

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Brambles is a supply-chain logistics company operating in more than 60 countries, primarily through the CHEP and IFCO Brands. Brambles operates a circular business model, specialising in the share and reuse of unit load equipment, including more than 550 million pallets, crates and containers. Using our asset management expertise and the scale of our network, Brambles optimises the flow of goods through the supply chain, reducing waste and making the world's supply chains more efficient and sustainable. The more our customers share and reuse our products, the greater the efficiencies and environmental benefits of our networks.

Our Pallets business (operating under the CHEP brand) issues, collects and reissues returnable pallets through a network of service centres in multiple countries. Manufacturers, producers, distributors and retailers use our pallets to transport their products safely and efficiently through their supply chains. Additional value adding solutions include supply-chain optimisation and transport management services. In the USA, CHEP also provide a national network of pallet management services to sort, repair and reissue whitewood pallets (known as CHEP Recycled).

Our RPC business (operating under the IFCO Brand in Europe, the Americas and Japan and under the CHEP Brand in Australia, New Zealand and South Africa) provides reusable plastic crates (RPCs) to transport fresh produce from growers to retailers.

Our Containers business (primarily operating under the CHEP Brand) comprises three business units;

- Automotive, serving the automotive manufacturing industry;
- IBCs, providing intermediate bulk containers (IBCs) to the customers transporting raw materials in the food and general manufacturing industries;
- Oil and gas, which provides container management solutions to the oil & gas and refining sectors through the Hoover Ferguson Group (50% owned by Brambles).

Our BXB Digital business is focused on developing opportunities in relation to smart assets, data analytics and the Internet of Things.

Brambles Divested both CHEP Recycled and Hoover Ferguson Group during Fiscal Year 2018 (1st July 2017- 30th June 2018), however for the purposes of this report we will be reporting Fiscal Year 2017, both business' were still part of the group at that time.

For more information go to www.brambles.com

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	July 1 2016	June 30 2017	Yes	3 years
Row 2	July 1 2015	June 30 2016	<Not Applicable>	<Not Applicable>
Row 3	July 1 2014	June 30 2015	<Not Applicable>	<Not Applicable>
Row 4	July 1 2013	June 30 2014	<Not Applicable>	<Not Applicable>

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

- Australia
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Other, please specify (Rest of the world)

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

- Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Both own land and elsewhere in the value chain [Agriculture/Forestry only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity

Timber

% of revenue dependent on this agricultural commodity

More than 80%

Produced or sourced

Both

Please explain

Timber is used in the manufacture of timber pallets that are shared and reused by our customers. We maintain ownership of timber pallets throughout their life cycle. We produce only a small amount of our own timber, from plantations in South Africa. The majority of our timber is sourced from sustainable forestry suppliers. In FY17, 81% of our sales revenue came from CHEP business units, which comes predominantly from the share and reuse of these timber pallets.

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board/Executive board	The Board is responsible for the establishment and review of the effectiveness of the Group's system of internal control and risk management. This includes consideration of climate change risks. The Board is also responsible for the Group's Environmental Policy and Corporate Social Responsibility Policy.

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding risk management policies Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues Other, please specify (Public sustainability reporting)	As stated above, The Board is responsible for the establishment and review of the effectiveness of the Group's system of internal control and risk management. This includes consideration of climate change risks. The Board is also responsible for the Group's Environmental Policy and Corporate Social Responsibility Policy. The Board is responsible for approving the Group's overall strategic objectives, facilitating the provision of appropriate financial and human resources to meet these objectives and reviewing executive management's performance; and and the Group's risk management framework and systems of internal control and the conduct of a bi-annual review of the effectiveness of the risk management framework, including by a determination that it is properly identifying risks, the materiality of risks identified and mitigation steps for them (see 2017 Corporate Governance Statement, p 1). In FY16, Brambles established a sustainability risk and control committee to report through normal risk management processes. This is a management committee that assists the Executive Leadership Team (ELT) to formulate sustainability strategy, policies and targets, including those relating to climate change. Brambles has developed a sustainability strategy and reports its sustainability performance, policy and overall governance on its website (https://www.brambles.com/sustainability-governance). The Senior Director - Global Head of Sustainability reports to the Board on an annual basis to present progress on sustainability targets and the annual Sustainability Review (which is also reviewed and approved by the Board).
Sporadic - as important matters arise	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures	The schedule of matters reserved to the Board for approval includes overseeing the integrity of the Group's reporting systems for the Directors', corporate governance, sustainability and remuneration reports and other significant statements to the press, stock exchange and/or shareholders. As well, if climate change issues impacted any of the schedule of matters reserved to the Board for approval then the Board would review, including the Group's overall strategic direction and strategic plans for its major business units; acquisitions or disposals of assets which exceed the authority limits delegated to the Chief Executive Officer and Chief Financial Officer; and budgets, financial objectives and policies, and significant capital expenditure (see 2017 Corporate Governance Statement, p 1).

C1.2

(C1.2) Below board-level, provide the highest-level management position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Sustainability committee	Assessing climate-related risks and opportunities	Quarterly
Chief Sustainability Officer (CSO)	Other, please specify (Report progress on managing risks/opps)	Annually
Risk committee	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored.

In 2016, Brambles established a Sustainability Risk Committee (SRC). The SRC is a management committee comprising Brambles' Global Head of Sustainability and Group Vice President, Risk & Assurance and a cross section of senior Brambles corporate and business unit executives with relevant and applicable functional expertise. The objectives of the SRC are, amongst others, to assist the ELT and the Board to fulfil their corporate governance and oversight responsibilities relating to sustainability risks by identifying, assessing, monitoring and reporting on the Group's exposure to sustainability risks, determining whether the Group has a material exposure to any sustainability risks and monitoring new and emerging sustainability risks, including those relating to climate change. The SRC supplements the role of the Group Risk and Control Committees (RCCs), which continue, as a part of their regular review of their respective risk profiles and material risks, to identify, assess and, if applicable, adopt mitigation plans for economic, environmental and social sustainability risks.

The Senior Director - Global Head of Sustainability reports to the Vice President, Investor Relations, who reports to the CEO. This role corresponds to that of Chief Sustainability Officer and is responsible for setting targets and sustainability strategy programs, as well as monitoring and reporting performance against the relevant KPIs. These are undertaken to mitigate the risks and opportunities related to climate change and other environmental impacts of our business. Performance is monitored through internal systems and processes, including our environmental data collection system and our internal audit processes.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues.

Who is entitled to benefit from these incentives?

President

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction target

Comment

Senior Vice President Logistics - Transport Collaboration between Brambles and Customers. Collaboration projects create practical benefits for customers such as reduced fuel and transport service costs, positive sustainability outcomes and supply chain insights. Our SVP Logistics has an objective on increasing transport collaboration and reducing empty trips, which reduces our scope 3 emissions.

Who is entitled to benefit from these incentives?

Chief Sustainability Officer (CSO)

Types of incentives

Monetary reward

Activity incentivized

Other, please specify (Sustainability strategy/goals achieved)

Comment

Global Head of Sustainability - Sustainability strategy development and implementation, development and achievement of sustainability goals.

Who is entitled to benefit from these incentives?

Chief Procurement Officer (CPO)

Types of incentives

Monetary reward

Activity incentivized

Supply chain engagement

Comment

Senior Director of Procurement - The risk of contributing to deforestation is Brambles' most material sustainability issue. This is comprehensively addressed through a management program that includes: • Sourcing of certified sustainable wood • Remuneration incentives linked to sustainable sourcing • Consistent and transparent external reporting Sourcing wood from sustainably managed forests helps deliver global best practice in procurement and supports organisational efficiencies. This includes upholding Brambles' commitment to zero deforestation.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Other non-monetary reward

Activity incentivized

Other, please specify (Environmental volunteerism)

Comment

Brambles has an employee volunteering policy, which provides employees with three days of paid volunteer leave per year during usual contracted hours. This time can be used to volunteer their services to community-based not-for-profit environmental or educational organisations. During FY17, employees volunteered more than 17,000 hours. Brambles recognises the volunteering efforts of our employees by featuring them in internal communications, on the company intranet, on www.chep.com, and in our sustainability reporting, ie Sustainability Review.

Who is entitled to benefit from these incentives?

Other, please specify (Suppliers, customers and NGOs)

Types of incentives

Recognition (non-monetary)

Activity incentivized

Emissions reduction project

Comment

Brambles uses its logistics knowledge to minimise the carbon footprint of our customers by working with suppliers to reduce transport distances and associated emissions. We also work collaboratively with customers and suppliers to eliminate unnecessary empty return truck trips. Brambles also works with community organisations, such as food banks and environmental groups, on collaborative projects that have environmental benefits, including issues related to climate change. Brambles features customers, suppliers and community organisations that it works with online at www.chep.com and in its Sustainability Review (see pp 9-11, 19-20, 27-29).

Who is entitled to benefit from these incentives?

Energy manager

Types of incentives

Monetary reward

Activity incentivized

Efficiency target

Comment

Eg CHEP Europe and CHEP Australia monitors progress on energy initiatives versus targets regularly, both absolute emissions and using a KPI intensity metric. Monetary bonuses are linked to KPI achievement.

Who is entitled to benefit from these incentives?

Management group

Types of incentives

Monetary reward

Activity incentivized

Energy reduction target

Comment

For some senior managers, annual bonuses are linked to implementing energy efficient measures and achieving reduction targets.

Who is entitled to benefit from these incentives?

Environment/Sustainability manager

Types of incentives

Monetary reward

Activity incentivized

Behavior change related indicator

Comment

Members of the sustainability team have KPIs linked to reductions objectives (annual bonuses). In some regions, this is cascaded down to other departments (eg Operations Europe). Other employees have bonuses partly linked to implementing energy efficient measures and achieving reduction targets.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	5	[Confirm]
Long-term	5	100	[Confirm - classified as long-term or emerging risks?]

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	In 2015, economic, environmental and social sustainability risks were incorporated into the Group's risk management framework. In 2016, this framework was further enhanced with the establishment of a Sustainability Risk Committee (SRC). The SRC helps identify, assess, monitor and report on the Group's exposure to sustainability risks (including those related to climate change), determining whether the Group has a material exposure to any sustainability risks and monitoring new and emerging sustainability risks. The SRC receives and reviews that part of the bi-annual risk reports prepared by the Group Risk and Control Committees (RCCs) to the ELT that relate to their respective sustainability risks and the risk mitigations plans for those risks. Any such risks, and their associated mitigation steps, are included in the twice yearly report from the ELT to the Board. The SRC also reviews and approves on a bi-annual basis a sustainability risk matrix for the Group.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

Brambles risk management processes are outlined in detail on its website and in our Corporate Governance Statement pp 11-12 (https://www.brambles.com/Content/cms/Corporate_Governance/170820_Corporate_Governance_Statement.pdf). The identification, assessment and adoption of mitigation plans for material economic, environmental and social sustainability risks (which includes those related to climate change) was incorporated into the Group's risk management framework. "Material" risks include those that have a substantive financial impact, or a substantive impact on the Group's reputation, a material effect on the Group's value or share price, or its ability to execute its strategy. To understand substantive impact, the reader first has to understand our risk management framework as described in the Corporate Governance Statement on Brambles website, which incorporates effective risk management into its strategic planning processes and requires business operating plans to effectively manage key risks. However, in order to identify its key risks (and effective mitigants), one has to also identify both the Likelihood of an event occurring, and then the Consequence or Impact if that event materialises. It is this latter piece of consequence or impact that best assess substantive impact on our business. We split our impact or consequence (on the business) into 3 levels: Low, Moderate, or High. In this case, a High consequence or impact would have a "substantive impact" on our business. It can be split into a number of different elements for which there are definitions: Health & Safety, Environmental, Financial Loss, Image & Reputation, Legal & Compliance, People, Asset Loss, Treasury Covenants, Share Price, and Group Operating Profits. The risk and control committees (RCCs), as a part of their regular review of their respective risk profiles and material risks, identify, assess and, if applicable, adopt mitigation plans for economic, environmental and social sustainability risks. In 2015, economic, environmental and social sustainability risks were incorporated into the Group's risk management framework. In 2016, this framework was further enhanced with the establishment of a Sustainability Risk Committee (SRC). The SRC is a management committee comprising Brambles' Group Senior Vice President, Human Resources, Global Head of Sustainability and Group Vice President, Risk & Assurance and a cross section of senior Brambles corporate and business unit executives with relevant and applicable functional expertise. The objectives of the SRC are, amongst others, to assist the ELT and the Board to fulfil their corporate governance and oversight responsibilities relating to sustainability risks by identifying, assessing, monitoring and reporting on the Group's exposure to sustainability risks, determining whether the Group has a material exposure to any sustainability risks and monitoring new and emerging sustainability risks. The SRC supplements the role of the Group RCCs, which continue, as a part of their regular review of their respective risk profiles and material risks, to identify, assess and, if applicable, adopt mitigation plans for economic, environmental (including issues related to climate change) and social sustainability risks. The SRC receives and reviews that part of the bi-annual risk reports prepared by the Group RCCs to the ELT that relate to their respective sustainability risks and the risk mitigations plans for those risks. It assesses and reports to the ELT on whether the Group has a material exposure to those risks. Any such risks, and their associated mitigation steps, are included in the twice yearly report from the ELT to the Board (see Section 7.2). The SRC also reviews and approves on a bi-annual basis a sustainability risk matrix for the Group. A description of the nature of the Group's material economic, environmental and social sustainability risks is set out in the Operating & Financial Review on page 4 of Brambles' 2017 Annual Report (https://www.brambles.com/Content/cms/pdf/2017/BRL203_S2_Brambles_AR2017_For_Web.pdf). There were no material risks related to climate change in FY17.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	As stated in the Corporate Governance Statement, "Brambles is a global provider of supply-chain logistics services and operates in more than 60 countries. It is therefore subject to an extensive range of legal, regulatory and governance requirements. Brambles is committed to observing the requirements applicable to publicly listed companies in Australia. The Board is conscious that best practice in the area of corporate governance is continuously evolving, and will therefore continue to anticipate and respond to further corporate governance developments." (p 1) Brambles Code of Conduct (attached) applies to all Brambles' directors, officers and employees and requires them to conduct business in accordance with the laws and regulations of the countries in which the business is located, and in a manner so as to enhance the reputation of Brambles. In addition, the ELT, through the Chief Executive Officer, also prepares a risk report to the Board twice yearly, which includes a review of the Group's risk profile, mitigation factors, economic, social and environmental sustainability risks and emerging risks
Emerging regulation	Relevant, always included	Brambles Chief Compliance Officer, reporting to the Vice President, Legal and Secretarial, is responsible for monitoring emerging regulation. As stated in the 2017 Corporate Governance Statement, "The Board is conscious that best practice in the area of corporate governance is continuously evolving, and will therefore continue to anticipate and respond to further corporate governance developments." (p 1) This includes emerging regulation.
Technology	Relevant, always included	The Chief Executive Officer is assisted by Brambles' Executive Leadership Team (ELT), which is a management committee and has a range of responsibilities, including formulating major policies in areas such as information technology. (see p 2, Corporate Governance Statement). In 2016, Brambles reinforced its commitment to innovation and sustainability by establishing its new venture, BXB Digital. This combines digital technologies with our physical platforms, so that our partners across the supply chain can experience a more connected, intelligent and efficient supply chain. (p 12, 2017 Sustainability Review). The Chief Information Officer and the President of BXB Digital both report to the CEO.
Legal	Relevant, always included	As stated in the Corporate Governance Statement, "Brambles is a global provider of supply-chain logistics services and operates in more than 60 countries. It is therefore subject to an extensive range of legal, regulatory and governance requirements. Brambles is committed to observing the requirements applicable to publicly listed companies in Australia. The Board is conscious that best practice in the area of corporate governance is continuously evolving, and will therefore continue to anticipate and respond to further corporate governance developments." (p 1) Brambles Code of Conduct (attached) applies to all Brambles' directors, officers and employees and requires them to conduct business in accordance with the laws and regulations of the countries in which the business is located, and in a manner so as to enhance the reputation of Brambles.
Market	Relevant, always included	As stated in the Corporate Governance Statement, "Brambles is a global provider of supply-chain logistics services and operates in more than 60 countries. It is therefore subject to an extensive range of legal, regulatory and governance requirements. Brambles is committed to observing the requirements applicable to publicly listed companies in Australia. The Board is conscious that best practice in the area of corporate governance is continuously evolving, and will therefore continue to anticipate and respond to further corporate governance developments." (p 1) Brambles Code of Conduct (attached) applies to all Brambles' directors, officers and employees and requires them to conduct business in accordance with the laws and regulations of the countries in which the business is located, and in a manner so as to enhance the reputation of Brambles.
Reputation	Relevant, always included	As stated in the Corporate Governance Statement, "The Board is conscious that best practice in the area of corporate governance is continuously evolving, and will therefore continue to anticipate and respond to further corporate governance developments." (p 1) Brambles Code of Conduct (attached) applies to all Brambles' directors, officers and employees and requires them to conduct business ... in a manner so as to enhance the reputation of Brambles.
Acute physical	Relevant, always included	Any acute physical risk, including climate-related, and its potential implications are monitored through our risk management processes. Brambles Group Risk and Audit manages physical risk with robust site and asset management plans and modelling, including emergency response and business continuity. Global building surveys applying Zero Harm standards are conducted continually. Brambles monitors the impact of its global operations through the use of an environmental management system to further improve analysis. Brambles also closely monitors the impact of and on its supply chain, including sourcing of raw materials such as timber, that may be impacted by, or have an impact on, climate-related risks (eg deforestation).
Chronic physical	Relevant, always included	As for acute physical risks, any chronic physical risk, including climate-related and its potential implications are monitored through our risk management processes. Brambles Group Risk and Audit manages physical risk with robust site and asset management plans and modelling, including emergency response and business continuity. Global building surveys applying Zero Harm standards are conducted continually. Brambles monitors the impact of its global operations through the use of an environmental management system to further improve analysis. Brambles also closely monitors the impact of and on its supply chain, including sourcing of raw materials such as timber, that may be impacted by, or have an impact on, climate-related risks (eg deforestation).
Upstream	Relevant, always included	Our customers are increasingly concerned about and addressing their impacts on climate change. Climate change mitigation/adaptation and deforestation are of increasing concern to stakeholders, including customers. Risks to Brambles' client sectors, such as food and agriculture and information technology, due to changing areas of suitable land, increased incidence of pest and disease, impacts on production, may impact on demand for provision of services by Brambles' businesses. Customer demand for sustainable outsourced supply chain solutions amidst an intensifying competitive environment is noted as a key part of Brambles' operating model and customer value proposition (pp 4-5, 10 Annual Report 2017) Brambles seeks customer feedback through its customer insights program and collaborates closely with customers through various different programs that address the impact of our operations, our customers' supply chains and transport. We use all of these to provide feedback within our business, including through our risk management processes.
Downstream	Please select	Brambles closely monitors risks to its own supply chain, including climate-related risks, through its risk management processes. This includes risks relating to the sourcing of raw materials such as timber, that may be impacted by, or have an impact on, climate-related risks (eg deforestation). Risks to Brambles' supplier sectors, such as transport and forestry may negatively impact its operations. Brambles depends on the availability of natural resources, such as lumber, fuel and plastic resin. Fluctuations in commodity prices and raw material availability may affect our operations, operating revenues and results of operations. We have operations that are directly or indirectly exposed to volatility in costs of fuel, lumber, plastic resin and other raw materials that have the potential to impact our operations and margins. While we generally source supplies of raw materials from a range of providers in each geographic region, in Australia we are dependent on a single local supplier for our lumber and plastic resin needs. The failure to source sufficient timber and other raw materials required for the production of pallets, at acceptable costs and as required, could significantly affect our operations and adversely affect our business. In addition, any increase in the cost of materials, such as timber and plastic resin, may also increase our repair costs of pallets, RPCs and containers.

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Brambles' HQ & business units each have a risk & control committee (RCC). RCCs conduct an in-depth review on a regular basis of the risk profile of the relevant business unit. In 2015, economic, environmental (inc those related to climate change) & social sustainability risks was incorporated into the risk mgt framework. The ELT, through the CEO, prepares a risk report to the Board twice yearly, which includes a review of the Group's risk profile, mitigation, EES & emerging risks.

This framework was enhanced in 2016 with the establishment of a Sustainability Risk Committee (SRC). The SRC supplements the role of the Group RCCs, which continue to identify, assess & adopt mitigation plans for EES sustainability risks. The SRC receives & reviews that part of the bi-annual risk reports prepared by the Group RCCs to the ELT that relate to their respective sustainability risks & mitigations plans & assesses & reports to the ELT on whether there is a material exposure to those risks. Any such risks & associated mitigation is included in the twice yearly report from the ELT to the Board.

The SRC also reviews & approves a bi-annual sustainability risk matrix for the Group. A description of the nature of the Group's material EES sustainability risks & how those risks are managed is set out on p 4 of the 2017 Annual Report.

The timing of the emergence of risk impacts will vary between each risk type and whether they are operational or strategic risks. The consequence rating is considered in the context of potential impact in the next 12 months, as well as the possible annual impact at some stage over the next 2-5 years should the risk be more strategic. Brambles regularly updates its material sustainability issues process. This includes a review of stakeholder feedback through both formal and informal processes. Ranking is conducted as a part of this process. Brambles review of material sustainability issues is conducted with consideration of the Global Reporting Initiative (GRI) G4 guidelines, in order to identify material aspects that reflect Brambles' EES impacts. Stakeholders are engaged through a number of other ongoing business processes, including programs such as the Brambles Employee Survey and customer insights program, which are under the direct control of senior management and reported where applicable. The top sustainability issues of concern to each stakeholder group are identified and ranked. These are approved by senior management. The EES risks assessed by our internal risk management processes are also included in our analysis. The material sustainability issues were identified as being those sustainability issues applicable to multiple stakeholder groups and/or with a material impact on our businesses. Following the identification and prioritisation of material sustainability issues, the results are approved by the Sustainability Risk Committee and the Board, before being reported publicly. Key stakeholders are identified as those groups significantly impacted by the policies and practices of Brambles businesses. Feedback from key stakeholders is reported annually. (<https://www.brambles.com/sustainability-governance#section-sustainability-strategy-4269>).

Brambles demonstrates the environmental benefits of using our shared and reused products to both customers and potential customers through various platforms that are used by our sales and customer facing teams. These online calculators have been developed internally. This enables us to take advantage of the opportunity presented by changing market behaviour, where companies that are our customers or potential customers, can be shown how switching to our share and reuse model enables them to reduce emissions. We also collaborate directly with customers and suppliers to reduce transport distances and associated emissions. We also have other programs that reduce the impact our customers have on the environment, such as total pallet management on-site and storage efficiencies. These are examples of how we are managing climate related opportunities.

An example of managing the physical risks of climate change and the impact on our timber supply chain is our move to certified and chain of custody certified timber. As we progress towards our goal, we work with our suppliers to ensure a reliable supply of this timber. This thereby allows us to develop stronger supplier relationships and makes us more resilient to any changes in the timber supply chain caused by climate related or other pressures.

We ensure that regulation related to climate change, such as emissions, carbon taxes, reporting obligations, etc, is monitored continuously. This is the responsibility of our legal team, including our Vice President and Chief Compliance Officer. This has enabled us to comply wherever in the world relevant legislation is enacted. For example, some years ago Brambles reported under National Greenhouse and Energy Reporting legislation in Australia when required.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Increased pricing of GHG emissions

Type of financial impact driver

Policy and legal: Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Proliferation of regional legislation. Brambles business in the UK is directly affected by the UK Carbon Reduction Commitment Energy Efficiency scheme and in previous years has come under Australia's NGER Scheme, where we were required to monitor and report emissions when a certain threshold had been reached. Brambles previously addressed the carbon tax in Australia, prior to its repeal in July 2014. While none of these represent a substantive risk to the company, the potential proliferation of similar and varying legislation in other countries could present a risk since the company operates in more 50 countries around the world. In the UK, the Carbon Reduction Commitment Energy Efficiency Scheme came into force in April 2010. CHEP UK is registered. The CRC Energy Efficiency Scheme in the UK is a legislative requirement to report and purchase allowances based on Scope 1 and 2 emissions (excluding transport). Together with the reputation considerations, the scheme encourages organisations to develop energy management strategies that promote a better understanding of energy usage. The scheme is designed to tackle CO2 emissions not already covered by Climate Change Agreements (CCAs) and the EU Emissions Trading Scheme. Reporting under this scheme will continue to apply until 2019, when the UK government will replace it, in a revenue neutral way to the government, with an increase in the Climate Change Levy. Other countries or regions have adopted other schemes, for example, the New Zealand Emissions Trading Scheme, the European Union Emission Trading Scheme, and some states in the US. China has announced that in 2017, it will launch a national cap-and-trade program involving six of its largest carbon-emitting industrial sectors, beginning with coal-fired power generation. Cap and trade schemes will lead to an increase in cost for Brambles, its businesses and its customers.

Time horizon

Current

Likelihood

Likely

Magnitude of impact

Low

Potential financial impact

2454000

Explanation of financial impact

Participating in the UK CRC scheme requires CHEP to purchase allowances for the tonnes of CO2 generated. In 2016/2017, this was 8,578 tonnes at GBP 17.20 (compliance sale price), a total cost of GBP 147,542 (approximately US\$191,657, at June 2017 foreign exchange rates). It is difficult to estimate the financial implications were such schemes to come into place into other countries where Brambles currently operates; however, if they apply only to scope 1 and scope 2 emissions, the impact would likely not be significant. Brambles combined scope 1 and scope 2 emissions for FY17 were 109,680 tonnes of CO2. If UK pricing per tonne were applied globally, this would have cost approximately US\$2,454,000 (applying June 2017 foreign exchange rates). (Brambles total costs for FY17 for continuing operations were US\$4,416,100,000. The above cost would represent less than

0.056% of FY17 expenses.) Proliferation of such legislation could introduce operational complexity and associated cost burden.

Management method

Brambles has invested in an environmental management system and is updating to an improved system in FY18 to improve monitoring, analysis and reporting of its footprint. Brambles global environment reporting and analysis system allows us to better assess the impact of legislation should it come into force, given the greater ease of accessing emissions data in individual countries and regions. Brambles businesses have the capacity to enter their energy, waste and water data regularly and analyse the information at their discretion. Our environmental reporting system includes emissions data at a site and country level. It also allows integrated compliance analysis and reporting. Brambles also works to reduce energy consumption and emissions in the UK and globally. CHEP UK works with an independent consultancy firm to report Brambles' emissions in the UK. Brambles has also increased the purchase of renewable energy in the UK as a lower carbon alternative to previous electricity purchases.

Cost of management

Comment

There are set up and annual subscription costs of environmental management software; however, this is not substantial to the business. The market rate for suitable systems varies from \$10,000-200,000, or monthly charges per user which are lower. The purchase of renewable energy in the UK may mean a price difference to the cost of non-renewable energy, but this is not reported separately. Costs associated with risk mitigation take a number of forms, for example, capital costs and overhead costs (such as employing sustainability experts, etc). Capital expenditure, which may have included retrofitting more efficient technologies during site relocations and upgrades, was \$1,023,500,000 in FY17. (Annual Report, p 61) Repairs and maintenance expenses, which include non-capital expenditure on refurbishments and upgrades, were \$816,900,000 in FY17 (p 63). The specific cost of energy efficient installation is not tracked or reported separately at a global level.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Reputation: Other

Type of financial impact driver

Policy and legal: Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Regulatory compliance is noted as a key business risk (p 10 Annual Report 2017). Governments and regulatory authorities have become increasingly focused on environmental, sustainability and other issues. Governmental and customer focus on these issues may lead to additional regulatory and legislative action which could increase our costs of operations or adversely affect demand for our services. Government regulations affect all aspects of Brambles' operations, Those regulations impose obligations on (amongst other things) environmental protection. The Australian Competition and Consumer Commission supervises companies making green claims, including carbon claims. Legal protections and expectations are contained in the Australian Consumer Law (ACL), which is a schedule to the Competition and Consumer Act 2010. The ACL states that businesses must not mislead or deceive consumers in any way, and it carries serious penalties for businesses that fail to meet these requirements (see attached guide). This means Brambles' must be able to verify and substantiate public statements of environmental benefits.

Time horizon

Unknown

Likelihood

Unlikely

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

If we fail to comply with regulatory obligations, it could give rise to investigations by regulators or litigation, adversely affect licenses we hold and damage our reputation, which could adversely affect our operational and financial performance. Any material change or increase in regulatory obligations could also adversely affect the viability of our current business model and strategies. Increases in operating costs could negatively impact our profitability or cash flow. Given the range of potential scenarios, we are unable to report actual financial implications. Risks of making 'green claims' including carbon claims without evidence to substantiate is a Federal Court action. It is difficult to estimate the financial implications of future action or outcomes; however, this would not be

material or likely for our business.

Management method

The Chief Executive Officer, through the Executive Leadership Team (ELT), has principle responsibility for risk management. Brambles operates a company-wide risk management framework. In addition, Brambles employs a Senior Director, Government & Regulatory Affairs, Marketing, who assists with monitoring of regulation, including environmental regulation, for the Group globally. For further information on corporate governance and risk management, please see the attached Corporate Governance Statement. Brambles seeks to minimise this risk through its sustainability strategy, including targets to reduce its impact on the environment (including emissions reductions). An inventory of carbon related claims aligned with evidence is kept. Since FY12, Brambles has used the services of an independent third party to verify its data and statements in its annual sustainability review, including its GHG emissions. (see attached assurance statement for FY17).

Cost of management

Comment

The cost of independent assurance of Brambles GHG emissions is not separated from assurance of other sustainability indicators. Costs associated with our sustainability strategy, targets and risk mitigation activities take a number of forms. There are raw material costs (eg buying certified source materials), capital costs (eg investments in energy efficiency projects) and overhead costs (eg employing sustainability experts, etc). Specific costs are not disclosed but are not substantial to the business. Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Customer

Risk type

Transition risk

Primary climate-related risk driver

Market: Changing customer behavior

Type of financial impact driver

Market: Reduced demand for goods and/or services due to shift in consumer preferences

Company- specific description

Many of Brambles' customers provide FMCG products that may be impacted by voluntary or mandatory product labelling. This information requires cooperation with their suppliers, including Brambles' businesses, to determine the carbon impact of products and services. For example, in 2012, the European Commission commissioned a study to investigate the possibility of creating a product label which provides consumers with information about the environmental lifecycle performance of the product (Single Market for Green Products initiative). In February 2015, Wal-Mart, one of Brambles' customers, announced a new online badging program in an effort to index supply chain sustainability standards across product categories.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

Customer requests for information to enable them to calculate the carbon impact of individual brands or products will require Brambles to improve its own data collection systems. While current requirements do not represent a substantive cost to Brambles, proliferation of such legislation or customer and industry initiatives could introduce operational complexity and associated cost burden to our businesses.

Management method

Brambles collects extensive data on its environmental impact using its environment reporting and analysis system, implemented in FY12. In addition, CHEP offers a carbon neutral pallet service, allowing customers to further reduce environmental impact. The service enables customers to purchase carbon credits to help finance emission-reduction projects worldwide. CHEP and IFCO use LCI and LCA data where possible to enable them to calculate its customers' environmental impact, including greenhouse gas emissions. If required by customers, CHEP and IFCO will collaborate to determine the impact in their supply chains.

Cost of management

Comment

The cost of implementing our environmental reporting system is not substantial to the business. Specific costs related to joint collaborations with customers are not disclosed due to commercial sensitivity.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Supply chain

Risk type

Transition risk

Primary climate-related risk driver

Market: Increased cost of raw materials

Type of financial impact driver

Market: Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g., waste treatment)

Company- specific description

Risks to Brambles' supplier sectors, such as transport and forestry. Changing and unstable weather patterns, such as temperature increases and limited rainfall could generate more drought incidences and pose challenges to raw material and agricultural systems. Significant increases in fuel prices may negatively impact its operations. Fuel/energy taxes and regulations also impact on the cost of transport services. Fuel/energy taxes currently exist in countries where Brambles' businesses operate, for example, in Australia an excise tax on fuel is levied by the federal government. The price of fuel, impacted by fuel taxes, is one of the conditions that contributes to a key business risk, where changes in business conditions in the markets we serve may affect the profitability of our business models. Brambles depends on the availability of natural resources, such as lumber, fuel and plastic resin. Droughts may impact on the availability of lumber in certain regions for our suppliers. In addition, risks to Brambles' client sectors, such as food and agriculture and information technology, due to changing areas of suitable land, increased incidence of pest and disease, impacts on production, may impact on demand for provision of services by Brambles' businesses. Fluctuations in commodity prices and raw material availability may affect our operations, operating revenues and results of operations. We have operations that are directly or indirectly exposed to volatility in costs of fuel, lumber, plastic resin and other raw materials that have the potential to impact our operations and margins. While we generally source supplies of raw materials from a range of providers in each geographic region, in Australia we are dependent on a single local supplier for our lumber and plastic resin needs. The failure to source sufficient timber and other raw materials required for the production of pallets, at acceptable costs and as required, could significantly affect our operations and adversely affect our business. In addition, any increase in the cost of materials, such as timber and plastic resin, may also increase our repair costs of pallets, RPCs and containers. Brambles and its customers rely on transport providers to move its pooling solutions and goods throughout the supply chain.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

Impacts on raw materials and fuel would lead to increased costs for Brambles. Increases in operating costs could negatively impact our profitability or cash flow. Brambles could require substantial capital expenditure to adjust its business models to meet developments. Failure to source sufficient timber and other raw materials required for the production of pallets at acceptable costs could significantly affect Brambles' operations. Brambles reported operating expenses of US\$227.2 m on raw materials and consumables, US\$1,113 m on transport (which includes fuel costs) and US\$816.9 m on repairs and maintenance in FY17 (p 63 of Annual Report 2017). In FY17, Capital expenditure for CHEP and IFCO (which includes the cost of purchasing pallet, crate and container assets) was US\$841.4 m (see p 61 of the Annual Report 2017). Financial implications of fuel and energy taxes vary from country to country where Brambles' businesses operate and may change regularly.

Management method

Because we recover, repair and allow customers to reuse our products many times, we are able to reduce demand on resources. For eg, customers' use of pooled pallets saved at least 1.6 million trees in FY17 (see p 7 of the Sustainability Review 2017). We reported 3,912 tonnes of wood reclaimed and reused by CHEP in FY17. (p 25 Sustainability Review 2017) 100% of plastic material

is recovered from IFCO RPCs at end of life. This reduces our demand for virgin plastic. In FY17, IFCO reused more than 22,600 tonnes of plastic material in the manufacture of new RPCs (p 22 Sustainability Review 2017) We generally source supplies of raw materials from a range of providers in each geographic region; however, in Australia we are dependent on a single local supplier for our lumber and plastic resin needs. 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. Using our logistics knowledge by collaborating with our key partners reduces transport distances and associated costs and environmental impacts. By collaborating with over 200 customers through our transport programs in FY17, we saved 54,000 tonnes CO2 and 64.7 million kilometres in trips.

Cost of management

0

Comment

The cost of recovering and reusing wood and plastic is not considered separately, as it is an inherent part of our business model. Management of transport and energy suppliers is conducted through normal procurement processes. No incremental cost is associated. Costs of customer focused fuel-related programs are not monitored separately to normal customer processes. Transport expenses for Brambles for FY16 (continuing operations) were US\$1,113 m. Brambles does not report other energy costs (such as electricity) separately in its financial reports. Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Supply chain

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Rising mean temperatures

Type of financial impact driver

Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)

Company- specific description

Increased intensity, period and frequency of heat waves, causing infrastructure impacts, such as buckling rail tracks and temporary port closure. For example, increasing temperature extremes could impact on the availability of grid electricity, access and the ability for our services to access transport on affected infrastructure, such as roads, rail, etc, increased exposure at particular times of the year (for eg, peak demand).

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

All of these potential effects are also likely to impact our insurance premiums over time, as for the business community generally. Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.

Management method

Brambles has insurance policies to cover our respective properties and operational hazards with policy specifications and insured limits that we believe are customarily carried for similar properties and operating activities. Group Risk and Audit manages risk with robust site and asset management plans and modelling, including emergency response and business continuity. We continue to monitor any potential impacts of this risk through our normal risk management processes. We have independent and physically separate primary and secondary computer systems, as well as offsite storage and a disaster recovery plan.

Cost of management

Comment

Risks and potential implications are monitored through risk management processes. No incremental cost is associated. Overhead costs, such as employing sustainability experts, etc are not disclosed due to commercial sensitivity, but are not substantial.

Brambles has not had any impact in the past five years on insurance premiums for continuing operations. Insurance premiums are not disclosed due to commercial sensitivity.

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact driver

Write-offs and early retirement of existing assets (e.g., damage to property and assets in "high-risk" locations)

Company- specific description

Changing temperature and precipitation patterns may lead to physical effects on our assets (wooden pallets, etc) and decreased availability of raw materials in the supply chain. Changes in precipitation may also impact on our ability to provide a resilient product, as prolonged rainy seasons and humidity may cause mould on pallets. Climate change may increase the occurrence and frequency of floods, which can then affect our direct operations. Some of Brambles' global operations and infrastructure services required to continue to operate may be exposed to some physical risks from climate change. Flood damage and business interruption will increase costs, disrupt supply chains and impact insurance premiums. Unexpected events could disrupt our operations and adversely affect our results of operations. We are subject to the risks of unexpected events, natural disasters such as hurricanes, tornadoes, floods, fires, earthquakes, etc and potential outbreaks of public health related issues that may directly impact the fast-moving consumer goods industry, such as food borne illnesses. Each of these events could adversely affect our operational and financial performance. These events could result in customer disruption, employee safety issues, physical damage to one or more key operating facilities, temporary closure of one or more key operating facilities, temporary disruption of information systems, reputational damage, financial impairment or litigation. Our operations and properties may be uninsured or underinsured and failure to maintain adequate insurance may result in a default under our debt instruments.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

High

Potential financial impact

90000000

Explanation of financial impact

Inventories and property, plant and equipment were valued at US\$4,917.9 m in FY17. (p 53, 78, 79 Annual Report 2017) Potential catastrophic losses may be uninsurable, or not insurable on a financially reasonable basis (eg, we do not carry business interruption insurance for CHEP, but we carry "increased cost of working insurance") or may be subject to larger excesses or coverage limitations. CHEP, which provides pooled wooden pallets (as well as some other pooled products) to customers, contributed 81% of sales revenue in FY17. If uninsured or uninsurable loss occurs, we could be subject to material liability or lose invested capital in and anticipated profits from affected property or assets. Damage to computer and back-up systems may require significant investment and we may suffer interruptions that adversely affect operational and financial performance. Impact is estimated at 5% of our Net Assets in any one region, using North America as the highest Net Asset base.

Management method

We carry various insurance policies to cover our respective properties and operational hazards with policy specifications and insured limits that we believe are customarily carried for similar properties and operating activities. Group Risk and Audit manages risk with robust site and asset management plans and modelling, including emergency response and business continuity. Global building surveys applying Zero Harm standards are conducted continually. Brambles has been working to apply GPS coordinates to all sites. This allows Brambles to modify our insurance program where catastrophe and flood data is available (eg USA). We have independent and physically separate primary and secondary computer systems, as well as offsite storage and a disaster recovery plan. In 2014, Brambles expanded natural catastrophe modelling with its insurer. In times of flood and natural disaster, our service centres impacted are able to re-route customer transactions to other service centres wherever possible. CHEP often provides pallets to assist emergency services.

Cost of management

Comment

Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk. Brambles has not had any impact in the past five years on insurance premiums for continuing operations. Insurance premiums are not disclosed due to commercial sensitivity.

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact driver

Write-offs and early retirement of existing assets (e.g., damage to property and assets in "high-risk" locations)

Company- specific description

Increased, intensity, frequency and area of impact of cyclones, causing damage to our assets, including facilities, as well as roads and other infrastructure. Unexpected events could disrupt our operations and adversely affect our results of operations. We are subject to the risks of unexpected events, natural disasters such as hurricanes, tornadoes, floods, fires, earthquakes, etc and potential outbreaks of public health related issues that may directly impact the fast-moving consumer goods industry, such as food borne illnesses. Each of these events could adversely affect our operational and financial performance. These events could result in customer disruption, employee safety issues, physical damage to one or more key operating facilities, temporary closure of one or more key operating facilities, temporary disruption of information systems, reputational damage, financial impairment or litigation. Our operations and properties may be uninsured or underinsured and failure to maintain adequate insurance may result in a default under our debt instruments. Brambles' computer systems, including back up systems, are subject to damage or interruption from power outages, catastrophic events, such as fires, tornadoes and hurricanes, and so on. Interruption or failure of these systems could impair our ability to provide our services effectively and materially damage our reputation and ability to attract and retain customers.

Time horizon

Long-term

Likelihood

Unlikely

Magnitude of impact

High

Potential financial impact

90000000

Explanation of financial impact

Inventories and property, plant and equipment were valued at US\$4,917.9 m in FY17. (p 53, 78, 79 Annual Report 2017) Potential losses of a catastrophic nature such as those arising from catastrophic events, may be either uninsurable, or, in our judgment, not insurable on a financially reasonable basis (eg, we do not carry business interruption insurance for CHEP, but we carry "increased cost of working insurance") or may be subject to larger excesses or limitations on coverage. If an uninsured or uninsurable loss occurs, we could be subject to material liability or lose both our invested capital in and anticipated profits from the affected property or assets. Damage to computer and back-up systems may require significant investment to repair or replace, and we may suffer interruptions that adversely affect operational and financial performance. Impact is estimated at 5% of our Net Assets in any one region, using North America as the highest Net Asset base.

Management method

We carry various insurance policies to cover our respective properties and operational hazards with policy specifications and insured limits that we believe are customarily carried for similar properties and operating activities. Group Risk and Audit manages risk with robust site and asset management plans and modelling, including emergency response and business continuity. Global building surveys applying Zero Harm standards are conducted continually (Charter at https://www.brambles.com/Content/cms/pdf/Sustainability/2792_10000000.pdf). Work to apply GPS coordinates for every site in order to map against events, including weather events and rating in terms of likelihood of events where data is available from insurers and regulators (eg USA) is conducted. In 2014, Brambles expanded natural catastrophe modelling with its insurer. We have independent and physically separate primary and secondary computer systems, as well as offsite storage and a disaster recovery plan.

Cost of management

Comment

Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk. Brambles has not had any impact in the past five years on insurance premiums for continuing operations. Insurance premiums are not disclosed due to commercial sensitivity.

Identifier

Risk 8

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Reputation: Increased stakeholder concern or negative stakeholder feedback

Type of financial impact driver

Other, please specify (Reduced demand and market valuation)

Company- specific description

Climate change mitigation/adaptation and deforestation are of increasing concern to stakeholders, including customers. Customer demand for sustainable outsourced supply chain solutions amidst an intensifying competitive environment is noted as a key part of Brambles' operating model and customer value proposition (pp 4-5, 10, Annual Report 2017) Reputational risk could arise by not addressing our environmental impacts and assisting customers' supply chains, especially as attention extends to forest commodities and water. A lack of transparency could lead to customers moving to competitors, undermining our credibility and value of our business brand. Reputational risk could arise if we are not seen to be addressing our own impacts on the environment and assisting our customers with their supply chain. Brambles is subject to the risk that negative publicity, whether true or not, may affect stakeholder perceptions of Brambles' past actions and future prospects. Brambles could face reputational damage that affects its share price through exclusion from ethical/green investment funds, including superannuation funds in Australia that increasingly consider sustainability initiatives of the companies they invest in. If Brambles does not effectively communicate to the market this may lead to a loss of investor confidence in the business and its management and reduced share price performance.

Time horizon

Short-term

Likelihood

Unlikely

Magnitude of impact

High

Potential financial impact

5104300000

Explanation of financial impact

Brambles' sales revenue in the 12 months ended 30 June 2017 was US\$5,104.3 m. Revenue specifically related to major customers or customers engaged in our various customer-focused sustainability programs (for example, our carbon neutral program) is not reported due to commercial sensitivity. We have reported increased customer involvement in these programs. Growth in revenue for carbon neutral products increased in FY17, with an additional [30]% of carbon offsets purchased compared to FY16. The percentage of shares held by ethical/green investment funds is not known. A list of the twenty largest ordinary shareholders is on p 50 of the Annual Report 2017. In 2017, Brambles determined that at least 50% of shares held by our top 50 shareholders then were from companies who were signatories to the UN Principles for Responsible Investment, which would indicate an interest in their sustainability practices.

Management method

Brambles seeks to minimise this risk through its sustainability strategy, including targets to reduce its impact on the environment (including emissions reductions). The targets Brambles sets are key drivers in our efforts to continuously improve and deliver more efficient, safer and environmentally sustainable supply chains. Further commentary on material sustainability issues, targets and progress is in the 2017 Sustainability Review. Brambles engages with customers on these issues in various ways, for example, we will respond to our customers Wal-Mart, Jaguar Land Rover, L'Oreal and Kellogg in 2018 through the CDP supply chain questionnaire. Brambles annual reporting on progress regularly provides communication to the investment community to alleviate this risk. Brambles considers sustainability throughout its business operations, including through its Code of Conduct and Zero Harm Charter. Brambles responded to investor requests regarding environmental management and performance in FY17, including through the CDP investor response, Dow Jones Sustainability Index and its Sustainability Review (attached). Brambles also

responds to various other sustainability and ethical investment fund surveys and approaches and is listed or mentioned in many as a strong performer. This includes FTSE Russell (formerly FTSE4Good, MSCI, Sustainalytics, ISS, etc.

Cost of management

Comment

Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk. Responding to external surveys involves the time of both internal resources and external consultants, but the cost is not substantial to the business.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Type of financial impact driver

Increased revenue through demand for lower emissions products and services

Company- specific description

Brambles works with customers and suppliers directly, using our logistics knowledge, to help customers understand their supply chains and minimise their environmental footprint. Moving customers from one way systems to our share and reuse model delivers measurable environmental benefits for customers, including reducing emissions, water use, resource use and waste, including food waste, throughout the value chain. Working with our customers and retailers in FY17, we were able to quantify the environmental benefits of customers' use of our solutions (see 2017 Sust Review p 7). Regulation and taxes on fuel could lead to a greater interest in our pooled products. For example, in FY17, by collaborating with over 200 customers through our transport programs we saved 54,000 tonnes CO2 and 64 million kilometres in trips. In the US, fleet optimisation helps customers earn revenue and reduce empty miles by hauling CHEP's backhaul freight and the customer storage program reimburses customers for storing pallets on site using seasonally available space, reducing transportation. In Europe, we partner with customers on transport, Total Pallet Management and multimodal programs. CHEP also works with transport providers to replace diesel trucks with more eco-friendly natural gas trucks to reduce scope 3 emissions. The introduction of alternative fuels such as liquid natural gas (LNG) and compressed natural gas (CNG) to transport our pallets helps to develop a more sustainable supply chain. New regulations and initiatives to provide environmental communication to consumers are expected in some countries (eg EU, France, Belgium, Sweden, Germany, Greece, China, Thailand, Japan, Mexico). Many countries already have voluntary environmental product labelling standards. FMCG customers with high awareness of climate change may be looking to reduce the entire life cycle impact of their products. Product labelling requirements present an opportunity for Brambles' businesses to demonstrate the reduction in environmental impact from using our solutions. Some of Brambles' customers that have demonstrated an interest in reducing the environmental impact of their supply chains include L'Oreal, Jaguar Land Rover, Walmart and Kellogg's (though their CDP supply chain requests), as well as those participating in our carbon neutral program (including Heinz, MSM, Spadel, Henkel and Unilever).

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

While the exact financial impact of the opportunity to Brambles through increased customer revenue by those interested in the environmental benefits of pooling is not reported, Brambles reported US\$5,104.3 m in sales revenue in FY17. (p 52 2017 Annual Report). The number of customers participating in the carbon neutral pallet program continues to grow each year. Growth in revenue for carbon neutral products increased in FY17, with xx% more carbon offsets through the program compared to FY16. Brambles does not report revenue from specific customers for reasons of commercial sensitivity. CHEP has offered its carbon neutral program, beginning in Europe, since 2013. Monetary savings are realised by customers, as well as Brambles. Savings related to nominated transportation projects were not specified in 2017 financial reporting. Transport expenses were reported at US\$1,113 m in FY17 (p 63, 2017 Annual Report). Transport costs of our customers are not disclosed in our financial reporting.

Strategy to realize opportunity

Brambles' business model is inherently sustainable. Because we recover, repair and allow customers to share and reuse our products many times, we are able to reduce demand on resources and waste. The CHEP carbon neutral program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. Brambles also applies our logistics and supply chain expertise in our own product development. Brambles works to reduce its environmental footprint by using our logistics knowledge to minimise the footprint of its customers and the supply chain through network optimisation, improving transport efficiencies, transport collaboration, Total Pallet Management and multimodal (use of road, rail and sea) programs, which reduce transport distances and associated emissions. (see pp 10-11, 2017 Sustainability Review). Brambles has a target of year on year improvement in carbon emission intensity for transport emissions (CO2/kilometre). Brambles also has targets for reducing emissions and increased renewable energy use. Installation of more energy efficient equipment rewards continuous improvement in our equipment upgrades and energy usage through reduced operational costs. Reducing energy use is a key component of emissions reductions activities, subsequently reducing energy costs.

Cost to realize opportunity

Comment

All opportunities and their potential implications are investigated through our operational processes. Management of customers and accounts is conducted through normal account management processes. No incremental cost is associated. Operating expense information is reported in Brambles 2017 Annual Report, p 63. Total operating expenses for FY17 were US\$4,416.1 m.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Move to more efficient buildings

Type of financial impact driver

Reduced operating costs (e.g., through efficiency gains and cost reductions)

Company- specific description

Incentives to cutting GHG emissions cost-effectively through energy efficiency, promoting energy efficient equipment, renewable alternatives, etc, make these cheaper due to increased market demand. The move to more energy efficient equipment rewards continuous improvement in our equipment upgrades and energy usage through reduced operational costs. Brambles has targets to reduce GHG emissions and upgrades to more efficient equipment through internal projects.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Low

Potential financial impact

1900000

Explanation of financial impact

Reducing energy use is a key component of emissions reductions activities, subsequently reducing energy costs. Energy costs are included in our annual financial reporting. In FY17, despite a 4% increase in sales revenue (in constant currency), occupancy costs (which include energy costs at many sites) decreased by US\$1.9 million (approximately 1% from FY16). Decreased energy use may contribute to lower occupancy costs

Strategy to realize opportunity

Brambles has targets for reducing emissions and increased renewable energy use. Installation of more energy efficient equipment rewards continuous improvement in our equipment upgrades and energy usage through reduced operational costs. Reducing energy use is a key component of emissions reductions activities, subsequently reducing energy costs.

Cost to realize opportunity**Comment**

The cost of installing energy efficient equipment is not reported separately in our financial reporting; however, would be included in the relevant expenses or capital costs in our 2017 Annual Report.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of climate adaptation and insurance risk solutions

Type of financial impact driver

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company- specific description

Changing climactic conditions allow Brambles businesses to develop products to help their customers withstand these conditions faced in transportation, such as international shipping. Several product developments address customers' needs to respond to changing climate patterns and temperature extremes with an environmentally friendly solution. For eg, CHEP's reusable automotive international shipping container IcoQube ensures greater protection for goods during shipment, completely fills a standard sea container and significantly reduces the waste associated with traditional packaging. It improves CHEP's ability to solve important automotive supply chain issues, including the extreme climate conditions and high levels of humidity found inside sea vessels, for example when crossing the equator (see attached product info on IcoQube). CHEP and IFCO also work with customers to improve the transportation of food, which is more vulnerable to temperate extremes and changes in temperature. For eg, IFCO's egg crate improves the protection and handling of eggs and helps to reduce broken eggs by up to 66%. The crate ventilation allows for faster cooling performance for better quality and freshness. (see product info attached) IFCO also has a meat crate to allow for temperature stabilisation while transporting meat. Brambles businesses have demonstrated their ability to respond to customer needs in situations that may arise due to climate change, such as extreme weather events. Climate change and environmental issues are top on the agenda for a number of multinational customers that carefully assess the impacts of physical events due to climate change. For example, Nestle, Unilever, Procter & Gamble and Jaguar Land Rover are some of our customers who demonstrate this concern by participating in the CDP, some achieving leadership status. Inclusion in ethical/green investment funds and sustainability indices can also be a result of recognition of sound sustainability policies and performance, improving reputation with customers and investors. From time to time, Brambles' businesses provide pallets, RPCs and containers free of charge to transport emergency supplies for relief efforts in times of disaster. Brambles also partners with food banks around the world to provide assistance to community groups and charities working with those less fortunate (see 2017 Sust Review)

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Potential financial impact**Explanation of financial impact**

Brambles does not report the value of individual contracts due to commercial sensitivity. Brambles reported US\$5,104.3 m in sales revenue in FY17. (p 53, 2017 Annual Report) This is a 4% increase from FY16. IFCO reported US\$2,316.7 m in sales revenue in FY17. Brambles market capitalisation as at 30 June 2017 was A\$xx.x billion. The percentage of shares held by ethical/green investment funds is not known. A list of the twenty largest ordinary shareholders is on p 50 of the Annual Report 2017. Brambles determined in 2017 that at least 50% of shares held by our top 50 shareholders are from companies who are signatories to the UN Principles for Responsible Investment, which may indicate an interest in the sustainability practices of those companies in which they invest. The Advertising Value Equivalency (AVE) associated with media coverage of the environmental benefits of Brambles pooled products for FY17 was approximately US\$x.x million, including all languages.

Strategy to realize opportunity

Climate change and environmental issues are the focus of many companies. This includes Brambles' customers and potential customers. Through our supply chain packaging solutions, pallets, crates and containers are reused continuously, reducing consumption and raw material waste, while an optimised network increases efficiency and reduces transport emissions. Increased awareness of sustainability issues presents opportunity for the benefits of existing products to be recognised and formally measured. There was extensive media coverage during FY17 of customers adopting our share and reuse solutions related to environmental benefits, including reduced emissions (see attached). In addition, Brambles' focus on addressing its own environmental footprint and supply chain (for eg, by working towards its target of chain of custody certification for timber purchased for CHEP pallet manufacture, reducing GHG emissions, removing timber waste from landfill, improving recycling, etc) could lead to broad reputation gains. A good reputation could also impact our ability to recruit employees committed to our environmental actions. Brambles conducts product development and testing at our Innovation Center in Orlando, Florida. Brambles businesses have demonstrated their ability to respond to customer needs in situations such as extreme weather events. The benefits of our service and business model are also more attractive to existing and potential customers as they address environmental impacts

Cost to realize opportunity

Comment

The costs of product development are not separated out for environmental or sustainability projects. All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring these. Operating expense information is reported in Brambles 2017 Annual Report, p 63. Total operating expenses for FY17 were US\$4,416.1 m. Brambles reported in-kind donations of pallets, crates and services to the value of US\$2,868,000 in FY17. The volunteering value provided by Brambles' employees in FY17 was US\$424,000. (see 2017 Sust Review p 27) The cost of managing community partnerships and other programs is not reported separately; however, this would be included in the operating expense information reported in Brambles 2017 Annual Report, p 63.

Identifier

Opp4

Where in the value chain does the opportunity occur?

Supply Chain

Opportunity type

Resilience

Primary climate-related opportunity driver

Other

Type of financial impact driver

Increased reliability of supply chain and ability to operate under various conditions

Company- specific description

Climate change will impact agricultural and forestry systems. The secure supply of wood is critical to Brambles. CHEP uses timber to make and repair reusable pallets in our pooling system. We work with suppliers in timber (development), securing longer term supply of raw materials. This improves our competitive opportunity in creating reliable supply of high quality raw materials that may be impacted by changes in temperature patterns. We also minimise our environmental footprint. Because we recover, repair and allow customers to reuse our pooled products many times, we are able to reduce demand on resources and waste. Customers' use of pooled timber pallets saved at least 1.6 million trees in FY17. (see 2017 Sust Review, p 7) As a credible and trusted partner in our customers' supply chains, we aim to continuously improve the way we source materials. Through proactive engagement with our suppliers and customers, we seek to positively influence and subsequently improve our supply chain, including timber. Brambles has a target of achieving chain of custody certification for 100% of all timber purchased, working towards the aspiration of zero deforestation (see attached target). According to CDP Forests, deforestation accounts for approximately 10-15% of the world's greenhouse gas emissions, equivalent to the entire transport sector. We continue to look for opportunities to overcome challenges to the supply of pallet-grade chain of custody certified timber in all regions. (see Sust Review, pp 19-21).

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Low

Potential financial impact

1048100000

Explanation of financial impact

Brambles works with suppliers in achieving sustainability outcomes as part of general procurement practice. The value of individual contracts is not reported due to commercial sensitivity. In FY17, Brambles purchased 2.7 m cubic metres of wood for use in CHEP pooled pallets. Certified timber may carry a price premium. For eg, according to FSC, one of the accepted certification standards, "Depending on the operation, price premiums for FSC-wood, particularly from the tropics, range from 15 to 25%." (see attached) Our work with suppliers in timber development secures longer term supply. This improves competitive opportunity. The cost of timber to the business is captured in financial reporting for capital expenditure for CHEP (which includes the purchase of newly manufactured pallets) US\$820.9 m and operating expenses (raw materials and consumables) US\$227.2 m. (see p 61, 33 of the 2017 Annual Report. Neither of these financial items has increased considerably with certified sourcing.

Strategy to realize opportunity

In order to achieve improvement and promotion of responsible and sustainable procurement of timber, Brambles continues to work with strategic suppliers to further increase the available supply of chain of custody certified timber. A target of achieving chain of custody certification for 100% of timber has been set, to provide a focus for the continual improvement and promotion of the responsible and sustainable procurement of timber (see Better Planet Goals attached). In FY17, Brambles purchased 2.7 million cubic metres of wood for use in CHEP pooled pallets. Of the wood purchased in FY17, 99.1% was from certified sources, with 57% carrying chain of custody certification. Brambles reports its timber sourcing through CDP Forests, achieving leadership 'A' status in 2017 in recognition of its efforts (see attached announcement).

Cost to realize opportunity**Comment**

The costs of procurement practices, such as supplier programs, is not separated out for environmental/sustainability projects and managed through operational processes. No incremental cost is associated with these. Operating expense and capex information is reported in Brambles 2016 Annual Report, pp 52-53.

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted for some suppliers, facilities, or product lines	CHEP's carbon neutral pallet program allows participating customers to offset the annual carbon footprint of their CHEP pallet movements with internationally-recognised certified credits, organised in partnership with the Carbon Neutral Company. Customers are able to reduce the carbon footprint of their supply chain and invest in reforestation projects in developing countries. In FY17, customers using our carbon neutral products offset 7,474 tonnes of CO2, totalling 31,127 tonnes since our program began in 2013.
Supply chain and/or value chain	Impacted	Creating more sustainable supply chains is a central theme of our solutions. Brambles' customer solutions leverage our in-depth end-to-end supply chain expertise to help customers in consumer goods, retail and fresh food industries improve efficiency and create environmental benefits (lower emissions, resource use and reduce waste and water usage). The secure supply of wood is critical to Brambles. CHEP uses timber to make and repair reusable pallets in our pooling system. We work with suppliers in timber (development), securing longer term supply of raw materials. In order to achieve improvement and promotion of responsible and sustainable procurement of timber, Brambles continues to work with strategic suppliers to further increase the available supply of chain of custody certified timber. A target of achieving chain of custody certification for 100% of timber has been set, to provide a focus for the continual improvement and promotion of the responsible and sustainable procurement of timber (see Better Planet Goals attached). In FY17, Brambles purchased 2.7 million cubic metres of wood for use in CHEP pooled pallets. Of the wood purchased in FY17, 99.1% was from certified sources, with 57% carrying chain of custody certification. Brambles also works with customers and transport suppliers to minimise the environmental impact of transporting our reusable solutions. This allows us to minimise our footprint and that of our customers.
Adaptation and mitigation activities	Impacted for some suppliers, facilities, or product lines	Several of our sites have been subjected to extreme weather events, such as flooding. As well as addressing this through insurance policies, Group Risk and Audit manages risk with robust site and asset management plans and modelling, including emergency response and business continuity. Global building surveys applying Zero Harm standards are conducted continually (our Zero Harm Charter can be found here: https://www.brambles.com/Content/cms/pdf/legacy/PDF/Zero%20Harm%20Charter%20(Feb%202013)%20ENGLISH.pdf). We also work to apply GPS coordinates for every site in order to map against events, including weather events and rating in terms of likelihood of events where data is available from insurers and regulators (eg USA) is conducted. [In 2014, Brambles expanded natural catastrophe modelling with its insurer.] We have independent and physically separate primary and secondary computer systems, as well as offsite storage and a disaster recovery plan. When sites have been impacted by flooding, we have been able to re-route all customer transactions through other service centres, providing continuity of service and minimising disruption.
Investment in R&D	Impacted for some suppliers, facilities, or product lines	Brambles has created a business unit BXB Digital to realise opportunities to improve customer supply chains. BXB Digital taps into the 'Internet of Things' to bring digital intelligence to Brambles' global assets, building upon the innovative solutions we have in the market. This approach will complement and extend our solutions by harnessing our network advantage in the supply chain. Circulating our physical assets through supply chains with digital capabilities will provide greater efficiency, reduced cost, and more sustainable solutions for our customers. Potential applications include asset management, goods visibility and quality monitoring across the supply-chain. In addition, CHEP runs an Innovation Centre in Florida, USA, that explores options for improved product development, increasing reliability and reducing waste. This includes testing pallet configurations and timber that is used in pallet manufacture to ensure quality and reliability, extending pallet life and reducing our demand on resources. Projects are often conducted in conjunction with customers. IFCO also develops products to address various customer needs, including the reduction of waste, which has a climate related benefit and presents an opportunity. Examples include the egg crate (minimising damage and waste) and meat crate (improving transport and shelf life).
Operations	Impacted for some suppliers, facilities, or product lines	Our physical operations have been impacted from extreme weather events from time to time (see adaptation and mitigation activities above). When sites have been impacted by flooding, we have been able to re-route all customer transactions through other service centres, providing continuity of service and minimising disruption. Our timber procurement has been impacted by our improved sustainable sourcing practices (see above). Our dealings with our transport providers have also been impacted as we seek to minimise transport distances, reduce empty miles and improve the transport efficiency and environmental performance (such as through the use of LPG and other more fuel efficient vehicles).
Other, please specify	Not yet impacted	The impacts of risks and opportunities on Brambles' businesses have been addressed in the fields above.

C2.6

(C2.6) Describe where and how the identified risks and opportunities have factored into your financial planning process.

	Relevance	Description
Revenues	Impacted for some suppliers, facilities, or product lines	Brambles created the carbon neutral pallet offering and this has been expanded globally. Revenue from this program is not significant; however, is included in our sales projections.
Operating costs	Impacted for some suppliers, facilities, or product lines	The risks and opportunities presented by managing our supply chain, including transport and timber, are factored into our financial planning process. Budget projections rely on our ability to manage and predict our operating costs in these areas. Programs that reduce our transport costs and distances and improve our certified timber supply, both of which are affected by climate related risks and opportunities, are factored into these projections.
Capital expenditures / capital allocation	Impacted	Brambles' financial capital allocation and capital expenditure is impacted particularly in relation to our purchase of manufactured timber pallets (these are a capex item in our financial reporting and represent manufactured capital). Because we control the purchase of timber that is manufactured into pallets by our suppliers, we are able to closely monitor and plan financially for this expenditure. Where climate related impacts, such as floods and hurricanes or cyclones have damaged our sites, capital expenditure has been required to ensure these remain operational (this includes the replacement of timber pallets). However, in these situations in the past, our insurance coverage has ensured these costs were reimbursed. Our capital expenditure is also required where we have implemented energy and efficiency projects to reduce our emissions impact, such as solar projects and LED light installations. Our human capital is impacted by our commitment to addressing climate related risks and opportunities in so far as it assists us in engaging our employees and providing them with skills and knowledge in improving their own safety, wellbeing and reducing their impact on the environment. While this has minimal impact on our financial planning processes, reducing employee turnover through engagement does have a positive financial benefit. Allowing opportunities for employees to volunteer and collaborate with food banks improves our social capital (as well as employee engagement). The value of donated products and services is a cost to our businesses and is considered in our financial planning.
Acquisitions and divestments	Not impacted	Risks and opportunities related to climate change have not yet impacted any financial planning decisions in relation to acquisitions and divestments for Brambles. Decisions on the divestment of certain businesses over the past few years have been taken with other factors in mind. In 2014, Brambles demerged the Recall business in order to concentrate on its pooling businesses. While this was not specifically related to climate issues, our pooling model does contribute to a circular economy and reduce the environmental impact of alternative systems, such as one-way platforms. No significant acquisitions have been announced or planned in FY17.
Access to capital	Not impacted	Brambles access to the five areas of capital (natural, human, social, manufactured and financial) has not currently been impacted by climate related risks and opportunities and therefore is not factored into our financial planning process.
Assets	Impacted for some suppliers, facilities, or product lines	Our financial planning processes take into account the costs related to timber pallets, which are an asset in our financial reporting, and our sites. This includes the costs related to manufacturing (particularly the purchase of certified timber, including the need to import timber to countries where a local certified supply stream could not be found) and site resilience, including site upgrades (such as solar installation, biomass boilers, water recycling, lighting upgrades, etc). These costs are considered in our budgetary processes.
Liabilities	Not impacted	Brambles has not incurred additional liabilities specifically related to climate risks and opportunities at this time. Financial reporting of liabilities and debt instruments is included in our annual report each year.
Other	Not impacted	All the aspects covered above address the financial planning processes for Brambles at this time.

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

No, but we anticipate doing so in the next two years

C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b)

(C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b)

Indicate whether your organization has developed a low-carbon transition plan to support the long-term business strategy.

In development, we plan to complete it within the next 2 years

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

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

Brambles is built on principles that are inherently sustainable. Brambles operates one of the world's largest circular supply-chain services, facilitating the share and reuse of 550 million assets amongst our customers in over 60 countries. We optimise the flow of goods through the supply chain, reducing emissions and waste and making world trade more efficient and sustainable. The more our customers share and reuse our products, the greater the efficiencies and environmental benefits of our networks

In the short-term, we have an excellent opportunity to deliver environmental benefits in our customers' supply chains. We help customers address their climate change concerns by helping to reduce their carbon footprint through the share and reuse of our solutions. In FY17, our customers saved at least 2.5 million tonnes of CO₂ and 1.4 million tonnes of waste by using our pallets and RPCs, instead of alternative platforms. We also create opportunities to optimise supply chain networks through collaboration with multiple partners, for example by reducing transport distances and inefficiencies. Our sharing and reusing circular model also decreases demand on natural resources. In order to keep our strategy relevant and maximise the value of our sustainability activities to investors, customers, employees, suppliers and the community, we regularly assess our performance against defined targets and through annual reporting of progress. We engage regularly in external benchmarking of our policy and performance, through independent investor, customer and NGO surveys, as well as seeking external assurance each year on key areas of focus.

In the long-term, climate change impact is most relevant to the sourcing of our materials, which is of key concern to both our business and the wider community. Our reliance on a sustainable timber supply base means that the long-term issues of deforestation and climate change are important to us. We manage these by applying best practice in environmentally responsible sourcing and operational management. We also work to reduce the carbon impact of our suppliers.

Our ability to collaborate with customers and suppliers to reduce environmental impact, using our logistics knowledge, gives us a competitive advantage. For example, in FY17, [CHEP North America helped out customers save over \$20 million in supply chain costs] through packaging improvements, product damage reduction, environmental performance, labor efficiencies and transportation synergies, including reducing transport distances by 64.7 m kilometres in FY17. We help customers understand their supply chains and minimise their environmental footprint. Because of the environmental efficiencies of our pooling model, CHEP is able to achieve carbon neutrality for customers and some of our markets and products. For example, CHEP's carbon neutral pallet program allows participating customers to offset the annual carbon footprint of their CHEP pallet movements with internationally-recognised certified credits, organised in partnership with the Carbon Neutral Company. Customers are able to reduce the carbon footprint of their supply chain and invest in reforestation projects in developing countries.

Starting in FY16 and rolling out in FY17, CHEP undertook a transformation project based around the central message that we can help our customers improve their supply-chain challenges and efficiencies while producing environmental benefits, an approach where profit and planet are no longer a compromise. The project produced a series of solutions built around the better end-to-end value, supply chain capabilities and expertise, and the superior environmental benefits of CHEP's share and reuse model. This equips CHEP's commercial teams with the knowhow to communicate how CHEP's solutions help our customers meet both profitability and sustainability goals.

As reported in the 2017 Annual Report, Brambles' customer value proposition is our integration in customers' supply chains, with an inherently sustainable business model (https://www.brambles.com/Content/cms/pdf/2017/BRL203_S2_Brambles_AR2017_For_Web.pdf, p 4, 5) Using its network advantage and asset management expertise, Brambles connects supply chain participants, ensuring the efficient flow of goods through the supply chain. By reducing transport distances and the number of platforms required to service the supply chain, Brambles delivers savings in cost, emissions, resource use and other environmental benefits. Our sustainability targets address our goals under or framework of 'Better Business', 'Better Planet' and 'Better Communities'. This includes our aspirational of 'zero emissions' with the main goal of a 20% reduction in carbon emissions per unit delivered by 2020; along with year on year improvement in carbon emission intensity for transport emissions (CO₂/kilometre) and year on year improvement in energy provided from renewable sources.

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

While Brambles intends to use climate-related scenario analysis to inform our sustainability and business risks and strategy, we have not yet improved our internal modelling to do so. In FY18, we are improving our data collection methods through the implementation of a new data collection system. With this system in place, we will be better placed to conduct robust climate-related scenario analysis.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Scope

Scope 1+2 (location-based)

% emissions in Scope

100

% reduction from baseline year

20

Metric

Metric tons CO2e per unit of production

Base year

2015

Start year

2015

Normalized baseline year emissions covered by target (metric tons CO2e)

122520

Target year

2020

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

% achieved (emissions)

71.5

Target status

Underway

Please explain

Brambles aims to achieve a 20% reduction in scope 1 and 2 carbon emissions per unit delivered by 2020. In FY17, Brambles achieved a 7.8% reduction in CO2 per unit delivered. This equates to a 14.3% reduction against our 2020 goal since our FY15 baseline. With group intensity at 0.23g of CO2e per unit produced in 2015 the target was 0.18g of CO2e per unit produced. In FY16 Brambles achieved 0.21g per unit produced. In FY17 the group achieved 0.20g per unit produced. Supporting this goal is our objective to increase the contribution of clean energy in our service centres. Total scope 1 and 2 emissions reductions from FY15 is 12,840 tons CO2. While it is difficult to predict the exact change we can anticipate in absolute scope 1 and 2 emissions due to a combination of factors, including activity levels, if the reported reduction so far since FY15 equates to 71.5% of our target, 100% at the current level over the next three years would equate to approximately 18,000 tons CO2. This represents approximately 15% of absolute scope 1 and 2 emissions in FY15 (baseline year). Reported scope 3 emissions have increased since FY15, due in part to increased activity and improved data collection. Since our intensity target does not include scope 3 emissions, the % change anticipated has not been stated.

% change anticipated in absolute Scope 1+2 emissions

15

% change anticipated in absolute Scope 3 emissions

0

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target

Renewable energy production

KPI – Metric numerator

MWh of renewable energy (generated and purchased)

KPI – Metric denominator (intensity targets only)

Base year

2016

Start year

2015

Target year

2017

KPI in baseline year

12532

KPI in target year

12973

% achieved in reporting year

100

Target Status

Underway

Please explain

Brambles has set a target of year on year improvement in energy provided from renewable sources. This includes both on-site generation and third party clean electricity procurement. The total contribution of renewable electricity was 14.3% for FY17. Renewable electricity generation from on-site plant increased by 307% from FY16, while procurement from third party retailers remained steady at 12,334 MWh over the period.

Part of emissions target

This goal is in support of our intensity target, noted above.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Target

Zero/low-carbon vehicle

KPI – Metric numerator

CO2 (scope 1 and 3 emissions related to transport)

KPI – Metric denominator (intensity targets only)

Kilometre

Base year

2016

Start year

2015

Target year

2017

KPI in baseline year

0.00104

KPI in target year

0.00105

% achieved in reporting year

0

Target Status

Underway

Please explain

Brambles has a target of year on year improvement in carbon emission intensity for transport emissions (CO2/kilometre). In F17, by collaborating with customers and transport providers, we saved over 54,000 tons CO2 and 64.7 million kilometres. Relevant emissions are calculated from scope 1 fleet CO2e and Scope 3 transport CO2e. Total kms are calculated from our collaboration initiatives. Our performance in FY17 did not reach our target of improving from FY16, as emissions intensity from transport

increased slightly over the period.

Part of emissions target

This is not part of our emissions targets noted above.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	2	163
Implementation commenced*	2	135
Implemented*	8	2980983
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Activity type

Other, please specify (Food waste reduction)

Description of activity

<Not Applicable>

Estimated annual CO2e savings (metric tonnes CO2e)

104453

Scope

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

2868418

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

Food loss and waste: Customers' use of our RPCs saved over 4,329 tonnes of food waste (based on a comparison with alternative platforms). (Sust Review, p 7) In addition, Brambles donated in-kind equipment to global food banks to redistribute over 163,200 tonnes of rescued food, providing 326 million meals to those in need. If this food had gone to landfill, it would have generated approximately 94,000 tonnes of CO₂ (calculated by applying the US EPA's Waste Reduction Model (WARM), version 14 (2016), with a breakdown of our food waste reduction and rescued food efforts. Reducing food waste for customers saved 15,828 tonnes of CO₂ (based on US estimates). Rescued food donated to foodbanks would have generated approximately 88,625 tonnes of CO₂ if it had gone to landfill (based on US estimates). These two figures have been added to give the total CO₂ savings above. Donations of in-kind equipment to community organisations, mostly food banks, was valued at \$2,868,418 in FY17. This figure has been used as the estimate of the cost of the initiative. While we did not experience any monetary savings from the initiative, community groups and foodbanks around the world would derive monetary benefits.

Activity type

Energy efficiency: Processes

Description of activity

Other, please specify (Transport collaboration)

Estimated annual CO₂e savings (metric tonnes CO₂e)

54000

Scope

Scope 1

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

416600

Investment required (unit currency – as specified in CC0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

We conduct transport optimisation programs to improve logistics solutions for our customers and transport providers. This includes collaboration, where customers share transport with our businesses; orchestration, where collaboration is enabled among customers; and procurement, where we support customers in obtaining improved transport costs and reducing distances by offering them a transparent benchmark. 40 CHEP customers have saved a combined \$416,600 in transport costs. This is the figure represented above, although it does not represent savings to Brambles (as these are customer transport costs). While Brambles may save some money in transport costs, these would not be as significant as those experienced by our customers. Although there may be a cost in our sales personnel engaging with customers and suppliers on transport collaboration, this is part of our day to day business activities and not specified for this purpose.

Activity type

Process emissions reductions

Description of activity

Other, please specify (Switching companies to reusable platform)

Estimated annual CO₂e savings (metric tonnes CO₂e)

2500000

Scope

Scope 1

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

Brambles works with companies to demonstrate the benefits of shifting to our reusable platforms from less environmentally beneficial platforms (such as one way disposable packaging). Estimated CO2 savings represented above are only part of the global environmental benefits of our circular share and reuse business model. In FY17, our customers saved 2.5 million tonnes CO2 by using our pallets and RPCs. Further information is included in our Sustainability Review 2017, p 7.

<https://www.brambles.com/sustainability-review> We conduct various projects to enable our teams to demonstrate our environmental benefits to customers and potential benefits. For example, we developed a decision making tool for use by our customers to assist with better packaging decisions by evaluating the financial and sustainability impacts of Returnable Transit Packaging (RTP). The RTP tool consistently demonstrates the advantages of our reusable packaging over single use packaging and was developed through an industry collaboration project started through The Ellen MacArthur Foundation's Circular Economy 100 group. Development of the tool was done in conjunction with the Ellen MacArthur Foundation in FY16 and incurred no specific cost in FY17. Although there may be a cost in our sales personnel engaging with customers on the use of the tool, this is part of our day to day business activities and not specified for this purpose.

Activity type

Energy efficiency: Processes

Description of activity

Other, please specify (Reclaim and reuse timber and plastic)

Estimated annual CO2e savings (metric tonnes CO2e)

311596

Scope

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

>30 years

Comment

Brambles reclaims and reuses timber from damaged and broken pallets and plastic from damaged reusable plastic crates (RPCs). Timber is reused in the repair and manufacture of new timber pallets, while damaged RPCs are reground to manufacture new RPCs. CO2 savings have been estimated based on the US EPA's Waste Reduction Model (WARM), version 14 (2016), using the volume of timber and plastic reclaimed as reported in our 2017 Sustainability Review and nominating the plastic and timber as 'source reduced'. <https://www.brambles.com/sustainability-review> In addition, 47,828 tonnes of timber was recycled in other ways after being reclaimed in the process. The amounts from source reduction of timber and plastic and recycled timber were added together to give the estimate of the CO2 savings above. There is a monetary saving to Brambles due to the reduction in the need for purchasing virgin timber and plastic; however, the exact amount cannot be reported due to commercial sensitivity. Although there may be a cost in our operations personnel reclaiming and reusing the timber from broken or damaged pallets in the repair and manufacture of new pallets, and the regrinding of damaged RPCs to manufacture new RPCs, this is part of our day to day business activities and not specified for this purpose.

Activity type

Energy efficiency: Processes

Description of activity

Water reuse

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

Brambles uses water to wash our plastic products before each use to maintain the sanitation standards required. IFCO invests in smart guardian monitoring systems for RPC wash facilities to reduce demands on energy, water and chemical inputs. IFCO also implements water recycling technology. IFCO aims to have a fully functioning water recycling plant operating in FY18. A key challenge of the project has been the variability of waste water contamination from the wash cycle, requiring either higher chemical doses or a higher filtration specification. Brambles reported 10.16 megalitres of water recycled in FY17. Recycling water also saves energy costs. We are unable to estimate the CO2 savings at this time. Because the recycled water does not require heating, we save money on energy. It is difficult to estimate the exact savings at this time; however, because they relate to a small number of sites they are not currently significant. The costs that are associated with the technology are offset by the savings in energy costs. They are not specified at this time.

Activity type

Other, please specify (Carbon neutral product expansion)

Description of activity

<Not Applicable>

Estimated annual CO2e savings (metric tonnes CO2e)

7474

Scope

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

Expansion of carbon neutral product offering: CHEP has offered its carbon neutral pallet program since 2013, starting in Europe. The program is offered to customers in Europe and the US. The program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. CHEP has a growing number of carbon neutral product customers. The quarter pallet carbon neutral product has also been offered in all European countries since FY15, after being introduced in Germany in FY14. In 2014, CHEP Europe announced that its pallet pool in Sweden was carbon neutral. CO2 savings above are the offset tonnes for FY17. Customers have offset a total of 31,127 tonnes since the program began. Brambles does not realise any monetary savings from this initiative. Although there may

be a cost in our sales and sustainability personnel engaging with customers and partners on this program, this is part of our day to day business activities and not specified for this purpose.

Activity type

Low-carbon energy installation

Description of activity

Other, please specify (Increased renewable energy used)

Estimated annual CO2e savings (metric tonnes CO2e)

3460

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

Brambles increased the amount of renewable energy used in FY17. Scope 2 emissions from purchased electricity decreased by 7% from FY16 and this figure has been used to estimate the CO2 savings from increased renewable energy purchases. Brambles aims to increase the contribution of renewable electricity to our direct operations through both on-site generation and third party clean electricity procurement. This commitment helps manage electricity costs, complements our emission reduction goals and meets the expectations of our stakeholders. The total contribution of renewable electricity was 14.3% for FY17. Actual monetary savings have not been reported as they were not split for FY17. Investment required has also not been reported but would be incurred from on-site installations in FY17. Renewable electricity generation from on-site plant increased by 307% from FY16, while procurement from third party retailers remained steady at 12,334 MWh over the period.

Activity type

Process emissions reductions

Description of activity

New equipment

Estimated annual CO2e savings (metric tonnes CO2e)

163

Scope

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

54000

Investment required (unit currency – as specified in CC0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

<1 year

Comment

In FY18 we are changing from LPG powered fork lift trucks to electric fork lifts because of the advantages they present. They do not emit CO2 and heat and their use improves working conditions for operators (due to removal of noise, vibration, without lifting of particles, etc.) The gas consumption of a fork lift is 2.3 kg x hr (data from the manufacturer). Emissions savings are calculated using average gas consumption per forklift based on approximate usage (manufacturer's data).

Activity type

Low-carbon energy installation

Description of activity

Biomass

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

494000

Investment required (unit currency – as specified in CC0.4)

995000

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

CHEP is installing a new biomass boiler at a site in the UK. Project is expected to commence in FY18.

Activity type

Low-carbon energy installation

Description of activity

Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

25000

Payback period

1-3 years

Estimated lifetime of the initiative

3-5 years

Comment

The Zero Emissions Service Centre project is using a cutting edge renewable energy technology and will see the installation of the world's first printed solar panel system on a Service Centre in Australia. This is a low cost solar cell printed on flexible PET substrate. CHEP has partnered with the University of Newcastle that have been developing this solar technology over the last 20 years. The printed solar panel innovation is a proven technology in the lab however it needs to be tested in a larger and real world environment to help it progress to commercialisation. Brambles' innovation fund provided the initial funding (USD \$25k) which

attracted further funding (AUD\$50k) from the Australian Government AusIndustry Innovation Grants Program. The pilot project is expected to generate a small amount of energy (approx. 2% of total Service Centres demand) prior to expansion. CHEP hopes to leverage the additional funding to cover the entire roof (2000 sqm. generating approx. 33% of total Service Centre electricity demand) as well as an additional and much larger service centre. If the technology is proven successful and financially viable CHEP could be potentially roll this out across the broader Service Centre network helping CHEP to manage rising costs and stakeholder expectations around renewable energy and carbon emission reductions. Brambles is also investigating the installation of solar panels at other sites. Implementation has commenced.

Activity type

Energy efficiency: Processes

Description of activity

Other, please specify (Switch from hot to cold water use)

Estimated annual CO2e savings (metric tonnes CO2e)

135

Scope

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

<1 year

Comment

The RPC Service Centres in Australia are moving from hot water washing to cold water washing to improve crate cleaning and sanitation performance and reduce natural gas consumption, reducing CO2 emissions by 135 tonnes per year. Implementation has commenced.

Activity type

Energy efficiency: Building services

Description of activity

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

LED lighting upgrades continue around the world at our service centres. In Birmingham, UK, 95% of the site's lighting is now LED. A

new site built in South Ockenden, UK, used only LED lights. In Western Sydney, Australia this project will commence in FY18 and will be rolled out to other CHEP locations during the year.

Activity type

Please select

Description of activity

<Not Applicable>

Estimated annual CO2e savings (metric tonnes CO2e)

Scope

Please select

Voluntary/Mandatory

Please select

Annual monetary savings (unit currency – as specified in CC0.4)

Investment required (unit currency – as specified in CC0.4)

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Regulatory requirements drive investment in emission reduction activities in certain parts of our operations as we comply with state, local, federal and international requirements. Various regulations affect building design and retrofits, fleet services and other activities in our operations.
Dedicated budget for low-carbon product R&D	CHEP has offered its carbon neutral pallet program since 2013, starting in Europe. The program is offered to customers in Europe and the US. The program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. CHEP has a growing number of carbon neutral product customers. The quarter pallet carbon neutral product has also been offered in all European countries since FY15. CHEP Europe announced that its pallet pool in Sweden was carbon neutral. In FY17, customers using the carbon neutral products offset 7,474 tonnes of CO2.
Employee engagement	Brambles regularly encourages its employees to reduce their environmental footprint or find ways to benefit their natural environment. From time to time, training videos and other educational activities are provided to employees to improve their environmental awareness and behaviours. For example, environmental calculators allowing employees to estimate their carbon footprint are available on Brambles intranet. Sustainability information is also provided on the intranet, including promoting various sustainability initiatives and volunteering opportunities each year, Brambles and its businesses communicate the environmental volunteering done by employees in its internal newsletters and intranet. In some businesses, Brambles 'give as you earn' policy encourages employees to donate to not-for-profit community-based organisations, including environmental organisations, with matching programs in place in some businesses. Sustainability leadership is provided throughout the Group.
Internal incentives/recognition programs	For some employees, a monetary reward (bonus) is linked to sustainability achievements, including energy savings, emissions reductions and external recognition of emissions reduction activities (such as through CDP). This applies to Sustainability Directors and managers, as well as others, throughout the Group. In some regions (and increasing) this is cascaded to other departments (Operations Europe, for example). CHEP Europe monitors progress versus target regularly, both absolute emissions and using a KPI, grams CO2 per C-stock generated. Sites achieving emissions savings are recognised in internal publications in some businesses. For example, CHEP Australia publishes sites that achieve emissions reductions in its internal newsletter, its sustainability report and on its internal television system.
Partnering with governments on technology development	Around the world, where available, Brambles' businesses take advantage of partnership opportunities with governments or government agencies. For example, CHEP Australia took part in the Clean Energy Strategies for Business program administered by the Office of Environment and Heritage in Australia, along with CHEP customers. The program provided expert advice to help identify opportunities to develop a renewable energy goal or an emissions reduction target and develop a strategy to reach this goal. This strategy is applicable to all CHEP service centres and will help drive operational efficiencies, manage increasing electricity costs and make our share and reuse model even more sustainable.
Other	Setting targets and sharing best practice throughout the Group: Brambles is committed to zero environmental harm including taking action on climate change and addressing its impacts through our value chain. Brambles set a goal of zero emissions. We commit to achieving a 20% reduction in carbon emissions per unit delivered by 2020. In support of this goal, Brambles aims to achieve: - Year on year improvement in carbon emission intensity for transport emissions (CO2/kilometre). - Year on year improvement in energy provided from renewable sources. Brambles will continue to work within its direct business as well as with material suppliers and collaborate with customers to reduce the carbon intensity of our activities. Brambles is now investigating setting a science-based target that incorporates scope 1, scope 2 and scope 3 targets.

C-AC4.4/C-FB4.4/C-PF4.4

(C-AC4.4/C-FB4.4/C-PF4.4) Do you implement management practices on your own land with a climate change mitigation and/or adaption benefit?

Yes

C-AC4.4a/C-FB4.4a/C-PF4.4a

(C-AC4.4a/C-FB4.4a/C-PF4.4a) Specify the agricultural or forest management practice(s) implemented on your own land with climate change mitigation and/or adaptation benefits and provide a corresponding emissions figure, if known.

Management practice reference number

MP1

Management practice

Other, please specify (Adherence to FSC certification)

Description of management practice

CHEP South Africa operates ten lumber farms in the southern Drakensberg region of KwaZulu Natal in South Africa, covering approximately 6,000 hectares. CHEP holds Forestry Stewardship Council (FSC) accreditation for environmentally well-managed plantations for all of its plantations, which involves an extensive audit program covering many aspects, including water management. FSC auditors audit the farms every year to ensure continued compliance. Poor forestry practices in the past meant the water courses were choked with alien vegetation and overgrowth, affecting both the quality and quantity of water that flowed downstream to the local community. CHEP invested time and money clearing the water courses, greatly improving the water quality. Ongoing management of alien species ensures that the water courses are not choked again. The water is regularly tested to ensure it is as clean as possible. While CHEP itself does not use the water courses for irrigation for the farm, except for fire fighting purposes, the community downstream relies on the water supply that runs through surrounding land, including the CHEP farms. This is especially important as the area experiences periods of drought at times. The control of alien vegetation has also meant the native wildlife enjoy greater protection with improved native vegetation coverage. CHEP also owns and operates the Weatherboard milling operation that carries FSC certification. While not a significant acquisition, it allows us to consolidate the manufacture of our pooled pallets in South Africa. The plantations will contribute to the security of wood supply in the region.

Primary climate change-related benefit

Increase carbon sink (mitigation)

Estimated CO2e savings (metric tons CO2e)

66000

Please explain

The forest would provide carbon offsets as a sustainably managed FSC-accredited plantation. We have applied a carbon sequestration rate of 11 tonnes of CO2 per hectare per year, which is 66 kt CO2 per year, as suggested by the UK Forestry Department <https://www.forestry.gov.uk/forestry/infid-889hsz> This is the net carbon benefit of our plantations.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Product

Description of product/Group of products

Because of the environmental efficiencies of our pooling model, CHEP is able to achieve carbon neutrality for customers and some of our markets and products. For example, CHEP's carbon neutral pallet program allows participating customers to offset the annual carbon footprint of their CHEP pallet movements with internationally-recognised certified credits. Customers are able to reduce the carbon footprint of their supply chain and invest in reforestation projects in developing countries. CHEP has offered its carbon neutral pallet program since 2013, starting in Spain. The program is offered to customers in Europe and the US. The program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. CHEP has a growing number of carbon neutral product customers. The quarter pallet carbon neutral product has also been offered in all European countries since FY15, after being introduced in Germany in FY14. In 2014, CHEP Europe announced that its pallet pool in Sweden was carbon neutral. In FY17, customers using the carbon neutral products offset 7,474 tonnes of CO2.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (VCS-certified carbon offsets)

% revenue from low carbon product(s) in the reporting year

1

Comment

Total revenue from low carbon products in FY17 would be less than 1% of all revenue for the Year. This is provided as an estimate only, as the exact revenue amount has not been publicly reported.

Level of aggregation

Group of products

Description of product/Group of products

Brambles share and reuse circular business model enables our customers to avoid emissions, waste and resource use compared to alternative platforms. By using our pallets and reusable plastic crates (RPCs), our customers saved 2.5 million tons CO2, 1.4 million tons waste and 4,600 megalitres of water. (see p 7 of our 2017 Sustainability Review). The environmental benefits of our share and reuse model are calculated using life cycle analyses.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (LCAs, as detailed in Supplementary Info)

% revenue from low carbon product(s) in the reporting year

100

Comment

Information on the LCAs used to base estimated emissions savings and other environmental benefits are outlined in our 2017 Supplementary Information document available at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf. All Brambles' revenue comes from customers' use of our pallets, RPCs and Containers.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

July 1 2014

Base year end

June 30 2015

Base year emissions (metric tons CO2e)

78940

Comment

Scope 2 (location-based)

Base year start

July 1 2014

Base year end

June 30 2015

Base year emissions (metric tons CO2e)

41820

Comment

Scope 2 (market-based)

Base year start

July 1 2014

Base year end

June 30 2015

Base year emissions (metric tons CO2e)

0

Comment

All emissions are calculated based on country (or State for US and Australia) average emissions factors where electricity was purchased.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Row 1

Gross global Scope 1 emissions (metric tons CO2e)

72363

End-year of reporting period

<Not Applicable>

Comment

Row 2

Gross global Scope 1 emissions (metric tons CO2e)

78940

End-year of reporting period

2016

Comment

Row 3

Gross global Scope 1 emissions (metric tons CO2e)

74880

End-year of reporting period

2015

Comment

Revised figure for target baseline. Please see our Sustainability reporting for further information.

<https://www.brambles.com/sustainability-review>

Row 4

Gross global Scope 1 emissions (metric tons CO2e)

74030

End-year of reporting period

2014

Comment

Figure was restated in FY15 due to an error in LPG reporting in a European country.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment

We use location based emission factors to calculate our Scope 2 emissions, however where we have renewable energy contracts in place we have used market-based emission factor of zero to calculate emissions from purchase of renewable electricity.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Row 1

Scope 2, location-based

45282

Scope 2, market-based (if applicable)

<Not Applicable>

End-year of reporting period

<Not Applicable>

Comment

Row 2

Scope 2, location-based

41820

Scope 2, market-based (if applicable)

<Not Applicable>

End-year of reporting period

2016

Comment

Row 3

Scope 2, location-based

47640

Scope 2, market-based (if applicable)

<Not Applicable>

End-year of reporting period

2015

Comment

Revised figure for target baseline. Please see our Sustainability reporting for further information.
<https://www.brambles.com/sustainability-review>

Row 4

Scope 2, location-based

81590

Scope 2, market-based (if applicable)

<Not Applicable>

End-year of reporting period

2014

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

0

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Brambles has reviewed our operations to determine the main contributors to Scope 3 emissions and identified purchased goods as one of these. Purchased goods include harvesting of timber purchased from suppliers and other purchased goods and services, such as paper and cardboard.

Capital goods

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

0

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Brambles has reviewed our operations to determine the main contributors to our Scope 3 emissions and identified capital goods – particularly pallets and containers – as one of these. Brambles did not calculate the emissions from capital goods, including pallets, crates and containers, in FY17. Purchase of other fixed assets and IT supplies may be relevant, but are not relevant as these capital goods are not considered material.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

0

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

While there are likely to be fuel and energy related activities not included in our scope 1 and scope 2 reporting, the categories currently disclosed cover the majority of our emissions.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

0

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Brambles has not calculated the emissions generated in the transportation of purchased raw materials, or other supplier delivered goods. Other forms of upstream transportation and distribution have not been evaluated. The categories currently disclosed cover the majority of our emissions.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

1138

Emissions calculation methodology

In FY17, Brambles' businesses generated 27,079 metric tonnes of general waste. General waste emissions are estimated at 1138 metric tonnes of CO2-e. Estimated emissions from waste and recycling for Brambles' operations for FY17 were calculated using the US EPA Waste Reduction Model (WARM) v 14 (released March 2016). While not all waste and recycling is generated in the US, this spreadsheet is used to calculate an estimate of the possible emissions impact of waste and recycling in our operations. Estimated emissions breakdown for waste was calculated using default options and based on mixed municipal solid waste to landfill. However, due to Brambles' reclaim and recycling efforts, emissions saved from recycling lumber, mixed paper, mixed metals and mixed plastics means that all waste and recycling had a net emissions impact of -186,733 t CO2-e in FY17. This is 182,799 t CO2-e less than the emissions impact if all waste was sent to landfill, based on US estimates. Spreadsheet attached below.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

All waste data was obtained from our own operations, based on supplier invoices. Reclaimed wood and plastic data, used for the comparison data only, was obtained from our own operations.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

4692

Emissions calculation methodology

Figure provided captures air travel taken by Brambles' employees using the corporate travel provider. It includes air travel, hotel stays and car hire booked through our corporate travel provider, but does not include other forms of travel, or travel booked outside of the corporate travel provider for FY16. For FY16, regions using the corporate travel provider includes North America, Australia and New Zealand for the last quarter of FY16 and Europe for June 2016. This data has been extrapolated to estimate emissions for the entire FY16. Other regions have come on board since FY16, which will improve data collection and accuracy in FY17.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

To reduce air travel in FY17, Brambles continued to encourage the use of videoconferencing, tracking the emissions saved. In FY16, 65,343 kgs of CO2-e was avoided through the use of videoconferencing. Travel data was provided by our corporate travel provider.

Employee commuting

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

0

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Brambles has identified employee commuting as a main contributor to our scope 3 emissions. No primary commuting data is available at this time. Brambles had 13,797 permanent employees around the world as at 30 June 2017. At our Alpharetta, US site, electric vehicle charging stations were included in recent upgrades to encourage employees to use electric vehicles and power them while at work.

Upstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO2e

134340

Emissions calculation methodology

We estimate outsourced service centre (OSC) emissions by applying our average internal service centre grams CO2-e per production unit and apply to production figures for the OSCs, using country specific emission factors. (In previous years, this data was incorrectly applied to 'downstream leased assets'). Brambles outsourced service centres and transport account for their Scope 3 emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Brambles calculates an estimate of CO2 generated by our OSCs by using the CO2 impact of our own service centres. While we calculate an estimate for the emissions from the OSCs that manufacture our pooled pallets, crates and containers, Brambles has not calculated the emissions generated by the leased assets of suppliers of our raw materials, such as timber mills that supply our timber, or other suppliers.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

832910

Emissions calculation methodology

We estimate Scope 3 emissions for transport. We calculate an emissions estimate either by using data available, applying a specific module developed by LeanLogistics or, where that module cannot be used, estimates are made based on type of fuel, place of travel, type of vehicles and travel distances.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Emissions are estimated using our own internal data, although LeanLogistics and our transport providers do provide supporting data (such as kilometres travelled).

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

Brambles retains ownership of its pooled assets, thereby ensuring that end of life management is controlled and recovery, reuse and recycling efforts can be maximised. This means there are no emissions from processing of sold products for all of our continuing businesses.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

While in FY17 our recycled pallets operations in the US did collect discarded white wood pallets and use these to manufacture new white wood pallets which are then sold, Brambles did not calculate the emissions relevant to these products as they are a very small part of our operations. In addition, this business was divested in FY18.

Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

Brambles is able to make customers' supply chains more sustainable, compared to the use of alternative platforms. Because we recover, repair and allow customers to share and reuse our solutions many times, we are able to reduce GHG emissions, demand on resources and waste. In FY17, customers' use of RPCs and pooled wooden pallets saved at least 2.5 million tonnes of CO2-e (FY15: 990,000 tonnes CO2-e). This figure was calculated using life cycle analyses (please see the 2017 Sustainability Review - supplementary review for further information on methodology). This data has been verified by third party assurance. (see 2017 Sustainability Review p 7). As we are unable to enter a negative value in the emissions column, 0 has been entered.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Brambles retains ownership of its pooled assets, thereby ensuring that end of life management is controlled and recovery, reuse and recycling efforts can be maximised. Our recycled pallets operations collects discarded white wood pallets and uses these to manufacture new white wood pallets in our own operations, which are then sold.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Brambles retains ownership of its pooled assets, thereby ensuring that end of life management is controlled and recovery, reuse and recycling efforts can be maximised. Our recycled pallets operations collects discarded white wood pallets and uses these to manufacture new white wood pallets in our own operations, which are then sold. Brambles did not calculate the emissions relevant to these products as they are a very small part of our operations.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Brambles does not have any leased assets beyond our outsourced service centres (OSCs) that manufacture our pooled products for use and reuse.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Brambles does not operate any franchises.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Brambles does not have investments outside of those made within our own operations.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

While there may be other upstream emissions not included in our scope 1 and scope 2 reporting, the categories currently disclosed cover the majority of our emissions.

Other (downstream)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

0

Emissions calculation methodology

Customers' use of our reusable plastic crates (RPCs) in FY17 saved over 4,329 tonnes of food waste (up from 3,349 tonnes in FY15). This figure was calculated using life cycle analyses (please see the 2017 Sustainability Review - supplementary review for further information on methodology). Our in-kind equipment donations also helped redistribute over 163,200 tonnes of rescued food, which may have otherwise ended up in landfill. This data has been verified by third party assurance. (see 2017 Sustainability Review p 7). Estimates from emissions from 4,329 tonnes of food waste that were saved are calculated at 2,351 tonnes CO2 for FY17, using the US EPA's warm method noted for waste above. Adding the 163,000 tonnes of food rescued gives a total emissions saving of 88,781 tonnes of CO2 if this had gone to landfill. This does not consider the emissions saved from not having to produce the same amount of food for distribution from cradle to gate. As we are unable to enter a negative value in the emissions column, 0 has been entered.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

While there may be other downstream scope 3 emissions, we believe the categories disclosed cover the majority of our emissions.

C-AC6.6/C-FB6.6/C-PF6.6

(C-AC6.6/C-FB6.6/C-PF6.6) Can you breakdown your Scope 3 emissions by relevant business activity areas?

Yes

C-AC6.6a/C-FB6.6a/C-PF6.6a

(C-AC6.6a/C-FB6.6a/C-PF6.6a) Disclose your Scope 3 emissions for each of your relevant business activity areas.

Activity

Agriculture/Forestry

Scope 3 category

Purchased goods and services

Emissions (metric tons CO2e)

134340

Please explain

Processing of sold products (Processing/Manufacturing only) by our outsourced service centres (also noted in our scope 3 emissions for upstream leased assets above). Our outsourced service centres manufacture and repair our timber pallets for continued sharing and reusing through our customers' supply chains. We estimate outsourced service centre (OSC) emissions by applying our average internal service centre grams CO2-e per production unit and apply to production figures for the OSCs, using country specific emission factors. (In previous years, this data was incorrectly applied to 'downstream leased assets').

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

No

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Timber

Do you collect or calculate GHG emissions for this commodity?

No

Please explain

Brambles use of timber relies on harvesting of timber purchased from suppliers and a small amount of timber harvested from our plantations in South Africa. In FY17, Brambles purchased 2.7 million cubic metres of timber. The complexity in estimating CO2 emissions generated from the production, harvesting, processing and manufacturing of this timber into our pallets has meant that we have not yet calculated the emissions relevant to our use of timber. We have reported data relevant to the processing and repair of timber pallets in our outsourced service centres, as reported above. This does not include timber harvesting and milling.

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000214878

Metric numerator (Gross global combined Scope 1 and 2 emissions)

109680

Metric denominator

unit total revenue

Metric denominator: Unit total

5104300000

Scope 2 figure used

Location-based

% change from previous year

1.5

Direction of change

Decreased

Reason for change

Reported emissions intensity per unit of total revenue in FY16 was 0.0000218159. The carbon emissions reduction per unit of production for FY17 was driven by a combination of factors, including: business growth, including eight additional sites and energy productivity; more accurate data gathering; an increase in renewable energy; and updated carbon emission conversion factors from a decrease in emissions intensity of grid electricity. These same factors would apply to the reason for the reduction in emissions per unit of total revenue in FY17.

Intensity figure

7.949

Metric numerator (Gross global combined Scope 1 and 2 emissions)

109680

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

13797

Scope 2 figure used

Location-based

% change from previous year

1.29

Direction of change

Decreased

Reason for change

Number of employees is a snapshot of employees as at 30 June 2017. The intensity figure for this reported in FY16 was 8,053. This is 1.29% lower than the figure reported in FY16. As noted above, the carbon emissions reduction per unit of production for FY17 was driven by a combination of factors, including: business growth, including eight additional sites and energy productivity; more accurate data gathering; an increase in renewable energy; and updated carbon emission conversion factors from a decrease in emissions intensity of grid electricity. These same factors would apply to the reason for the reduction in emissions per unit of total revenue in FY17. In addition, Brambles employee numbers decreased slightly from FY16.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Australia	3851
United Kingdom of Great Britain and Northern Ireland	3039
Other, please specify (Rest of the world)	57510

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
CHEP	57480
IFCO	4710
Corporate	2200

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4a/C-FB7.4a/C-PF7.4a

(C-AC7.4a/C-FB7.4a/C-PF7.4a) Select the form(s) in which you are reporting your agricultural/forestry emissions.

Total emissions

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Activity

Distribution

Emissions category

<Not Applicable>

Emissions (metric tons CO2e)

41678

Methodology

Other, please specify (Diesel fuel and motor gasoline factors)

Please explain

Brambles does not currently report scope 1 emissions separately that are related to the management of our plantations in South Africa, or the processing and manufacturing of timber produced in our own plantations or purchased for use in our pallets. However, our scope 1 reported emissions include emissions separately reported for the use of diesel fuel and motor gasoline. As these are both used for transport, this would cover the distribution of our timber pallets. This was reported at 38% of our combined scope 1 and 2 emissions for FY17 and this figure has been used above. Diesel fuel and motor gasoline are scope 1 emissions. Emissions factors applied for our calculation of emissions for diesel fuel and motor gasoline are reported in our 2017 Sustainability Review supplementary information document available at <https://www.brambles.com/sustainability-review>. There are no exclusions from our reporting of fuel. Fuel for transport by our outsourced transport providers (scope 3) are not included in this calculation.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Australia	16652		18805	0
United Kingdom of Great Britain and Northern Ireland	602		11149	92605
Other, please specify (Rest of the world)	28026		60816	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
CHEP	32910	
IFCO	8810	
Corporate	3570	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	3184	Decreased	7	Brambles increased renewable energy to our direct operations through both on-site generation and third party clean electricity procurement. The total contribution of renewable electricity was 14.3% in FY17.
Other emissions reduction activities	7536	Decreased	10	Combined scope 1 and 2 emissions decreased from FY16, partially due to our emissions and energy reduction activities during the Year.
Divestment	3800	Decreased	5	Brambles divested some business units in FY17 and this led to a reduction in emissions. Data was calculated by comparing the CO2 from divested operations with the previous year to approximate the reduction.
Acquisitions	0	No change	0	Brambles did not make any significant acquisitions in FY17.
Mergers	0	No change	0	There were no mergers in FY17.
Change in output	2414	Increased	2	Brambles experienced an increase in output in FY17, due to business growth, including eight additional sites and energy productivity. To calculate the CO2 increase due to production increase FY16 emissions intensity was multiplied by FY17 production figures and the difference compared.
Change in methodology	1838	Decreased	1.7	Brambles data gathering was more accurate in FY17. We also updated carbon emission conversion factors from a decrease in emissions intensity of grid electricity.
Change in boundary	0	No change	0	Brambles boundaries did not change in FY17.
Change in physical operating conditions	0	No change	0	On the whole, physical operating conditions remained much the same in FY17 as in the previous year.
Unidentified	0	No change	0	We believe we have identified all the reasons for our change in emissions in FY17.
Other	0	No change	0	We believe we have identified all the reasons for our change in emissions in FY17 using the categories already noted.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

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

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	43207	43207
Consumption of purchased or acquired electricity	<Not Applicable>	12951	81687	94638
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	671	<Not Applicable>	671
Total energy consumption	<Not Applicable>	13622	124894	138516

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

15180

MWh fuel consumed for the self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

25934

MWh fuel consumed for the self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

MWh fuel consumed for the self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

51870

MWh fuel consumed for the self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Fuels (excluding feedstocks)

Acetylene

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

2093

MWh fuel consumed for the self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Acetylene

Emission factor

0.004

Unit

kg CO2 per liter

Emission factor source

Internal calculations

Comment

Diesel

Emission factor

2.557

Unit

kg CO2 per liter

Emission factor source

GHG Protocol - Service sector fuel densities and emission factors

Comment

Liquefied Petroleum Gas (LPG)

Emission factor

1.535

Unit

kg CO2 per liter

Emission factor source

GHG Protocol - Service sector fuel densities and emission factors

Comment

Motor Gasoline

Emission factor

2.172

Unit

kg CO2 per liter

Emission factor source

GHG Protocol - Service sector fuel densities and emission factors

Comment

Natural Gas

Emission factor

0.00019

Unit

kg CO2 per MWh

Emission factor source

GHG Protocol - Service sector fuel densities and emission factors

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	671	671	671	671
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor

Grid mix of renewable electricity

Low-carbon technology type

Solar PV

Wind

Hydropower

MWh consumed associated with low-carbon electricity, heat, steam or cooling

12951

Emission factor (in units of metric tons CO2e per MWh)

0

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

9399.46

Metric numerator

metric tons CO2 from general waste to landfill

Metric denominator (intensity metric only)

% change from previous year

8

Direction of change

Decreased

Please explain

Brambles' businesses globally sent 27,079 tons of general mixed waste to landfill in FY17. This is 8% lower than in FY16. While the value of our recycling efforts would more than offset this amount, the amount of CO2 generated has been reported above. The overall carbon result from our waste and recycling amounts to a 124,928 t CO2 positive benefit (using the US EPA's WARM tool to estimate the carbon footprint of our waste and recycling efforts). The details of our recycling can be found on our website at https://www.brambles.com/Content/cms/sustainability-2017/Five_year_performance_data_combined_2017.xlsx.

Description

Land use

Metric value

66000

Metric numerator

metric tons CO2 per year (carbon sequestration)

Metric denominator (intensity metric only)

% change from previous year

0

Direction of change

No change

Please explain

CHEP South Africa owns and operates ten lumber farms in the southern Drakensberg region of KwaZulu Natal in South Africa, covering approximately 3,500 hectares of planted timber on the total farm lands of roughly 6,000 hectares. The plantations contribute to the security of wood supply in the region. No additional farms were acquired in FY17. The forest would provide carbon offsets as a sustainably managed FSC-accredited plantation. We have applied a carbon sequestration rate of 11 tonnes of CO2 per hectare per year, which is 66 kt CO2 per year, as suggested by the UK Forestry Department <https://www.forestry.gov.uk/forestry/inf-d-889hsz> This is the net carbon benefit of our plantations.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope

Scope 1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

FY17_Brambles_sustainability_assurance_opinion-2.pdf

Page/ section reference

1-2

Relevant standard

ASAE3000

Proportion of reported emissions verified (%)

100

Scope

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

FY17_Brambles_sustainability_assurance_opinion-2.pdf

Page/ section reference

1-2

Relevant standard

ASAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Year on year change in emissions (Scope 1 and 2)	ASAE3000	Scope 1 and scope 2 emissions data was verified as reported on page 23 of the 2017 Sustainability Review. BRL209_S22_Sustainability_Report_FULL_WEB-2.pdf FY17_Brambles_sustainability_assurance_opinion-2.pdf
C4. Targets and performance	Year on year emissions intensity figure	ASAE3000	Year on year change in carbon dioxide emissions per unit on page 23 of our 2017 Sustainability Review was verified. BRL209_S22_Sustainability_Report_FULL_WEB-2.pdf FY17_Brambles_sustainability_assurance_opinion-2.pdf
C4. Targets and performance	Renewable energy products	ASAE3000	Year on year change in energy from certified renewable sources was verified as reported on page 24 of our 2017 Sustainability Review. BRL209_S22_Sustainability_Report_FULL_WEB-2.pdf FY17_Brambles_sustainability_assurance_opinion-2.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

Deforestation prevention and supporting sustainable agriculture: Acre, Amazonian rainforest Brazil

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

4799

Number of credits (metric tonnes CO2e): Risk adjusted volume

4799

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Energy efficiency: households

Project identification

Selco Solar India

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

1024

Number of credits (metric tonnes CO2e): Risk adjusted volume

1024

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

Rimba Raya REDD+

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

1568

Number of credits (metric tonnes CO2e): Risk adjusted volume

1568

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

Uganda Community Reforestation

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

83

Number of credits (metric tonnes CO2e): Risk adjusted volume

83

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

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

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Other, please specify (Transport and timber collaboration)

% of suppliers by number

% total procurement spend (direct and indirect)

18

% Scope 3 emissions as reported in C6.5

86

Rationale for the coverage of your engagement

We engage with suppliers directly or through collaborative forums, including industry associations. We prioritise engagements that align with our business objectives, including our sustainability goals. 86% of our reported scope 3 emissions came from outsourced transport in FY17. Through our transport collaboration projects we engaged our transport providers in FY17 to create practical benefits for customers, such as reduced fuel and transport service costs, positive sustainability outcomes and supply chain insights. Our customers then recognise the unique value this service provides which helps to foster longer term, mutually beneficial relationships. We have also set a supporting emissions target to achieve year on year improvement in carbon emission intensity for transport emissions (CO2/kilometre) According to CDP Forests, deforestation accounts for approximately 10-15% of the world's greenhouse gas emissions, equivalent to the entire transport sector. We engage with our timber suppliers through our global procurement team, who control timber sourcing. Engaging with our timber suppliers helps us to find ways to improve our certified sourcing and chain of custody certified sourcing, helping us to meet our aspirational goal of zero deforestation and our target of achieving chain of custody certification for 100% of timber purchased by 2020. The % of suppliers by number is difficult to determine, since Brambles' global procurement team is responsible for sourcing raw materials, real estate and business services. This does not include suppliers managed in other areas directly by our businesses themselves, including transport. % of total procurement spend nominated above represents only the timber component of procurement spend, not the transport spend.

Impact of engagement, including measures of success

We measure the success of these engagements through stakeholder feedback, improved supplier relationships, as well as through quantitative measures, such as reduction in emissions, transport kilometres, internal costs and other environmental benefits. In FY17, our transport collaboration programs reduced transport distances by more than 64,700,000 kms and saved more than 54,000 tonnes of CO2. The success of our engagement with timber suppliers can be measured through improvements in our purchasing of certified and chain of custody certified timber. In FY17, 99.1% of timber purchased for CHEP pooled pallets was from certified sources, with 57% carrying chain of custody certification. Further details are provided in the 2017 Sustainability Review and in Brambles' CDP Forests response. This was an improvement from FY16, where 97.3% of timber was from certified sources and 48% carried chain of custody certification. Chain of custody certified wood is not consistently available throughout all regions, but our procurement teams continue to investigate and promote collaboration on chain of custody certification programs, improving the supply chains in the markets where we operate.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

Size of engagement

% Scope 3 emissions as reported in C6.5

86

Please explain the rationale for selecting this group of customers and scope of engagement

We engage with customers directly or through collaborative forums, including industry associations. We prioritise engagements that align with our business objectives, including our sustainability goals. 86% of our reported scope 3 emissions came from outsourced transport in FY17. Through our transport collaboration projects we engaged our transport providers in FY17 to create practical benefits for customers, such as reduced fuel and transport service costs, positive sustainability outcomes and supply chain insights. Our customers then recognise the unique value this service provides which helps to foster longer term, mutually beneficial relationships. We have also set a supporting emissions target to achieve year on year improvement in carbon emission intensity for transport emissions (CO2/kilometre). We also work with our customers to improve their supply chains in other ways, such as reducing waste, by applying our industry and logistics knowledge.

Impact of engagement, including measures of success

We measure the success of these engagements through stakeholder feedback, improved customer relationships, as well as through quantitative measures, such as reduction in emissions, transport kilometres, internal costs and other environmental benefits. In FY17, our transport collaboration programs involved 202 customers, an increase of 14% from FY16, reduced transport distances by more than 64,700,000 kms and saved more than 54,000 tonnes of CO2. We measure the success of other customer supply chain improvements through other environmental benefits and improved customer engagement. For example, in FY17, CHEP Canada helped Walmart provided a solution to their problem with waste plant racks, where more than 2,000 tonnes of wooden garden racks were recycled, safety conditions improved, waste costs reduced and waste diversion metrics were positively impacted. In the US, fleet optimisation helps customers increase productivity, earn revenue and reduce empty miles by hauling CHEP's backhaul freight. Customers' use of the Total Pallet Management program (major manufacturers and retailers) allows CHEP to manage all of a customer's pallet needs onsite and supply pallets without the need for additional transport. This helps optimise the network and reduces the energy requirements of the pallet pool.

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

Brambles' businesses are also well placed to address the environmentally important issue of food loss and waste in the supply chain, which contribute to GHG emissions through landfill and wasted food production. We do this by collaborating with customers and retailers, as well as in our own product development. Working with our customers and retailers, we reduced food waste by more than 4,329 tonnes in FY17. We reduce food waste through the development of reusable solutions to transport specific types of food products, for example, IFCO has developed egg and meat crates and CHEP worked with Unilever to improve transport and reduce waste for tomatoes. We also divert usable food that would otherwise end up in landfill to foodbanks by donating equipment to community organisations around the world. Our in-kind donations in FY17 helped redistribute over 163,200 tonnes of rescued food. If this food had gone to landfill in FY17 it would have generated approximately 91,000 tonnes of CO2 (based on US EPA WARM method v. 14).

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number

MP1

Management practice

Other, please specify (Obtain third party certification)

Description of management practice

We engage with our timber suppliers through our global procurement team, who control timber sourcing, to encourage certification and chain of custody certification. Engaging with our timber suppliers helps us to find ways to improve our certified sourcing and chain of custody certified sourcing, helping us to meet our aspirational goal of zero deforestation and our target of achieving chain of custody certification for 100% of timber purchased by 2020.

Your role in the implementation

Knowledge sharing
Procurement

Explanation of how you encourage implementation

Chain of custody certified wood is not consistently available throughout all regions, but our procurement teams continue to investigate and promote collaboration on chain of custody certification programs, improving the supply chains in the markets where we operate. Close partnership with suppliers was key to increasing chain of custody certified wood in Mexico and Argentina. This has strengthened CHEP's regional supply chain and progressed our global commitment to sourcing sustainable forest products.

Climate change related benefit

Increasing resilience to climate change (adaptation)
Increase carbon sink (mitigation)
Other, please specify (Sustainable forest management)

Comment

FSC certification and chain of custody certification improve sustainability of forest management in numerous ways, with both environmental and social benefits.

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

Yes

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations
Funding research organizations
Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
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Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Energy efficiency	Neutral	<p>In the UK, the CRC Energy Efficiency Scheme (through the Department of Energy and Climate Change) is a legislative requirement whereby CHEP reports its UK Scope 1 and 2 emissions and purchase allowances based on these emissions (excluding transport). CHEP UK engages with a consultant to report and keep up-to-date with any changes and simplifications to the legislation. CHEP appears in the annual report publication (listed as Cyan Logistics, which is the highest UK parent covering all Brambles businesses) at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/577132/LIT_10638.xlsx.</p>	<p>The CRC Energy Efficiency Scheme (or CRC Scheme) is designed to improve energy efficiency and cut emissions in large public and private sector organisations. The CRC affects large public and private sector organisations across the UK, together responsible for around 10% of the UK's greenhouse gas emissions. Participants include supermarkets, water companies, banks, local authorities and all central government departments. publicly. HM Treasury has issued a consultation paper which proposes the abolition of the CRC Energy Efficiency Scheme (CRC), and its replacement by a single business energy consumption tax based on Climate Change Levy (CCL). The Government also proposes to develop a single reporting framework to replace current requirements under ESOS, Mandatory Greenhouse Gas Reporting and other schemes including the CRC scheme and the Climate Change Agreements. It is proposed to design this framework "through the prism of " ESOS, a scheme which the Government is committed to maintain, because it is an EU requirement under the Energy Efficiency Directive.</p>
Other, please specify (Food waste)	Support	<p>World Economic Forum - working with business, political, academic thought leaders to help shape global, regional and industry agendas. Brambles works with the World Economic Forum and members on the Forum's food waste projects. Brambles has also created opportunities for international non-profit organisation Enactus and the WEF, focusing on reducing food loss and waste. Addressing the issues of food security and food waste, Brambles works with food banks around the world, applying our logistics and supply chain expertise. In FY16, Brambles signed a three year agreement with the Global Foodbanking Network, an international not for profit organisation that supports food banks in more than 30 countries. Brambles also continued its efforts in FY16 to address food waste in partnership with customers and suppliers. With the world's population forecasted to rise to 9.1 billion by 2050, it is estimated that food production needs to increase by 70% to keep pace with the growing population. At the same time, it is estimated that between one-third and one half of the food produced by the developed world is lost post-harvest between the farm and consumer. The contribution of food waste to GHG emissions through both landfill and increased pressure on agricultural resources is well documented. Brambles recognises that through the application of its logistics and supply chain expertise it is uniquely placed to help reduce food waste throughout the value chain. We do this by collaborating with customers and retailers, as well as in our own product development. For example, in FY17 IFCO conducted a 'Let's Eat' campaign. Brambles was also invited by the World Bank to talk at the Future of Food forum in 2016.</p>	<p>The WEF has publicly stated that cutting food loss and waste is a great way to drive sustainability and development and a crucial step on the way to providing quality, nutritious food to a growing global and urban population. The WEF's New Vision for Agriculture initiative engages leaders of business, government, civil society, farmers organisations, development partners and other groups to work together to achieve sustainable agricultural growth. The initiative works at the global level with the G8 and G20, and facilitates national-level partnerships. Substantial gains in agricultural productivity can be realised through investment, innovation, policy and other improvements.</p>
Other, please specify (Circular Economy)	Support	<p>The European Commission launched its circular economy package at the end of 2015. It aims to promote – in a descending order - prevention, reuse, recycling, recovery, with disposal being the management option of last resort. To do so, it is updating the framework directive on waste (2008/98/EC) and its daughter directives, including the Directive on Packaging and Packaging Waste (94/62/EC).</p>	<p>Brambles is using this opportunity to promote its business model of prevention and reuse, and this over making Europe a recycling economy, which is becoming a buzz phrase too commonly used. It is trying to align with like-minded allies with the same industry sector aims, including Plastics Europe, an EU trade association, and Reloop, a loose grouping of the transport and sales packaging industries to lobby together to improve the legislation and increase the amount of reusable packaging equipment put on the EU market.</p>

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

CEI-BOIS

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

CEI-Bois, the European Confederation of woodworking industries, was founded in 1952 and represents the interests of the European woodworking industry. The primary goal of CEI-Bois is to further the interests of the European wood sector and to this end, it aims to influence EU policy-making. It is the main body representing and defending the interests of the European woodworking and furniture industries towards the European Union.

How have you, or are you attempting to, influence the position?

CHEP's Senior Director, Global Government and Public Affairs is the chairman of this body and his team is involved in climate change and environmental policies for the group and dealing with the European Director-General Environment and Director-General Climate.

Trade association

FEFPEB, the European Federation of Wooden Pallet and Packaging Manufacturers, and other timber packaging organisations around the world

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The main objectives of FEFPEB are the promotion of timber packaging and the determination and defence of the interests of the European Wooden Pallet and Packaging Industry. Also monitors and provides comment on illegal logging/timber, renewable energy and biomass (through associated organisations) and lightweight packaging. Other timber packaging organisations that we are involved with follow similar aims.

How have you, or are you attempting to, influence the position?

CHEP's Senior Director, Global Government and Public Affairs is an Executive Director of FEFPEB. In this role he addresses climate change impact with the Director-General Environment; for example, through the adverse impact on climate with Drying Chambers for Heat Treatment to ensure pallets and lumber are ISPM15 compliant.

Trade association

Australian Food and Grocery Council's Sustainability Council

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

CHEP is a founding member of the AFGC's, Retail and Suppliers Roundtable, Sustainability Council. Other founding members include some of our customers from the retail and food manufacturing industries. AFGC is the leading national organisation representing Australia's food, drink and grocery manufacturing industry. AFGC's Sustainability Commitment is a ten year strategy that sets clear objectives, targets, metrics and case studies that will shape the future direction of the food and grocery manufacturing industry's performance across water, energy and emissions, packaging and social and sourcing indicators.

How have you, or are you attempting to, influence the position?

In 2012, the AFGC's Future of Packaging white paper identified a need for greater understanding of the implications of packaging on sustainability outcomes. As a responsible partner throughout food supply chains, CHEP Australia commissioned the Royal Melbourne Institute of Technology's Centre for Design study on 'The role of packaging in minimising food waste in the supply chain

of the future.' The study was released in June 2013 and a copy is available at chep.com. Food waste is a contributor to GHG emissions through landfill.

Trade association

Efficient Consumer Response (ECR) and related organisations

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The ECR ("Efficient Consumer Response") movement effectively began in the mid-nineties and was characterized by the emergence of new principles of collaborative management along the supply chain. A related organisation CHEP is involved with is GS1. Climate change issues are dealt with to a lesser extent by GS1.

How have you, or are you attempting to, influence the position?

The CHEP President, Europe is a board member for ECR (Europe).

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

In 2013, Brambles became a signatory to the UN Global Compact, indicating support for its principles, including those on environmental challenges and responsibilities. Brambles communication on progress for 2016 can be found at <http://www.brambles.com/un-global-compact-communication-on-progress-5> (or attached). Brambles is also a member of the Global Compact Network Australia (GCNA) which actively communicates, promotes and facilitates the programs of the UNGC in Australia. Brambles is also a member the Global Compact Network in Spain.

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

CHEP lists all of its associations on its website at http://www.chep.com/about_chep/associations/ (also attached below). CHEP is a member of Lean and Green in Europe and Green Freight in Europe. Lean and Green promotes measuring and reducing carbon emissions; while Green Freight assists CHEP with its pioneering presence in new geographies. CHEP participates in projects with both organisations. These are examples of the activities in which CHEP engages.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Brambles defines sustainability as the strategies and activities the Group has adopted in relation to its employees, the environment, ethics and the community.

The Brambles Chief Executive Officer (CEO) has operational responsibility for sustainability issues.

The ELT helps to formulate sustainability policies and is responsible for implementing these across the organisation.

Brambles Sustainability Risk Committee (SRC), formed in 2016, is responsible for assisting the CEO and Executive Leadership Team (ELT) with sustainability strategies, targets and activities, consistent with the Group's Shared Values. Sustainability is part of the ELT agenda on a regular basis. The SRC is a management committee comprising Brambles' Group Senior Vice President, Human Resources, Global Head of Sustainability and Group Vice President, Risk & Assurance and a cross section of senior Brambles corporate and business unit executives with relevant and applicable functional expertise.

The Board is also regularly updated on sustainability issues, either by the CEO or members of the Sustainability Risk Committee.

CHEP's Senior Director, Global Government and Public Affairs is responsible for ensuring that all policy-related activities are in line with Brambles' strategic objectives and internal policies.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

BRL209_S22_Sustainability_Report_FULL_WEB-2.pdf

Content elements

Strategy
Emissions figures
Emission targets
Other metrics

Publication

In voluntary communications

Status

Complete

Attach the document

FY17_Brambles_Supplementary_Information_Document.pdf

Content elements

Governance
Emissions figures
Other metrics
Other, please specify (Emissions methodology)

Publication

In other regulatory filings

Status

Complete

Attach the document

CRC Annual Report Publication 2016-2017.xlsx

Content elements

Emissions figures

C13. Other land management impacts

C-AC13.1/C-FB13.1/C-PF13.1

(C-AC13.1/C-FB13.1/C-PF13.1) Do you know if any of the management practices implemented on your own land disclosed in C-AC4.4a/C-FB4.4a/C-PF4.4a have other impacts besides climate change mitigation/adaptation?

Yes

C-AC13.1a/C-FB13.1a/C-PF13.1a

(C-AC13.1a/C-FB13.1a/C-PF13.1a) Provide details on those management practices that have other impacts besides climate change mitigation/adaptation and on your management response.

Management practice reference number

MP1

Overall effect

Positive

Which of the following has been impacted?

Biodiversity

Water

Description of impact

Poor forestry practices in the past on CHEP's plantations in South Africa meant the water courses were choked with alien vegetation and overgrowth, affecting both the quality and quantity of water that flowed downstream to the local community. CHEP invested time and money clearing the water courses, greatly improving the water quality. Ongoing management of alien species ensures that the water courses are not choked again. The water is regularly tested to ensure it is as clean as possible. While CHEP itself does not use the water courses for irrigation for the farm, except for fire fighting purposes, the community downstream relies on the water supply that runs through surrounding land, including the CHEP farms. This is especially important as the area experiences periods of drought at times. The control of alien vegetation has also meant the native wildlife enjoy greater protection with improved native vegetation coverage.

Have you implemented any response(s) to these impacts?

No

Description of the response(s)

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

Yes

C-AC13.2a/C-FB13.2a/C-PF13.2a

(C-AC13.2a/C-FB13.2a/C-PF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.

Management practice reference number

MP2

Overall effect

Positive

Which of the following has been impacted?

Biodiversity

Other, please specify (Improved forest management)

Description of impacts

By encouraging and helping our suppliers meet chain of custody certification and certification for forest sources, improvements in sustainable forest management are achieved. This generates environmental and social benefits for those forests and their local communities. Brambles recognises FSC and PEFC certification standards. Chain of custody certification demonstrates that each step in the supply chain is closely monitored through independent certification bodies. Both standards prevent deforestation and include controls to protect biodiversity and human rights, while enhancing economic and social outcomes for local communities.

Have any response to these impacts been implemented?

No

Description of the response(s)

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	5104300000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	AU	000000BXB1

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Diageo Plc

Scope of emissions

Scope 1

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

10

Major sources of emissions

Fuel and gas

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Diageo did not become a CHEP customer during the period covered (FY17). In FY18, we can allocate emissions based on activity recorded for Diageo for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

Diageo Plc

Scope of emissions

Scope 2

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

10

Major sources of emissions

Electricity

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Diageo did not become a CHEP customer during the period covered (FY17). In FY18, we can allocate emissions based on activity recorded for Diageo for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

Diageo Plc

Scope of emissions

Scope 3

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

10

Major sources of emissions

Transport and outsourced service centres' energy usage

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Diageo did not become a CHEP customer during the period covered (FY17). In FY18, we can allocate emissions based on activity recorded for Diageo for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

Jaguar Land Rover Ltd

Scope of emissions

Scope 1

Emissions in metric tonnes of CO₂e

85.53

Uncertainty (±%)

10

Major sources of emissions

Fuel and gas

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for Jaguar Land Rover for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Emissions data calculated from use of wooden pallets only. Brambles is investigating expanding this to include all CHEP platforms used by JLR in FY18. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

Jaguar Land Rover Ltd

Scope of emissions

Scope 2

Emissions in metric tonnes of CO₂e

60.14

Uncertainty (±%)

10

Major sources of emissions

Electricity

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for Jaguar Land Rover for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Emissions data calculated from use of wooden pallets only. Brambles is investigating expanding this to include all CHEP platforms used by JLR in FY18. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

Jaguar Land Rover Ltd

Scope of emissions

Scope 3

Emissions in metric tonnes of CO2e

1284.64

Uncertainty (±%)

10

Major sources of emissions

Transport and outsourced service centres

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for Jaguar Land Rover for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Emissions data calculated from use of wooden pallets only. Brambles is investigating expanding this to include all CHEP platforms used by JLR in FY18. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

Kellogg Company

Scope of emissions

Scope 1

Emissions in metric tonnes of CO2e

943.71

Uncertainty (±%)

10

Major sources of emissions

Fuel and gas

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for Kellogg Company for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

Kellogg Company

Scope of emissions

Scope 2

Emissions in metric tonnes of CO2e

663.53

Uncertainty (±%)

10

Major sources of emissions

Electricity

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for Kellogg Company for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

Kellogg Company

Scope of emissions

Scope 3

Emissions in metric tonnes of CO2e

14173.97

Uncertainty (±%)

10

Major sources of emissions

Transport and outsourced service centres

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for Kellogg Company for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

L'Oréal

Scope of emissions

Scope 1

Emissions in metric tonnes of CO2e

95.76

Uncertainty (±%)

10

Major sources of emissions

Fuel and gas

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for L'Oreal for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period. L'Oreal used the carbon neutral half-pallet in Europe and this was taken into account for the emissions calculations (i.e. reduced emissions).

Requesting member

L'Oréal

Scope of emissions

Scope 2

Emissions in metric tonnes of CO2e

67.33

Uncertainty (±%)

10

Major sources of emissions

Electricity

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for L'Oreal for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period. L'Oreal used the carbon neutral half-pallet in Europe and this was taken into account for the emissions calculations (i.e. reduced emissions).

Requesting member

L'Oréal

Scope of emissions

Scope 3

Emissions in metric tonnes of CO2e

1438.22

Uncertainty (±%)

Major sources of emissions

Transport and outsourced service centres

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for L'Oreal for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period. L'Oreal used the carbon neutral half-pallet in Europe and this was taken into account for the emissions calculations (i.e. reduced emissions).

Requesting member

Wal-Mart Stores, Inc.

Scope of emissions

Scope 1

Emissions in metric tonnes of CO₂e

915.09

Uncertainty (±%)

10

Major sources of emissions

Fuel and gas

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for Wal-Mart for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. In FY17, Wal-Mart used a small number of our carbon neutral half pallets. As this involved relatively small numbers for the Year, it has not been factored into the calculations provided, but we will account for this in future. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

Wal-Mart Stores, Inc.

Scope of emissions

Scope 2

Emissions in metric tonnes of CO₂e

643.4

Uncertainty (±%)

10

Major sources of emissions

Electricity

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for Wal-Mart for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. In FY17, Wal-Mart used a small number of our carbon neutral half pallets. As this involved relatively small numbers for the Year, it has not been factored into the calculations provided, but we will account for this in future. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

Requesting member

Wal-Mart Stores, Inc.

Scope of emissions

Scope 3

Emissions in metric tonnes of CO2e

13744.09

Uncertainty (±%)

10

Major sources of emissions

Transport and outsourced service centres

Verified

No

Allocation method

Allocation based on another physical factor

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Allocation based on activity recorded for Wal-Mart for the time period. Every movement of a pallet, crate, or container from our service centre for customer use is noted as an 'issue'. 'Issues' applicable to the customer are used to calculate customer's share of total emissions for the time period. Our emissions and emissions intensity figures for the period are then applied to the issues for FY17. In FY17, Wal-Mart used a small number of our carbon neutral half pallets. As this involved relatively small numbers for the Year, it has not been factored into the calculations provided, but we will account for this in future. Our global emissions figures were verified for FY17, but this did not extend to customer-specific data for the period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

<https://www.brambles.com/sustainability-review>

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Other, please specify (Estimates used in calculation of scope 3)	<p>Calculations of customer-specific emissions can be made due to the extensive information we have on the environmental impact and benefit of our pooled products. Information and data is obtained from the independent life cycle analyses (LCA) conducted by experienced LCA practitioners on our pooled products in several different regions and our internal environmental data collection system. The data in the LCA covers the full product life cycle and is made relative to customer through the defined 'functional unit'. For example the functional unit for our pallets LCAs is "1000 litres of produce moved from the producer to the retail store's inbound goods loading bay in a packaging unit that meets the retailers specified hygiene standard for food transportation". This functional unit is made specific to the customer from the amount of pallet movements over a 12 month period.</p> <p>We can improve the calculations by conducting LCAs for more of our pooled products and in more regions. For the Brambles scope 3 emissions associated with transport we use an internal reporting system. A specific module for CO2-e measurement of subcontracted transport carriers was developed with LeanLogistics and implemented in Europe and the USA. This system allows CHEP to estimate a baseline to measure the impact of its collaborative transportation, route optimisation, network optimisation and Total Pallet Management initiatives. The Scope 3 transportation emissions in regions other than Europe is estimated through distance measurement where available (Americas, Australia, MEA) and through the quantity of product delivered (Asia). We could improve our estimates for transport with more primary data and less estimation.</p>

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

We are implementing a new environmental data collection system globally to improve the calculation and reporting of our emissions, which will make the calculations of customer-specific emissions more accurate. We are also working to improve the global collection of customer data, which will expand the emissions reporting. We can also work to allocate emissions on a regional/country/site level for scope 1 and scope 2 data as our collection system improves. Estimating scope 3 emissions can also be improved where we track the travel distances for customers through transport programs, rather than using estimates.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Diageo Plc

Group type of project

Relationship sustainability assessment

Type of project

Sustainability audit of existing relationship

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

0

Estimated payback

Cost/saving neutral

Details of proposal

There are several projects that would have both cost and environmental benefits that can be explored with Diageo. CPU opportunities exist as Diageo does not currently have their own fleet. We also could look at platform optimization and storage programs. In general, Brambles will look at your entire supply chain and then determine how we can help you handle and transport your products at a lower cost to your business and with minimal impact to the environment. We will find ways to help eliminate waste, emissions and increase your efficiencies and use more sustainable materials. We can also help you determine where you can use returnable transit packaging and containers. Brambles works collaboratively with customers to eliminate unnecessary empty return truck trips, so that customers benefit from sharing transportation and fill empty space on trucks. CHEP can provide a carbon neutral offering for customers. Participants are able to offset the annual carbon footprint of their CHEP pallet movements. Features of the program include: • The requirement that the product's materials come from sustainable sources. • A robust measurement system that covers all service centres, subcontracted locations, offices and transportation functions. • A comprehensive life-cycle analysis developed in partnership with an independent third party, carried out under ISO14040 standards and peer-reviewed. • A partnership with a recognised leader in the carbon credit industry, the Carbon Neutral Company, to purchase internationally recognised Verified Carbon Standard-certified credits. The cost of purchasing offset credits for customers to achieve carbon neutrality is relatively inexpensive, due to the inherent environmental efficiencies of the pooling model. By choosing to purchase credits, customers are able to reduce the carbon footprint in the supply chain and invest in reforestation projects in developing countries. No estimated CO₂e savings have been nominated here as we have not yet gathered data on the footprint of our existing relationship, due its recent commencement. However, if we were able to shift entirely to carbon neutral platforms, the CO₂e savings would be the entire footprint.

Requesting member

Jaguar Land Rover Ltd

Group type of project

Relationship sustainability assessment

Type of project

Sustainability audit of existing relationship

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO₂e savings

Estimated payback

Cost/saving neutral

Details of proposal

Brambles will look at your entire supply chain and then determine how we can help you handle and transport your products at a lower cost to your business and with minimal impact to the environment. We will find ways to help eliminate waste, emissions and increase your efficiencies and use more sustainable materials. We can also help you determine where you can use returnable transit packaging and containers. Brambles works collaboratively with customers to eliminate unnecessary empty return truck trips, so that customers benefit from sharing transportation and fill empty space on trucks. CHEP can provide a carbon neutral offering for customers. Participants are able to offset the annual carbon footprint of their CHEP pallet movements. Features of the program include: • The requirement that the product's materials come from sustainable sources. • A robust measurement system that covers all service centres, subcontracted locations, offices and transportation functions. • A comprehensive life-cycle analysis developed in partnership with an independent third party, carried out under ISO14040 standards and peer-reviewed. • A partnership with a recognised leader in the carbon credit industry, the Carbon Neutral Company, to purchase internationally recognised Verified Carbon Standard-certified credits. The cost of purchasing offset credits for customers to achieve carbon neutrality is relatively inexpensive, due to the inherent environmental efficiencies of the pooling model. By choosing to purchase credits, customers are able to reduce the carbon footprint in the supply chain and invest in reforestation projects in developing countries. Specific collaboration initiatives are available with our Automotive business in Europe. We can increase transport efficiencies by optimising loads through improved truck fill rates for deliveries to collections, and by eliminating transportation legs through shared locations. Estimated CO₂e savings represent the entire customer footprint per annum. Shifting to entirely carbon neutral platforms would offset all attributable emissions.

Requesting member

Kellogg Company

Group type of project

Relationship sustainability assessment

Type of project

Sustainability audit of existing relationship

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

15781.21

Estimated payback

Cost/saving neutral

Details of proposal

Brambles will look at your entire supply chain and then determine how we can help you handle and transport your products at a lower cost to your business and with minimal impact to the environment. We will find ways to help eliminate waste, corrugated cardboard, emissions, food loss, and increase your efficiencies and use more sustainable materials. We can also help you determine where you can use returnable transit packaging and containers. Brambles works collaboratively with customers to eliminate unnecessary empty return truck trips, so that customers benefit from sharing transportation and fill empty space on trucks. CHEP Europe provides a carbon neutral offering for customers. Participants are able to offset the annual carbon footprint of their CHEP pallet movements. Features of the program include: • The requirement that the product's materials come from sustainable sources. • A robust measurement system that covers all service centres, subcontracted locations, offices and transportation functions. • A comprehensive life-cycle analysis developed in partnership with an independent third party, carried out under ISO14040 standards and peer-reviewed. • A partnership with a recognised leader in the carbon credit industry, the Carbon Neutral Company, to purchase internationally recognised Verified Carbon Standard-certified credits. The cost of purchasing offset credits for customers to achieve carbon neutrality is relatively inexpensive, due to the inherent environmental efficiencies of the pooling model. By choosing to purchase credits, customers are able to reduce the carbon footprint in the supply chain and invest in reforestation projects in developing countries. Estimated CO2e savings represent the entire customer footprint per annum. Shifting to entirely carbon neutral platforms would offset all attributable emissions.

Requesting member

L'Oréal

Group type of project

Relationship sustainability assessment

Type of project

Sustainability audit of existing relationship

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

1601.31

Estimated payback

Cost/saving neutral

Details of proposal

Brambles will look at your entire supply chain and then determine how we can help you handle and transport your products at a lower cost to your business and with minimal impact to the environment. We will find ways to help eliminate waste, emissions and increase your efficiencies and use more sustainable materials. We can also help you determine where you can use returnable transit packaging and containers. Brambles works collaboratively with customers to eliminate unnecessary empty return truck trips, so that customers benefit from sharing transportation and fill empty space on trucks. CHEP currently provides a carbon neutral product to L'Oreal for one of its platforms. Under the program, participants are able to offset the annual carbon footprint of their CHEP pallet movements. Features of the program include: • The requirement that the product's materials come from sustainable sources. • A robust measurement system that covers all service centres, subcontracted locations, offices and transportation functions. • A comprehensive life-cycle analysis developed in partnership with an independent third party, carried out under ISO14040 standards and peer-reviewed. • A partnership with a recognised leader in the carbon credit industry, the Carbon Neutral Company, to purchase internationally recognised Verified Carbon Standard-certified credits. The cost of purchasing offset credits for customers to achieve carbon neutrality is relatively inexpensive, due to the inherent environmental efficiencies of the pooling model. By choosing to purchase credits, customers are able to reduce the carbon footprint in the supply chain and invest in reforestation projects in developing countries. If L'Oreal were interested in extending this beyond the current scope, we could

discuss the best way to move forward. Estimated CO2e savings represent the entire customer footprint per annum. Shifting to entirely carbon neutral platforms would offset all attributable emissions.

Requesting member

Wal-Mart Stores, Inc.

Group type of project

Relationship sustainability assessment

Type of project

Sustainability audit of existing relationship

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

15302.58

Estimated payback

Cost/saving neutral

Details of proposal

Brambles will look at your entire supply chain and then determine how we can help you handle and transport your products at a lower cost to your business and with minimal impact to the environment. We will find ways to help eliminate waste, corrugated cardboard, emissions, food loss, and increase your efficiencies and use more sustainable materials. We can also help you determine where you can use returnable transit packaging and containers. Brambles works collaboratively with customers to eliminate unnecessary empty return truck trips, so that customers benefit from sharing transportation and fill empty space on trucks. The CHEP USA fleet optimisation helps customers increase productivity, earn revenue and reduce empty miles by hauling CHEP's backhaul freight. CHEP USA's customer storage program addresses transport emissions by reducing the need for transport to and from third party storage sites. The program reimburses customers for storing pallets on-site using seasonally available space, eliminating additional pallet handling and damage. CHEP's Innovation Center in Florida is able to complete customer test requests for world-class product testing and engineering. Projects include improving product stability, increasing loads and reducing damage. In June 2015, CHEP North America launched a suite of value-added services to help customers optimise their supply chains and support the development of corporate social responsibility programs. The Solutions Portfolio is designed to help our partners move product from the farm or processing facility to the store shelf faster and more efficiently, addressing product damage, failed unit loads and empty transport miles. By looking at enterprise logistics, supply chain platforms, transportation, international trade, manufacturing, warehousing, harvesting, processing, distribution, store fulfillment, sustainability and supplier diversity, CHEP North America identifies efficiencies, eliminates waste and improves supply chain performance. CHEP can provide a carbon neutral offering for customers. Participants are able to offset the annual carbon footprint of their CHEP pallet movements. Features of the program include:

- The requirement that the product's materials come from sustainable sources.
- A robust measurement system that covers all service centres, subcontracted locations, offices and transportation functions.
- A comprehensive life-cycle analysis developed in partnership with an independent third party, carried out under ISO14040 standards and peer-reviewed.
- A partnership with a recognised leader in the carbon credit industry, the Carbon Neutral Company, to purchase internationally recognised Verified Carbon Standard-certified credits. The cost of purchasing offset credits for customers to achieve carbon neutrality is relatively inexpensive, due to the inherent environmental efficiencies of the pooling model. By choosing to purchase credits, customers are able to reduce the carbon footprint in the supply chain and invest in reforestation projects in developing countries. Estimated CO2e savings represent the entire customer footprint per annum. Shifting to entirely carbon neutral platforms would offset all attributable emissions.

Requesting member

Jaguar Land Rover Ltd

Group type of project

Relationship sustainability assessment

Type of project

Sustainability audit of existing relationship

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

1430.31

Estimated payback

Cost/saving neutral

Details of proposal

Brambles will look at your entire supply chain and then determine how we can help you handle and transport your products at a lower cost to your business and with minimal impact to the environment. We will find ways to help eliminate waste, corrugated cardboard, emissions, food loss, and increase your efficiencies and use more sustainable materials. We can also help you determine where you can use returnable transit packaging and containers. Brambles works collaboratively with customers to eliminate unnecessary empty return truck trips, so that customers benefit from sharing transportation and fill empty space on trucks. CHEP can provide a carbon neutral offering for customers. Participants are able to offset the annual carbon footprint of their CHEP pallet movements. Features of the program include:

- The requirement that the product's materials come from sustainable sources.
- A robust measurement system that covers all service centres, subcontracted locations, offices and transportation functions.
- A comprehensive life-cycle analysis developed in partnership with an independent third party, carried out under ISO14040 standards and peer-reviewed.
- A partnership with a recognised leader in the carbon credit industry, the Carbon Neutral Company, to purchase internationally recognised Verified Carbon Standard-certified credits. The cost of purchasing offset credits for customers to achieve carbon neutrality is relatively inexpensive, due to the inherent environmental efficiencies of the pooling model. By choosing to purchase credits, customers are able to reduce the carbon footprint in the supply chain and invest in reforestation projects in developing countries. Estimated CO2e savings represent the entire customer footprint per annum. Shifting to entirely carbon neutral platforms would offset all attributable emissions.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC3.1

(SC3.1) Do you want to enroll in the 2018-2019 CDP Action Exchange initiative?

Yes

SC3.1a

(SC3.1a) Identify which member(s), if any, have motivated you to take part in Action Exchange this year.

Please select

SC3.1b

(SC3.1b) Select the types of emissions reduction activities that your company would like support in analyzing or in implementing in the next reporting year.

Energy efficiency: Building fabric
Energy efficiency: Building services
Energy efficiency: Processes
Low-carbon energy purchase
Low-carbon energy installation
Transportation: fleet
Transportation: use
Waste recovery

SC3.1c

(SC3.1c) As part of Action Exchange, would you like facility level analysis?

Yes

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2017-2018 Action Exchange initiative?

Yes

SC3.2a

(SC3.2a) Describe how your company actively considered emissions reduction projects as a result of Action Exchange. If you do not have any emissions reduction activities resulting from Action Exchange at any stage of implementation, please explain why not in the second column.

	Type of project	Details of proposal
Row 1	Please select	Our initiatives in FY17 were prompted by our own strategy and targets and not eh Action Exchange. We would be willing to explore these in future years if approached by customers or CDP.

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services, if so, what functionality will you be using?

Yes, I will provide data

SC4.1a

(SC4.1a) Give the overall percentage of total emissions, for all Scopes, that are covered by these products.

80

SC4.2a

(SC4.2a) Complete the following table for the goods/services for which you want to provide data.

Name of good/ service

Europe: 8060 Pallet

Description of good/ service

The 800 x 600 mm wooden CHEP pallet is ideal for smaller unit load and can be safely used for most applications in the distribution and transport chain in Europe. The pallet's dimensions make it ideal for in-store pallet display, improving product presentation. To ensure compatibility with different supply chain requirements, pallets are available in three standard sizes. Evaluated as part of the LCA study as referenced at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf.

Type of product

Final

SKU (Stock Keeping Unit)

00002

Total emissions in kg CO2e per unit

0.36

±% change from previous figure supplied

0

Date of previous figure supplied

Explanation of change

This is the first year this information has been provided.

Methods used to estimate lifecycle emissions

Other, please specify (Life Cycle Assessment study)

Name of good/ service

Europe 1208 Pallet

Description of good/ service

The 1200 x 800 mm CHEP pallet is a general purpose platform that can be safely used for most applications in the distribution and transportation of goods and products in Europe. To ensure compatibility with different supply chain requirements, pallets are available in three standard sizes. Evaluated as part of the LCA study as referenced at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf.

Type of product

Final

SKU (Stock Keeping Unit)

03

Total emissions in kg CO2e per unit

0.55

±% change from previous figure supplied

0

Date of previous figure supplied

Explanation of change

This is the first year this information has been provided.

Methods used to estimate lifecycle emissions

Other, please specify (Life Cycle Assessment study)

Name of good/ service

Europe 1210 Pallet

Description of good/ service

This industry standard 1200x1000mm quality wooden platform is ideal for the transport of goods in many industries including Consumer Goods, Fresh Food, Retail, Manufacturing and Automotive. This pallet can be safely used for most applications in the distribution and transport chain. To ensure compatibility with different supply chain requirements, pallets are available in three standard sizes. Evaluated as part of the LCA study as referenced at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf.

Type of product

Final

SKU (Stock Keeping Unit)

00001

Total emissions in kg CO2e per unit

0.74

±% change from previous figure supplied

0

Date of previous figure supplied

Explanation of change

This is the first year this information has been provided.

Methods used to estimate lifecycle emissions

Other, please specify (Life Cycle Assessment study)

Name of good/ service

USA: 48X40 Inch Pallet

Description of good/ service

Evaluated as part of the LCA study as referenced at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf.

Type of product

Final

SKU (Stock Keeping Unit)

Total emissions in kg CO2e per unit

3.51

±% change from previous figure supplied

0

Date of previous figure supplied

Explanation of change

This is the first year this information has been provided.

Methods used to estimate lifecycle emissions

Other, please specify (Life Cycle Assessment study)

Name of good/ service

Canada: 48X40 Inch Pallet

Description of good/ service

Evaluated as part of the LCA study as referenced at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf.

Type of product

Final

SKU (Stock Keeping Unit)

Total emissions in kg CO2e per unit

3.51

±% change from previous figure supplied

0

Date of previous figure supplied

Explanation of change

This is the first year this information. has been provided.

Methods used to estimate lifecycle emissions

Other, please specify (Life Cycle Assessment study)

Name of good/ service

South Africa: 1210 Pallet

Description of good/ service

Evaluated as part of the LCA study as referenced at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf.

Type of product

Final

SKU (Stock Keeping Unit)

00001

Total emissions in kg CO2e per unit

0.83

±% change from previous figure supplied

0

Date of previous figure supplied**Explanation of change**

This is the first year this information has been provided.

Methods used to estimate lifecycle emissions

Other, please specify (Life Cycle Assessment study)

Name of good/ service

South America: 1210 Pallet (excl Mexico)

Description of good/ service

Evaluated as part of the LCA study as referenced at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf.

Type of product

Final

SKU (Stock Keeping Unit)

00001

Total emissions in kg CO2e per unit

2.1

±% change from previous figure supplied

0

Date of previous figure supplied**Explanation of change**

This is the first year this information has been provided.

Methods used to estimate lifecycle emissions

Other, please specify (Life Cycle Assessment study)

Name of good/ service

South America (Mexico): 48X40 Inch Pallet

Description of good/ service

Evaluated as part of the LCA study as referenced at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf.

Type of product

Final

SKU (Stock Keeping Unit)**Total emissions in kg CO2e per unit**

1.85

±% change from previous figure supplied

0

Date of previous figure supplied**Explanation of change**

This is the first year this information has been provided.

Methods used to estimate lifecycle emissions

Other, please specify (Life Cycle Assessment study)

Name of good/ service

Europe, South America (LATAM), North America, Australia: reusable plastic crates (RPCs)

Description of good/ service

Evaluated as part of the LCA study as referenced at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf.

Type of product

Final

SKU (Stock Keeping Unit)

Total emissions in kg CO2e per unit

0.2

±% change from previous figure supplied

0

Date of previous figure supplied

Explanation of change

This is the first year this information has been provided.

Methods used to estimate lifecycle emissions

Other, please specify (Life Cycle Assessment study)

Name of good/ service

Australia:1165 Pallet

Description of good/ service

Evaluated as part of the LCA study as referenced at https://www.brambles.com/Content/cms/sustainability-2017/FY17_Brambles_Supplementary_Information_Document.pdf.

Type of product

Final

SKU (Stock Keeping Unit)

Total emissions in kg CO2e per unit

3.97

±% change from previous figure supplied

0

Date of previous figure supplied

Explanation of change

This is the first year this information has been provided.

Methods used to estimate lifecycle emissions

Other, please specify (Life Cycle Assessment study)

SC4.2b

(SC4.2b) Complete the following table with data for lifecycle stages of your goods and/or services.

SC4.2c

(SC4.2c) Please detail emissions reduction initiatives completed or planned for this product.

Name of good/ service	Initiative ID	Description of initiative	Completed or planned	Emission reductions in kg CO2e per unit
Various timber pallets, including the CHEP Europe 1/4 pallet, US 1/2 pallet, P0604A in Germany, the entire Swedish pallet pool. Brambles is expanding the products that are available as 'carbon neutral'.	Initiative 1	Carbon neutral pallet - Because of the environmental efficiencies of our pooling model, CHEP is able to achieve carbon neutrality for customers and some of our markets and products. Emission reductions per unit have not been calculated; however, in the last three years 9,397 tons CO2e have been offset under the goods mentioned here.	Ongoing	

SC4.2d

(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members?

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms