the planet by 2030.

Brambles participates in Australia's Global Compact Network Modern Slavery Community of Practice, which allows Australian businesses to navigate new developments and share Modern Slavery learnings.

### Zero Harm Charter

Brambles has also adopted a Zero Harm Charter. It sets out Brambles' commitment to achieving zero injuries, zero environmental damage and zero detrimental impact on human rights. The principles set out in the Zero Harm Charter, which is available on Brambles' website, include that every Brambles employee will care for the human rights of those affected by its operations.

### Speak Up Policy

Brambles has a whistleblower policy (called the Speak Up Policy). The policy encourages anyone to report suspected breaches of the Code of Conduct or any other policy, including the Human Rights Policy and the Zero Harm Charter. It provides appropriate protections against victimisation of persons who make reports about potential breaches. Reports may be made through various channels, including the Brambles Speak Up Hotline. The Brambles Speak Up Hotline is a confidential hotline, operated in local languages by an independent company, available to all employees and their families and all suppliers, suppliers' employees and their families at no charge 24 hours a day, 7 days a week.

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All complaints are assessed and investigated as necessary consistent with Brambles' Speak Up Investigative Procedures.

### Supplier Policy

Brambles' Code of Conduct also provides that Brambles is committed to working with suppliers to develop more efficient, safer and sustainable supply chains by abiding by the principles and values outlined in the Code of Conduct. To that end, in 2013, Brambles adopted a Supplier Policy, which requires its suppliers to, amongst others:

- Conduct their businesses in accordance with the laws and regulations of the countries in which they are located;
- Show respect for the diverse range of people and cultures with whom Brambles work and their human rights;
- Abide by the same minimum working age requirements outlined in the human rights statement in the Code of Conduct; and
- Follow the principles in Brambles' Zero Harm Charter.

### 3. BRAMBLES' EMPLOYEES

Brambles employs approximately 12,000 employees globally. All employees are covered by the Brambles Code of Conduct and related policies such as the Human Rights Policy, Zero Harm Charter, Speak Up Policy and Supplier Policy, described above, and are expected to abide by their principles. These principles are reinforced through induction Code of Conduct training and refresher Code of Conduct training, which occurs every two years, to enable employees to understand what is expected of them and what to do in the event they suspect wrongdoing.

### 4. BRAMBLES' SUPPLY CHAIN

Brambles purchases goods and services from a diverse supply chain globally. Our supplier arrangements range from one-off purchases to multi-year, large value strategic relationships governed by master agreements.

In Fiscal Year 2021, these purchases were made from 86 different countries. Suppliers in the USA received 41% of all spend, and suppliers in the top 10 countries—USA, Mexico, the UK, Germany, Spain, Canada, Australia, France, Italy and South Africa—received 83% of all spend.

Over 8,000 Suppliers Globally  
3.4 Billion USD  
Total FY21 Spend  
Across 18 Categories  
(Including 15 Indirect  
Categories)

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Our spend is managed in the following categories:

Category	% of FY21 Total Spend
<b>Direct or Raw Materials</b>	26%
<b>Transportation</b>	29%
<b>Third Party Plant Operators</b>	20%
<b>Indirect Procurement</b> <i>including:</i>	25%
<i>Real Estate</i>	<i>Material Handling Equipment</i>
<i>Plant Equipment</i>	<i>Utilities</i>
<i>Professional Services</i>	<i>Travel</i>
<i>IT and Telecommunications</i>	<i>Marketing</i>
<i>Human Resources Services and Resourcing</i>	<i>Learning and Development</i>
<i>Facilities Management</i>	<i>Office Services</i>
<i>Maintenance, Repair and Operation Supplies</i>	<i>Packaging</i>
<i>Fleet</i>	

Direct materials, or materials used in our pooling equipment, are critical to Brambles' operations. Timber, our primary direct material, represents the greatest proportion of our annual direct spend.

Brambles relies on sustainably sourced timber and, in Financial Year 2021, we purchased 100% of our wood from certified sustainable timber providers, whose forest management practices were certified by either the Forest Steward Council (**FSC**) standard or the Programme for the Endorsement of Forest Certification (**PEFC**) standard (and local standards endorsed by PEFC). Before these certifications can be issued, these timber suppliers must demonstrate, amongst others, that they protect and promote workers' rights and abide by applicable law. To maintain these certifications, the timber suppliers must satisfactorily pass third party audits on an annual basis.

### 5. RISKS OF MODERN SLAVERY PRACTICES IN BRAMBLES' OPERATIONS AND SUPPLY CHAINS

Brambles has adopted a risk management framework, which incorporates effective risk management as a part of Brambles' strategic planning process, requiring business operating plans to address the effective management of key risks and to embed a strong risk management culture. As a part of that framework, Brambles' headquarters and each of its businesses has a risk and control committee (**RCC**). Each RCC conducts an in-depth review on a regular basis of the risk profile of the relevant business unit, or of Headquarters, as the case may be, including their respective exposure to material environmental or social risks and identifies and assesses the effectiveness of mitigants for those risks. Brambles also has established a Sustainability Risk Committee (**SRC**). The role of the SRC is, amongst others, to identify, assess, monitor and report on Brambles' exposure to sustainability risks, determining whether Brambles has a material exposure to any sustainability risks and monitoring new and emerging sustainability risks.

As the RCC and the SRC focus on risks to Brambles, in Financial Year 2020, Brambles also established a Human Rights Working Group (**HRWG**), which is comprised of members from its Human Resources, Procurement, Legal and Compliance, and Sustainability functions, to assess Brambles' potential to cause,

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contribute to or be directly linked to Modern Slavery through its operations or its supply chains. Throughout Financial Year 2021, the HRWG met with RCCs, the SRC, and each regional business unit and functional groups (including the Global Supply Chain team) to carry out a global Modern Slavery risk assessment of the risks of slavery and human trafficking in Brambles' operations and supply chains (**assessment or Modern Slavery risk assessment**). Based on this assessment, the following Modern Slavery risks are the most relevant to our global operations and supply chains:

### Human Trafficking

Bringing a person into a situation of exploitation through a series of actions, including deceptive recruitment

### Forced Labour

Any work which people are not doing voluntarily and which is extracted under a threat or form of punishment

### Bonded Labour

Labour demanded as a means of repayment of a debt or loan

### Child Labour

Where children under the age of 18 are engaged in hazardous work

## Modern Slavery Risk Assessment: Brambles' Operations

Brambles' personnel are employed directly by a Group Company. This, along with our policies, compliance training and internal hiring procedures consistent with our policies, lowers the risk of Modern Slavery in our own operations.

Nevertheless, some of our operations utilise contracted or third-party labour. In Financial Year 2021, contracted or third party labourers made up 19% of our service centre workers. As some of these contractor third-party labourers are immigrants, temporary migrant workers, or other vulnerable groups who may be less aware of their rights and, by extension, may be susceptible to exploitation, we focused our Modern Slavery risk assessment on these arrangements. The assessment examined the inherent risks, considering:

- Nature of the work: job requirements and corresponding skillset
- Geography: country reports on human rights practices and country condition reports
- Recruiting processes: labour recruitment policies and practices and transparency

This assessment led us to conclude that our highest Modern Slavery risk in our operations was in plant operations, where some equipment builders or repair operators were engaged through staffing companies or third party labour providers which employ vulnerable populations. In response, and in addition to controls already in place as described on pages 14-15, we made two changes to our mitigants against that risk. First, our Third Party Due Diligence Programme (see the *Policies* section on pages 13-14 below) was updated so that any third parties providing such services to our operations underwent an enhanced form of due diligence, executed compliance terms and conditions, which include Modern Slavery provisions. Second, we implemented a policy and standard operating procedure to guide Brambles' engagement of staffing companies or third party labour providers which utilise vulnerable populations. This procedure documents Brambles' onboarding approach to assessing staffing companies and includes checks to address the following criteria:

In Financial Year 2021, 7 staffing companies underwent risk-based due diligence consistent with Brambles Third Party Due Diligence Standard Operating Procedures. All successfully completed enhanced due diligence and were onboarded.

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- Staffing company workers are not indebted or coerced to work or required to pay to work;
- Staffing company workers are free to move, and amongst other things, they are not forced to leave identity papers with their employers;
- Staffing companies do not employ children under the age of 15 or children under the age of 18 in hazardous conditions;
- Staffing company workers have the right to enter or terminate their employment freely and without fear of retaliation. To this end, they receive employment agreements written in their native language; and
- Additionally, where staffing companies provide housing accommodation for workers, inspections are regularly carried out and the results, including recommended actions, are documented.

Once a staffing company worker commences work at a Brambles plant, our procedure also requires that they receive training, including safety, human rights and Speak Up training, and have or are provided personal protective equipment at no charge.

This procedure launched in our operations in Malaysia and Thailand in Financial Year 2020, and in Financial Year 2021, we extended the relevant portions of it to our operations in India.

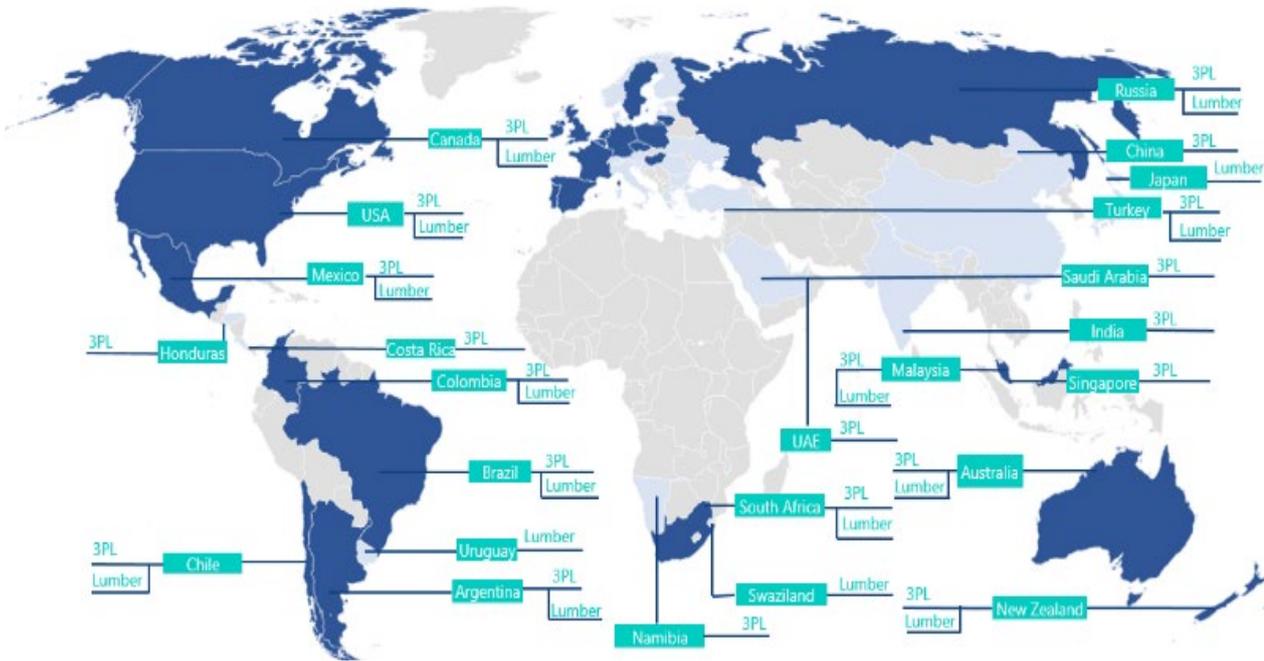
### Modern Slavery Risk Assessment: Brambles' Supply Chains

As set forth above, Brambles utilises more than 8,000 suppliers from across the globe, presenting different Modern Slavery risks. In Financial Year 2021, and after considering the nature of the work provided by the suppliers, their geography, the transparency of their operations and the potential for recruiting processes, our Modern Slavery risk assessment continued to focus on two categories of suppliers: timber providers and third party plant operators (**3PLs**). As described above, timber providers supply the wood, from FSC or PEFC or PEFC endorsed local certified sustainable forestry operations, used to build or repair pallets. Third party plant operators, on the other hand, are third party suppliers who operate some of the plants or service centres where our pallets are repaired. This necessarily requires that they employ and manage service centre workers, some of whom may come from vulnerable populations.

Our Financial Year 2021 timber providers and third party plant operators are located in the countries shown in the three maps below:

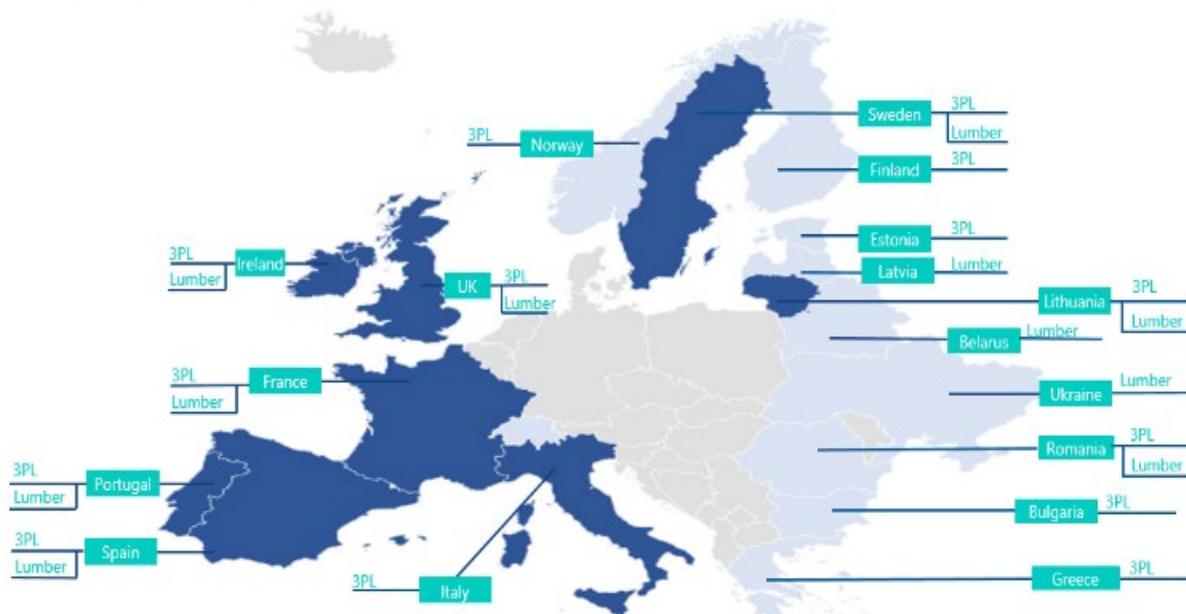
## FY21 Lumber Suppliers and Third-Party Plant Operators

Global (Other than Europe)



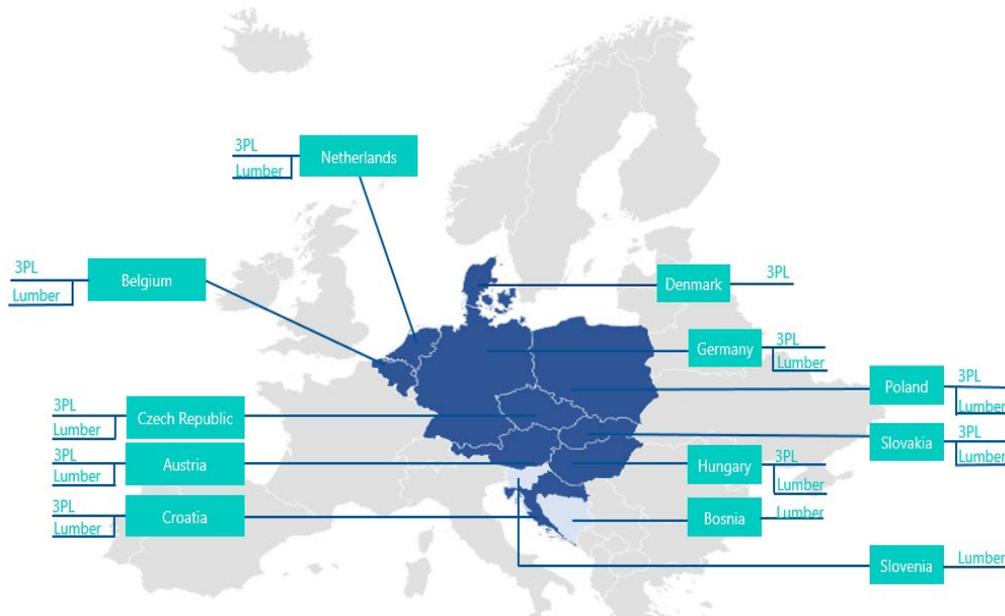
## FY21 Lumber Suppliers and Third-Party Plant Operators

Europe (Western and Eastern)



## FY21 Lumber Suppliers and Third-Party Plant Operators

Europe (Central and Northern)



To help us complete this assessment, all timber providers and third party plant operators were asked to undergo enhanced due diligence consistent with our Third Party Due Diligence Standard Operating Procedures. This enhanced due diligence not only examined the suppliers' existing policies and procedures and required that they sign compliance terms and conditions, which incorporate Modern Slavery-specific provisions, but required that potentially high risk suppliers in high risk countries undergo an inspection or audit carried out by an independent third party within the first six months of any potential engagement.

In Financial Year 2021, Brambles completed enhanced due diligence on all existing timber suppliers located in 37 countries. This, together with our desk-based research and input from external stakeholders, produced a risk assessment that ranked the risk by sourcing country as set out below.

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Modern Slavery Lumber Highest Risk Countries	Modern Slavery Lumber Moderate Risk Countries	Modern Slavery Lumber Lower Risk Countries	
Belarus	Bosnia	Argentina	Netherlands
Brazil	Croatia	Australia	New Zealand
Colombia	Poland	Austria	Portugal
Latvia	Romania	Belgium	Slovakia
Lithuania	Turkey	Canada	Slovenia
Malaysia		Chile	South Africa
Russia		Czech Republic	Spain
Swaziland		France	Sweden
Ukraine		Germany	UK
		Hungary	Uruguay
		Ireland	USA
		Japan	

63.48% of our total Financial Year 2021 timber spend was sourced from the lower risk countries set out above, while 9.01% was sourced from moderate risk countries. Although 27.51% of our total Financial Year 2021 timber spend was sourced from highest risk countries set out above, 82% of this came from one country: Brazil.

Following this assessment, which included the results of our enhanced due diligence, we then identified areas of opportunity and developed mitigating actions so that our timber sourcing programme does not rely only on FSC, PEFC or PEFC endorsed local certification to manage Modern Slavery risks. These actions include:

- Bespoke enhanced due diligence designed to identify Modern Slavery issues when contemplating onboarding any new timber supplier. Where any assessment, intelligence or due diligence highlights a higher risk (such as potentially engaging a new supplier from one of our highest risk countries, like Brazil), or where we are entering a new, high risk market, we use local experts and specialists to tailor this review. Since the launch of this programme, 4 such tailored reviews have taken place, resulting in the onboarding of 3 timber suppliers with controls and the rejection of 1 timber supplier from Brazil.
- Updated agreements to require, amongst other things, that higher risk timber suppliers undergo periodic onsite audits independent of FSC, PEFC or PEFC endorsed local certification audits.
- Collaborative approaches through impending supplier academies, where timber suppliers are reminded of the risk of Modern Slavery, Brambles' commitment to its eradication is made clear and the development of written policies and implementation of good governance practices are encouraged.

Brambles also continues to carry out enhanced due diligence on 372 third party plant operators. 248 third party plant operators (67%) have since completed this programme. Brambles anticipates completing enhanced due diligence on all remaining third party plant operators and, by extension, continuing its

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Modern Slavery assessment of this supplier category in Financial Year 2022. It also will continue expanding this assessment to other Tier 1 categories (i.e. Brambles' direct suppliers), including labour suppliers.

### 6. ACTIONS TO ASSESS AND ADDRESS THE RISKS OF MODERN SLAVERY

Robust policies, training, due diligence, compliance terms and conditions and monitoring are our key controls to assessing and addressing the risks of Modern Slavery in our own operations and in our supply chains.

#### Policies

Brambles has implemented a comprehensive suite of policies and procedures that set out the ethical and legal framework in which we operate, ensuring that we build a more sustainable future consistent with our shared values and that we act with integrity and respect for our people, our supply chains, the environment and the communities in which we do business. The following are the most relevant to preventing or mitigating the risk of Modern Slavery in our own operations and in our supply chains:

Policy	Description
Code of Conduct	Provides the ethical and legal framework for all employees in the conduct of Brambles' business
Human Rights Policy	Prohibits the use of child labour, forced, bonded or compulsory labour, human trafficking or other kinds of slavery in Brambles' operations and supply chains
Zero Harm Charter	Establishes Brambles' commitment to achieving zero injuries, zero environmental damage and zero detrimental impact on human rights
Corporate Social Responsibility Policy	Outlines Brambles' commitment to providing a safe working environment for all workers and to engaging suppliers which comply with applicable laws, including all applicable labour, employment, human rights, wage and hour, environmental and health and safety laws
Diversity Policy	Recognises the importance of inclusion and diversity throughout Brambles' operations
Global Dignity at Work Policy	Establishes Brambles' commitment to creating a work environment free from harassment, bullying and victimisation and ensuring all workers are treated, and treat others, with dignity and respect
Anti-bribery and Anti-corruption Policy	Sets out our commitment to complying with anti-bribery and anti-corruption laws and regulations in the countries in which we do business
Third Party Due Diligence Standard Operating Procedures	Establishes risk-based due diligence procedures that must be followed before new suppliers are onboarded
Timber Due Diligence Standard Operating Procedures	Establishes specific procedures that must be followed when engaging timber providers, including the review of human rights practices
Procurement Policy	Sets out our expectations for ethical and responsible sourcing

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Policy	Description
Speak Up Policy and Investigative Procedures	Establish ways to raise concerns of wrongdoing, including human rights concerns, without fear of retaliation or retribution

### Training

Brambles' mandatory Know the Code training module is designed to help its employees understand the underlying principles set out in the Code of Conduct. This module includes a chapter devoted to human rights, offering specific guidance on how to identify and report suspicions of child labour and forced, bonded or compulsory labour, human trafficking or other kinds of slavery. This mandatory Know the Code training module is assigned to all employees during their induction and during bi-annual refresher trainings.

Moreover, procurement employees must complete periodic training, covering myriad topics on responsible sourcing. For example, in Financial Year 2020, all procurement employees completed targeted human rights training. Targeted refresher human rights training is scheduled for Financial Year 2022.

### Risk Assessments

As set out on page 9 above, Brambles' HRWG completed a Modern Slavery risk assessment on its timber suppliers. In Financial Year 2022 Brambles has expanded this risk assessment programme, focusing on third party plant operations and labour suppliers, utilising due diligence, surveys and questionnaires to strengthen its Modern Slavery risk analysis.

### Due Diligence and Supplier Acknowledgments

Before Brambles onboards a new supplier, it carries out risk-based due diligence. Under this due diligence programme, new suppliers are assessed for human rights risk, amongst other risks. Suppliers that meet certain risk factors such as geographic or industry risk must undergo enhanced due diligence. This enhanced due diligence examines, amongst other things, the supplier's human rights policies and procedures and searches the internet and other media sources for any negative reports, including those relating to Modern Slavery. Due diligence is repeated periodically in accordance with the supplier's risk profile.

High risk suppliers must sign Brambles' compliance terms and conditions (see below) and certify compliance with, amongst others, Brambles' prohibition of child labour, forced, bonded or compulsory labour, human trafficking or other kinds of slavery. The certification is via a Supplier Acknowledgment Form which, amongst other things, asks suppliers to acknowledge that they "prohibit forced and child labour in [their] workforce and in those of [their] company's suppliers." It also asks them to acknowledge that they have reviewed and understood Brambles' Supplier Policy and Zero Harm Charter and that they

#### Due Diligence Learnings

In Financial Year 2021, 46% of all newly onboarded suppliers returned a completed Supplier Acknowledgment Form. This is materially consistent with the results in Financial Year 2020 (47%) and is an area in which we will seek to improve upon in the coming year through better collaboration and communication so that suppliers are aware of and understand that the expectation is that this form must be completed.

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will abide by the principles set out in both documents (as well as applicable laws and regulations) and require that their employees and suppliers do the same.

Brambles reserves the right to terminate its relationship with a supplier if issues of noncompliance with the Supplier Policy or its principles are discovered and not addressed in a timely manner. Brambles is working towards requiring all remaining suppliers to sign its compliance terms and conditions and complete the Supplier Acknowledgment Form.

As set out above, during Financial Year 2021, we completed enhanced due diligence on our existing timber suppliers. This enhanced due diligence revealed that just 32% had a written human rights policy and 61% had a written safety policy, notwithstanding the fact that all held FSC, PEFC or other form of PEFC endorsed local certification which requires that they have demonstrated that they protect and promote workers' rights and abide by applicable law. Although these results do not necessarily indicate noncompliance, we recognise the need to raise greater awareness and are prioritising collaboration with our supply chain partners, as described in our Modern Slavery risk assessment on page 9 above, which is an important component of enhancing our mitigation of Modern Slavery risks.

### Compliance Terms and Conditions

At the conclusion of onboarding, Brambles' new suppliers are asked to sign Brambles' compliance terms and conditions and all new high risk suppliers are required to do so. These compliance terms and conditions contain specific provisions which reference Brambles' Supplier Policy and make mandatory the obligation to comply with all applicable human rights laws and ensure that any suppliers with whom the new suppliers work do so as well.

### Site Visits

We visit and inspect suppliers, particularly timber and third party plant operators during which, amongst other things, we assess compliance with the requirements outlined above. The number and frequency of these visits was curtailed during Financial Year 2021 due to COVID-19 pandemic restrictions. While we recognise that these visits and inspections will not eliminate the risk of Modern Slavery, they do help us to identify issues which may require further action

### COVID-19 Response

Strict safety protocols continue to be implemented throughout Brambles' operations, including the provision of appropriate protective gear, social distancing, regular disinfection of workspaces and, where possible, remote working arrangements. We recognise that the COVID-19 pandemic continues to have a serious impact on people's health and livelihoods around the world, and we remain vigilant and committed to the health and safety of our employees, customers and the communities in which we operate.

### 7. ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

Brambles monitors the effectiveness of its efforts to combat Modern Slavery through multiple mechanisms, including Brambles' Board, RCC and SRC oversight, Key Performance Indicators (**KPIs**) and the review and assessment of questionnaires, inspections and audits.

#### KPIs

We have established KPIs to assess our effectiveness in combating Modern Slavery, including metrics which:

- Review the number of employees who have completed Code of Conduct and targeted human rights training;
- Review and assess the number of suppliers identified as being high, medium or low risk consistent with Brambles' Third Party Due Diligence programme;
- Review and track the implementation of any controls required as a result of the Third Party Due Diligence Programme;
- Review the number of completed Supplier Acknowledgment Forms;
- Review and assess the responses from supplier due diligence questionnaires in relation to Modern Slavery and other human rights practices;
- Review and assess the number of Brambles and supplier sites physically inspected for human rights risks, the number of non-compliances identified, and steps or actions taken to remediate; and
- Review and assess the number of Speak Up complaints received, the findings and the resulting actions.

#### Audits and Self Assessments

Brambles is a member of SEDEX, which promotes improvements in ethical and responsible business practices. Brambles also participates in Ecovadis, an organisation which provides supplier sustainability ratings. Many of Brambles' sites undergo SEDEX audits and several business units complete Ecovadis' independent corporate social responsibility assessments on a regular basis. Brambles tracks the results of each, ensuring that where opportunities for improvement are identified, they are appropriately actioned.

In Financial Year 2021, 4 of our sites—1 in Brazil, 1 in Malaysia and 2 in Thailand—completed audits using SEDEX's four pillar measurement criteria, which examine labour, health and safety, environmental and business ethics standards and practices. These audits identified 32 non-compliances. In all instances, we have put corrective actions in place. Unfortunately, our site visit and SEDEX audit programme was and continues to be interrupted by the COVID-19 pandemic; however, we anticipate that it will resume during 2022.

### 8. LOOKING FORWARD

Brambles is committed to identifying, assessing and addressing Modern Slavery risks in our own operations and in our supply chains. To that end, we will review and update, as necessary, our relevant policies, continue identifying and carrying out enhanced due diligence on our high risk suppliers, strengthen our Global Modern Slavery risk assessment programme and raise awareness around Modern Slavery through

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targeted training. To address each of these areas, over the course of Financial Year 2022, Brambles has and will take the following actions:

- Supplier Policy. Review and update the Supplier Policy so that it stands alone as a Supplier Code of Conduct;
- Enhanced Due Diligence Programme. Brambles aims to complete enhanced due diligence on all third party plant operations and, after assessing the results of this due diligence as well as other risk indicators such as country risk reports, will continue to assess and address Modern Slavery risks as set out in this statement. It also will continue enhanced due diligence on all labour or staffing agencies which have not previously completed the programme;
- Supplier Acknowledgment Forms. Brambles has launched a programme which seeks to increase the rate of return of these forms;
- Supplier Self-assessments and Annual Certifications. Brambles will launch a supplier self-assessment and annual certification (**SAQ**) programme, using the supplier certification template developed in Financial Year 2021. Under this programme, potentially high-risk suppliers will be asked to submit annual SAQs covering environmental compliance, ethics and human rights and to acknowledge their continued compliance with the principles set out in Brambles' Supplier Policy, including the principles around Modern Slavery. The answers to these SAQs will then be reviewed for trends or material issues, requiring follow up or investigation; and
- Supplier Academies. Brambles will launch a series of supplier academies in Financial Year 2022, where certain categories of suppliers, including timber suppliers, will be invited to attend to learn more about Brambles' expectations of all suppliers as set out by the principles, including the human rights principles, set out in the Supplier Policy. While this training will cover all topics in the Supplier Policy, emphasis will be placed on human rights and Modern Slavery.

## 9. CONSULTATION WITH OUR GROUP COMPANIES

Consistent with our Code of Conduct, this statement was prepared with input from all areas of our business, including Human Resources, Procurement and Global Supply Chain functions. The Australian and regional leadership teams in Asia-Pacific, Europe, North America, Latin America and India, Middle East, Turkey and Africa have approved of this statement, ensuring that all entities and functions were represented and included in the review and consultation process.

This joint statement is made pursuant to the Australian *Modern Slavery Act 2018* (Cth) and section 54 of the UK *Modern Slavery Act 2015* has been approved by the Board of Directors of Brambles Limited on 17 December 2021.



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John Mullen  
Chairman  
Brambles Limited

### ANNEXURE A

#### List of UK Entities

Brambles Investment Limited

BIP Industries Limited

CHEP Equipment Pooling BV (UK Branch)

Brambles Finance plc

Brambles U.K. Limited

Rail Car Services Limited

Wrekin Roadways Limited

Brambles Holdings (UK) Limited

Polybulk Limited

BXB Digital Limited

Brambles Nominees Limited

Cyan Logistics Limited

Brambles Enterprises Limited

CHEP UK Limited

Boxpal Limited

Brambles US Investment Limited

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**Brambles**