

TRANSCRIPTION

Company: Brambles Limited

Date: 24 October 2024

Time: 14:00PM AEDT

[START OF TRANSCRIPT]

John Mullen: Great. Good afternoon, ladies and gentlemen. My name's John, John Mullen, and it's a great privilege as the Chair of Brambles to welcome you to 2024 AGM and declare the meeting open. There are copies of the Notice of Meeting and of the minutes of our last AGM in the registration area, and our Company secretary has advised me that there is a quorum for the meeting and I propose to take the Notice of Meeting as read. Thank you.

Let me start by introducing your directors. I will then take you through the process for asking questions. After that, I will present my address before handing over to our Chief Executive Officer, Graham Chipchase, and when he in turn finishes, I will take you through the voting procedure and then answer questions from shareholders, following which I will then move to the formal part of the meeting. So let me now introduce your Board, so joining me here today on my far left is Kendra Banks, Ken McCall, Nora Scheinkestel, Chair of our Audit and Risk Committee, our Chief Executive Officer, Graham Chipchase.

On my far right is Priya Rajagopalan, Elizabeth Fagan, Scott Perkins who is Chair of our Remuneration Committee, and Carina Thuaux, our Company Secretary. Unfortunately, Jim Miller is unwell today at the last minute and he sends his apologies. I would also like to say that Scott is retiring at the conclusion of today's meeting and I'll have more to say about his great contribution to Brambles during my formal address. Also with us today sitting in the front row here are Debbie Smith and Scott Walsh from our external auditors, PwC.

A few housekeeping notes. Please see on the screen the evacuation map for Doltone House and I'd like to note there are no planned evacuation tests scheduled today. I suppose that means if it goes off, run. In the event of any alarms or emergencies, all guests should follow the instructions, obviously, of Doltone House supervisors and staff. They're fully trained to manage any situations and ensure everyone's safety.

We are webcasting this meeting for the benefit of shareholders who could not attend in person and we will retain an archive version of the webcast on our website. If you're a shareholder viewing our webcast, you can ask a question by selecting the blue hand icon at the top right-hand side of the webcast window. This function is available now and questions can be submitted at any time.

Although you may start submitting questions via the webcast at any time from now, we will not answer questions until the relevant time in the meeting. The Company Secretary will read out questions verbatim

on your behalf, although questions may be moderated, and if we receive multiple questions on the same topic, potentially amalgamated together. We appreciate the time that it takes to type in questions. If we move on in the agenda before you've submitted your question, we will answer it at the end of the meeting.

As I mentioned earlier, Debbie Smith from PwC is in attendance and available if any shareholder wishes to ask her any questions about the conduct of PwC's audit, their audit report, the Company's accounting policies, or the auditor's independence. You can ask Debbie a question using the same function which I just outlined.

We will be holding a poll on all the resolutions before this meeting. Any shareholders attending the meeting in person and who wish to leave early may place their completed voting cards in the ballot boxes by the exit doors. I'll explain the voting procedure again when we reach the formal part of the meeting. So I will now open the poll and turn to my address.

So looking back on the 2024 fiscal year, it was another very successful year for Brambles. Our teams around the world responded to considerable changes in operating conditions to significantly improve our customers' experience and increase the value we bring to their supply chains. At the same time, they maintained their focus on strengthening our competitive advantage and structurally improving the business through our transformation programme. It is a result of their focus and efforts that Brambles has been able to deliver strong financial outcomes and value creations for shareholders again this year.

I'm pleased to report that 2024 marked the second consecutive year of delivering our investor value proposition with a strong sales revenue growth, significant operating leverage, and a US\$385 million increase in Free Cash Flow before dividends. This supported the Board's decision to increase total dividends by 30% this year to 34.00 US cents per share or 51.99 Australian cents per share. Collectively, these financial outcomes created total value for shareholders in excess of the 10% minimum embedded within our investor value proposition with a dividend yield of 3% and a 17% increase in basic earnings per share from continued operations on a constant-currency basis.

In addition, the improved consistency and the strength of the Free Cash Flow generation has given the Board the confidence to announce capital management initiatives from FY25. Before outlining these capital management initiatives and our broader approach to capital allocation in more detail, I want to take a moment to reflect on the objectives of our transformation programme and the structural improvements that it has delivered over the past three years.

We can attribute much of this year's success to the progress that we have made in our transformation journey to improve the fundamentals of the business and set the foundations for the 'Brambles of the Future'. This progress now guides the ambitious vision and medium-term objectives that we have set for the next phase of Brambles' growth. When we laid out the transformation agenda in 2021, the Board acknowledged two fundamentals.

Firstly, that sustainable shareholder value creation over the long term required consistent delivery of operating leverage and sustainable Free Cash Flow generation. The key to achieving this was to structurally improve commercial terms and reduce the capital intensity of our business. Secondly, it was critical for Brambles to identify new sources of growth and efficiency that could improve the resilience of the business, strengthen its competitive advantage, and position it for long-term success, and this included building the digital capabilities for the 'Brambles of the Future'.

The transformation programme has underpinned these objectives, delivering improvements across every aspect of the business, from increased efficiency and capacity across our service centre network to better alignment between how we price and the cost-to-serve of our customers. We've accomplished this while maintaining focus on investing and building capabilities to differentiate our customer proposition and unlock new sources of value for all shareholders. This includes improving customer experience, pursuing our regenerative sustainability agenda, and setting the foundations of our digital transformation, which Graham will outline in more detail in his address shortly.

All these enhancements allowed Brambles to emerge from the challenges of recent years as a stronger business, both commercially and operationally. However, it's our success in reducing the capital intensity of our operations that sits at the top of our many achievements as a key transformational highlight. For the first time since fiscal year 2016, our business has been able to reduce uncompensated pallet losses by reducing the number of pallets lost every year, and where this hasn't been possible, increasing the level of compensation for losses across the Group. This progress has put us on track to meet our transformation target of a 30% reduction in uncompensated losses compared to FY21 by the end of FY25.

To illustrate the impact of this achievement, reaching this target will deliver US\$150 million in annual cash flow benefits compared back to FY21 by reducing replacement pallets and increasing compensation coverage for lost assets. It's important to note that we believe there is still scope to improve both operational and capital efficiency from here. This includes the potential to halve uncompensated losses by the end of fiscal year '28 compared back to that FY21 baseline and improve our Underlying Profit margins by a further two points by financial year '28. Achieving these outcomes is anticipated to deliver Free Cash Flow before dividends of at least US\$750 million per annum from fiscal year '26 through to '28.

Delivery of our transformation objectives, including materially improving customer experience and satisfaction, combined with the broader performance of the business over the past two years have created significant value for shareholders with total shareholder returns of over 80% since the announcement of the programme. It has also confirmed Brambles' ability to consistently deliver profit growth at high returns whilst generating structurally higher levels of Free Cash Flow.

In this context, we have reaffirmed our commitment to Brambles' investor proposition which now also incorporates our capital allocation framework. This framework seeks to maximise shareholder value and optimise our capital structure through an active and disciplined approach to the allocation of capital. Now,

under the framework, we will continue to prioritise reinvestment in the business to fund growth and initiatives that optimise and transform our operations. This will include investment in digital transformation, customer experience, and broader supply chain initiatives which are critical to our success.

These investments are expected to support the consistent delivery of annual revenue growth in the mid single-digits, Underlying Profit growth in the high single digits, and strong cash flow generation. When assessing growth options, shareholders should expect us to consider both organic and inorganic opportunities. However, given our leading market position in all regions, inorganic growth initiatives are expected to be limited and will be subject to a disciplined evaluation process.

Maintaining a strong balance sheet continues to be a priority for the Board and we've set a medium-term net debt to EBITDA target of between 1.5 to 2 times. We believe this is a prudent and optimal level of leverage for our business which also supports our investment grade credit rating. After funding reinvestment in the business and maintaining a strong balance sheet, we will focus on shareholder returns. Firstly, through sustainable dividends, and secondly, through the deployment of surplus capital to optimise our capital structure and create incremental shareholder value.

By allocating capital in accordance with this framework, we expect to create total value for shareholders in excess of 10% per annum. Given this disciplined approach to capital allocation and both current and future capital efficiencies, we expect to maintain Group Return on Capital Invested (ROCI) broadly in line with fiscal year '24 levels of just over 20%. This includes the flexibility to invest in longer dated initiatives, for example, potential digital projects, which enhance our customer value proposition and competitive advantage.

When assessing capital allocation in accordance with this framework at the end of FY24, the Board took into consideration the fundamental improvements to the business, the strong financial position including the Free Cash Flow performance for the year and decided to approve two capital management initiatives commencing in fiscal year '25. The first is to lift the future dividend payout ratio range to 50-70% of Underlying Profit after finance costs and tax, given our confidence in a sustainable uplift in Free Cash Flow generation.

This follows a dividend payout ratio of 60% in fiscal year '24 which is at the top end of our previous payout range of 45-60%. The second was to approve an on-market share buy-back of up to US\$500 million in fiscal year '25 subject to market conditions, reinvestment requirements, and the operating performance of the business, and we're pleased to announce that the share buy-back commenced in September 2024. The Board will consider future capital management initiatives in accordance with the capital allocation framework and reflects our ongoing commitment to maximising shareholder value while investing in long-term sustainable growth.

These capital management initiatives signal both our focus on maximising shareholder value and our confidence in the progress that we have made since the beginning of our transformation programme. Our business model is stronger than ever and the structural improvements that we have made to Free Cash Flow generation combined with our strong balance sheet and investment grade credit rating underpins our ability to continue investing and enhancing the business for long-term success by building the 'Brambles of the Future'.

At Brambles, we have a remuneration structure and set remuneration levels to ensure we can attract, retain, and motivate high-calibre executives and talent throughout the Company. Our objective is to align executive reward with the creation of sustainable shareholder value, and align executive behaviour with Brambles' strategic objectives, code of conduct, shared values, and risk appetite. Remuneration is divided into two components, being fixed and at-risk remuneration.

Fixed remuneration is not directly linked to performance whereas at-risk remuneration is variable and is directly linked to Brambles' performance. At-risk remuneration in turn has two elements. The first is short-term incentives, half of which are received in cash, with the other half being received in the deferred share awards, which vest two years from the date of grant. The second is the long-term incentive share rights which vest three years from the date of grant, subject to the satisfaction of performance conditions, but then remains subject to a further 12-month holding lock period.

Half of the LTIs are subject to financial metrics performance conditions, and the other half are subject to relative total shareholder return performance against two external indices. As part of its review of the 2024 remuneration outcomes, the Remuneration Committee carried out its annual assessment of any behavioural events or incidents which occurred during the year that might warrant adjustments to all or part of an executive's incentive-based remuneration. I'm very pleased to report that no such incidents or events were identified through this process.

The Remuneration Committee also carried out its annual remuneration strategy review during fiscal year '24 to assess the performance of the revised STI plan. The main change was the introduction of a performance modifier to incorporate metrics related to sustainability and safety. The introduction of this modifier is entirely in line with our strong focus on employee safety and wellbeing as well as sustainability. The other change related to the strengthening of the LTI component of executive pay in lieu of base salary increases for two years.

We conduct annual benchmarking to ensure that we pay executives fairly based on company performance. In fiscal year '24, we increased the LTI award for executives in lieu of base salary increases for two years. As a truly global company, we need to be flexible in considering the different components of a total remuneration package, especially if we are to attract talented executives from markets such as the USA and the UK where compensation is often higher than Australian norms.

To allow us to continue to use at-risk remuneration as a means of rewarding executives, Brambles is proposing to increase the maximum an executive may receive annually in share-based payments. It currently stands at 250% of base salary, with the Board having discretion to increase this to 300%. While we have no immediate plans to increase any existing executive compensation, we propose to increase the maximum to 350% of base salary in the future, but also to remove the Board's discretion to go beyond this level.

Brambles is therefore seeking shareholder approval today at this Annual General Meeting for this amendment to the Performance Share Plan rules. I believe that we have the right remuneration strategy in place and that it fairly and responsibly rewards executives with regards to Brambles' performance and strengthens alignment with the creation of shareholder value. For those of you who would like more information on remuneration strategy, further details can be found in the Remuneration Report on pages 54 to 76 of our fiscal year '24 Annual Report which will be subject to shareholder approval later in the meeting.

I'd also like to take a moment to discuss Board renewal. Since the 2023 Annual General Meeting, we have seen the retirement of two highly respected and valued members of our Board. Firstly, George El-Zoghbi retired in December 2023 after joining Brambles in 2016. George's extensive experience in the global consumer packaging goods sector has been invaluable during his tenure and we are incredibly grateful for his contributions to the Board.

Additionally, Scott Perkins, the Chair of our Remuneration Committee, will retire following today's AGM after nine years of service. Scott's expertise in corporate governance and executive remuneration has been instrumental in guiding Brambles through this transformational period. On behalf of the Board, I would like to convey our gratitude for their contributions and their time on the Board and wish them well in their future endeavours.

We are delighted to have Cameron McIntyre and Tony Palmer join the Brambles Board from November of this year. Cameron is currently the Managing Director and Chief Executive of CAR Group Limited, and Tony is currently a Non-Executive Director of the Hershey Company and Operating Partner at a private equity firm, One Rock Capital Partners. Their combined wealth of experience and expertise in finance, digital technology, manufacturing, and exposure to some of the world's largest consumer goods brands will greatly enhance the Board's overall skills mix. We really look forward to the significant contributions that they will both bring to Brambles.

In closing then, allow me to express my profound gratitude to all of you, our shareholders, our partners, and our 13,000 employees around the world. Our achievements this year, including the significant progress made across the transformation programme to improve the resilience of our business would simply not have been possible without your support. In particular, to our employees, thank you for your dedication and your hard work. It's your energy and your commitment that has enabled us to achieve so much this year. Let me now hand over to our Chief Executive Officer, Graham Chipchase.

Graham Chipchase: Thanks, John. Good afternoon, ladies and gentlemen. I want to start by acknowledging our employees around the world. Thanks to their hard work and dedication, I'm proud to say that today, Brambles is a stronger business than it's ever been. It's been positioned to deliver value for our customers, employees, and shareholders over the long term. Three years ago, we set out to increase the resilience, agility, and sustainability of our business through our Shaping Our Future transformation programme.

We set ambitious goals for the transformation programme and embedded it into every part of the Brambles business. As success has been built on a disciplined approach with clear targets and full engagement across the whole organisation. By empowering our people and articulating the long-term impact of this change, we've enhanced the fundamentals of our business and established the foundations for the 'Brambles of the Future'.

Through transformation, we have become a much more customer-centric organisation. We have established a culture committed to improving the customer experience and delivering our customer value proposition. This means delivering high-quality pallets on time and in full, resolving customer enquiries in a timely manner, and enhancing our digital tools to make customer interactions more efficient. While there is more work to be done, it was fantastic to see our efforts translate to material increases in our Net Promotor Scores and other customer satisfaction metrics in all regions. To ensure we continue to deliver for our customers, we've invested in the quality and durability of our platforms, as well as the efficiency of our operations.

Through automation, we have increased the capacity and agility of our service centre network to manage volatility in customer demand and pallet return volumes. This enabled us to efficiently inspect and repair an additional 12 million pallets returned across our network in FY24, as retailers and manufacturers optimised inventory levels across their supply chains in Europe and North America.

Combined with the ongoing rollout of a range of durability initiatives, service centre automation has also improved the quality and consistency of repairs in showing customers receive pallets which are fit for purpose in their increasingly automated supply chains. As John outlined, reducing the capital intensity of our business was a key objective of our transformation in FY24. We successfully recovered and remanufactured an additional 16 million pallets, up about 6 million pallets from the prior year.

This improvement was made possible by the structural changes we've made and how we collect, repair, and incentivise the right behaviour around the use of our assets across the whole supply chain. By aligning commercial terms of our cost-to-serve, we've built a more efficient and resilient operational model. These changes have been critical in reducing uncompensated losses and providing scope for further asset efficiency improvements, which not only deliver financial benefits by reducing the cost-to-serve but also minimising the environmental footprint of customer supply chains and our own operations.

Looking back at our progress of our transformation, digital has played a key role in enabling value creation, with both data analytics and asset digitisation as key drivers for improving customer experience, supporting asset efficiency initiatives, and enabling better commercial outcomes. As part of our digital transformation, we've continued to expand the use of smart asset technologies, rolling out more than 550,000 autonomous tracking devices in over 30 countries. These devices are generating critical insights, helping us pinpoint areas of inefficiency, improve asset productivity, better understand our cost-to-serve, and identify new business opportunities.

In Chile, our Serialisation+ trial has tagged over 2.6 million pallets, enabling us to uniquely identify every pallet in the pool, and we're now seeking to understand the value we can extract from a completely serialised pool. As we look to the future, we expect asset digitisation to play an increasingly important role in value creation. We know there are clear benefits of serialising a pool, including a more granular understanding of our cost-to-serve, monetising unauthorised reuse, offering our customers a more simplified model, and further operational and asset efficiencies across our business.

Across our organisation, we are now focused on how to maximise the value and benefits. What's the right mix of smart and serialised assets and how do we best leverage the different mix of technologies that are available? As we develop the roadmap to unlock value from Serialisation+, we will be disciplined in our investment approach and have set a ROIC hurdle rate on any resulting investment of more than 15% once a market pool is fully serialised.

I am proud of what our transformation has achieved and encouraged by the opportunities that still lie ahead for Brambles. Now that we have established the foundations of a business that is delivering for our customers, driven digitally, our vision is to connect and illuminate the world's supply networks to make them more resilient and regenerative. Making this vision a reality requires delivering ambitious outcomes across the four key pillars which will be the focus of our efforts over the next five years.

The first is to deliver a truly effortless customer experience through a pooling model that is seamless, flexible, and reliable. Using cutting edge technology and streamlined processes, we will deepen our relationships with our existing customers, both manufacturers and retailers, creating broad-based partnerships that create value for them and for us.

The second is to leverage our unique position to link data across multiple participants, creating insights and innovative solutions that illuminate global supply networks to unlock value for customers, reduce inefficiencies, and optimise operations. The third is a commitment to operational excellence and continuously improving efficiency of operations to create a lean, efficient circular pooling model that minimises waste and cost-to-serve. In doing so, we will deliver unrivalled value for our customers and strengthen our competitive advantage.

The final pillar is to pioneer regenerative supply networks by giving back – to the planet, to economies, and to communities – more than we take in operating our global business. While the concept is starting to gain momentum, setting the ambition to pioneer regenerative supply networks back in 2020 positioned Brambles at the forefront of this movement. It has also become a source of competitive advantage with customers increasingly focused on improving the sustainability of their own supply chains and seeking help from their partners.

I am proud of the many sustainability achievements this year as we approach the final year to deliver our 2025 sustainability strategy and targets. One of the key areas of the sustainability programme, Forest Positive, has continued to deliver tangible environmental, social, and economic benefits. Through our project in Tabasco, Mexico, and a partnership with WeForest in Zambia, we've enabled the sustainable growth of 1.7 million trees in FY24.

This exemplifies our dedication to making a positive environmental impact by enabling the sustainable growth of two trees for every one we use. It is pleasing to see that we continue to be recognised for our sustainability efforts with Brambles ranked #4 in TIME Magazine's inaugural list of the World's Most Sustainable Companies. This recognition and many others are testament to our efforts to build a low-carbon, regenerative business model that leads the way in environmental stewardship.

Further progress was made this year in terms of reducing emissions. We achieved an 8% reduction in Scope 3 emissions, the emissions associated with our value chain. In addition, we reduced our Scope 1 and Scope 2 emissions by just under 1%. Importantly, our emissions reductions continue to be ahead of our trajectory requirements to meet our 2030 Science-Based Targets and our ultimate goal of achieving net-zero emissions by 2040.

For our people, we are pleased to report that our Brambles Injury Frequency Rate continued to decline, with a rate of 2.9 this year. This represents our fifth consecutive year of improvement and highlights our ongoing commitment to the safety and wellbeing of our employees. Additionally, we've continued our efforts to improve gender diversity within our organisation. Currently, 37.5% of management roles are held by women, and our aim is to achieve our 40% target by the end of FY25.

In conclusion, our achievements in sustainability this year represent further progress as an important pillar of our transformation programme, as well as another step towards a regenerative future. Further details of our sustainability performance can be found in the FY24 Sustainability Review released in August 2024.

Turning to our financial performance. In FY24, we delivered on, and in some cases exceeded, all of the financial elements of our investor value proposition that John outlined earlier. Sales revenue increased 7% on a constant-currency basis and continued to reflect price realisation to recover ongoing increases in the cost-to-serve. These increases were primarily driven by labour rates, which increased globally, and higher transport costs, particularly in Europe.

We delivered meaningful operating leverage with Underlying Profit growth of 17% on a constant-currency basis. This reflected productivity benefits from our transformation programme, including a significant reduction in uncompensated pallet losses. These benefits more than offset increased operating costs associated with higher pallet returns due to inventory optimisation. Importantly, these additional pallet returns combined with our ongoing asset productivity initiatives allowed us to reduce new pallet purchases and capital expenditure significantly in FY24.

This improvement in capital intensity was a key contributor to our Free Cash Flow before dividends performance of US\$882.8 million. Finally, ROCI of 20.6% increased two percentage points at constant-currency, as growth and Underlying Profit more than offset a 6% increase in Average Capital Invested. The primary driver of the increase in ACI was the impact of higher capital cost of pallets added to the pool compared to the value of assets written off.

As announced in our first quarter trading release updated to the market today, Group sales revenue increased 3% at both actual and constant-currency rates in the first three months of FY25 with price realisation recovering moderate cost-to-serve increases in all regions. Group volumes were flat as net new business growth of 1% offset a 1% decline in like-for-like volumes, driven by macroeconomic conditions, the timing of US produce harvest, and a return to more seasonal customer demand patterns in Australia.

We are pleased to see positive contributions from net new business volumes, particularly in North America, which reflects targeted efforts by our teams to actively reengage the new business pipeline. Although the pace of new business wins varies between regions, conditions for customer conversions in our markets have started to improve, with moderate increases in whitewood prices noted in the period. We continue to expect new business wins to be weighted to the second half of the year.

We have also reconfirmed our FY25 outlook for constant-currency sales revenue growth between 4-6%, Underlying Profit growth of 8-11%, and Free Cash Flow before dividends of between US\$750-850 million. While our sales revenue performance in the first quarter was slightly below the guidance range, we expect ongoing price realisation and improved volume growth through the balance of the year, given positive net new business trends in the first quarter, including the continued moderation in dual sourcing activity. We also expect ongoing asset productivity and other efficiency improvements to continue driving underlying profit leverage and strong Free Cash Flow generation for the year.

In summary, we are proud of our achievements during the year and we have made great progress to improve the resilience and performance of the business. We are committed to making the investments to keep enhancing this business, guided by our vision of connecting and illuminating the world's supply networks to make them more resilient and regenerative. We are confident we have the right strategy, people, and capabilities in place to deliver on this vision as we build the 'Brambles of the Future'. Thank you.

John Mullen: Great. Thank you very much, Graham. So now let me take you through how to vote. If you're entitled to vote, you will have been given a purple voting card. You can vote on each resolution by placing a cross in the for, against, or abstain box for the resolution. Ladies and gentlemen, before moving to the formal part of the meeting, I will now answer any questions from shareholders.

I'll remind you that only shareholders or their proxies or company representatives that are attending here in person are entitled to speak at this meeting. If you're attending the meeting and would like to ask a question, please approach the microphone, show your purple voting card or yellow non-voting shareholder card, and give the attendant your name. When the attendant announces you to the meeting, you may ask your question.

Moderator: Mr Chairman, we have Roger Ashley, he's the representative from the Australian Shareholders' Association.

Roger Ashley: (Australian Shareholders' Association, Representative) Well, there's virtually nothing to say except to congratulate you on what [you've done]. It's good to see you've emerged from COVID in good shape and you're to be commended on your progress in sustainability and achieving emission reductions. I've got two questions, comments. One is I wonder if you could address the impact that your Shaping Futures scheme has had on your competitive advantage.

I think I heard you say there that you were looking to pick up new customers, so maybe that's got something to do with it, I guess. The other thing I must comment on, obviously, Mr Chairman, is your workload. You currently have four chairmen's positions, as I understand it, and the Shareholders' Association is concerned that that is probably a little bit too much. Would you care to comment on that, please.

John Mullen: Yeah, delighted to. Thank you. Thank you, Roger, and thank you for the kind comments at the beginning. It's appreciated. So firstly, on the competitive advantage, I think management have done an exceptional job in delivering competitive advantage really across pretty well every facet of our operations. The Shaping our Future programme, I think you're aware, focused initially on improving financial performance which I think management have literally shot the lights out and done a really super job.

The second half is equally important and exciting for the future of which is the digitisation of the business. That is rolling out apace and that is I think going to be well ahead of anything that any of our competitors are doing, and over time, will lead to a real gap in competitive advantage between us and the rest of the market. That programme is not yet complete but it's well advanced with – I think we've got 3 million pallets serialised in Chile, trials elsewhere in the world and we're about to step that up across the world, so I think they've done a super job in terms of competitive advantage.

Secondly, on the workload thing, I expected that and I've spoken to your colleagues several times on that one. Look, I've made a commitment during the course of the coming year I will reduce my workload, but I wouldn't want to go any further than that here now. Thank you, Roger. Any other questions? Well, looks not, so Carina, are there any questions from the webcast?

Carina Thuaux: There are no questions.

John Mullen: No questions? Okay. Super. So now we will turn to the items of business. The Items 2 to 6 on the agenda will be proposed as ordinary resolutions. As stated in the Notice of Meeting, I will be casting any discretionary proxy votes that have been given to me in favour of each of the items of business. The proxy and direct vote position for each resolution will be shown on the screen.

I remind you that if you're attending here today, cast your vote by marking your purple voting card, and we will announce the poll results to the [ASX] later today and also post them on our website. Steve Hodkin at BoardRoom has been appointed Returning Officer. The first item of business is to consider and receive the Financial Report, the Director's Report, and the Auditor's Report for Brambles and the Group for the year ended 30 June 2024. There is no vote on this item but are there any questions on Item 1 from the floor? I take that as no. Carina? Any questions from the webcast?

Carina Thuaux: There are no questions from the webcast.

John Mullen: Thank you. Item 2 asks shareholders to adopt the Remuneration Report for Brambles and the Group for the year ended 30 June 2024. Are there any questions for Item 2 from the floor?

Moderator: Mr Chairman, a further question from Mr Ashley from the Australian Shareholders' Association.

Roger Ashley: (Australian Shareholders' Association, Representative) We will be voting in favour of the Remuneration Report but a little bit borderline. Although we understand that the incentives offered must take into account the US market and overseas markets, we're concerned at the quantum of short-term incentives that at maximum opportunity reach nearly twice fixed remuneration and include unquantified personal objectives. We'd also like to see the long-term incentive term extended to four years from the current three, which I'm sure you've heard many times before from us.

John Mullen: Indeed. Thank you, Roger. So look, we take rem very seriously. We benchmark annually against both Australian norms and international norms, and remind you, we are a very global company. Less than 10% of our revenue is generated in Australia; the rest is around the world. Our head office is in London. So we really have to move within the global parameters rather than necessarily just Australian.

I can assure you that the benchmarking that we do shows, if anything, our variable compensation is a bit light on compared to norms in some other [areas] and that's why one of the items on the agenda today is to improve the – increase the maximum potential there. We have to. We're not delivering these results by

accident. We've got very talented, conscientious managers leading our businesses, and we need to attract and retain them. So I hear what you say, sir, but I think we're in a reasonably good place.

Roger Ashley: (Australian Shareholders' Association, Representative) Thank you.

John Mullen: Any other questions from the floor? No? Carina, any questions from the webcast?

Carina Thuaux: There are no questions.

John Mullen: Thank you. So the resolution and the direct vote and proxy position are now being shown on the screen. Please now cast your votes for Item 2. Item 3 asks that Ms Elizabeth Fagan to be re-elected to the Board at Brambles. Elizabeth's biographical details are set out in both the Notice of Meeting and the Annual Report, and I'll now invite Elizabeth to speak briefly on her re-election.

Elizabeth Fagan: Thank you, John. Good afternoon, ladies and gentlemen. It's been an honour to have served on the Brambles Board over the past six years as a member of the Audit and Risk Committee for the whole of that period, and in more recent times as a member of the Remuneration Committee. I'm pleased to submit myself for re-election for a further three-year term.

Over the last six years, Brambles has been structurally improving the business through our transformation programme, alongside demonstrating its resilience as it emerged from some of the most challenging times in its long history. Through its ongoing transformation, Brambles is today more customer-centric, has improved the efficiency of its operation, continues to lead on sustainability, and is establishing its digital capabilities which, as you've heard, are building the foundations for 'Brambles of the Future'.

It is important that your Board has the strategic, the people, the technical and leadership skills and experiences to support the executives in this next phase of the transformation programme, and to continue to deliver value for all stakeholders. My executive career, mainly as a senior executive in large multisite retail, most particularly as CEO of Boots, the largest pharmacy-led health and beauty retailer in the UK and Ireland, and prior to that, CEO of our international businesses based mainly in South America, Asia, and Northern Europe, has provided me with the extensive experience in customer and product marketing and innovation, supply chain, ecommerce, and business transformation.

If re-elected, I will continue to bring those skills and my wider business experience to the Board to support the executives in further consolidating our market leading position through the delivery of our customer, financial, and sustainability goals enabled by the next phase of our significant transformation programme. Thank you, Chair.

John Mullen: Thanks very much, Elizabeth. So are there any questions, please, for Item 3 from the floor?

Moderator: We have a question from a shareholder. I'm just going to take the microphone to him. Mr Chairman, this is Shareholder Mr Mohammad [Kazeem].

Mohammad Kazeem: (Shareholder) Thank you. I had a question but not exactly to the one that you're discussing right at the moment. It's a broader question. I'm happy to postpone it until the time is appropriate. Oh, okay. I'd just like to thank you very much for doing a great job, meeting all the goals, and not just staying put but continuing to work hard to set new goals and work towards them. That's terrific.

But there is one thing, and this is purely hypothetical question. This is essentially over the last few years or even this year, I've increasingly observed and noted reports in the paper of vigorous bullying at so many workplaces. Westpac was recently found to have engaged and then Coles Bank had wage theft over a four-year period, and then we had the parliamentary commissioner Broderick reporting on how awful the conditions were in Parliament, and I think there was one other.

All I'm asking is do you have some measures in place to seek to identify and correct that before they reach a level which may be demoralising and discouraging productivity. This is a very, very serious concern. Australia's oldest bank, Westpac, Coles Bank, the wealth of the common people. I mean, what is going on and how long will it continue to do so? If they're not well-trained managers, there are two simple instruments that could easily be applied, which is a 360-degree feedback programme and anonymous surveys to identify and address those issues so that those people are mentally liberated to be more positive, attracted to work, and be productive and happy in their personal and private lives. Public lives, I mean. Thank you.

John Mullen: Great. Thank you for the question and thank you for your opening remarks. They're much appreciated. Look, I think I can absolutely put my hand over my heart and assure you there is no culture of bullying, widespread culture anywhere across the Brambles corporation across the world. Will there be an isolated incident occasionally with one person? Perhaps. But I think we have very good systems in place to pick that up. We do have 360-degree reviews, as you've said.

We have an independent hotline that people can call to raise any issue like that that then gets followed up right through to the end and action taken if it's substantiated. We also, I think, heard at the beginning in my speech, before we make any payments under the compensation scheme at the end of the year, we double check that not only have the management delivered the outcomes, but they've also done it in a way that doesn't cause reputational damage or some of the things that you've just mentioned. That's a formal check process to make sure, you know. You don't want someone to have achieved a number but to have caused the problems, reputational damage, or demotivation of employees on the other side, so we rigorously double check that and I can assure you, it's working well.

Mohammad Kazeem: (Shareholder) Thank you very much.

John Mullen: Pleasure. Pleasure.

Mohammad Kazeem: (Shareholder) Thank you very much.

John Mullen: Any other questions from the floor? No? Carina, any questions from the webcast?

Carina Thuaux: No questions.

John Mullen: Thank you. So the resolution and direct vote and proxy position are now being shown on the screen and please cast your vote for Item 3. Item 4 asks that the Brambles Limited Performance Share Plan, as amended in the manner described in the Explanatory Notes accompanying this Notice of Meeting (the Amended Performance Share Plan), and the issue of shares under the Amended Performance Share Plan be approved for all purposes, including for the purpose of Australian Securities Exchange Listing Rule 7.2, exception 13. Are there any questions from the floor? Carina, any from the web?

Carina Thuaux: No questions.

John Mullen: Thank you. The resolution and direct vote and proxy position are now on the screen. Please now cast your vote for Item 4. Item 5 asks shareholders to approve the participation by Mr Graham Chipchase until the 2025 Annual General Meeting in the Brambles Limited Performance Share Plan. If approval to the amendments to the Performance Share Plan under Resolution 4 is not obtained or the Amended Performance Share Plan, if approval to the amendments of the Performance Share Plan under Resolution 4 is obtained in the manner set out in the Explanatory Notes accompanying this Notice of Meeting be approved for all purposes, including, again, the purposes of Australian Securities Exchange Listing Rule 10.14. Are there any questions for Item 5 from the floor? I take that as not. Carina, any questions from webcast?

Carina Thuaux: No questions.

John Mullen: The resolution and direct votes and proxy position are now on the screen. Please now cast your vote for Item 5. Item 6 asks shareholders to approve that the Brambles Limited MyShare Plan, which is called MyShare Plan, and the issue of shares under MyShare Plan be approved for all purposes, again, including for the purpose of Australian Securities Exchange Listing Rule 7.2 and this time exception 13. Are there any questions on Item 5 from the floor? No, I think not. Any webcast?

Carina Thuaux: No questions.

John Mullen: Okay. The resolution and direct vote and proxy position are now on the screen and please now cast your vote for Item 6. Good, so are there any further questions on any topic from the floor? I take that as a no. Carina, any other questions on the webcast?

Carina Thuaux: No questions.

John Mullen: Well, ladies and gentlemen, that concludes our discussion on the items of business. Please remember to place your voting cards in the boxes beside the exits. The poll will remain open for another 10 minutes and when the poll closes, you'll be notified on the screen behind me, and we will announce the

results of the pole to the ASX later today. Ladies and gentlemen, thank you so much for your attendance today. I remind you that copies of the Sustainability Review are available in the foyer and I now declare the AGM closed and invite you to join us outside for tea and coffee. Thank you.

[END OF TRANSCRIPT]