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Brambles

Corporate Governance Statement

Introduction

This Corporate Governance Statement (Statement) outlines the key components of Brambles' governance framework in place during the year ended 30 June 2024 (Year), by reference to the Australian Securities Exchange Corporate Governance Council Corporate Governance Principles and Recommendations, Fourth Edition (CGPR).

During the Year, the Board believes Brambles met all the requirements of the CGPR. The information provided in this Corporate Governance Statement is current as at 21 August 2024 and has been approved by the Board of Directors.

Unless otherwise specified, the documents referred to in this Statement as being on Brambles' website are located in the Corporate Governance section of the Brambles website. Brambles' 2024 Annual Report is also posted on its website at brambles.com/results-centre. In this Statement, Group means Brambles and the entities it controlled during the Year.

Purpose and Values

Code of Conduct

Brambles' purpose is "to connect people with life's essentials, every day".

Brambles' Code of Conduct (the Code) describes how this purpose is to be achieved through a set of Shared Values. Those values are:

- all things begin with the customer;
- we have a passion for success;
- we are committed to safety, diversity, people and teamwork;
- we believe in a culture of innovation; and
- we always act lawfully, ethically and with integrity and respect for the community and the environment.

A copy of the Code, which includes a more detailed description of Brambles' Shared Values, is on Brambles' website.

The Code provides a foundation for the ethical conduct of Brambles and it, together with its supporting policies, apply to all Brambles' Directors, officers and employees.

Brambles implements the Code through a variety of induction and training programmes. New employees must complete compliance induction training within their first thirty days of employment, and current employees must regularly complete refresher courses on the Code.

The Code requires Brambles' contractors to adhere to Brambles' health and safety, environmental and serious incident reporting standards and requires consultants or professional advisors who are engaged to undertake work for the Group to comply with Brambles' Continuous Disclosure & Communications Policy.

At each of its meetings, the Board receives a report from the Chief Legal Officer on any material breaches of the Code and of its supporting policies, the investigation carried out in relation to that breach, the results of that investigation, any disciplinary action taken and any changes to policies or procedures which are considered necessary or desirable arising from the investigation. The Code is reviewed annually by the Board. That review took place during the Year and the Board determined that no changes were required to be made to it.

Speak Up Policy

Brambles is committed to an open speaking up process in which employees are encouraged to raise concerns about any wrongdoing they may have. The Speak Up Policy forms part of the Code, and provides guidance for how individuals can report concerns, including a third party hotline through which the reporter can remain anonymous.

Under its Charter, the Board is responsible for monitoring the communication and compliance with the Speak Up Policy throughout Brambles, and monitoring the provision of appropriate protection against victimisation and dismissal of employees who make disclosures pursuant to that policy.

The policy is reviewed annually by the Board. That review took place during the Year and the Board determined that no changes were required to be made to it. A copy of the Speak Up Policy is on Brambles' website.

Anti-Bribery and Corruption Policy

As part of its Shared Value to always act lawfully, ethically and with integrity and respect for the community and the environment, Brambles has an Anti-Bribery and Corruption Policy as part of the Code.

The policy is reviewed annually by the Board. That review took place during the Year and the Board determined that no changes were required to be made to it. A copy of the Anti-Bribery and Corruption Policy is on Brambles' website.

Board and Committees

Role and responsibilities of the Board

The Board Charter sets out the roles and responsibilities of the Board. A copy of the Board Charter can be found on Brambles' website.

Under the Charter, the role of the Board is to:

- Instil and reinforce a culture throughout Brambles of behaving lawfully, ethically and responsibly including approving a statement of values which reflects that culture;
- Approve the purpose, strategic objectives and risk appetite of Brambles;
- Review, approve and monitor the adequacy of the Group's risk management framework; and
- Oversee executive management's (i) conduct of Brambles' affairs in achieving its strategic objectives in a manner aligned with its purpose, values and risk appetite; and (ii) instilling of Brambles' values throughout its businesses and operations.

The Board Charter details the responsibilities of the Board in order for it to fulfil its role.

In carrying out their responsibilities, Non-Executive Directors constructively challenge the development of strategy. They review the performance of management in meeting agreed objectives and monitor the reporting of performance. They have a prime role in appointing and, where necessary, recommending the removal of Executive Directors, and in their succession planning.

The Board receives accurate, timely and clear information so that it may effectively discharge its duties and responsibilities. Where necessary, Directors seek clarification or request the provision of further information to assist with their decision-making processes. Presentations to the Board are frequently made by senior executives.

Board structure

The Brambles Board consists of nine members, with one Executive Director (the Chief Executive Officer) and eight Non-Executive Directors. The structure of the Board means that no individual or group of individuals dominates the Board's decision-making process.

Mr Scott Perkins will retire as a Non-Executive Director at the conclusion of Brambles' 2024 Annual General Meeting (AGM). The Board is currently recruiting new Non-Executive Directors to fill the vacancies created by Mr Perkins' upcoming retirement as well as the retirements of Ms Nessa O'Sullivan and Mr George Zoghbi during the Year.

Subject to completing those recruitments, the Board considers that its composition, both currently and after the 2024 AGM, has and will reflect both an appropriate balance of Executive and Non-Executive Directors and the range of skills, knowledge and experience appropriate for governing Brambles.

The biographies for each of the current Directors are on pages 46 to 48 of Brambles' 2024 Annual Report. These indicate their qualifications and the breadth of their business, financial and international experience. This gives the Board the range of skills, knowledge and experience essential to govern Brambles, including an understanding of the health, safety, environmental and community-related issues it faces.

Chair

The role and responsibilities of the Board Chair are set out in the Board Charter. They include being responsible for leading the Board, facilitating the effective contribution of all Directors, promoting constructive and respectful relations between Directors and between the Board and management, setting the Board's agenda and managing meetings so that there is sufficient time for the Board to discuss agenda items, chairing shareholder meetings and facilitating effective communication with shareholders.

The Board Chair holds meetings with the Non-Executive Directors from time to time, including meetings at scheduled sessions, without the presence of the Executive Director or other executives. The Non-Executive Directors meet without the Chair present on such occasions as they consider appropriate.

The roles of Board Chair and Chief Executive Officer are exercised by two different individuals and are clearly documented. The Board Chair, John Mullen, does not have a history of employment with Brambles. The Board has concluded that Mr Mullen is independent and that his other positions do not prevent him from devoting sufficient time to perform the role effectively. The Board does not, therefore consider it necessary to appoint a lead independent Director.

Company Secretary

The role and responsibilities of the Company Secretary are set out in the Board Charter and include advising the Board and its Committees on governance matters, monitoring whether Board and Committee policies and procedures are followed, ensuring Board and Committee papers are provided in a timely matter, ensuring that the minutes are an accurate reflection of business at Board and Committee meetings and assisting in the coordination of the induction and the ongoing professional development of all Directors.

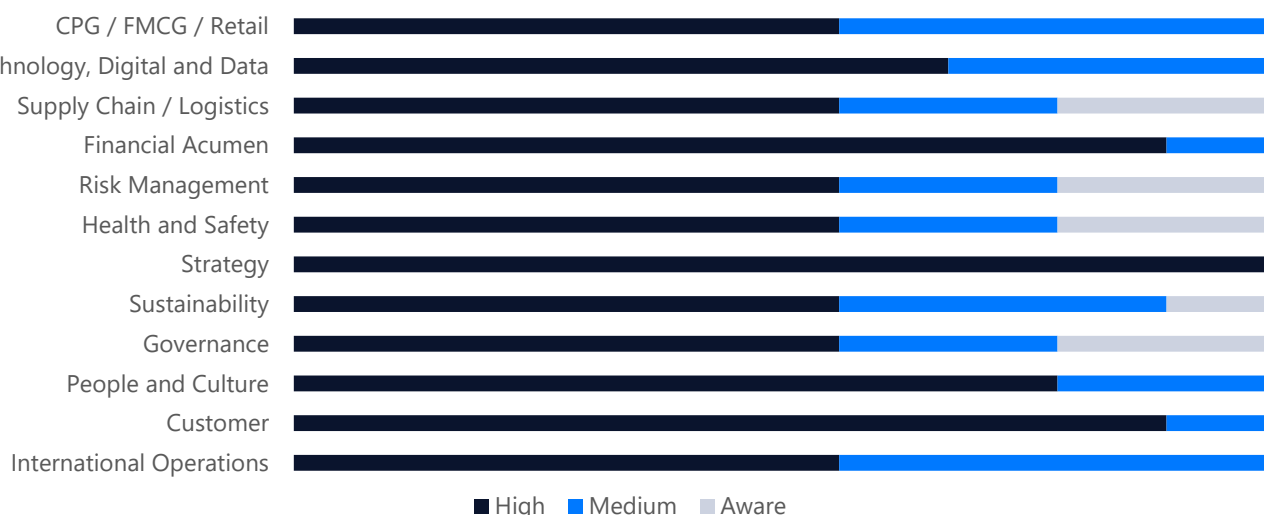
All Directors have access to the advice and services of the Company Secretary, whose appointment and removal is a matter for the Board, to whom the Company Secretary is directly accountable, through the Chair, on all matters to do with the proper functioning of the Board.

CORPORATE GOVERNANCE STATEMENT continued

Board Skills Matrix

During its annual review of the Board Skills Matrix, the Board (on the recommendation of the Nominations Committee) adopted a revised matrix.

The Board Skills Matrix is set out below and summarises the mix of skills and experience of the Directors. To the extent that any skills are not directly represented on the Board, they are supplemented through management and external advisors as required.



CPG / FMCG / Retail: Experience working in the consumer-packaged goods, fast moving consumer goods or the retail industry, including as a customer of pooled pallets, crates and containers.

Technology, Digital and Data: Experience in businesses that use or have implemented digital technology, data and analytics, digital transformation, information security, cyber security and emerging technologies.

Supply Chain / Logistics: Experience overseeing operations in large and complex organisations, or working in the logistics industry.

Financial Acumen: Proficiency in financial accounting, reporting and controls for businesses of significant size and complexity, as demonstrated by professional experience or qualifications.

Risk Management: Experience in implementing and overseeing risk management frameworks and controls, and identifying, assessing and monitoring risks (including financial, non-financial and emerging risks) across large and complex organisations.

Health and Safety: Experience in implementing workplace health and safety initiatives, including in embedding a safety-first culture in regard to both physical and mental wellbeing across controlled and outsourced operations.

Strategy: Experience in the identification of strategic opportunities and threats, including those arising from changes in the external global environment and trends in retail, production and consumption; development or execution of business strategic objectives and associated business plans using commercial judgement in large organisations with complex business models.

Sustainability: Experience in developing and overseeing sustainability initiatives and strategies, in order to identify potential risks and opportunities arising from environmental and social issues and to set and monitor sustainability targets including relating to climate change, biodiversity, human rights, modern slavery within supply chains, and responsible sourcing.

Governance: Experience as a Director of a listed entity (Australia or overseas), with knowledge of legal and regulatory frameworks that apply to listed entities.

People and Culture: Experience in developing and assessing organisational culture, leading large and diverse workforce across multiple geographies including workforce planning, people management and succession planning, talent retention, remuneration and reward frameworks, diversity and inclusion.

Customer: Experience in developing and driving a strong customer-focused culture in large and complex organisations, including in industries with a high degree of customer-centricity and development of customer solutions particularly in business-to-business organisations.

International Operations: Knowledge and understanding of, or experience working in, global operations including in regions in which Brambles operates.

CORPORATE GOVERNANCE STATEMENT continued

Board Committees

The Board has delegated some of its functions to the Nominations, Audit & Risk, and Remuneration Committees, although overall responsibility for those functions remains with the Board.

Nominations Committee

Support and advise the Board in fulfilling its responsibilities to shareholders for the Board to have an appropriate balance of skills, knowledge, experience, independence and diversity, and that it be comprised of individuals who are best able to discharge the responsibilities of Directors

All Directors are members of the Nominations Committee. Throughout the Year, therefore, a majority of the Committee's members were Independent Non-Executive Directors.

Audit & Risk Committee

Monitor and review:

- the integrity and adequacy of internal and external financial reporting
- internal financial controls and business processes
- the objectivity and effectiveness of the internal auditors
- the effectiveness of the Group's risk management framework and management of the Group's material contemporary, emerging and sustainability risks
- the independence, objectivity and effectiveness of the external auditors
- Make recommendations to the Board in relation to the appointment and removal of external auditors, approval of their remuneration and terms of their engagement

The Audit & Risk Committee is comprised entirely of Independent Non-Executive Directors, including the Committee Chair. The members of the Audit & Risk Committee as at the end of the Year were Nora Scheinkestel (Committee Chair), Elizabeth Fagan, Ken McCall, Scott Perkins, and Priya Rajagopalan.

The Board considers that each member of the Audit & Risk Committee has recent and relevant financial and accounting experience and an understanding of accounting and financial issues relevant to Brambles and, between them, have an understanding of the industry in which Brambles operates.

Remuneration Committee

Assist the Board in establishing remuneration policies and practices which:

- enable the Group to attract, retain and motivate executives and Directors who will create value for shareholders
- align with the Group's
 - Code of Conduct and Risk Appetite; and
 - strategic objectives
- fairly and responsibly reward executives having regard to the performance of the Group, the performance of the executive and the general pay environment
- prevent executive incentive plans from rewarding conduct that is contrary to the Code of Conduct or Risk Appetite
- comply with current corporate governance requirements and the provisions of the ASX Listing Rules and Corporations Act 2001

The Remuneration Committee is comprised entirely of Independent Non-Executive Directors, including the Committee Chair. The members of the Committee as at the end of the Year were Scott Perkins (Committee Chair), Kendra Banks, Elizabeth Fagan, Jim Miller, and John Mullen.

The charters of the Board Committees set out the duties and responsibilities of the relevant Committee, its composition, structure, membership requirements and the procedures for inviting non-members to attend meetings, and require certain matters to be approved by the Board including the executive remuneration policy and the appointment of the external auditors. The charters also document the Committees' unrestricted rights to seek information from any Group employee or from any other source, including obtaining outside legal or other independent professional advice. The Committee charters can be found on Brambles' website. From time to time, the Board establishes special committees to consider and approve specific matters.

Details of Committee membership, meetings held during the Year and attendance at those meetings are set out on pages 46 to 48 and 79 of Brambles' 2024 Annual Report.

CORPORATE GOVERNANCE STATEMENT continued

Independent Directors

The Board recognises the importance of independent judgement and constructive debate on all issues under consideration. With the approval of the Board Chair, Directors may take independent professional advice at Brambles' expense in the furtherance of discharging their duties and responsibilities. None of the Directors availed themselves of this right during the Year.

Directors are required to complete a declaration of interest form prior to their appointment. This form is tabled at the Board meeting to consider the appointment of the relevant Director. If their circumstances change or they acquire any office, property or interest that may conflict with their office as a Director of Brambles or the interests of Brambles, Directors are required to disclose the character and extent of that conflict in writing at the next Board meeting. The Board also makes an annual assessment of the independence of each Non-Executive Director. If the Board concludes that a Non-Executive Director has lost his or her status as an independent Director, that conclusion will be advised to the ASX in a timely manner.

Directors are generally not entitled to attend any part of a Board meeting, or to vote on any matter, in which they have a material personal interest, unless the other Directors unanimously decide otherwise. In appropriate cases, Directors may be required to absent themselves from a meeting of the Board while such a matter is being considered.

The Board has considered the independence of each of the Directors in office as at the date of this Statement and concluded that all Non-Executive Directors are independent. Therefore, the Board has a majority of independent Directors. In reaching this conclusion, the Board had regard to the matters set out in Box 2.3 of the CGPR and noted that none of those matters applied to the Non-Executive Directors. The following are the Directors of Brambles as at the date of this Statement:

Name	Year appointed	Year last elected	Executive or Non-Executive	Independent	Next due for election/re-election
K Banks	2022	2022	Non-Executive	Yes	2025
G Chipchase	2017	N/A	Executive	No	N/A ¹
E Fagan	2018	2021	Non-Executive	Yes	2024
K McCall	2020	2023	Non-Executive	Yes	2026
J Miller	2019	2022	Non-Executive	Yes	2025
J Mullen	2019	2023	Non-Executive	Yes	2026
S Perkins	2015	2021	Non-Executive	Yes	N/A ²
P Rajagopalan	2022	2023	Non-Executive	Yes	2026
N Scheinkestel	2020	2023	Non-Executive	Yes	2026

The Board has a majority of independent Directors.

Director election and re-election

Prior to joining Brambles, appropriate checks are carried out on Director candidates including the candidates' character, experience and education as well as any criminal record and bankruptcy history.

Notices of Meeting for AGMs contain all material information known to Brambles which is relevant to a decision whether or not to elect or re-elect a Director including whether the appropriate checks have been carried out and, if applicable, any information of concern arising from those checks. Non-Executive Directors standing for election or re-election are required to provide details of their other commitments, an indication of the time involved and specifically acknowledge that they will have sufficient time to fulfil their responsibilities as Brambles' Directors.

Formal letters of appointment, which are contracts for service but not contracts of employment, have been put in place for all Non-Executive Directors. In all cases, those letters are with each Non-Executive Director personally.

The letters set out the key terms and conditions of their engagement, which include, among other things, expected time commitments, specifying that the Director should consult with the Board Chair before accepting any additional commitments that may impact their role, expectations with regard to conduct that is in accordance with Brambles' values and the Code and, if appropriate, any special duties or assignments. The Non-Executive Directors' letters of appointment also set out their right to obtain independent advice and confirm that the Non-Executive Directors have no right to compensation on termination of their appointment for any reason, other than for unpaid fees and expenses for the period actually served.

A template letter of appointment for a Non-Executive Director is available on Brambles' website.

¹ Brambles' constitution provides that it is not necessary for the managing director of Brambles to stand for election or re-election. Graham Chipchase holds the role of managing director, but is referred to by the title of Chief Executive Officer.

² Mr Perkins will be retiring at the conclusion of the 2024 AGM.

CORPORATE GOVERNANCE STATEMENT continued

Induction and Professional Development

Newly appointed Directors receive appropriate induction and training, specifically tailored to their existing skills, knowledge and experience. Appointees are provided with an information pack including governance policies and business information, taken to visit operating sites and receive presentations on Brambles' businesses and functions by its business unit leaders and functional heads.

On an ongoing basis, Directors participate in various seminars and conferences held by industry and professional bodies. In addition, Board meetings regularly include sessions on recent developments in governance and corporate matters, significant accounting matters, operational site visits and meetings with local staff.

Performance Evaluation of Board, Committees and Directors

Performance reviews of the Board, its Committees and Non-Executive Directors are conducted each year. The form of evaluation is reviewed and determined each year but, generally, external evaluations are conducted every three years with internal evaluations carried out in each other year.

As a comprehensive external evaluation was last carried out during 2021, the Board decided to conduct an external evaluation for the Year. An independent consultant was engaged to undertake the review, and completed this through questionnaires and interviews with each Director and selected senior executives who regularly interact with the Board or its Committees. A report on the results was provided to the Board and discussed together with the external consultant in June 2024.

The results of each evaluation (other than his or her own) were provided by the consultant to the Chair. A private meeting was held between the Chair and each of those Non-Executive Directors to review their respective performance evaluations. The results of the Chair's evaluation were provided by the consultant to Dr Nora Scheinkestel (the Chair of Brambles' Audit & Risk Committee) who held a private meeting with the Chair to discuss that evaluation.

Whilst Non-Executive Directors are appointed for an unspecified term, under the Board's tenure policy as outlined in its Charter, they will ordinarily serve for a maximum of three terms of three years so that he or she serves no more than ten years. Directors are subject to election by shareholders at the first AGM after their initial appointment by the Board. No Director (other than the Chief Executive Officer) may serve for more than three years without being re-elected by shareholders. Re-appointment is not automatic. The Board reviews whether retiring Directors should stand for re-election, having regard to their performance, the outcome of their evaluation as outlined above and the contribution of their individual skills and experience to the desired overall composition of the Board and the Board's skills matrix.

Remuneration Policy

Details of Brambles' remuneration policy can be found in the Directors' Report – Remuneration Report on pages 55 (for executives) and 68 (for Non-Executive Directors) of Brambles' 2024 Annual Report. The policy provides for a clear distinction between the structure of Non-Executive Directors' remuneration and that of the Executive Director and executive management.

The remuneration of the Board Chair is determined by the Remuneration Committee without the Board Chair's participation. The remuneration of the other Non-Executive Directors is determined by the Executive Director and the Board Chair, with the other Non-Executive Directors taking no part in the discussion or decision relating to their remuneration. In setting remuneration, advice is sought from external remuneration consultants.

The Remuneration Committee may seek input from certain members of executive management on remuneration, but no members of executive management are directly involved in deciding their own remuneration.

Executive Management

Role of Executive Management

The Board Charter also sets out the role and responsibilities of executive management. Executive management, led by the Chief Executive Officer, Graham Chipchase, has been delegated responsibility for the day to day management of the business and affairs of the Group subject to the levels of authority set by the Board and the matters reserved for the decision of the Board as set out in the Board Charter. The authority delegated to the Chief Executive Officer, the Chief Financial Officer and the members of the Executive Leadership Team (ELT) are periodically reviewed by the Board and are documented.

The role of executive management, led by the Chief Executive Officer and with the support of Brambles' ELT, is to:

- Carry out the day to day management of the business and affairs of Brambles to achieve its strategic objectives in a manner aligned with its purpose, values and risk appetite; and
- Provide the Board with accurate, timely and clear information on Brambles' operations to enable the Board to perform its responsibilities, including information about the financial performance of Brambles, compliance with its material legal and regulatory requirements and conduct in relation to its values or the Code.

ELT members participate in Board meetings where the Group's strategic objectives are set and reviewed. They also make regular presentations to the Board on their respective business unit or functional area. Where applicable, those presentations include business unit financial performance, risk reviews, safety management and performance, status of specific projects against project timelines and milestones, personnel matters and key issues facing the business. Biographical details for the members of the ELT are shown on pages 50 to 53 of Brambles' 2024 Annual Report.

Brambles has in place Human Resource policies which require appropriate checks to be carried out on candidates for senior executive roles. These checks include character, experience and education and criminal record. Senior executives, including the Chief Executive Officer, have employment contracts setting out, among other things, their term of office, rights, responsibilities and entitlements on termination, and job descriptions setting out their duties.

Performance Evaluation of Senior Executives

Brambles has a well-established performance management and development planning process, which is used throughout the Group. The process involves objective setting consistent with Brambles' strategic objectives and its remuneration policy and targets for cash and equity-based incentive plans set by the Remuneration Committee. Personal development planning, half-year reviews and full-year appraisals feed into a performance rating, leading to the assessment of annual bonuses. Senior executives (including the Executive Director and the ELT) all participate in this process, which is overseen by the Remuneration Committee.

Performance evaluations for senior executives, including the Chief Executive Officer and the other ELT members, were carried out during the Year in accordance with this process.

Securities Trading Policy

Brambles' Securities Trading Policy sets out its policy on hedging its equity-based remuneration. It provides that senior executives may not enter into any hedging arrangements or acquire financial products (such as equity swaps, caps and collars or other hedging products) over unvested equity awards which have the effect of reducing or limiting exposure to risks associated with the market value of Brambles shares. It also prohibits senior executives from using Brambles shares as security for loans, including margin loans.

The Securities Trading Policy is a Schedule to Brambles' Code of Conduct, a copy of which is on the Brambles website.

In addition, the rules of Brambles' Performance Share Plan (the plan under which equity awards are granted) give the Board discretion to cancel unvested equity awards where a participant has hedged the value of, or entered into derivative arrangements in respect of, any equity award granted to the participant.

Risk Management and Corporate Reporting

Brambles believes that having an effective risk management framework supports the delivery of Brambles' sustainability, customer, employee, and investor value propositions, and ultimately Brambles' purpose. The risk management framework adopted by the Board is aligned with the principles of the ISO 31000 Risk Management Standard and the COSO Enterprise Risk Management - Integrated Framework and has the following objectives:

- To incorporate effective risk management as part of Brambles' strategic planning process;
- To ensure business operating plans and core business processes address the effective mitigation of material risks, monitor and prepare to respond to emerging risks and opportunities, and build resilience against business interruption risks;
- To embed a strong risk management culture and ensure Brambles' processes are not just about compliance;
- To improve allocation of capital and resources in a risk aware manner;
- To increase confidence in delivering organisational and business objectives through embedded assessment and management of risks; and
- To continue to fulfil governance requirements for risk management.

To achieve these objectives, the risk management framework sets out:

- Clear roles and responsibilities for the Board, Audit & Risk Committee, Chief Executive Officer and ELT, business unit and functional leadership, risk owners, the Group Risk function and Internal Audit function;
- A process for timely review, analysis and evaluation of risks;
- A process for development of mitigation plans for each material risk with specific timeline and accountability assigned for execution; and
- A process for monitoring risk management via appropriate measures and indicators.

A description of the nature of the Group's material strategic, operational, compliance and financial risks and how those risks are mitigated is set out in the Operating & Financial Review on pages 27 to 34 of Brambles' 2024 Annual Report. Each Group material risk is individually owned by one or more ELT members and is supported by three lines of defence: (1) risk ownership, assessment and management; (2) risk advice, monitoring and management assurance; and (3) independent assurance.

During the Year, whilst the Board retained ultimate responsibility for the Group's risk management framework, it delegated all risk oversight responsibilities to the Audit & Risk Committee. At its June 2024 meeting, the Board reviewed the allocation of responsibilities for the oversight of risk between itself and the Audit & Risk Committee. The Board determined that, commencing in the 2025 financial year, it would reserve to itself review of emerging risks and undertake this review with the ELT together with the review of the Group's strategic objectives.

The Board and Audit & Risk Committee are supported in their respective roles by management (in particular by the Chief Executive Officer and Chief Financial Officer, through the ELT, the Director Global Risk and the Group's internal audit function).

There are a number of Risk and Compliance Committees (RCCs) across the Group, including Brambles' Corporate, each of its business units, Information Technology (IT), Digital, Global Supply Chain (GSC) and Sustainability. In addition, the ELT acts as the Group RCC. Each RCC conducts an in-depth review on a regular basis of the relevant risk profile, including their respective material environmental and social risks and, for any risk which may be outside of risk appetite, the action plan to return that risk to within appetite. The RCCs also review emerging risks relevant to their respective areas of responsibility. These risk profiles and mitigation plans for the Group as a whole are evaluated by the ELT, acting as the Group RCC, with support from the Director Global Risk. The ELT, through the Chief Executive Officer, prepare bi-annual reports to the Audit & Risk Committee.

Review of Risk Management Framework

During FY24, the Audit & Risk Committee oversaw the implementation of the risk management framework by:

- Conducting a "deep dive" of material risks from the relevant risk owners which include their assessment of the risk, the status of key mitigants and whether the risks are operating within the risk appetite approved by the Board;
- Receiving assurance from Brambles' internal audit function on the controls to mitigate key risks;
- Critically reviewing twice-yearly reports from the ELT, acting as the Group RCC, on the effectiveness of the Group's risk management framework, whether risks are operating within the risk appetite approved by the Board and, for any risk where that is not the case, the action plan to return that risk to within that appetite;
- Conducting a detailed review of emerging risks; and
- Making recommendations to the Board on the effectiveness of the risk management framework and any changes which should be made to it or to the risk appetite approved by the Board.

During the Year, the Audit & Risk Committee completed the detailed review and refresh of the risk descriptions and risk appetites of Brambles' material risks which commenced during FY23.

During FY24, the Board reviewed the effectiveness of the internal control and risk management framework by:

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- Receiving and reviewing reports from the Audit & Risk Committee on the effectiveness of the risk management framework and emerging risks;
- Reviewing the risk appetite for key risks and whether any changes to that appetite should be made having regard to any recommendations of the Audit & Risk Committee;
- Considering and approving the budget and forward plan of each business;
- Reviewing detailed monthly reports on business performance and trends;
- Setting limits on delegated authority;
- Receiving regular reports on Brambles' treasury activities, and reviewing treasury guidelines, limits and controls;
- Receiving twice-yearly written assurances from the Chief Executive Officer and Chief Financial Officer; and
- Conducting an annual review of the Group's insurance programme.

These reviews took place during the Year.

Internal Audit Function

Brambles has an internal audit function which is independent of the external auditor and management. Brambles' internal audit function carries out risk-based audits under an annual plan approved by the Audit & Risk Committee. The internal audit team makes an independent appraisal of the adequacy and effectiveness of Brambles' risk management and internal control system, to provide assurance to the Audit & Risk Committee and the Board.

The Head of Internal Audit has direct access to the Audit & Risk Committee Chair and the Board Chair. Both the Audit & Risk Committee and the internal audit team have unrestricted access to management and the right to seek information and explanations.

Environmental and Social Risks

Economic, environmental and social sustainability risks are incorporated into the Group's risk management framework, which includes a Sustainability Risk Committee (SRC).

The SRC is a management committee comprising Brambles' Chief People Officer, Chief Legal Officer, Chief Sustainability Officer, Director Global Risk 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 (which includes environmental and social risks) and climate change risks, determining whether the Group has a material exposure to any sustainability or climate change risks, and monitoring new and emerging sustainability and climate change 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 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 bi-annual report from the ELT to the Audit & Risk Committee and the Board.

The SRC also reviews and approves on a bi-annual basis a sustainability risk matrix for the Group.

A description of the Group's material environmental and social risks, and the actions being taken to mitigate them, are set out on pages 35 to 37 of Brambles' 2024 Annual Report.

In addition, Brambles has prepared climate-related disclosures with reference to the International Financial Reporting Standards S2 Climate-related Disclosures as issued by the International Sustainability Standards Board. These can be found in the Sustainability Report included in Brambles' 2024 Annual Report. Brambles has also committed to early adoption of the Financial Stability Board's Task Force on Nature-related Financial Disclosures (TNFD). TNFD-aligned disclosures can be found within Brambles' 2024 Annual Report and further details will be available in Brambles' Sustainability Review, due for release in August 2024.

CEO and CFO Declaration

Prior to approving Brambles' financial statements for each half-year and full-year reporting period, the Board receives a declaration from the Chief Executive Officer and Chief Financial Officer that, in their opinion, the financial records of the Group have been properly maintained and that the financial statements for the applicable reporting period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group. The declaration also provides that the opinion is founded on a sound system of risk management and internal control and that the system is operating effectively.

Periodic Corporate Reports

Under its Charter, the Board is responsible for monitoring the process for verifying the integrity of Brambles' periodic corporate reports which it releases to the market. These reports include those parts of its annual and half-year directors' and financial reports that are not audited or reviewed by an external auditor and its sustainability review. The verification process requires a review and sign off by the relevant business unit and functions.

Shareholder Engagement

Brambles is committed to the promotion of investor confidence by taking all steps within its power to enable trading in its securities to occur in an efficient and informed market. Brambles recognises the importance of effective communication as a key part of building shareholder value, and that to prosper and grow, it must earn the trust of shareholders, employees, customers, suppliers and communities, by being open in its communications and consistently delivering on its commitments. In order to achieve this, Brambles is committed to providing market communications which are accurate, balanced and expressed in a clear and objective manner that allows investors and other stakeholders to assess the impact of that information.

Brambles has a Continuous Disclosure & Communications Policy. The policy is a schedule to the Code of Conduct. The policy is reviewed annually by the Board. That review took place during the Year and the Board approved minor changes to it. The policy includes the suggestions set out in Box 5.1 of the CGPR. A copy of the policy is on Brambles' website.

Brambles has processes in place to provide all Directors with copies of all material market announcements promptly after they have been made (although in most cases the Board will have reviewed and approved such announcements prior to them being lodged with the market).

Investor relations

Brambles follows a calendar of regular disclosure of its financial and operational results and has a structured investor relations programme. The Board Chair meets major investors from time to time to understand their issues and concerns and discuss particular matters relating to Brambles' governance and strategy. The Remuneration Committee Chair also meets investors to understand their issues and concerns relating to Brambles' remuneration policy and practices. The Chief Executive Officer, Chief Financial Officer and other senior executives regularly meet investors and other market participants to understand their issues and concerns and discuss Brambles' performance and strategy. No new material or price-sensitive information is provided at such meetings. Other Non-Executive Directors attend meetings with major investors from time to time. The Board Chair reports to the Board on the matters discussed at meetings with major investors and copies of relevant correspondence are provided to the Board. Executive management provides information on shareholder activity and trading to the Board, along with shareholder feedback and copies of analysts' reports.

Information on Website and electronic communications

Brambles' website contains detailed information about Brambles, its businesses and their respective operations and its governance practices. The Investor Centre page on Brambles' website includes advance notice of the dates for the release of half-year and full-year results, other financial information, shareholder meetings and major analyst and investor briefings.

Anyone who would like to stay up to date on major news announcements made by Brambles is encouraged to register for free email alerts, available on the homepage of Brambles' website. Users of the email alerts service may customise the types of announcements they receive. Shareholders may also ask questions via an enquiry page on Brambles' website.

All announcements made to the ASX, including presentations to investors, analysts or media during briefings and copies of speeches and presentations made by the Board Chair and Chief Executive Officer at general meetings, are posted on Brambles' website after release. On release, significant announcements are highlighted in the News Updates area on the website's homepage. These announcements are also made available in public channels such as Twitter and LinkedIn. Shareholder meetings and, where possible, investor and analyst briefings are webcast live on Brambles' website. All of the ASX releases and notices of meetings Brambles has published since it was listed in December 2006, as well as all webcasts since that time, are available on Brambles' website.

A statement of shareholder communication options is on Brambles' website. Shareholders are encouraged to provide an email address to Brambles' share registry and elect to receive an electronic notification when a communication is available on Brambles' website, rather than a hard copy. Brambles believes electronic communications are the best way for a shareholder to receive communications. It allows them to receive communications in a timely and safe manner, is consistent with Brambles' sustainable business model and saves costs.

Shareholder Meetings

AGMs provide an opportunity for the Board to communicate with investors, through presentations on Brambles' businesses and current trading. Shareholders are encouraged to attend AGMs and to participate and use the opportunity to ask questions on any matter. Shareholders are invited to register questions and issues of concern prior to AGMs. Answers to frequently asked questions are given during presentations to AGMs. Shareholder meetings are also webcast live on Brambles' website for shareholders who are unable to attend.

Shareholders may electronically direct vote or appoint proxies and lodge proxy instructions for items of business to be considered at general meetings. All resolutions at Brambles' general meetings are decided on a poll.

Alignment with shareholder interests

In order to align the interests of Non-Executive Directors and ELT members (including the Chief Executive Officer) with those of shareholders, these individuals have minimum shareholding requirements as set out in the Directors' Report - Remuneration Report on pages 59 and 69 of Brambles' 2024 Annual Report.

Diversity

Diversity is an integral part of Brambles' corporate strategy. Brambles has a diverse workforce and believes that an inclusive work environment allows employees to realise their full potential, regardless of gender, race, religion, age, disability, ethnicity, sexual orientation, or any other factor that makes an individual unique. Brambles has a Diversity Policy which forms part of the Code and which reflects the commitment of the Board and the ELT to diversity in the workforce.

Brambles' vision statement for diversity, set out in the Policy, is:

- Brambles is committed to creating and maintaining a culture which delivers outstanding performance and results;
- Diversity is essential to Brambles' long-term success; and
- Brambles values and fosters diversity because it allows customers' needs, both today and in the future, to be recognised and addressed, all employees to feel valued and able to perform to their best, and Brambles to have access to the widest possible talent pool.

The Diversity Policy is reviewed annually by the Board. A copy of the Diversity Policy is on Brambles' website.

Gender Diversity Objectives

During the 2020 financial year, Brambles set gender diversity measurable objectives to have 40% of women on the Board, ELT and in management positions, and to double the number of female employees in Brambles' plant roles (from 6% to 12%) by 2025.

The composition of Brambles' Board, ELT, Management and Plant Roles against the 2025 objectives, and the composition of each management grade at 31 July 2023 and 31 July 2024 is set out in the following table (in calculating the percentages in the table, Brambles included each permanent employee on the payroll but excluded casual employees and contractors):

	2025 Objective	% Females at 31 July 2024	% Females at 31 July 2023
Board	40%	44.4%	45%
ELT	40%	33.3%	38.5%
Management	40%	37.6%	36.3%
Senior Vice President		10.5%	9.1%
Vice President		37.7%	33.3%
Director		33.8%	32.1%
Manager		38.6%	37.4%
Plant Roles	12%	9.9%	8.7%
Total Workforce	-	28.2%	26.8%

Brambles has adopted a number of policies and practices to assist in developing its leadership talent towards achieving its objectives, which include the following:

- The pool of non-executive director candidates for vacant Board roles to include qualified persons who would fill an existing diversity gap having regard to Brambles' Diversity Policy and the diversity objectives adopted by the Board from time to time;
- Where external executive search agencies are engaged to assist in recruiting for Board or management positions, Brambles requires that female candidates are presented;
- Brambles adopted a target of having women represent at least 30% of participants in its graduate and leadership development programmes with the objective of having 50% of women participate in those programmes by 2025. During the Year, women represented 42% of the participants in its various development programmes (with women representing 33.3% of participants in the development programmes for Manager and Director level roles);
- Brambles has global and regional Diversity, Equity and Inclusion (DEI) councils which coordinate programmes and initiatives to encourage, celebrate and support all forms of diversity, and employee resource groups which focus on a wide variety of DEI topics including race, gender balance, disability, veterans support, ethnic minorities, neurodiversity and LGBTQIA+; and
- Policies and practices around equitable pay, transparent promotion criteria and fair treatment in performance evaluation, with regular assessments and metrics to track diversity in hiring, promotion rates, pay equity and employee satisfaction, with this data regularly reviewed and supported.

Brambles' Data and Digital Function continues to demonstrate its commitment to gender balance, particularly when recruiting from sectors where female talent has historically been in short supply. For example, in FY24, for 114 total hires in that function, 48.3% were filled with female candidates (FY23: 39%), as compared to the industry benchmark of 31-33%.

The Remuneration Committee also monitors remuneration by gender relativities and reports to the Board on any matters arising from that monitoring. Further information on Brambles' diversity objectives and initiatives can be found in Brambles' annual Sustainability Review, available on the Sustainability page of Brambles' website.