Brambles Limited
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www.brambles.com

21 August 2024

The Manager-Listings
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Via electronic lodgement

Dear Sir / Madam

2024 Full-Year Statutory Accounts

Brambles Limited announces to the market its financial results for the year ended 30 June 2024.

The following documents are attached:

1. Appendix 4E – Preliminary Final Report given under Listing Rule 4.3A; and
2. Brambles' 2024 Annual Report including its financial statements,

for the year ended 30 June 2024.

The release of this announcement was authorised by a Special Committee of the Board of Brambles Limited.

Yours faithfully
Brambles Limited

Carina Thuaux
Company Secretary

Results for Announcement to the Market

Brambles Limited

ABN 89 118 896 021

Appendix 4E

Preliminary Final Report
for the year ended 30 June 2024

Year ended 30 June	2024 US$m	Restated[1] 2023 US$m	% change (actual FX rates)	% change (constant FX rates)
Statutory Results				
Continuing operations				
Sales revenue	**6,545.4**	6,076.8	8 %	7 %
Operating profit	**1,262.2**	1,067.0	18 %	17 %
Profit before tax	**1,126.3**	944.1	19 %	18 %
Tax expense	**(346.4)**	(287.1)	(21)%	(20)%
Profit from continuing operations	**779.9**	657.0	19 %	17 %
Profit from discontinued operations (refer Note 9)	**-**	56.2		
Profit for the year attributable to members of the parent entity	**779.9**	713.2	9 %	8 %
Basic EPS (US cents) from continuing operations	**56.1**	47.3	19 %	17 %
Basic EPS (US cents) – includes discontinued operations	**56.1**	51.4	9 %	8 %
Final dividend[2] (US cents)	**19.0**	14.0		

[1] In 2024, Brambles revised the application of its accounting policy relating to its subsidiaries in hyperinflationary economies and now presents the inflationary and foreign exchange translation impacts in other comprehensive income instead of profit or loss or directly in equity. The 2023 comparatives have been restated accordingly. Refer Note 1H for further details. There has been no change to sales revenue, Operating profit or Underlying Profit as previously reported.

[2] The 2024 final dividend is 35% franked and its record date is 12 September 2024. Total ordinary dividends declared for 2024 were 34.0 US cents per share representing a payout ratio of 60% which is an increase from the 2023 payout ratio of 55%. The 2023 total ordinary dividends were 26.25 US cents per share (refer Note 7).

Commentary on these results and additional Appendix 4E disclosure requirements can be found in Brambles' 2024 Annual Report. This report is based on the consolidated financial statements which have been audited by PwC.

The results in the consolidated financial statements are presented in US dollars, translated at the actual exchange rates in each period as disclosed in Note 1, except for the results of hyperinflationary economies which are translated at period end exchange rates. The results in the Operating & Financial Review are also shown in constant currency which translates 2024 results (excluding hyperinflationary economies) into US dollars at the actual exchange rates applicable to the prior comparative period to show the relative performance between the two periods excluding the impact of foreign exchange movements. For constant currency reporting of hyperinflationary economies, the 2024 results remain at the reported period end exchange rates.

ANNUAL REPORT 2024

Advancing the world's supply networks

Brambles

Advancing the world's supply networks

Through its people, operations and technology, Brambles is developing solutions which bring new value to its customers, raise the bar on sustainability and create connections to make the world's supply networks more resilient and regenerative.

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View the annual review FY24 online → **brambles.com/ar2024**

About this Report

Brambles recognises that transparent reporting is an essential part of its responsibility to its shareholders and other stakeholders, and to maintain its social licence to operate.

Reporting framework

Brambles' approach to reporting and disclosure references various frameworks, including the GRI standards, the SASB standards and the Integrated Reporting <IR> 'capitals' Framework. The Annual Report on pages 1-37 and 153-179 has been prepared with reference to the <IR> Framework to demonstrate to Brambles' stakeholders how its dependencies and impacts on these sources of value (the 'capitals'), its operating model, and its ability to create value over time are interrelated.

To ensure Brambles meets the information requirements of key stakeholders, and the reporting obligations across the jurisdictions where it operates, it continues to actively monitor the evolving landscape of ESG reporting regulations, frameworks and standards. Most notably, this includes the IFRS Sustainability Disclosure Standards IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures* (and jurisdictional adoptions), and the European Sustainability Reporting Standards. Brambles welcomes moves by regulators and governments to progress disclosure requirements to enable consistent reporting, and looks forward to publishing and refining its disclosures in line with these requirements. Finally, Brambles has committed to early adoption of the Taskforce on Nature-related Financial Disclosures (TNFD). Brambles has commenced incorporating TNFD-aligned disclosures as part of its FY24 reporting, with further details available with the release of its FY24 Sustainability Review.

All acronyms and terminology referred to in this report are defined in the Glossary on pages 184 to 186.

Forward-looking statements

Certain statements made in this report are "forward-looking statements" – that is, statements related to future, not past, events. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "will", "should" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are not historical facts, but rather are based on Brambles' current beliefs, assumptions, expectations, estimates and projections. Forward-looking statements are not guarantees of future performance, as they address matters that are uncertain and subject to known and unknown risks and other factors that are beyond the control of Brambles, are difficult to predict and could cause actual results to differ materially from those expressed or forecast in the forward-looking statements. Brambles cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the views of Brambles only as of the date of this report. The forward-looking statements made in this report relate only to events as of the date on which the statements are made – Brambles will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect circumstances or events occurring after the date of this report, except as may be required by law or by any appropriate regulatory authority. Past performance cannot be relied on as a guide to future performance.

Brambles Limited
ABN 89 118 896 021

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

As a pioneer of the sharing and circular economy, Brambles is one of the world's most sustainable logistics businesses.

The world's largest brands trust Brambles to help them transport the goods that matter more efficiently, safely and sustainably.

What Brambles does

Brambles' platforms form the invisible backbone of global supply chains. Through its CHEP brand, Brambles primarily serves the fast-moving consumer goods, fresh produce, beverage, retail and general manufacturing industries.

Its circular business model facilitates the 'share and reuse' of the world's largest pool of reusable pallets, crates and containers.

This enables Brambles to serve its customers while minimising impacts on the environment and improving the efficiency and safety of supply chains around the world.

As at 30 June 2024, Brambles had:

Operations in
~60
countries

~347m
pallets, crates and containers

Employed
~13k
people

A network of
750+
service centres

FY24 highlights

Financial

6,545.4m
Sales Revenue (US$)
+7% at constant currency[1]

1,262.2m
Underlying Profit (US$)
+17% at constant currency[1]

20.6%
Return on Capital Invested
+2.0 percentage points at constant currency[1]

1,319.1m
Cash Flow from Operations (US$)
+US$529.3m

34.00
Total Dividends (US¢/share)
Final dividend of 19.00 US cents per share

Safety

2.9
Brambles Injury Frequency Rate (BIFR)
Down from 3.8 in FY23

Sustainability

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA
1st in industry category

MSCI
Maximum AAA rating
Top 10% of companies assessed in our industry category

Corporate Knights GLOBAL 100 2024
2nd most sustainable company of ~6,700 analysed

CDP
Score of A- for both Climate Change and Forests

TIME WORLD'S MOST SUSTAINABLE COMPANIES statista 2024
#4 ranking in the world's most sustainable companies in 2024

top EMPLOYER GLOBAL 2024
Top Employer in 26 countries, four regions and Global Top Employer

1 Current period results (excluding hyperinflationary economies) translated into US dollars at the actual monthly exchange rates applicable in the comparable period, so as to show relative performance between the two periods. Results for hyperinflationary economies are not retranslated and remain at their reported actual exchange rates (period-end spot exchange rates).

LETTER FROM THE CHAIR & CEO

Advancing the world's supply networks

In FY24, we enhanced our customer experience in all regions, strengthened our leadership position in sustainability and delivered on our investor value proposition. We also continued to invest in our transformation which is improving the fundamentals of our business and positions us to make the world's supply network more resilient and regenerative while unlocking new sources of value for all stakeholders.

Over the past Year, we have operated in markedly different conditions to those experienced in recent years. Supply chain dynamics improved significantly in all regions, with industry-wide increases in pallet availability and reduced inventory levels across retailer and manufacturer supply chains, particularly in North America and Europe.

Inflationary pressures began to moderate from the extraordinary highs that have existed since the pandemic, while the competitive landscape shifted in response to the change in pallet availability and lower whitewood prices in our key markets.

Against this backdrop, our teams around the world sustained their focus on the areas we know are pivotal to our customers: improving customer service levels, working towards a seamless customer experience, and removing inefficiencies from their supply chains, which we are uniquely positioned to do.

At the same time, we continued to invest in strengthening our competitive advantage by improving the efficiency of our operations, while building capabilities to deliver even greater value for our customers, employees, and the communities in which we operate.

These investments, together with improving supply chain dynamics, delivered better quality and service outcomes for our customers, stronger alignment between commercial terms and the cost-to-serve as well as structural reductions in the capital intensity of our business. By incentivising more efficient use of our assets across customers' supply chains, we are also reducing demand for natural resources, building on the inherent sustainability of our low-carbon business model.

Collectively, these improvements supported the strong financial outcomes we delivered for our shareholders this Year, including a US$385 million increase in Free Cash Flow before dividends, dividend yield of ~3%[2] and basic EPS (continuing operations) growth of 17%[3].

→ ***These improvements supported the strong financial outcomes we delivered for our shareholders this Year, including a US$385 million increase in Free Cash Flow before dividends, dividend yield of ~3% and basic EPS (continuing operations) growth of 17%.***

2 As at 16 August 2024 based on a closing share price of A$15.70.
3 At constant currency. Brambles basic EPS growth of 8%.

Delivering transformation objectives

Much of our success has been driven by the Shaping Our Future transformation programme which has improved the fundamentals of our underlying business, offering stability through cyclical changes and resilience in an evolving operating landscape. At the same time, it is setting the foundations for the 'Brambles of the Future'.

We are pleased with the measurable progress we have made to our customer service as evidenced by improvements to our net promoter score. This reflects our commitment to deliver the fundamentals of our customer value proposition, including delivering high quality pallets in full and on time, increasing the speed in resolving customer queries, and improving the digital capabilities of our customer portal.

Our ongoing focus on asset efficiency and network productivity has created a more resilient business, enabling us to improve the customer experience, optimise the performance of our operations and reduce the capital intensity of our business.

The structural changes we have made to how we collect, repair, and incentivise the efficient use of our assets across the supply chain led to the recovery and remanufacturing of an additional ~16 million pallets, up from ~10 million in FY23. These processes and commercial terms are now embedded across our business and have supported material improvements in asset efficiency, which underpins our expectation of keeping our annual pooling capex to sales ratio sustainably below 17%.

Importantly, this improvement included a substantial decrease in uncompensated losses during the Year, the first since FY16, and we remain confident in achieving our FY25 target of reducing uncompensated losses by 30% against a FY21 baseline. Achieving this target is estimated to deliver ~US$150 million of cash flow benefits, through savings on the cost of replacement pallets and increased compensation coverage.

Another highlight has been the automation investments across our service centres, which are delivering cost savings, while also materially improving the efficiency and quality of our repair processes, safety enhancements and increasing repair capacity across our network. This additional capacity has been critical in allowing us to absorb a higher volume of pallets, including the ~12 million additional pallets returned in FY24 across our network due to inventory optimisation at retailers and manufacturers.

~16m
additional pallets recovered and remanufactured

~12m
additional pallets returned due to inventory optimisation

As we progressively optimise the performance of our business, we are also reinvesting to shape the 'Brambles of the Future'. This is particularly evident with our digital transformation as we seek to harness our data to power smarter, more sustainable supply networks.

Although this is a continuous and evolving process, we are making progress towards realising this vision through our enhanced digital and data analytics capabilities. These capabilities continue to mature as we test, learn and adapt our approach, and are already proving their value in delivering insights to customers,

helping to ensure our commercial terms better reflect our cost-to-serve and driving asset productivity benefits.

Progress also continues to be made with expanding our tracking capabilities as we continue to improve our understanding of the potential benefits of smart asset technologies. More than 550,000 autonomous tracking devices have been deployed in over 30 countries. These are generating value by identifying points of leakage, creating new business opportunities, improving asset productivity and helping us better understand the cost-to-serve of individual customers.

The rollout of Serialisation+ in Chile has also progressed with 2.6 million pallets tagged, as we continue to assess the benefits of uniquely identifying every pallet and the additional datapoints generated. These include improving customer service, accuracy in cost-to-serve and asset productivity.

Finally, after several years of development and trials, we have signed commercial agreements for two digital customer solutions which leverage the unique role of our platforms to remedy inefficiencies in customer supply chains.

Delivering our investor value proposition in FY24

The benefits of our transformation programme drove the delivery of our investor value proposition for the second consecutive year with strong revenue growth, significant operating leverage and a material improvement in Free Cash Flow generation.

Our sales revenue growth of 7% on a constant-currency basis continued to benefit from rollover contributions from pricing actions taken in the prior year to recover the increase in the cost-to-serve as well as positive pricing momentum in the current year.

Group volumes were in line with the prior year despite a 1-percentage point impact of inventory optimisation. Excluding this impact like-for-like volumes increased 1%.

Notwithstanding new contract wins in the period, net new business volumes were flat to prior year reflecting the impact of declining whitewood prices, which delayed the conversion of small to medium enterprises to pooling, and weak end-consumer demand for some new customers' products. In addition, some customers adopted dual sourcing, primarily in 1H24, with this trend moderating in 2H24 as we continued to highlight our overall value proposition to customers.

Encouragingly, signs of volume improvement emerged in the latter part of the Year as we cycled through inventory optimisation and saw positive net new business growth in the fourth quarter.

Underlying Profit increased 17% at constant currency and reflected pricing growth combined with our asset productivity initiatives, which contributed to a reduction in uncompensated pallet losses and an increase in asset compensations. This demonstrates our ability to generate significant operating leverage, despite increases to incremental plant and transport costs as a result of higher pallet returns.

Free Cash Flow before dividends of US$883 million continued to benefit from higher earnings and a reduction in capital expenditure, driven by additional pallet returns due to manufacturer and retailer inventory optimisation and asset productivity initiatives including additional pallet recoveries and improved compensations for lost assets. This increase in the capital efficiency of our business underpins the structural uplift in cash generation and also strengthens our sustainability position by allowing us to reduce demand on the world's natural resources.

→ ***Underlying Profit increased 17% at constant currency and reflected pricing growth combined with our asset productivity initiatives, which contributed to a reduction in uncompensated pallet losses and an increase in asset compensations.***

LETTER FROM THE CHAIR & CEO continued

Dividends and capital management

Our continued focus on improving the financial performance of our business, including Free Cash Flow generation, has enabled the Board to declare total dividends for FY24 of 34.00 US cents per share, representing an increase of 30% on the previous year. This equates to 51.99 Australian cents per share with our dividend payout ratio of 60% at the top end of our current range.

In addition, the Board has approved capital management initiatives commencing in FY25, underpinned by the structural improvements to Free Cash Flow generation combined with our strong financial position and investment grade credit rating. These initiatives include lifting the future dividend payout ratio to 50-70% of Underlying Profit after finance costs and tax and an on-market share buy-back of up to US$500 million, subject to market conditions in FY25.

The Board will consider future capital management initiatives in accordance with the capital allocation framework which is now embedded in our updated investor value proposition. This framework seeks to maximise shareholder value creation by prioritising reinvestment for future growth and optimising our capital structure while maintaining a strong financial position.

Further details of Brambles' investor value proposition and capital management initiatives are outlined on pages 16 and 17 of this report.

Regenerative supply networks

The core principles of our sustainability programme centre on regeneration, the concept of putting more back into the world than we take as a business. We are pleased to see our efforts gain ever growing recognition externally including TIME Magazine ranking us #4 in its inaugural World's Most Sustainable Companies list in June 2024.

Throughout the Year, we have made considerable advancement towards our FY25 sustainability targets and our ambitious vision to pioneer regenerative supply networks. From consuming less of the planet's natural resources and using more upcycled plastic waste in our products, to collaborating with customers and partners to reduce emissions throughout the supply network and educate more people and businesses on the advantages of the circular economy. Collectively, efforts in all these areas are further enhancing the positive impact we have on our customers' businesses, the planet and communities.

Among the most notable achievements has been the progress of our Forest Positive initiatives. This goal builds on our policy of sourcing 100% certified timber – under which every tree used in our operations has another grown in its place – and goes further by enabling the sustainable growth of a second tree. One of our cornerstone regenerative projects, our forest positive initiative in Tabasco, Mexico, continues to develop, resulting in 690,000 new trees grown to date on previously deforested land and bringing a restorative impact to ecosystems, biodiversity, and economies of the area. Importantly, the project will help secure our future timber supply in the region while delivering cost benefits.

Additionally, through a new partnership with WeForest, and our contribution to a vital reforestation project in Zambia, we have supported the growth of 1.6 million trees during FY24.

We are proud to operate a low-carbon intensity business that supports the reduction of emissions of thousands of customers' supply chains across the world. Moreover, decarbonising our supply chain remains a core focus within our own low-carbon operations. Through continued collaboration with partners and improvement in waste and transport practices, we reduced our Scope 3 emissions by 8.0% in FY24, which was also aided by a lower volume of pallet purchases as a result of inventory optimisation and benefits from asset efficiency initiatives during the Year. Across our Scope 1 and 2 emissions, we achieved a 0.9% reduction and, overall, we continue to track ahead of the glidepath to deliver our Science-based Target and net-zero by 2040 target.

Our prioritisation of the safety and wellbeing of our people was again demonstrated in FY24 as we reduced the Brambles Injury Frequency Rate (BIFR) to 2.9, marking our fifth continuous year of reduction. At the same time, our efforts to lift female representation in the organisation means women now comprise 37.5% of management roles. While this represents an improvement year-on-year, we are tracking slightly below target. The aim is to reach the 40% target by the end of FY25 with plans in place to continue progressing against this metric.

Finally, reflecting the critical importance of nature - alongside climate - for our global organisation and its growing role in shaping strategic decisions, Brambles has commenced incorporating TNFD-aligned disclosures in FY24. More details around our sustainability progress will be available in our FY24 Sustainability Review in August 2024.

Board renewal

In December 2023, George El-Zoghbi retired from the Brambles Board, having joined as a Non-Executive Director in 2016. We are grateful to have benefited from his extensive global experience in supply chains and the consumer packaging goods sector.

Scott Perkins has also indicated he will retire from the Brambles Board at the conclusion of the 2024 AGM after nine years' service. Scott has played a pivotal role in guiding Brambles, drawing on his extensive experience in the listed company environment and making significant contributions in his capacity as Chair of the Remuneration Committee.

We thank both for their valuable service and wish them well in their future endeavours. We are well advanced in the process of identifying potential candidates to replace George and Scott on the Board and we look forward providing an update in due course.

Outlook

Looking ahead, our FY25 financial outlook is a reflection of our objective to consistently deliver on our investor value proposition. We will continue focusing on commercial discipline, pursuing new business growth in key markets and delivering further efficiencies through our transformation programme. This will underpin our expectation for revenue growth, leverage and strong cash flow generation.

Subject to there being no material change in economic and operating conditions, in FY25 we expect to deliver in constant currency, sales revenue growth between 4-6%, Underlying Profit growth between 8-11% and Free Cash Flow before dividends of between US$750-850 million.

These financial outcomes are dependent on a number of factors. These factors include prevailing macroeconomic conditions, customer demand, the price of lumber and other key inputs, the efficiency of global supply chains and movements in FX rates.

Conclusion

As a Group, we have delivered another step change by continuing to improve the fundamentals of the business and finished FY24 in a position of strength. Our achievements across financial, operational and sustainability measures are testament to the focus and discipline across the business and will support our endeavours in the year ahead.

We thank our customers for their continued partnership with us in pursuing ever greater efficiency, resilience and sustainability in the global supply network. To our ~13,000 employees we express our sincere appreciation for the effort, energy and enthusiasm you bring each day. Finally, we wish to thank our shareholders for your ongoing support as we deliver on our strategy.

John Mullen
Chair

Graham Chipchase
Chief Executive Officer

The value Brambles creates

Brambles' ambition is to pioneer regenerative supply networks with reuse, resilience and regeneration at its core. This ambition underpins Brambles' social licence to operate. By leveraging the inherent advantages of its circular business model, network scale and pooling expertise, Brambles is able to convert key inputs as outlined by the Integrated Reporting <IR> Framework into significant value and outcomes for its stakeholders.

For customers, Brambles' pooling solutions play an integral role in ensuring the efficient flow of goods through their supply networks and delivering operational, financial and environmental benefits not available through single-use alternatives. Brambles also leverages its unique position to generate positive outcomes throughout its value chain. This includes enabling customer collaboration, optimising transport networks and addressing food security while promoting the circular economy and sustainable forest certification.

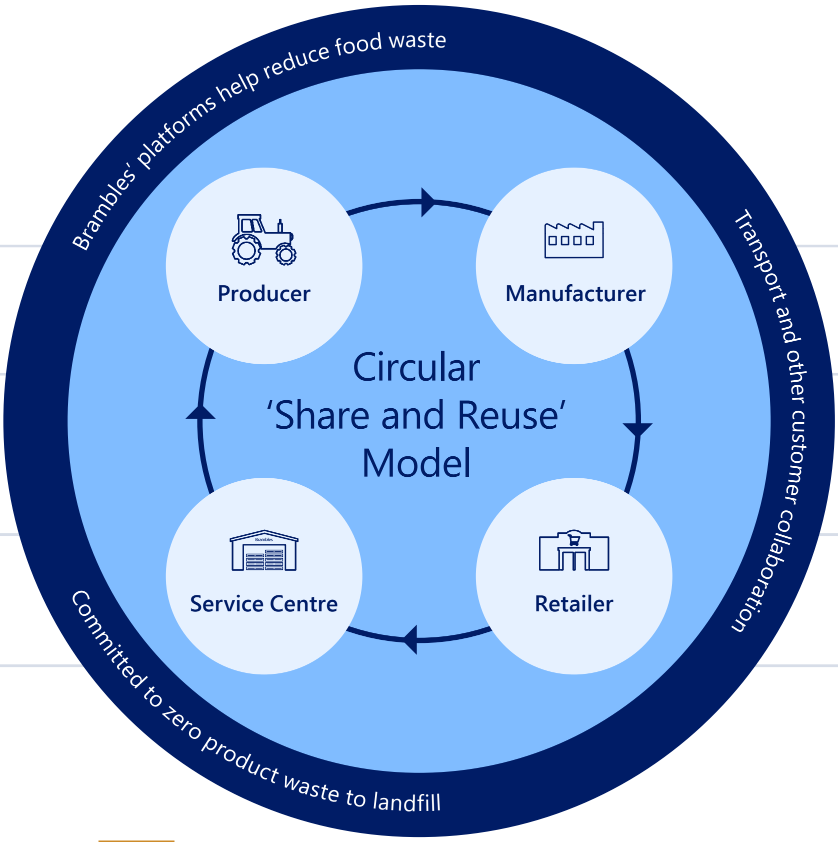
For shareholders and providers of finance, Brambles provides an investment pathway and exposure to the low-carbon, circular economy that delivers sustainable growth at returns well in excess of the cost of capital. Its model generates sustainable cash flow through the cycle to support reinvestment in growth, innovation, and the development of its people as well as dividends and any other capital management initiatives it may undertake.

For its ~13,000 employees in ~60 countries, Brambles provides a safe and inclusive work environment with exciting career opportunities. By fostering a culture of innovation and agility to enhance its circular business model, Brambles seeks to attract, retain and develop top talent to shape a sustainable future and deliver value for customers, shareholders and communities around the world. This is underpinned by strong financial performance, which provides direct value for Brambles' employees through employment and other associated financial and non-financial benefits.

Inputs

Natural resources	**100%** timber from certified sources **42%** recycled content in plastic product purchases
Circular assets	**347 million** assets shared and reused throughout the world's supply chains (including pallets, crates and containers)
Customers, communities and relationships	Strong relationships and shared values with customers, communities, industry and regulators
People and capabilities	Leading talent in a competitive environment Our people's knowledge, expertise and ability to innovate
Proprietary knowledge	Brambles' network knowledge and proprietary systems, which enable its circular business
Financial capital	Pool of funds available to Brambles to invest in operations (includes debt, equity and cash flow generated)

Value creation



Brambles' circular business supports the UN SDGs, predominantly **Goal 12: Responsible Consumption and Production**

Brambles' regenerative vision seeks to create positive outcomes for the environment and economies across communities that span local, regional and national scales, directly and indirectly.

For the environment, Brambles' ambition to regenerate more than it needs and provide its products via a service helps reduce the pressure on natural capital, including on forests and the climate system, while reducing the resource waste associated with conventional single-use, linear business models.

As nature issues become more prominent and Brambles develops its response to TNFD, the business will continue to integrate nature-related elements into its decision-making processes.

For regional economies and communities, Brambles provides income for local suppliers, generating ongoing demand and supporting local employment, as well as offering financial, in-kind and volunteering support to community groups such as food banks.

On a national scale, Brambles' tax payments to governments provide economic contributions to the countries in which it operates. More information on how Brambles manages its tax obligations and the tax contributions it makes to the countries in which it operates can be found in Brambles' 2024 Tax Transparency Report, which will be published in October 2024.

For other industries, Brambles demonstrates the financial viability of a circular business model on a global scale. In an increasingly resource, climate and nature-conscious world, low-carbon, circular business models represent a practical pathway to balance the needs of people and the planet. Brambles' advocacy on the benefits of a circular economy provides an example for other industries and governments to examine and adopt circular strategies and regulations to accelerate the achievement of the 2030 UN Sustainable Development Goals (SDGs).

In these ways, Brambles creates value for a wide range of stakeholders while delivering life's essentials every day, in a nature and people-positive way.

Outputs	Outcomes
Customer-driven environmental savings in comparison to alternative solutions in FY24:[4] • **1,861** kt of CO_2-e • **4,265** ML of water • **2.2** million m^3 of timber, which equates to **~2.3** million trees • **1.3** Mt of waste • **1.7** million trees grown sustainably under our 2nd tree programme	• Lower resource requirement reduces dependencies and impacts on nature • Increases demand for certified forests and regenerates the natural resource base • Asset productivity improves material use and enhances the circular model
Enhances operational efficiency for customers, reducing cash and resource requirements as well as lower overall supply chain costs	• Enables customers to achieve sustainable packaging objectives • Develops social licence through advocacy for a circular economy
Generating new ideas and innovations to enhance our circular model and regenerative ambition	• Attracting and retaining leading talent in a competitive environment • Developing, engaging and remunerating our people in a safe and inclusive working environment
Network advantage and digital solutions are creating the supply networks of the future and supporting Brambles' asset recovery systems	• Improves the performance and resilience of the business • Enhances customer value and commercial proposition
Economic value in FY24:[5] **US$6.5b** generated **US$1.0b** retained **US$5.5b** distributed: • **US$0.4b** Dividends paid to shareholders • **US$1.1b** Employee costs including taxes • **US$0.3b** Income taxes paid • **US$0.1b** Interest paid • **US$3.6b** Payment to suppliers	• Growth, innovation and development of our people • Investment in pooled assets (incl. pallets, crates and containers) • Network scale, density, resilience and expertise • Scale-related operational efficiencies

4 Environmental benefit metrics are calculated by multiplying the savings through use of a Brambles product compared to a single-use alternative (obtained from relevant product LCAs) to the volume of each related product issued to customers during the Year. The FY23 results have been restated to correct an error and refer to the latest LCAs for North America and Latin America. Refer to the Basis of Preparation – ESG Metrics on page 8 for further details on the FY23 restatement.

5 With reference to the Global Reporting Initiative Standards: economic value generated relates to Group sales revenue; economic value distributed relates to dividends, employee costs, income taxes, interest on loans and payments to suppliers; economic value retained represents the difference between economic value generated and distributed.

Operating model

Brambles manages the world's largest pool of reusable pallets, crates and containers. Through its inherently sustainable operating model, superior network advantage and industry expertise, Brambles leads the market in more efficient and sustainable supply chains.

Inherently sustainable operating model

Brambles' operating model follows the principles of the circular economy. By promoting the 'share and reuse' of assets among multiple parties in the supply chain, Brambles offers customers a more efficient, cost-effective and sustainable alternative to disposable single-use products or their own proprietary platforms. This inherently sustainable business model reduces demand for natural resources and ensures sustainable lumber procurement through Brambles' sourcing strategy, thereby underpinning its position as a global leader in sustainability. This has consistently been recognised by ESG research and ratings providers around the world, as outlined on page 2.

Network advantage and supply chain expertise

Brambles' sustainable operating model is underpinned by its:

- superior network advantage that comprises the scale and density of its increasingly automated service centre network and the strength of its customer relationships in every major market in which it operates; and
- industry-leading supply chain expertise, developed over 70 years of managing customers' supply chains around the world.

This means Brambles can be faster and more responsive to its customers' needs and, in times of uncertainty and increased volatility, more resilient and more reliable than alternatives.

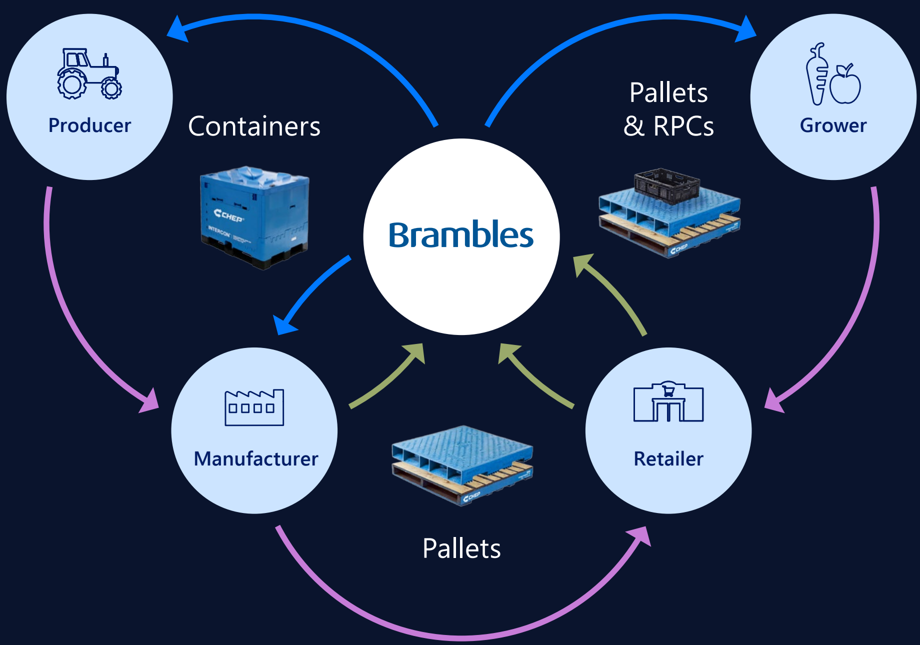
View the Group's Sustainability Strategy:

brambles.com/2025-sustainability-targets

Share and reuse: how it works

Using its network advantage and asset management expertise, Brambles connects supply chain participants, ensuring the efficient flow of goods through the supply network.

By reducing transport distances and the number of platforms required to service the supply network, Brambles delivers savings in which all participants share. Brambles retains ownership of its equipment at all times, inspecting, cleaning and repairing to maintain appropriate quality levels and durability standards. In addition, Brambles continues to enhance its platforms including innovation in the materials used to further improve its sustainability credentials. Brambles generates sales revenue predominantly from rental and other service fees that customers pay based on their use of its platforms and services.



Brambles provides standardised pallets, crates and containers to customers from its service centres as and when the customer requires.

Customers use this equipment and Brambles' support services to transport goods through the supply chain.

Customers either arrange for the equipment's return to Brambles or transfer it to another participant for reuse.

Shaping Our Future transformation

Building from strong foundations, Brambles is transforming its business through its Shaping Our Future transformation programme to meet its strategic ambition of reinventing pooling solutions for the supply networks of tomorrow and further strengthen its value proposition with stakeholders.

The Shaping Our Future transformation programme is making Brambles better for its customers, its employees, its shareholders and the societies in which it operates. Shaping Our Future encompasses every aspect of Brambles' business and seeks to drive a step change in value creation of the current business model while investing to create the Brambles that will continue to be an industry leader for many years to come.

Approach to transformation

Brambles is taking a twin-track approach to transformation to unlock value for customers and shareholders: optimising the existing business as well as building the 'Brambles of the Future'. Progress of the specific Shaping Our Future programme initiatives and measures of success can be found on pages 14 and 15.

The goal for optimising the existing business is to improve the customer experience, deliver increased returns and fund investment in innovation through higher productivity, better ways of working and improved capabilities. The performance to date highlights the success of these ongoing initiatives. Concurrently, the transformation programme is focused on building the 'Brambles of the Future'. This aims to create new business capabilities and identify new sources of growth to increase the resilience of Brambles' business and the value it brings to fast-moving supply networks around the world.

SHAPING OUR FUTURE TRANSFORMATION continued

Strengthening global leadership in sustainability

The ambition of our transformation programme will set new benchmarks for circular business models by preserving and enhancing our sources of value while creating new value.

A world leader in sustainability, Brambles is uniquely positioned to lead the transition to regenerative supply networks. Its circular business model with reuse, resilience and regeneration at its core aligns financial, social and environmental value to the aspirations of Brambles' stakeholders. Brambles has a vision to pioneer a global regenerative supply network, which is supported by its ambitious sustainability targets for 2025 and a net-zero target by 2040. Further details on the sustainability initiatives can be found on pages 20 to 21.

- Maintaining circular assets
- Conserving natural resources
- Enhancing propietary knowledge
- Enhancing customer relationships

Elements of Brambles' Shaping Our Future positively contribute to the above 'capitals' as outlined in the Integrated Reporting <IR> Framework

Digital transformation

Harness the power of data and digital insights to unlock new sources of value for Brambles and its customers

Customer value

Make Brambles the natural partner of choice for supply networks, for today and tomorrow

Business excellence

Reinvent the organisation, technology and processes to be simpler, more effective and efficient

Asset efficiency and network productivity

Deploy new technologies and ways of working to increase productivity and sustainability

FY24 key initiatives

- Reimagining a digitally enabled pooling model to transform the customer experience and simplify Brambles
- Driving data analytics as a core competency of Brambles
- Deploying asset digitisation and advanced analytics to provide visibility into its asset pools and networks
- Developing a business building capability to create new customer solutions focused on improving business performance and sustainability
- Identifying and addressing causes of inefficiency in end-to-end supply networks, driving value for customers and for Brambles

Brambles continues to develop its digital capabilities and solve operational challenges associated with scaling multiple asset tracking technologies, globally. The digital transformation has supported improvements in customer experience, commercial decision-making and asset productivity as well as developing new solutions to remove waste from customers' supply networks. Key achievements and initiatives include:

- Further adoption across business units of advanced analytics solutions, supporting better commercial terms, asset productivity and customer experience
- Over 550,000 autonomous tracking devices have been deployed across 33 countries. This is through continuous diagnostics in the UK, EU, Canada, US, and Chile or through targeted diagnostics across multiple geographies
- Serialisation+ proof of concept in Chile has progressed, with the entire pool of ~2.6 million pallets uniquely tagged to date. Initial data points received from a digitised asset pool are currently being used to improve asset productivity and overall customer service in Chile. Insights and learnings also informing the expansion of operational testing into the UK and the US in FY25
- Reached commercial agreements on two digital customer solutions to identify and remedy supply chain inefficiencies in global supply networks

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- Creating an effortless customer experience, making it easy for customers to choose and stay with Brambles
- Enhancing platform and service quality, focused on what makes a difference for customers and differentiating vs competition
- Collaborating with customers to unlock new sources of value and solve shared supply chain problems
- Investing in customer systems, data and insights to guide decisions
- Delivering increased customer value powered by digitisation of our platforms

Brambles has continued to increase pallet quality and availability, resolve customer queries faster, improve delivery standards and invest in technology while acknowledging there are further opportunities to improve the customer experience. Key achievements and initiatives include:

- Continued increases across all operational and relationship customer experience metrics including an increase in NPS; 'delivery in full, on time' (DIFOT) improvements; and a rise in customer satisfaction scores based on transaction surveys
- Increase in the number of myCHEP platform users by 7% with 63% of all orders created on myCHEP, representing a marginal improvement on the prior year
- Achieved ~80% dynamic pallet delivery notifications (real-time tracking) target in Latin America and North America and ~70% in Europe, leading to a 30% reduction in pallet delivery specific queries
- North America proactive ordering rolled out to ~20% of volumes, leveraging data analytics to automate customer pallet orders
- Continued investment in product quality across all business units

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- Improving organisational efficiency through process simplification and automation
- Building the technical foundations to support transformation, including updated IT tools and cloud migration
- Attracting, retaining and empowering high-calibre people
- Developing distinctive capabilities, notably in digital services, advanced analytics and automated supply networks

- Reduced Brambles Injury Frequency Rate to 2.9 in FY24 representing a reduction of 42% to the FY21 baseline
- 37.5% of managerial roles held by women, an increase of 1.2pts on FY23
- Inclusion in the Bloomberg Gender Equality Index which tracks the performance of companies committed to transparency in gender-data reporting and advancing gender equality
- Top Employer in 26 countries, four regions and Global Top Employer

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- Optimising collection engine, improving asset control and reducing capital intensity
- Standardising processes and controls to enhance the efficiency and resilience of the operations
- Continuing plant and network automation journey
- Removing waste from end-to-end supply chains by optimising networks with customers and suppliers

Asset efficiency and network productivity initiatives have created a more resilient and efficient business, supporting better customer outcomes and underpinning operating leverage and improved cash flow generation. Key achievements and initiatives include:

- ~16 million pallets recovered and salvaged through a range of asset productivity initiatives and pallet remanufacturing processes supported by data analytics and the deployment of smart assets. This includes transformation of asset recovery and asset protection functions with new resources, processes and digital capabilities supporting improved outcomes including:
  - LVR (Low volume recovery): Small vehicles fleet fully digitised and optimised to drive collections of low volume orders, reducing the risk of losing assets
  - Asset Protection specialists: Specialised field resources with law enforcement background, digitally supported through targeted leads and enhanced controls
  - Digital integration of developed solutions for asset control to manage deployment of resources, including LVRs, asset protection specialists and field representatives
- 8 automated repair processes implemented during the Year with a total of 30 now installed and delivering benefits across the network
- Roll-out of the durability programme across four pallet platforms resulting in a 92bps reduction in damage rate compared with FY21 baseline
- Commenced rollout of operational excellence initiatives across Brambles-owned service centre network
- New scrap and repair processes to extend asset life leveraging investment in service centre capacity

Progress on Shaping Our Future

Digital transformation

Enabler of Underlying Profit growth[6]

Metrics and measures

Better for Brambles

- ✔ Deploy asset productivity analytics solutions across 20 markets by end FY22 and 30 markets by end FY23
- ✔ Deploy analytics solutions to identify stray assets and predictive analytics to recover assets across 5 markets by end FY23

Better for customers

- ✔ Launch 2 commercial optimisation and 2 proactive Customer Experience digital solutions by end FY23

Data capability and culture

- ✔ First 4 priority domains[7] managed through data hub by end FY22
- ✔ Train 300 leaders in digital and analytics skills by end FY22; 5,000 roles across company by end FY23

Smart assets

- Deploy full smart asset solution in 2 markets by end FY24 (Completed and on-going)

Customer value

~55% of Underlying Profit growth[6]

Metrics and measures

Customer engagement

- Increase customer NPS by 8–10pts by end FY25 (Progressing and on-track)
- Increase % of customer orders placed through electronic channels by 1–2pts p.a. (Progressing and on-track)

Revenue growth

- * 1–2% net volume growth p.a. with existing customers[8]
- * 1–2% net new wins p.a.[8]
- 2–3% price/mix p.a. in line with value-based pricing (Progressing and on-track)

Product quality

- * Reduce customer reported defects per million pallets by 15% by end FY25 compared with FY20 baseline[8]

Customer collaborations

- Double number of customer collaborations on sustainability from 250 to 500 by end FY25 (Progressing and on-track)

Context for metrics below target

Defects per million pallets improved by 10% versus the FY21 baseline but still remains 3% behind target. Action plans are in place to improve controls in a number of plants to deliver the appropriate pallet quality to customers.

For additional context on the revenue growth metrics tracking below target, refer to the Financial Review on pages 38 to 44.

Business excellence

Metrics and measures

Organisation

- 25% reduction in BIFR by end FY25 and developed wellbeing-at-work programme (Progressing and on-track)
- * At least 40% of management roles held by women by end FY25[8]

Technology

- ✔ Migration of priority applications to the Cloud by end FY22
- ✔ CRM transition to Salesforce completed in FY22 as part of ongoing CRM improvements

Context for metrics below target

Brambles has continued to increase the percentage of women employed across the business and management at the end of FY24. However, progress against its target of 'at least 40% of management roles held by women by end of FY25' is tracking below target despite increasing 6 points since FY21. This is largely due to a decrease in staff turnover and the business has strategies in place to hire, retain and engage female employees to make progress against its target.

Key

- ✔ Completed and no further work required
- Completed and on-going
- Progressing and on-track
- * Tracking below target

6 Contribution to FY25 Underlying Profit growth uplift from FY21.
7 Asset movement, customer, pricing, and supply chain.
8 Impacted by market conditions.

Asset efficiency and network productivity

~45% of
Underlying Profit growth[6]

Metrics and measures

Asset efficiency

- Reduce uncompensated pallet losses by ~30% by end FY25[8]
- Reduce pallets scrapped by ~15% by end FY25
- Improve pallet pool utilisation: reduce pooling capex / sales ratio by at least 3pts through FY25

Context for asset efficiency metrics below target

Although the 'reduction in uncompensated pallet losses by ~30% by end FY25' metric is off track, there was a 45pt improvement in FY24. This was a result of asset productivity initiatives and improvements in supply chain behaviour, with further benefits expected to achieve the target in FY25.

Network productivity

- Reduce the pallet damage ratio by 75bps year-on-year through FY25 from pallet durability initiatives[8]
- Rollout fully automated end-to-end repair process to 70 plants by end of FY24 to drive throughput efficiency[8]

Context for network productivity metrics below target

The durability programme has delivered a cumulative 92bps reduction in damage rates against the FY21 baseline versus the FY24 target of 225bps. The shortfall relates to increased wear of pallets due to longer cycle times and a slower penetration of the durability programmes that are introduced with new pallets as a result of reduced purchases in FY24. Ongoing durability initiatives such as new pallet design and other platform innovations as well as improving cycle times are expected to support further damage rate reductions.

Automated repair installations across the network by the end of FY25 was revised from 70 to 50 sites in FY23 following a site-by-site return assessment and reflects capital allocation discipline. Brambles continues to implement other efficiency and supply chain initiatives that are expected to compensate for the returns not generated from the sites where an automated repair process is no longer being pursued.

Sustainability & ESG

Enabler of
long-term value

Metrics and measures

Environment

- Carbon neutral Brambles operations and 100% renewable electricity continued indefinitely (Scope 1 & 2)
- 100% sustainable sourcing of timber continued indefinitely
- 30% recycled or upcycled plastic in new closed loop platforms by end FY25

Social

- Advocate, educate and impact 1,000,000 people to become circular economy change makers by end FY25

Governance

- Create leading industry circularity indices with strategic partners by end FY25
- Operationalise annual supplier certification across all markets by end FY22

Investor value proposition

Brambles offers shareholders exposure to invest in a low-carbon circular business model with geographically diversified earnings streams, primarily from the defensive global consumer staples sector.

The supply networks served by Brambles also provide a broad range of growth opportunities including increasing penetration of core equipment pooling products and services in existing markets as well as diversifying the range of products and services. Brambles is also exploring the digitisation of supply chains to identify new solutions and services that unlock value and efficiencies across customers' supply chains and its own operations.

Brambles generates value through a circular 'share and reuse' model that leverages its scale, density and expertise to achieve superior operational efficiencies. These efficiencies in turn generate cash flow that allows the Group to maintain a strong balance sheet, support the payment of sustainable dividends, and reinvest in the business to fund growth and optimise its operations.

Through transformation, Brambles also seeks to further strengthen its competitive advantage and the long-term sustainability of its business by unlocking new avenues for growth and significant operational and asset efficiencies that are intended to deliver strong financial returns for shareholders.

Capital allocation framework

To maximise shareholder value creation, Brambles employs a disciplined approach to capital allocation. This approach is outlined in the capital allocation framework that has now been embedded in the Group's updated investor value proposition.

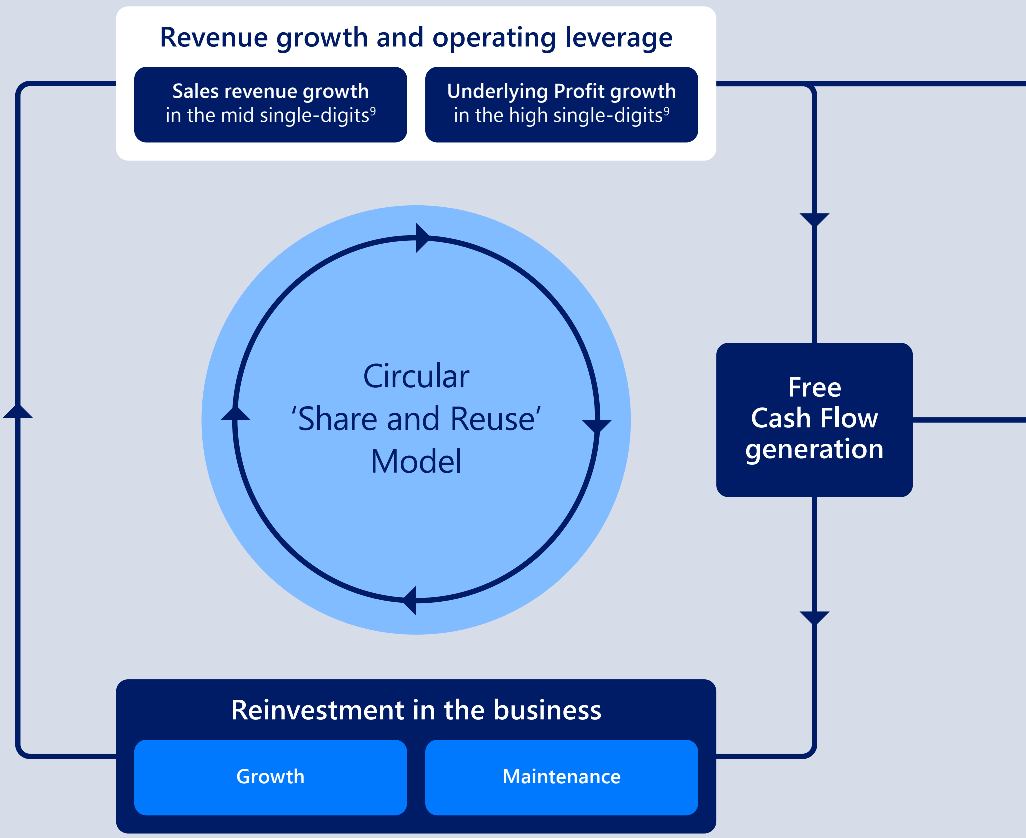
This framework seeks to deliver strong financial returns for shareholders by prioritising reinvestment to sustain the existing business and fund growth, optimisation and transformation initiatives that increase the scale, resilience, and efficiency of its operations. These investments are expected to consistently deliver mid single-digit revenue growth with operating leverage and strong cash flow generation.

When assessing growth options, the Group will consider both organic and inorganic opportunities. Given Brambles' leading market position in all regions, inorganic opportunities are expected to be limited and will be subject to a disciplined evaluation process.

Brambles also seeks to maintain a strong balance sheet and its investment grade credit ratings. This includes a target net debt/ EBITDA of between 1.5x-2.0x over the medium term.

Shareholder value creation

As outlined on the right, by allocating capital in accordance with this framework and continuing to execute its strategy and transformation, Brambles seeks to create total value in excess of ~10% per annum while maintaining Group ROCI in the high teens.



9 At constant currency.

Brambles expects to generate sufficient Free Cash Flow to fully fund dividend payments to shareholders in accordance with its target dividend payout ratio range, which has recently been increased to 50-70% of Underlying Profit after finance costs and tax. This dividend policy provides flexibility and draws a strong link between the performance of the business over time and annual cash returns to shareholders.

Dividends are expected to be partially franked in the future. Franking credits are a function of the taxable earnings Brambles generates in Australia. As Brambles' global business continues to grow as a proportion of its overall Group operations, the franking credits available for distribution are expected to reduce over time.

After funding growth, maintaining a strong balance sheet, and the payment of dividends to shareholders, Brambles will determine the level of surplus capital available, if any, to return to shareholders to further optimise its capital structure and maximise value creation. Any capital returns to shareholders will be subject to market conditions, reinvestment requirements and the operating performance of the business.

Capital management initiatives

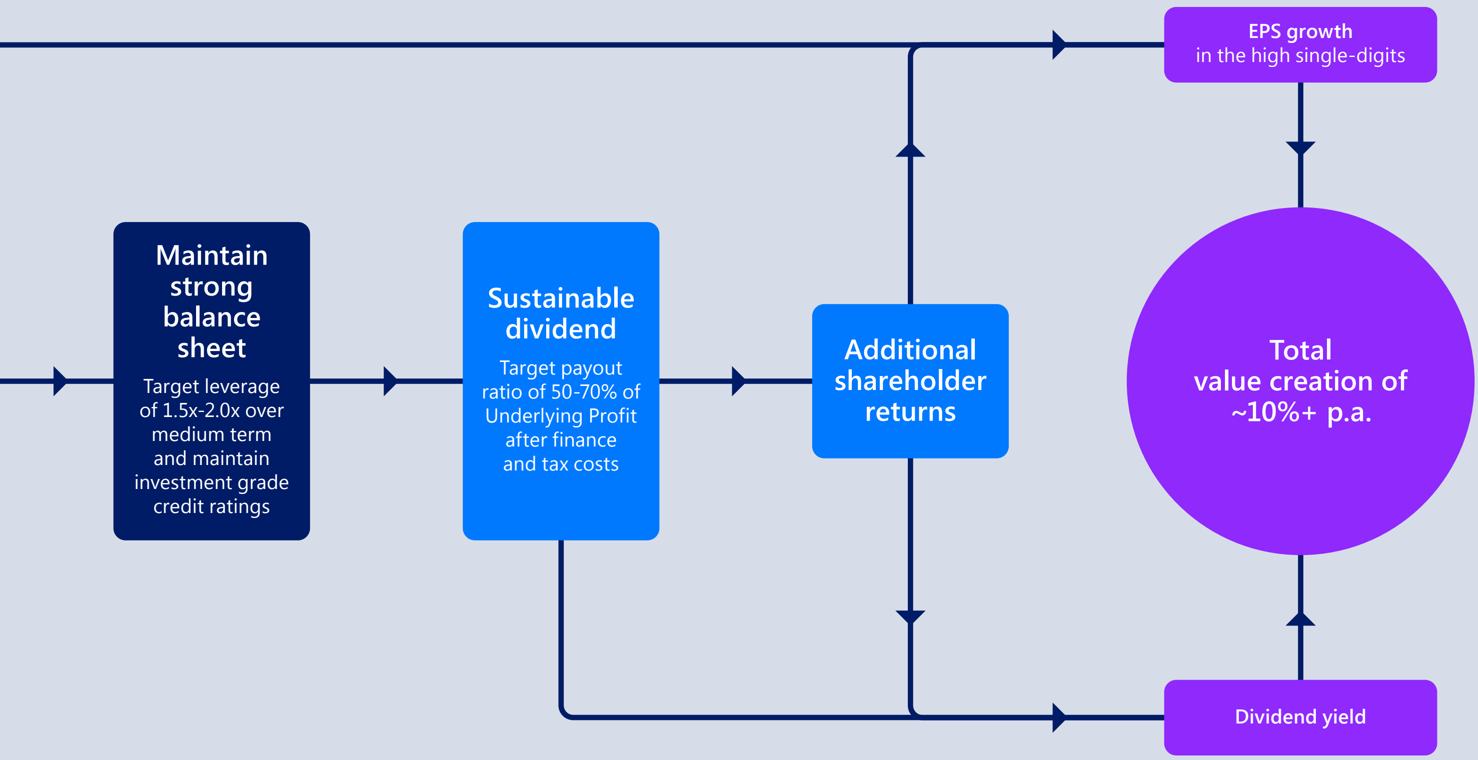
The fundamental improvements made to the business through transformation have and are expected to continue to enhance the stability of Brambles' Free Cash Flow generation and contribute to a strong financial position.

As a result of this strong financial position and Brambles' focus on shareholder returns, the Group will be undertaking the following capital management initiatives:

- Increasing its target dividend payout ratio range to 50-70% from FY25 (previously 45-60%) of Underlying Profit after finance costs and tax; and
- An on-market share buy-back in FY25 of up to US$500 million, subject to market conditions.

Following the completion of the buy-back, the Group is expected to remain in a strong financial position to support growth, with a proforma FY24 leverage ratio of 1.35x (from 1.12x), which is below the medium-term target range of 1.5x-2.0x.

Further capital management initiatives may be considered in the future, subject to the Group's operating performance, market conditions and the capital allocation framework.



Customer value proposition

Brambles' pallets and containers form the invisible backbone of the global supply network. This gives Brambles key insights that help customers meet evolving consumer demands while minimising their environmental impact, and improving the safety and efficiency of their supply chains.

With a comprehensive suite of supply chain solutions, increasingly enabled by digital capabilities, Brambles provides its customers with operational, financial and environmental efficiencies not otherwise available through the use of single-use disposable alternatives and proprietary models.

Supply chain solutions

Brambles is integral to its customers' supply chains, working closely with all participants including manufacturers, producers, growers and retailers. With end-to-end involvement, Brambles has clear insights into what impacts the safe, efficient, reliable and sustainable operation of global supply networks. By leveraging these insights and its unmatched expertise, Brambles offers customers comprehensive solutions that improve the performance of the supply network. This helps address the challenges associated with the increasing complexity, rapid evolution and, at times, uncertainty of modern supply networks.

Platform solutions

Brambles offers customers a wide range of supply chain platforms including: pallets (timber and plastic); Reusable Plastic Crates (RPCs); bins; and specialised containers. By eliminating the need for customers to purchase and manage their own platforms, Brambles reduces the capital requirements and complexity of customers' operations while simultaneously reducing waste throughout their supply chains.

System-wide solutions

Brambles conducts in-depth studies of customers' supply chains to map the flow of goods, information and platforms to identify the causes of network inefficiencies and product damage.

By determining the optimal mix of platforms and processes for customers' individual supply chains, Brambles can mitigate network inefficiencies and ensure the safe and sustainable transportation of goods through the supply network.

Transportation solutions

Brambles' superior network scale provides a unique capability to coordinate collaboration between multiple supply network participants through data and analytics to deliver transport efficiencies. This includes matching and eliminating empty transport lanes, sharing transport and contracting transport for and from customers.

Retail store solutions

Brambles works closely with its customers to develop retail store solution strategies and consumer-facing platforms that improve the efficiency of the shared supply chain by increasing sales at lower costs to the supplier, retailer and consumer.

These merchandising and fulfilment solutions, which include full size and fractional display pallets, trays and RPCs, effectively improve safety, and reduce the time, labour and activity required to move goods from the point of production to the point of sale.

Manufacturing, warehouse and distribution centre solutions

Using its experience in managing platforms, optimising automated facilities and packaging performance testing, Brambles has developed solutions that improve the overall performance and efficiency of customers' facilities.

These solutions include: customising customers' platform processes; optimising how customers configure, build and protect product loads; and providing higher quality platforms and engineering services to improve the performance of automated facilities.

Sustainability solutions

Brambles' leadership in sustainable sourcing of materials and strong governance controls reduce risk and provide customers with confidence in their supply chain partnership.

Brambles creates value for customers by providing a sustainable alternative to single-use disposable packaging, delivering value and significantly reducing the environmental impact of their operations.

Brambles' network resilience and its resource-efficient, low-carbon solutions mean it has an important role in helping customers manage through supply chain disruptions while transitioning to a low-carbon economy.

Digital customer solutions

By combining new digital technology with its unrivalled pooling experience and scale, Brambles has developed new solutions which provide customers with visibility of their goods as they flow through the supply network. These solutions are enabled by autonomously tracked pallets to provide useful location and condition information – protecting product quality, improving efficiency and sustainability, and building trust from end-to-end.

Brambles' Zero Waste World (ZWW) programme reinforces its objective to collaborate with customers and create smarter and more sustainable supply networks – creating more value by using less and regenerating more resources. Brambles has collaborated with 491 customers as part of its ZWW and logistics collaboration programme.

Zero Waste World

Through ZWW, Brambles seeks to use its unique position in the supply network to help customers address three key industry challenges:

Eliminating waste

By using its circular economy expertise to convert customers to more sustainable 'share and reuse' solutions which save resources and reduce costs.

Eradicating empty transport miles

By using its network scale with density and expertise to facilitate collaborative transport solutions, bringing manufacturers and retailers together to reduce the environmental impact of their operations and save money.

Reducing inefficiencies

By using its end-to-end supply chain solutions and BXB Digital technology to enhance customers' visibility of their supply networks so they can make better decisions.

Brambles' 2025 sustainability targets

Brambles' roadmap to regeneration is articulated in our ambitious 2025 sustainability targets. Our FY24 performance against these targets is outlined on the right.

Further information will be available upon the release of Brambles' Sustainability Review in August 2024.

Data covered by KPMG assurance

Planet Positive

Brambles' Planet Positive programme has the ambition to build a regenerative nature-positive business by restoring forest ecosystems, going beyond zero waste and drawing down more carbon than we produce.

Target

Forest Positive

- Enable the sustainable growth of two trees for every tree used
- 100% sustainable sourcing of timber
- Transformation of more forestry markets to Chain-of-Custody (CoC) certification

Climate Positive

- SBTi verified climate targets for full value chain aligned to a 1.5°C climate
- 100% renewable electricity in our own operations
- Maintaining carbon neutrality in operations (Scope 1 and 2)

Waste Positive

- Zero product materials sent to landfills for all Brambles and subcontracted locations
- 30% recycled and upcycled plastic waste in plastic products

Business Positive

Brambles' Business Positive programme supports our ambition to pioneer regenerative supply chains by improving our circular model every year, increasing the environmental benefits in our customers' supply chains, and building a safe, inclusive and respectful workplace.

Target

Supply Chain Positive

- Continuous increases in environmental benefits in our customers' supply chains through our 'share and reuse' model

Positive Collaboration

- Double the number of customer collaborations from 250 to 500

Workplace Positive

- 25% reduction in BIFR
- At least 40% women in management roles

Communities Positive

Brambles' Communities Positive programme supports resilience, promotes circularity, and reflects the connections between society, the economy and nature.

Target

Food Positive

- Collaborate with food banks to serve rescued food to at least 10 million people annually

Circular Economy Transformation

- Advocate, educate and impact one million people to become circular economy change makers

Positive Impacts for People and Our Planet

- Transparently measure and validate our performance against all 2025 targets

10 For every tree used, we have continued to enable the replanting of another through sustainable forestry programmes. The number of trees is derived from certified sourcing volumes each year. In FY24 reduced capital expenditure on new timber pallets compared to FY23 reduced the number of trees used and replanted by 24%.
11 In FY24, Brambles enabled the growth of 1.7 million trees through partnership with WeForest in Zambia (1.6 million trees) and through its Fast Track to Certification programme (over 100,000 trees).
12 See Brambles GHG emissions performance on page 173.
13 Brambles' renewable electricity results include electricity from renewable contracts 45%, onsite generation 4% and Energy Attribute Certificates (EACs) 51%.
14 The result for FY23 has been restated from 74.4% to 79.8%. The FY23 restatement reflects a revision to the list of sites under Brambles' operating control and enables a like-for-like comparison to the FY24 result.
15 This metric was introduced in FY24 to demonstrate continuous progress by plants to achieve zero product waste to landfill. The target for FY25 is 100%.
16 This datapoint is not assured.
17 Environmental benefit metrics are calculated by multiplying the savings through use of a Brambles product compared to a single-use alternative (obtained from relevant product Life Cycle Assessments) to the volume of each related product issued to customers during the year. The FY23 results have been restated to correct an error and refer to the latest LCAs for North America and Latin America. Refer to page 8 of the Basis of Preparation – ESG Metrics for further details on the FY23 restatement.
18 The Ellen MacArthur Foundation is no longer running the Circulytics scoring program as a result of the introduction of the ESRS E5 Circular Economy standard.

- Performance above FY23
- Performance below FY23

Metric	FY24 progress	Since FY23
First tree: trees replanted through certified sustainable forestry programmes[10]	2.6 million trees	Achieved
Second tree: enabled the sustainable growth of second tree[11]	1.7 million trees	Decrease
Sustainably sourced timber	100%	Achieved
CoC sourced timber	78.0%	5.4 pts improvement
Performance against SBT (includes Scope 1, 2 and 3 emissions)[12]	1,325.9 kt of CO_2-e	7.9% improvement since FY23 15.0% improvement against FY20 baseline
Electricity from renewable sources[13]	100%	Achieved
Carbon neutrality for operations (Scope 1 and 2 emission sources)	100%	Achieved
Percentage of in-scope plants diverting product waste from landfill:[14]		
• Brambles-managed plants	82.9%	7.0 pts decrease
• Third-party plants	83.1%	5.1 pts improvement
• All plants	83.0%	3.2 pts improvement
Percentage of in-scope plants with solutions in place to divert product waste from landfill[15]	97.1%	New metric
Recycled content in plastic product purchases	41.7%	21.5 pts improvement
Number of Brambles new and next generation platforms containing recycled content[16]	15	15.4% increase

Metric	FY24 progress	Since FY23
Increased our positive environmental impact across our customers' supply chains[17]	1,861 kt of CO_2-e	3.7% decrease
	4,265 ML of water	2.5% increase
	2.2 million m^3 of timber, which equates to ~2.3 million trees	0.8% increase
	1.3 Mt of waste	3.8% decrease
Ellen MacArthur Foundation (EMF) Circulytics score[18]	Discontinued	Achieved
Customers in collaboration	491 customers	37.2% increase
Collaborative initiatives	2,042 initiatives	15.9% increase
CO_2-e saved	96,002 t of CO_2-e	3.9% increase
BIFR performance	2.9	23.7% improvement
Top Employer accreditation	Top Employer in 26 countries, 4 regions and Global Top Employer	Achieved
Women on the Board	44.4%	1.1 pts decrease
Women in management roles	37.5%	1.2 pts improvement

Metric	FY24 progress	Since FY23
People receiving meals through Brambles' support for food rescue organisations	20.6 million people	Achieved
People reached through our communications, training and advocacy	1.3 million people (Cumulative result since FY21)	Achieved
Adopt natural and social capital accounting approaches	Brambles is an early adopter of the TNFD framework. Progress to date on pages 22 to 23.	

Understanding Brambles' nature-related dependencies and impacts

Brambles' circular business model provides a strategic foundation for addressing nature-related issues. The current sustainability programme and 2025 targets incorporate: climate resilience (including transition and adaptation); zero product waste, using upcycled and recycled plastic for products; responsibly sourced timber; forest regeneration; and improving circularity through asset productivity. Each element reduces either its dependency or its impact on nature.

In recognition of the recent release of the Taskforce on Nature-related Financial Disclosures (TNFD)[19] framework and Brambles' commitment to be early adopters of the recommendations, Brambles is working to better understand the implications on its business. This includes incorporating TNFD-aligned disclosures as part of our FY24 reporting while progressing our preparedness for voluntary disclosures in the future, which will be leveraged to improve risk and opportunity management.

The TNFD is a comprehensive risk management and disclosure framework to help organisations identify, assess, manage, and disclose nature-related risks, opportunities, impacts, and dependencies. It supports transparent reporting on nature-related risks.

→ ***The TNFD is a comprehensive risk management and disclosure framework to help organisations identify, assess, manage, and disclose nature-related risks, opportunities, impacts, and dependencies.***

Brambles' operations and supply chains extend across diverse geographic regions. Timber is sourced from certified forests in over 20 countries. Brambles also manages 18 of the certified timber farms from which its South African timber is sourced, allowing greater insight into how nature-related issues interact with commercial forestry operations. To better understand the information requirements for Brambles' nature-related risks and opportunities, a gap analysis against the TNFD recommendations has commenced.

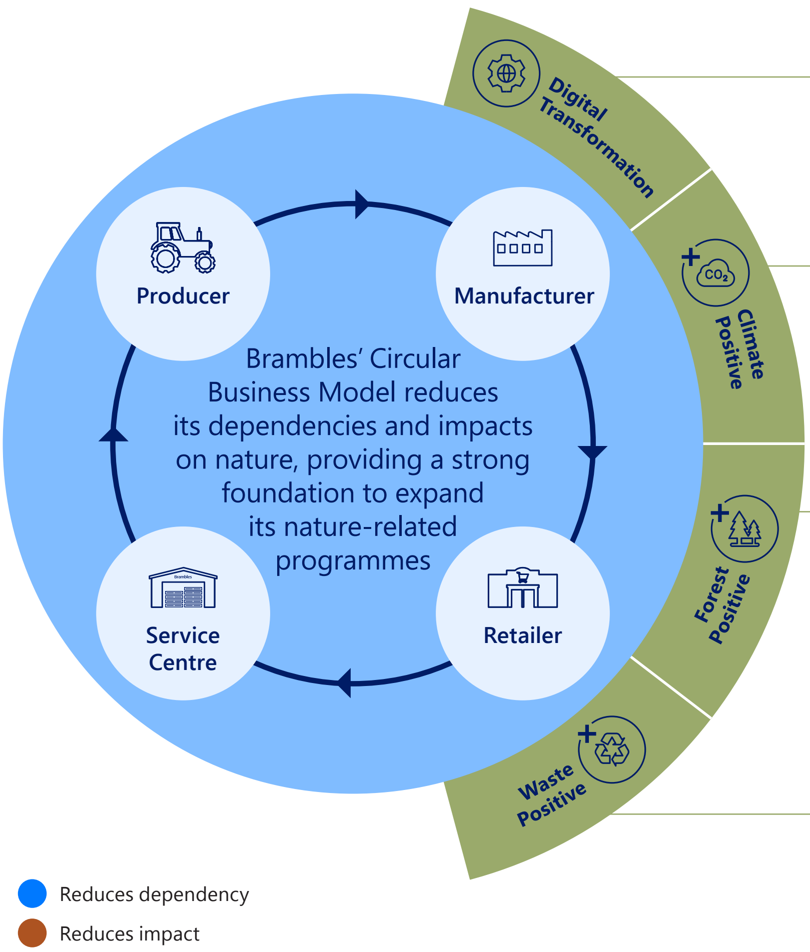
Concurrently, Brambles has outlined the following requirements to implement and benefit from the TNFD framework:

- Identify, understand and actively manage material risks and opportunities that derive from its impacts and dependencies on nature;
- Prepare to report against the TNFD's recommendations, including establishing a baseline, and integrating relevant nature-related programmes and targets into Brambles' 2025-2030 sustainability strategy;
- Develop a consolidated approach to nature and climate across the organisation; and
- Use the outcomes of the process to assist decision-making and prioritisation of resources to address the identified gaps.

One of Brambles' timber plantations in South Africa.

19 https://tnfd.global

The 2025 Sustainability Programme allows Brambles to build on its understanding of nature-related matters



Asset productivity	Circular model and digital solutions enhance the effectiveness of asset productivity initiatives including recovery and life extension, reducing physical waste from asset losses and the need for asset replacement
Climate transition	Decarbonisation programme reduces fossil fuel use and GHG emissions, while aiming to improve resilience to a changing climate
Sustainable materials sourcing	Sustainable forestry certification reduces negative environmental impacts, specifically land use change and deforestation
Regenerative forestry	Regenerative forestry projects provide an opportunity for nature-positive outcomes
Zero product waste to landfill	Reduces Brambles' materials sent to landfill
Upcycled and recycled plastic	Mitigates the impact of plastic waste by using recycled plastic in its products and upcycling plastic into circular products, reducing dependency on virgin materials

Key insights

An initial review of Brambles' disclosures and management activities concludes that Brambles is favourably positioned to report against the TNFD framework. Brambles has well-established risk management and governance processes to assess broader sustainability issues, and channels of communication with relevant stakeholders, including raw materials suppliers, which can be leveraged to understand nature-related issues and the implications for its business strategy.

Brambles' leading sustainability framework, specifically the Planet Positive and Forest Positive programmes, provides a substantial platform for further enhancement. The integration of nature-related impacts and dependencies into Brambles' strategy and financial planning will be an important element to this progression. This will extend Brambles' established work on climate-related integrations.

Financial position and financial risk management

Capital structure

Brambles manages its capital structure to maintain a solid investment grade credit rating. During FY24, Brambles held investment grade credit ratings of BBB+ (stable outlook) from Standard & Poor's and Baa1 (stable outlook) from Moody's Investors Service.

In determining its capital structure, Brambles considers the sustainability of future cash flows, the potential funding requirements of its existing business, growth opportunities and acquisitions, the cost of capital, and ease of access to funding sources.

Potential initiatives available to Brambles to achieve its desired capital structure include: adjusting the amount of dividends paid to shareholders; returning capital to shareholders; buying back share capital; issuing new shares; selling assets to reduce debt; varying the maturity profile of borrowings; and managing discretionary expenses.

Decisions on the application of such initiatives are guided by the updated capital allocation framework embedded within the Group's investor value proposition on pages 16 to 17. This ensures capital allocation follows a disciplined approach and allows us to maintain financial strength and flexibility whilst maximising shareholder value creation.

Guided by this framework, Brambles will be undertaking capital management initiatives in FY25 as outlined on page 17.

Treasury policies

Key treasury activities include: liquidity management; interest rate and foreign exchange risk management; and securing access to short and long-term sources of debt finance at competitive rates. These activities are conducted on a centralised basis in accordance with Board policies and guidelines, through standard operating procedures and delegated authorities.

These policies provide the framework for the treasury function to arrange and implement lines of credit from financiers, select and deal in approved financial derivatives for hedging purposes, and generally execute Brambles' financing strategy.

Brambles manages foreign exchange translation risk by raising debt in currencies where there are matching assets, and manages foreign exchange transaction risk primarily by using forward foreign exchange contracts to hedge exposures on material transactions that are not denominated in the functional currency of the relevant subsidiary. These transactions may arise with external parties or, alternatively, by way of cross-border intercompany transactions. Brambles' exposure to interest rate volatility is mitigated by maintaining a mix of fixed and floating-rate instruments, including the use of interest rate derivatives when required, within select target bands over defined periods.

The Group uses standard financial derivatives to manage financial exposures in the normal course of business. It does not use derivatives for speculative purposes and only transacts derivatives with relationship banks. Individual credit limits are assigned to relationship banks, thereby limiting exposure to credit-related losses in the event of non-performance by any counterparty.

Funding and liquidity

Brambles operates within the framework of its liquidity and funding risk policy to ensure the Group maintains sufficient funds to meet its financial obligations in a timely manner. This is achieved through limiting the concentration of maturity of committed credit facilities, ensuring diversity of funding sources and maintaining a minimum liquidity buffer as a contingency against any unforeseen changes in cash requirements. The policy also ensures sufficient funding is available for any planned investment opportunities, capital management activity, and pre-funding of committed debt repayments, including bond and lease maturities, within the next 12 months.

Brambles generally sources borrowings from relationship banks, which have investment grade ratings ranging from single A to AA, and debt capital market investors across a range of maturities and currencies. As at 30 June 2024, committed bank facilities totalled US$1.6 billion with maturities ranging to 2028. Borrowings under the facilities are floating-rate, unsecured obligations with covenants and undertakings typical for these types of arrangements. Borrowings raised from debt capital markets are through the issue of unsecured fixed interest notes, with interest paid either annually or semi-annually. At 30 June 2024, loan notes on issue totalled US$1.6 billion with maturities out to March 2031.

The Group's primary bank facility is a US$1.35 billion 5-year sustainability-linked syndicated revolving credit facility (RCF) which has an extension option to August 2029 which was exercised and approved in July 2024. The RCF pricing is linked to performance against elements of the Group's 2025 sustainability targets including decarbonisation. All performance targets were met for the FY24 period.

Brambles has a €2.5 billion Euro Medium Term Note (EMTN) shelf programme which facilitates bond issuance in debt capital markets. The programme is listed on Singapore Exchange Securities Trading Limited. In March 2023, Brambles issued a €500 million green bond under the EMTN shelf programme and Green Finance Framework in support of its circular economy business model. The green bond prefunded a €500 million EMTN which matured and was repaid in full in June 2024.

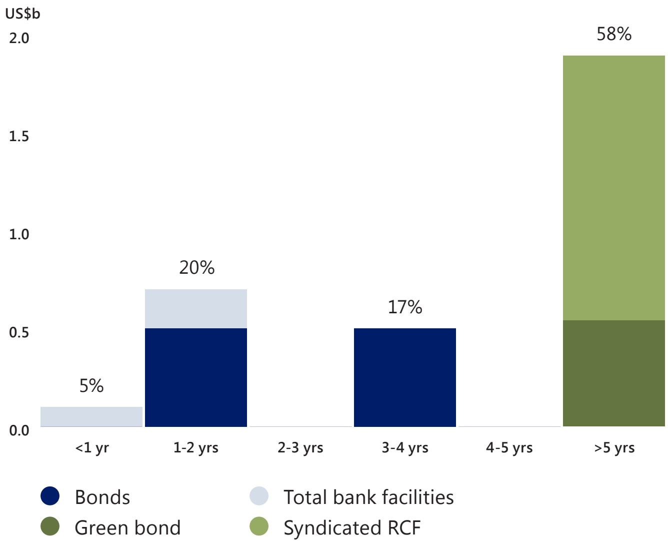
As at 30 June 2024, Brambles held US$0.1 billion in cash and cash equivalents.

Net debt and key ratios

US$m	Jun 24	Jun 23[20]	Change
Current borrowings	28.9	562.1	(533.2)
Current lease liabilities	127.7	110.2	17.5
Non-current borrowings	1,742.6	1,592.8	149.8
Non-current lease liabilities	741.8	619.2	122.6
Gross debt	**2,641.0**	**2,884.3**	**(243.3)**
Less: cash and cash equivalents	(112.9)	(160.7)	47.8
Net debt	**2,528.1**	**2,723.6**	**(195.5)**
Key ratios			
Net debt to EBITDA[21]	1.12x	1.31x	
EBITDA interest cover	17.6x	18.2x	
Fixed rate debt[22]	89%	91%	

Brambles' financial policy is to target a net debt to EBITDA ratio of less than 2.0x. As at 30 June 2024, the ratio was 1.12x and remains well within the financial covenant included in Brambles' major bank facilities. Interest cover of 17.6x is 0.6x lower than FY23.

Maturity profile of committed borrowing facilities and outstanding bonds (% of total committed credit facilities)[23]



As at 30 June 2024, Brambles' total committed credit facilities were US$3.2 billion. The average term to maturity of Brambles' committed credit facilities as at 30 June 2024 is 3.7 years (2023: 3.7 years). On a proforma basis, including the RCF extension to August 2029 (effective from July 2024), the average term to maturity of committed credit facilities is 4.1 years. In addition to these facilities, Brambles has entered into leases for office and operational locations and certain plant and equipment to achieve flexibility in the use of its assets. As at 30 June 2024, Brambles' total lease liabilities were US$0.9 billion. The rental periods vary according to business requirements.

20 As reported.
21 Brambles defines EBITDA as Underlying Profit adding back depreciation, amortisation and IPEP expense.
22 Fixed rate borrowings as a percentage of total interest-bearing debt excluding leases and overdrafts.
23 RCF included in >5 years category as bank facility extended to August 2029 in July 2024.

Key performance drivers and metrics

(Continuing operations)

Brambles monitors its performance and value creation through a number of financial and non-financial metrics. The key drivers are listed under each metric.

Financial metrics[24]

Sales revenue

- Like-for-like volume growth in line with economic/industry trends
- Expansion with net new wins and growth with existing customers
- Pricing (including indexation) to recover cost-to-serve increases and changes in mix (product/customer/region)

Underlying Profit

- Transport, logistics and asset management costs (including external factors such as third-party logistics and fuel prices)
- Plant operating costs in relation to management of service centre networks and the inspection, cleaning and repair of assets including:
  - the cost and associated inflationary impacts on labour costs and raw material costs, predominantly lumber
  - contributions from returns on investments in automation and supply chain initiatives
- Cycle time and damage rate impacts on direct costs
- Compensation for lost assets
- Surcharge income related to lumber, fuel, and transport cost inflation
- Other operational expenses (primarily overheads, such as selling, general and administrative expenses)
- Depreciation as well as provisioning for irrecoverable pooling equipment
- Investments in the Shaping Our Future transformation programme and associated benefits

Cash Flow from Operations

- Underlying Profit performance excluding depreciation and charges related to the provision for lost pooling equipment
- Capital expenditure on pooling equipment as explained in ROCI and the timing of capital expenditure payments
- Asset compensations
- Movements in working capital and other provisions

Return on Capital Invested (ROCI)

- Underlying Profit performance
- Capital expenditure on pooling equipment impacted by:
  - **Asset control:** The amount of pooling equipment not recoverable or repairable each year and therefore requiring replacement
  - **Cycle times:** The frequency with which customers return or exchange pooling equipment within the network impacts the quantum of incremental pooling equipment required to service demand from new and existing customers
  - **Volumes:** Demand from existing and new customers impacts the quantum of incremental pooling equipment required in a given period
  - **Capital cost of pooling equipment:** Brambles' main capital cost exposures are raw materials, primarily lumber, with fluctuations in pricing impacting the capital cost of pooling equipment and the overall value of the pool
- Investment in business transformation initiatives – both operating cost and capital investment
- Investments in non-pooling equipment including transformation initiatives such as service centre automation

ESG metrics

Brambles Injury Frequency Rate (BIFR)

- Implementation of Safety First strategy including consistent review of leading and lagging safety indicators to reduce the number of incidents
- Service centre investments including automation to reduce manual processes

Women in management

- Percentage of women in management with a target of 40% by FY25. Management positions cover the following roles: Managers, Senior Managers, Directors, Senior Directors, Vice Presidents and above
- Proactive approach to talent acquisition and succession planning processes across all regions and functions

Greenhouse gas emissions

- Consumption of fossil fuels (e.g., diesel, natural gas etc.), and electricity (both renewable and non-renewable) in its operations
- Lumber and other resources required to manufacture new pallets, crates and containers
- Asset productivity including cycle time
- Transport activity associated with delivery and collection of pallets

Timber sourcing

- Maintaining 100% sustainable timber purchased
- Supporting timber supply chain participants to improve availability of suppliers with FSC® (FSC®–N004324) or PEFC (PEFC/01-44-79)certification in locations where CoC timber procured

Diversion of product waste from landfill

- Percentage of plants diverting waste to landfill where landfill is defined as the disposal of waste material by burying it or burning it (with no energy or heat reclaim process)
- Active engagement with operations teams to improve practices and implement new waste solutions to divert product waste from landfill

24 Excludes interest and tax.

Material risks

Brambles is exposed to a range of strategic, operational, compliance and financial risks, as well as environmental and social risks, associated with operating in ~60 countries.

Brambles' risk management framework incorporates effective risk management into its strategic planning processes and requires a combination of business operating plans, processes, and other risk mitigation activities to effectively manage key risks. The key risks to Brambles' ability to achieve its strategic, financial and sustainability objectives (in no order of significance), and respective mitigating actions, are:

Strategic, operational, compliance and financial risks

Risk	Implication	Mitigating actions
Geopolitical and macroeconomic	Geopolitical and macroeconomic conditions such as conflicts in Eastern Europe and the Middle East, ongoing tensions between China and the United States, the volatility in the inflationary environment, and the economic growth prospects could impact the supply chains or industries in which Brambles' customers operate, and may consequently affect demand for Brambles' services, its financial performance and/or the operation of its business models. In parallel, potential for geopolitically motivated trade barriers and sanctions may affect the operations of its customers or demand for their products through shifting consumer behaviours, which in turn, could positively or adversely affect the demand for Brambles' services. Future geopolitical events may also impact Brambles' ability to source cost-effective supplies of sustainable timber (see Timber Risk on page 31)	• Monitoring of geopolitical and macroeconomic trends • Strategic planning (including scenario planning), and operational planning identifying actions to mitigate risks related to continuity of supply to customers and pallet availability • Continued focus on driving investment in improved asset efficiency and targeted diversification in opportunities with attractive long-term characteristics, such as strategic partnerships with sawmills (see Timber Risk on page 31), and the expansion of plant automation projects across the Group • Adoption of changes to business models and pricing to recover increased cost-to-serve and incentivise reduced cycle times, with enhanced focus on cash generation. For example, surcharge or indexation mechanisms and contractual price, used to recover input-cost inflation and other cost-to-serve increases • In addition to the actions taken to improve Brambles' access to cost-effective supplies of sustainable timber (see Timber Risk on page 31), local pallet collection activity has been increased to reduce potential pallet losses and repair protocols enhanced to reduce the number of scrapped pallets • Transportation procurement teams manage the relationships and contractual arrangements with transporters to mitigate transportation supply risks • The protocols and measures established in response to the conflict in Eastern Europe (e.g., using timber from non-conflict/non-sanctioned geographies), and the lessons learned, remain in place to enable Brambles to operate and respond to the changes and uncertainties in the economic and business environment in that region • The Sustainability and Government Affairs teams regularly engage with regulators to advocate for sustainability-related legislative changes and the importance of Brambles' circular 'share and reuse' business model in making supply chains more sustainable. In addition, as a sustainable business (see Climate Change Risk on page 35), Brambles continues to work closely with governments, industry bodies and regulators to encourage sustainable business models and reduce waste in supply chains • Building organisational resilience through centralised or existing contingency plans to enable Brambles to run operations and support customers and their consumers despite economic uncertainty and restrictions arising from geopolitical events

MATERIAL RISKS continued

Risk	Implication	Mitigating actions
Industry trends in the retail, grocery, and consumer goods supply chains	Industry trends (including fragmentation of the retail supply chain; rapid acceleration of e-commerce; merging of supply chains e.g., e-retail with physical stores, grocery goods with non-grocery goods; growth in private label and hard discounters; increased automation across supply chains; and greater sustainability focus in supply chains), and new technologies such as Artificial Intelligence (AI), Generative AI (Gen AI) and robotics which could further impact these industry trends, could positively or adversely impact demand for Brambles' current service offerings, the value of its existing assets, and/or financial performance	Ongoing programmes to: • Drive customer advocacy throughout the supply chain and uncover opportunities to leverage Brambles' unique global scale and value proposition • Develop deeper retailer relationships and strategic partnerships for both advocacy and maintaining control of pooling equipment • Develop a focused and customer centric approach to innovation of new physical products for automated systems and digitally enabled services to meet customers' and retailers' current and future business priorities and requirements • Develop strategies for private label and e-retail opportunities • Continue to enhance AI and Gen AI strategy, policies and assessment tools for both managing risks and leveraging opportunities
Customers and competitors	Brambles operates in competitive markets. A failure to meet customers' (manufacturers, producers and growers) expectations could erode Brambles' customer value proposition and competitive differentiation which could cause current and prospective customers to use alternative supply chain solutions, resulting in adverse impacts on current market share, growth, financial performance and overall brand reputation	• Using Brambles' unique global scale, network advantage and sustainable business model to support customers with meeting the ongoing volatility in consumer supply chains • Collaborating with customers to understand and meet their evolving needs. Adopting digital and other technologies to innovate products and services, enhance customer experience and strengthen competitive advantage • Investment in customer facing technology to improve the customer experience • Implementation of programmes to facilitate customer advocacy of Brambles' pooled solutions • Supporting customer sustainability objectives by leveraging Brambles' sustainability credentials and circular business model • Adoption of industry standard customer experience metrics to monitor progress against strategic goals and assess impact of customer initiatives to reduce known friction points • Evolving and expanding service offers for customers based on current and future needs, thereby creating competitive advantage • Continued investment in product performance through quality upgrades of the pool, consistency of pallet repairs through automation, platform design enhancements and innovation in material science • Adoption of net promoter score and DIFOT performance metrics for management short-term incentive based remuneration • Monitoring industry and market dynamics to respond with agility to maintain and where commercially appropriate enhance competitive advantage

Risk	Implication	Mitigating actions
Retailer acceptance of pooled solutions	Retailers are integral to Brambles' operating model. A failure to maintain and/or improve retailer advocacy for Brambles' pooling solutions could result in a loss of customers and/or missed opportunities to increase market penetration, and consequently result in an adverse impact on Brambles' financial performance, market share and brand reputation	• Dedicated teams with executive-level responsibility for strengthening retailer relationships, identifying retailer-specific product requirements and ensuring retailers understand Brambles' value proposition • Improving the value proposition for retailers through the implementation of joint business plans and adopting a value sharing approach to create win-win opportunities • Implementation of programmes to facilitate retailer advocacy of Brambles' pooled solutions • Adoption of retailer experience scorecards to measure the impact of retailer focused initiatives to reduce friction points • Designing differentiated service offers for retailers based on current and future needs, thereby creating competitive advantage • Supporting retailer sustainability objectives by leveraging Brambles' sustainability credentials and circular business model
Maintaining the quality of pooling equipment in line with customer needs	A failure to maintain adequate quality standards may result in reduced customer satisfaction, additional costs and affect the Group's financial performance	• Strict adherence to equipment quality standards, including continuous monitoring of critical-to-quality metrics to assess and assure quality of products issued to customers • Customer engagement to understand current and future needs, and acting on feedback to improve quality performance • Continuous monitoring of market trends in supply chain automation to evaluate relevant quality investments, supported by ongoing inspection and quality assurance processes • Continued investment in product performance through quality upgrades of the pool, consistency of pallet repairs through automation, platform design enhancements and innovation in material science

MATERIAL RISKS continued

Risk	Implication	Mitigating actions
Maintaining control of pooling equipment losses, cycle times and damage rates	Pooling equipment losses, cycle times or damage rates which exceed Brambles' commercially acceptable range may cause adverse impacts to its business model and on its ability to deliver its customer value proposition, resulting in lower than expected financial returns and cashflows, and constraining its ability to operate a sustainable business model that delivers value to its customers and Brambles' stakeholders. The incremental raw material requirements associated with additional replacement assets could negatively impact Brambles' decarbonisation targets	• Dedicated Group-wide function and asset control teams across all business units, enabled by comprehensive processes to increase the timely collection, recovery and control of assets • Shaping Our Future transformation programme includes development, testing and leveraging of best practices, including the use of advanced data analytics and digital solutions to improve asset control and reduce losses across the Group • Developing improved processes and controls using advanced data analytics and digital solutions, supported by deployment of targeted and continuous digital tracking devices to improve communication with key stakeholders to reduce losses and create more efficient and sustainable supply chains • Regular schedule of pooling equipment audits at customers and retailers to assess key asset recovery metrics and identify potential control issues • Continued investment in additional field asset collection and recovery activities to reduce cycle times and control losses • Engagement with, and influencing of, customers, retailers and other third parties (e.g., recyclers) to improve pallet returns and reduce unauthorised reuse by emphasising the sustainability impact of Brambles' circular business model and its contribution to customer sustainability objectives • Pricing mechanisms to reflect asset losses including cost-to-serve in higher risk lanes/flows and compensation programmes to recover the cost of asset losses and to change behaviour, while protecting the business from economic harm • Promoting legal and regulatory changes to assist Brambles in enforcing its legal title to its pooling equipment and to control misuse and black market activity
Network capacity	The scale and strength of Brambles' network of service centre locations is inherent to its value proposition for customers and other stakeholders. A lack of capacity within the network in a major market could adversely impact service delivery, competitive position, and financial performance	• Building network resilience against physical events and other business interruptions through enhancements in business continuity management • Automation within service centres drives capacity, flexibility and capability across the network • Ongoing investment in innovations in automation continue to be made across the global network using capabilities such as modular design and digital twins (a virtual model of service centre systems and processes to simulate, analyse and optimise operations); for example, the automated repair unit called Integrum • In preparation for the IFRS S2 Climate-related disclosures, Brambles conducted an assessment of service centres to evaluate the network's resilience against physical climate change events and used those findings to inform a more integrated approach to network resilience (see Sustainability Report – Climate Update on pages 153 to 179 for more details)

Risk	Implication	Mitigating actions
Timber supply (including access to sustainable timber sources)	Access to sustainably certified sources of timber is essential for Brambles to carry on its business. In addition, timber supply requires a balance between raw material availability as well as sawmill and pallet manufacturer capacity. There is a risk that a concentration in the timber supply chain in any region, or a shortage of available sustainably certified sources of timber, could adversely impact Brambles' ability to maintain its timber pallet pool at levels that will enable it to meet customer demand for those products. This could result in loss of customers and/or market penetration and adversely impact Brambles' financial performance. Climate and nature-related risks for forests and timber supply, including market, regulatory and physical risks, will emerge over a five-to-ten-year period	• The timber procurement strategy is aimed at improving supply security of sustainably certified timber while decoupling the procurement of timber from market price volatility. This includes activities such as: – Building strategic partnerships with timber supplier networks globally, including forests, sawmills, and new pallet manufacturers – Creating the Timber Supply Climate Risk Tool to assess climate risks in key geographic areas related to Brambles' timber-sourcing supply chains – Strengthening the sustainable sourcing model to create a dependable pipeline of sustainably certified timber – Testing and using new timber species to simultaneously build supply resilience, improve platform durability, and preserve nature and biodiversity • Dedicated global and regional timber procurement teams manage timber procurement and mitigate timber supply risks • Securing long-term supply of sustainable timber at competitive prices, including onboarding new suppliers of FSC®/PEFC certified timber and expanding the availability of FSC®/PEFC certified timber in the market by working with non-certified timber farms to obtain the certification • Establishing strategic procurement hubs to consolidate shipping and logistics, check ESG compliance and verify quality • In line with Brambles' 2025 sustainability targets, 100% of timber is sourced from certified sources. Brambles has continued to meet year-on-year improvement targets of sourcing CoC-certified timber, Brambles' policy to source sustainable timber mitigates its deforestation impact and through its 2025 afforestation target, the effects on climate change and natural capital
Safety	Brambles is subject to inherent safety risks associated with its operations including industrial hazards and road traffic or transportation accidents that could potentially result in serious injury or fatality to employees, contractors, customers, suppliers, or members of the public	• Brambles' Zero Harm Charter emphasises that everyone has the right to be safe at work and return home as healthy as they started the day. This is delivered through the adoption of a Safety First strategy and a carefully selected range of new or enhanced safety tools available to the whole workplace community. • Continuing enhancement of safety management systems, including focusing on human, and organisational performance around behavioural principles (including psychological safety) and continuous improvement surrounding the implementation of additional engineering and technology-based controls including pedestrian and vehicle segregation and machine guarding • The ongoing investment in process automation across the network reduces the number of safety incidents; for example, the innovation and development of automated repair units, such as Integrum • Use of leading safety metrics promoting and measuring employee participation, active safety leadership and new safety system developments, and traditional lagging metrics which measure work-related injuries, and near misses with regular reporting to and monitoring by the Brambles Board

MATERIAL RISKS continued

Risk	Implication	Mitigating actions
People and capability	Brambles' employee value proposition and culture may fail to attract, develop and/or retain diverse, motivated and high performing individuals with the capabilities to support the delivery of our current and future strategic objectives. This could adversely impact Brambles' ability to implement and manage its strategic objectives and transformation plans	• Detailed talent management and succession planning processes to identify high-potential employees and prepare successors for senior executive positions • Adoption of development programmes for management, leadership, and functional expertise through all employment levels • Remuneration and benefits based on market benchmarks in each country and compliance with current and future legislation and regulations on gender pay and equal pay transparency • Formal mentoring programmes offered to employees • A global wellbeing strategy to empower and enable all employees to thrive • A digital employee value proposition to attract data and digitally skilled talent in support of Brambles' transformation programme • Developing new skills internally through training and development • Providing pathways for service centre employees to progress their career • A global diversity, equity and inclusion (DEI) team supports the creation of a culture that maximises the potential of Brambles' entire workforce through a range of initiatives and accessibility schemes in areas such as gender, race, disability and neuro diversity
Technology security (including cyber security)	The Group's security and monitoring of information and operational technologies and key operational and sensitive business, customer and employee data assets may be insufficient and allow motivated outside attackers or insiders to gain unauthorised access which may lead to non-availability of systems and/or loss of integrity of data. This in turn could result in the inability of the Group to conduct its business effectively or at all, resulting in financial loss and/or adverse operational, employee safety, customer trust and/or reputational consequences	• The ongoing security programme continues to deliver key capabilities to protect systems and to detect and promptly respond to unauthorised or inappropriate activity including ransomware attacks. Key controls include, but are not limited to, email and internet filtering, anti-virus software, advanced firewall capability and security patching, multi-factor authentication, an enterprise security architecture covering both offices and service centres, network segmentation between office and service centre environments, monitoring security and appropriateness of third party access to information and technology estate, 24/7 security operations centre, as well as the use of penetration testing across Brambles' network • Mandatory security training of all colleagues and use of advanced phishing simulations to drive learning and vigilance • Continue to conduct table-top exercises to test and improve Brambles' readiness to respond and recover in the event of a cyber security incident • Brambles continues to use the National Institute of Standards and Technologies Cyber Security Framework and the Australian Cyber Security Centre's Essential Eight advice to independently assess, monitor, track, and report progress to Brambles' Board • Whilst these actions are enhancing Brambles' management of this risk, there are ongoing risk mitigation steps continuously being developed and implemented to assist in reducing both the likelihood of this risk arising, and its impact should it occur

Risk	Implication	Mitigating actions
Data governance	Brambles relies on its IT, digital and analytics systems and technologies, and the data stored on those systems and technologies to operate its business and achieve its strategic objectives. The improper disclosure of highly confidential or confidential data due to incomplete or unsuitable identification, handling, usage, storage, processing or disposal procedures could lead to adverse employee privacy and/or reputational consequences or financial loss and operational disruption	• Process in place to identify and classify data assets to allow Brambles to prioritise security technology implementations that offer targeted and appropriate protection • Data Classification and Handling Policy includes guidelines on the types of data and protection protocols for each data type • Training on data classification and handling is provided to all employees and contractors • Brambles has an Acceptable Use Policy which outlines the standards by which all users must use information and technology assets and services. Preventative controls are also in place to mitigate the risk of loss or misuse of data. These controls include the encryption of laptops, mobile devices, email data retention controls and the ability to store data in secure drives • A Brambles Data Hub supported by a Data Catalogue and Data Governance Framework to use trusted data and data sets, unlock new insights and improve data consistency in order to deliver greater customer and business value • A cross functional AI and Gen AI Centre of Excellence in place to enable responsible and risk informed use of AI and Gen AI, and to comply with relevant legislation and regulation such as the European Union Artificial Intelligence Act
Digital disruption	The development of value-generating and cost-effective digital supply chain solutions has the potential to materially change supply chain dynamics. Other equipment poolers could leverage digital capabilities to simplify the pooling proposition and reduce Brambles' competitive advantage. Similarly, data and digital ecosystems could lower the total cost of ownership and reduce the benefits of hiring pooling equipment. These could result in loss of customers and/or market penetration and adversely impact Brambles' financial performance	• Brambles is leveraging digital and analytics capabilities and asset digitisation to assist its businesses in managing asset losses and driving asset efficiency more effectively • Brambles is strengthening the digital and data infrastructure to: – reimagine a simple and seamless pooling proposition with improved asset productivity and network efficiency – generate insights and value added services as part of the new pooling proposition – develop and launch supply chain digital solutions to not only reduce the risk of commoditisation of the pooling proposition, but by taking waste out of supply chains create opportunities to expand and grow the Brambles portfolio of services

MATERIAL RISKS continued

Risk	Implication	Mitigating actions
Transformation execution	Brambles is currently undergoing a Group-wide transformation through the Shaping Our Future programme. If the strategic priorities and objectives of that programme are not successfully executed, Brambles may be prevented from realising its long-term potential and continuing competitive advantage. This could lead to an erosion of competitive position and a loss of market confidence in Brambles' ability to create future shareholder value	• Twin-track approach to transformation driving increased performance and resilience of the current business while increasing investment to create the 'Brambles of the Future' • Dedicated Transformation Office, led by the Chief Transformation and Customer Experience Officer to: – assure, enable and drive rigorous governance and cadence, further embedding of transformational capabilities and tools, implemented by the Transformation Office and concurrently sponsored and led by the operating business to ensure continued success of the transformation programme – drive adoption of industry standard customer and retailer experience metrics to monitor progress against strategic goals and assess impact of initiatives to reduce friction points – active ownership and leadership of the transformation programme by the ELT • Detailed scorecard to progressively measure outcomes across the transformation journey, with a balance of financial and non-financial, and leading and lagging metrics • A Chief Digital Officer responsible for the Brambles Digital Function to drive digital transformation through advanced analytics, asset digitisation and digital customer solutions • Enabling effective change delivery by building transformation capabilities across the Group, fostering company-wide shared ownership, and creating an agile culture of testing, learning, adapting, and improving • Leveraging existing best practice, as well as a strong pipeline of new initiatives to drive future value creation • Investment in training and skills to support delivery of transformation programme • Embedding a culture of test and learn, necessary to evolve new business models and customer solutions
Regulatory compliance	Brambles operates in a large number of countries with widely differing legal regimes, legislative requirements, and compliance cultures. In addition, the regulatory landscape continues to evolve rapidly in areas such as privacy, human rights and ESG-related matters. A failure to comply with regulatory obligations and local laws could adversely affect Brambles' operational and financial performance and its reputation	• Dedicated Chief Compliance Officer, and supporting global team, responsible for monitoring the implementation and ongoing application of compliance management systems • A Code of Conduct provides a framework for detailed policies addressing regulatory compliance, including Anti-bribery, Gifts and Hospitality, Books and Records and Conflicts of Interest Policies • Compliance with the Code of Conduct and applicable legal and regulatory requirements are regularly assessed through a Compliance Assessment and Bridge programme • A vendor due diligence, ESG compliance scorecard and ongoing monitoring and audit programme to assess the compliance of suppliers with various legal and regulatory requirements, such as bribery and corruption, sanctions violations, modern slavery and human rights practices, privacy, and environmental risks • A Speak Up (whistleblowing) hotline is made available globally, and all employees and other stakeholders are encouraged to report suspicions of wrongdoing • Adoption of regular Group-wide online compliance training programmes to supplement face-to-face training • Regular cadence of Board reporting on regulatory matters, whistleblowing incidents, and ESG matters against an ESG scorecard

Environmental and Social Risks

Risk	Implication	Mitigating actions
Climate change (including decarbonisation)	Climate change is influencing both acute short-term weather events and longer-term chronic climate trends. These climate-related impacts are influencing society, business and consumer purchasing behaviour both in terms of physical acute or chronic severe weather-related events and/or transitional risks including changes in markets, technology, policy, legal requirements, and reputational expectations. Responding to the specific challenges of climate change is intimately linked to Brambles' sustainable, low-carbon circular 'share and reuse' model. As a part of its climate change risk management and sustainability goals, Brambles has publicly stated 2030 SBTs for its Scope 1, 2 and 3 emissions, and achieving net-zero GHG emissions by 2040. If Brambles fails to achieve those targets, or does not comply with greenhouse gas emissions laws, it may incur financial loss, be subject to legal or regulatory action or suffer reputational damage	• Brambles is inherently a low-carbon and low-resource intensity business – due to its circular 'share and reuse' model, which reduces carbon emissions, and demand on natural resources and eliminates waste for customers in the world's supply chains • As a leader in the circular economy, Brambles understands the potential to address climate change by focusing on both its impact on climate change through GHG emissions and the impact of climate change on Brambles, such as acute and chronic physical risks • Brambles' network design of its operations supports its resilience during disruptions, including climate-related severe weather events. The scale and geographic distribution of Brambles' network, along with well-established business continuity processes, work to minimise the impact of disruptions on service centres, logistics networks, and customer needs • Brambles has assessed the risks and opportunities for the business using climate scenario analysis which has informed its climate transition and climate adaption strategies • Brambles has a dedicated decarbonisation function and has developed an actionable roadmap to deliver on these mid-term and long-term targets. A global Governance Framework establishes procedures and responsibilities to enable the delivery of emissions reduction targets • As part of its Climate Positive targets, Brambles has maintained its carbon-neutral position for Scope 1 and 2 emissions since June 2021 and its 100% renewable electricity at its own service centres from 2023. In addition, Brambles continues to deliver Scope 1, 2 and 3 emissions reductions in line with its 2030 validated SBTs and its 2040 net-zero emissions ambition • Brambles' demand for sustainably sourced timber addresses deforestation and its impact on climate change through its 2025 afforestation target • Compliance and control systems in place to mitigate the risk of greenwashing

MATERIAL RISKS continued

Risk	Implication	Mitigating actions
Natural capital	Brambles relies heavily on natural resources especially forestry products for the timber used in manufacturing and repairing its pallets. There are increasing stakeholder expectations for Brambles to understand, manage and report on nature-related impacts, dependencies, risks and opportunities through the voluntary TNFD framework	• Brambles is a sustainable business because of its circular 'share and reuse' model, which provides a strategic foundation for addressing nature-related issues • Brambles' circular model reduces demand on natural resources compared to alternative solutions when serving customers in the world's supply networks (see The value Brambles creates on pages 8 to 9) • Brambles' demand for sustainably sourced timber addresses deforestation and its impact on land use change and climate change through its 2025 afforestation target • Brambles is committed to a target of zero product waste to landfill in CHEP and subcontracted operations by 2025 which reduces its waste and pollution impacts on nature • Brambles aims to use 30% recycled or upcycled plastic waste by 2025, with the ambition to reach 100% by 2030 reducing the demand for virgin materials • Brambles has a target to optimise all water use, including reclaiming, recycling, replenishment and treatment, reducing demand on water resources • Brambles is responding to changes in climate-related reporting and disclosure with a comprehensive Sustainability Report – Climate Update on pages 167 to 169) • Brambles has been an early adopter of the TNFD framework and is currently assessing the dependencies, impacts, risks and opportunities for the business in relation to nature (further details on TNFD are on pages 22 to 23) • Compliance and control systems in place to mitigate the risk of greenwashing
Diversity, equity, and inclusion (DEI)	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 harnesses the unique and diverse strengths of its employees to better serve its customers and to grow its business. Any activities or practices within its operations or in its supply chains that undermine this intent undermines Brambles' values and are detrimental to the integrity and credibility of its brands	• Brambles fosters a diverse, equitable and inclusive environment, to be better able to relate to customers, suppliers, communities and co-workers • Communication and transparency with DEI goals, progress and challenges to build trust and encourage collective effort toward achieving DEI objectives • Global policies on dignity and respect at work focusing on all forms of harassment, bullying, discrimination and equal rights • Continuing progress in improving gender diversity at all levels within the organisation • Brambles' global and regional DEI councils coordinate programmes and initiatives to encourage, celebrate and support all forms of diversity • Employee resource groups focus on a wide variety of DEI topics including race, gender balance, disability, veterans support, ethnic minorities, neurodiversity and LGBTQIA+ • Inclusive recruitment and hiring practices with a focus on implementing strategies to attract a diverse pool of candidates • Regular assessments and metrics to track diversity in hiring, promotion rates, pay equity and employee satisfaction, with this data regularly reviewed and supported • A commitment to policies and practices that promote gender equity, including: equitable pay, transparent promotion criteria and fair treatment in performance evaluation

Risk	Implication	Mitigating actions
Human rights	Brambles conducts operations in ~60 countries. There is a risk that human rights violations (including modern slavery) may occur in its operations or across its supply chains. This could result in financial loss, legal and regulatory action and damage to its reputation	• A Code of Conduct which sets out behavioural requirements relating to human rights • A separate Human Rights Policy which sets out Brambles' commitment to respecting all internationally recognised human rights • A Supplier Policy which makes clear that all suppliers must abide by the human rights principles set out in the Human Rights Policy • Mandatory training programmes on human rights, tailored to address the relevant issues facing the different teams • Third Party Due Diligence Programme which focuses, amongst other things, on suppliers' human rights policies and practices and escalates for enhanced scrutiny labour suppliers; timber suppliers, sawmills or new pallet manufacturers; third party plant operators; or carriers or logistics providers • Implementation of a Supplier Academy to assist suppliers in understanding Brambles' human rights requirements • Launch of a human rights monitoring and audit programme across supply chains • Standard Operating Procedures governing the management of modern slavery risk in third party plant operations
Sustainable timber sourcing	See page 31	• See page 31
Safety	See page 31	• See page 31

Financial Review

1. Financial Review

1.1 Group Overview

1.1.1 Summary of 2024 Financial Results

US$m			Change	
(Continuing operations)	FY24	FY23[1]	Actual FX	Constant FX
CHEP Americas	3,610.3	3,371.0	7%	6%
CHEP EMEA	2,391.8	2,191.1	9%	7%
CHEP Asia-Pacific	543.3	514.7	6%	9%
Sales revenue	**6,545.4**	**6,076.8**	**8%**	**7%**
Other income and other revenue	**262.9**	**318.9**	**(18)%**	**(17)%**
CHEP Americas	708.1	573.3	24%	23%
CHEP EMEA	594.9	506.5	17%	15%
CHEP Asia-Pacific	183.7	180.5	2%	5%
Corporate (including transformation)	(224.5)	(193.3)	(16)%	(15)%
Underlying Profit and Operating profit	**1,262.2**	**1,067.0**	**18%**	**17%**
Net finance costs	(127.5)	(114.1)	(12)%	(11)%
Net impact arising from hyperinflationary economies[2]	(8.4)	(8.8)	5%	5%
Tax expense	(346.4)	(287.1)	(21)%	(20)%
Profit after tax from continuing operations	**779.9**	**657.0**	**19%**	**17%**
Profit from discontinued operations	-	56.2		
Profit after tax	**779.9**	**713.2**	**9%**	**8%**
Average Capital Invested	6,133.9	5,763.6	6%	6%
Return on Capital Invested	**20.6%**	**18.5%**	**2.1pts**	**2.0pts**
Weighted average number of shares (millions)	1,391.4	1,388.0	-	-
Basic EPS (US cents)	**56.1**	**51.4**	**9%**	**8%**
Basic EPS from continuing operations (US cents)	**56.1**	**47.3**	**19%**	**17%**

Note: The variance between actual and constant FX performance reflects the changes in Brambles' operating currencies relative to its reporting currency, the US dollar.

Note: Commentary and comparisons against prior corresponding period at constant FX rates[3]. Cash flow and debt commentary and comparisons at actual FX rates. Other commentary and comparatives as stated.

FY24 Operating Environment

During FY24, Brambles demonstrated the resilience of its business, delivering strong results in an operating environment that was characterised by inventory optimisation across retailer and manufacturer supply chains, weak consumer demand in most regions and moderating inflationary pressures.

While the overall rate of input-cost inflation moderated from record levels in prior years, Brambles continued to experience labour rate increases in all regions and higher transport rates in Europe. These pressures were partly offset by lower transport rates in North America in addition to fuel and lumber deflation in all regions. The average capital cost of new pallets across the Group also decreased ~15% in FY24 but remains above historical levels.

Inventory optimisation, which saw retailers and manufacturers reduce their pallet balances to almost pre-COVID levels across North America and Europe, contributed to industry-wide increases in pallet availability and resulted in ~12 million pallet returns across Brambles' network in FY24, compared to ~5 million in FY23.

Combined with Brambles' ongoing efforts in asset efficiency, this supported significant improvements in loss rates and pallet cycle times within customer supply chains in FY24.

These more efficient pallet dynamics materially improved Brambles' capital efficiency with the business purchasing ~15 million fewer pallets during the Year.

These capital efficiency benefits are materially higher than the incremental operating costs due to higher pallet returns and recoveries including additional storage costs relating to pallet

1 In FY24, Brambles revised the application of its accounting policy relating to its operations in hyperinflationary economies. Brambles now presents all inflationary impacts on non-monetary assets within 'other comprehensive income' in equity, previously reported within 'net impact arising from hyperinflationary economies'. The FY23 comparatives have been restated accordingly. There has been no change to previously reported figures for sales revenue, Operating profit or Underlying Profit.

2 Relating to inflationary impacts on both monetary net assets and on the Profit & Loss of Brambles' operations in Türkiye, Argentina and Zimbabwe.

3 For the hyperinflationary economies of Türkiye, Argentina and Zimbabwe, financials are translated at period end FX rates.

FINANCIAL REVIEW continued

balances being above Brambles' optimum network requirements, predominantly in North America.

Importantly, increased pallet availability across Brambles' network significantly improved customer service levels and enabled the pursuit of new business. Notwithstanding new contract wins in Europe and North America, Group volumes were in line with the prior year as demand from new and existing customers was impacted by weak macroeconomic conditions and declining whitewood pallet prices, which delayed small to medium manufacturers deciding to switch to pooling. In addition, there were some volume impacts due to inventory optimisation and dual sourcing initiatives undertaken by some larger customers, primarily in 1H24.

Brambles believes inventory optimisation to be largely complete in North America and Europe and does not anticipate the associated volume headwinds experienced in FY24 to repeat in FY25. Plant stock levels have returned to near optimum levels in all markets excluding North America as at the end of FY24. The excess plant stock in North America is expected to progressively reduce over the next 12 months and return to broadly optimum levels by the end of FY25.

Sales revenue from continuing operations of US$6,545.4 million increased 7% due to price growth across the Group, comprising a 3-percentage point contribution from price realisation in the current year and a 4-percentage point rollover contribution from prior-year pricing actions.

Current year price realisation was driven by contractual repricing and indexation to recover the cost-to-serve. This offset lower contributions from pricing mechanisms linked to asset efficiency in line with improvements to loss rates and cycle times within customer supply chains.

Group volumes were in line with the prior year and included a 1-percentage point adverse impact from inventory optimisation recognised in like-for-like volumes. Excluding the impact of inventory optimisation, overall volumes increased 1% driven by like-for-like volumes with net new business in line with the prior year.

Other income and other revenue of US$262.9 million decreased US$54.5 million largely due to lower North American surcharge income.

North America surcharge income of US$179.5 million decreased US$37.6 million driven by lower market indices for lumber, fuel and transport in the region.

The balance of the year-on-year decrease of US$16.9 million included the cycling of one-off Australian flood proceeds recognised in FY23, with increased compensations for lost assets largely offsetting lower contributions from other income relating to pallet collection activities.

Underlying Profit and **Operating profit** of US$1,262.2 million increased 17% reflecting a 1.8-percentage point improvement on Group Underlying Profit margin.

Operating leverage reflected productivity improvements and operational efficiencies linked to transformation benefits. This included improved asset efficiency which contributed to a reduction in uncompensated pallet losses and an increase in compensations for lost assets that resulted in a lower Irrecoverable Pooling Equipment Provision (IPEP) expense. These improvements, combined with improved commercial terms to recover the cost-to-serve and benefits from supply chain initiatives, more than offset the impact of direct and indirect cost increases.

Direct cost increases included incremental plant and transport activity in response to higher pallet return rates, inflation primarily on labour, incremental investments to improve both pallet quality and customer experience and higher depreciation charges largely in the Americas segment. These increases were partly offset by benefits from supply chain initiatives including automation and network optimisation. Indirect cost increases reflected wage inflation and investments in additional headcount to support transformation initiatives across the Group.

Profit after tax from continuing operations of US$779.9 million increased 17% driven by the strong Operating profit performance.

Net finance costs increased US$12.1 million or 11% reflecting the full year impact of extending Brambles' financing with the 8-year €500m green bond issued in March 2023. Higher discount rates on lease renewals and extensions also contributed to finance cost increases in the Year.

The net hyperinflation charge of US$8.4 million relates to the inflationary impacts on both the monetary net assets and the P&L of Brambles' hyperinflationary operations in Türkiye, Argentina and Zimbabwe. This excludes amounts recognised within equity through other comprehensive income relating to inflation on non-monetary net assets and foreign exchange impacts on overall net assets.

Tax expense of US$346.4 million increased 20% in line with increased earnings. The Underlying effective tax rate of 30.5% increased 0.4-percentage points at actual FX rates from FY23 reflecting the increase in the UK tax rate from 19% to 25% with effect from 1 April 2023.

Profit from discontinued operations in the prior year relates to the gain on divestment of CHEP China.

Brambles Basic EPS of 56.1 US cents increased 8% in line with the Group Profit after tax growth.

Return on Capital Invested of 20.6% increased 2.0-percentage points reflecting the Underlying Profit performance, which exceeded a 6% increase in Average Capital Invested.

The increase in Average Capital Invested reflected the impact of higher capital cost of assets added to the pool compared to the value of assets written off, the full-year impact of Brambles' investment in Loscam China and higher lease costs. These increases were partly offset by improved capital efficiency driven by asset productivity benefits and the impact of inventory optimisation.

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Cash Flow Reconciliation

US$m	FY24	FY23	Change
Underlying Profit	1,262.2	1,067.0	195.2
Depreciation and amortisation	802.0	730.1	71.9
IPEP expense	185.5	285.1	(99.6)
Underlying EBITDA[4]	**2,249.7**	**2,082.2**	**167.5**
Capital expenditure (cash basis)	(1,136.0)	(1,659.2)	523.2
Proceeds from sale of PP&E	227.5	189.8	37.7
Working capital movement	(13.3)	57.6	(70.9)
Purchase of intangibles	(13.1)	(16.1)	3.0
Other	4.3	135.5	(131.2)
Cash Flow from Operations	**1,319.1**	**789.8**	**529.3**
Discontinued operations	(1.9)	34.7	(36.6)
Financing & tax costs	(434.4)	(326.4)	(108.0)
Free Cash Flow before dividends	**882.8**	**498.1**	**384.7**
Dividends paid	(406.0)	(318.6)	(87.4)
Free Cash Flow after dividends	**476.8**	**179.5**	**297.3**

Cash Flow from Operations of US$1,319.1 million increased US$529.3 million as lower capital expenditure including the benefit from inventory optimisation, higher earnings and improved compensations for lost assets were partly offset by working capital and other cash outflows including the ~US$90 million reversal of FY23 timing benefits.

Capital expenditure decreased US$523.2 million on a cash basis which included an increase of US$43.5 million associated with the timing of capital expenditure creditor payments.

On an accruals basis and at constant currency, capital expenditure decreased US$580.0 million, reflecting a US$586.0 million reduction in pooling capital expenditure comprising:

- ~US$436 million benefit from ~15 million fewer pallet purchases in the Year including ~7 million additional pallet returns due to inventory optimisation across retailer and manufacturer supply chains. The balance of ~8 million largely relating to additional pallet recoveries through asset productivity initiatives; and
- ~US$150 million benefit from the impact of lumber deflation on the unit cost of pallet purchases.

This reduction in pooling capital expenditure, combined with sales revenue growth, led to a material improvement in the Group's asset efficiency metric, the pooling capital expenditure to sales ratio, which decreased ~10-percentage points year-on-year to 13.0%. Approximately 2-percentage points of this year-on-year improvement relates to incremental inventory optimisation benefits in the period.

Other key movements in the period included:

- Proceeds from the sale of PP&E increased US$37.7 million driven by higher compensations for lost assets in FY24, despite cycling a US$8 million one-off cash benefit relating to Australian flood insurance proceeds received in FY23;
- Working capital movements decreased US$70.9 million primarily due to the reversal of FY23 timing benefits of ~US$50 million; and
- Other cash flow items decreased US$131.2 million and included ~US$40 million reversal of FY23 timing benefits. The balance of the decrease was primarily due to movements in deferred revenue linked to strong revenue growth in FY23 and non-cash adjustments mainly relating to asset disposals.

Free Cash Flow after dividends of US$476.8 million increased US$297.3 million as the improvement in Cash Flow from Operations was partly offset by a reduction in cash flow from discontinued operations, and higher financing, tax and dividend payments in the Year.

Cash flow from discontinued operations declined US$36.6 million on the prior year comparative which included both the US$41.5 million final settlement from First Reserve relating to the divestment of the Hoover Ferguson Group investment in 2018, and the cash outflow from CHEP China, which was divested in March 2023.

Financing and tax payments increased US$108.0 million, which included US$97.0 million of additional tax payments primarily relating to increased profits and higher Australian tax instalments. Net interest paid increased US$11.0 million in line with the movement in net interest expense.

Dividend payments increased US$87.4 million reflecting an increase in the FY23 final dividend and FY24 interim dividend per share, as well as the impact of FX movements.

[4] Earnings before interest, tax, IPEP, depreciation and amortisation: calculated as Underlying Profit after adding back depreciation, amortisation and IPEP.

FINANCIAL REVIEW continued

ESG Metrics

Metric	FY24	FY23	Change
Scope 1 and 2 GHG emissions	32.4ktCO_2-e	32.6ktCO_2-e	(1)%
Scope 3 GHG emissions	1,293.5ktCO_2-e	1,406.6ktCO_2-e	(8)%
BIFR	2.9	3.8	(24)%
Women in management roles	37.5%	36.3%	1.2pts
Sustainably sourced timber	100%	100%	-
Sites with product waste diverted from landfill	83.0%	79.8%[5]	3.2pts

Scope 1 and 2 GHG emissions

- Scope 1 represents emissions from Brambles' use of diesel, natural gas and liquid petroleum gas (LPG).
- Scope 2 represents emissions from Brambles' use of electricity.

In FY24, Scope 1 emissions decreased by 1% reflecting lower site fuel usage linked to forklift truck electrification. This reduction was partly offset by higher fuel use associated with increased pallet recovery activity in the US. The increased pallet recoveries and corresponding Scope 1 emissions were more than offset by an overall net saving of ~8ktCO_2-e in Scope 3 emissions as improved pallet collections, in part enabled by inventory optimisation by retailers and manufacturers, led to a reduction in new pallet purchases and related transport costs.

Scope 3 emissions

- Scope 3 represents indirect emissions (outside of Brambles' direct control). For Brambles, material Scope 3 categories include waste, logistics emissions, emissions relating to capital expenditure and emissions by third-party managed service centres.[6]

Scope 3 emissions decreased 8% due to lower capital expenditure and logistics optimisation which more than offset the impact of changes to emissions factors which are applied to activity data (e.g., issue volumes, distance travelled, mass transported, mass of timber purchased) and improved data estimations for emissions from waste.

Brambles Injury Frequency Rate

Brambles measures its safety performance through the BIFR, which consists of work-related incidents resulting in fatalities, lost time, modified duty or medical treatment per million hours worked.

In FY24, BIFR was 2.9 representing a 24% improvement on the prior year. This improvement was supported by Brambles' Safety First strategy. This strategy supports proactive learning and sharing of best practice for dealing with potential risks across our operations teams.

Women in management roles

- Women in management covers the following roles: Managers, Senior Managers, Directors, Senior Directors, Vice Presidents and above.

In June 2024, the percentage of women in management roles increased by 1.2-percentage points since FY23. This represents continued progress against our target although the metric is tracking below the target required to reach 40% by the end of FY25, largely due to a decrease in staff turnover.

Sustainably sourced timber

- Sustainably sourced timber is timber certified by either the Forest Stewardship Council (FSC®)(FSC®-N004324) or the Programme for the Endorsement of Forest Certification (PEFC) (PEFC/01-44-79).

In FY24, Brambles maintained its strict adherence to 100% sustainably sourced timber, a position it has maintained since FY20.

Sites with product waste diverted from landfill

- Landfill is defined as the disposal of waste material by burying it or burning it (with no energy or heat reclaim process).

In FY24, the percentage of sites (both Brambles and third-party managed) that diverted product waste from landfill improved by 3.2-percentage points since FY23. The improvement has been achieved through active engagement with operations teams coupled with executive support. Brambles remains on track to achieve its target of zero product waste to landfill by the end of FY25.

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5 The result for FY23 has been restated from 74.4% to 79.8%. The FY23 restatement reflects a revision to the list of sites under Brambles' operating control and enables a like-for-like comparison to the FY24 result.

6 Scope 3 emissions are calculated using activity data (including actual activity data, data collected from third parties such as surveys, estimated activity data based on cost data, and other estimates where actual data is not available). Emissions factors from publicly available sources such as DEFRA, US EPA and Ecoinvent are applied to activity data to calculate GHG emissions. Further information on the Basis of Preparation is available in the Notes to the Sustainability Report.

FINANCIAL REVIEW continued

Segment Analysis

1.1.2 CHEP Americas

US$m			Change	
	FY24	FY23	Actual FX	Constant FX
US	2,587.9	2,424.3	7%	7%
Canada	389.4	375.5	4%	5%
Latin America	591.8	535.6	10%	4%
Pallets	3,569.1	3,335.4	7%	6%
Containers	41.2	35.6	16%	16%
Sales revenue	**3,610.3**	**3,371.0**	**7%**	**6%**
Underlying Profit	**708.1**	**573.3**	**24%**	**23%**
Average Capital Invested	3,204.3	3,033.3	6%	5%
Return on Capital Invested	**22.1%**	**18.9%**	**3.2pts**	**3.1pts**

Sales Revenue

Pallets sales revenue of US$3,569.1 million increased 6% reflecting contributions from pricing initiatives taken in the current and prior year to recover cost-to-serve increases across the region. Volumes in the period were in line with FY23 as the impact of inventory optimisation was offset by net new business wins in Canada and growth with new and existing customers in Latin America.

US pallets sales revenue of US$2,587.9 million increased 7%, driven by price growth as volumes remained in line with prior year due to inventory optimisation. Excluding the impact of inventory optimisation, overall US volumes increased 1%. The components of US sales growth included:

- Price growth of 7% driven by pricing actions to recover the increase in cost-to-serve. Rollover contributions from FY23 pricing actions delivered 4-percentage points of growth, with a 3-percentage point contribution from pricing actions taken in the current year. FY24 price realisation includes lower contributions from pricing mechanisms linked to asset efficiency as cycle times within customer supply chains and loss rates improved in the region;
- Net new business volumes broadly in line with the prior year as customer wins, largely small and medium enterprises, were offset by some volume loss due to dual sourcing, whitewood price deflation delaying pooling conversions and rollover impacts of prior year losses; and
- Like-for-like volumes in line with FY23 as growth with existing customers in the produce, beverage and protein sectors offset a 1-percentage point adverse impact of inventory optimisation.

Canada pallets sales revenue of US$389.4 million increased 5% reflecting pricing to recover cost-to-serve increases and volume growth driven by net new business wins.

Latin America pallets sales revenue of US$591.8 million increased 4% due to price growth of 2% reflecting the recovery of cost-to-serve including the pass through of lower lumber costs. Volume growth of 2% was largely driven by existing customers in Mexico and new customers in Brazil and Mexico.

Containers sales revenue of US$41.2 million increased 16% due to strong rollover pricing and modest like-for-like volume growth in the North American Intermediate Bulk Container (IBC) business.

Profit

Underlying Profit of US$708.1 million increased 23% due to a combination of price initiatives and operational efficiencies, including a significant reduction in IPEP expense driven by improved asset efficiency. Collectively, these benefits more than offset the impact of cost-to-serve increases, lower surcharge income and incremental investments to deliver transformation benefits.

Underlying Profit reflected the sales revenue contribution to profit of US$215 million and the following movements in key cost and other income items:

- Plant cost increases of US$22 million primarily due to input-cost inflation (net of lumber deflation) of US$42 million mainly relating to labour, and additional repair and handling costs associated with higher pallet return rates, and investments in quality initiatives. These costs were partly offset by supply chain efficiencies including automation benefits and the cycling of one-off costs in the prior year;
- Transport cost increases of US$40 million included a net benefit of US$23 million relating to fuel and transport cost deflation. Excluding this benefit, the increase of US$63 million, reflected operational costs associated with higher pallet return rates, and continued investments to support asset productivity and improve the customer experience. These costs were partly offset by benefits from network optimisation;
- North American surcharge income decreases of US$38 million consistent with net lumber, fuel and transport deflation in the region of US$31 million;
- Depreciation expense increases of US$40 million due to the higher cost of pallets added to the pool over the preceding 12 months;
- IPEP expense decreases of US$84 million, reflecting lower pallet losses through better asset control in the region as well as improved pallet market dynamics; and
- Other cost increases of US$30 million reflecting growth-related overhead investments including transformation and asset recovery initiatives.

Return on Capital Invested

Return on Capital Invested of 22.1% increased 3.1-percentage points as the Underlying Profit performance more than offset a 5% increase in Average Capital Invested. The increase in Average Capital Invested reflected the impact of higher capital cost of assets added to the pool compared to the value of assets written off and the impact of higher lease costs. These increases were partly offset by improved capital efficiency driven by asset productivity benefits and the impact of inventory optimisation.

FINANCIAL REVIEW continued

1.1.3 CHEP EMEA

US$m			Change	
	FY24	FY23	Actual FX	Constant FX
Europe	1,905.5	1,710.9	11%	8%
IMETA	196.9	198.7	(1)%	4%
Pallets	2,102.4	1,909.6	10%	7%
RPC	28.9	27.2	6%	13%
Containers	260.5	254.3	2%	-
Sales revenue	**2,391.8**	**2,191.1**	**9%**	**7%**
Underlying Profit	**594.9**	**506.5**	**17%**	**15%**
Average Capital Invested	2,294.5	2,218.6	3%	1%
Return on Capital Invested	**25.9%**	**22.8%**	**3.1pts**	**3.1pts**

Sales Revenue

Pallets sales revenue of US$2,102.4 million increased 7% driven by pricing actions taken to recover cost-to-serve in the region. Volume declines in the period included the impact of inventory optimisation and softening consumer demand, partly offset by new customer contracts in Europe.

Europe pallets sales revenue of US$1,905.5 million increased 8%, comprising:

- Price growth of 9% reflecting contributions from pricing actions and contractual indexation to recover cost-to-serve in both the current and prior year. Current year price realisation accounted for 2-percentage points and included lower contributions from pricing mechanisms linked to asset efficiency. The balance of price growth related to rollover contributions from prior-year pricing actions;
- Net new business growth of 1% due to both current and prior year contract wins, mainly in Central and Eastern Europe; and
- Like-for-like volume declines of 2% including a 1-percentage point adverse impact from inventory optimisation across retailer and manufacturer supply chains. Excluding the impact of inventory optimisation, like-for-like volumes declined 1% as macroeconomic conditions continued to impact demand in the region.

India, Middle East, Türkiye and Africa (IMETA) pallets sales revenue of US$196.9 million up 4% as pricing to recover cost-to-serve was partly offset by lower volumes mainly due to the loss of high cost-to-serve customers in the Middle East.

RPCs and Containers revenue of US$289.4 million increased 2%, comprising:

- Automotive sales revenue of US$202.5 million up 2%, primarily driven by the rollover contribution of prior year customer wins in North America. This was partly offset by adverse price impacts due to product mix and a decline in 2H24 like-for-like volumes;
- IBCs sales revenue of US$58.0 million down 6% as the impact of lower container demand and some customer losses was partly offset by price realisation; and
- RPCs sales revenue of US$28.9 million up 13%, primarily driven by pricing initiatives to recover cost-to-serve increases.

Profit

Underlying Profit of US$594.9 million increased 15% primarily due to price growth to recover the cost-to-serve and improved asset efficiency resulting in a lower IPEP expense and increased compensations for lost assets.

Underlying Profit reflects the sales revenue contribution to profit of US$155 million and the following movements in key cost and other income items:

- Plant cost increases of US$46 million included input-cost inflation (net of lumber deflation) of US$21 million mainly relating to labour cost increases. The balance of the increase of US$25 million reflected incremental repair, handling and storage costs associated with higher pallet return rates, partly offset by plant automation benefits;
- Transport cost increases of US$28 million included transport inflation (net of fuel deflation) of US$12 million. The balance of the increase reflected increased pallet collections and relocations associated with higher pallet return rates, and asset productivity initiatives which supported the reduction in new pallet purchases in the Year. These increases were partly offset by network optimisation;
- Depreciation expense increases of US$2 million reflecting a moderation from 1H24 as asset productivity benefits and inventory optimisation led to fewer pallet purchases;
- IPEP expense decreases of US$21 million reflecting lower pallet losses through better asset control in the region as well as improved pallet market dynamics; and
- Other cost increases of US$25 million driven by overhead investments including additional headcount to support growth and transformation initiatives and the impact of wage inflation in the period. These increases were partly offset by higher compensations for lost assets in Europe.

Return on Capital Invested

Return on Capital Invested of 25.9% increased 3.1-percentage points reflecting the strong Underlying Profit growth compared to a 1% increase in Average Capital Invested. The improved capital efficiency reflects the benefit of inventory optimisation and asset productivity improvements resulting in fewer pallet purchases required to support demand and replace lost or scrapped pallets.

FINANCIAL REVIEW continued

1.1.4 CHEP Asia-Pacific

US$m			Change	
	FY24	FY23	Actual FX	Constant FX
Pallets	400.6	378.0	6%	9%
RPC	101.1	94.4	7%	10%
Containers	41.6	42.3	(2)%	1%
Sales revenue	**543.3**	**514.7**	**6%**	**9%**
Underlying Profit	**183.7**	**180.5**	**2%**	**5%**
Average Capital Invested	556.9	530.4	5%	8%
Return on Capital Invested	**33.0%**	**34.0%**	**(1.0)pts**	**(0.9)pts**

Sales Revenue

Pallets sales revenue of US$400.6 million, increased 9% reflecting price growth of 5% and volume growth of 4%. Price growth included a 3-percentage point impact from contractual price increases taken in FY24 and a 2-percentage point rollover contribution from pricing actions taken in FY23.

Volumes increased 4% and included:

- Like-for-like volume growth of 3% driven by higher transport and issue fee revenue as pallet circulation improved in Australia. Growth declined in 2H24 as daily hire revenue decreased from peak levels in FY23 and 1H24. This moderation reflects a lower number of pallets on hire driven by factors including the return of seasonal customer demand patterns; and
- Net new business growth of 1% primarily driven by new customer contracts in Australia and New Zealand.

RPCs and Containers sales revenue of US$142.7 million increased 7% driven by pricing initiatives to recover cost-to-serve increases as new contract wins in the RPC business were offset by a decline in like-for-like volumes in the IBC business due to manufacturers holding lower inventories.

Profit

Underlying Profit of US$183.7 million increased 5% on a strong prior year comparative which included US$8 million of one-off insurance proceeds. Excluding the impact of prior period one-offs, Underlying Profit increased 10% reflecting the sales contribution to profit, increased compensations for lost assets and benefits from supply chain initiatives and network optimisation. This was partially offset by the increased repair, handling and transport costs associated with higher pallet return rates, and the impact of inflation on plant, transport and labour costs.

Return on Capital Invested

Return on Capital Invested of 33.0% decreased 0.9-percentage points. Excluding the impact of prior period one-offs outlined above, Return on Capital Invested increased 0.6-percentage points as the growth in Underlying Profit more than offset an 8% increase in Average Capital Invested. The increase in Average Capital Invested reflects the impact of pallet purchases made in the current and prior financial periods in addition to the impact of higher lease costs which includes new property leases taken out in the period.

1.1.5 Corporate

US$m			Change	
	FY24	FY23	Actual FX	Constant FX
Short-term transformation costs	-	(22.5)	22.5	22.5
Ongoing transformation costs	(132.6)	(88.1)	(44.5)	(43.0)
Shaping our Future transformation costs	**(132.6)**	**(110.6)**	**(22.0)**	**(20.5)**
Corporate Costs	(91.9)	(82.7)	(9.2)	(8.3)
Total Corporate costs	**(224.5)**	**(193.3)**	**(31.2)**	**(28.8)**

Shaping our Future transformation costs of US$132.6 million increased US$20.5 million and included:

- Digital transformation costs of US$98.6 million which increased US$31.6 million largely due to labour related costs including additional personnel to support asset digitisation and data analytics activities; and
- Other transformation costs of US$34.0 million which increased US$11.4 million due to increased investments to improve the customer experience and support the delivery of the transformation.

Short-term transformation costs concluded in the prior year.

Corporate costs of US$91.9 million increased US$8.3 million, primarily reflecting labour-related cost increases including wage inflation and additional headcount, along with an increase in general overhead expenses.

Corporate Governance

Corporate Governance Framework

Brambles' corporate governance framework outlines the roles and responsibilities of Brambles' Board, management team, employees and suppliers. It includes the systems, policies and processes for monitoring and evaluating the Board and management performance, and practices for corporate reporting, disclosure, remuneration, risk management and engagement of security holders.

The role of the Brambles 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
- oversee executive management's conduct of Brambles' affairs in achieving its strategic objectives in a manner aligned with its purpose, values and risk appetite; and instilling of Brambles' values throughout its businesses and operations

During the Year, the Board executed its responsibilities with the assistance of three standing committees:

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

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

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*

Further details on the responsibilities of the Board and its Committees can be found in Brambles' 2024 Corporate Governance Statement, available on Brambles' website at brambles.com/corporate-governance-overview.

CORPORATE GOVERNANCE continued

The skills and experience of each of Brambles' Directors are set out below. This breadth of business, financial and international experience 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.

Board of Directors

John Mullen

Non-Executive Chair (Independent)

Chair of the Nominations Committee and member of the Remuneration Committee

Joined Brambles as a Non-Executive Director and Chair-elect in November 2019 and became Chair on 1 July 2020. He is currently a Non-Executive Director and Chair of Treasury Wine Estates, a Non-Executive Director and Chair-elect of Qantas, and a Director of Brookfield Infrastructure Partners LP. Previously, John was CEO of Asciano, Australia's largest ports and rail operator, from 2011 to 2016. Prior to that, John had a distinguished career with the DHL Group from 1994 to 2009, ultimately becoming global CEO of DHL Express in 2006. Before joining DHL, John spent 10 years with the TNT Group, culminating in the role of CEO of TNT Express Worldwide, which he held from 1990 to 1994. He formerly served as Chair of Telstra and Toll Group and a director on the boards of Macquarie Airports Corporation, Embarq LLC (USA), Transportes Guipuzcoana (Spain) and Ducros Services Rapides (France). He was also Chair of the US National Foreign Trade Council in Washington from 2008 to 2010. John holds a Bachelor of Science from the University of Surrey.

Kendra Banks

Non-Executive Director (Independent)

Member of the Remuneration and Nominations Committees

Joined Brambles as a Non-Executive Director in May 2022. Kendra has extensive experience across the retail and technology sectors with a focus on customer insights, commercial management and digital marketing. Kendra was appointed Chief Financial Officer for SEEK Limited on 1 July 2024. She joined SEEK in 2015 as its Marketing Director and, in 2017, became its Chief Commercial Officer before taking up the role of Managing Director, Australia and New Zealand in 2018. Prior to joining SEEK, from 2004 to 2012, Kendra held a number of executive roles at Tesco in the UK including Marketing Director, Tesco.com and Pricing and Promotions Director. She joined Coles in 2012 where her roles included General Manager, Coles Brand (Private Label) and Customer Insight. Kendra started her career as a consultant with McKinsey & Company. Over her career Kendra has worked in the USA, the UK and Australia. Kendra holds a Bachelor of Arts, Economics and Mathematics from Yale University and Master of Arts, European Political and Administrative Studies from the College of Europe.

Graham Chipchase CBE

Chief Executive Officer

Chair of the Executive Leadership Team and member of the Nominations Committee

Joined Brambles at the beginning of January 2017 as CEO Designate and became CEO on 20 February 2017. Prior to Brambles, Graham was CEO of Rexam plc, one of the world's largest consumer packaging companies, from 2010 to June 2016. Graham had first joined Rexam in 2003 as Group Finance Director before moving to Group Director of Plastic Packaging. He left Rexam in June 2016, after Rexam was successfully acquired by Ball Corporation. Graham was a Non-Executive Director of AstraZeneca plc from 2012 until 2021, including being Chair of its Remuneration Committee from 2015 to 2020 and Senior Independent Director from 2019 to 2021. He holds an MA (Hons) Chemistry from Oriel College, Oxford, and is a Fellow of the Institute of Chartered Accountants in England and Wales. Graham was made a Commander of the Order of the British Empire (CBE) for services to sustainable business in June 2024.

CORPORATE GOVERNANCE continued

Elizabeth Fagan CBE

Non-Executive Director (Independent)

Member of the Audit & Risk, Remuneration and Nominations Committees

Joined Brambles as a Non-Executive Director in June 2018. Elizabeth has extensive experience in the international retail sector. She is a Commander of the Order of the British Empire (CBE). Currently, she is Chair of the Board of D2N2 Local Enterprise Partnership. Previously, she was the Non-Executive Chair of Boots UK & Ireland, Senior Vice President and Managing Director of Boots, leading all Boots businesses across the UK and the Republic of Ireland. Prior to that, she was Senior Vice President, Managing Director, International Retail for Walgreens Boots Alliance, from the Company's creation in December 2014 to 2016, Marketing Director of Boots and Managing Director of Boots Opticians, and previously worked for Boots as Group Buyer from 1983 to 1991. Before rejoining the Boots business in 2006, Elizabeth worked for DSG International plc for 10 years, where she held a number of senior positions, including Marketing Director, Group Marketing Director and Managing Director of The Link. She holds a Bachelor of Science, Biochemistry, from Strathclyde University and an Honorary Doctorate of Science from Nottingham Trent University.

Ken McCall

Non-Executive Director (Independent)

Member of the Audit & Risk and Nominations Committees

Joined Brambles as a Non-Executive Director in July 2020. Ken's background is in global network management, international logistics and supply chain, having held leadership positions including Chief Executive, DHL Express UK & Ireland, from 2008 to 2010, and Managing Director, Networks and Operations, DHL Express Europe, which consolidated his extensive experience of continental Europe.
He lived and worked in China during his time with TNT NV, as CEO TNT China, 2004 to 2007, and CEO TNT Asia, Middle East, Africa & Indian Subcontinent, 1996 to 2004. More recently, Ken served as Deputy Group CEO at Europcar Mobility Group from 2016 to 2019, having previously held the roles of Group COO and Group Managing Director for the UK. Ken has more than 10 years' experience as a Non-Executive Director. He served on the board of global fashion retailer SuperDry plc from 2010 to 2016 and was a member of its Audit and Remuneration Committees, and on the board of Post Office Limited from 2016 to January 2022 at which he was Senior Independent Non-Executive Director, Chair of the Remuneration Committee and a member of the Nominations and Audit, Risk and Compliance Committees. Ken is a member of the Chartered Institute of Transport and Logistics, Singapore.

Jim Miller

Non-Executive Director (Independent)

Member of the Remuneration and Nominations Committees

Joined Brambles as a Non-Executive Director in March 2019. Jim has extensive operational and cross-functional supply chain experience in digital technology. Jim is currently a Non-Executive Director of The RealReal, a US e-commerce company, and LivePerson, a global technology company that develops conversational commerce and AI software. Jim has held a number of senior executive roles, including Chief Technical Officer with US-based e-commerce company Wayfair Inc. from 2020 to June 2022, and Vice President, Worldwide Operations for Google Inc from 2010 to 2018, where he was responsible for global operations, planning, supply chain and new product introduction for Google's IT infrastructure and Google Fiber. Previously, he was Executive Vice President, Industrial, Automotive and Multi-Media for Sanmina Corporation from 2009 to 2010, where he was responsible for its industrial, clean tech, multi-media and automotive businesses. Prior to that, he held various executive roles at Cisco Systems, and was Vice President Global Supply Chain for Amazon where he was responsible for the inception of its supply chain organisation. He has also held various executive roles at IBM and Intel. Jim holds a Bachelor of Science, Aerospace Engineering, from Purdue University, and a Master of Science and Engineering and a Master of Science and Management from the Massachusetts Institute of Technology.

CORPORATE GOVERNANCE continued

Scott Perkins

Non-Executive Director (Independent)

Chair of the Remuneration Committee and member of the Audit & Risk and Nominations Committees

Joined Brambles as a Non-Executive Director in June 2015. Scott is currently Chair of Origin Energy and of Woolworths Group. Scott has extensive experience in corporate strategy, capital markets and investment banking. He held senior executive leadership positions at Deutsche Bank from 1999 to 2013, including as Managing Director and Head of Corporate Finance for Australia and New Zealand and as a member of the Asia-Pacific Management Committee. Scott is also active in the charity and public policy sector as the founder or director of a number of organisations, and is Chair of the Garvan Institute of Medical Research. Scott holds a Bachelor of Commerce degree and a Bachelor of Laws with Honours degree from the University of Auckland. Scott will be retiring as a Non-Executive Director of Brambles at the conclusion of the Company's 2024 Annual General Meeting.

Priya Rajagopalan

Non-Executive Director (Independent)

Member of the Audit & Risk and Nominations Committees

Joined Brambles as a Non-Executive Director on 1 November 2022. Priya is currently President, Product, Technology and Operations for FourKites, a leading logistics technology firm based in Chicago, USA, which provides real time supply chain visibility solutions to its global customers. Priya was a founding product leader of FourKites and has led its product and sales growth strategies since 2016. She has over two decades of experience in product management, marketing and strategy, most recently in digital platforms for global supply chains. Previously, she held a number of product management roles for the Metadata Business Group of TiVo (previously Rovi) and Flexera Software. Priya holds a Bachelor of Mathematics from the University of Madras and an MBA from the Kellogg School of Management at Northwestern University.

Nora Scheinkestel

Non-Executive Director (Independent)

Chair of the Audit & Risk Committee and member of the Nominations Committee

Joined Brambles as a Non-Executive Director in June 2020 and became Chair of the Audit & Risk Committee on 20 August 2020. Nora is currently a Non-Executive Director of Westpac Banking Corporation, Origin Energy and Qantas. She is an experienced company director with 30 years' experience as a Non-Executive Chair and Director of companies in a wide range of industry sectors, including the public, government and private sectors. A former banking executive, Nora has extensive financial and risk management expertise, including having chaired the audit and risk committees of a number of listed companies. She is a published author, has worked as an Associate Professor in the Melbourne Business School at Melbourne University and is a former member of the Takeovers Panel. She was awarded a centenary medal for services to Australian society in business leadership. Nora holds a Doctor of Philosophy and a Bachelor of Law (Hons) from the University of Melbourne and is a Fellow of the Australian Institute of Company Directors.

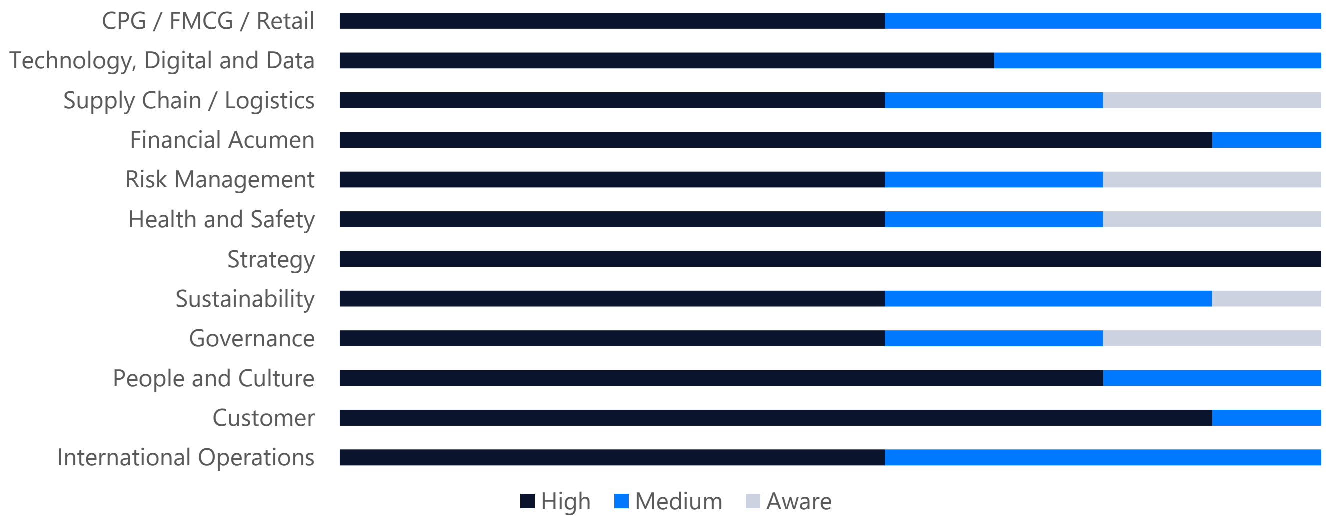
CORPORATE GOVERNANCE continued

Board Skills and Experience

The Board is structured to ensure that Directors provide Brambles with the appropriate combination of skills, experience, knowledge and diversity, as well as independence.

During the Year, the Board adopted an updated Board Skills Matrix.

The Board Skills Matrix summarises the mix of skills, experience and knowledge 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 continued

Day-to-day management

Executive management, led by the Chief Executive Officer (CEO), 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 in the matters reserved for the decision of the Board as set out in the Board Charter. The CEO is assisted by the Executive Leadership Team (ELT). The ELT has a range of responsibilities, which include:

- reviewing business and corporate strategies
- implementing Brambles' strategic objectives and ensuring its resources are well managed
- formulating major policies in areas such as succession planning and talent management, human and capital resources management, information technology, development of strategy, risk, management and communications
- monitoring safety performance and the effectiveness of the Group's safety management systems and reviewing safety targets
- leading the implementation of change processes
- providing overall leadership in instilling and reinforcing the Group's values, Code of Conduct and risk appetite

Executive Leadership Team

Graham Chipchase CBE

Chief Executive Officer

Chair of the Executive Leadership Team

(See biography on page 46.)

Phillip Austin

CEO, CHEP Asia-Pacific & CHEP India, Middle East, Türkiye and Africa

Joined Brambles in 1989 and became President CHEP Asia-Pacific in October 2014 and from July 2021 he also became President CHEP IMETA (India, Middle East, Türkiye and Africa). Phillip previously held the positions of President CHEP Australia and New Zealand, and President CHEP Australia. He has held a variety of senior roles across Brambles, including CFO of the Brambles Transport Group, CFO of CHEP Australia, Operations Manager for Wreckair Hire and executive roles in the CHEP Australia business responsible for sales, asset management and business development. Phillip is an Ambassador for the National Association for Women in Operations (NAWO). He holds a Bachelor of Economics and a Master of Logistics Management, both from the University of Sydney, and is a graduate of the Australian Institute of Company Directors.

Alice Black

Chief Legal Officer

Joined Brambles in August 2023 as Chief Legal Officer Designate and became Chief Legal Officer on 13 October 2023. Alice is responsible for the global Legal, Compliance and Government Affairs functions and the Company Secretariat. Before joining Brambles, she held the role of Group General Counsel and Company Secretary for Taylor Wimpey plc, a UK-listed residential housebuilder, and held the same role for Thomas Cook Group plc, a holiday company and airline operator. Prior to that, Alice was a senior associate in the Technology Transactions Group of global law firm Latham & Watkins LLP. She obtained her MA in Jurisprudence from the University of Oxford and is qualified as a Solicitor in England and Wales.

CORPORATE GOVERNANCE continued

Patrick Bradley

Chief Transformation and Customer Experience Officer

Joined Brambles in 2018 as Group Senior Vice President, Human Resources and in May 2024, he became Chief Transformation and Customer Experience Officer. Before joining Brambles, Patrick was the Human Resources Director at BT Group, the UK's largest fixed communications network, responsible globally for employee relations, reward, pensions, organisational design and efficiency. Prior to that, he was the Chief Human Resources Officer at EE, the UK mobile telecommunications operator, when it was acquired by BT. He has also held human resources leadership roles at Lloyds Banking Group and Atos Origin. He has led multiple workforce and human resources programmes to improve customer service capabilities, organisational culture and employee engagement. He holds a Bachelor of Law from the University of Leeds.

David Cuenca

CEO, CHEP North America

Joined Brambles in 2000 and was appointed CEO, CHEP North America on 1 July 2024. He was President, CHEP Europe between 2020 and 2024. David has held several leadership roles, ranging from Country General Manager of CHEP in Central Europe, Vice President and Country General Manager in CHEP Spain and Portugal, Vice President of CHEP Southern Europe, President, CHEP Latin America. David holds a Business Studies degree from the University of Barcelona. He has also completed a General Management Programme and a Value Creation Through Effective Boards at the IESE Business School.

Paola Floris

CEO, CHEP Latin America

Joined Brambles in 2001 and was appointed President, CHEP Latin America on 1 July 2020. During her time at Brambles, Paola has held several leadership roles, ranging from Customer Service Director, CHEP Italy and progressed to become Retail Director in 2009. Paola was appointed as Country General Manager, CHEP Italy in 2013 and was promoted to Vice President and Country General Manager, CHEP Pallets Canada in 2016. Paola has a degree in Economics from the Università Cattolica del Sacro Cuore, and a Master of Business Administration from SDA Bocconi School of Management.

CORPORATE GOVERNANCE continued

Dr Juan José Freijo

Chief Sustainability and Product Innovation Officer

Joined Brambles in 2005 and became Chief Sustainability and Product Innovation Officer on 1 July 2024. Dr Freijo previously held various positions in supply chain, planning, sustainability and public affairs and was appointed Head of Sustainability in 2015 before becoming Chief Sustainability Officer and Vice President, Government Affairs EMEA in 2021. Prior to joining Brambles, Dr Freijo held a broad range of business and technical roles at Deloitte, Arthur Andersen and Lucent Technologies. As a recognised leader in the sustainability field, Dr Freijo is a seasoned speaker at international and business events, and has addressed audiences at the World Bank and COP28. Dr Freijo also serves as a member of the professional faculty at Spain's Escuela de Organización Industrial, where he teaches Circular Economy and Sustainability Strategy. He holds a bachelor's degree in physics, master's degrees in environmental engineering and applied philosophy, and a PhD in physics.

Enrique Montanes Garcia

Chief Operations Officer

Joined Brambles in 2003 and was appointed Chief Operations Officer for CHEP's global operations on 1 October 2021. Enrique previously held the position of Senior Vice President CHEP Southern Europe (which includes Spain, Morocco, Italy, Portugal, Greece and France) from July 2018 and prior to that held a variety of senior roles across Brambles in planning, operations and transportation. Before joining Brambles, Enrique was a consultant with Accenture and held a number of manufacturing roles with Lucent Technologies. He holds a double Engineering degree from Universidad Politécnica de Madrid and the École Centrale de Paris and an executive MBA from Instituto de Empresa of Madrid.

Joaquin Gil

Chief Financial Officer

Joined Brambles in 2019 and was appointed Chief Financial Officer on 13 October 2023. During his time Joaquin has held several leadership roles including CFO of CHEP Europe and Senior Vice President of Group Financial Planning & Analysis and Deputy CFO of Brambles. Prior to joining Brambles, he held senior finance and management roles with Coca-Cola Amatil and Keurig Green Mountain, and has worked in Australia, Indonesia, Mexico, and the UK. He holds a Bachelor of Commerce from the University of Canberra and is a Member of the Institute of Chartered Accountants, Australia and New Zealand.

CORPORATE GOVERNANCE continued

Helen Lane

Chief Digital Officer

Joined Brambles in 2003. Helen has held leadership roles in functions including Finance, Commercial, Logistics, Asset Productivity and Retail. She was appointed Vice President, CHEP Northern Europe in December 2016, and in 2019 she joined the Executive Leadership Team as Chief Digital Officer, adding Group Strategy to her portfolio in 2024. She leads the digital transformation of Brambles to increase asset capabilities and drive value for customers while ensuring the business is focused on a clear and ambitious strategy. Helen holds a BA (Hons) English and French from University of Leeds and is a graduate of the INSEAD Business School.

Sarah Pellegrini

Chief Communications Officer

Joined Brambles in 2018 to lead Group-wide internal communications and was appointed to the Executive Leadership Team in 2019. Before joining Brambles, Sarah led employee communications for Qantas' global operations, and has held corporate communications roles in international businesses including Arrium and Foster's Group in Australia and Rexam plc, SABMiller and BBC Worldwide in the UK. Sarah began her career as a journalist for News Limited after gaining a Bachelor of Arts (Journalism) from RMIT University. She is a Director of the National Trust of Australia (Victoria) and is a graduate of the Australian Institute of Company Directors.

Harry Winstanley

Chief Information Officer

Joined Brambles in December 2022 as Chief Information Officer. Prior to Brambles, Harry led the Information Technology function for complex global organisations, including Chief Information Officer at Meggitt PLC, a leading international company specialising in high-performance components and sub-systems for the aerospace, defence, and energy markets; and Unipart Group, a multinational logistics, supply chain manufacturing and consultancy company. Before that, he held senior leadership positions for Volvo Construction Equipment in Information Technology, Process and Systems, Distribution Development and as Regional Chief Information Officer.

Directors’ Report – Remuneration Report

Executive Summary

The Remuneration Report outlines the remuneration for Brambles’ Key Management Personnel (KMP) for the financial year ended 30 June 2024. It should be read in conjunction with the information provided on Brambles' results and continued execution of Brambles' business strategy, as detailed in the Operating & Financial Review on pages 8 to 44.

Annual Short-Term Incentive

Based on performance against the corporate and personal objectives set for the Year, the annual Short-Term Incentive (STI) for Executive KMP (see Section 1) ranged from 144% to 150% of Target. Half of the STI is paid as STI share awards deferred for two years from grant date. These STI outcomes were driven by Brambles’ strong financial performance in FY24, each Executive KMP’s achievement of specific personal objectives and after consideration of their adherence to the Brambles Code of Conduct, shared values and risk appetite.

Long-Term Incentive

The Long-Term Incentive (LTI) share awards granted during October 2021 (i.e. in FY22) had a three-year performance period ending 30 June 2024. Performance against the vesting conditions to which they were subject is:

- Brambles’ total shareholder return (TSR) was ranked at 21 out of the ASX100 peer group, resulting in 100% vesting for this component (25% of LTI grant), and ranked at 24 out of the MSCI peer group, resulting in 100% vesting for this component (25% of LTI grant); and
- Brambles' sales revenue Compound Annual Growth Rate (CAGR) was 9.7% and ROCI was 19%, resulting in 100% vesting for this component (50% of LTI grant).

Accordingly, 100% of total LTI awards granted in FY22 vested. Details of LTI vesting are provided in Section 4.3.2.

Executive Leadership Team Base Salaries and Non-Executive Director Fees

The base salaries of the Executive KMPs and other members of the ELT were determined in accordance with the Company's Remuneration Strategy described in Section 2.

Base salaries are reviewed in June of each year and take effect from 1 July the following financial year. As outlined in the FY23 Remuneration Report, an increase in LTI opportunity for executive team members was implemented in lieu of a base pay increase for FY24 and FY25. The only exceptions to that have been executives who changed roles, or joined the team, after last year's salary review.

Through the annual benchmarking exercise, this increase in LTI opportunity has positively impacted our positioning in the relevant markets for executive pay. The global nature of Brambles' executive team means it always seeks to find a competitive position in multiple geographies. Brambles will continue to monitor best practice and benchmark in our major locations to ensure Brambles remains competitive for the right talent.

Following the minor increases to Chair and Non-Executive fees in FY24, there is no increase for FY25. Non-Executive Director fees are detailed in Section 7.1.

Remuneration Strategy

The Remuneration Committee carries out annual reviews of Brambles’ remuneration strategy, including share-based incentive plans. These reviews are to ensure the Company's remuneration structure and policy continue to align with the Company's strategic and business objectives, and that its incentive plans do not reward conduct that is contrary to Brambles' Code of Conduct, shared values and risk appetite (Non-Financial Risks).

Contents

DIRECTORS’ REPORT – REMUNERATION REPORT continued

1. Background

This Remuneration Report provides information on Brambles’ Remuneration Policy and the link between that policy and the Group's business strategy, financial performance and conduct consistent with Brambles’ Code of Conduct, shared values and risk appetite. This report also provides remuneration information about Brambles’ KMP, who are its:

- Non-Executive Directors as set out in Section 7; and
- Executive Directors and Group Executives who have authority and responsibility for planning, directing and controlling the Group’s activities (Executive KMP). The executives who fall within this definition are those set out in Section 5.

In this report, references to the ELT include Executive KMP.

This report includes all disclosures required by the *Corporations Act 2001* (the Act), regulations made under the Act and the Australian Accounting Standard AASB 124 *Related Party Disclosures*. The disclosures required by Section 300A of the Act have been audited. Disclosures required by the Act cover both Brambles Limited (Company) and the Group.

2. Remuneration Policy and Framework

Brambles’ Remuneration Policy, approved by the Board, is to adopt a remuneration structure and set remuneration levels which:

- enable Brambles to attract, retain and motivate high-calibre executives and other talent throughout the Group;
- fairly and responsibly reward executives with regard to Brambles’ performance, the performance of executives and the general remuneration environment;
- align:
  - executive reward with the creation of sustainable shareholder value; and
  - executive behaviour with Brambles’ strategic objectives, Code of Conduct, shared values and risk appetite.

Table 3.1 summarises Brambles’ Remuneration Policy and Section 3.3 sets out how remuneration is directly linked to the Company’s financial performance, the creation of shareholder value, the delivery of strategic objectives and executive behaviour. This link is achieved through Brambles' short and long-term incentive plans.

Corporate and personal short-term incentive objectives are agreed at the start of the financial year and approved by the Board Remuneration Committee (the Committee). The Committee reviews progress against the objectives during the financial year and assesses performance at year end following a detailed review of Group, business unit and individual executive performance. Long-term incentive performance conditions are set out in the rules of the Brambles Performance Share Plan (PSP).

The Group’s Remuneration Policy is to set target remuneration opportunity around the median level of the comparator group of companies (set out in the next paragraph) but with upper-quartile total potential rewards for outstanding performance and proven capability.

As outlined in the FY23 Remuneration Report, all executive team members also have a performance modifier applied to their STI outcome which incorporates Brambles’ performance against its published sustainability targets, Brambles' health and safety performance, as well as individual performance against Brambles’ leadership framework.

Details on the outcomes of this modifier can be found in Section 4.2.1.

Brambles’ global remuneration framework, which applies to all salaried employees, is underpinned by its banding structure. This classifies roles into specific bands, each incorporating roles with broadly equivalent work value. Pay ranges for each band are determined under the same framework globally and are based on the local market rates for the roles falling within each band.

One of Brambles' strategic HR projects relates to its pay and grading structure and policies. This project incorporates pay transparency, pay equity, and will ensure that Brambles' banding structure continues to support its organisation structure and strategy.

Additional global reward initiatives, encompassing both living wage and employee benefits, are also currently underway supporting Brambles' on-going commitment to the delivery of fair and equitable reward practices across the entire global employee population.

For executive roles, Brambles performs annual benchmarking to ensure that it maintains its ability to attract and retain the right talent.

DIRECTORS' REPORT – REMUNERATION REPORT continued

2.1 Remuneration Strategy Review

The Remuneration Committee carries out annual reviews of Brambles' remuneration strategy, including share-based incentive plans. These reviews are undertaken to determine whether the current approach continues to strongly align executives' interests with those of the Company and its shareholders. A key focus of the annual review is to provide confirmation that the Company's remuneration structure and policies drive forward the Company's strategic and business objectives, as well as Brambles' Code of Conduct, shared values, and risk appetite.

The Committee carried out a review in February 2024 to assess the performance of the revised STI plan, and noted that the increased focus on Customer and Asset Productivity had positive impacts on business performance in these areas.

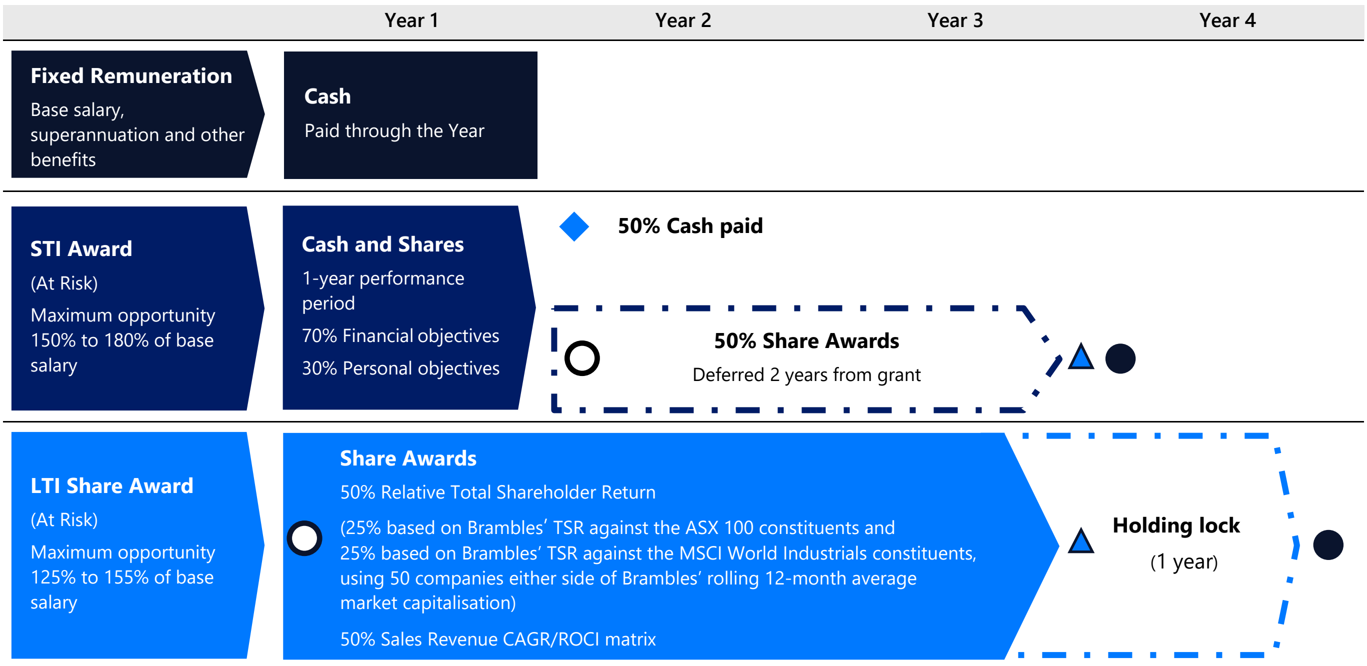
The analysis also shows that outcomes are appropriate, and in line with market and Brambles' shareholders' experience. There is a strong correlation between remuneration outcomes and periods of under and over performance as measured by TSR.

As safety now forms part of the performance modifier, the Committee also put in place an updated policy related to any serious safety breaches, including fatalities. Previously, executives had a 5% personal objective on safety. The new policy incorporates a consequence management framework that can impact STI outcomes untethered to the outcome of the safety metric.

3. Remuneration Structure

3.1 Overview

Remuneration is divided into those components not directly linked to performance (Fixed Remuneration) and those components which are variable and directly linked to Brambles' financial performance and the delivery of corporate and personal objectives ('At Risk' Remuneration). The diagram below summarises the remuneration structure for Executive KMP for the Year.



Legend: ◆Cash awarded ○Share Awards granted △Share Awards vested ●Share Awards unrestricted.

Payments are made and awards are granted following the end of the financial year and finalisation of Brambles' results.

An individual's At Risk Remuneration is subject to the overarching discretion of the Board and the Remuneration Committee. That discretion is informed by how individuals achieve results and the extent to which they exemplify the behaviours expected of them as leaders of the Company as set out in Brambles' Code of Conduct, shared values and risk appetite.

STI and LTI share awards are governed by the PSP rules, which have been approved by shareholders. No Brambles shares were purchased on-market during the Year to satisfy the entitlements of holders of STI share awards or LTI share awards.

The remuneration structure and the key features of Fixed and At Risk Remuneration are summarised in Section 3.3.1. The application of the At Risk Remuneration is further described in Section 4.

3.2 Basis of Valuation of STI and LTI Share Awards

Details of the approach are contained in Section 9.4.

DIRECTORS' REPORT – REMUNERATION REPORT continued

3.3 Remuneration Structure Details

The Company's remuneration structure is detailed below.

3.3.1 Remuneration Structure FY24

Remuneration element	Description	Purpose	Link to strategy
Fixed Remuneration			
	Base salary, superannuation, and other fixed benefits.	Fixed remuneration reflects the executive's role, duties, responsibilities, and level of performance, taking into account the individual's location and Brambles' size, geographic scale and complexity. Base salaries are generally referenced at the market median.	Base salaries are designed to be competitive to assist Brambles in attracting and retaining talented executives.
At Risk Remuneration			
STI Award Executive KMP are eligible to receive annual STI awards. The Remuneration Committee approves annual STI financial and personal objectives for Executive KMP. At the end of each year, the Remuneration Committee assesses Executive KMP's performance against those objectives. The amount of an STI Award will depend on whether and, if so, to what extent those objectives are achieved. From FY24 all ELT members have a performance modifier applied to their STI outcome which incorporates Brambles' performance against key published sustainability targets, health and safety performance and individual performance against the behaviours in Brambles' behavioural leadership framework. The modifier can increase or decrease an executives STI outcome but the overall maximum STI outcome for each individual remains unchanged. Further details on the ESG modifier can be found in Section 4.2. Half of the STI award is delivered in cash following the end of the year to which the award relates. The other half is delivered in deferred STI Share awards which vest two years from the date they are granted, subject to the relevant Executive KMP remaining employed by the Group at the end of that period. Eligibility for STI awards is also subject to the Remuneration Committee's discretion, described below, on Financial and Non-Financial Risks, both at the time of the grant of the awards and during the two-year deferral period. The achievement of objectives by Executive KMP for FY24 are set out in Section 4.2.			
Financial objectives (comprising 70% of the STI award)	Financial objectives are set at a Threshold (the minimum necessary to qualify for the awards), Target (when the performance target is met) and Maximum (when targets have been significantly exceeded and the award has reached its upper limit) level. For Underlying Profit, Threshold levels are set at or above the prior year's outcome for the relevant objective, except where extenuating circumstances exist.	Financial objectives are set to align an executive's At Risk Remuneration to Brambles' financial and strategic objectives. For FY24, these were: Business Unit and Group Underlying Profit, Cash flow sufficient to fully fund capital expenditure and dividends, and operational efficiency. Financial objectives are chosen to link Executive KMP's rewards with the financial performance of the Group, the pursuit of profitable growth, the efficient use of capital and generation of cash.	FY24 financial objectives: • Underlying Profit provides a focus on profitable growth that links to Brambles' strategy of delivering Underlying Profit growth in excess of sales revenue growth through the cycle; and • Cash Flow from Operations is used as a measure to provide a strong focus on the generation of cash, which links to Brambles' strategy of generating Free Cash Flow sufficient to fully fund capital expenditure and dividends.
Personal objectives (comprising 30% of the STI award)	For FY24 common personal objectives have been set for all ELT members relating to key customer experience and asset efficiency targets.	These objectives provide the opportunity to focus on the delivery of key strategic and operating priorities which reflect important value drivers emerging from Brambles' transformation programme.	The common personal objectives for FY24 are linked to the delivery of Brambles strategic and operating priorities and cover: • Customer Experience (DIFOT and NPS) • Asset Efficiency (ROCI and pooling capex to sales ratio).

DIRECTORS' REPORT – REMUNERATION REPORT continued

<table>
<tr><th>Remuneration element</th><th>Description</th><th>Purpose</th><th>Link to strategy</th></tr>
<tr><td colspan="4">LTI Share Award
Executive KMP are also eligible to receive an annual grant of LTI share awards vesting three years from the date the award is granted, subject to satisfaction of service and performance conditions. A one-year holding lock post-vesting applies to awards granted from FY20 onwards, during which executives cannot sell vested LTI awards other than to pay any tax obligations arising from awards vesting or the exercise of vested awards. Eligibility for LTI awards is also subject to the Non-Financial Risks assessment referred to below, both at the time of the grant of the awards and during their three-year performance period (Performance Period). The number of LTI share awards to which an Executive KMP is entitled is an amount, calculated using the face value approach, equal to a specified proportion of their base salary as shown in Section 4.3.</td></tr>
<tr><td>Relative TSR (comprising half of the LTI Share award)</td><td>Performance is measured over a three-year performance period against constituents of both the ASX100 and the MSCI World Industrials indices, using 50 companies either side of Brambles' rolling 12-month average market capitalisation. Each component is measured separately and comprises 25% of the total LTI Award.
The vesting schedule for the portion of the LTI subject to TSR is outlined below.
<table>
<tr><th></th><th>TSR percentile</th><th>% Vesting of shares</th></tr>
<tr><td>Below Threshold</td><td>Below 50th</td><td>No vesting</td></tr>
<tr><td>Threshold</td><td>50th</td><td>50%</td></tr>
<tr><td>Between Threshold and Maximum</td><td>Between 50th and 75th</td><td>Pro-rata straight-line vesting</td></tr>
<tr><td>Maximum</td><td>75th and above</td><td>100%</td></tr>
</table></td><td>Relative TSR rewards the creation of shareholder value.
TSR measures the returns that a company has provided for its shareholders, reflecting share price movements and reinvestment of dividends over a specific period.
A relative TSR performance condition means that value is only delivered to participants if the investment return received by Brambles' shareholders is sufficiently high relative to the return they could have received by investing in a portfolio of alternative stocks over the same period.</td><td>TSR provides a direct alignment of executive rewards to the creation of shareholder value through linking executive reward with the long-term generation of returns to Brambles' shareholders.</td></tr>
<tr><td>Sales revenue CAGR and ROCI (comprising half of the LTI Share Award)</td><td>Each year, a sales revenue CAGR/ROCI matrix is set by the Remuneration Committee for each LTI share award, based on targets approved by the Board. This allows the Remuneration Committee to set targets for each LTI share award that reward superior performance in light of the prevailing and forecast economic and trading conditions.
The FY25–FY27 sales revenue CAGR/ROCI matrix, pertaining to the LTI share awards to be granted in November 2024, is set out in Section 4.3. The sales revenue CAGR/ROCI targets have been established based on the Group's three-year strategic plan.</td><td>This portion of the LTI share award incentivises both long-term sales revenue growth and ROCI. Vesting is based on achievement of sales revenue targets with three-year performance targets set on a CAGR basis. The sales revenue growth targets are underpinned by ROCI hurdles. Sales revenue CAGR is measured in constant currency.</td><td>The sales revenue CAGR/ROCI matrix is designed to drive profitable business growth, to maintain quality of earnings and to deliver a strong ROCI. This links to Brambles' strategy of delivering long-term value creation and sustainable shareholder returns.</td></tr>
</table>

DIRECTORS' REPORT – REMUNERATION REPORT continued

Minimum shareholding requirements	Description
Brambles requires ELT members to hold a meaningful stake in the Company to assist in aligning their interests with those of its shareholders.	The minimum shareholding requirement (MSR) is to acquire and maintain Brambles' shares to be built up over five years. From 1 July 2023 the CEO has agreed to increase their MSR to 300% of base salary. For other ELT members their MSR increased in FY24 to align with an increase in their LTI entitlements. For KMP Executives this means 125% of base salary for the CFO and CEOs Europe and North America and was 150% of base salary for the CEO Americas. Each year, the Remuneration Committee receives a report on the progress towards the attainment of the required MSR. While building their MSR, ELT members are not permitted to sell Brambles shares, other than to pay tax obligations they incur by reason of STI or LTI share awards vesting (or upon exercise of vested awards), until they have achieved 100% of their shareholding requirements. Thereafter, they are required to maintain their respective MSR. Where Executive Directors step down from their Executive Director position but continue to be employed by the Company, they will, under the Company's Securities Trading Policy, need the Chair's approval to sell or otherwise deal in Brambles' shares. Executive Directors who cease to be employees of the Company are required to retain at least 50% of their minimum shareholding for the 12 months following their cessation of employment.
Individual Limit	**Description**
There is a maximum value of total share awards that can be granted to executives	Under the current PSP rules, the maximum value of all share awards (including STI and LTI share awards) that may be granted to an executive in a Financial Year is 250% of the executive's base salary. The Board has discretion to increase this to 300% in exceptional circumstances. Last year, Brambles increased the LTI award component of executive pay in lieu of base salary increases for two years. To enable Brambles to be flexible in a competitive market for talent, and the planned continued use of LTI awards as a means of rebalancing executive pay in line with the geographies in which Brambles operates, Brambles is proposing to increase this maximum to 350%, and to remove the Board's discretion beyond this level. Brambles will seek shareholder approval at its 2024 Annual General Meeting for this amendment to the PSP rules. However, there is no current intention to further increase the LTI award or STI award components of executive pay.
Clawback of awards	**Description**
Clawback provisions operate in relation to STI and LTI share awards	Under the PSP rules, the Board has discretion to reduce, cancel or lapse unvested or vested STI or LTI share awards in the circumstances set out in the PSP rules (a copy of the rules is on the Employee Share Plans page of the Corporate Governance section of the Brambles website). These circumstances are included to protect the financial soundness of the Group from an exceptional event which has a material impact on the value of the Group, a material inaccuracy in the assessment of the performance of a participant in the PSP (including an Executive KMP) or any subsequent or adverse development regarding the personal performance of such a participant.
Non-Financial Risks: Remuneration Committee discretion	**Description**
Remuneration Committee discretion regarding At Risk Remuneration	The Remuneration Committee has discretion to adjust the level of At Risk Remuneration (both STI and LTI awards), which can be used to increase or decrease vesting outcomes, including reducing vesting to zero. The Remuneration Committee assesses a broad range of factors, not typically captured in STI and LTI metrics, in considering whether to exercise discretion. These can include a broader assessment of financial performance, the share price performance of the Company and the behaviours exhibited by individual ELT members in relation to Non-Financial Risks (which includes their adherence to the Brambles' Code of Conduct, shared values and risk appetite). The Remuneration Committee adopted a principles-based approach to Non-Financial Risks, with a framework that provides guidelines as to the types of events that may warrant an adjustment and guidance on what should be considered by the Remuneration Committee. Advice is provided to the Remuneration Committee by the Chair of the Audit & Risk Committee, the CEO, the Chief People Officer, the Chief Legal Officer, and Head of Internal Audit on any major or severe incidents to be considered by the Remuneration Committee when deciding whether to exercise its discretion to adjust any year end remuneration outcomes.

DIRECTORS' REPORT – REMUNERATION REPORT continued

3.4 Remuneration Structure and Mix for Executive KMP

Brambles' Executive KMP remuneration mix is linked to performance. At Risk Remuneration represents 73% to 77% of Executive KMP maximum remuneration package.

3.4.1 FY24 STI Plan Structure

As detailed in Section 3.3.1, the FY24 STI Plan comprises Financial Objectives and Personal Objectives, the individual components of which are assessed against their respective performance targets to provide an overall assessment. The below objectives pay only when threshold is achieved at 50% of target, thereafter a sliding scale applies up to maximum.

Objective	Weighting at Target	Payment schedule
Group CEO and CFO		
Group Underlying Profit	40%	The objectives have a payout of 50% of target at threshold and 150% of target at maximum.
Group Cash Flow from Operations	30%	
Personal Objectives	30%	
Total	**100%**	
Regional CEO KMPs		
Regional Underlying Profit	20%	The objectives have a payout of 50% of target at threshold and 150% of target at maximum.
Group Underlying Profit	20%	
Regional Cash Flow from Operations	15%	
Group Cash Flow from Operations	15%	
Personal Objectives	30%	
Total	**100%**	

3.4.2 Remuneration Mix

The table below illustrates the remuneration potential for the Executive KMP showing Target and Maximum potential as a percentage of base salary.

Remuneration Mix	CEO Target Potential	CEO Maximum Potential	Former CFO Target Potential	Former CFO Maximum Potential	CEO Americas Target Potential	CEO Americas Maximum Potential	CFO/ CEO NA/ CEO Europe Target Potential	CFO/ CEO NA/ CEO Europe Maximum Potential
Base Salary	100%	100%	100%	100%	100%	100%	100%	100%
STI Cash Award	60%	90%	60%	90%	60%	90%	50%	75%
STI Share Award	60%	90%	60%	90%	60%	90%	50%	75%
LTI Share Award[1]	77.5%	155%	65%	130%	75%	150%	62.5%	125%
Total	**297.5%**	**435%**	**285%**	**410%**	**295%**	**430%**	**262.5%**	**375%**

The table below shows the balance between Cash and Equity at Target and Maximum for Executive KMP.

Remuneration Mix as a % of Total Remuneration	CEO Target Potential	CEO Maximum Potential	Former CFO Target Potential	Former CFO Maximum Potential	CEO Americas Target Potential	CEO Americas Maximum Potential	CFO/ CEO NA/ CEO Europe Target Potential	CFO/ CEO NA/ CEO Europe Maximum Potential
Cash Potential	54%	44%	56%	46%	54%	44%	57%	47%
Equity Potential	46%	56%	44%	54%	46%	56%	43%	53%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

1 The target % of the LTI Share Award represents a nominal 50% achievement of the component elements related to CAGR/ROCI and TSR performance.

DIRECTORS' REPORT – REMUNERATION REPORT continued

3.5 Brambles' Five-Year Performance and Remuneration Outcomes

The table below sets out the dividends paid, Brambles' share price at the beginning and the end of the financial year, the financial performance conditions for the STI and LTI share awards, and the Company's performance for continuing operations for the period FY20 to FY24 and the STI and LTI award outcomes for those years. The table below shows the following:

- financial measures relating to CHEP China are excluded from FY23 and FY22 following its divestment, however it is included in periods prior to FY22;
- Underlying Profit for FY21 has been restated for the change in accounting policy relating to Software as a Service arrangements. Periods prior to FY21 have not been restated for the impact of this change in accounting policy; and
- Underlying Profit and Cash Flow from Operations are presented at actual foreign exchange rates consistent with the amounts in the consolidated financial statements for the applicable year.

Definitions for the financial metrics are provided in the Glossary on pages 184 to 186.

The numbers shown below reflect Brambles' financial statements for the applicable year as well as STI and LTI outcomes as reported in those years.

	FY24	FY23	FY22	FY21	FY20
Dividends (cents per share)[2]	US$0.34	US$0.2625	US$0.2275	US$0.205	US$0.18
Share price (A$): at 1 July	14.59	11.05	11.30	10.89	12.75
Share price (A$): at 30 June	14.53	14.41	10.71	11.44	10.87
STI financial measures (US$m)					
Underlying Profit[3]	1,262.2	1,067.0	930.0	874.6	799.4
Cash Flow from Operations[4]	1,319.1	789.8	391.8	901.1	754.8
STI outcome range for Executive KMP (% base salary)[5]	144%-180%	135%-171%	78%–135%	108%–136%	62%–112%
STI outcome range for Executive KMP (% of Target)	144%-150%	135%-143%	78%–132%	107%–116%	62%–112%
LTI measures					
Sales Revenue (US$m)	6,545.4	6,076.8	5,519.8	5,209.8	4,717.9
ROCI	21%	19%	18%	18%	17%
Cumulative three-year TSR growth	48.39%	37.11%	-4.87%	26.36%	21.41%
LTI outcome (% of grant)[6]	100%	50%	50%	64%	89%

2 The Australian dollar equivalent of the FY24 dividend of US$0.34 per share is A$0.5199 per share. The Australian dollar equivalent of the FY23 dividend of US$0.2625 per share is A$0.3950 per share. The Australian dollar equivalent of the FY22 dividend of US$0.2275 per share is A$0.3231 per share. The Australian dollar equivalent of the FY21 dividend of US$0.205 per share is A$0.27 per share. The Australian dollar equivalent of the FY20 dividend of US$0.18 per share is A$0.26 per share.

3 Underlying Profit is a non-statutory measure (refer Note 2 of the Consolidated Financial Report for a reconciliation to operating profit). Underlying Profit relating to CHEP China are excluded from FY23 and FY22 following its divestment, however it is included in FY21 and FY20.

4 Cash Flow from Operations is a non-statutory measure (refer Note 2 of the Consolidated Financial Report).

5 The range of outcomes for Executive KMP includes financial and personal objectives for STI cash and STI share awards. The STI share awards are deferred for two years from grant date.

6 LTI outcome is for the Performance Period ending in the relevant year. For example, the FY24 LTI outcome relates to the FY22 to FY24 Performance Period.

4. Performance of Brambles and Remuneration Outcomes

4.1 FY24 STI Awards

The following table summarises the components and weighting of objectives for the FY24 STI awards for Executive KMP:

Executive KMP	Financial Objectives				Personal Objectives
	Group Underlying Profit	Business Unit Underlying Profit	Group Cash Flow from Operations	Business Unit Cash Flow from Operations	
CEO, CFO	40%	-	30%	-	30%
CEO Americas / North America / Europe	20%	20%	15%	15%	30%

Executive KMP personal objectives for FY24 are shown in Section 4.2. Recommended targets for global metrics relating to business strategy and growth objectives are set at the Group level and reviewed and approved by the Remuneration Committee. Objectives are set for each of the Executive KMP, which support and are aligned with the achievement of Brambles' overall business strategy and business unit objectives.

FY24 personal objectives are now common to all Executives and include customer and asset efficiency. Quantitative metrics for achievement of each of these objectives are set, which allows the Remuneration Committee to determine objectively whether they have been met. For customer objectives, this was a specified percentage increase in Net Promoter Score - a metric used to measure customer satisfaction - as well as measurement of DIFOT. For asset efficiency objectives, the measurements are balanced between pooling capex to sales ratio and ROCI.

4.2 FY24 STI Group Financial Objectives Outcomes

The following table outlines performance against Brambles' FY24 STI Group Financial Objectives against the targets shown.

Brambles' Group Financial Objectives

Metric	Performance	Outcome
Group Underlying Profit	Underlying Profit increased 17% at constant currency as productivity improvements and operational efficiencies linked to transformation benefits, improved commercial terms and benefits from supply chain initiatives more than offset direct and indirect cost increases	Maximum
Cash Flow from Operations	The Cash Flow from Operations performance in the period reflects lower capital expenditure, higher earnings and improvement compensations for lost pallets which were partly offset by working capital and other cash outflows including the reversal of FY23 timing impacts	Maximum

Brambles' Group Personal Objectives Metrics for Executive KMP

Executive KMP	Customer	Asset Efficiency
All KMPs	NPS 7.5%	Pooling capex to sales ratio 7.5%
	DIFOT 7.5%	ROCI 7.5%

The Remuneration Committee assessed the outcome of these objectives by reference to the quantitative metrics outlined above for their achievement set at the beginning of the Year. The outcome of that assessment is shown on Table 4.2.2 and 4.2.3.

4.2.1 Performance Modifier

The performance modifier is applied to the STI outcomes for ELT members. It incorporates Brambles' performance against key published sustainability targets, health and safety performance and individual performance against the behaviours in Brambles leadership framework. The modifier can increase or decrease an executives STI outcome but the overall maximum STI outcome for each individual remains unchanged.

Below is a table of the FY24 modifier elements, 4 of 6 outcomes under the modifier were achieved in FY24.

Modifier element
Maintain 100% FSC®/PEFC certification for wood purchased
GHG emissions reductions – Scope 1 and 2
GHG emissions reductions – Scope 3
Achieve gender diversity in management bands
Achieve zero product waste to landfill for Brambles and third party/outsourced plants
Brambles BIFR targets

DIRECTORS' REPORT – REMUNERATION REPORT continued

Alongside the performance modifier the CEO, and the Chair for the CEO, also has the option to apply discretion upwards or downwards for an executive based on behaviours aligned against Brambles' leadership framework and any other relevant factors. In applying discretion, the overall average score must remain flat. For FY24 neither the CEO nor the Chair used discretion to modify an individual's outcome. Following consideration of behaviours and leadership framework the Chair and CEO concluded there is no basis for modification.

Performance Modifier Outcome	←	CEO Assessment	→
5 or 6/6	0.8	1.1	1.2
3 or 4/6	**0.8**	**1.0**	**1.1**
1 or 2/6	0.8	0.9	1.0

4.2.2 CEO and CFO FY24 STI Performance

The FY24 STI outcomes for the CEO and former CFO and current CFO are shown below based on performance against their STI objectives. As indicated earlier in this report, half of the STI award is delivered in deferred STI share awards, which vest two years from the date of grant, subject to the applicable Executive remaining employed by the Group at the end of that period.

Continued strong sales growth, coupled with an average ROCI for the last 3 years of almost 20% and significant improvements in metrics such as: NPS, DIFOT, asset efficiency and free cash flow generation, underpin these excellent results.

In the following table, the outcomes for Underlying Profit and Cash Flow from Operations are based on 30 June 2023 foreign exchange rates. This allows relative performance between FY23 and FY24 to be assessed so that participants neither benefit nor experience detriment from foreign exchange movements.

Performance Objective	Weighting	Threshold	Target	Maximum	Outcome	Outcome as % of base salary	Outcome as % of target
Underlying Profit (US$)	40%	1,163.2m	1,199.2m	1,235.2m	1,293.9m	72%	150%
Cash Flow from Operations (US$)	30%	839.9m	908m	976.1m	1,342.1m	54%	150%
CEO and Former CFO Personal Objectives	30%	18%	36%	54%	Maximum	54%	150%
CEO and Former CFO Total	**100%**					**180%**	**150%**
Underlying Profit (US$)	40%	1,163.2m	1,199.2m	1,235.2m	1,293.9m	60%	150%
Cash Flow from Operations (US$)	30%	839.9m	908m	976.1m	1,342.1m	45%	150%
CFO Personal Objectives	30%	15%	30%	45%	Maximum	45%	150%
CFO Total	**100%**					**150%**	**150%**

DIRECTORS' REPORT – REMUNERATION REPORT continued

In addition to the Brambles STI metrics shown above relating to Underlying Profit and Cash Flow from Operations, the business unit targets and their respective personal objective outcomes for the CEOs of North America, Europe and Americas, were as follows:

4.2.3 Business Unit Metrics and Personal Objectives outcomes

Business Unit	Outcome	Achievement vs. Target
CEO North America		
CHEP North America Underlying Profit	Maximum	150%
CHEP North America Cash Flow from Operations	Maximum	150%
Personal Objectives	Maximum	150%
CEO Europe		
CHEP Europe Underlying Profit	Maximum	150%
CHEP Europe Cash Flow from Operations	Maximum	150%
Personal Objectives	Between Target and Maximum	130%
CEO Americas		
CHEP Americas Underlying Profit	Maximum	150%
CHEP Americas Cash Flow from Operations	Maximum	150%
Personal Objectives	Maximum	150%

4.2.4 Actual STI Payable and Forfeited for FY24

Details of the FY24 STI award payable to Executive KMP and the FY24 STI award forfeited, as a percentage of the maximum potential FY24 STI award in respect of performance during the Year, are shown in the following table. The Remuneration Committee also undertook the Non-Financial Risk assessment outlined in Section 3.3.1 and based on that assessment, determined that no adjustment to the vesting levels for any Executive KMP was required.

Name	Total STI target % of base salary	Actual STI payable as % of base salary	Maximum STI as % of base salary	Total STI payable (US$)[7]	% of maximum STI payable	% of maximum STI forfeited
G Chipchase	120%	180%	180%	2,835,564	100%	0%
D Cuenca	100%	144%	150%	637,305	96%	4%
J Gil	100%	150%	150%	970,317	100%	0%
X Garijo	120%	180%	180%	1,146,394	100%	0%
L Nador	100%	150%	150%	781,500	100%	0%
N O'Sullivan	120%	180%	180%	971,604	100%	0%

4.3 Executive KMP LTI Share Awards

Executive KMP are eligible to receive an annual grant of LTI share awards. The awards are made in October each year. The performance conditions to which LTI share awards are subject are set out in Section 3.3.1. For FY24 the number of LTI share awards to which an Executive KMP is entitled is an amount calculated as follows:

[Base salary in A$ at 1 July] x [LTI % in the table below] divided by
[Share price calculated using the face value approach] = number of LTI Share Awards

Role	LTI grant as % of base salary
CEO	155%
CEO Americas	150%
CFO / CEO North America / CEO Europe	125%

[7] For executives who will not be Brambles employees when the FY24 STI share awards are granted, the share equivalent will be paid in cash on the usual deferred vesting date. The Total STI Payable column includes the total STI cash + shares earned during the period of employment during the year. For new and departing KMP the total STI covers their full employment period.

DIRECTORS' REPORT – REMUNERATION REPORT continued

4.3.1 Sales Revenue CAGR/ROCI LTI Performance Matrix for FY25-FY27[8]

The sales revenue CAGR/ROCI matrix for LTI share awards that will be made in November 2024 for the period FY25-FY27 is set out below. The sales revenue and ROCI components of the matrix are calculated on a Group basis. The prospective vesting date is in November 2027. ROCI is defined as Underlying Profit divided by Average Capital Invested.

FY25-27 Sales Revenue CAGR/ROCI LTI Performance Matrix Vesting Schedule

	ROCI %		
Sales Revenue CAGR[9]	**20.0%**	**21.5%**	**23.0%**
5%	-	20%	40%
6%	20%	40%	60%
7%	40%	60%	80%
8%	60%	80%	100%
9%	80%	100%	100%

As a policy principle, the Remuneration Committee takes into account major acquisitions, divestments, impairments and Significant Items during the applicable Performance Period in determining the final outcome of the sales revenue CAGR/ROCI matrix for that period. Acquisitions or divestments that are not material to the overall outcome are excluded from any performance assessment.

The ROCI outcome is the average ROCI over the Performance Period and is calculated by adding each year's ROCI result and dividing that sum by three.

The matrix continues to provide an appropriate balance between growth and returns well in excess of the cost of capital.

4.3.2 Performance Testing of LTI Share Awards Under the Performance Share Plan

The Performance Period for LTI awards granted in October 2021 ended on 30 June 2024. The TSR component of these awards was tested against the TSR performance of Brambles over the Performance Period as determined by an independent consultant. The calculations of the sales revenue CAGR and ROCI components of these awards are based on the audited financial information and then tested against the FY22 to FY24 matrix by the Remuneration Committee. The Committee also undertook the Non-Financial Risks assessment outlined in Section 3.3.1 and based on that assessment, determined that no adjustment to the vesting levels for any Executive KMP was required. Based on those assessments, these awards vested as follows:

Performance condition	Performance Period	Performance condition	Vesting level
Relative TSR (ASX100)	1 July 2021 to 30 June 2024	Brambles' TSR performance against the ASX 100	100%
Relative TSR (MSCI)	1 July 2021 to 30 June 2024	Brambles' TSR performance against the MSCI Industrials	100%
Sales revenue CAGR/ROCI	1 July 2021 to 30 June 2024	CAGR: 9.7% ROCI: 19%	100%
Total LTI vesting	**1 July 2021 to 30 June 2024**		**100%**

[8] Financial targets set for LTI share awards do not constitute profit forecasts and the Board is conscious that their publication may therefore be misleading. Accordingly, Brambles does not publish in advance the coming year's financial targets for LTI awards.

[9] Three-year CAGR over base year.

DIRECTORS' REPORT – REMUNERATION REPORT continued

4.4 Executive KMP Remuneration and Benefits for the Year

The purpose of the table below is to enable shareholders to understand the actual remuneration received by Executive KMP. The table provides a summary of the actual remuneration, before equity, received or receivable by the Executive KMP for the Year, together with prior year comparatives. Income derived from the vesting of STI and LTI share awards during the Year has been included below as 'Actual share income'. The value shown is the market value at the time the income became available to the Executive. These share awards were granted in prior financial years and vested in this financial year.

Statutory disclosures relating to share-based payments expense are shown in Section 9.1. Unvested share awards may result in Actual share income in future years and, if so, the income will be reported in the table below in the Remuneration Report for the relevant year.

There were no loans or other transactions with any Executive Directors or Executive KMP during the Year.

US$'000		Short-term employee benefits			Post-employment benefits	Other			Actual share income[10]	
Name	Year	Cash salary / fees[11]	Cash bonus	Non-monetary benefits[12]	Superannuation	Termination / sign-on payments / retirement benefits[13]	Other[14]	Total before equity[15]	STI / LTI / MyShare awards	Total[16]
Executive Directors										
G Chipchase	**FY24**	**1,834**	**1,418**	**1**	**-**	**-**	**43**	**3,296**	**2,560**	**5,856**
	FY23	1,765	1,273	-	-	-	34	3,072	1,603	4,675
Other Executive KMP										
D Cuenca	**FY24**	**441**	**319**	**15**	**57**	**-**	**6**	**838**	**502**	**1,340**
	FY23	428	292	17	56	-	3	796	192	988
J Gil[17]	**FY24**	**534**	**389**	**-**	**78**	**-**	**8**	**1,009**	**271**	**1,280**
	FY23	-	-	-	-	-	-	-	-	-
Former Executive KMP[18,19]										
X Garijo	**FY24**	**461**	**806**	**101**	**68**	**630**	**116**	**2,182**	**-**	**2,182**
	FY23	-	-	-	-	-	-	-	-	-
L Nador	**FY24**	**543**	**782**	**-**	**78**	**473**	**24**	**1,900**	**605**	**2,505**
	FY23	543	351	2	78	-	21	995	453	1,448
N O'Sullivan	**FY24**	**630**	**972**	**80**	**-**	**-**	**37**	**1,719**	**1,437**	**3,156**
	FY23	998	726	35	-	-	2	1,761	914	2,675
Totals[20]	**FY24**	**4,443**	**4,686**	**197**	**281**	**1,103**	**234**	**10,944**	**5,375**	**16,319**
	FY23	3,734	2,642	54	134	-	60	6,624	3,162	9,786

[10] Actual share income column represents the non-statutory vested share income and it is a non-IFRS measure.
[11] Cash salary/fees includes base salary and allowances.
[12] Non-monetary benefits include family education fees, company car benefit and tax support.
[13] The termination benefit for Mr Garijo is calculated on his total service period and includes severance, outplacement services and relocation. All other figures are based on his KMP period.
[14] Other includes leave paid upon termination, health insurance, life insurance, and salary continuance insurance.
[15] Total before equity column represents the statutory remuneration excluding share-based payments.
[16] The Total column represents the non-statutory remuneration.
[17] For Mr Gil, the remuneration reflects his time served as a KMP only.
[18] For executives who will not be Brambles employees when the FY24 STI share awards are granted, the share equivalent will be paid in cash on the usual deferred vesting date. The cash bonus represents the cash to be paid in September 2024, as well as the deferred cash in lieu of shares component payable in 2026.
[19] At the conclusion of KMP responsibilities, Ms O'Sullivan and Ms Nador performed advisory duties until their termination dates. Their total remuneration is based on the entirety of employment in FY24, including the advisory period, and pro-rated accordingly.
[20] The year-on-year comparison of remuneration is affected by the movement of 30 June 2024 rates from A$1=US$0.6750, £1=US$1.2110 and €1=US$1.0510 for FY23 to A$1=US$0.6562, £1=US$1.2587 and €1=US$1.0806 for FY24.

DIRECTORS' REPORT – REMUNERATION REPORT continued

5. Executive Key Management Personnel

5.1 Executive Key Management Personnel

The following executives comprise the Year's Executive KMP:

- Graham Chipchase, Executive Director and CEO;
- Nessa O'Sullivan, Executive Director and CFO;
- Joaquin Gil, CFO;
- Xavier Garijo, CEO Americas;
- Laura Nador, CEO, North America; and
- David Cuenca, CEO, Europe.

KMP changes in FY24

During the course of FY24 there were some changes in Brambles' KMPs.

Nessa O'Sullivan, former CFO, stepped down from her role as CFO on 12 October 2023 and retired from Brambles on 31 January 2024 with her successor, Joaquin Gil joining the executive team on 13 October 2023.

Laura Nador, former CEO of North America, stepped down from her role on 31 December 2023 and left Brambles on 30 June 2024 with a new CEO Americas, Xavier Garijo, joining on 16 October 2023 and joining the executive team on 1 January 2024. Xavier left the organisation on 30 June 2024.

The following tables show the remuneration for all KMPs.

5.2 Service Contracts

Graham Chipchase is on a continuing contract, which may be terminated without cause by the employer giving 12 months' notice or by the employee giving six months' notice, with payments in lieu of notice calculated by reference to annual base salary. Nessa O'Sullivan was on a similar continuing contract and retired on 31 January 2024.

David Cuenca and Joaquin Gil are on continuing contracts, which may be terminated without cause by either the employer or the employee giving six months' notice, with payments in lieu of notice calculated by reference to annual base salary. Laura Nador and Xavier Garijo were on similar continuing contracts and both left Brambles on 30 June 2024.

These standard service contracts state that any termination payments made would be reduced by any value to be received under any new employment and are subject to limits imposed under Australian law.

Details of Executive KMP salaries are shown below.

5.2.1 Contract Terms for Executive KMP

Name and role(s)	Base salary at 1 July 2023	Base salary at 1 July 2024	Notice period
Disclosable Executives			
G Chipchase, CEO, Brambles Group	GBP 1,251,500	GBP 1,251,500	12 months
J Gil, CFO, Brambles Group (from 13 October 2023)	GBP 575,000	GBP 603,750	6 months
D Cuenca[21], CEO, Europe	EUR 407,000	EUR 409,050	6 months
Former Disclosable Executives			
N O'Sullivan, CFO, Brambles Group	GBP 730,000	-	12 months
X Garijo, CEO Americas (from 1 January 2024)	USD 900,000	-	6 months
L Nador, CEO, North America	USD 521,000	-	6 months

[21] For David Cuenca, a seniority increase of 0.5% was awarded for his years of service under Spain legislation.

6. Employee Share Plan

Brambles' employee share plan, MyShare, was launched in October 2008 and was developed as a vehicle to encourage share ownership and retention across the Group. Employees may buy up to A$6,000 of shares each year (Acquired Shares), which the Company matches (Matching Shares) on a one-for-one basis after a two-year qualifying period. The vesting and automatic exercise of Matching Shares occurs on the second anniversary of the first acquisition.

Since 2020, MyShare is offered to all permanent employees of Brambles in approximately 60 countries.

As of 30 June 2024, 5.20 million Brambles shares were held by 5,118 MyShare participants.

Executive KMP are eligible to participate in MyShare. Shares obtained by Executive KMP through MyShare are included in Section 9.6. Matching Shares allocated, but not yet vested, are shown in Sections 9.5 and 9.7.

During the Year 1,165,792 Brambles shares were purchased on-market under the MyShare plan, being the Acquired Shares purchased by participants in that plan, at an average price of A$14.31 per share. The fair value at grant ranged from A$12.43 to A$15.25 (up to 30 June 2024) based on the monthly share price value. For further details of the share grant values, refer to Section 9.8 of the Remuneration Report and Note 21 of the Consolidated Financial Report.

7. Non-Executive Directors' Disclosures

7.1 Non-Executive Directors' Remuneration Policy

The Chair's fees are determined by the Remuneration Committee, with the Chair recused from the decision. The other Non-Executive Directors' fees are determined by the Chair and Executive Directors. In setting the fees, advice is sought from external remuneration advisors on the appropriate level of fees, taking into account the responsibilities of Non-Executive Directors in dealing with the complexity and global nature of Brambles' affairs and the level of fees paid to Non-Executive Directors in comparable companies.

All Non-Executive Directors' fees are set in Australian dollars and paid in local currencies.

Brambles' base fees for Non-Executive Directors are set with reference to the comparator group of Australian ASX50 listed companies.

The base fees for the Chair and Non-Executive Directors for FY24 were as follows:

- Chair: A$650,000, and
- Non-Executive Directors: A$217,000.

Non-Executive Directors are also entitled to the following travel allowances and Committee member fees, which were not increased during the Year. These fees will not be increased for FY25:

- supplement for members of the Audit & Risk Committee and Remuneration Committee: A$25,000. The Board Chair does not receive the supplement for membership of either of these Committees;
- supplement for Chair of the Audit & Risk Committee: A$50,000;
- supplement for Chair of the Remuneration Committee: A$40,000; and
- travel allowance of A$5,000 where a meeting involved a long-haul international trip.

The next fee review will take effect from 1 July 2025.

7.2 Non-Executive Directors' Appointment Letters

Non-Executive Directors are appointed for an unspecified term but are subject to election by shareholders at the first AGM after their initial appointment by the Board. The 2023 Corporate Governance Statement, available on Brambles' website, contains details of the process for appointing and re-electing Non-Executive Directors and of the years in which the Non-Executive Directors are next due for re-election by shareholders.

Letters of appointment for Non-Executive Directors, which are contracts for service but not contracts of employment, have been put in place. These letters confirm that Non-Executive Directors have no right to compensation on the termination of their appointment for any reason, other than for unpaid fees and expenses for the period served.

Non-Executive Directors do not participate in the PSP or MyShare plans.

Mr George El Zoghbi left the Board on 31 December 2023.

DIRECTORS' REPORT – REMUNERATION REPORT continued

7.3 Non-Executive Directors' Shareholdings

Non-Executive Directors are required to hold shares in Brambles equal to their pre-tax annual base fees, within three years of their appointment. For existing Non-Executive Directors, they must achieve the equivalent of their base fees before March 2025.

The following table contains details of Brambles Limited ordinary shares in which Non-Executive Directors held relevant interests, being issued shares held by them and their related parties:[22]

Ordinary shares	Balance at the start of the Year	Changes during the Year	Balance at the end of the Year
Non-Executive Directors as at 30 June 2024			
K Banks	4,000	6,001	10,001
E Fagan	20,000	-	20,000
K McCall	18,425	-	18,425
J Miller	9,450	3,000	12,450
J Mullen	51,400	11,535	62,935
S Perkins	20,000	-	20,000
P Rajagopalan	8,068	-	8,068
N Scheinkestel	20,025	4,410	24,435
Former Non-Executive Director			
G El-Zoghbi[23]	35,000	-	35,000

[22] K Banks: Held by Kendra Fowler Banks.
E Fagan: Held by LG Vestra, Bank of New York Mellon on behalf of Elizabeth Fagan.
K McCall: Held by BNP Paribas Nominees Australia Pty Limited on behalf of Ken McCall.
J Miller: Held by Morgan Stanley Private Wealth Management on behalf of James Miller.
J Mullen: Held by Hederaberry Pty Limited as trustee for the Mullen Family Trust.
S Perkins: Held by Perkins Family Super Pty Ltd ATF Perkins Family S/F A/C.
P Rajagopalan: 8,068 ordinary shares held through 4,034 Brambles Limited American Depositary Receipts (Brambles ADRs), acquired by E*Trade Security LLC on behalf of Priya Rajagopalan and Harish Devarajan.
N Scheinkestel: Of which 11,345 shares are held by Nora Scheinkestel and 11,187 shares are held by Scheinkestel Superannuation Pty Ltd <Scheinkestel S/F No 2 A/C> and 1,903 shares are held by Scheinkestel Superannuation Pty Ltd <Scheinkestel S/F No 3 A/C>.
G El-Zoghbi: Held by The George El-Zoghbi Trust Agreement on behalf of George El-Zoghbi.

[23] Balance at the end of the Year is as at 31 December 2023, being the date that Mr El-Zoghbi retired as a Non-Executive Director.

DIRECTORS' REPORT – REMUNERATION REPORT continued

7.4 Non-Executive Directors' Remuneration for the Year

Fees and other benefits provided to Non-Executive Directors during the Year and the prior year are set out in Section 7.4.1 below in US dollars. The full names of the Non-Executive Directors and the dates of any changes in Non-Executive Directors during the Year are shown in the Directors' Report - Additional Information on page 77. Non-Executive Directors do not receive any share-based payments.

Any contributions to personal superannuation or pension funds on behalf of the Non-Executive Directors are deducted from their overall fee entitlements.

7.4.1 Non-Executive Directors' Remuneration for the Year

US$'000	Year	Short-term employee benefits	Post-employment benefits		Total
Name		Directors' fees	Superannuation	Other[24]	
Non-Executive Directors as at 30 June 2024					
K Banks	**FY24**	**147**	**16**	**-**	**163**
	FY23	137	14	-	151
E Fagan	**FY24**	**182**	**6**	**1**	**189**
	FY23	184	5	3	192
K McCall	**FY24**	**166**	**6**	**1**	**173**
	FY23	167	4	2	173
J Miller	**FY24**	**178**	**-**	**1**	**179**
	FY23	171	-	3	174
J Mullen	**FY24**	**393**	**43**	**-**	**436**
	FY23	427	-	-	427
S Perkins	**FY24**	**195**	**-**	**-**	**195**
	FY23	195	-	-	195
P Rajagopalan	**FY24**	**172**	**-**	**1**	**173**
	FY23	101	-	1	102
N Scheinkestel	**FY24**	**161**	**18**	**-**	**179**
	FY23	167	18	-	185
Former Non-Executive Director					
G El-Zoghbi	**FY24**	**77**	**9**	**-**	**86**
	FY23	152	16	-	168
Totals[25]	**FY24**	**1,671**	**98**	**4**	**1,773**
	FY23	1,701	57	9	1,767

[24] Other includes tax support services.

[25] The year-on-year comparison of remuneration is affected by the movement of 30 June 2024 rates from A$1=US$0.6750, £1=US$1.2110 and €1=US$1.0510 for FY23 to A$1=US$0.6562, £1=US$1.2587 and €1=US$1.0806 for FY24.

DIRECTORS' REPORT – REMUNERATION REPORT continued

8. Remuneration Governance

8.1 Remuneration Committee

The Remuneration Committee operates under delegated authority from Brambles' Board. Its responsibilities include:

- recommending overall Remuneration Policy to the Board;
- determining and implementing a process to enable the Committee to satisfy itself on the conduct of members of the ELT in relation to Non-Financial Risks and reviewing and, if necessary, amending that process from time to time;
- recommending to the Board the overall remuneration for the CEO;
- approving the remuneration arrangements for the other Executive KMP; and
- reviewing the Remuneration Policy and individual remuneration arrangements for other senior executives.

During the Year, the Remuneration Committee applied the principles-based approach to Non-Financial Risks, described in Section 3.3.1, to assist it in assessing the behaviours of executives and their remuneration outcomes. The Remuneration Committee also works closely with the Audit & Risk Committee for assurance on the integrity of the financial performance outcomes underlying remuneration determination. More broadly, the Remuneration Committee considers the Group's overall performance, both financial and non-financial, in its remuneration determinations.

During the Year, members of the Remuneration Committee were Mr Perkins (Committee Chair), Ms Banks (from 1 September 2023), Mr El-Zoghbi (from 1 June 2023 to 31 December 2023), Ms Fagan, Mr Miller and Mr Mullen. Other individuals are invited to attend Remuneration Committee meetings as required by the Committee. This includes members of Brambles' management team including the CEO, Chief People Officer, the Chief Legal Officer, and Senior Vice President, Reward, as well as external remuneration advice as required. Mr Perkins will retire at the conclusion of the 2024 AGM having served three terms on the Board.

During the Year, the Remuneration Committee held five meetings.

Details of the Remuneration Committee's Charter can be found on the Corporate Governance page of Brambles' website.

8.2 Securities Trading Policy and Incentive Awards

Brambles' Securities Trading Policy applies to share awards granted under the incentive arrangements described in this report. That policy prohibits designated persons (including all Executive KMP) from acquiring financial products or entering into arrangements that have the effect of limiting exposure to the risk of price movements of Brambles' securities. It is a term of senior executives' employment contracts that they are required to comply with all Brambles' policies (including the Securities Trading Policy). Management declarations are obtained twice yearly and include a statement that executives have complied with all policies.

8.3 Remuneration Advisors

The Remuneration Committee seeks external advice as required from specialist remuneration advisors who do not provide recommendations.

DIRECTORS' REPORT – REMUNERATION REPORT continued

9. Other Reporting requirements

9.1 Share-Based Payments – Statutory Remuneration

The table below provides information on statutory remuneration for share awards relating to the years FY22 to FY24, which have been amortised over two to three years. These share awards are subject to conditions set out in Section 4. Remuneration will be received as a result of the underlying share awards vesting if the performance conditions have been met.

US$'000	Year		Share-based payment		Total[26]
Name		Total before equity[26]	Awards	Percentage of total remuneration	
Executive Directors					
G Chipchase	**FY24**	**3,296**	**2,500**	**43%**	**5,796**
	FY23	3,072	2,428	44%	5,500
Other Executive KMP					
D Cuenca	**FY24**	**838**	**530**	**39%**	**1,368**
	FY23	796	468	37%	1,264
J Gil[27]	**FY24**	**1,009**	**338**	**25%**	**1,347**
	FY23	-	-	-	-
Former Executive KMP					
X Garijo[28]	**FY24**	**2,182**	**122**	**5%**	**2,304**
	FY23	-	-	-	-
L Nador[29]	**FY24**	**1,900**	**869**	**31%**	**2,769**
	FY23	995	669	40%	1,664
N O'Sullivan[29]	**FY24**	**1,719**	**995**	**37%**	**2,714**
	FY23	1,761	1,704	49%	3,465
Totals	**FY24**	**10,944**	**5,354**		**16,298**
	FY23	6,624	5,269		11,893

9.2 LTI Share Awards still to be tested against performance conditions

The following table provides details of the level of vesting for the TSR component of LTI share awards granted in FY23 and FY24 if the current TSR performance was to be maintained until the end of the applicable Performance Period:

Awards made during	Performance condition	Start of Performance Period	End of Performance Period	Out-performance of median company's TSR (%)[30]	Period to 30 June 2024: vesting if current performance is maintained until testing date (% of original award)
FY23	Relative TSR (ASX 100)	1 July 2022	30 June 2025	N/A	100% LTI TSR awards
FY23	Relative TSR (MSCI)	1 July 2022	30 June 2025	N/A	100% LTI TSR awards
FY24	Relative TSR (ASX 100)	1 July 2023	30 June 2026	N/A	0% LTI TSR awards
FY24	Relative TSR (MSCI)	1 July 2023	30 June 2026	N/A	0% LTI TSR awards

The following table provides details of the level of vesting for the sales revenue CAGR/ROCI component of LTI share awards granted in FY23 and FY24 if the current sales revenue CAGR/ROCI performance was to be maintained until the end of the applicable Performance Period:

Awards made during	Performance condition	Start of Performance Period	End of Performance Period	Period to 30 June 2024: Vesting if current performance is maintained until testing date (% of original award)
FY23	Sales Revenue CAGR/ROCI	1 July 2022	30 June 2025	100% LTI Sales Revenue ROCI awards
FY24	Sales Revenue CAGR/ROCI	1 July 2023	30 June 2026	25% LTI Sales Revenue ROCI awards

[26] The Total column represents the Total statutory remuneration.
[27] The statutory remuneration presented reflects share-based payments for the period served as KMP during FY24.
[28] The statutory remuneration presented reflects share-based payments for the period served as KMP during FY24, including the impact of eligible LTI awards retained on cessation of employment in accordance with the PSP rules.
[29] The statutory remuneration presented reflects share-based payments for the period served as KMP during FY24, including the impact of eligible STI and LTI awards retained on cessation of employment in accordance with the PSP rules.
[30] Performance against both the ASX 100 and MSCI World Industrials indices will be based on the standard TSR ranking approach, with threshold vesting commencing at the 50th percentile and progressively vesting to full vesting at the 75th percentile.

DIRECTORS' REPORT – REMUNERATION REPORT continued

9.3 Summary of STI and LTI Share Awards

The table below contains details of the STI and LTI share awards granted in which Executive KMP have unvested and/or unexercised awards that could affect remuneration in this or future reporting periods. STI and LTI share awards do not have an exercise price and carry no voting rights. The LTI share awards described as LTI TSR awards vest on the third anniversary of their grant date, subject to continued employment and meeting the relevant TSR performance condition set out in Section 3.3.1. The LTI share awards described as LTI ROCI vest on the third anniversary of their grant date, subject to continued employment and meeting a sales revenue CAGR/ROCI performance condition set out in Section 3.3.1.

Details pertaining to Brambles' employee share plan, MyShare, are in Section 6.

Performance Share Plan awards	Vesting condition
STI awards	100% vesting based on continuous employment
LTI TSR awards (ASX and MSCI)	50% vesting if TSR is equal to the median ranked company 100% vesting if at 75th percentile
Dividend Equivalent	From 2019 onwards, STI Awards that vest and are exercised entitle holders to a dividend equivalent payment equal to the dividends declared by Brambles during the period commencing on the day the award was granted and ending on the day the award is exercised. The dividend equivalent payment is paid either in cash or shares
FY22–FY24 LTI ROCI award	20% vesting occurs if CAGR is 5% and ROCI is 15.5% over three-year period 100% vesting occurs if CAGR is 8% and ROCI is 17.0% over three-year period
FY23–FY25 LTI ROCI award	20% vesting occurs if CAGR is 5% and ROCI is 17.5% over three-year period 100% vesting occurs if CAGR is 8% and ROCI is 19.0% over three-year period
FY24–FY26 LTI ROCI award	20% vesting occurs if CAGR is 5% and ROCI is 17.5% over three-year period 100% vesting occurs if CAGR is 8% and ROCI is 19.0% over three-year period

The terms and conditions of each grant of STI and LTI Share Awards affecting remuneration of Executive KMP in this or future reporting periods are outlined in the table below. Awards granted under the plans do not have an exercise price and carry no voting rights. The STI Awards vest on the second anniversary of their grant date, subject to continued employment.

Performance Share Plan Awards	Grant date	Expiry date	Value at grant	Status/vesting date
STI/LTI TSR/ FY22-FY24 LTI ROCI	21 October 2021	21 October 2027	A$10.32 (STI) / A$9.50 (ROCI) / A$4.50 (TSR-ASX) / A$4.92 (TSR-MSCI)	STI – 21 October 2023 LTI – 21 October 2024
STI/LTI TSR/ FY23-FY25 LTI ROCI	21 October 2022	21 October 2028	A$11.13 (STI) / A$10.15 (ROCI) / A$6.48 (TSR-ASX) / A$6.90 (TSR-MSCI)	STI – 21 October 2024 LTI – 21 October 2025
STI/LTI TSR/ FY24-FY26 LTI ROCI	6 November 2023	6 November 2029	A$13.38 (STI) / A$12.18 (ROCI) / A$6.80 (TSR-ASX) / A$7.29 (TSR-MSCI)	STI – 6 November 2025 LTI – 6 November 2026

9.4 Basis of Valuation of STI and LTI Share Awards

The fair values of the STI and LTI share awards included in the above table have been estimated in accordance with the requirements of AASB 2 *Share-based Payments*, using a Monte Carlo simulation model for share rights subject to a market condition and a risk-neutral assumption for non-market conditions. The assumptions used in the valuations are outlined in Note 21 of the Consolidated Financial Report.

This fair value is not used to calculate the number of STI and LTI share awards granted to executives. The number of share awards granted is based on the market value of Brambles' shares which, under the PSP rules, is the volume weighted average share price during the five trading days up to and including the grant date. This is termed as a 'face value approach'.

DIRECTORS' REPORT – REMUNERATION REPORT continued

9.5 Equity-Based Awards

The following table shows details of equity-based awards made to Executive KMP during the Year. STI and LTI share awards were made under the PSP, the terms and conditions of which are set out in Section 3. MyShare Matching Shares were made under MyShare, the terms and conditions of which are set out in Section 6. Approval for the STI and LTI share awards and MyShare Matching Awards issued to Mr Chipchase and Ms O'Sullivan was obtained under ASX Listing Rule 10.14.

Name	Type of award	Number	Fair value at grant US$'000[31]
Executive Directors			
G Chipchase	STI	150,415	1,306
	LTI	277,548	1,731
	MyShare Matching Shares	362	3
	Totals	**428,325**	**3,040**
Other Executive KMP			
D Cuenca	STI	34,563	300
	LTI	63,212	394
	MyShare Matching Shares	439	4
	Totals	**98,214**	**698**
J Gil	STI	34,841	302
	LTI	102,837	641
	MyShare Matching Shares	332	3
	Totals	**138,010**	**946**
Former Executive KMP			
X Garijo	STI	-	-
	LTI	156,436	976
	MyShare Matching Shares	-	-
	Totals	**156,436**	**976**
L Nador	STI	40,638	353
	LTI	75,465	471
	MyShare Matching Shares	392	3
	Totals	**116,495**	**827**
N O'Sullivan	STI	85,755	744
	LTI	-	-
	MyShare Matching Shares	312	3
	Totals	**86,067**	**747**

[31] The total value of the relevant equity award(s) is valued as at the date of grant using the methodology set out in Section 9.3 and 9.4. The minimum possible future value of all awards yet to vest is zero and is based on the performance/service conditions not being met. The maximum possible future value of awards yet to vest is equal to the value at grant.

DIRECTORS' REPORT – REMUNERATION REPORT continued

9.6 Shareholdings

The following table shows details of Brambles Limited ordinary shares in which the Executive KMP held relevant interests, being issued shares held by them and their related parties.[32,33]

Ordinary shares	Balance at the start of the Year[34]	Shares delivered from exercise of share rights[35]	Other changes during the Year[36]	Balance at the end of the Year[37]
Executive Directors				
G Chipchase	479,042	276,938	(135,326)	620,654
Other Executive KMP				
D Cuenca	49,379	54,227	(24,204)	79,402
J Gil	36,920	492	155	37,567
Former Executive KMP				
X Garijo	0	0	0	0
L Nador	118,381	65,324	(113,785)	69,920
N O'Sullivan	272,021	155,460	(75,852)	351,629

32 On 31 July 2024, the following Executive KMP acquired ordinary shares under MyShare, which are held by Certane SPV Management Pty Ltd: G Chipchase (28), D Cuenca (33), J Gil (33) and L Nador (27).
On 31 July 2024, the following Executive KMP received Matching Awards under MyShare: G Chipchase (28), D Cuenca (33), J Gil (33) and L Nador (27).

33 G Chipchase: of which 31,200 shares are held by Multrees Investor Services and 589,454 shares are held by Certane SPV Management Pty Ltd.
N O'Sullivan: of which 9,000 shares are held in her own name and 342,629 shares are held by Certane SPV Management Pty Ltd.
D Cuenca: all of his shares are held by Certane SPV Management Pty Ltd.
L Nador: of which 3,773 shares are held in her own name and 66,147 are held by Certane SPV Management Pty Ltd.
J Gil: all of his shares are held by Certane SPV Management Pty Ltd.

34 The balance at the start of the year is as at 1 July 2023 or as at the date of appointment as KMP if later.

35 The applicable total includes share rights exercised under the PSP and MyShare Matching Shares automatically exercised at vesting.

36 Other changes may include the sale or purchase of shares, dividend equivalent shares or shares issued under MyShare. Where Brambles has a tax withholding obligation payable on the exercise of share rights, Brambles sells a number of shares on market on behalf of the executive to the value of the tax withholding obligation.

37 The balance at the end of the year is as at 30 June 2024 or the date ceasing employment if earlier.

DIRECTORS' REPORT – REMUNERATION REPORT continued

9.7 Interests in Share Rights[38]

The following table shows details of rights over Brambles Limited ordinary shares in which the Executive KMP held relevant interests being STI and LTI share awards made on 15 October 2020, 21 October 2021, 21 October 2022 and 6 November 2023 under the PSP; and Matching Shares, being conditional rights awarded during the Year under MyShare.[39]

Executive KMP	Balance at the start of the Year[40]	Granted during the Year	Exercised during the Year[41]	Lapsed during the Year[42]	Balance at the end of the Year[43]	Vested and exercisable at end of the Year	Value at exercise (US$'000)
Executive Directors							
G Chipchase	1,066,563	428,325	(276,938)	(131,032)	1,086,918	-	2,457
Other Executive KMP							
D Cuenca	212,304	98,214	(54,227)	(24,424)	231,867	-	491
J Gil	86,192	138,010	(492)	-	223,710	29,460	5
Former Executive KMP							
X Garijo	156,436	-	-	(115,427)	41,009	-	-
L Nador	275,225	116,495	(65,324)	(104,130)	222,266	-	592
N O'Sullivan	600,721	86,067	(155,460)	(162,070)	369,258	-	1,380

9.8 Employee Share Plan

The terms and conditions of each grant of Matching Shares affecting remuneration in this or future reporting periods are outlined in the table below. Share rights granted under the plans do not have an exercise price and carry no dividend or voting rights.

Plan	Grant date	Expiry date	Value at grant	Matching Shares / vesting date
MyShare 2022[44]	Each month from 31 March 2022 to 28 February 2023	1 April 2024	Values range per month from A$9.41 to A$12.19	31 March 2024
MyShare 2023[45]	Each month from 31 March 2023 to 28 February 2024	1 April 2025	Values range per month from A$12.43 to A$14.17	31 March 2025
MyShare 2024[46]	Each month from 31 March 2024 to 31 July 2024	1 April 2026	Values range per month from A$13.36 to A$15.25	31 March 2026

38 Of the awards detailed in Section 9.3 and Section 6, the following plan items are relevant to Executive KMP: G Chipchase, D Cuenca, L Nador, J Gil, (STI, LTI TSR, LTI 21-23 ROCI, LTI 22-24 ROCI, LTI 23-25 ROCI, LTI 24-26 ROCI, LTI 24-26 ROCI, MyShare 2022, 2023 and 2024); N O'Sullivan (STI, LTI TSR, LTI 21-23 ROCI, LTI 22-24 ROCI, LTI 23-25 ROCI, MyShare 2022 and 2023); X Garijo (LTI TSR, LTI 24-26 ROCI).
Lapses occurred for: G Chipchase, N O'Sullivan, D Cuenca and L Nador (LTI 21-23 TSR); L Nador, X Garijo (LTI 24-26 ROCI, LTI 24-26 TSR); L Nador, N O'Sullivan (LTI 22-24 ROCI, LTI 22-24 TSRI, LTI 23-25 ROCI, LTI 23-25 TSR).
Exercises occurred for: G Chipchase, N O'Sullivan, D Cuenca, L Nador (STI, FY21-23 LTI ROCI); G Chipchase, N O'Sullivan, D Cuenca, L Nador and J Gil (2022 MyShare); N O'Sullivan (MyShare 2023)

39 During the Year 3,868,436 equity-settled performance share rights were granted under the PSP, of which 435,320 were granted to G Chipchase and 89,866 were granted to N O'Sullivan. 1,165,792 Matching Shares (equity settled) were granted under MyShare during the Year, of which 362 were granted to G Chipchase and 312 were granted to N O'Sullivan.

40 The balance at the start of the year is as at 1 July 2023 or the date of appointment as KMP if later.

41 Of the rights exercised during the Year, no monies were paid or payable on exercise. The shares issued on exercise of share rights are fully paid up.

42 'Lapse' in this context means that the awards were forfeited due to either the applicable service or performance conditions not being met.

43 The balance at the end of the year is as at 30 June 2024 or the date ceasing employment if earlier.

44 The Matching Shares granted under the MyShare 2022 Plan vest on 31 March 2024, subject to continuing employment and the retention of the associated Acquired Shares. On vesting, they are automatically exercised.

45 The Matching Shares granted under the MyShare 2023 Plan vest on 31 March 2025, subject to continuing employment and the retention of the associated Acquired Shares. On vesting, they are automatically exercised.

46 The final grant under the MyShare 2024 Plan will occur on 28 February 2025. For FY24 reporting purposes, data is only available up to 31 July 2024. The remaining information will be reported in the 2025 Annual Report. The Matching Shares granted under MyShare will vest on 31 March 2026, subject to continuing employment and the retention of the associated Acquired Shares. On vesting they are automatically exercised.

Directors' Report – Additional Information

The information presented in this report relates to the consolidated entity, the Brambles Group, consisting of Brambles Limited and the entities it controlled at the end of, or during, the year ended, 30 June 2024 (the Year).

Principal Activities

The principal activities of the Group during the Year were the provision of supply chain logistics solutions, focusing on the provision of reusable pallets and containers, of which Brambles is a leading global provider.

Further details of the Group's activities are set out in the Operating & Financial Review on pages 8 to 44.

There were no significant changes in the nature of the Group's principal activities during the Year.

Review of Operations and Results

A review of the Group's operations and of the results of those operations are given in the Letter from the Chair & CEO on pages 3 to 7 and the Operating & Financial Review on pages 8 to 44.

Information about the financial position of the Group is included in the Operating & Financial Review on pages 8 to 44 and in the Five-Year Financial Performance Summary on page 184.

Significant Changes in State of Affairs

There were no significant changes to the state of affairs of the Group for the Year.

Matters Since the End of the Financial Year

On 21 August 2024, Brambles announced its capital management initiatives with an on-market share buy-back in FY25 of up to US$500.0 million (subject to market conditions) and an increased target dividend payout ratio of target paying out between 50%-70% (previously 45%-60%), having regard to the Group's strong financial position and improved cash flow generation.

Other than the above, the Directors are not aware of any matter or circumstance that has arisen since 30 June 2024 up to the date of this report that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Business Strategies and Prospects for Future Financial Years

The business strategies and prospects for future financial years, together with likely developments in the operations of the Group in future financial years and the expected results of those operations known at the date of this report, are set out in the Letter from the Chair & CEO on pages 3 to 7 and in the Operating & Financial Review on pages 8 to 44.

Further information in relation to such matters has not been included because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

Dividends

The Directors have declared a final dividend for the Year of 19.0 US cents per share, to be paid in Australian dollars at 28.90 Australian cents per share, and which will be 35% franked. The dividend will be paid on 10 October 2024 to shareholders on the register on 12 September 2024.

On 11 April 2024, an interim dividend for the Year was paid, which was 15.0 US cents per share and 35% franked.

On 12 October 2023, a final dividend for the year ended 30 June 2023 was paid, which was 14.0 US cents per share and 35% franked.

The unfranked component of each dividend paid during the Year was conduit foreign income. This means that no Australian dividend withholding tax was payable on the dividends that Brambles paid to non-resident shareholders.

Directors

The name of each person who was a Director of Brambles Limited at any time during or since the end of the Year, and the period they served as a Director during the Year, is set out below.

The qualifications, experience and special responsibilities of Directors are set out on pages 46 to 48.

Kendra Fowler Banks	1 July 2023 to date
Graham Andrew Chipchase	1 July 2023 to date
George El-Zoghbi	1 July 2023 to 31 December 2023
Elizabeth Fagan	1 July 2023 to date
Kenneth Stanley McCall	1 July 2023 to date
James Richard Miller	1 July 2023 to date
John Patrick Mullen	1 July 2023 to date
Nessa O'Sullivan	1 July 2023 to 12 October 2023
Scott Redvers Perkins	1 July 2023 to date
Priya Rajagopalan	1 July 2023 to date
Nora Lia Scheinkestel	1 July 2023 to date

Secretary

Details of the qualifications and experience of Carina Thuaux, Group Company Secretary & Corporate Counsel of Brambles Limited, are as follows: Carina joined Brambles in January 2014 as Assistant Company Secretary, and was most recently appointed as Group Company Secretary & Corporate Counsel in November 2023. She has also held the position of Legal Counsel in Australia and the UK. Prior to joining Brambles, she was a solicitor with King & Wood Mallesons. She holds a Bachelor of Commerce and a Bachelor of Law from the University of New South Wales. She is a Solicitor of the Supreme Court of New South Wales.

DIRECTORS' REPORT – ADDITIONAL INFORMATION continued

Indemnities

Under its constitution, to the extent permitted by law, Brambles Limited indemnifies each person who is, or has been, a Director or Secretary of Brambles Limited against any liability which results from facts or circumstances relating to the person serving or having served in the capacity of Director, Secretary, other officer or employee of Brambles Limited or any of its subsidiaries, other than:

- in respect of a liability other than for legal costs:
  - a liability owed to Brambles Limited or a related body corporate;
  - a liability for a pecuniary penalty order under section 1317G of the *Corporations Act 2001* (Cth) (Act) or a compensation order under Section 1317H of the Act; or
  - a liability that is owed to someone (other than Brambles Limited or a related body corporate) and did not arise out of conduct in good faith;
- in respect of a liability for legal costs:
  - in defending or resisting criminal proceedings in which the person is found to have a liability for which they could not have been indemnified in respect of a liability owed to Brambles Limited or a related body corporate;
  - in defending or resisting criminal proceedings in which the person is found guilty;
  - in defending or resisting proceedings brought by ASIC or a liquidator for a Court order if the grounds for making the order are found by the Court to be established. This does not apply to costs incurred in responding to actions brought by the Australian Securities & Investment Commission (ASIC) or a liquidator as part of an investigation before commencing proceedings for a Court order; or
  - in connection with proceedings for relief to any persons under the Act in which the Court denies the relief.

As allowed by its constitution, Brambles Limited has provided indemnities to its Directors, Secretaries or other Statutory Officers of its subsidiaries (Beneficiaries) against all loss, cost and expenses (collectively Loss) caused by or arising from any act or omission by the relevant person in performance of that person's role as a Director, Secretary or Statutory Officer.

The indemnity given by Brambles Limited excludes the following matters:

- any Loss to the extent caused by or arising from an act or omission of the Beneficiary prior to the effective date of the indemnity;
- any Loss to the extent indemnity in respect of that Loss is prohibited under the Act (or any other law);
- any Loss to the extent it arises from private or personal acts or omissions of the Beneficiary;
- any Loss comprising the reimbursement of normal day-to-day expenses such as travelling expenses;
- any Loss to the extent the Beneficiary failed to act reasonably to mitigate the Loss;
- any Loss to the extent it is caused by or arises from acts or omissions of the Beneficiary after the date the indemnity is revoked by Brambles Limited in accordance with the terms of the indemnity; and
- any Loss to the extent it is caused by or arises from any breach by the Beneficiary of the terms of the indemnity.

Insurance policies are in place to cover Directors and executive officers; however, the terms of the policies prohibit disclosure of the details of the insurance cover and the premiums paid.

DIRECTORS' REPORT – ADDITIONAL INFORMATION continued

Directors' Meetings

Details of Board Committee memberships are given in the Directors' biographies on pages 46 to 48. The following table shows the actual Board and Committee meetings held during the Year and the number attended by each Director or Committee member.

	Board meetings									
	Regular		Special Committees		Audit & Risk Committee meetings		Remuneration Committee meetings		Nominations Committee meetings	
Directors	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
K F Banks	11	11	-	-	-	-	4	4	10	11
G A Chipchase	11	11	2	2	-	-	-	-	11	11
E Fagan	11	11	-	-	6	6	5	5	11	11
K S McCall	11	11	-	-	6	6	-	-	11	11
J R Miller	10	11	-	-	-	-	5	5	11	11
J P Mullen	11	11	2	2	-	-	5	5	11	11
S R Perkins	10	11	-	-	6	6	5	5	10	11
P Rajagopalan	11	11			4	5	-	-	10	11
N L Scheinkestel	11	11	2	2	6	6	-	-	10	11
Former Directors										
G El-Zoghbi	5	5	-	-	-	-	2	2	4	4
N O'Sullivan	3	3	1	1	-	-	-	-	-	-

a) The number of meetings attended during the period the Director was a member of the Board or relevant Committee which the Director was eligible to attend.

b) The number of meetings held while the Director was a member of the Board or relevant Committee which the Director was eligible to attend.

Directors' Directorships of Other Listed Companies

The following lists the directorships held by the Directors in listed companies (other than Brambles Limited) since 30 June 2021.

Director	Listed company	Period directorship held
K F Banks	None	-
G A Chipchase	None	-
E Fagan	None	-
K S McCall	Post Office Limited	2016 to January 2022
J R Miller	The RealReal, Inc.	2019 to current
	LivePerson, Inc.	2023 to current
J P Mullen	Telstra Corporation Limited	2008 to October 2023
	Brookfield Infrastructure Partners L.P.	2021 to current
	Treasury Wine Estates Limited	2023 to current
	Qantas Airways Limited	April 2024 to current
S R Perkins	Woolworths Group Limited	2014 to current
	Origin Energy Limited	2015 to current
P Rajagopalan	None	-
N L Scheinkestel	Telstra Corporation Limited	2010 to October 2022
	AusNet Services Ltd	2016 to February 2022
	Westpac Banking Corporation	2021 to current
	Origin Energy Limited	2022 to current
	Qantas Airways Limited	March 2024 to current

DIRECTORS' REPORT – ADDITIONAL INFORMATION continued

Environmental Regulation

Except as set out below, the Group's operations in Australia are not subject to any particular and significant environmental regulation under a law of the Commonwealth or a state or territory. The operations of the Group in Australia involve the use or development of land, the use of transportation equipment and the transport of goods. These operations may be subject to state, territory or local government environmental and town planning regulations, or require a licence, consent or approval from Commonwealth, state or territory regulatory bodies. There were no material breaches of environmental statutory requirements and no material prosecutions during the Year. Brambles' businesses comply with all relevant environmental laws and regulations and none were involved in any material environmental prosecutions during the Year.

The Group's operations are subject to numerous environmental laws and regulations in the other countries in which it operates. There were no material breaches of these laws or regulations during the Year.

Corporate Governance Statement

Brambles is committed to observing the corporate governance requirements applicable to publicly listed companies in Australia. The Board has adopted a Corporate Governance Framework designed to enable Brambles to meet its legal, regulatory and governance requirements.

During the Year, the Board believes Brambles met all the requirements of the Fourth Edition of the CGPR. Brambles' 2024 Corporate Governance Statement is on Brambles' website at brambles.com/corporate-governance-overview.

Interests in Securities

Pages 69 and 74 of the Directors' Report – Remuneration Report include details of the relevant interests of Directors, and other Group executives whose details are required to be disclosed, in shares and other securities of Brambles Limited.

Share Capital and Share Rights

Details of the changes in the issued share capital of Brambles Limited and performance share rights and MyShare matching share rights over unissued Brambles Limited ordinary shares at the year-end are given in Notes 20 and 21 of the Consolidated Financial Report on pages 120 to 122.

No options, performance share rights or MyShare matching share rights over the shares of Brambles Limited's controlled entities were granted during or since the end of the Year to the date of this report.

As at the date of this report, there are 9,696,499 share rights over unissued ordinary shares.

Since the end of the Year to the date of this report:

- 2,578 fully paid Brambles Limited ordinary shares were issued as a result of the exercise of 1,884 MyShare matching share rights under the 2023 MyShare Plan and the exercise of 694 MyShare matching share rights under the 2024 MyShare Plan;
- 95,017 MyShare matching share rights have been issued under the 2024 MyShare Plan;
- 13,223 MyShare matching share rights lapsed under the 2023 MyShare Plan, 9,236 MyShare matching share rights lapsed under the 2024 MyShare Plan and 74,446 performance share rights lapsed; and
- 971 shares issued under the automatic "sell to cover" provisions of the PSP to cover employer withholding tax obligations.

Non-Audit Services and Auditor Independence

The amount of US$35,000 was paid or is payable to PwC, the Group's auditors, for non-audit services provided during the Year by them (or another person or firm on their behalf). These services primarily related to licence fees for PwC compliance software.

The Audit & Risk Committee has reviewed the provision of non-audit services by PwC and its related practices, and provided the Directors with formal written advice of a resolution passed by the Audit & Risk Committee. Consistent with this advice, the Directors are satisfied that the provision of non-audit services by PwC and its related practices did not compromise the auditor independence requirements of the Act for the following reasons: the nature of the non-audit services provided during the Year, the quantum of non-audit fees compared to overall audit fees, and the pre-approval, monitoring and ongoing review requirements under the Audit & Risk Committee Charter and the Charter of Audit Independence in relation to non-audit work.

The auditors have also provided the Audit & Risk Committee with a letter confirming that, in their professional judgement, as at 12 August 2024 they have maintained their independence in accordance with their firm's requirements, with the provisions of APES 110 – *Code of Ethics for Professional Accountants* and with the applicable provisions of the Act. On the same basis, they also

DIRECTORS' REPORT – ADDITIONAL INFORMATION continued

confirmed that the objectivity of the audit engagement partners and the audit staff is not impaired.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the Act is set out on page 152.

Annual General Meeting

Brambles' 2024 Annual General Meeting (AGM) will be held at 2.00pm (AEDT) on 24 October 2024 at Doltone House Hyde Park, 3/181 Elizabeth Street, Sydney NSW 2000. Full details on the AGM will be in the Notice of Meeting, which will be sent to shareholders and posted on brambles.com in early September 2024.

This Directors' Report is made in accordance with a resolution of the Board.

John Mullen	**Graham Chipchase**
Chair	**Chief Executive Officer**
21 August 2024	

Shareholder Information

Stock Exchange Listing

Brambles' ordinary shares are listed on the Australian Securities Exchange and are traded under the stock code 'BXB'.

Uncertificated Forms of Shareholding

Brambles' ordinary shares are held in uncertificated form. There are two types of uncertificated holdings:

- Issuer Sponsored Holdings: This type of holding is recorded on a subregister of the Brambles share register, maintained by Brambles. If your holding is recorded on the issuer sponsored subregister, you will be allocated a Securityholder Reference Number, or SRN, which is a unique number used to identify your holding of ordinary shares in Brambles; and
- Broker Sponsored Holdings: This type of holding is recorded on the main Brambles share register. Shareholders who are sponsored by an ASX market participant broker will be allocated a Holder Identification Number, or HIN. One HIN can relate to an investor's shareholdings in multiple companies. For example, a shareholder with a portfolio of holdings which are managed by a broker would have the same HIN for each shareholding.

American Depository Receipts

Brambles Limited shares may be traded in sponsored American Depository Receipts form in the United States.

Dividend

Dividends are paid in Australian dollars or US dollars. Shareholders may elect to have their dividend paid in the currency of their registered address through a service provided by Brambles' share registry by contacting Boardroom at the address set out in Contact Information on the inside back cover of this Annual Report.

Annual General Meeting

The Brambles Limited 2024 AGM will be held at 2.00pm (AEDT) on 24 October 2024 at Doltone House Hyde Park, 3/181 Elizabeth Street, Sydney NSW 2000. Full details of the AGM will be in the Notice of Meeting, which will be sent to shareholders and posted on brambles.com in early September 2024.

Financial Calendar

Final Dividend 2024

Ex-dividend date – Wednesday, 11 September 2024

Record date – Thursday, 12 September 2024

Payment date – Thursday, 10 October 2024

2025 (Provisional)

Announcement of interim results – mid-February 2025

Interim dividend – mid-April 2025

Announcement of final results – mid-August 2025

Final dividend – mid-October 2025

AGM – October 2025

Company Secretary

C Thuaux

Analysis of Holders of Equity Securities as at 2 August 2024

Substantial Shareholders

Brambles has been notified of the following substantial shareholdings:

Holder	Number of ordinary shares	% of issued ordinary share capital[1]
Blackrock Group	116,622,353	8.12[2]
State Street Corporation	100,122,890	7.20
Vanguard Group	69,541,291	5.01[3]

Number of Ordinary Shares on Issue and Distribution of Holdings

	Holders	% of issued ordinary share capital
1–1,000	35,578	1.05
1,001–5,000	26,458	4.35
5,001–10,000	4,214	2.12
10,001–100,000	2,328	3.47
100,001 and over	76	89.01
Total	**68,654**	**100**

[1] Percentages are as disclosed in substantial holding notices given to Brambles Limited.

[2] Blackrock Group also holds 1,774,136 ordinary shares (0.12% of issued share capital) through Brambles American Depositary Receipts.

[3] Vanguard Group also holds 42,205 ordinary shares of Brambles American Depositary Receipts.

SHAREHOLDER INFORMATION continued

There are 1,392,669,735 Brambles Limited ordinary shares on issue. The number of members holding less than a marketable parcel of 33 ordinary shares (based on a closing market price of A$15.20 on 2 August 2024) is 1,947 and they hold a total of 18,506 ordinary shares. The voting rights of ordinary shares are described below.

Unquoted equity securities: Number of Share Rights over Unissued ordinary shares and Distribution of Holdings

	Holders	% of issued share rights
1–1,000	4,705	15.23
1,001–5,000	14	0.47
5,001–10,000	29	2.17
10,001–100,000	137	38.93
100,001 and over	19	43.20
Total	**4,904**	**100**

The voting rights of those share rights are described below.

Twenty Largest Ordinary Shareholders

Name	Number of ordinary shares	% of issued ordinary share capital
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	594,533,248	42.69
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	266,664,554	19.15
CITICORP NOMINEES PTY LIMITED	150,918,196	10.84
BNP PARIBAS NOMS PTY LTD	46,453,524	3.34
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	28,421,275	2.04
NATIONAL NOMINEES LIMITED	26,656,318	1.91
BNP PARIBAS NOMINEES PTY LTD <DEUTSCHE BANK TCA>	25,443,772	1.83
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	13,323,735	0.96
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	10,094,606	0.72
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	8,971,448	0.64
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	5,840,000	0.42
ARGO INVESTMENTS LIMITED	5,639,109	0.40
CERTANE SPV MANAGEMENT PTY LTD <BRAMBLES - MYSHARE A/C>	5,199,470	0.37
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	4,313,110	0.31
BNP PARIBAS NOMS (NZ) LTD	3,544,416	0.25
UBS NOMINEES PTY LTD	3,408,684	0.24
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,139,357	0.23
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	3,103,099	0.22
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	2,317,550	0.17
IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	2,250,961	0.16
Total holdings of 20 largest holders	**1,210,236,432**	**86.90**

Voting Rights: Ordinary Shares

Brambles Limited's constitution provides that each member entitled to attend and vote may do so in person or by proxy, by attorney or, where the member is a body corporate, by representative. The Directors may also determine that at any general meeting, a member who is entitled to attend and vote on a resolution at that meeting is entitled to a direct vote in relation to that resolution. The Directors have prescribed rules to govern direct voting, which are available at brambles.com.

On a show of hands, every member present in person, by proxy, by attorney or, where the member is a body corporate, by representative, and having the right to vote on a resolution, has one vote. The Directors have determined that members who submit a direct vote on a resolution will be excluded on a vote on that resolution by a show of hands or on a poll. The Directors have determined that votes cast by members who submit a direct vote will be included on a vote by a poll, being one vote for each ordinary share held.

Voting Rights: Share Rights

Share rights over unissued ordinary shares do not carry any voting rights.

Consolidated Financial Report

for the year ended 30 June 2024

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Consolidated Statement of Comprehensive Income

for the year ended 30 June 2024

	Note	2024 US$m	Restated[1] 2023 US$m
Continuing operations			
Sales revenue	2	**6,545.4**	6,076.8
Other income and other revenue		**262.9**	318.9
Operating expenses	3	**(5,540.3)**	(5,324.0)
Share of results of associates	8	**(5.8)**	(4.7)
Operating profit		**1,262.2**	1,067.0
Finance revenue		**16.2**	16.0
Finance costs		**(143.7)**	(130.1)
Net finance costs	4	**(127.5)**	(114.1)
Net impact arising from hyperinflationary economies[1]	1H	**(8.4)**	(8.8)
Profit before tax		**1,126.3**	944.1
Tax expense	5A	**(346.4)**	(287.1)
Profit from continuing operations		**779.9**	657.0
Profit from discontinued operations	9	**-**	56.2
Profit for the year attributable to members of the parent entity		**779.9**	713.2
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Actuarial loss on defined benefit pension plans	19	**(12.6)**	(17.4)
Tax benefit on items that will not be reclassified to profit or loss	5A	**3.1**	4.4
		(9.5)	(13.0)
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign subsidiaries[1]	22	**(40.9)**	20.9
Exchange differences released to profit on divestment of CHEP China	22	**-**	(1.2)
		(40.9)	19.7
Other comprehensive (loss)/income for the year		**(50.4)**	6.7
Total comprehensive income for the year attributable to members of the parent entity		**729.5**	719.9
Earnings per share (EPS) – US Cents			
Continuing operations			
• basic	6	**56.1**	47.3
• diluted		**55.8**	47.1
Total			
• basic		**56.1**	51.4
• diluted		**55.8**	51.2

[1] In 2024, Brambles revised the application of its accounting policy relating to its subsidiaries in hyperinflationary economies and now presents the inflationary and foreign exchange translation impacts in other comprehensive income instead of profit or loss or directly in equity. The 2023 comparatives have been restated accordingly. Refer Note 1H for further details. There has been no change to sales revenue, Operating profit or Underlying Profit as previously reported.

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

as at 30 June 2024

	Note	2024 US$m	2023 US$m
Assets			
Current assets			
Cash and cash equivalents	24	**112.9**	160.7
Trade and other receivables	10	**1,089.3**	1,126.4
Inventories	11	**77.7**	83.9
Other assets	12	**100.0**	73.9
Total current assets		**1,379.9**	1,444.9
Non-current assets			
Other receivables	10	**34.5**	21.2
Property, plant and equipment	13	**6,003.0**	6,062.0
Right-of-use leased assets	14	**773.7**	637.7
Goodwill and intangible assets	15	**235.3**	241.3
Investments in associates	8	**151.8**	156.9
Deferred tax assets	5C	**152.9**	154.5
Total non-current assets		**7,351.2**	7,273.6
Total assets		**8,731.1**	8,718.5
Liabilities			
Current liabilities			
Trade and other payables	16	**1,870.0**	2,074.9
Lease liabilities	24C	**127.7**	110.2
Borrowings	18	**28.9**	562.1
Tax payable	2	**34.2**	66.5
Provisions	17	**204.2**	174.7
Total current liabilities		**2,265.0**	2,988.4
Non-current liabilities			
Lease liabilities	24C	**741.8**	619.2
Borrowings	18	**1,742.6**	1,592.8
Provisions	17	**89.0**	75.3
Retirement benefit obligations	19	**22.0**	16.3
Deferred tax liabilities	5C	**643.6**	556.5
Total non-current liabilities		**3,239.0**	2,860.1
Total liabilities		**5,504.0**	5,848.5
Net assets		**3,227.1**	2,870.0
Equity			
Contributed equity	20	**4,564.0**	4,531.6
Reserves – restated	22	**(7,392.0)**	(7,351.7)
Retained earnings – restated	22	**6,055.1**	5,690.1
Total equity		**3,227.1**	2,870.0

The consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated Cash Flow Statement

for the year ended 30 June 2024

	Note	2024 US$m	2023 US$m
Cash flows from operating activities			
Receipts from customers		**7,484.9**	7,038.9
Payments to suppliers and employees		**(5,246.1)**	(4,721.4)
Cash generated from operations		**2,238.8**	2,317.5
Interest received		**8.2**	5.6
Interest paid[1]		**(130.9)**	(117.3)
Income taxes paid		**(311.7)**	(214.7)
Net cash inflow from operating activities	24B	**1,804.4**	1,991.1
Cash flows from investing activities			
Payments for property, plant and equipment		**(1,136.0)**	(1,668.3)
Proceeds from sale of property, plant and equipment[2]		**227.5**	191.5
Payments for intangible assets		**(13.1)**	(16.2)
Payments relating to divested businesses and cash disposed	9	**(19.3)**	(12.4)
Net cash outflow from investing activities		**(940.9)**	(1,505.4)
Cash flows from financing activities			
Proceeds from borrowings		**858.7**	2,570.0
Repayment of borrowings		**(1,218.4)**	(2,603.2)
Payment of principal component of lease liabilities		**(125.4)**	(125.4)
Net (outflow)/inflow from derivative financial instruments		**(5.1)**	1.1
Dividends paid	7	**(406.0)**	(318.6)
Net cash outflow from financing activities		**(896.2)**	(476.1)
Net (decrease)/increase in cash and cash equivalents		**(32.7)**	9.6
Cash and cash equivalents, net of overdrafts, at beginning of the year		**156.6**	155.9
Effect of exchange rate changes		**(11.5)**	(8.9)
Cash and cash equivalents, net of overdrafts, at end of the year	24A	**112.4**	156.6

[1] Includes interest paid on leases of US$37.5 million in 2024 (2023: US$28.2 million).

[2] Includes compensation for lost pooling equipment of US$225.4 million in 2024 (2023: US$184.2 million).

The consolidated cash flow statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2024

	Note	Contributed equity US$m	Reserves US$m	Retained earnings US$m	Total US$m
Year ended 30 June 2023					
Opening balance as at 1 July 2022	22	4,505.8	(7,376.6)	5,321.9	2,451.1
Profit for the year – restated	1H	-	-	713.2	713.2
Other comprehensive income/(loss) – restated	1H	-	20.9	(13.0)	7.9
FCTR released to profit on divestment of CHEP China		-	(1.2)	-	(1.2)
Total comprehensive income – restated		-	19.7	700.2	719.9
Share-based payments:					
• expense recognised	21	-	27.5	-	27.5
• shares issued		-	(25.8)	-	(25.8)
• equity component of related tax		-	3.5	-	3.5
Transactions with owners in their capacity as owners:					
• dividends declared	7	-	-	(332.0)	(332.0)
• issue of ordinary shares, net of transaction costs	20	25.8	-	-	25.8
Closing balance as at 30 June 2023 – restated		4,531.6	(7,351.7)	5,690.1	2,870.0
Year ended 30 June 2024					
Opening balance at 1 July 2023 as reported		**4,531.6**	**(7,341.8)**	**5,680.2**	**2,870.0**
Opening balance adjustment	1H	**-**	**(9.9)**	**9.9**	**-**
Revised opening balance as at 1 July 2023		**4,531.6**	**(7,351.7)**	**5,690.1**	**2,870.0**
Profit for the year		**-**	**-**	**779.9**	**779.9**
Other comprehensive loss		**-**	**(40.9)**	**(9.5)**	**(50.4)**
Total comprehensive (loss)/income		**-**	**(40.9)**	**770.4**	**729.5**
Share-based payments:					
• expense recognised	21	**-**	**31.2**	**-**	**31.2**
• shares issued		**-**	**(32.4)**	**-**	**(32.4)**
• equity component of related tax		**-**	**1.8**	**-**	**1.8**
Transactions with owners in their capacity as owners:					
• dividends declared	7	**-**	**-**	**(405.4)**	**(405.4)**
• issue of ordinary shares, net of transaction costs	20	**32.4**	**-**	**-**	**32.4**
Closing balance as at 30 June 2024		**4,564.0**	**(7,392.0)**	**6,055.1**	**3,227.1**

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Notes to and Forming Part of the Financial Statements

for the year ended 30 June 2024

Note 1. About This Report

A) Basis of Preparation

These financial statements present the consolidated results of Brambles Limited (ACN 118 896 021) (Company) and its subsidiaries and associates (Brambles or the Group) for the year ended 30 June 2024. These financial statements have been authorised for issue in accordance with a resolution of the Directors on 21 August 2024.

References to 2024 and 2023 are to the financial years ended 30 June 2024 and 30 June 2023, respectively. The financial statements comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). This general purpose financial report has been prepared in accordance with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the requirements of the *Corporations Act 2001*. It presents information on a historical cost basis, except for derivative financial instruments, financial assets at fair value through profit or loss and adjustments for hyperinflation.

The financial statements and all comparatives have been prepared using the accounting policies disclosed throughout the financial statements, which are consistent with the prior year unless otherwise noted (refer Note 1H).

As Brambles is a company of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relevant amounts in the financial statements and Directors' Report have been rounded to the nearest hundred thousand US dollars or, in certain cases, to the nearest thousand US dollars. Amounts in cents have been rounded to the nearest tenth of a cent.

Comparative information has been reclassified where appropriate to enhance comparability.

As at 30 June 2024, Brambles has net current liabilities of US$885.1 million (2023: net current liabilities of US$1,543.5 million). Liquidity remains strong with US$1,779.7 million of available facilities (refer Note 23D) and US$112.9 million of total cash and cash equivalents. Brambles continues to maintain solid investment-grade credit ratings of BBB+ from Standard & Poor's and Baa1 from Moody's Investors Service (refer Note 23F).

B) Principles of Consolidation

The consolidated financial statements of Brambles include the assets, liabilities and results of Brambles Limited and all its subsidiaries and associates. The consolidation process eliminates all intercompany accounts and transactions. The financial statements of subsidiaries and associates are prepared using consistent accounting policies and for the same reporting period.

The results of subsidiaries and associates acquired or disposed during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

The trading results for business operations disposed during the year are disclosed separately as discontinued operations in the consolidated statement of comprehensive income. The amount disclosed includes any gains or losses arising on disposal.

C) Presentation Currency

Brambles uses the US dollar as its presentation currency because:

- a significant portion of Brambles' activity is denominated in US dollars; and
- the US dollar is widely understood by Australian and international investors and analysts.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 1. About This Report continued

D) Foreign Currency

Items included in the financial statements of each of Brambles' entities are measured using the functional currency of each entity. Foreign currency transactions are translated into the functional currency of each entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year end rates of monetary assets and liabilities denominated in foreign currencies, are recognised in profit or loss, except where deferred in equity as qualifying cash flow hedges, qualifying net investment hedges or where they are attributable to part of the net investment in foreign subsidiaries.

The results and cash flows of Brambles Limited and its subsidiaries and associates are translated into US dollars using the average exchange rates for the period, calculated as the average end-of-month rates across the financial year except for subsidiaries in hyperinflationary economies. The results of subsidiaries in hyperinflationary economies are translated at the foreign exchange rate at balance sheet date instead of an average exchange rate for the period. Assets and liabilities of Brambles Limited and its subsidiaries are translated into US dollars at the exchange rate ruling at the balance sheet date.

The share capital of Brambles Limited is translated into US dollars at historical rates. Exchange differences arising on the translation of Brambles' overseas and Australian entities are recognised as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. The principal exchange rates affecting Brambles were:

		A$:US$	€:US$	£:US$
Average	**2024**	**0.6562**	**1.0806**	**1.2587**
	2023	0.6750	1.0510	1.2110
Year end	**30 June 2024**	**0.6646**	**1.0706**	**1.2645**
	30 June 2023	0.6615	1.0867	1.2614

E) Investments in Associates

An associate is an arrangement in which Brambles has significant influence but not control or joint control. Associates are accounted for using the equity method. Under this method the investment is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses. Investments in associates are tested for impairment where an indicator of impairment exists.

F) Other Income and Other Revenue

Other income and other revenue include surcharges for fuel, lumber and transport, as well as net gains on disposal of property, plant and equipment in the ordinary course of business. The net gain on disposal is recognised when control of the asset has passed to the buyer. Net gains on disposal also includes compensation for irrecoverable pooling equipment which is recognised when it is received.

G) Significant Items

Significant Items are items of income or expense which are, either individually or in aggregate, material to Brambles or to the relevant business segment and:

- outside the ordinary course of business (e.g. gains or losses on the sale or termination of operations, the cost of significant reorganisations or restructuring); or
- part of the ordinary activities of the business but unusual due to their size and nature.

Significant Items are disclosed to assist users of the financial statements to better understand Brambles' business results.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 1. About This Report continued

H) Hyperinflationary Economies

AASB 129 *Financial Reporting in Hyperinflationary Economies* relates to Brambles' operations in Türkiye, Argentina and Zimbabwe, which have been designated as hyperinflationary economies. The trigger for hyperinflation accounting is when the cumulative inflation rate in an economy approaches or exceeds 100% over three successive years.

In 2024, Brambles revised the application of its accounting policy relating to its subsidiaries in hyperinflationary economies and now presents the inflationary and foreign exchange translation impacts in other comprehensive income instead of profit or loss or directly in equity. The 2023 comparatives have been restated accordingly, including the reclassification of the hyperinflation reserve to the foreign currency translation reserve within equity (refer Note 22).

The application of AASB 129 and AASB 121 *The Effects of Changes in Foreign Exchange Rates,* requires:

In the financial statements of subsidiaries in hyperinflationary economies:

- an adjustment of historical cost non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the balance sheet date; and
- an adjustment to be recognised in profit or loss to reflect the gain or loss on the net monetary position as a result of inflation during the period.

In the consolidated financial statements:

- the profit or loss of subsidiaries in hyperinflationary economies is translated at the foreign exchange rate at balance sheet date instead of an average exchange rate for the period; and
- an adjustment to be recognised in other comprehensive income to reflect the foreign exchange translation impact. Brambles elects to present the remeasurement of the opening net assets of subsidiaries in hyperinflationary economies as part of the foreign exchange translation impact.

The impact of revising the application of the accounting policy is outlined below:

Consolidated Statement of Comprehensive Income	Restated 2023 US$m	As reported 2023 US$m
Operating profit	1,067.0	1,067.0
Net finance costs	(114.1)	(114.1)
Net impact arising from hyperinflationary economies	(8.8)	(18.7)
Profit before tax	944.1	934.2
Tax expense	(287.1)	(287.1)
Profit from continuing operations	657.0	647.1
Profit from discontinued operations	56.2	56.2
Profit for the year attributable to members of the parent entity	713.2	703.3
Other comprehensive income/(loss) for the year	6.7	(19.6)
Total comprehensive income for the year attributable to members of the parent entity	719.9	683.7

Consolidated Balance Sheet	Restated 2023 US$m	As reported 2023 US$m
Reserves	(7,351.7)	(7,341.8)
Retained earnings	5,690.1	5,680.2
Total equity	2,870.0	2,870.0

In 2024, the hyperinflation impact is a net charge of US$8.4 million recognised in profit or loss (2023: US$8.8 million), of which US$6.9 million loss relates to Türkiye and US$1.5 million loss relates to Argentina (2023: US$8.8 million net charge of which US$9.3 million loss related to Türkiye, US$0.7 million gain related to Argentina and US$0.2 million loss related to Zimbabwe).

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 1. About This Report continued

I) Critical Accounting Estimates and Judgements

In applying its accounting policies, Brambles has made estimates and assumptions concerning the future which may differ from the related actual outcomes.

Material estimates and judgements are found in the following notes:

- Income Tax (Note 5F)
- Property, Plant and Equipment (Note 13E)
- Irrecoverable Pooling Equipment Provision (IPEP) (Note 13D)

J) Changes to Accounting Standards

At 30 June 2024, certain accounting standards and interpretations have been published or amended which will become mandatory in future reporting periods and have not yet been adopted by Brambles. The AASB has amended AASB 107 *Statement of Cash Flows* and AASB 7 *Financial Instruments: Disclosures,* to introduce new disclosure requirements about supplier financing arrangements (SFAs), which will become effective for Brambles from 1 July 2024. The new disclosures include information about the terms and conditions of SFAs; the carrying amount of liabilities that are part of SFAs; and liquidity risk information These amendments to AASB 107 and AASB 7 will have no impact on the recognition of SFAs in the financial statements, but will result in additional disclosure of SFAs in place.

Other new or amended accounting standards and interpretations are either not material or not applicable to Brambles.

K) Climate-related Disclosures

Brambles has set a target to achieve net-zero GHG emissions by 2040, and its 2020 commitment to work towards a 1.5°C climate future is an essential driving force behind its five-year sustainability targets. Brambles' progress against its climate commitments focuses on three main areas: decarbonisation; network resilience; and timber sourcing risk analysis.

Decarbonisation activities enhance Brambles' low-carbon advantage and Brambles continues to engage with suppliers in its most emissions-intensive activities to identify further opportunities to cooperate on shared sustainability objectives. For network resilience, work undertaken included stress testing the most important part of Brambles' network against potential severe weather hazards. For raw material supply and security, a project assessed forestry-specific climate scenario analyses. The results have improved Brambles' knowledge of the risks and mitigations in its network and raw material supply chains.

In preparing the consolidated financial statements the impact of climate change risks has been considered. Relevant disclosures have been included in:

- Property, Plant and Equipment (Note 13), refer pages 110 to 111
- Goodwill and Intangible Assets (Note 15), refer page 116
- Financial Risk Management (Note 23D), refer page 129
- Contingencies (Note 26), refer page 136

While there has not been a material impact as a result of climate change on Brambles' assessment of the useful economic lives and residual values of its assets, Brambles continues to assess the potential long-term financial impacts of climate change. Additional information on Brambles' Climate Change Strategy can be found in the Sustainability Report on pages 156 to 172 of the Annual Report.

The International Sustainability Standards Board (ISSB) issued sustainability disclosure standards IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures,* which are effective for annual reporting periods beginning on or after 1 January 2024, with early adoption permitted. The AASB is developing an Australian equivalent to IFRS S1 and IFRS S2 and will be discussing final drafting-related issues in August 2024. If proposals made by the Department of Treasury in January 2024 are implemented as drafted, these will become effective for Brambles from the 2026 reporting period. Brambles will continue to evaluate the requirements in this area and enhance its sustainability disclosures accordingly.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 2. Segment Information – Continuing Operations

Brambles' segment information is provided on the same basis as internal management reporting to the CEO.

Brambles has four reportable segments:

- CHEP Americas: comprises CHEP North America and Latin America;
- CHEP EMEA: comprises CHEP Europe, Middle East, Africa, Türkiye, India and the North American automotive business;
- CHEP Asia-Pacific: comprises CHEP Australia, New Zealand and Asia, excluding India; and
- Corporate: comprises the corporate centre, including Shaping Our Future and share of results of associates.

Segment performance is measured on sales revenue, Underlying Profit, Cash Flow from Operations and Return on Capital Invested (ROCI). Underlying Profit is the main measure of segment profit.

Segment sales revenue is measured on the same basis as the consolidated statement of comprehensive income. Brambles has one revenue stream, which is the provision of pooling equipment to customers for a period of time. Several fees are charged to customers including issue, transfer, transport and daily hire. The predominant billing structure for these fees is either a bundled upfront fee upon issue of pooling equipment to customers, or a daily hire fee based on the number of days the pooling equipment is used in the field by a customer. Other fees, such as transfer fees, are billed when the activity occurs.

The services provided by Brambles are deemed a single performance obligation relating to the provision of an end-to-end pooling solution and the performance obligation is satisfied over time. The issue and daily hire activities are not considered distinct services. Revenue from issue activities is deferred and recognised over the estimated period that the pooling equipment is utilised by customers, referred to as the cycle time, which is an output method. Revenue based on the daily hire model is also recognised over time. Consideration that is fixed or highly probable is included in the transaction price allocated to the performance obligation. This includes issue fees, daily hire fees and bundled upfront fees. Consideration that is variable or uncertain is recognised when the activity occurs.

Segment sales revenue is allocated to segments based on product categories and physical location of the business unit that invoices the customer. Intersegment revenue during the period was immaterial. There is no single external customer who contributed more than 10% of Group sales revenue.

Assets and liabilities are measured consistently in segment reporting and in the consolidated balance sheet. Assets and liabilities are allocated to segments based on segment use and physical location. Cash, borrowings and tax balances are managed centrally and are not allocated to segments.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 2. Segment Information – Continuing Operations continued

	Sales revenue		Cash Flow from Operations[1]	
	2024 US$m	2023 US$m	2024 US$m	2023 US$m
By reportable segment				
CHEP Americas	**3,610.3**	3,371.0	**577.9**	463.5
CHEP EMEA	**2,391.8**	2,191.1	**747.7**	333.0
CHEP Asia-Pacific	**543.3**	514.7	**188.6**	150.1
Corporate	**-**	-	**(195.1)**	(156.8)
Continuing operations	**6,545.4**	6,076.8	**1,319.1**	789.8
By geographic origin				
Americas	**3,648.0**	3,406.2		
Europe	**2,125.4**	1,922.0		
Australia	**452.3**	425.7		
Other	**319.7**	322.9		
Total	**6,545.4**	6,076.8		

[1] Cash Flow from Operations is a non-statutory measure and represents cash flow generated from operations after net capital expenditure, but excluding Significant Items that are outside the ordinary course of business and discontinued operations.

	Operating profit[2]		Underlying Profit[3]	
	2024 US$m	2023 US$m	2024 US$m	2023 US$m
By reportable segment				
CHEP Americas	**708.1**	573.3	**708.1**	573.3
CHEP EMEA	**594.9**	506.5	**594.9**	506.5
CHEP Asia-Pacific	**183.7**	180.5	**183.7**	180.5
Corporate[4]	**(224.5)**	(193.3)	**(224.5)**	(193.3)
Continuing operations	**1,262.2**	1,067.0	**1,262.2**	1,067.0

Underlying Profit is equal to Operating profit in 2024 and 2023 as there are no Significant Items.

[2] Operating profit is segment revenue less segment expense, excluding finance costs, hyperinflation adjustments and tax.

[3] Underlying Profit is a non-statutory profit measure and represents profit from continuing operations before finance costs, hyperinflation adjustments, tax and Significant Items. It is presented to assist users of the consolidated financial statements to better understand Brambles' business results.

[4] The Corporate segment includes costs of US$132.6 million in 2024 relating to the Shaping Our Future project (2023: US$110.6 million), of which US$98.6 million relates to digital transformation (2023: US$65.9 million) and US$34.0 million relates to other transformation initiatives, including improving the customer experience and resources to support the delivery of the transformation programme (2023: US$22.2 million). There were no short-term transformation costs in 2024 (2023: US$22.5 million). The Corporate segment also includes a US$5.8 million loss from Brambles' share of results of associates in 2024 (2023: US$4.7 million loss) – refer Note 8.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 2. Segment Information – Continuing Operations continued

	Return on Capital Invested[5]		Average Capital Invested[6]	
	2024 US$m	2023 US$m	2024 US$m	2023 US$m
By reportable segment				
CHEP Americas	**22.1%**	18.9%	**3,204.3**	3,033.3
CHEP EMEA	**25.9%**	22.8%	**2,294.5**	2,218.6
CHEP Asia-Pacific	**33.0%**	34.0%	**556.9**	530.4
Corporate[7]			**78.2**	(18.7)
Continuing operations	**20.6%**	18.5%	**6,133.9**	5,763.6

[5] Return on Capital Invested (ROCI) is Underlying Profit divided by Average Capital Invested. ROCI is not calculated for the Corporate segment since it is not an operating business unit. Corporate costs are included in the overall ROCI from continuing operations.

[6] Average Capital Invested (ACI) is a 12-month average of capital invested. Capital invested is calculated as net assets before tax balances, cash, borrowings and lease liabilities, but after adjustments for pension plan actuarial gains and losses and net equity-settled share-based payments.

[7] ACI for the Corporate segment in 2024 includes the investment in Loscam China, which was booked in second half 2023.

	Capital expenditure[8]		Depreciation and amortisation	
	2024 US$m	2023 US$m	2024 US$m	2023 US$m
By reportable segment				
CHEP Americas	**665.3**	904.2	**451.1**	398.9
CHEP EMEA	**264.8**	546.5	**280.3**	262.9
CHEP Asia-Pacific	**70.3**	116.1	**67.4**	63.8
Corporate	**-**	0.3	**3.2**	4.5
Continuing operations	**1,000.4**	1,567.1	**802.0**	730.1

[8] Capital expenditure on property, plant and equipment is on an accruals basis.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 2. Segment Information – Continuing Operations continued

	Segment assets		Segment liabilities	
	2024 US$m	**2023 US$m**	**2024 US$m**	**2023 US$m**
By reportable segment				
CHEP Americas	**4,619.5**	4,540.6	**1,863.7**	1,918.1
CHEP EMEA	**2,908.6**	3,054.9	**835.1**	808.6
CHEP Asia-Pacific	**705.0**	674.0	**288.8**	269.9
Corporate	**195.0**	112.3	**67.1**	74.0
Total segment assets and liabilities	**8,428.1**	8,381.8	**3,054.7**	3,070.6
Cash and borrowings	**112.9**	160.7	**1,771.5**	2,154.9
Current tax balances	**37.2**	21.5	**34.2**	66.5
Deferred tax balances	**152.9**	154.5	**643.6**	556.5
Total assets and liabilities	**8,731.1**	8,718.5	**5,504.0**	5,848.5
Non-current assets by geographic origin[9]				
Americas	**3,967.0**	3,855.5		
Europe	**2,176.9**	2,288.2		
Australia	**607.5**	593.8		
Other	**446.9**	381.6		
Total	**7,198.3**	7,119.1		

[9] Non-current assets exclude deferred tax assets of US$152.9 million (2023: US$154.5 million).

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 3. Operating Expenses – Continuing Operations

	Note	2024 US$m	2023 US$m
Employment costs		**1,108.1**	985.1
Transport		**1,474.4**	1,445.6
Repairs and maintenance[1]		**1,345.6**	1,274.7
Subcontractors and other service suppliers[2]		**491.7**	454.8
Occupancy		**60.7**	56.9
Depreciation of property, plant and equipment	13 & 14	**786.4**	713.7
Impairment of property, plant and equipment	13	**-**	16.6
Irrecoverable pooling equipment provision expense	13	**185.5**	285.1
Amortisation of intangible assets	15	**15.6**	16.4
Net foreign exchange (gains)/losses		**(2.8)**	1.8
Other		**75.1**	73.3
		5,540.3	5,324.0

1 Includes the cost of raw materials used for repairs.

2 Includes consulting costs and professional fees.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 4. Net Finance Costs – Continuing Operations

	2024 US$m	2023 US$m
Finance revenue		
Bank accounts and short-term deposits	**7.2**	3.1
Derivative financial instruments	**7.1**	12.2
Other	**1.9**	0.7
	16.2	16.0
Finance costs		
Interest expense on bank loans and borrowings	**(77.8)**	(73.1)
Derivative financial instruments	**(25.5)**	(26.5)
Lease interest expense	**(39.0)**	(29.3)
Other	**(1.4)**	(1.2)
	(143.7)	(130.1)
Net finance costs	**(127.5)**	(114.1)

Finance revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Finance costs are recognised as expenses in the year in which they are incurred.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 5. Income Tax

	Note	2024 US$m	2023 US$m
A) Components of Tax Expense			
Amounts recognised in profit or loss			
Current income tax – continuing operations:			
• income tax charge		**256.5**	231.6
• prior year adjustments		**12.1**	(1.5)
		268.6	230.1
Deferred tax – continuing operations:			
• origination and reversal of temporary differences		**87.3**	51.7
• previously unrecognised tax losses		**(2.0)**	(2.2)
• tax rate change		**-**	5.5
• prior year adjustments		**(7.5)**	2.0
		77.8	57.0
Tax expense – continuing operations		**346.4**	287.1
Tax (benefit)/expense – discontinued operations	9	**(0.6)**	4.6
Tax expense recognised in profit or loss		**345.8**	291.7
Amounts recognised in other comprehensive income			
• on actuarial loss on defined benefit pension plans		**(3.1)**	(4.4)
Tax benefit recognised directly in other comprehensive income		**(3.1)**	(4.4)

The income tax expense or benefit for the year is the tax payable or receivable on the current year's taxable income based on the national income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Current and deferred tax attributable to other comprehensive income is recognised in equity.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 5. Income Tax continued

	Note	2024 US$m	Restated 2023 US$m
B) Reconciliation Between Tax Expense and Accounting Profit Before Tax			
Profit before tax – continuing operations		**1,126.3**	944.1
Tax at standard Australian rate of 30% (2023: 30%)		**337.9**	283.2
Effect of tax rates in other jurisdictions		**(37.1)**	(39.5)
Equity-accounted results of associates		**1.4**	1.4
Prior year adjustments		**4.6**	0.5
Current year tax losses not recognised		**1.8**	0.7
Foreign withholding tax unrecoverable		**14.4**	12.9
Change in tax rates		**-**	5.5
Non-deductible expenses		**7.4**	7.0
Prior year tax losses recouped/recognised		**(2.0)**	(2.2)
Hyperinflation adjustment		**1.8**	2.5
Other[1]		**16.2**	15.1
Tax expense – continuing operations		**346.4**	287.1
Tax (benefit)/expense – discontinued operations	9	**(0.6)**	4.6
Total income tax expense		**345.8**	291.7

1 Includes the impact of Base Erosion and Anti-abuse Tax (BEAT) in the US, relating to foreign payments.

	2024 US$m		2023 US$m	
	Assets	Liabilities	Assets	Liabilities
C) Components of Deferred Tax Assets and Liabilities				
Deferred tax assets and liabilities in the balance sheet are represented by cumulative temporary differences attributable to:				
Items recognised in profit or loss				
Employee benefits	**34.1**	**-**	33.4	-
Provisions and accruals	**59.4**	**-**	63.0	-
Losses available against future taxable income	**140.4**	**-**	187.6	-
Accelerated depreciation for tax purposes	**-**	**(844.8)**	-	(807.8)
Deferred revenue	**134.8**	**-**	135.3	-
Leases	**233.8**	**(191.6)**	200.2	(161.4)
Hyperinflation adjustment	**-**	**(22.3)**	-	(16.2)
Other	**41.1**	**(94.2)**	71.1	(123.6)
	643.6	**(1,152.9)**	690.6	(1,109.0)
Items recognised in other comprehensive income or directly through equity				
Actuarial losses/(gains) on defined benefit pension plans	**6.5**	**(1.0)**	5.0	(1.0)
Share-based payments	**13.1**	**-**	12.4	-
	19.6	**(1.0)**	17.4	(1.0)
Set-off against deferred tax (liabilities)/assets	**(510.3)**	**510.3**	(553.5)	553.5
Net deferred tax assets/(liabilities)	**152.9**	**(643.6)**	154.5	(556.5)

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 5. Income Tax continued

	2024 US$m		2023 US$m	
	Assets	Liabilities	Assets	Liabilities
D) Movements in Deferred Tax Assets and Liabilities				
At 1 July	**154.5**	**(556.5)**	128.9	(483.0)
Credited/(charged) to profit or loss	**(4.4)**	**(72.8)**	28.7	(85.7)
Credited/(charged) directly to equity	**2.8**	**0.1**	6.9	0.3
Divestment of subsidiaries	**-**	**-**	(0.1)	0.2
Hyperinflation adjustment	**-**	**(11.2)**	-	(9.0)
Offset against deferred tax (liabilities)/assets	**4.3**	**(4.3)**	(16.8)	16.8
Foreign exchange differences	**(4.3)**	**1.1**	6.9	3.9
At 30 June	**152.9**	**(643.6)**	154.5	(556.5)

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, calculated using tax rates which are enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are not recognised:

- where the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- in respect of temporary differences associated with investments in subsidiaries and associates where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for carried forward tax losses to the extent that the entity has sufficient taxable temporary differences or there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

At reporting date, Brambles has unused tax losses of US$606.0 million (2023: US$802.5 million) available for offset against future profits. A deferred tax asset of US$140.4 million (2023: US$187.6 million) has been recognised in respect of US$566.0 million (2023: US$752.0 million) of such losses.

The benefit for tax losses will only be obtained if:

- Brambles derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- Brambles continues to comply with the conditions for deductibility imposed by tax legislation; and
- no changes in tax legislation adversely affect Brambles in realising the benefit from the deductions for the losses.

No deferred tax asset has been recognised in respect of the remaining unused tax losses of US$40.0 million (2023: US$50.5 million) due to uncertainty of future profit streams in the relevant jurisdictions. Tax losses of US$155.8 million (2023: US$344.6 million), which have been recognised in the balance sheet, have an expiry date between 2031 and 2038 (2023: between 2031 and 2038); however, it is expected that these losses will be recouped prior to expiry. The remaining tax losses of US$410.2 million (2023: US$407.4 million), which have been recognised in the balance sheet, can be carried forward indefinitely.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 5. Income Tax continued

D) Movements in Deferred Tax Assets and Liabilities continued

At reporting date, undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised in the consolidated financial statements are US$294.9 million (2023: US$885.2 million). No deferred tax liability has been recognised for these amounts because Brambles controls the distributions from its subsidiaries and is satisfied that the temporary difference will not reverse in the foreseeable future.

The majority of the deferred tax assets and liabilities are expected to be recovered/realised beyond 12 months after the balance sheet date.

E) Tax Consolidation

Brambles Limited and its Australian subsidiaries formed a tax consolidated group in 2006. Brambles Limited, as the head entity of the tax consolidated group, and its Australian subsidiaries have entered into a tax sharing agreement in order to allocate income tax expense. The tax sharing agreement uses a stand-alone basis of allocation. Consequently, Brambles Limited and its Australian subsidiaries account for their own current and deferred tax amounts as if they each continue to be taxable entities in their own right. In addition, the agreement provides funding rules setting out the basis upon which subsidiaries are to indemnify Brambles Limited in respect of tax liabilities and the methodology by which subsidiaries in tax loss are to be compensated.

F) Tax Estimates and Judgements

Brambles is a global group and is subject to income taxes in many jurisdictions around the world. Significant judgement is required in determining the provision for income taxes on a worldwide basis. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Brambles recognises deferred tax liabilities for uncertain tax positions in accordance with IFRS interpretation IFRIC 23. Where the final tax outcome of these matters is different from amounts provided, such differences will impact the current and deferred tax provisions in the period in which such outcome is determined.

In addition, Brambles regularly assesses the recognition and recoverability of deferred tax assets. This requires judgements about the application of income tax legislation in jurisdictions in which Brambles operates. Changes in circumstances may alter expectations and affect the carrying amount of deferred tax assets. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Brambles has applied the mandatory exception from recognising and disclosing information regarding deferred tax assets and liabilities related to OECD Pillar Two Global Anti-Base Erosion Rules.

G) Tax Policy

Brambles Limited has a tax policy approved by the Board of Directors, which sets out the Company’s approach to tax risk management and governance, tax planning, and dealing with tax authorities. The tax policy is included in Brambles Limited’s Code of Conduct. In addition, Brambles Limited’s Sustainability Review includes a Tax Transparency Report, prepared in accordance with the Australian Taxation Office's Voluntary Tax Transparency Code, which comprises, amongst other matters, details such as the corporate income tax paid by, and effective tax rates of, Brambles' Australian and global operations. The 2024 Tax Transparency Report is scheduled for publication in October 2024 and will be posted on Brambles’ website.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 6. Earnings Per Share

	2024 US cents	Restated 2023 US cents
From continuing operations		
• basic	**56.1**	47.3
• diluted	**55.8**	47.1
• basic, on Underlying Profit after finance costs and tax	**56.7**	48.0
From discontinued operations		
• basic	**-**	4.1
• diluted	**-**	4.1
Total Earnings Per Share (EPS)		
• basic	**56.1**	51.4
• diluted	**55.8**	51.2

Basic EPS is calculated as net profit attributable to members of the parent entity, divided by the weighted average number of ordinary shares.

Diluted EPS is calculated as net profit attributable to members of the parent entity, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares.

Performance share rights and MyShare matching conditional rights granted under Brambles' share plans are considered to be potential ordinary shares and have been included in the determination of diluted EPS to the extent they are considered to be dilutive.

EPS on Underlying Profit after finance costs and tax is calculated as Underlying Profit after finance costs and tax attributable to members of the parent entity, divided by the weighted average number of ordinary shares.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 6. Earnings Per Share continued

	2024 Million	2023 Million
A) Weighted Average Number of Shares during the Year		
Used in the calculation of basic EPS	**1,391.4**	1,388.0
Adjustment for share rights	**6.8**	6.2
Used in the calculation of diluted EPS	**1,398.2**	1,394.2

	Note	2024 US$m	Restated 2023 US$m
B) Reconciliations of Profit used in EPS Calculations			
Statutory profit			
Profit from continuing operations		**779.9**	657.0
Profit from discontinued operations		**-**	56.2
Profit used in calculating basic and diluted EPS		**779.9**	713.2
Underlying Profit after finance costs and tax			
Underlying Profit	2	**1,262.2**	1,067.0
Net finance costs	4	**(127.5)**	(114.1)
Underlying Profit after finance costs before tax		**1,134.7**	952.9
Tax expense on Underlying Profit		**(346.4)**	(287.1)
Underlying Profit after finance costs and tax		**788.3**	665.8
Which reconciles to statutory profit:			
Underlying Profit after finance costs and tax		**788.3**	665.8
Net impact arising from hyperinflationary economies	1H	**(8.4)**	(8.8)
Profit from continuing operations		**779.9**	657.0

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 7. Dividends

A) Dividends Paid during the Year

	Interim 2024	Final 2023
Dividend per share (US cents)	15.0	14.0
Dividends paid (US$ million)	211.0	195.0
Payment date	11 April 2024	12 October 2023

Brambles' dividend policy targets a payout ratio of 45%–60% of Underlying Profit after finance costs and tax, subject to Brambles' cash requirements, with the dividend per share declared in US cents and converted and paid in Australian cents based on an average exchange rate five days prior to the dividend declaration.

Total dividends paid during the year of US$406.0 million (2023: US$318.6 million) per the consolidated cash flow statement differ from the amount recognised in the consolidated statement of changes in equity of US$405.4 million (2023: US$332.0 million) due to the fluctuation in the Australian dollar between the dividend record and payment dates.

The impact of the Dividend Reinvestment Plan (DRP) for the dividend payments made during the year was neutralised by way of on-market share buy-backs.

B) Dividend Declared after 30 June 2024

	Final 2024
Dividend per share (US cents)	**19.0**
Estimated cost (US$ million)	**264.6**
Payment date	**10 October 2024**
Dividend record date	**12 September 2024**

As this dividend had not been declared at 30 June 2024, it is not reflected in these financial statements. A provision for dividends is only recognised where the dividends have been declared prior to the reporting date.

Total ordinary dividends declared for 2024 were 34.0 US cents per share, representing a payout ratio of 60% which is an increase from the prior year payout ratio of 55%. The 2023 total ordinary dividends were 26.25 US cents per share.

C) Franking Credits

	2024 US$m	2023 US$m
Franking credits available for subsequent financial years	**73.2**	73.6

The amounts above represent the balance of the franking account as at the end of the year, adjusted for:

- franking credits that will arise from the payment of the current tax liability;
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date;
- franking credits that will arise from dividends recognised as receivable at the reporting date; and
- franking credits that may be prevented from being distributed in subsequent financial years.

The final 2024 dividend will be franked at 35%.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 8. Investments in Associates

Brambles has investments in the following associates, which are accounted for using the equity method.

Name	Place of incorporation	% interest held at reporting date	
		2024	**2023**
Loscam (Greater China) Holdings Limited (Loscam China)	Hong Kong	**20%**	20%
MicroStar	USA	**16%**	16%

	2024 US$m	2023 US$m
Share of results of associates recognised in profit or loss		
Loscam China	**(0.2)**	0.1
MicroStar	**(5.6)**	(4.8)
	(5.8)	(4.7)
Carrying value of investments in associates		
Loscam China	**119.2**	119.0
MicroStar	**32.6**	37.9
	151.8	156.9

Summarised financial information for Loscam China[1]:

	2024 US$m	2023 US$m
Summarised balance sheet as at 30 June		
Total assets	**450.0**	446.9
Net assets	**224.5**	215.7
Summarised statement of comprehensive income		
(Loss)/profit after tax[2]	**(2.1)**	1.6

1 The amounts disclosed reflect the full net assets and results of Loscam China.

2 2023 includes results for the three month period ending 30 June 2023. Refer to Note 9.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 9. Discontinued Operations

On 28 November 2022, Brambles entered into an agreement to combine CHEP China with Loscam China, with completion of the transaction taking place on 31 March 2023. The 2023 results of CHEP China have been included within discontinued operations in the consolidated statement of comprehensive income and all related note disclosures.

Financial information for discontinued operations is summarised below:

	2024 US$m	2023 US$m
Operating loss[1]	**(0.6)**	(4.7)
Gain on divestment of CHEP China[2]	**-**	67.3
Net finance costs	**-**	(1.8)
Total (loss)/profit before tax	**(0.6)**	60.8
Tax benefit/(expense)	**0.6**	(4.6)
Profit from discontinued operations	**-**	56.2
Net cash (outflow)/inflow from operating activities[3]	**(1.9)**	40.4
Net cash outflow from investing activities[4]	**(19.3)**	(19.9)
Net cash inflow from financing activities	**-**	4.0
Net (decrease)/increase in cash and cash equivalents	**(21.2)**	24.5

1 2023 includes sales revenue of US$27.5 million and depreciation of US$8.3 million relating to CHEP China.

2 2023 includes the gain on divestment of CHEP China which is recognised as a Significant Item outside the ordinary course of business and includes a profit of US$1.2 million relating to exchange differences released to profit (refer Note 22) and US$5.0 million of transaction costs.

3 Net cash inflow from operating activities in 2023 includes US$41.5 million received from First Reserve as final settlement of the receivable relating to the divestment of the Hoover Ferguson Group (HFG) investment in 2018.

4 Net cash outflow from investing activities in 2024 includes US$13.3 million shareholder loan provided to Loscam China, US$5.1 million true-up payment for the 20% equity investment in Loscam China and US$0.9 million of costs paid in relation to the divestment of CHEP China (2023: US$3.9 million of transaction costs paid and US$8.5 million of cash disposed relating to the divestment of CHEP China. The remaining balance relates to CHEP China's net capital expenditure).

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 10. Trade and Other Receivables

	2024 US$m	2023 US$m
Current		
Trade receivables	**814.8**	772.4
Allowance for doubtful receivables	**(18.4)**	(14.1)
Net trade receivables	**796.4**	758.3
Other debtors	**163.2**	225.8
Unbilled revenue	**129.7**	142.3
Total trade and other receivables	**1,089.3**	1,126.4
Non-current		
Other receivables[1]	**34.5**	21.2
	34.5	21.2

1 2024 includes US$28.2 million non-current shareholder loan receivable from Loscam China (2023: US$14.0 million).

Trade receivables with no significant financing component are recognised when services are provided and settlement is expected within normal credit terms. Trade receivables are non-interest bearing and are generally on 30–90 day terms.

Other receivables are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost.

The allowance for doubtful receivables has been established based on AASB 9 *Financial Instruments*. For all eligible trade and other receivables, Brambles applies the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance.

To measure the expected credit losses, trade and other receivables are grouped based on region and ageing. Customers with heightened credit risk are provided for specifically based on historical default rates and forward-looking information, and customers with normal credit risk are provided for in line with a provision matrix based on ageing and their associated risk. A lifecycle allowance is calculated on the remaining trade and other receivables balance based on historical bad debt levels. Where there is no reasonable expectation of recovery, balances are written off. Subsequent recovery of amounts previously written off are credited against other expenses in profit or loss.

An allowance for doubtful receivables of US$7.8 million (2023: US$4.1 million) has been recognised as an expense in line with the Group's accounting policy.

Other debtors primarily comprise GST/VAT recoverable and loss compensation receivables.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 10. Trade and Other Receivables continued

	Trade receivables		Other debtors	
	2024 US$m	**2023 US$m**	**2024 US$m**	**2023 US$m**
At 30 June, the ageing analysis of trade receivables and other debtors by reference to due dates was as follows:				
Not past due	**757.8**	728.1	**155.2**	218.6
Past due 0–30 days, but not impaired	**28.1**	20.5	**2.5**	1.0
Past due 31–60 days, but not impaired	**5.1**	6.0	**0.4**	1.0
Past due 61–90 days, but not impaired	**2.4**	3.2	**0.4**	1.8
Past 90 days, but not impaired	**3.0**	0.5	**4.7**	3.4
Impaired	**18.4**	14.1	**-**	-
	814.8	772.4	**163.2**	225.8

Refer to Note 23 for other financial instrument disclosures.

Note 11. Inventories

	2024 US$m	**2023 US$m**
Raw materials and consumables	**72.2**	79.1
Finished goods	**5.5**	4.8
	77.7	83.9

Inventories are valued at the lower of cost and net realisable value. Where appropriate, adjustments are made for hyperinflation impacts and provisions are made for possible obsolescence.

Cost is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs to make the sale.

Note 12. Other Assets

	2024 US$m	**2023 US$m**
Current		
Prepayments	**59.3**	50.0
Current tax receivable	**37.2**	21.5
Derivative financial instruments	**3.5**	2.4
	100.0	73.9

Refer to Note 23 for other financial instrument disclosures.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 13. Property, Plant and Equipment

A) Net Carrying Amounts and Movements during the Year

	2024 US$m			2023 US$m		
	Land and buildings	Plant and equipment	Total	Land and buildings	Plant and equipment	Total
Opening carrying amount	**92.4**	**5,969.6**	**6,062.0**	81.6	5,444.4	5,526.0
Additions[1]	**19.7**	**980.7**	**1,000.4**	22.7	1,549.0	1,571.7
Divestment of subsidiaries	**-**	**-**	**-**	-	(94.7)	(94.7)
Disposals	**(0.2)**	**(160.0)**	**(160.2)**	(1.2)	(145.0)	(146.2)
Depreciation charge[2]	**(13.7)**	**(631.5)**	**(645.2)**	(10.0)	(585.2)	(595.2)
Impairment charge[3]	**-**	**-**	**-**	-	(16.6)	(16.6)
IPEP expense	**-**	**(185.5)**	**(185.5)**	-	(285.1)	(285.1)
Hyperinflation adjustment	**-**	**33.4**	**33.4**	-	26.5	26.5
Foreign exchange differences	**(0.1)**	**(101.8)**	**(101.9)**	(0.7)	76.3	75.6
Closing carrying amount	**98.1**	**5,904.9**	**6,003.0**	92.4	5,969.6	6,062.0
At 30 June						
Cost	**169.3**	**8,299.9**	**8,469.2**	150.6	8,196.6	8,347.2
Accumulated depreciation[4]	**(71.2)**	**(2,378.4)**	**(2,449.6)**	(58.2)	(2,210.4)	(2,268.6)
Accumulated impairment[3]	**-**	**(16.6)**	**(16.6)**	-	(16.6)	(16.6)
Net carrying amount	**98.1**	**5,904.9**	**6,003.0**	92.4	5,969.6	6,062.0

1 In 2023, capital expenditure related to discontinued operations was US$4.6 million.

2 In 2023, depreciation charge related to discontinued operations was US$7.9 million.

3 In 2023 an impairment charge of US$16.6 million was recognised in relation to assets that are not expected to be fully recovered.

4 Includes IPEP provision of US$105.0 million (2023: US$124.2 million).

The net carrying amounts above include capital work in progress of US$102.0 million (2023: US$137.9 million).

The CHEP wooden pallet pool is the largest asset on the balance sheet and Brambles' policy is to purchase sustainably sourced, certified timber for pallets. The use of certified timber is a key metric for Brambles and has been independently assured (refer to page 180 of the Annual Report). Information regarding planned timber supply-chain risk is set out on page 158 of the Annual Report.

B) Recognition and Measurement

Property, plant and equipment (PPE) is stated at cost, net of depreciation, any impairment and hyperinflation adjustments, except land, which is shown at cost less impairment. Cost includes expenditure that is directly attributable to the acquisition of assets and, where applicable, an initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the expenditure will flow to Brambles. Repairs and maintenance are expensed through profit or loss in the period they are incurred.

PPE is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any net gain or loss arising on derecognition of the asset is included in profit or loss and presented within other income/operating expenses in the period in which the asset is derecognised.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 13. Property, Plant and Equipment continued

C) Depreciation of Property, Plant and Equipment

Depreciation is recognised on a straight-line basis on all PPE (excluding land) over their expected useful lives. The useful economic life and residual value of PPE is reviewed on an annual basis considering key assumptions, including forecast usage, changes in technology, physical condition and potential climate change implications. No material changes have been recognised in 2024 or 2023. The expected useful lives of PPE are generally:

- buildings: up to 50 years;
- pooling equipment: 5–10 years (largely comprises pallets which have an expected useful life of 10 years); and
- other plant and equipment: 3–20 years.

The cost of improvements to leasehold properties is amortised over the unexpired portion of the lease, or the estimated useful life of the improvements to Brambles, whichever is shorter.

The impact of climate change has been considered in relation to the expected useful lives and residual values of Brambles' assets. There are currently no indicators of a change in the expected useful lives or residual values as a result of climate change. Brambles will continue to monitor the impact of climate change for any indicators of changes in expected useful lives or residual values. Any changes to the expected useful lives and/or residual values due to climate change will be accounted for on a prospective basis.

D) Irrecoverable Pooling Equipment Provision

Loss is an inherent risk of pooling equipment operations. Brambles’ pooling equipment operations around the world differ in terms of business models, market dynamics, customer and distribution channel profiles, contractual arrangements and operational details. Brambles monitors its pooling equipment operations using detailed key performance indicators (KPIs) and conducts audits continually to confirm the existence and the condition of its pooling equipment assets and to validate its customer hire records. During these audits, which take place at Brambles' plants, customer sites and other locations, pooling equipment is counted on a sample basis and reconciled to the balances shown in Brambles’ customer hire records. The irrecoverable pooling equipment provision (IPEP) is subject to a number of judgements and estimates, which are informed by historical statistical data in each market, including the outcome of audits and relevant KPIs. IPEP provision is presented within accumulated depreciation in PPE.

E) Recoverable Amount of Non-Current Assets

At each reporting date, Brambles assesses whether there is any indication that an asset, or Cash Generating Unit (CGU) to which the asset belongs, may be impaired. Where an indicator of impairment exists, Brambles makes a formal estimate of the recoverable amount. The recoverable amount of goodwill is tested for impairment annually (refer Note 15D). The recoverable amount of an asset is the greater of its fair value less costs to sell and its value in use.

Value in use is determined as the estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where the carrying value of an asset exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. The impairment loss is recognised in profit or loss in the reporting period in which the write-down occurs.

Due to the geographical spread of Brambles' assets, there are climate-related risks to assets including floods, fires and other climate risks; however, these are mitigated by Brambles' broad network. Brambles has also performed an assessment of its property, plant and equipment, including the service centre network, to consider whether there are any indicators of material impairment arising from climate change related risks. There have been no impairments identified as a result of climate change related risks as at reporting date; however, Brambles continues to review its network resilience and assess the potential long-term financial impacts of climate change. In addition, during 2024 Brambles conducted stress tests to assess its resilience to climate risks based on past climate-related events. The stress tests indicated that there were no material impacts on asset values as a result of climate-related events such as storms, floods and fires.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 14. Right-of-Use Leased Assets

A) Net Carrying Amount and Movements during the Year

	2024 US$m			2023 US$m		
	Land and buildings	**Plant and equipment**	**Total**	**Land and buildings**	**Plant and equipment**	**Total**
Opening carrying amount	**592.7**	**45.0**	**637.7**	577.6	39.9	617.5
Additions	**91.5**	**21.7**	**113.2**	38.9	19.3	58.2
Divestment of subsidiaries	**-**	**-**	**-**	(0.2)	-	(0.2)
Disposals	**-**	**(5.8)**	**(5.8)**	-	-	-
Remeasurement of existing leases	**174.8**	**(1.0)**	**173.8**	89.0	4.5	93.5
Depreciation charge[1]	**(125.3)**	**(15.9)**	**(141.2)**	(107.3)	(19.5)	(126.8)
Foreign exchange differences	**(3.7)**	**(0.3)**	**(4.0)**	(5.3)	0.8	(4.5)
Closing carrying amount	**730.0**	**43.7**	**773.7**	592.7	45.0	637.7
At 30 June						
Cost	**1,227.6**	**107.6**	**1,335.2**	993.3	109.3	1,102.6
Accumulated depreciation	**(497.6)**	**(63.9)**	**(561.5)**	(400.6)	(64.3)	(464.9)
Net carrying amount	**730.0**	**43.7**	**773.7**	592.7	45.0	637.7

[1] In 2023, depreciation charge related to discontinued operations was US$0.4 million.

B) Leases exempt from AASB 16 *Leases* in accordance with the Standard

	2024 US$m	**2023 US$m**
Short-term lease expense	**2.2**	2.8
Low-value assets lease expense	**0.1**	0.3
Exempt lease expense	**2.3**	3.1

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 14. Right-of-Use Leased Assets continued

C) Measurement of the Right-of-Use Leased Asset and Lease Liability

The Group primarily leases offices, service centres, equipment and vehicles. Rental contracts are typically made for fixed periods, but may have extension or termination options. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions.

Leases are recognised as a right-of-use leased asset and a corresponding lease liability at the date the leased asset is available for use by the Group. Principal and interest payments are reflected in the consolidated cash flow statement as financing and operating activities, respectively.

Assets and liabilities arising from a lease are initially measured at present value. Lease liabilities include the present value of:

- fixed lease payments less any incentives receivable;
- variable payments based on a rate or index; and
- amounts expected to be payable relating to residual value guarantees, early termination penalties, and purchase options if reasonably certain of taking place.

Lease payments are discounted using the incremental borrowing rate calculated by geographic region. The incremental borrowing rate is the rate the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Group is required to remeasure the lease liability and make an adjustment to the right-of-use leased asset if the lease terms and conditions are modified, in which case the lease liability is remeasured by discounting the revised lease payments. The remeasurement of the lease liability is also applied against the right-of-use leased asset.

Right-of-use leased assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs; and
- dilapidation costs.

The right-of-use leased asset is depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life or lease term.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 15. Goodwill and Intangible Assets

A) Net Carrying Amounts and Movements during the Year

	2024 US$m				2023 US$m			
	Goodwill	**Software**	**Other[1]**	**Total**	**Goodwill**	**Software**	**Other[1]**	**Total**
Opening carrying amount	**187.5**	**40.9**	**12.9**	**241.3**	184.1	42.2	17.2	243.5
Additions	**-**	**5.6**	**5.7**	**11.3**	-	9.2	3.5	12.7
Disposals	**-**	**-**	**-**	**-**	-	-	(1.5)	(1.5)
Divestment of subsidiaries	**-**	**-**	**-**	**-**	-	(0.2)	-	(0.2)
Amortisation charge	**-**	**(11.2)**	**(4.4)**	**(15.6)**	-	(10.3)	(6.1)	(16.4)
Foreign exchange differences	**(1.7)**	**-**	**-**	**(1.7)**	3.4	-	(0.2)	3.2
Closing carrying amount	**185.8**	**35.3**	**14.2**	**235.3**	187.5	40.9	12.9	241.3
At 30 June								
Gross carrying amount	**185.8**	**164.0**	**72.9**	**422.7**	187.5	158.7	76.2	422.4
Accumulated amortisation	**-**	**(128.7)**	**(58.7)**	**(187.4)**	-	(117.8)	(63.3)	(181.1)
Net carrying amount	**185.8**	**35.3**	**14.2**	**235.3**	187.5	40.9	12.9	241.3

[1] Other intangible assets primarily comprises product development costs.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 15. Goodwill and Intangible Assets continued

B) Summary of Carrying Value of Goodwill by CGU

	2024 US$m	2023 US$m
CHEP Europe	**125.3**	126.7
CHEP Asia-Pacific	**50.6**	50.4
CHEP Americas[1]	**9.9**	10.4
Total goodwill	**185.8**	187.5

1 A formal impairment assessment is not undertaken for the CHEP Americas CGU goodwill on the basis of materiality.

C) Recognition and Measurement

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of Brambles' share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries and associates is included in intangible assets and investments in associates, respectively. Goodwill is carried at cost less accumulated impairment losses and is not amortised.

Upon acquisition, any goodwill arising is allocated to each CGU expected to benefit from the acquisition. On disposal of an operation, goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal.

Other intangible assets

Intangible assets acquired are capitalised at cost, unless acquired as part of a business combination, in which case they are capitalised at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less provisions for amortisation and impairment.

The costs of acquiring computer software for internal use are capitalised as intangible assets where it is used to support a significant business system and the expenditure leads to the creation of an asset. In Software as a Service (SaaS) arrangements, implementation costs are capitalised if the implementation activities create an intangible asset that Brambles controls and the intangible asset meets the recognition criteria.

Useful lives have been established for all non-goodwill intangible assets. Amortisation charges are expensed through profit or loss on a straight-line basis over those useful lives. Estimated useful lives are reviewed annually.

The expected useful lives of intangible assets are generally:

- computer software: 3–10 years; and
- product development costs: 5 years.

There are no non-goodwill intangible assets with indefinite lives.

Intangible assets are tested for impairment where an indicator of impairment exists, either individually or at the CGU level.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 15. Goodwill and Intangible Assets continued

D) Goodwill Recoverable Amount Testing

Brambles' business units undertake an impairment review process annually to ensure that goodwill balances are not carried at amounts that are in excess of their recoverable amounts. This review may be undertaken more frequently if events or changes indicate that goodwill may be impaired.

The recoverable amount of goodwill is determined based on the higher of the value in use and the fair value less costs to sell calculations undertaken at the CGU level. The value in use is calculated using a discounted cash flow methodology covering a four-year period, with an appropriate terminal value at the end of that period.

Consideration has been given to the potential financial impacts of climate-related risks on the carrying value of goodwill. Brambles' forecast cashflows includes the costs of achieving its sustainability targets as set out on pages 20 to 21 of the Annual Report. This includes the known costs for achieving decarbonisation objectives, including solar power and fleet electrification, as set out on page 172 of the Annual Report. Brambles continues to assess the potential long-term financial impacts of climate change, including the cost of reaching its net-zero target in 2040; however, at this stage Brambles does not consider the potential impacts of climate change to present a risk of impairment to the carrying value of goodwill.

Forecast cash flows include estimates on areas including lumber, transport, fuel, labour and other input costs which can be impacted by climate-related risks. The impact of climate-related risks on these input costs is uncertain and will continue to be assessed. Sensitivity analysis was performed over these costs and the outcome of the analysis was not sensitive to reasonable changes in these costs.

Based on the impairment testing, the carrying amount of goodwill in the CGUs at reporting date was fully supported. The key assumptions on which management has based its cash flow projections were:

Cash flow forecasts

Cash flow forecasts are post-tax and based on the most recent financial projections covering a maximum period of four years. Financial projections are based on assumptions that represent management's best estimates.

Revenue growth rates

Revenue growth rates used are based on management's latest four-year plan. Four-year revenue growth rates for CHEP Europe and CHEP Asia-Pacific CGUs were 6.2% and 4.2%, respectively. Sensitivity testing was performed on these CGUs and a reasonable change in these rates would not cause the carrying value of the CGUs to exceed their recoverable amount.

Terminal value

The terminal value calculated is determined using the stable growth model, having regard to the weighted average cost of capital (WACC) and terminal growth rate appropriate to each CGU. The terminal growth rate used in the financial projections was 1.5% for CHEP Europe and 2.3% for CHEP Asia-Pacific.

Discount rates

Discount rates used for the purposes of impairment testing, as required by AASB 136 *Impairment of Assets,* are post-tax WACC and include a premium for market risks appropriate to each country in which the CGU operates. Pre-tax WACC is derived based on the effective tax rate for the purpose of disclosure. The pre-tax WACC rates used for CHEP Europe and CHEP Asia-Pacific CGU's were 8.2% and 10.4% respectively.

Sensitivity

Downside scenarios were prepared to sensitise the models and any reasonable change to the above key assumptions would not cause the carrying value to materially exceed the recoverable amount.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 16. Trade and Other Payables

	2024 US$m	2023 US$m
Current		
Trade payables	**617.8**	626.1
Other payables	**344.0**	497.7
Deferred revenue	**574.0**	579.4
Accruals	**333.3**	362.6
Derivative financial instruments	**0.9**	9.1
Total trade and other payables	**1,870.0**	2,074.9

Trade payables represent liabilities for goods and services provided to Brambles prior to the end of the financial year that remain unpaid at the reporting date. The amounts are unsecured, non-interest bearing and are paid within normal credit terms of 30–150 days.

Other payables include capital expenditure creditors and GST/VAT payable. Other payables (excluding derivatives) are initially measured at fair value, net of transaction costs incurred, and subsequently measured at amortised cost.

Deferred revenue primarily relates to revenue that is billed on issue of pooling equipment to customers. It is recognised in profit or loss over the cycle time (refer Note 2). As the cycle time is less than one year, all deferred revenue from 2023 was recognised in 2024. Deferred revenue in 2024 relates to the transaction price allocated to performance obligations that remain unsatisfied and will be satisfied in 2025.

Refer to Note 23 for other financial instrument disclosures.

Note 17. Provisions

	2024 US$m		2023 US$m	
	Current	Non-current	Current	Non-current
Employee entitlements	**170.6**	**6.9**	143.4	7.1
Other[1]	**33.6**	**82.1**	31.3	68.2
	204.2	**89.0**	174.7	75.3

[1] Other includes US$81.1 million of dilapidation provisions relating to leases (2023: US$68.2 million), as well as other provisions relating to litigation and other known exposures.

Movements in each class of provision during the year are set out below:

	Employee entitlements US$m	Other US$m	Total US$m
Carrying amount at 1 July 2023	**150.5**	**99.5**	**250.0**
Additional provisions:			
• charged to profit or loss	**154.7**	**12.1**	**166.8**
• recognised for dilapidation and other provisions	**-**	**12.0**	**12.0**
Amounts utilised	**(124.8)**	**(6.7)**	**(131.5)**
Foreign exchange differences	**(2.9)**	**(1.2)**	**(4.1)**
Carrying amount at 30 June 2024	**177.5**	**115.7**	**293.2**

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 17. Provisions continued

Provisions for liabilities are made on the basis that, due to a past event, the business has a constructive or legal obligation to transfer economic benefits that are of uncertain timing or amount. Provisions are measured at the present value of management's best estimate at the balance sheet date of the expenditure required to settle the obligation. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks appropriate to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in profit or loss.

Employee entitlements are provided by Brambles in accordance with the legal and social requirements of the country of employment. Principal entitlements are for annual leave, sick leave, long service leave, bonuses and contract entitlements. Annual leave and sick leave entitlements are presented within trade and other payables.

Liabilities for annual leave, as well as those employee entitlements that are expected to be settled within one year, are measured at the amounts expected to be paid when they are settled. All other employee entitlement liabilities are measured at the estimated present value of the future cash outflows to be made in respect of services provided by employees up to the reporting date. Future cash outflows are discounted using the applicable corporate bond rates.

Employee entitlements are classified as current liabilities unless Brambles has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Note 18. Borrowings

	2024 US$m		2023 US$m	
	Current	Non-current	Current	Non-current
Unsecured				
Bank overdrafts	**0.5**	**-**	4.1	-
Bank loans	**14.2**	**178.0**	4.0	14.1
Loan notes	**14.2**	**1,564.6**	554.0	1,578.7
	28.9	**1,742.6**	562.1	1,592.8

Borrowings are primarily initially recognised at fair value net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the borrowing proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless Brambles has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Financial risks and risk management strategies associated with borrowings, including financial covenants, are disclosed in Note 23.

Note 19. Retirement Benefit Obligations

A) Defined Contribution Plans

Brambles operates a number of defined contribution retirement benefit plans for qualifying employees. The assets of these plans are held in separately administered trusts or insurance policies. In some countries, Brambles' employees are members of state-managed retirement benefit plans. Brambles is required to contribute a specified percentage of payroll costs to the retirement benefit plan to fund benefits. The only obligation of Brambles with respect to defined contribution retirement benefit plans is to make the specified contributions. Payments to defined contribution retirement benefit plans are charged as an expense when incurred.

US$38.5 million (2023: US$28.6 million) has been recognised as an expense in profit or loss, representing contributions paid and payable to these plans by Brambles at rates specified in the rules of the plans, all of which relate to continuing operations.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 19. Retirement Benefit Obligations continued

B) Defined Benefit Plans

Brambles operates a small number of defined benefit pension plans, which are closed to new entrants. The majority of the plans are self-administered and the plans' assets are held independently of Brambles' finances. Under the plans, members are entitled to retirement benefits based upon a percentage of final salary. No other post-retirement benefits are provided. The plans are mostly funded plans.

A liability in respect of defined benefit pension plans is recognised in the balance sheet, measured as the present value of the defined benefit obligation at the reporting date less the fair value of the pension plans' assets at that date. Pension obligations are measured as the present value of estimated future cash flows discounted at rates reflecting the yields of high quality corporate bonds.

The plans' assets and the present value of the defined benefit obligations recognised in Brambles' balance sheet are based upon the most recent formal actuarial valuations, which have been updated to 30 June 2024 by independent professionally qualified actuaries and take account of the requirements of AASB 119 *Employee Benefits.* For all plans, the valuation updates have used assumptions, assets and cash flows as at 31 May 2024. There has been no material change in assumptions, assets and cash flows between 31 May and 30 June. The present value of the defined benefit obligations and past service costs were measured using the projected unit credit method. Past service cost is recognised immediately to the extent that the benefits are already vested.

Actuarial gains and losses arising from differences between expected and actual returns, and the effect of changes in actuarial assumptions are recognised in full through other comprehensive income in the period in which they arise. In 2024, a net actuarial loss of US$12.6 million was recognised in other comprehensive income (2023: net actuarial loss of US$17.4 million).

A net expense of US$1.3 million has been recognised in profit or loss in respect of defined benefit plans (2023: US$2.2 million), of which US$1.2 million net expense relates to continuing operations (2023: US$1.6 million). Included within the total expense recognised during the year is a net interest cost of US$0.2 million (2023: net interest income of US$0.3 million).

The amounts recognised in the balance sheet are as follows:

	2024 US$m	2023 US$m
Present value of defined benefit obligations	**181.6**	194.7
Fair value of plan assets	**(159.6)**	(178.4)
Net liability recognised in the balance sheet	**22.0**	16.3

As part of the on-going process to wind up the hybrid defined benefit pension scheme in South Africa, assets totalling US$24.1 million, together with the related obligations of the same amount, were transferred to separately established defined contribution pension scheme. Excluding South Africa, other key drivers for the changes in the present value of defined benefit obligations and the fair value of plan assets include an increase in asset values and a decrease in the discount rates. Benefits paid during the period were US$6.9 million (2023: US$10.7 million). There are a number of principal assumptions used in the actuarial valuations of the defined benefit obligations. These principal assumptions are the discount rate of 5.15% (2023: 5.25%) for the plans operating in the United Kingdom and 11.91% (2023: 12.11%) for the South African plan; the pension increase rate of 3.15%–3.70% (2023: 3.15%–3.70%) in the United Kingdom plans; and the inflation rate for the South African plan of 6.73% (2023: 7.47%). A change of 25 basis points in the discount rate or other key assumptions may have a material impact on the defined benefit obligation.

Brambles has no legal obligation to settle this liability with an immediate contribution or additional one-off contributions. Brambles intends to continue to make contributions to the plans at the rates recommended by the plans' actuaries when actuarial valuations are obtained. Annual contributions of £5.4 million or US$6.8 million (2023: £5.0 million or US$6.3 million) are being paid to remove the identified funding deficits over a period of up to four years (2023: five years).

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 20. Contributed Equity

	Shares	US$m
Total ordinary shares, of no par value, issued and fully paid:		
At 1 July 2022	1,386,155,249	4,505.8
Issued during the year[1]	3,148,807	25.8
At 30 June 2023	1,389,304,056	4,531.6
At 1 July 2023	**1,389,304,056**	**4,531.6**
Issued during the year[1]	**3,362,130**	**32.4**
At 30 June 2024	**1,392,666,186**	**4,564.0**

1 Includes shares issued on exercise of share rights granted under employee share plans and dividend shares issued under those plans.

Ordinary shares are classified as contributed equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of Brambles' own equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds of issue.

Ordinary shares of Brambles Limited entitle the holder to participate in dividends and the proceeds on any winding up of the Company in proportion to the number of shares held.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 21. Share-Based Payments

The Remuneration Report sets out details relating to the Brambles share plans (pages 73 and 76), together with details of performance share rights and MyShare matching conditional rights issued to the Executive Directors and other Key Management Personnel (pages 74 to 75). Rights granted by Brambles do not result in an entitlement to participate in share issues of any other corporation.

Set out below are summaries of rights granted under the plans.

A) Grants Over Brambles Limited Shares

Grant date	Expiry date	Balance at 1 July	Granted during year	Exercised during year	Forfeited / lapsed during year	Balance at 30 June
2024						
Performance share rights						
Granted in prior periods		7,596,638	-	(2,188,550)	(948,668)	4,459,420
6 Nov 2023	6 Nov 2029	-	3,878,696	-	(275,507)	3,603,189
MyShare matching conditional rights						
2022 Plan Year	31 Mar 2024	1,322,492	-	(1,258,548)	(63,944)	-
2023 Plan Year	31 Mar 2025	450,835	947,271	(26,996)	(110,540)	1,260,570
2024 Plan Year	31 Mar 2026	-	504,858	(1,191)	(9,885)	493,782
Total rights		**9,369,965**	**5,330,825**	**(3,475,285)**	**(1,408,544)**	**9,816,961**
2023 (summarised comparative)						
Total rights		8,793,004	4,793,799	(3,349,325)	(867,513)	9,369,965

Of the above grants, 351,739 were exercisable at 30 June 2024.

		2024	2023
Weighted average data:			
• fair value at grant date of grants made during the year	A$	**12.38**	10.68
• share price at exercise date of grants exercised during the year	A$	**14.62**	12.41
• remaining contractual life at 30 June	Years	**3.9**	3.9

The cost of equity-settled share rights is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date).

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 21. Share-Based Payments continued

A) Grants Over Brambles Limited Shares – continued

Executives and employees in certain jurisdictions are provided cash incentives calculated by reference to the awards under the share-based compensation schemes (phantom shares). These phantom shares are fair valued on initial grant date and at each subsequent reporting date.

The cost of cash-settled share rights is charged to profit or loss over the relevant vesting periods, with a corresponding increase in provisions.

B) Fair Value Calculations

The fair value of share rights subject to a market condition is determined at grant date using a Monte Carlo Simulation. The fair value of share rights subject to a non-market condition is determined at grant date using a risk-neutral assumption. The values calculated do not take into account the probability of rights being forfeited prior to vesting, as Brambles revises its estimate of the number of share rights expected to vest at each reporting date.

The significant inputs into the valuation models for the grants made during the year were the following:

	2024	**2023**
Weighted average share price	**A$13.65**	A$11.60
Expected volatility	**20%**	25%
Expected life	**2–3 years**	2–3 years
Annual risk-free interest rate	**4.27%**	3.75%
Expected dividend yield	**3.17%**	3.11%

The expected volatility was determined based on a three-year historic volatility of Brambles' share prices.

C) Share-Based Payments Expense

In 2024, Brambles recognised a total expense of US$31.2 million relating to equity-settled share-based payments (2023: US$27.5 million) and US$2.7 million relating to cash-settled share-based payments (2023: US$2.5 million). In 2023, US$0.9 million of the equity-settled amount related to discontinued operations.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 22. Reserves and Retained Earnings

A) Movements in Reserves and Retained Earnings

	Reserves					
	Share-based payments US$m	Foreign currency translation US$m	Unification US$m	Other US$m	Total US$m	Retained earnings US$m
Year ended 30 June 2023						
Opening balance as at 1 July 2022 as reported	74.8	(513.2)	(7,162.4)	224.2	(7,376.6)	5,321.9
Opening balance adjustment[1]	-	62.4	-	(62.4)	-	-
Revised opening balance as at 1 July 2022	74.8	(450.8)	(7,162.4)	161.8	(7,376.6)	5,321.9
Actuarial loss on defined benefit plans	-	-	-	-	-	(13.0)
Foreign exchange differences – restated[1]	-	20.9	-	-	20.9	-
FCTR released to profit on divestment of CHEP China	-	(1.2)	-	-	(1.2)	-
Share-based payments:						
• expense recognised	27.5	-	-	-	27.5	-
• shares issued	(25.8)	-	-	-	(25.8)	-
• equity component of related tax	3.5	-	-	-	3.5	-
Dividends declared	-	-	-	-	-	(332.0)
Profit for the year – restated[1]	-	-	-	-	-	713.2
Closing balance as at 30 June 2023 – restated[1]	80.0	(431.1)	(7,162.4)	161.8	(7,351.7)	5,690.1
Year ended 30 June 2024						
Opening balance as at 1 July 2023 as reported	**80.0**	**(519.8)**	**(7,162.4)**	**260.4**	**(7,341.8)**	**5,680.2**
Opening balance adjustment[1]	**-**	**88.7**	**-**	**(98.6)**	**(9.9)**	**9.9**
Revised opening balance as at 1 July 2023	**80.0**	**(431.1)**	**(7,162.4)**	**161.8**	**(7,351.7)**	**5,690.1**
Actuarial loss on defined benefit plans	**-**	**-**	**-**	**-**	**-**	**(9.5)**
Foreign exchange differences	**-**	**(40.9)**	**-**	**-**	**(40.9)**	**-**
Share-based payments:						
• expense recognised	**31.2**	**-**	**-**	**-**	**31.2**	**-**
• shares issued	**(32.4)**	**-**	**-**	**-**	**(32.4)**	**-**
• equity component of related tax	**1.8**	**-**	**-**	**-**	**1.8**	**-**
Dividends declared	**-**	**-**	**-**	**-**	**-**	**(405.4)**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**779.9**
Closing balance as at 30 June 2024	**80.6**	**(472.0)**	**(7,162.4)**	**161.8**	**(7,392.0)**	**6,055.1**

1 In 2024, Brambles revised the application of its accounting policy relating to its subsidiaries in hyperinflationary economies and now presents the inflationary and foreign exchange translation impacts in other comprehensive income instead of profit or loss or directly in equity. The 2023 comparatives have been restated accordingly, including the reclassification of the hyperinflation reserve to the foreign currency translation reserve within equity. Refer Note 1H.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 22. Reserves and Retained Earnings continued

B) Nature and Purpose of Reserves

Share-based payments reserve

This comprises the cumulative share-based payment expense recognised in profit or loss in relation to equity-settled options and share rights issued but not yet exercised. Refer to Note 21 for further details.

Foreign currency translation reserve

This comprises cumulative exchange differences arising from the translation of the financial statements of foreign subsidiaries and associates, net of qualifying net investment hedges. The relevant accumulated balance is reclassified to profit or loss on disposal of a foreign subsidiary or associate.

Unification reserve

Unification refers to the amalgamation of Brambles Industries Limited (BIL) and Brambles Industries plc (BIP) to form a new entity Brambles Limited. The Unification reserve of US$15,385.8 million was established on 4 December 2006, representing the difference between the Brambles Limited share capital measured at fair value and the carrying value of the share capital of BIL and BIP at that date. Subsequently on 9 September 2011, the reduction in share capital of US$8,223.4 million by Brambles Limited in accordance with section 258F of the *Corporations Act 2001* was applied against the Unification reserve.

Other

This comprises the merger reserve created at the time of the formation of the Dual Listed Company structure in 2001 and the hedging reserve. The hedging reserve represents the cumulative portion of the gain or loss of cash flow hedges that are determined to be effective hedges. Amounts are recognised in profit or loss when the associated hedged transaction is recognised or the hedge or the forecast hedged transaction is no longer highly probable.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 23. Financial Risk Management

Brambles is exposed to a variety of financial risks: market risk (including the effect of fluctuations in interest rates and exchange rates), liquidity risk and credit risk.

Brambles' overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of Brambles. Financial risk management activities are carried out centrally by Brambles' treasury function in accordance with Board policies and guidelines, through standard operating procedures and delegated authorities.

Brambles uses interest rate swaps and forward foreign exchange contracts to manage its market risk and does not trade in financial instruments for speculative purposes.

A) Financial Assets and Liabilities

Financial assets are recognised when Brambles becomes a party to the contractual provisions of the instrument and are classified in the following two categories: financial assets at fair value through profit or loss; and amortised cost, as disclosed in the respective notes.

Derecognition occurs when rights to the asset have expired or when Brambles transfers its rights to receive cash flows from the asset together with substantially all the risks and rewards of the asset.

Refer to Note 18 for the recognition of interest bearing financial liabilities.

The fair values of all financial assets and liabilities held on the balance sheet as at 30 June 2024 equal the carrying amount, with the exception of loan notes, which have an estimated fair value of US$1,542.3 million (2023: US$2,055.2 million) compared to a carrying value of US$1,578.8 million (2023: US$2,132.7 million). Financial assets and liabilities held at fair value (other than loan notes) are estimated using Level 2 estimation techniques, which use inputs that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). The fair value of loan notes has been calculated using Level 1 valuation techniques, which use directly observable unadjusted quoted prices in active markets for identical assets or liabilities.

The fair value of forward exchange contracts is calculated by reference to current forward exchange rates for contracts with similar maturities at the balance sheet date. The fair value of interest rate swap contracts is calculated as the present value of the forward cash flows of the instrument after applying market rates and standard valuation techniques.

B) Derivative and Hedging Activities

For the purposes of hedge accounting, hedges are classified as either fair value hedges, cash flow hedges or net investment hedges.

For fair value hedges, any gain or loss from remeasuring the hedging instrument at fair value is adjusted against the carrying amount of the hedged item and recognised in profit or loss.

For cash flow hedges, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion is recognised in profit or loss.

Hedges for net investments in foreign operations are accounted for similarly to cash flow hedges.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 23. Financial Risk Management continued

C) Market Risk

Brambles has the following risk policies in place with respect to market risk.

Interest rate risk

Brambles' exposure to potential volatility in finance costs is predominantly in Euros and US dollars on borrowings. This is managed by maintaining a mix of fixed and floating-rate instruments within select target bands over defined periods. In some cases, interest rate derivatives are used to achieve these targets synthetically.

The following table sets out the financial instruments exposed to interest rate risk at reporting date:

	Note	2024 US$m	2023 US$m
Financial assets (floating rate)			
Cash at bank	24	**77.3**	139.3
Short-term deposits	24	**35.6**	21.4
		112.9	160.7
Weighted average effective interest rate at 30 June		**3.2%**	1.0%
Financial assets (fixed rate)			
Other receivables	10	**34.5**	21.2
Weighted average effective interest rate at 30 June		**4.7%**	4.7%
Financial liabilities (floating rate)			
Bank overdrafts	18	**0.5**	4.1
Bank loans	18	**192.2**	18.1
Interest rate swaps (notional value) – fair value hedges		**-**	163.0
Net exposure to cash flow interest rate risk		**192.7**	185.2
Weighted average effective interest rate at 30 June		**6.2%**	7.5%
Financial liabilities (fixed rate)			
Loan notes	18	**1,578.8**	2,132.7
Lease liabilities	24C	**869.5**	729.4
Interest rate swaps (notional value) – fair value hedges		**-**	(163.0)
Net exposure to fair value interest rate risk		**2,448.3**	2,699.1
Weighted average effective interest rate at 30 June		**3.9%**	3.4%

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 23. Financial Risk Management continued

C) Market Risk continued

Interest rate swaps – fair value hedges

Brambles entered into interest rate swap transactions with various banks, swapping €150.0 million of the €500.0 million fixed-rate 2024 Euro Medium Term Note (EMTN) to variable rates. The interest rate swaps matured in June 2024 upon repayment of the €500.0 million EMTN. The interest rate swaps and debt were designated in a hedging relationship at a hedge ratio of 1:1. The fair value of the interest rate swaps was adjusted for credit risk, measured by reference to credit default swaps for the interest rate swap counterparties, which is a source of ineffectiveness. Movement in credit risk did not dominate the hedge relationship.

The gain or loss from remeasuring the interest rate swaps at fair value is recorded in profit or loss together with any changes in the fair value of the hedged asset or liability that is attributed to the hedged risk. During 2024, all interest rate swaps were effective hedging instruments.

Sensitivity analysis

Based on US dollar floating-rate financial assets and floating-rate financial liabilities outstanding at 30 June 2024, if US interest rates were to increase/decrease by 200 basis points with all other variables held constant, profit after tax for the year would have been US$2.4 million lower/higher (2023: US$1.9 million lower/higher for Euro zone floating-rate financial assets and floating-rate financial liabilities).

Foreign exchange risk

Exposure to foreign exchange risk generally arises in either the value of transactions translated back to the functional currency of a subsidiary or associate, or the value of assets and liabilities of foreign currency subsidiaries or associates when translated back to the Group's reporting currency.

Foreign exchange hedging is used when a transaction exposure exceeds certain thresholds and as soon as a defined exposure arises. Within Brambles, exposures may arise with external parties or, alternatively, by way of cross-border intercompany transactions. Forward foreign exchange contracts are primarily used to manage exposures from normal commercial transactions such as the purchase and sale of equipment and services, intercompany interest and royalties. Given that Brambles both generates income and incurs expenses in its local currencies of operation, these exposures are not significant.

Brambles generally mitigates translation exposures by raising debt in currencies where there are matching assets.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 23. Financial Risk Management continued

C) Market Risk continued

Foreign exchange risk continued

Currency profile

The following table sets out the currency mix profile of Brambles' financial instruments at reporting date. Financial assets include cash, trade receivables and derivative assets. Financial liabilities include trade payables, lease liabilities, borrowings and derivative liabilities:

	US dollar US$m	Aust. dollar US$m	British Pound US$m	Euro US$m	Other US$m	Total US$m
2024						
Financial assets	**379.4**	**45.5**	**44.8**	**158.6**	**319.0**	**947.3**
Financial liabilities	**1,421.7**	**164.1**	**100.0**	**1,243.8**	**330.1**	**3,259.7**
2023						
Financial assets	360.5	41.5	54.2	161.7	324.7	942.6
Financial liabilities	1,185.2	154.9	81.6	1,788.9	308.9	3,519.5

Forward foreign exchange contracts – cash flow hedges

During 2024, Brambles entered into forward foreign exchange transactions with various banks in a variety of cross-currencies for terms ranging up to seven months.

For 2024 and 2023, all foreign exchange contracts were effective hedging instruments. The fair value of these contracts at reporting date was nil (2023: nil).

Other forward foreign exchange contracts

Brambles enters into other forward foreign exchange contracts for the purpose of hedging various cross-border intercompany loans to overseas subsidiaries. In this case, the forward foreign exchange contracts provide an economic hedge against exchange fluctuations on foreign currency loan balances. The face value and terms of the foreign exchange contracts match the intercompany loan balances. Gains and losses on realignment of the intercompany loans and foreign exchange contracts to spot rates are offset in profit or loss. Consequently, these foreign exchange contracts are not designated for hedge accounting purposes and are classified as held for trading. The fair value of these contracts at reporting date was a net asset of US$2.6 million (2023: net liability of US$2.7 million).

Hedge of net investment in foreign entity

On repayment of the €500.0 million 2024 EMTN on 12 June 2024 the €350.5 million net investment hedge was closed out. For 2024 and 2023, there was no ineffectiveness to be recorded from such partial hedges of net investments in foreign entities.

Sensitivity analysis

Based on the financial instruments held at 30 June 2024, if exchange rates were to weaken/strengthen against the US dollar by 10% with all other variables held constant, the transaction exposure within profit after tax for the year would have been US$0.5 million lower/higher (2023: US$0.6 million lower/higher).

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 23. Financial Risk Management continued

D) Liquidity Risk

Brambles' objective is to maintain adequate liquidity to meet its financial obligations as and when they fall due. Brambles funds its operations through existing equity, retained cash flow and borrowings. Funding is generally sourced from relationship banks and debt capital market investors on a medium to long-term basis.

Bank credit facilities are generally structured on a committed multi-currency revolving basis and at 30 June 2024 had maturities ranging out to August 2028. Borrowings under the bank credit facilities are floating-rate, unsecured obligations with covenants and undertakings typical for these types of arrangements.

Brambles' primary bank facility is a US$1.35 billion sustainability-linked syndicated revolving credit facility (RCF) which has an extension option to August 2029 which was exercised and approved in July 2024. The RCF pricing is linked to performance against elements of Brambles' 2025 sustainability targets including decarbonisation. All performance targets were met in 2024.

The RCF requires Brambles to report certain sustainability metrics which are disclosed on page 41 of the Annual Report. These metrics include emissions, sustainable timber, product waste and women in management.

Borrowings are raised from debt capital markets by the issue of unsecured fixed-interest notes, with interest payable semi-annually or annually. Brambles has a €2.5 billion EMTN shelf programme which facilitates bond issuance in debt capital markets. The programme is listed on the Singapore stock exchange. In March 2023, Brambles issued a €500.0 million eight-year green bond under the EMTN shelf programme and Green Finance Framework in support of its circular economy business model. The Green Finance Framework is supported by an independent Environmental, Social and Corporate Governance rating report to facilitate bond issuance in a 'green' format. The green bond prefunded the €500.0 million EMTN which matured in June 2024. At 30 June 2024, loan notes had maturities out to March 2031.

Brambles also has access to further funding through overdrafts, uncommitted and standby lines of credit and the issuance of commercial paper, which is backed by committed bank facilities. These agreements are principally to manage day-to-day liquidity. The Euro Commercial Paper (ECP) programme consists of large volume, high frequency transactions with a weighted average term to maturity of one month. ECP cash flows are recorded on a net basis in the consolidated cash flow statement. At 30 June 2024, there was nil ECP outstanding (2023: nil).

At 30 June 2024, the average term to maturity of the committed borrowing facilities and the loan notes is equivalent to 3.7 years (2023: 3.7 years). These facilities are unsecured and are guaranteed as described in Note 32B.

Borrowing facilities maturity profile

	Year 1 US$m	Year 2 US$m	Year 3 US$m	Year 4 US$m	>4 years US$m	Total US$m
2024						
Total facilities	**474.6**	**650.0**	**-**	**535.3**	**1,885.3**	**3,545.2**
Facilities used[1]	**(14.9)**	**(500.0)**	**-**	**(535.3)**	**(715.3)**	**(1,765.5)**
Facilities available	**459.7**	**150.0**	**-**	**-**	**1,170.0**	**1,779.7**
2023						
Total facilities	967.5	153.4	650.0	-	2,436.7	4,207.6
Facilities used[1]	(552.0)	(17.2)	(500.0)	-	(1,086.7)	(2,155.9)
Facilities available	415.5	136.2	150.0	-	1,350.0	2,051.7

[1] Facilities used represent the principal value of loan notes and borrowings of US$1,765.5 million. This differs by US$6.0 million (2023: US$1.0 million) from loan notes and borrowings as shown in the balance sheet, which are measured on the basis of amortised cost as determined under the effective interest method and include accrued interest, transaction costs and fair value adjustments on certain hedging instruments.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 23. Financial Risk Management continued

D) Liquidity Risk continued

Maturities of financial liabilities

The maturities of Brambles' contractual cash flows on non-derivative financial liabilities (for principal and interest) and contractual cash flows on net and gross settled derivative financial instruments, based on the remaining period to contractual maturity date, are presented below. Cash flows on interest rate swaps and forward foreign exchange contracts are valued based on forward interest and exchange rates applicable at reporting date.

	Year 1 US$m	Year 2 US$m	Year 3 US$m	Year 4 US$m	>4 years US$m	Total contractual cash flows US$m	Carrying amount (assets)/ liabilities US$m
2024							
Non-derivative financial liabilities							
Trade payables	**617.8**	**-**	**-**	**-**	**-**	**617.8**	**617.8**
Bank overdrafts	**0.5**	**-**	**-**	**-**	**-**	**0.5**	**0.5**
Bank loans	**25.3**	**10.2**	**10.2**	**10.2**	**180.8**	**236.7**	**192.2**
Loan notes	**51.4**	**541.1**	**30.8**	**566.1**	**603.5**	**1,792.9**	**1,578.8**
Lease liabilities	**167.6**	**150.5**	**138.0**	**125.8**	**481.4**	**1,063.3**	**869.5**
	862.6	**701.8**	**179.0**	**702.1**	**1,265.7**	**3,711.2**	**3,258.8**
Financial guarantees[2]	**24.8**	**-**	**-**	**-**	**-**	**24.8**	**-**
	887.4	**701.8**	**179.0**	**702.1**	**1,265.7**	**3,736.0**	**3,258.8**
Derivative financial (assets)/liabilities							
Net settled interest rate swaps							
• fair value hedges	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gross settled forward foreign exchange contracts							
• (inflow)	**(884.0)**	**-**	**-**	**-**	**-**	**(884.0)**	**(2.6)**
• outflow	**881.4**	**-**	**-**	**-**	**-**	**881.4**	**-**
	(2.6)	**-**	**-**	**-**	**-**	**(2.6)**	**(2.6)**

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 23. Financial Risk Management continued

D) Liquidity Risk continued

	Year 1 US$m	Year 2 US$m	Year 3 US$m	Year 4 US$m	>4 years US$m	Total contractual cash flows US$m	Carrying amount (assets)/ liabilities US$m
2023							
Non-derivative financial liabilities							
Trade payables	626.1	-	-	-	-	626.1	626.1
Bank overdrafts	4.1	-	-	-	-	4.1	4.1
Bank loans	7.1	18.3	-	-	-	25.4	18.1
Loan notes	608.2	51.9	541.6	31.2	1,187.2	2,420.1	2,132.7
Lease liabilities	139.1	123.5	110.9	102.8	396.7	873.0	729.4
	1,384.6	193.7	652.5	134.0	1,583.9	3,948.7	3,510.4
Financial guarantees[2]	25.1	-	-	-	-	25.1	-
	1,409.7	193.7	652.5	134.0	1,583.9	3,973.8	3,510.4
Derivative financial (assets)/liabilities							
Net settled interest rate swaps							
• fair value hedges	3.7	-	-	-	-	3.7	4.0
Gross settled forward foreign exchange contracts							
• (inflow)	(742.9)	-	-	-	-	(742.9)	-
• outflow	745.6	-	-	-	-	745.6	2.7
	6.4	-	-	-	-	6.4	6.7

[2] Refer to Note 26a for details on financial guarantees. The amounts disclosed above are the maximum amounts allocated to the earliest period in which the guarantee could be called. Brambles does not expect these payments to eventuate.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 23. Financial Risk Management continued

E) Credit Risk Exposure

Brambles is exposed to credit risk on its financial assets, which comprise cash and cash equivalents, trade and other receivables and derivative financial instruments. The exposure to credit risks arises from the potential failure of counterparties to meet their obligations. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments, including the mark-to-market of hedging instruments where they represent an asset in the balance sheet, and any unpaid amounts from debtors. Brambles has short-term deposits available within three months totalling US$35.6 million which are deposited with banks rated AA- by Standard & Poor's. Following the merger of CHEP China with Loscam China which was completed in March 2023 (refer Note 9), Brambles has a non-current shareholder loan receivable from Loscam China, totalling US$28.2 million (refer Note 10). Other than this, there is no concentration of credit risk.

Brambles trades only with recognised, creditworthy third parties. Collateral is generally not obtained from customers. Customers are subject to credit verification procedures, including an assessment of their independent credit rating, financial position, past experience and industry reputation. Credit limits are set for individual customers and approved by credit managers in accordance with an approved authority matrix. These credit limits are regularly monitored and revised based on historic turnover activity and credit performance. In addition, overdue receivable balances are monitored and actioned on a regular basis.

Brambles transacts derivatives with prominent financial institutions and has credit limits in place to limit exposure to any potential non-performance by its counterparties.

F) Capital Risk Management

Brambles' objective when managing capital is to ensure Brambles continues as a going concern, as well as to provide a balance between financial flexibility and balance sheet efficiency. In determining its capital structure, Brambles considers the robustness of future cash flows, potential funding requirements for growth opportunities and acquisitions, the cost of capital and ease of access to funding sources.

Brambles manages its capital structure to be consistent with a solid investment-grade credit rating. At 30 June 2024, Brambles held investment-grade credit ratings of BBB+ from Standard & Poor's and Baa1 from Moody's Investors Service.

Initiatives available to Brambles to achieve its desired capital structure include adjusting the amount of dividends paid to shareholders, returning capital to shareholders, buying back share capital, issuing new shares, selling assets to reduce debt, varying the maturity profile of its borrowings and managing discretionary expenses.

Brambles considers its capital to comprise:

	2024 US$m	2023 US$m
Total borrowings	**1,771.5**	2,154.9
Total lease liabilities	**869.5**	729.4
Less: cash and cash equivalents	**(112.9)**	(160.7)
Net debt	**2,528.1**	2,723.6
Total equity	**3,227.1**	2,870.0
Total capital	**5,755.2**	5,593.6

Under the terms of its major borrowing facilities, Brambles is required to comply with the following financial covenants:

- the ratio of net debt to EBITDA is to be no more than 3.5 to 1; and
- the ratio of EBITDA to net finance costs is to be no less than 3.5 to 1. The ratio of EBITDA to net finance costs is not applicable to the US$1,350.0 million committed syndicated revolving credit facility.

Loan covenant ratios are calculated including the impact of lease liabilities and on a 12-month rolling basis. EBITDA for the purpose of loan covenant calculations is Underlying Profit before interest, tax, IPEP, depreciation and amortisation for continuing and discontinued operations, and excludes share of results of associates.

Brambles has complied with these financial covenants for 2024 and 2023.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 24. Cash Flow Statement – Additional Information

A) Reconciliation of Cash

	Note	2024 US$m	2023 US$m
For the purpose of the consolidated cash flow statement, cash comprises:			
Cash at bank and in hand		**77.3**	139.3
Short-term deposits[1]		**35.6**	21.4
Cash and cash equivalents		**112.9**	160.7
Bank overdraft	18	**(0.5)**	(4.1)
		112.4	156.6

1 Short-term deposits recognised within cash and cash equivalents have maturities of three months or less and are measured at amortised cost.

Cash and cash equivalents include deposits with financial institutions and other highly liquid investments which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value. Bank overdrafts are presented within borrowings in the balance sheet.

Cash and cash equivalents include balances of US$0.2 million (2023: US$0.2 million) used as security for various contingent liabilities and are not readily accessible.

Brambles has various master netting and set-off arrangements covering cash pooling. At 30 June 2024 no amount had been reduced from cash at bank and overdraft (2023: US$1.7 million).

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 24. Cash Flow Statement – Additional Information continued

B) Reconciliation of Profit After Tax to Net Cash Flow from Operating Activities

	2024 US$m	Restated 2023 US$m
Profit after tax	**779.9**	713.2
Adjustments for:		
• depreciation and amortisation	**802.0**	738.4
• IPEP expense	**185.5**	285.1
• gain on divestment of CHEP China	**-**	(67.3)
• net gain on disposal of property, plant and equipment	**(64.6)**	(49.6)
• impairment of property, plant and equipment	**-**	16.6
• other valuation adjustments	**(9.9)**	(3.5)
• share of results of associates	**5.8**	4.7
• equity-settled share-based payments	**31.2**	27.5
• hyperinflation adjustment	**8.4**	8.8
• net finance revenue and costs	**4.8**	4.2
Movements in operating assets and liabilities, net of acquisitions and disposals:		
• increase in trade and other receivables	**(6.3)**	(124.8)
• (increase)/decrease in prepayments	**(7.9)**	5.5
• decrease in inventories	**5.7**	3.5
• increase in deferred taxes	**77.2**	57.2
• (decrease)/increase in trade and other payables	**(1.8)**	214.0
• increase in deferred revenue	**1.0**	91.4
• (decrease)/increase in tax payables	**(43.0)**	19.9
• increase in provisions	**39.7**	50.1
• other	**(3.3)**	(3.8)
Net cash inflow from operating activities	**1,804.4**	1,991.1

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 24. Cash Flow Statement – Additional Information continued

C) Reconciliation of Movement in Net Debt

	2024 US$m	2023 US$m
Net debt at beginning of the year	**2,723.6**	2,717.3
Net cash inflow from operating activities	**(1,804.4)**	(1,991.1)
Net cash outflow from investing activities	**921.6**	1,493.0
Net payments relating to divested businesses and cash disposed	**19.3**	12.4
Divestment of CHEP China's gross debt	**-**	(52.0)
Dividends paid	**406.0**	318.6
Net outflow/(inflow) from derivative financial instruments	**5.1**	(1.1)
Lease capitalisation, interest accruals and other	**276.8**	135.0
Foreign exchange differences on borrowings and cash	**(19.9)**	91.5
Net debt at end of the year	**2,528.1**	2,723.6
Being:		
Current borrowings	**28.9**	562.1
Current lease liabilities	**127.7**	110.2
Non-current borrowings	**1,742.6**	1,592.8
Non-current lease liabilities	**741.8**	619.2
Cash and cash equivalents	**(112.9)**	(160.7)
Net debt at end of the year	**2,528.1**	2,723.6

D) Non-Cash Financing or Investing Activities

Except for leasing activities relating to the acquisition of right-of-use assets (refer to Note 14), there were no other financing or investing activities during the year which had a material effect on the assets and liabilities of Brambles that did not involve cash flows.

Note 25. Capital Expenditure Commitments

Capital Expenditure Commitments

Capital expenditure, principally relating to property, plant and equipment, contracted for but not recognised as liabilities at reporting date was as follows:

	2024 US$m	2023 US$m
Within one year	**82.0**	191.2
Between one and five years	**-**	1.0
	82.0	192.2

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 26. Contingencies

a) Subsidiaries have contingent unsecured liabilities in respect of guarantees given relating to leases, workers compensation insurance and other obligations totalling US$24.8 million (2023: US$25.1 million), of which US$23.2 million (2023: US$23.5 million) is guaranteed by Brambles Limited.

b) Environmental contingent liabilities

Brambles' activities have previously included the treatment and disposal of hazardous and non-hazardous waste through subsidiaries and corporate joint ventures or associates. In addition, other activities of Brambles entail using, handling and storing materials which are capable of causing environmental impairment.

As a consequence of the nature of these activities, Brambles has incurred and may continue to incur environmental costs and liabilities associated with site and facility operation, closure, remediation, aftercare, monitoring and licensing. Provisions have been made in respect of estimated environmental liabilities at all sites and facilities where probable outflow of resources have been identified.

However, additional liabilities may emerge due to a number of factors including changes in the numerous laws and regulations which govern environmental protection, liability, land use, planning, climate change and other matters in each jurisdiction in which Brambles operates or has operated. These extensive laws and regulations are continually evolving in response to technological advances, scientific developments, climate change and other factors. Brambles cannot predict the extent to which it may be affected in the future by any such changes in legislation or regulation.

c) Brambles defended a consolidated class action raised on behalf of certain shareholders who acquired shares during the period between 18 August 2016 and 20 February 2017. The trial took place from 8 August 2022 to 8 September 2022 and on 26 and 27 October 2022, and a decision from the trial judge is pending.

In the ordinary course of business, Brambles becomes involved in litigation, tax and indirect tax audits and other commercial disputes. Provisions have been made for known obligations where the existence of the liability is probable and can be reasonably quantified. Receivables have been recognised where recoveries, for example from insurance arrangements, are virtually certain.

As the outcomes of these matters remain uncertain, contingent liabilities exist for any potential amounts payable.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 27. Auditor's Remuneration

	2024 US$'000	2023 US$'000
Audit and review services:		
• PwC Australia	**2,255**	2,368
• Other PwC network firms	**3,351**	3,056
Total audit and review services	**5,606**	5,424
Other assurance services (which could be performed by other firms):		
• PwC Australia	**89**	135
• Other PwC network firms	**10**	6
Total other assurance services	**99**	141
Total remuneration for audit, review and other assurance services	**5,705**	5,565
Other services:		
• Other – PwC Australia	**4**	13
• Other – other PwC network firms	**31**	28
Total other services[1]	**35**	41
Total auditor's remuneration	**5,740**	5,606

[1] Other services in 2024 and 2023 primarily relate to licence fees for PwC compliance software. 2023 also included services relating to corporate administration.

From time to time, Brambles employs PwC on assignments additional to its statutory audit duties where PwC, through its detailed knowledge of the Group, is best placed to perform the services from an efficiency, effectiveness and cost perspective. The performance of such non-audit related services is always balanced with the fundamental objective of ensuring PwC's objectivity and independence as auditors. To ensure this balance, Brambles' Charter of Audit Independence outlines the services that can be undertaken by the auditors and requires that the Audit & Risk Committee approves any management recommendation that PwC undertakes non-audit work (with approval being delegated to the Chief Financial Officer within specified monetary limits and reported to the Audit & Risk Committee).

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 28. Key Management Personnel

A) Key Management Personnel Compensation

	2024 US$'000	2023 US$'000
Short-term employee benefits	**10,997**	8,131
Post-employment benefits	**379**	191
Termination benefits	**1,103**	-
Other benefits	**238**	69
Share-based payment expense	**5,354**	5,269
	18,071	13,660

The composition of reportable Key Management Personnel in 2024 is different to 2023. Refer to the Remuneration Report for further information.

B) Other Transactions with Key Management Personnel

Other transactions with Key Management Personnel are set out in Note 29A.

Further remuneration disclosures are set out in the Directors' Report on pages 54 to 76 of the Annual Report.

Note 29. Related Party Information

A) Other Transactions

Other transactions entered into during the year with Directors of Brambles Limited, with Director-related entities, with Key Management Personnel (KMP, as set out in the Remuneration Report), or with KMP-related entities, were on terms and conditions no more favourable than those available to other employees, customers or suppliers and include transactions in respect of the employee option plans, contracts of employment, service agreements with Non-Executive Directors and reimbursement of expenses. Any other transactions were trivial in nature.

B) Other Related Parties

A subsidiary has a non-interest bearing advance outstanding as at 30 June 2024 of US$114,000 (2023: US$944,000) to Brambles Custodians Pty Limited, the trustee under Brambles' employee loan scheme. This scheme enabled employees to acquire shares in Brambles Industries Limited (BIL) and has been closed to new entrants since August 2002.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 29. Related Party Information continued

C) Material Subsidiaries

The principal subsidiaries of Brambles during the year were:

Name	Place of incorporation	% interest held at reporting date	
		2024	**2023**
CHEP USA	USA	**100**	100
CHEP Canada Corp	Canada	**100**	100
CHEP UK Limited	UK	**100**	100
CHEP Equipment Pooling NV	Belgium	**100**	100
CHEP South Africa (Proprietary) Limited	South Africa	**100**	100
CHEP Australia Limited	Australia	**100**	100
CHEP Mexico SRL	Mexico	**100**	100
Brambles USA Inc.	USA	**100**	100
Brambles Finance plc	UK	**100**	100

In addition to the list above, there are a number of other non-material subsidiaries within Brambles. Refer to Consolidated Entity Disclosure Statement on pages 142 to 145.

Investments in subsidiaries are primarily by means of ordinary or common shares. Shares in subsidiaries are recorded at cost, less provision for impairment.

Material subsidiaries which prepare statutory financial statements report a 30 June balance sheet date, with the exception of CHEP Mexico SRL, which reports a 31 December balance sheet date.

Note 30. Events After Balance Sheet Date

On 21 August 2024, Brambles announced its capital management initiatives with an on-market share buy-back in the 2025 reporting period of up to US$500.0 million (subject to market conditions) and an increased target dividend payout ratio range of between 50-70% (previously 45-60%), having regard to the Group’s strong financial position and improved cash flow generation.

Other than the above and those outlined in the Directors' Report or elsewhere in these financial statements, no other events have occurred subsequent to 30 June 2024 and up to the date of this report that have had a material impact on Brambles' financial performance or position.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 31. Net Assets Per Share

	2024 US cents	2023 US cents
Based on 1,392.7 million shares (2023: 1,389.3 million shares):		
• Net tangible assets per share	**214.8**	189.2
• Net assets per share	**231.7**	206.6

Net tangible assets per share is calculated by dividing total equity attributable to the members of the parent entity, less goodwill and intangible assets, by the number of shares on issue at year end.

Net assets per share is calculated by dividing total equity attributable to the members of the parent entity by the number of shares on issue at year end.

Note 32. Parent Entity Financial Information

A) Summarised Financial Data of Brambles Limited

	Parent entity	
	2024 US$m	2023 US$m
Profit for the year[1]	**5.2**	1,654.2
Other comprehensive income/(loss) for the year[2]	**15.0**	(146.2)
Total comprehensive income	**20.2**	1,508.0
Current assets	**0.4**	0.2
Non-current assets	**4,810.2**	5,188.8
Total assets	**4,810.6**	5,189.0
Current liabilities	**2.4**	37.3
Non-current liabilities	**21.1**	20.2
Total liabilities	**23.5**	57.5
Net assets	**4,787.1**	5,131.5
Contributed equity	**4,564.0**	4,531.6
Share-based payment reserve	**80.0**	71.6
Foreign currency translation reserve	**(966.6)**	(981.6)
Retained earnings	**1,109.7**	1,509.9
Total equity	**4,787.1**	5,131.5

1 Profit for the year in 2023 includes dividend income received from subsidiaries.

2 Comprises foreign currency translation movements.

Notes to and Forming Part of the Financial Statements continued

for the year ended 30 June 2024

Note 32. Parent Entity Financial Information continued

A) Summarised Financial Data of Brambles Limited continued

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements except for investments and receivables from subsidiaries. In the parent entity financial information, investments in subsidiaries are accounted for at cost and receivables from subsidiaries are held at amortised cost. Where appropriate, receivables from subsidiaries have been adjusted for expected credit losses. Dividends received from investments in subsidiaries are recognised as revenue.

B) Guarantees and Contingent Liabilities

Brambles Limited and certain of its subsidiaries are parties to a deed of cross-guarantee which supports global financing credit facilities available to certain subsidiaries. At 30 June 2024, total facilities available amount to US$1,633.1 million (2023: US$1,781.6 million), of which US$180.0 million has been drawn (2023: nil).

Brambles Limited and certain of its subsidiaries are parties to a guarantee which supports loan notes of US$500.0 million (2023: US$500.0 million) issued by a subsidiary to qualified institutional buyers in accordance with Rule 144A and Regulation S of the *United States Securities Act* .

Brambles Limited and certain of its subsidiaries are parties to a guarantee which supports loan notes of €500.0 million (2023: €1,000.0 million) issued by a subsidiary in the European bond market.

Brambles Limited and certain of its subsidiaries are parties to a guarantee which supports a €2.5 billion Euro Medium Term Note (EMTN) programme, of which €500.0 million relating to a green bond financing instrument was drawn in March 2023.

Brambles Limited and certain of its subsidiaries are parties to a guarantee which supports a programme of Euro commercial paper available to certain subsidiaries. At 30 June 2024, total programme availability amounts to €750.0 million (2023: €750.0 million), of which nil has been drawn (2023: nil).

Brambles Limited has guaranteed repayment of certain facilities and financial accommodations made available to certain subsidiaries. At 30 June 2024, total facilities and financial accommodations available to subsidiaries amount to US$526.7 million (2023: US$427.0 million), of which US$37.7 million has been drawn (2023: US$45.1 million).

Brambles Limited was served with class action proceedings in 2018 which has been disclosed as a contingent liability (refer Note 26c).

C) Contractual Commitments

Brambles Limited did not have any contractual commitments for the acquisition of property, plant and equipment at 30 June 2024 or 30 June 2023.

Consolidated Entity Disclosure Statement

as at 30 June 2024

Basis of Preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the Group as at 30 June 2024 in accordance with AASB 10 *Consolidated Financial Statements.*

Determination of Tax Residency

Section 295 (3A)(vi) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997.* The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, Brambles has applied the following interpretations:

- Australian tax residency: Brambles has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5; and
- Foreign tax residency: Where necessary, Brambles has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295 (3A)(vii) of the *Corporations Act 2001*).

Partnerships

Australian tax law generally does not contain corresponding residency tests for partnerships and these entities are typically taxed on a flow-through basis.

Additional disclosures on the tax status of partnerships have been provided where relevant.

Consolidated Entity Disclosure Statement continued

as at 30 June 2024

Name of Entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of incorporation	Australian resident or foreign resident	Foreign jurisdiction of foreign resident
CHEP Argentina S.A.	Body corporate		100.0	Argentina	Foreign	Argentina
Brambles Custodians Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
Brambles Employee Option Services Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
Brambles Finance Australia Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
Brambles Finance Limited	Body corporate		100.0	Australia	Australian	n/a
Brambles Holdings International Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
Brambles Industries Limited	Body corporate		100.0	Australia	Australian	n/a
Brambles Limited	Body corporate		100.0	Australia	Australian	n/a
Brambles Nominees Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
Brambles Spain Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
Brambles Superannuation Management (No.2) Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
Brambles Superannuation Management (No.3) Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
BXB Digital Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
CHEP Australia Limited	Body corporate		100.0	Australia	Australian	n/a
CHEP Pallecon Solutions Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
CHEP Technology Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
Express Freight Pty Ltd	Body corporate		100.0	Australia	Australian	n/a
CHEP Osterreich GmbH	Body corporate		100.0	Austria	Foreign	Austria
Brambles Europe SA	Body corporate		100.0	Belgium	Foreign	Belgium
CHEP Benelux NV	Body corporate		100.0	Belgium	Foreign	Belgium
CHEP Equipment Pooling BV	Body corporate		100.0	Belgium	Foreign	Belgium
CHEP Botswana Pty Ltd	Body corporate		100.0	Botswana	Foreign	South Africa, Botswana
CHEP do Brasil Ltda	Body corporate		100.0	Brazil	Foreign	Brazil
CHEP Bulgaria EOOD	Body corporate		100.0	Bulgaria	Foreign	Bulgaria
Brambles Canada Corp.	Body corporate		100.0	Canada	Foreign	Canada
CHEP Canada Corp.	Body corporate		100.0	Canada	Foreign	Canada
CHEP Chile SpA	Body corporate		100.0	Chile	Foreign	Chile
CHEP Colombia S.A.S.	Body corporate		100.0	Colombia	Foreign	Colombia
CHEP Costa Rica S.A.	Body corporate		100.0	Costa Rica	Foreign	Costa Rica
CHEP d.o.o.	Body corporate		100.0	Croatia	Foreign	Croatia
CHEP CZ s.r.o	Body corporate		100.0	Czechia	Foreign	Czechia
Transpac Container Pooling Egypt SAE	Body corporate		100.0	Egypt	Foreign	Egypt
CHEP El Salvador S.A. de C.V.	Body corporate		100.0	El Salvador	Foreign	El Salvador
CHEP Estonia OU	Body corporate		100.0	Estonia	Foreign	Estonia
CHEP Eswatini Pty Ltd	Body corporate		100.0	Eswatini	Foreign	South Africa, Eswatini
CHEP France Holding S.A.	Body corporate		100.0	France	Foreign	France
CHEP France S.A.	Body corporate		100.0	France	Foreign	France
Brambles Services GmbH & Co. KG	Partnership		n/a	n/a	n/a	n/a[1]
Brambles Services Verwaltungs GmbH	Body corporate	Partner	100.0	Germany	Foreign	Germany
CHEP Deutschland GmbH	Body corporate		100.0	Germany	Foreign	Germany
CHEP Hellas EPE	Body corporate		100.0	Greece	Foreign	Greece
CHEP Guatemala Limitada	Body corporate		100.0	Guatemala	Foreign	Guatemala
CHEP Honduras SA de CV	Body corporate		100.0	Honduras	Foreign	Honduras

Consolidated Entity Disclosure Statement continued

as at 30 June 2024

Name of Entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of incorporation	Australian resident or foreign resident	Foreign jurisdiction of foreign resident
CHEP Magyarország Kft.	Body corporate		100.0	Hungary	Foreign	Hungary
Brambles India Services Private Limited	Body corporate		100.0	India	Foreign	India
CHEP India Private Limited	Body corporate		100.0	India	Foreign	India
CHEP Israel Ltd	Body corporate		100.0	Israel	Foreign	Israel
CHEP Italia SRL	Body corporate		100.0	Italy	Foreign	Italy
CHEP Japan KK	Body corporate		100.0	Japan	Foreign	Japan
CHEP Latvia SIA	Body corporate		100.0	Latvia	Foreign	Latvia
UAB CHEP Lithuania	Body corporate		100.0	Lithuania	Foreign	Lithuania
CHEP (Malaysia) Sdn. Bhd.	Body corporate		100.0	Malaysia	Foreign	Malaysia
CHEP Pallecon Solutions (Malaysia) Sdn. Bhd.	Body corporate		100.0	Malaysia	Foreign	Malaysia
Brambles Business Services Mexico S. de R.L. de C.V.	Body corporate		100.0	Mexico	Foreign	Mexico
CHEP Automotive S.A. de C.V.	Body corporate		100.0	Mexico	Foreign	Mexico
CHEP Mexico S. de R.L. de C.V.	Body corporate		100.0	Mexico	Foreign	Mexico
Texas Pallet de Mexico S.A. de C.V.	Body corporate		100.0	Mexico	Foreign	Mexico
CHEP Maroc SARL AU	Body corporate		100.0	Morocco	Foreign	Morocco
CHEP Mozambique, Lda.	Body corporate		100.0	Mozambique	Foreign	South Africa, Mozambique
CHEP Namibia Pty Ltd	Body corporate		100.0	Namibia	Foreign	South Africa, Namibia
Brambles International Finance B.V.	Body corporate		100.0	Netherlands	Foreign	Spain
Brambles Investment Germany B.V.	Body corporate		100.0	Netherlands	Foreign	Netherlands
Brambles Investments Europe B.V.	Body corporate		100.0	Netherlands	Foreign	Netherlands
CHEP Benelux Netherlands B.V.	Body corporate		100.0	Netherlands	Foreign	Netherlands
CHEP Pallecon Solutions B.V.	Body corporate		100.0	Netherlands	Foreign	Netherlands
CHEP Scandinavia B.V.	Body corporate		100.0	Netherlands	Foreign	Netherlands
CHEP Schweiz B.V.	Body corporate		100.0	Netherlands	Foreign	Netherlands
Brambles New Zealand Limited	Body corporate		100.0	New Zealand	Foreign	New Zealand
CHEP Nicaragua, S.A	Body corporate		100.0	Nicaragua	Foreign	Nicaragua
CHEP Peru S.A.C.	Body corporate		100.0	Peru	Foreign	Peru
CHEP Polska Sp. z o.o	Body corporate		100.0	Poland	Foreign	Poland
CHEP Pooling Services Romania SRL	Body corporate		100.0	Romania	Foreign	Romania
CHEP Rus LLC	Body corporate		100.0	Russia	Foreign	Russia
CHEP Saudi Arabia Limited	Body corporate		100.0	Saudi Arabia	Foreign	Saudi Arabia
CHEP D.O.O. Beograd	Body corporate		100.0	Serbia	Foreign	Serbia
Brambles (Asia) Pte. Limited	Body corporate		100.0	Singapore	Foreign	Singapore
CHEP Singapore Pte Ltd	Body corporate		100.0	Singapore	Foreign	Singapore
CHEP SK s.r.o.	Body corporate		100.0	Slovakia	Foreign	Slovakia
CHEP Logistika d.o.o.	Body corporate		100.0	Slovenia	Foreign	Slovenia
Braecroft Timbers Pty Ltd	Body corporate		100.0	South Africa	Foreign	South Africa
CHEP South Africa Pty Ltd	Body corporate		100.0	South Africa	Foreign	South Africa
Weatherboard Pty Ltd	Body corporate		90.0	South Africa	Foreign	South Africa
Brambles Business Services Spain S.A.	Body corporate		100.0	Spain	Foreign	Spain
CHEP España, S.A.	Body corporate		100.0	Spain	Foreign	Spain
CHEP Taiwan Limited	Body corporate		100.0	Taiwan	Australian[2]	n/a
CHEP (Thailand) Ltd	Body corporate		49.9	Thailand	Foreign	Thailand

Consolidated Entity Disclosure Statement continued

as at 30 June 2024

Name of Entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of incorporation	Australian resident or foreign resident	Foreign jurisdiction of foreign resident
CHEP Pallecon Solutions (Thailand) Ltd	Body corporate		49.9	Thailand	Australian[2]	n/a
CHEP Konteyner ve Palet Ltd. Şti.	Body corporate		100.0	Türkiye	Foreign	Türkiye
CHEP Gulf General Trading L.L.C.	Body corporate		49.0	UAE	Foreign	UAE
CHEP Middle East FZCO	Body corporate		100.0	UAE	Foreign	UAE
BIP Industries Limited	Body corporate		100.0	UK	Foreign	UK
Brambles Enterprises Limited	Body corporate		100.0	UK	Foreign	UK
Brambles Finance plc	Body corporate		100.0	UK	Foreign	UK
Brambles Holdings (UK) Limited	Body corporate		100.0	UK	Foreign	UK
Brambles Investment Ltd.	Body corporate	Partner	100.0	UK	Foreign	UK
Brambles Nominees Limited	Body corporate		100.0	UK	Foreign	UK
Brambles U.K. Limited	Body corporate	Partner	100.0	UK	Foreign	UK
BXB Digital Limited	Body corporate		100.0	UK	Foreign	UK
CHEP UK Limited	Body corporate		100.0	UK	Foreign	UK
Cyan Logistics Limited	Body corporate		100.0	UK	Foreign	UK
Polybulk Limited	Body corporate		100.0	UK	Foreign	UK
Rail Car Services Limited	Body corporate		100.0	UK	Foreign	UK
Wrekin Roadways Limited	Body corporate		100.0	UK	Foreign	UK
CHEP Uruguay SA	Body corporate		100.0	Uruguay	Foreign	Uruguay
Brambles Environmental, Inc.	Body corporate		100.0	USA	Foreign	USA
Brambles Industries Europe, Inc.	Body corporate		100.0	USA	Foreign	USA
Brambles Industries, LLC	Body corporate	Partner	100.0	USA	Foreign	n/a[3]
Brambles North America Incorporated	Body corporate	Partner	100.0	USA	Foreign	USA
Brambles USA, Inc.	Body corporate		100.0	USA	Foreign	USA
Brambles Waste Services, Inc.	Body corporate		100.0	USA	Foreign	USA
CHEP Container and Pooling Solutions, Inc.	Body corporate		100.0	USA	Foreign	USA
CHEP International, LLC	Body corporate		100.0	USA	Foreign	n/a[3]
CHEP Services, LLC	Body corporate		100.0	USA	Foreign	n/a[3]
CHEP USA	Partnership		n/a	n/a	n/a	n/a[3]
Chicago Drum, LLC	Body corporate		100.0	USA	Foreign	n/a[3]
Drum Holding Company, LLC	Body corporate		100.0	USA	Foreign	n/a[3]
Drum Subs, LLC	Body corporate		100.0	USA	Foreign	n/a[3]
DSF Realty I, LLC	Body corporate		100.0	USA	Foreign	n/a[3]
DSF Realty II, LLC	Body corporate		100.0	USA	Foreign	n/a[3]
Ensco Environmental Services of Georgia, Inc.	Body corporate		100.0	USA	Foreign	USA
Environmental Systems Company	Body corporate		100.0	USA	Foreign	USA
IFCO N.A. Finance, LLC	Body corporate		100.0	USA	Foreign	n/a[3]
Pallet Subs, LLC	Body corporate		100.0	USA	Foreign	n/a[3]
Zellwood Drum, LLC	Body corporate		100.0	USA	Foreign	n/a[3]

1 Brambles Services GmbH & Co. KG is subject to German municipal trade taxes on its income. For German Federal income tax purposes it is treated as a 'flow-through' entity and its equity partners Brambles Investment Ltd. and Brambles U.K. Limited are subject to German Federal income tax.

2 CHEP Taiwan Limited and CHEP Pallecon Solutions (Thailand) Ltd are dormant companies with a majority of Australian directors.

3 US LLCs and partnerships are 'flow-through' entities by default for US Federal income tax purposes and therefore are not considered tax resident in the US. However, the profits and losses of all Brambles group US LLCs and partnerships are subject to US Federal income tax.

Directors' Declaration

In the opinion of the Directors of Brambles Limited:

(a) the financial statements and notes set out on pages 84 to 141 are in accordance with the *Corporations Act 2001,* including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the consolidated financial position of Brambles Limited as at 30 June 2024 and of its performance for the year ended on that date.

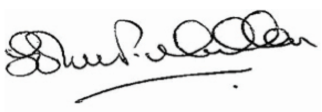
(b) there are reasonable grounds to believe that Brambles Limited will be able to pay its debts as and when they become due and payable.

(c) the consolidated entity disclosure statement on pages 142 to 145 is true and correct.

A statement of compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board is included within Note 1 to the financial statements.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001.*

This declaration is made in accordance with a resolution of the Directors.



J P Mullen
Chair

G A Chipchase
Chief Executive Officer

21 August 2024

Independent auditor's report

To the members of Brambles Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Brambles Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated balance sheet as at 30 June 2024
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated cash flow statement for the year then ended
- the notes to and forming part of the financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 30 June 2024
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

- The Group's financial results comprise the consolidation of the financial performance and position of a network of pooled pallet, crate and container businesses under the CHEP brand which are geographically widespread..
- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

Audit of locations, transactions and balances

- Separate PwC firms in the relevant locations ("local PwC audit firms") performed an audit of the financial information prepared for consolidation purposes for ten components of the Group. The components were selected due to their significance to the Group, either by individual size or by risk. Certain components in the Group are selected every year due to their size or nature, whilst others are included on a rotational basis.

- In addition, local PwC audit firms performed risk focused targeted audit or specified procedures on selected transactions and balances for a further seven components.

- The remaining components were financially insignificant. These components are considered as part of Group analytical procedures and other specified procedures.

Audit of shared services functions

Our procedures on IT, tax and certain finance processes were performed by local PwC audit firms based in various territories, reflecting the location of the Group's shared services functions. This included some audit procedures performed at the Group's finance process outsourced services provider. The PwC Australia Group audit team (the Group audit team) performed audit procedures over centrally managed areas such as the impairment assessment of goodwill, investments in associates, hyperinflation, share based payments, retirement benefit obligations, treasury and the consolidation process.

Direction and supervision by the Group Audit team

The audit procedures were performed by PwC Australia and local PwC audit firms operating under the Group audit team's instructions. The Group audit team determined the level of involvement needed in the audit work of local PwC audit firms to be satisfied that sufficient audit evidence had been obtained for the purpose of the opinion. The Group audit team kept in regular communication with the local PwC audit firms throughout the year through phone calls, discussions and written instructions. Senior members of the Group audit team visited certain businesses throughout the year and met with management and local PwC audit teams including the two largest locations. The audit team both at Group and at local component levels were appropriately skilled and competent to perform an audit of a complex global business. This included specialists and experts in areas such as IT, actuarial, tax and valuations.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matter to the Audit and Risk Committee.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>Accounting for pooling equipment assets
(Refer to note 13)

Brambles' pooling equipment is accounted for as depreciable fixed assets, classified within property, plant, and equipment. The largest category of pooling equipment is pallets. The accounting for pooling equipment is a key audit matter due to the assets' financial size and judgement involved.
As disclosed in Note 13 of the financial report, there is inherent risk in accounting for pooling equipment due to the different terms of business models, contractual arrangements, and a limitation on the Group's ability to physically verify the quantity of pooling equipment due to access and cost prohibitions.

The key area of judgement in relation to pooling equipment is the quantity of lost pallets. The irrecoverable pooling equipment provision (IPEP) is calculated by considering the current and historical statistical data of pooling equipment, including the outcome of audits and key performance indicators, as reported through the asset management system.

The determination of pooling equipment losses is a significant estimate due to the subjectivity involved in the estimated pooling equipment loss rates.</td><td>We performed the following procedures over pooling equipment assets, amongst others:

• Evaluated the design and operating effectiveness of key controls. Tested a sample of transaction data and asset management controls including attending pooling equipment audits and assessing the results of the Group's counts to determine if they were operating effectively throughout the year.
• Reperformed key reconciliations for a sample of pooling equipment balances between the accounting records and the asset management system.
• In performing audit procedures over the IPEP provision calculation methodology we:
  o assessed the appropriateness of significant assumptions and judgements for distributors who are not customers of CHEP, as losses from such distributors are historically higher than those of direct customers;
  o assessed count coverage and provision estimates for significant customers where CHEP has no access to physically count the pooling equipment;
  o evaluated how historic pooling equipment loss rates and flows are used to estimate current losses; and</td></tr>
</table>

Key audit matter	How our audit addressed the key audit matter
	○ for a selection of locations, assessed the calculations and extrapolations of provision estimates across pooling equipment locations. • Evaluated the reasonableness of disclosures made in note 13, against the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001,* including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2024.

In our opinion, the remuneration report of Brambles Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001.*

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

Debbie Smith
Partner

Sydney
21 August 2024

Scott Walsh
Partner

Sydney
21 August 2024

Auditor's Independence Declaration

As lead auditor for the audit of Brambles Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Brambles Limited and the entities it controlled during the period.

Debbie Smith
Partner
PricewaterhouseCoopers

Sydney
21 August 2024

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Sustainability Report - Climate update

For the year ended 30 June 2024

About this report

This report contains Brambles' climate-related disclosures and has been prepared with reference to the International Financial Reporting Standard (IFRS) S2 *Climate-related Disclosures* as issued by the International Sustainability Standards Board (ISSB), however, it does not contain all the requirements to fully comply with IFRS S2, as the Australian Sustainability Reporting Standards (ASRSs) are only expected to apply to Brambles from FY26. For further details on Brambles' full sustainability programme, refer to the FY24 Sustainability Review.

The key metrics included in this report on pages 165, 171 & 173 are assured in accordance with the Australian Standard on Assurance Engagements ASAE 3000. The assurance opinion including the level of assurance for each metric can be found on pages 180 – 183.

Introduction

Brambles' circular business model helps reduce greenhouse gas (GHG) emissions in both its own operations and in its supply chain. The model facilitates the `share and reuse' of pallets, crates, and containers, enabling Brambles to serve customers while minimising the impact on the environment and improving the efficiency of supply chains worldwide. Through the progress of its 2025 sustainability targets, Brambles is taking steps towards its ambition of building a regenerative supply network.

Climate Transition Strategy

Brambles' low-carbon business model is the foundation of its climate adaptation and transition plans and also increases resilience within its network against future climate-related risks. Compared to single-use alternatives, Brambles' circular model delivers superior resource efficiency, lower carbon intensity, and reduced waste, all of which align with its customers' sustainability objectives. Brambles' decarbonisation program harnesses the low-carbon advantages of the circular business model, providing a strong position for pursuing its verified science-based greenhouse gas emission targets by 2030. Each emission reduction initiative focuses on the most emission-intensive aspects of the circular model's value chain including transport, new pallet and repair timber purchases and activities at outsourced service centres.

Climate Adaption Strategies

Network Resilience (risk and opportunity)

The design and operation of Brambles' circular business model is inherently resilient, including against disruption from climate-related severe weather events. The extensive scale and design of Brambles' network, combined with a range of business continuity processes, work in tandem to minimise the impact of disruptions on service centres, logistics networks, and customer operations. This resilience is a part of Brambles' objective to provide a superior customer experience, even in the face of climate-related challenges.

Raw Material Supply Security (Timber sourcing: risk and opportunity)

Brambles has improved its understanding of the physical climate-related risks to its timber supply chain. It has developed a timber sourcing tool that uses climate modelling to identify forestry-related climate risks relevant to its timber supply chain in different climate scenarios and will provide a climate perspective to Brambles' timber sourcing strategy.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Governance

Included below are the governance processes, controls and procedures Brambles uses to monitor and manage climate-related risks and opportunities.

Board oversight of climate-related risks and opportunities

Brambles' Board, directly and through authority delegated to the Audit & Risk Committee, oversees the ELT's delivery of Brambles' strategy which has been developed with consideration of the Group's material risks and opportunities, including consideration of how to mitigate and adapt to the increasing risks and opportunities associated with climate change.

Brambles' Board Charter sets out the roles and responsibilities of the Board and executive management. The Board Charter is available in the Corporate Governance section of Brambles' website. The Board has overall responsibility for material risks, which includes material climate-related risks. The Board also has overall responsibility for strategic objectives and strategic plans for each of the Group's major business units, which inherently includes consideration of climate-related opportunities.

Brambles has a Nominations Committee whose objective is to support and advise on the appropriate balance of skills, knowledge, experience, independence and diversity among Board members, and on their ability to discharge the responsibilities of Directors.

Further information regarding the structure of the Board is included on pages 45 to 49 and page 2 of Brambles' 2024 Corporate Governance Statement.

During FY24, the Board on the recommendation of the Nominations Committee, adopted a revised Board skills matrix. The revised Board skills matrix includes sustainability (including climate) related skills and experience and an assessment made of each Director's skills and experience in this area.

In addition, Brambles ran Continuing Professional Development training on Sustainability for the Board in June 2024. The Sustainability session had three stated objectives:

1. Provide insights into global trends and context in sustainability, especially as they relate to Brambles' Sustainability programme.
2. Update the Board on the details of Brambles' sustainability programme, which includes its climate strategy.
3. Collect Board insights for the development of Brambles' sustainability programme beyond 2025.

The Board oversees the setting of climate-related targets by reviewing and approving detailed proposals presented by the CEO, Chief Sustainability Officer (CSO) and Global Head of Decarbonisation.

The Board monitors performance against the targets on an annual basis, and reports on this as part of the full-year results.

In FY24, the Board began incorporating ESG into remuneration for senior executives and approved the inclusion of the following key climate-related ESG metrics as performance modifiers for ELT members:

- Scope 1, 2 and 3 GHG emissions;
- Sustainably Sourced Timber; and
- Plants with solutions in place to divert product waste from landfill.

This has been further disclosed on pages 62 & 63 of the Remuneration Report and page 174 in the Metrics and Targets section of this report.

Management's role in monitoring, managing and overseeing climate-related risks and opportunities

The CEO oversees the strategic response to climate change. The day-to-day management falls under the Chief Operations Officer (COO) and the CSO. The COO, who is supported by the Global Head of Decarbonisation, is responsible for the portfolio of decarbonisation initiatives, while the CSO is responsible for the sustainability function.
In October 2023 Brambles' CSO's reporting line changed from the CFO to the Brambles' CEO and in January 2024, the CSO joined the Brambles' Executive Leadership Team.

Sustainability Risk and Compliance Committee (SRCC)

The SRCC is comprised of executive leaders and functional specialists. The SRCC carries out biannual sustainability risk assessments and reviews risk management initiatives that are incorporated into the risk reviews presented to the Audit & Risk Committee and Board.

During these biannual reviews, the SRCC reviews climate-related metrics to assess progress against targets and considers the completeness of the climate-related risks identified and the appropriateness of mitigating actions in place.

In addition, Brambles has a Global Decarbonisation & Zero Waste Governance Framework including Climate and Waste targets. This Framework is led by a cross-functional Steering Committee, sponsored by the COO and includes the CSO, the Chief Legal Officer, and senior management from Supply Chain, Procurement, Process Engineering, Product Development and Supply Chain Digitisation. The Steering Committee meets on a quarterly basis and is responsible for Brambles' global decarbonisation strategy and overseeing progress against its emissions reduction targets. As part of the Decarbonisation Governance Framework, annual milestones are defined

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

in collaboration with regional Supply Chain teams. The milestones are integrated into regional Supply Chain leadership objectives and remuneration, and Regional Supply Chain Management review progress against these objectives on a monthly basis.

For further information in relation Brambles’ Corporate Governance structure including the Board, the Audit & Risk Committee and ELT refer to pages 45 to 53.

Risk management

This section describes Brambles’ processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including how these processes are integrated into and inform its overall risk management process.

Processes and policies to identify, assess, prioritise and monitor climate-related risks and opportunities

Brambles is exposed to a range of strategic, operational, compliance and financial risks, associated with operating in ~60 countries. Brambles’ Risk Management Framework (RMF) incorporates effective risk management into its strategic planning processes and requires a combination of business operating plans, processes, and other risk mitigation activities to manage key risks effectively.

Brambles’ approach to risk management (both risks and opportunities) is articulated in the RMF which describes the approach to identifying, assessing, managing, and monitoring risks and opportunities (including climate-related risks and opportunities) in a proactive, integrated, visible, and consistent way. The RMF is aligned with the principles of the ISO 31000 Risk Management Standard and the Committee of Sponsoring Organizations Enterprise Risk Management – Integrated Framework. The RMF, and the process for identifying, assessing, managing and monitoring risks and opportunities, is applied consistently to all Brambles risk types, including climate-related risks and opportunities.

Climate-related risks are included in the Sustainability Risk Profile and governed by the SRCC, to promote an appropriate level of knowledge and resourcing for climate-related risks. Any sustainability risk deemed material is integrated into the Brambles material risk profile and reviewed on a biannual basis by the ELT (acting as the Group Risk and Compliance Committee).

The Brambles material risk profile is included in the Group Risk’s biannual report to the Audit & Risk Committee assessing the effectiveness of the RMF. The Audit & Risk Committee (to whom the Board has delegated oversight of risk management) subsequently considers the effectiveness of the RMF through review of the Brambles material risk profiles, and whether Brambles is operating with due regard to the risk appetite set by the Board. The Audit & Risk Committee then makes a recommendation to the Board in this regard. In addition, the Board receives an annual update on the climate change response strategy, and on progress in executing that strategy.

As part of the RMF Brambles maintains a Sustainability Risk Profile to capture climate-related and other environmental and social sustainability risks, which are accompanied by risk appetite statements and mitigation plans to guide performance and outline a pathway to achieving an optimal risk profile.

Brambles assesses both the likelihood of a climate-related risk occurring, and the impact if that risk materialises. Brambles use a 5-point scale to assess both likelihood (Almost Certain, Likely, Possible, Unlikely, or Rare) and impact (Severe, Major, Moderate, Minor, or Insignificant). The assessment is based on consideration of qualitative and, where available, quantitative factors. In addition, key risk indicators are defined and tracked to evaluate the risk trajectory and performance. Climate-related opportunities are assessed for likelihood and impact and actions required are monitored.

The Brambles RMF is updated annually for any enhancements that have been implemented in the preceding 12 months and is reviewed annually by the Audit & Risk Committee. During FY24, there has been no change to the risk identification, assessment, mitigation or monitoring process compared with the previous reporting period. The risk descriptions and risk appetite statements for Brambles’ material risks have been reviewed with the Audit & Risk Committee and approved by the Board.

Use of climate-related scenario analysis to inform identification of climate-related risks and opportunities

Brambles completed a climate scenario analysis as part of its first disclosures in line with the Task Force for Climate-related Financial Disclosures (TCFD) in FY20. The scenarios were used as a foundational element for testing resilience and identifying climate-related opportunities. This exercise has been extended through FY23 and FY24 to understand how physical risks from severe weather could affect the business by uncovering current and potential vulnerabilities through stress testing Brambles’ networks against climate-related hazards. Further information on the process and outcomes of Brambles’ climate scenario analysis is provided in the Strategy section below.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Strategy

This section provides detail on Brambles' strategy for managing climate-related risks and opportunities.

Climate-related scenario analysis

Brambles conducted its first scenario analysis in FY20 in preparation for its first TCFD disclosure. This analysis had been expanded on and enhanced during FY23 and FY24.

For scenario modelling, Brambles started with the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCP) and Shared Socioeconomic Pathways (SSP), bringing together information from these sources and overlaying other relevant sources in order to construct three scenarios that achieve the five principles of plausible, distinctive, consistent, relevant and challenging.

Brambles considered three purposely divergent scenarios in its analysis: namely, average global temperature scenarios of 'Rapid decarbonisation (1.5°C)', 'Middle of the road (2°C)' and 'No climate action (4°C)' to test Brambles' business model over the short, medium and longer term. Importantly, each scenario included a narrative of relevant industry indicators to enable potential insights into possible futures that could either be strategically advantageous for Brambles' business model and/or present business risks with potential financial implications.

A summary of the scenarios is provided below:

1.5º Rapid decarbonisation **Ave. temp. range 0.9°C - 2.3°C**	**2º Middle of the road** **Ave. temp. range 1.7°C – 3.2°C**	**4 º No climate action** **Ave. temp. range 3.2°C – 5.4°C**
The world shifts gradually, but pervasively, towards a sustainable path. This focuses on increasing commitment to achieving UN SDGs like improved education, health investments to accelerate demographic transition and reduced inequality. • Government-led change • Strong, very fast curtailment of emissions • Energy system is rapidly transitioned to zero emissions via the uptake of renewables • Carbon taxes rise to US$250/tonne • Carbon sequestration increases – driven by high carbon price • High-carbon industries are closed • Less overall consumption of non-essential items such as luxury goods • The worst physical impacts of climate change are avoided although there are still significant changes to ecosystems	The world follows a path where social, economic and technological trends do not shift considerably from historical patterns, where overall development and incomes continue to proceed unevenly. • Business-led, supportive government • Fast reductions in emissions, which peak around 2030 • Market-led transition, with favourable policy environment • Global trade is high, though resource use is decoupled from growth • Circular economy focus • Rapid technology development, with shared R&D • Decentralised energy system, dominated by renewable energy • US$100/tonne carbon price • The frequency and severity of extreme weather increases, and crop growing areas shift	A nationalist environment concerned about competitiveness and security, that motivates countries to increasingly focus on domestic and regional issues. • Little leadership or cooperation • Prevailing inaction on targets and pathways, leading to only minor emissions reduction • GDP growth continues and then starts to decline in line with ecosystem collapse, which severely impacts local agriculture • Increasing nationalism and international trade flows reduce • Acute (extreme) and chronic (long-term) physical impacts of climate change, which create devastating cumulative impacts across the environment and, subsequently, economies • Fossil fuels are maintained at 50% of the global energy mix • Resource depletion is high, with companies impacted by food and water scarcity, and resulting global conflict • High challenges to mitigation and adaptation

In the scenario analysis, both climate-related transition risks and physical risks have been considered. For instance, raw material supply has been identified as a potential area of risk in each scenario. Forest assets that supply the market could be exposed to transitional mechanisms such as a price on carbon (in the decarbonising 1.5°C and 2°C climate scenarios), or they could be at risk from physical factors such as acute weather events and chronic changes such as rainfall availability, with varying intensities across all scenarios.

Brambles is committed to working towards a 1.5°C climate future aligned with the 2015 Paris Climate Change Agreement. Brambles' climate scenarios on page 156 were developed in 2020 and based on the latest international IPCC reports available at the time. In FY25, Brambles will seek to revise its reference climate scenarios to reflect the external environment and in alignment with its 2030 sustainability programme and its obligations under the SBTi.

The information included in the Climate Adaption Plan section pages 166 to 171 demonstrates Brambles' intention to test the assumptions presented in the three climate scenarios above such as the resilience of its network in the context of severe weather events, and climate modelling over its timber supply chains.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Time horizons used in the analysis

Brambles defines ‘short term’, ’medium term’ and ‘long term’ as set out below. These definitions are broadly consistent with the planning horizons used by Brambles for strategic decision-making.

Time Horizon	Number of years from current financial period
Short term	0 - 1 years
Medium term	1 - 5 years
Long term	5+ years

Scope of operations used in the analysis

The scope of the analysis considered all material Brambles and third-party managed sites. The indicators of change used in the scenarios were intended to be general and, therefore, apply beyond Brambles' business boundary. Further work was conducted during FY23 and FY24 to stress test these scenarios in Australia, the US, and Europe.

Key assumptions

Climate-related policies in the jurisdictions in which the entity operates

Brambles has operations in ~60 countries and regularly monitors policy and regulatory changes that may affect it. This may include carbon pricing, environmental regulations, and regulatory requirements related to reporting and disclosure standards and frameworks. Given the global scope of operations and complexity and variability across regions, specific climate policy-related elements by country were not referenced in the scenario analysis.

Macroeconomic trends, energy use and mix, and developments in technology

The scenarios describe macroeconomic trends and illustrate relevant macro-level industry indicators, energy use and mix, and developments in technology that are not specific to Brambles but that would impact all sectors of the economy and society.

National or regional level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources)

The FY24 stress tests for the impact of potential physical climate-related events on Brambles’ network considered national and regional historical weather events relevant to that part of the network.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Climate-related risks and opportunities identified through the climate scenario analysis that could reasonably be expected to affect Brambles' prospects, business model and value chain

This section sets out the climate-related risks and opportunities identified through the scenario analysis performed in 2020. Brambles' strategy to manage these risks and opportunities is set out in the Strategy section on pages 156 to 172.

Three climate themes emerged from the 2020 scenario analysis in response to examining a strategic direction for resilience and to maximise opportunities. These themes include opportunities around the advantages of Brambles' existing low-carbon circular business model and the inherent adaptability and resilience of Brambles' diverse network. During the assessment, risks were identified concerning increasing impacts of severe weather events that could affect Brambles' service centre network and timber supply chains. Additionally, specific forestry-related climate impacts e.g., reduced productivity, increase in diseases and pests, decreased wood quality, that could occur over a longer-term were identified.

Description	Opportunity / Risk	Physical / Transition Risk	Details	Time Horizon the effects could occur	Concentration in Brambles's business model and value chain		
					Geographical areas	Facilities	Types of assets
Low-Carbon Advantage	Opportunity and Risk	Transition risk: Legal, technology, market and reputational	Brambles' circular 'share and reuse' business model is inherently low-carbon, representing an opportunity to enhance its competitive advantage and comply with existing and upcoming climate regulation as the world transitions to a lower emissions economy. Brambles' ability to continue to reduce the emissions intensity of its value chain in line with the latest climate science is critical to maximise this opportunity. To that end, Brambles has set publicly stated 2030 SBTs and a 2040 net-zero target for its Scope 1, 2 and 3 emissions. If Brambles fails to achieve these targets or does not comply with GHG emissions laws, it may incur financial loss, be subject to legal or regulatory action or suffer reputational damage. Refer to the Assessment of climate resilience (page 159) and Strategy and decision-making section (pages 159 & 160 for further information on how this opportunity and risk is assessed and managed.	Short, medium and long term	All countries that Brambles operates in	All facilities	All assets, including those in offices, at service centres, and Brambles' Pooling assets
Network capacity	Opportunity and Risk	Physical risk: Acute Transition risk: Market and resilience	The scale and strength of Brambles' network of service centres underpins its value proposition for customers and other stakeholders. A lack of capacity within the network in a major market due to physical climate-related events could adversely impact service delivery, competitive position, and financial performance.	Short term	All countries that Brambles operates in	Owned and third party operated service centres	Service centre equipment and Brambles' Pooling assets
Raw material supply (including access to sustainable timber sources)	Risk	Physical risk: Acute and chronic Transition risk: Market and legal	Climate-related risks for forests and timber supply, including market, regulatory and physical risks, will emerge over a five-to-ten-year period. Access to sustainably certified sources of timber is essential for Brambles to carry on its business. In addition, timber pallet supply requires a balance between raw material availability, sawmill and pallet manufacturer capacity. There is a risk that fewer suppliers at any of the three levels of the pallet supply chain in any region, or a shortage of available certified sources of timber, could adversely impact Brambles' ability to maintain its timber pallet pool at levels that will enable it to meet customer demand. This could result in loss of customers and adversely impact Brambles' financial performance.	Long term	All countries that Brambles operates in	All facilities that manufacture and repair pallets	Timber pallets

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Assessment of climate resilience

Brambles’ assessment of its climate resilience as at 30 June 2024

Brambles’ circular business model and global scale of its operations provides resilience to disruptions, including climate-related severe weather events. The scale and distribution of Brambles' network, along with various established business continuity processes minimise the impact of disruptions on its service centres, logistics networks, and ability to fulfill customer requirements. The business continuity processes are implemented to manage small-scale disruptions, such as flooding across part of the road and rail infrastructure, as well as large-scale events, such as partial or complete inundation of service centres or surrounding networks. The concurrent challenges experienced specifically during 2022 (including ongoing heightened demand from customers for pallets, elevated raw material prices and climate-related weather events) provided many opportunities for Brambles to test and demonstrate the resilience of its network.

At the centre of Brambles' regenerative vision is its business model, which aims to advance the circular economy. This is an enabling strategy to address climate change and biodiversity loss while allowing business to grow within a decarbonising economy outlined in the rapid (1.5°C) and middle-of-the-road (2°C+) scenarios on pages 156 & 157[1]. Circular models require a sound understanding of supply chains that support them, including direct visibility of natural capital, stocks of resources, and the climate systems they depend on. Brambles' strategy reflects all these elements.

Brambles' business is designed to be agile and adaptable to changing circumstances. This includes leasing office and warehouse space, using transportable plant and equipment for product repair and reconditioning, and network planning to maximise transport efficiencies. This allows Brambles to quickly establish new network nodes and decommission service centres that could create network inefficiencies.

Despite the extensive efforts Brambles has made to assess its climate resilience across its business model, operations and supply chain, there will always be some level of uncertainty. With operations across six continents and ~60 countries, there are areas within these supply chains that are vulnerable to climate-related disruption over the short, medium, and longer term. However, Brambles’ circular business model is well-suited to adjust and adapt to changing circumstances. This is supported by the climate-related transitional opportunities described on page 158.

Brambles continues to assess and invest in the resources needed to respond to the risks and capitalise on opportunities within the markets it operates in. The areas of risk identified, including network resilience and raw materials supply security, are addressed in the Brambles’ Climate Adaptation Plan section. The Strategy and decision-making section, below outlines the multifaceted approach to leveraging its low-carbon circular business model to grow the business and allocate capital to decarbonise its operations and supply chain further.

Strategy and decision-making

Brambles’ Climate Change Strategy is built around the three themes identified in the climate scenario analysis, namely: Low-carbon advantage, Network resilience and Raw material supply.

Brambles’ Climate Change Strategy is comprised of both a:

- Climate Transition Plan – designed to respond to and build upon the Low-carbon advantage opportunity and risk; and
- Climate Adaptation Plan – designed to respond to the Network resilience risk and opportunity and Raw material supply risks.

Low-carbon advantage

Circular business models, such as Brambles’, can help accelerate the adoption of low-carbon supply chains. Through its model, Brambles offers its customers a more Sustainable Value Proposition in comparison to single-use models. Brambles’ circular economy benefits are delivered to customers through its Supply Chain Positive programme (refer to the Brambles’ FY24 Sustainability Review for further information).

Commercial sustainability value proposition

Brambles’ commercial teams use product LCA based on independently verified studies in accordance with the ISO 14040 and ISO 14044 LCA Standards. The LCAs compare and quantify the environmental advantages of Brambles’ circular model by calculating the GHG emissions, waste and material savings over typical single-use alternatives. The LCAs support the production of Sustainability Certificates, which offer customers an opportunity to demonstrate their sustainability credentials. These certificates are used by customers for internal and external communications to demonstrate sustainable actions in their own supply chains.

In FY23, CHEP Europe developed a Circularity Index to quantify the circular performance of its customers. The Index calculates a GHG emission per pallet taking customer actions into account, to encourage customers to achieve an optimum Carbon Dioxide Equivalent (CO_2-e) per pallet score.

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[1] Despite Brambles’ resilience, in a 4°C or above world, interconnected impacts combined with predicted conflict over remaining resources would reduce the ability for all businesses to operate effectively.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Decarbonisation provides Brambles' customer-facing teams opportunity to strengthen partnerships by seeking ways to work with customers on more efficient, circular practices, to collaborate on transport decarbonisation, and to assess opportunities to use customers' post-consumer recycled and upcycled plastic as an input material for Brambles' product manufacturing.

Brambles' circular business model is a foundation of its climate transition and adaptation plans which helps to decarbonise its own and its customers' supply chains while increasing the resilience of its network in the face of increasing climate-related disruption. These elements are explained in the relevant sections throughout this report.

Shaping Our Future transformation programme

Building from strong foundations, Brambles is transforming its business through its Shaping Our Future transformation programme to meet its strategic ambition of reinventing pooling solutions for the supply chains of tomorrow and strengthening its value proposition with stakeholders. Brambles is taking a twin-track approach to transformation to unlock value for customers and shareholders: optimising the existing circular business model as well as building the foundations for 'Brambles of the Future', by designing enhanced circular systems and digital technologies, based on its extensive experience in supply chain operations. In addition to the Sustainability metrics, Brambles' stakeholders will see sustainability integrated into relevant initiatives, including customer value, asset efficiency and network productivity and business excellence as outlined in the Shaping Our Future scorecard (see pages 14 & 15).

In FY23, the sustainability and transformation teams collaborated to implement a carbon calculation for the transformation project tracking platform. This feature allows project owners to include an estimation of the GHG emissions impact associated with their initiatives as part of their business case. These potential impacts include plant costs, transport efficiencies, asset efficiency and waste reduction. The use of Brambles' carbon calculator has been expanded during FY24 and has helped integrate Brambles' 2025 sustainability targets within transformation initiatives and highlight how decarbonisation can enhance Brambles' circular business model, support business performance and increase resilience in the transition to a low-carbon economy.

Brambles' Climate Transition Plan

While Brambles' circular business model is inherently low-carbon intensive, further actions are required by the broader supply chain, specifically the logistics and transport sectors, to reduce GHG emissions. Brambles is contributing to the collective effort through the adoption of the following targets:

- 100% renewable electricity in Brambles' own operations by 2025;
- Zero product waste to landfill in CHEP and subcontracted operations by 2025;
- Carbon neutrality in our Brambles' operations (Scope 1 and 2) by 2025;
- Two 2030 validated SBTs (based on 2020 levels):
  - 42% absolute reduction in global Scope 1 and 2 emissions;
  - 17% absolute reduction in global Scope 3 emissions (92% coverage); and
- Net-zero GHG emissions by 2040.

The 2030 SBTs and 2040 net-zero goal were released in FY22, together with Brambles' roadmap to net-zero emissions by 2040 (it can be found on the website brambles.com/sustainability).

To deliver on its emissions reduction targets, Brambles has created a decarbonisation team that is integrated within its supply chain function to manage the implementation of decarbonisation initiatives.

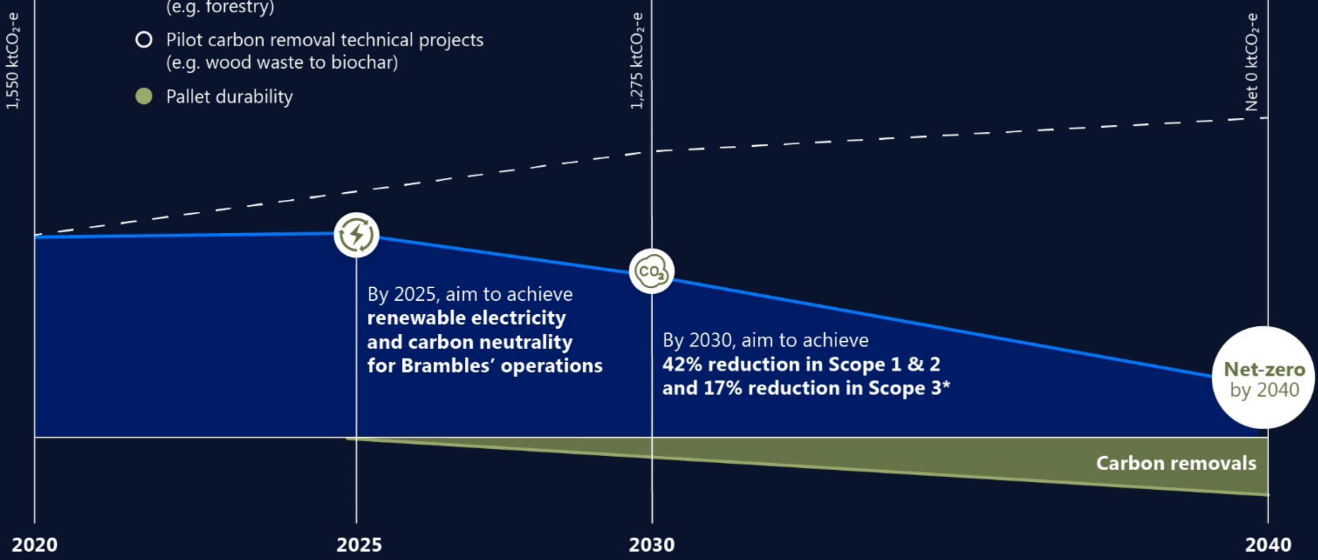
SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Accelerate

- Renewable electricity at CHEP locations and 3PLs
- FLT electrification at CHEP locations and 3PLs
- Zero product waste to landfill
- Zero waste CHEP locations
- Improve asset recovery rates
- Plant network & logistics optimisation^
- Extend transport collaboration
- Carrier & customer collaborations to pilot lower-emissions fuels & emerging transport technologies
- Wood waste to energy (e.g. biomass)
- Embed CO_2 considerations into procurement policies & contracts
- Low and zero emissions vehicles§
- Supplier engagement programme to support vendors with target setting
- Increase recycled/upcycled content in products
- Accelerate multimodal opportunities
- Accelerate carbon removal nature-based projects (e.g. forestry)
- Pilot carbon removal technical projects (e.g. wood waste to biochar)
- Pallet durability

Scale up

- Maximise multimodal opportunities
- Contribute to establishing charging infrastructure to enable the deployment of zero emissions transport technologies (electric, hydrogen)
- Scale procurement of low/zero emissions transport services
- Maximise carrier & customer collaborations to adopt lower-emissions fuels & zero emissions transport technologies
- Maximise transport collaboration to reduce empty lanes through digital solutions
- Maximise asset recovery & productivity through the Digital Strategy
- CHEP operated recovery fleets transitioned to low and zero emissions vehicles
- Scale up the use of renewable fuels for heating (locations and pallets)
- Maximise recycled/upcycled content in products
- Maximise carbon removal opportunities (nature-based and technical solutions)



Emissions by source* ($ktCO_2$-e, FY20)

Scope 1	CHEP fleet fuel	8
Scope 1	CHEP site fuel	20
Scope 2	CHEP electricity	15
Scope 3	Waste	43
Scope 3	Outsourced service centres	150
Scope 3	New pallets, timber, nails, paint	363
Scope 3	Logistics	951
Total emissions		**1,550**

- Existing solution
- Emerging solution
- Business as usual
- Emissions reduction pathway
- Removals pathway

2030 targets verified by SBTi

^ Logistics optimisation includes reduced empty miles, stack height, transport occupancy rate, mega-trucks, and onsite solutions.

§ Zero Emissions Vehicles, including battery electric vehicles (BEVs) and hydrogen fuel cell electric vehicles (FCEVs).

* Emissions sources in-scope for Brambles' science-based targets. Excludes other purchased goods and services, business travel and employee commuting on the basis of materiality.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Key assumptions used in developing Brambles' Climate Transition Plan

Brambles' Climate Transition Plan is based upon comprehensive modelling to project Brambles' GHG emissions under a 'business-as-usual' trajectory and to define flexible decarbonisation pathways to achieve our Scope 1, 2, and 3 targets by 2030. This work resulted in the development of the Brambles' Decarbonisation Pathways Model, an interactive, decision support tool that allows the Group to define and test how much effort is required from each region to reduce operational, logistics and procurement related GHG emissions.

The modelling uses Brambles' financial plans to forecast global GHG emissions under a 'business-as-usual' scenario, ensuring that the decarbonisation pathways modelled take account of expected business growth.

This model has been used to establish regional targets for each key decarbonisation lever, with milestones set to monitor progress. Quantitative year-on-year emissions reduction targets have been introduced into personal objectives for Supply Chain Leadership and are aligned to the Climate Positive targets assigned to Brambles' ELT remuneration. This programme is designed to help incentivise leadership performance in areas critical to driving decarbonisation efforts across the Group.

Brambles' Climate Transition Plan: dependencies

With over 60% of its baseline emissions coming from subcontracted transport services, the pace of decarbonisation of the freight sector is the most material dependency of Brambles' transition plan. This is in turn dependent on:

- the pace at which low and zero emissions trucking technologies and associated infrastructure are developed and deployed;
- improvements in rail networks to facilitate an increased adoption of multimodal (rail and ship) transport; and
- the successful design and implementation of supportive policy frameworks.

Current and anticipated direct and indirect mitigation efforts

The Brambles' Decarbonisation Pathways Model has been used to establish internal regional targets for each key decarbonisation lever, with internal annual milestones set to monitor progress. This includes levers under Brambles' direct control (direct mitigation efforts), and levers requiring collaboration with suppliers and customers (indirect mitigation efforts).

Regional efforts against each of these direct levers are ongoing and are closely monitored through the governance framework supporting the decarbonisation strategy.

How Brambles plans to achieve its Climate Transition Plan targets

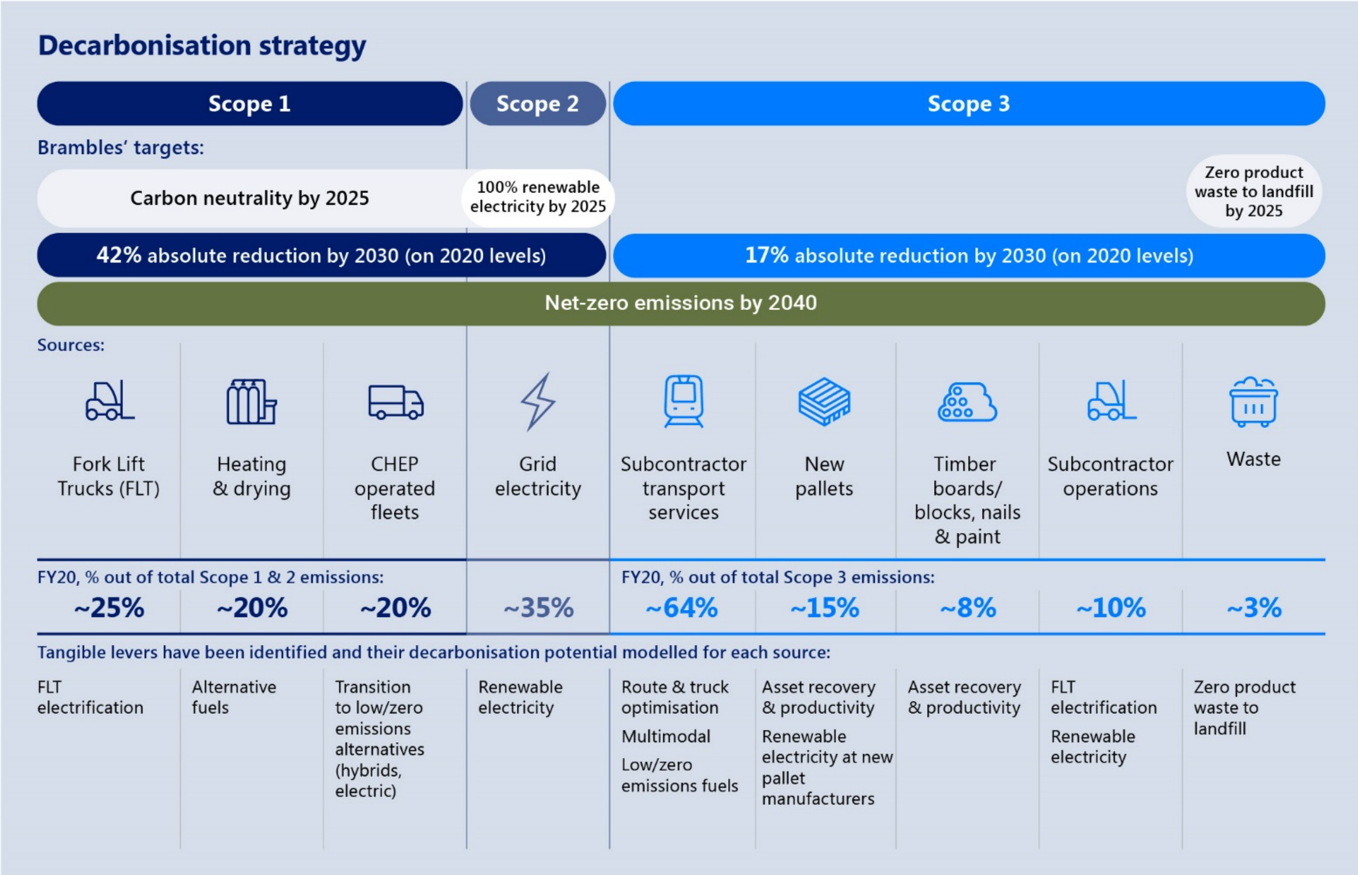
Brambles' strategy has four key pillars:

1. **Emissions reduction roadmap** – defining and delivering on emissions reduction opportunities (direct and indirect mitigation efforts listed above), based on the granular, science-based modelling performed through the Decarbonisation Pathways Model.
2. **Integration into decision-making** – defining new processes, tools and guidance / training to progressively integrate decarbonisation considerations into decision-making across regions and functions, creating a low-carbon bias.
3. **Supplier engagement** – working with our larger suppliers to support them with carbon accounting, setting their own decarbonisation targets, developing their own decarbonisation plans, and facilitating access to decarbonisation levers and supportive finance mechanisms.
4. **Carbon offsetting** – defining a strategy that complements the emissions reduction roadmaps by looking at ways in which Brambles will compensate its residual emissions to meet its 'net-zero by 2040' target.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Pillar 1. Emissions reduction roadmap

The image below illustrates the emissions sources present in Brambles' value chain, their relative importance, and the levers identified to progressively decarbonise them.



Examples of FY24 progress against these decarbonisation levers include:

- **Low and zero emissions fuels** Brambles is continuing to evaluate the use of electric vehicles (EVs). In FY24, Brambles added nine EV trucks in the US, an additional EV lane in Europe and five additional EV lanes in Canada. In Europe, the logistics team implemented more than 20 low emissions fuels projects with carrier partners, including the full conversion to Hydrotreated Vegetable Oil (HVO) of four carriers' fleets dedicated to CHEP.
- **Multimodal[2] transport** - continued efforts to increase our share of multimodal transport in key jurisdictions, including the USA, Europe and Australia. As an example, Australia has achieved an increase of 6.7 percentage points in its use of multimodal in FY24.
- **Electric forklifts** - Brambles has increased its share of electric forklifts at its own sites from 16% in FY23 to 39% in FY24. Work is underway with suppliers running subcontracted service centres to pursue the electrification of their forklift fleets; a successful example is the conversion of forklift trucks to electric at our third-party run site in Queretaro, Mexico.
- **Renewable electricity** - Brambles is seeking to progressively decrease its reliance on Energy Attribute Certificates (EACs) by pursuing onsite and offsite renewable electricity opportunities[3]. In FY24, solar panels were installed at Brambles and third-party service centres in Louveira (Brazil), Izmir (Türkiye), Manchester (UK), Seville (Spain), and Poland (Wroclaw and Kampinos).
- **Transition from natural gas** - a roadmap to transition away from natural gas for heating systems at our service centres across Australia and New Zealand by 2030 has been developed, with implementation starting in FY25. In Europe, assessments have been carried out to identify opportunities to reduce, avoid or replace the use of natural gas for process heating; plans to convert natural gas heating systems to electric and biomass alternatives are underway, including four wash plants planned for conversion in FY25.

[2] Multimodal refers to transport by rail or ship. These modes of transport produce lower emissions than road transport (where non-renewable fuels are used for road transport).

[3] For further information on Brambles' use of Renewable Electricity refer to the 'Progress of plans to achieve Brambles' Climate Transition Plan's targets' note on page 165 and for additional information on the use of Energy Attribute Certificates refer to the Contractual instruments note on page 177.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

- **Solutions to divert product waste from landfill** - increased effort by both Brambles and third-party-managed service centres to implement solutions to divert product waste from landfill, e.g., recycling, use of waste for garden mulch. In FY24 83.0% of both Brambles and third-party managed plants have diverted product waste from landfill and 97.1% of plants have plans in place to divert product waste from landfill.

Shaping Our Future Transformation Programme

To complement the Emissions reduction roadmap, Brambles' Digital Strategy aims to enhance the circularity of our businesses by implementing initiatives that enhance the sharing, reuse, and recovery of assets. This approach helps maintain the value of our manufactured capital (such as pallets, crates and containers) while also reducing the demand for new assets and raw materials, thus conserving natural resources and avoiding embodied GHG emissions from the forestry value chain. New pallets and repair timber account for approximately 15% of Brambles' Scope 3 GHG emissions inventory, making the transformation programme initiatives an important lever for Brambles' climate targets.

Digital

- **Brambles Digital** is enabling smarter, more sustainable supply chains. This is supported by the development of enterprise-wide capabilities, such as Advanced Analytics.
- **Asset Digitisation** is focused on embedding digitisation infrastructure to capture data and provide better visibility throughout the supply chain. This will improve Brambles' understanding of asset quantities in particular locations, recent journeys, where damage occurs, and which products take longer on which leg of their journey. Brambles has deployed approximately 550,000 autonomous tracking devices through either continuous diagnostics or targeted diagnostics to give the business improved visibility into supply chains and reduce the number of lost pallets.
- **Serialisation+** is a pilot project and based on results Brambles will review scalability. This project aims to provide a heightened level of visibility by serialising the whole pallet pool in Chile. This is a significant undertaking but will allow Brambles to optimise an entire country's supply chain. The data from this project has the potential to improve supply chains by reducing empty miles, product loss and product waste.

Asset productivity

- During FY24, Brambles continued to improve its asset efficiency program, supported by the digital initiatives outlined above (including data analytics and the deployment of smart assets) and the continued expansion of asset recovery capabilities (with specialised field resources such as the new Asset Protection teams and low-volume recovery vehicles). As a result, a significant number of pallets were recovered and salvaged.
- In addition, Brambles continued expanding its retailer collaboration initiatives to improve asset efficiency by identifying and addressing individual points of loss.

Network productivity

- Brambles continues to increase the productivity of its network by improving the durability of its platforms, thereby reducing the overall damage rate in the pool.

Pillar 2. Integration into decision-making

- **Product portfolio** - Brambles' products are designed for reuse, making them lower in environmental impact than single-use alternatives. Peer-reviewed LCA studies support these positive environmental outcomes. Brambles' Waste Positive target aims to achieve 30% recycled or upcycled content in new plastic products by 2025. Brambles is constantly innovating in material design and function. To reduce the amount of new timber purchased, Brambles has expanded its timber recovery initiatives, reducing the number of pallets scrapped by using more intensive repair practices to transform badly damaged pallets into reusable pallets.
- **Financial planning and capital allocation** - Brambles is enhancing its data and accounting systems to improve the measurement of GHG emissions. Brambles is working towards integrating climate and sustainability into its strategic and financial decision-making processes to align with both its Science-Based Targets (SBTs) and net zero target. In FY24, Brambles developed a Decarbonisation Financial Plan to estimate the cost to deliver on the operational plan defined to achieve Brambles' 2030 SBTs. This work, which will continue throughout FY25, will seek to identify and design mechanisms to further integrate sustainability considerations into financial planning and capital allocation.

Pillar 3. Supplier engagement

Brambles is taking steps to achieve a low-carbon supplier base, including embedding climate-related considerations into its procurement processes. This will align the capabilities of the supplier base with the desired low-carbon transition. In addition, the Brambles logistics function has embedded decarbonisation considerations in its engagements with carriers. In FY24, Brambles held a Supplier Day with its largest suppliers of both timber and new pallets to introduce them to Brambles' Sustainable Procurement Programme. In parallel with the intensive work carried out in-house, Brambles continues to engage with relevant industry initiatives such as the Smart Freight Centre's Sustainable Freight Buyers Alliance, the World Economic Forum's Road Freight Zero and the Scope 3 Peer Group. Advocating for a supportive policy environment is also a focus of the Decarbonisation team, especially in the road freight industry, given subcontracted trucking emissions account for almost 60% of Brambles' global emissions.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Pillar 4. Carbon offsetting

In line with the requirements of the SBTi Corporate Net-Zero Standard, reducing value chain GHG emissions through direct investment and partnerships with suppliers is a key element of Brambles' decarbonisation programme. In order to achieve net-zero emissions by 2040, there will be a residual amount of GHG emissions to be offset. Brambles' decarbonisation programme recognises this and includes a strategic pillar centred on carbon removals, guided by the SBTi Standard. In FY23, Brambles undertook an initial carbon offsetting scoping study to understand potential opportunities to generate carbon removal credits within its own value chain through different commercial mechanisms. Brambles is taking a holistic approach by exploring both nature-based forestry-related climate solutions and technical solutions. In FY24, Brambles has continued to refine its carbon removal strategy for the short, medium and long-term consistent with its sustainability programme and goal to become a regenerative business[4].

Resourcing to achieve Brambles' Climate Transition Plan targets

Resources to achieve Brambles' Climate Transition Plan targets include:

- Retaining 16 fully dedicated employees in the global and regional Supply Chain decarbonisation teams;
- Engaging more than 100 partially dedicated cross-regional employees to execute the regional emissions reduction roadmaps;
- Incorporating into regional budgets and 4-year plans the investments associated with delivering on Brambles' defined emissions reduction pathway; and
- Integrating decarbonisation into decision-making, strategy and remuneration outcomes.

Progress of plans to achieve Brambles' Climate Transition Plan's targets[5]

Plan	Progress	
	Quantitative	Qualitative
100% renewable electricity Brambles' own operations by 2025	100%	This includes electricity from renewable contracts 45%, onsite generation 4%, and Energy Attribute Certificates (EACs) 51%.
Zero product waste to landfill in owned and subcontracted locations	83.0%	In FY24, the percentage of sites (both Brambles and third-party managed) that have diverted product waste from landfill improved by 3.2 percentage points since the end of FY23. The improvement has been achieved through active engagement with operations teams coupled with executive support. Product waste that is not sent to landfill includes wood used in the remanufacturing process, timber converted to biochar, garden mulch and compost. Brambles remains on track with its target to divert all product waste from landfill by the end of FY25.
Carbon neutrality in Brambles' own operations (Scope 1 and 2) by 2025	Brambles has maintained its carbon-neutral position for its own operations since June 2021.	
42% absolute reduction in global Scope 1 and 2 emissions by 2030 (on 2020 levels) 17% absolute reduction in global Scope 3 emissions by 2030 (on 2020 levels) Net-zero GHG emissions by 2040	Scope 1 and 2 emissions performance: FY24 vs FY23: (0.9%) FY24 vs FY20 (baseline): (25.8%) Scope 3 emissions performance: FY24 vs FY23: (8.0%) FY24 vs FY20 (baseline): (14.7%)	Brambles' FY24, Scope 1, 2 and 3 GHG emissions decreased by 7.9% compared to FY24, in line with its validated SBTs. This reduction equates to a 15.0% decrease on Brambles' FY20 baseline. The following aspects contributed to this performance: – Lower purchases of pooling equipment, lowering capital goods and upstream transport Scope 3 emissions – Improved downstream transport emissions performance – Progress in FLT electrification – Increase in fleet fuel Scope 1 emissions primarily driven by an increase in the US asset recovery fleet size; in turn, this investment has allowed Brambles to recover more assets, avoiding additional Scope 3 emissions from having to replace assets not recovered

[4] A regenerative business is a business that has a strategy that promotes the restoration and regeneration of natural resources and social systems. It seeks to create positive impacts on the environment, society, and economy.

[5] Refer to the Climate-related targets section on page 174 and pages 178 & 179 for information on the target period and target setting process.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Brambles’ Climate Adaptation Plan

Brambles' strategic response to climate change, initiated in 2020, resulted in three climate-related themes that define the risks and opportunities for the business. Low-carbon advantage is covered in the Strategy and decision-making section on page 159.

Network Resilience: This involves understanding potential physical risks for its network, including its service centre operations and the connecting infrastructure, such as road, rail, and ports, on which the network relies.

Raw Material Supply: This includes understanding the climate-related risks for its global timber sourcing activities over different timescales and under different greenhouse gas emission scenarios.

This infographic illustrates some examples of the potential physical risks, hazards and mitigations from climate-related impacts on different stages of Brambles’ value chain.

Supplier forestry operations

Acute risks: Fires, storms, floods could impact forest assets and disrupt access to harvest.

Chronic risks: Drought, heat, lower rainfall, pests and disease can impact growth rates and tree health.

Current mitigations: Diversified supply base, strategic integration with forest plantation managers, transformation initiatives (asset efficiency).

Planned mitigations: Certifying new timber sources, facilitate new sources of timber, expand and accelerate transformation initiatives.

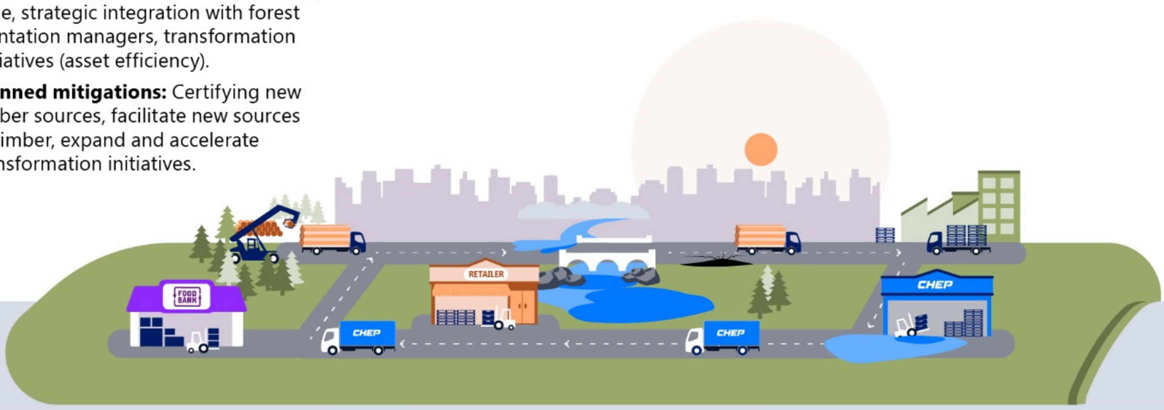
Supplier milling

Supplier pallet manufacturing operations

Acute risks: Material distribution infrastructure (roads/ports) impacted by severe weather.

Current mitigations: Geographically diverse certified supplier base.

Planned mitigations: Supplier engagement to enhance supply chain continuity.



Emergency food and supplies relief

Acute risks: Asset availability for emergency food relief after severe weather events.

Current mitigations: Continuous asset availability for Foodbanks (tested during pandemic).

Planned mitigations: Planning and coordination with food relief organisations to improve effectiveness during heightened demand.

Brambles/ CHEP customers

Brambles/ CHEP operations and subcontracted operations

Acute risks: Flooding from storms/storm surge, heat events.

Direct impact to CHEP locations

Logistics:

- Road closures to/from site impacting delivery or recovery of assets
- Destruction of goods (crops/produce) meaning customers do not require pallets (urgent asset relocations and pool rebalancing)
- Rerouting leading to delayed asset deliveries/recoveries

Operations:

- Production stopped due to employee safety concerns (storm/flooding/ heat)
- Destruction/damage to production equipment line
- Destruction/damage to property/ equipment/assets
- Extended power outages

Current mitigations: Emergency preparedness and response, redundancy planning e.g., rapid asset recovery or relocations to/from satellite locations in CHEP network.

Planned mitigations: BCM planning to include climate-related considerations. Further network resilience testing in FY24.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Assessing Brambles' network resilience through stress test scenarios

In FY24, progress has been made in stress testing the concept of network resilience and understanding how forestry-specific climate scenario development can aid in Brambles' materials sourcing planning. Included in the section below is an overview of the stress testing conducted to date.

Network Resilience

Supply chain adaptability and agility are increasingly important as exposure to disruption from climate-related severe weather events increases. Brambles' network resilience is a competitive advantage and critical to reducing the severity and financial impact of disruptions.

Network resilience is comprised of a range of interdependent aspects attributable to operating an effective circular business model. These include:

- the geographical scale of Brambles' network, including over 750 service centres
- the quantity of reusable platforms within regional asset pools
- extensive transport carrier relationships, allowing agile equipment relocation and recovery strategies
- Brambles' network is underpinned by unique intellectual capital, and product repair and reconditioning systems
- supported by software platforms adapted in-house to enable efficient issue and recovery of its reusable assets
- executed by an experienced and capable workforce with extensive knowledge operating within a dynamic and ever-changing supply chain environment.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Stress Testing Brambles' Network Resilience

Despite its inherent network advantages and multifaceted inherent resilience, Brambles recognises that climate-related severe weather events present an ever-increasing risk to business continuity. Brambles sought to investigate the potential climate-related vulnerabilities and initiated a series of hypothetical stress tests during FY23 and FY24. The objective was to evaluate the resilience of its networks against a range of severe weather events through hypothetical stress tests and to inform its understanding of the impacts and how to better adapt to these risks.

Estimating financial impacts from severe weather disruptions

These stress tests have been undertaken on material parts of the supply chain in three regions: Australia, Europe, and North America. The stress test scenarios were developed through engagement with regional operations and logistics teams, the Brambles insurance team and with the support of a climate change consultant.

Step 1 Identify weather event characteristics

The stress tests were structured across two to three key natural hazard events identified from historical exposure. They considered timing and geography, for example previous flooding or storm surge heights. These were used to grade the events into low, medium, and high-impact scenarios.

Step 2 Business impacts of climate event

The business impact assumptions were categorised into service centres, transport, products, and Brambles' workforce. A cost assessment framework was created using elements from Brambles' insurance systems, including insured property values, past insurance claims, asset storage capacity, natural peril exposures, monthly transport volumes, and workforce costs.

Step 3 Climate event

All grades of events were considered, and the severity of impact was determined based on natural hazard risk. Business impacts were considered including:

- Number of business days of shutdown;
- Increased transport costs arising from additional distances required due to service centre shutdown and diversions due to stoppages at Brambles’ locations;
- Additional overtime and/or third-party hire due to increased absenteeism; and
- Additional cost to decontaminate or condition damaged products.

Step 4 Cost assessment of impacts

Using a combination of Brambles-specific data and assumptions, the costs of each impact identified in Step 3 were quantified for each event grade.

Common disruptive elements across the three stress tests

The simulated flooding events were the most disruptive to the network. The impacts across these stress tests include severe damage to critical infrastructure, motorways, railway lines, and bridges. Key transport corridors, roads, and tunnels were blocked or closed due to flooding, causing delays and making certain locations inaccessible.

Direct impact on assets:

- Road closures to/from site;
- Delayed deliveries due to rerouting;
- Halting of business operations; and
- Equipment damage.

Cost implications included:

- Transport – costs to divert to alternative service centres;
- Labour – cost to use third-party contractors and overtime cost; and
- Cost to repair or replace equipment.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Stress Test Scenarios

Example climate scenarios

Flooding
- La Nina - series of low-pressure events
- Extensive widespread, heavy rainfall and flooding
- Widespread power outages
- Transport corridors, roads and tunnels are blocked

Direct impacts to assets

Logistics
- Road closures to/from site
- Destruction of produce leading to customers not being able to move pallets
- Rerouting leading to delayed ETA for deliveries

Operations
- Destruction of production line equipment
- Destruction/contamination of inventory
- Destruction of property or equipment
- Power outages
- Increased rates of absenteeism
- Halting of business operations at a service centre

Example potential revenue implications

Volume impact to lanes from plant shutdown or reduction
- Cost to divert
- Cost of additional insurance premiums

Resourcing costs including:
- Cost to use third party contractors to cover absenteeism
- Additional overtime costs to recover from an event

Cost to replace/repair equipment and decontaminate inventory

Raw Material Supply

Brambles has developed a Timber Supply Climate Risk Tool to identify the exposures its timber supply chain has to climate-related risks. The tool analyses climate-related risks and physical impacts and has three primary uses: procurement due diligence, portfolio-wide assessment, and climate reporting. Currently, the tool includes sawmills, ports, and plantations across Brazil and Mexico (Brambles' most material timber supply locations).

Brambles plans to expand the model to assess climate change impacts on all timber supply locations. The tool outputs will enhance sourcing continuity, inform supplier due diligence processes, and encourage suppliers to undertake mitigation actions. The sourcing teams will integrate relevant aspects into their due diligence processes to improve timber supply chain resilience and assess climate risk globally. The tool also prepares Brambles to respond to recommendations from the TNFD.

Framework set up

Timber supply climate risk tool development methodology

The tool provides information about the potential climate impacts and associated physical climate risks to timber supply. The tool currently includes sawmills, ports and plantation locations in Brazil and Mexico, with other regions in scope for FY25.

Asset types	Timber plantations		Sawmills		Ports
Tree species	Pinus taeda	Pinus elliottii	Gmelina arborea		Eucalyptus grandis
Climate hazards	Heat impacts	Cold impacts	Rain impacts	Drought impacts	Other impacts
Climate scenarios	Representative Concentration Pathways* (RCPs):		8.5 RCP		4.5 RCP
Time periods^	2030 Near future: 2021-2040		2060 Mid future: 2051-2070		2090 Far future: 2081-2100

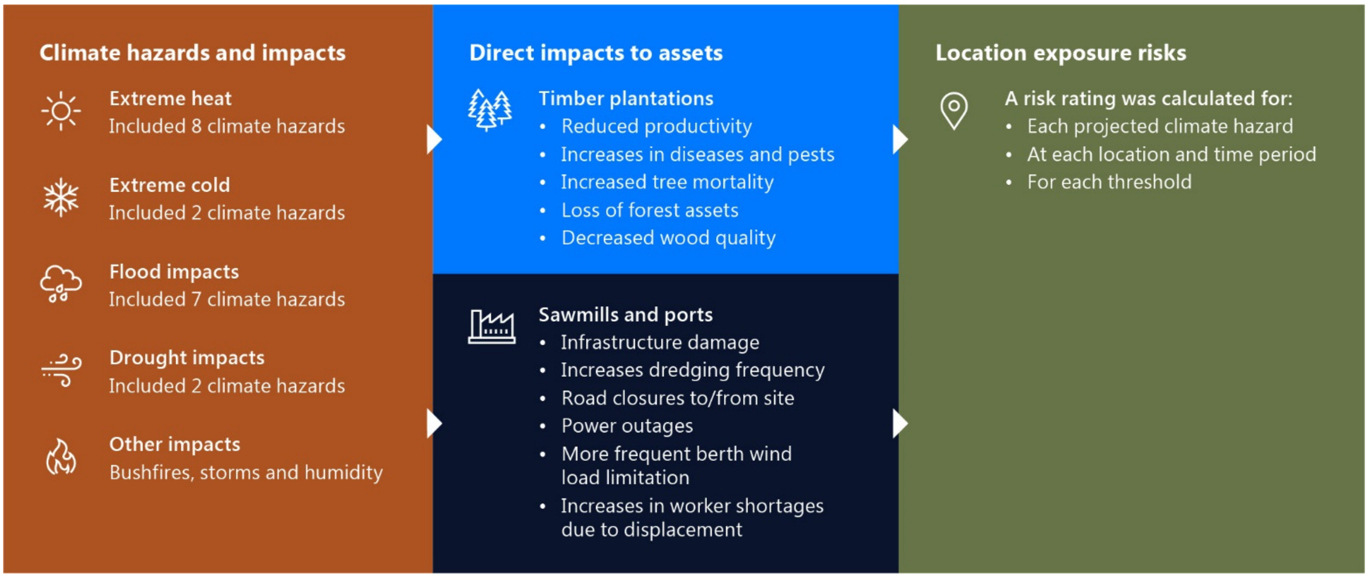
* Increases in worker shortages due to displacement RCP definition: The scenarios used for the physical risk assessment are drawn from the IPCC Representative Concentration Pathways (RCPs). RCPs are GHG concentration trajectories used to show different climate futures that are possible based on the amount of GHG emitted in coming years.

^ The year ranges 2030, 2060 and 2090 are indicative only. Projection values are calculated based on the 20-year period. All of the scenarios for the projected changes are relative to the 1961-1980 baseline.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Timber Supply Climate Risk Tool calibration

The Timber Supply Climate Risk Tool was created with support from external consultants and input from various Brambles stakeholders. It currently provides both quantitative and qualitative data on historical and future climate hazards, including acute and chronic risks, for selected locations in Brazil and Mexico. The tool also provides a high-level estimate of how these risks could impact Brambles. To calibrate the tool, a workshop was held to determine relevant use cases and gather feedback. The graphic below sets out the points considered during the workshop:



Based on the workshop's conclusions, a set of actions was developed to enhance the Tool's use in the future.

The Tool has enabled Brambles to better understand the range of potential climate hazards and their impacts. It also outlined how these could physically impact different parts of the forestry value chain, leading to potential disruptions in supply. The risk rating process, to be completed in FY25, will help Brambles better understand potential risks for the assessed locations across the supply portfolio.

How Brambles plans to achieve its Climate Adaptation Plan targets

Network resilience

Brambles has contingency plans in place to enable it to run operations and support customers through economic uncertainty and restrictions arising from physical and geopolitical events. Automation within some service centres drives both capacity and capability across the network improving network resilience and Brambles continues to invest in automation; for example, the end-to-end repair process unit called Integrum.

Brambles conducted an assessment of service centres to evaluate the network's resilience against physical climate change events. Brambles uses those findings to inform an integrated approach to network resilience (see page 167 for further detail).

Sustainable materials sourcing

Brambles has the following Sustainable Materials Sourcing targets:

- Maintain 100% sustainable sourcing;
- Grow the CoC programme throughout the world's forestry supply chains; and
- By FY25, enable the sustainable growth of two trees for every tree used in its operations (sustainable sourcing ensures the first tree is already replanted).

Brambles' approach to raw materials sourcing aims to increase supply resilience by driving certification and supplier diversity, optimising asset use, and understanding potential climate-related forestry risks. Since FY22, managing materials supply risk was achieved by diversifying the supplier base into new markets, which increased access to more certified timber.

Brambles' optimisation projects delivered through transformation initiatives cover activities across the full value chain and include the asset productivity programme. These initiatives reduce the need to purchase new pallets.

The supplier diversity and asset optimisation initiatives also address potential shorter-term climate-related supply impacts, reinforcing Brambles' risk mitigation approaches and demonstrates Brambles' commitment to SDG 15, Life on Land, specifically, SDG objective 15.2, and Sustainable use of the World's Forests.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Changes in product specifications, production processes or equipment

Brambles has an ongoing focus on research and development. A key element is to research alternatives to timber pallets to ensure Brambles' product base can be diversified in the future should timber supply be impacted by climate change. Brambles' product innovations are designed for reuse, making them lower in environmental impact than single-use alternatives. Peer-reviewed LCA studies support these positive environmental outcomes.

Brambles' Waste Positive target aims to achieve 30% recycled or upcycled content in new plastic products by 2025. Brambles is constantly innovating in material design and function. To reduce the amount of new timber purchased, Brambles has expanded its timber recovery initiatives, reducing the number of pallets scrapped by using more intensive repair practices to transform badly damaged pallets into reusable pallets.

Early adoption of Task Force on Nature-related Financial Disclosure

In FY24, Brambles joined a number of other companies and financial institutions to commit to early adoption of the TNFD. This reflects the critical importance of nature – alongside climate - for Brambles' global organisation and its growing role in shaping strategic decisions. The TNFD section (refer to pages 22 & 23) outline the scope of the project and Brambles' actions to date. Brambles has combined the related aspects of TNFD and the previous TCFD framework due to the significant data gathering requirements and, in many cases, direct cross-over with data and information requirements for the proposed next phase of Brambles' examination of climate-related impacts across its materials sourcing portfolio. These project efficiencies will be evident in future reporting that will include relevant climate-related disclosures as a subset of broader nature-related disclosures.

Progress of plans to achieve Brambles' Climate Adaptation Plan's targets[6]

Plan	Progress	
	Quantitative	Qualitative
Sustainable Materials Sourcing		
• Maintain 100% sustainable sourcing • Grow the CoC programme throughout the world's forestry supply chains	100% 78.0%	Brambles has continued to strengthen collaboration with external stakeholders to further improve its materials sourcing. This has resulted in maintaining 100% certified sustainable sourcing and achieving 78.0% CoC certified materials which is a 5-percentage point improvement on FY23.
• By FY25, enable the sustainable growth of two trees for every tree used in its operations (sustainable sourcing ensures the first tree is already replanted)	4.3m[7] trees	Brambles used the equivalent of ~2.6m trees in FY24 and therefore aimed to enable the sustainable growth of ~5.1m trees in FY24. Brambles achieved 84% of this target in FY24.

Current and anticipated changes to Brambles' business model to address climate-related risks and opportunities

Brambles operates a low-carbon intensity business model that follows the principles of the circular sharing economy. Brambles' business model helps reduce demand for natural resources, supports sustainable forestry practices, and reduces waste and carbon for customers. By growing its business, Brambles replaces less efficient and more carbon intensive single-use alternatives and, therefore, does not plan to change its business model or decommission any operations. To support the efficiency and sustainability of its business model, Brambles' investment in research and development is focused on improving the durability and repairability of its pooling equipment as well as increasing the use of recycled materials in both the repair and manufacturing of its plastic pooling equipment.

In addition, Brambles remains focused on achieving its 2025 sustainability targets which were set with the aim of managing Sustainability-related risks and taking advantage of Sustainability-related opportunities, which include climate-related risks and opportunities.

Brambles' investment in research and development is mainly focused on improving its circular business model and therefore subsequent reductions in waste and the embodied GHG emissions to replace damaged or lost assets with new assets. This is supported by Brambles' independently peer reviewed LCAs.

There are currently no business acquisitions or divestments planned as a result of demand or supply-chain changes linked to climate-related risks or opportunities.

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6 Refer to the Climate-related targets section on page 174 and pages 178 & 179 for information on the target period and target setting process.

7 First tree is based on the volume of timber procured during the year (equates to 2.6m trees), the second tree relates to Brambles' partnership with WeForest in Zambia (1.6m trees) and Brambles' Fast Track to Certification programme (0.1m trees).

Brambles' climate-related investment plans

Brambles' Climate Transition Plan

In FY24, Brambles estimated the cost of delivering on the operational plan established to 2030 to meet its validated SBTs. This has resulted in Brambles' first iteration of its Decarbonisation Financial Plan. By integrating the Decarbonisation Financial Plan into the Group Financial Plan Brambles is ensuring adequate financial resources are available for execution of the Decarbonisation Plan.

Main decarbonisation levers that require capital investment include:

- Onsite renewable electricity opportunities;
- Charging infrastructure and power capacity upgrades to allow for the conversion to electric forklift trucks;
- Metering and energy management system installations to drive energy efficiencies; and
- The conversion of natural gas process heating systems to lower emissions alternatives.

Main decarbonisation levers having an impact on operating costs include:

- The adoption of low and zero emissions fuels for subcontracted trucks;
- Multimodal transport;
- The electrification of the forklift trucks; and
- The transition of Brambles operated fleets (both trucks and company cars) (consisting predominantly of leased assets) to low and zero emissions alternatives.

Brambles' Climate Adaptation Plan

Brambles has helped to develop new local timber sources in Mexico, its largest market in Latin America. Currently, timber is purchased from Brazil due to the lack of local, reliable, certified timber sources in Mexico. This project will deliver local sustainable timber resulting in less transport-related emissions by reforesting the once forest-rich landscape and delivering multiple reinforcing benefits to local communities. Through collaboration with local stakeholders, including community landowners, forestry specialists, NGOs, and government bodies, historically cleared ranching land is being converted back to a forested landscape while creating new stable economic opportunities for the local community. The project has reforested 630 hectares of land, planting over 690,000 new trees.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Metrics and targets

The disclosures in this section demonstrate Brambles' performance in relation to its climate-related risks and opportunities, including progress towards climate-related targets.

Climate-related metrics

Absolute gross greenhouse gas emissions generated during the reporting period

The emissions below relate to Brambles Limited and its consolidated subsidiaries unless otherwise indicated.

Type	FY24	FY23	
	ktCO2-e	ktCO2-e	
Scope 1	**32.4**	**32.6**	
CHEP Site Fuel	20.2	21.0	
CHEP Fleet Fuel	12.2	11.6	
Scope 2 (Market based method)	**0**	**0**	
Market based method (refer Contractual instruments note below)	0	0	
Location based method	25.9	25.9	
Scope 1 and 2 (Market based method)	32.4	32.6	
Scope 3	**1,415.4**	**1,517.4**	**SBT Category**
1. Purchased goods and services (non-product related)	101.1	97.9	
2. Capital Goods	314.3	375.8	*
3. Fuel and energy related activities	7.7	4.0	
4. Upstream transportation & distribution	43.9	47.9	*
5. Waste generated in operations	40.7	32.7	*
6. Business travel	11.1	6.9	
7. Employee commuting	2.0	2.0	
8. Upstream leased assets	-	-	
9. Downstream transportation & distribution	760.5	810.7	*
10. Processing of sold products	134.1	139.5	*
11. Use of sold products	-	-	
12. End-of-life treatment of sold products	-	-	
13. Downstream leased assets	-	-	
14. Franchises	-	-	
15. Investments[8]	-	-	
Total Scope 1, 2 and 3	**1,447.8**	**1,550.0**	

SBT totals*		
Scope 3[9] (SBT)	1,293.5	1,406.6
Scope 1, 2 & 3 (SBT)	1,325.9	1,439.2

[8] These GHG emissions represent Brambles' share of Scope 1 and 2 emissions for MicroStar (16%) and Loscam China (20%), these emissions are considered immaterial.

[9] SBT categories include: 2, 4, 5, 9 & 10.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Internal carbon prices

A working group co-led by Supply Chain, Decarbonisation, Finance and Sustainability was established in FY23 to assess the formal alignment of spend decision-making with Brambles' sustainability targets. As part of this project, Brambles is ensuring the right measurement of the impact of carbon and, as part of this, is considering a range of items including carbon pricing as a potential mechanism to improve decision-making where relevant, such as the procurement of transport, or certain capital investment decisions.

Remuneration

Climate-related considerations are factored into executive remuneration as performance modifiers.

Included below are the climate-related considerations factored into executive remuneration in FY24:

- Scope 1 and 2 GHG emissions;
- Scope 3 GHG emissions;
- Sustainably sourced timber; and
- Plants with solutions in place to divert product waste from landfill.

In addition to the four climate-related modifiers there are safety and diversity metrics which are part of the overall remuneration modifier.

Four out of the total of six executive management performance modifier targets were achieved. The resulting modifier outcome was 1.0 times the remuneration outcome and the percentage of executive management remuneration was therefore not impacted either up or down by the performance modifier outcome in FY24.

Climate-related targets

Brambles' 2025 climate-related targets cover: decarbonisation; how Brambles make its circular products even more sustainable by eliminating waste; and sourcing certified timber. As stated in the Scenario Analysis section, Brambles is working towards a 1.5°C climate future aligning with the 2015 Paris Climate Agreement. All targets presented in this section apply to Brambles Limited and its consolidated subsidiaries. Brambles' climate-related targets were set in 2020 and apply through to 2025. The base year for Brambles' climate-related targets is 2020.

Target	Metric used to set and monitor process against target	Objective (Mitigation, Adaptation or Conformance)	Milestones	Quantitative, absolute target or intensity target
Decarbonisation				
SBTs to 2030 covering Brambles Scope 1, 2 and 3 emissions[10] • 42% absolute reduction in Scope 1 and 2 GHG emissions by 2030 (on 2020 levels) • 17% absolute reduction in Scope 3 GHG emissions by 2030 (on 2020 levels)	Scope 1 and 2 GHG emissions Scope 3 GHG emissions	Conformance: Achieve net-zero by 2040	Straight line trajectory to net-zero	Absolute target
100% of electricity for Brambles operations will be renewable by 2025	% of renewable electricity	Conformance: Reduce greenhouse gas emissions	100% renewable electricity by 2025	Quantitative target
All Brambles operations will be carbon neutral by 2025[11]	Scope 1 and 2 emissions not offset	Conformance: Reduce residual Scope 1 and 2 emissions to zero until operations generate zero Scope 1 and 2 emissions.	Carbon neutrality by 2025	Absolute target
Waste elimination				
Zero product materials sent to landfill for all Brambles and subcontracted locations	% of product waste sent to landfill	Conformance: Avoid Brambles product waste going to landfill	Straight line trajectory to zero	Quantitative target
Aspire to use 30% recycled or upcycled plastic waste by 2025 and 100% by 2030	% purchased recycled plastic for products	Adaption: Eliminate the use of virgin plastic in Brambles' products	Straight line trajectory to zero	Quantitative target
100% of Brambles' locations, including offices and service centres, will be zero waste	% of office waste sent to landfill % of service centre waste sent to landfill	Conformance: Avoid office and service centre waste going to landfill	Straight line trajectory to zero	Quantitative target

[10] This target is set using CO_2-e. Targets have not been set for different types of greenhouse gas. The SBTs are gross targets.

[11] To achieve carbon neutrality, Brambles uses carbon credits to cover its Scope 1 and 2 emissions. Refer to Contractual instruments on page 177 for more detail.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Target	Metric used to set and monitor process against target	Objective (Mitigation, Adaptation or Conformance)	Milestones	Quantitative, absolute target or intensity target
Certified sourcing				
Maintain 100% sustainable sourcing	Total m^3 wood procured % from certified sources Includes forests that are managed under the globally recognised standards of the: • Forest Stewardship Council® (FSC®) (FSC®–N004324) • Programme for the Endorsement of Forest Certification (PEFC) (PEFC/01-44-79).	Adaption: No timber is purchased from non-certified sources	100% every annual reporting period	Absolute target
Grow the CoC programme throughout the world's forestry supply chains	Percentage CoC certification is available under both FSC® or PEFC standards and guarantees wood is sourced from certified forest resources through defined points in the value chain.	Adaption: No timber is purchased from non-certified sources	Incremental improvement each annual reporting period	Quantitative target
By FY25, enable the sustainable growth of two trees for every tree used in its operations (sustainable sourcing ensures the first tree is already replanted).	Number of trees where Brambles has enabled sustainable growth	Mitigation: Reforestation	Number of trees for which Brambles has enabled sustainable growth is double number of trees used in the year	Absolute target

FY24 Performance against Climate-related targets

Refer to pages 20 & 21 for Brambles' progress against Climate related targets.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Notes to the Sustainability Report

Approach to measuring GHG emissions

Measurement approach

GHG emissions have been measured in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004).

Inputs

Scope 1 and 2 GHG Emissions inputs

Scope 1 and 2 emissions data is collected primarily from vendor reports sent directly to Brambles' Sustainability analysis system and from energy and fuel invoices received at smaller sites that are manually recorded in the system. The system uses an estimation engine for any supplier data that has not been received from third parties at the time of reporting.

Production data used for analysis is by product type and site and is sourced from Brambles' ERP system.

Scope 3 GHG Emissions inputs

For Scope 3 accounting, Brambles' value chain emissions are calculated using a hybrid approach based on direct physical data (e.g., distances travelled, weight of loads, volume of timber) and economic modelling with Input-Output Analysis (IOA).

Spend (Direct/Indirect) data is categorised and mapped to a detailed multi-regional input-output database (EXIOBASE). For many indicators EXIOBASE compiles emissions and resource extractions by country and industry, integrating these with global economic transactions (covering all trade flows).

Capital goods & upstream transport[12]: calculations are performed using both spend data and physical data to confirm completeness and are checked against recent case studies, such as life cycle assessments.

Physical emissions factors are used from the comprehensive EcoInvent life cycle inventory (Version 3.10) and other high-quality, country-specific sources.

Examples of physical data include volumes of timber and fastenings, litres of paint, number of new pallets and other assets. The difference between spend-based and physical data calculations is not material. In FY24, the results using physical data have been included in Brambles' Scope 3 calculations as this is the approach preferred by the GHG Protocol.

Outsourced Service Centres: emissions from outsourced service centres are determine based on throughput and representative emissions calculated by reference to Brambles-owned service centres. In FY24, these calculations have been supplemented by survey data received from the outsourced service centres.

Downstream transport: data on planned distances travelled and weight of loads is obtained from Brambles' Transport Management System.

Waste: waste data is captured through spend data and supplemented by survey data from both Brambles-owned and outsourced service centres.

Emissions Factors

Emissions factors are sourced from the most appropriate regional public sources included in the table below:

Geography	Source of emissions factors
Australia	National Greenhouse Accounts Factors
Canada	National Inventory Report: Greenhouse Gas Sources and Sinks in Canada
Ireland	Sustainable Energy Authority of Ireland
New Zealand	New Zealand energy sector greenhouse gas emissions data tables, Ministry of Business, Innovation & Employment
South Africa	Eskom Annual Report, national
United Kingdom	Government greenhouse gas conversion factors for company reporting: Methodology Paper
USA	US Environmental Protection Agency eGRID, by state
Other	International Energy Agency Data Services, by country

[12] Upstream transport – is transport to move capital goods from suppliers to Brambles locations.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Assumptions Brambles uses to measure its GHG emissions.

Scope 1 and 2

Energy use for periods where supporting data is not yet available from suppliers is assumed to be consistent with usage in prior periods for each location (taking seasonal fluctuations into account).

Scope 3

Upstream transport distances (from pallet manufacturer locations to Brambles' locations) are assumed to be consistent for deliveries from regular pallet manufacturers unless notified that distribution and delivery locations have changed.

Distances used to calculate downstream transport are based on planned distances when actual distances are not available; it is assumed that on average planned distances will align with actual distances travelled. It is also assumed that vehicles use non-renewable fuel unless otherwise informed by drivers or carriers.

It is assumed that energy usage at Brambles's outsourced service centres is consistent with the energy usage for the same type of service centre, in similar geographic locations in the Brambles network, unless data is received directly from outsourced service centres.

Brambles uses the GHG Protocol to measure its GHG emissions as this measurement approach produces an internationally comparable GHG emissions result which is useful to a broad range of stakeholders.

As data collection processes mature, Brambles is transitioning to report using more physical data rather than spend-based data in its Scope 3 calculations. For example, Brambles spend on pooling equipment has been reported using physical data in FY24 and estimates of emissions from waste have been revised using site survey data.

Contractual instruments – Scope 1 and 2 GHG emissions

Brambles has become carbon neutral by using carbon abatement in its operations, by purchasing carbon credits to neutralise its Scope 1 and 2 emissions.

Brambles uses the following types of Carbon Offsets:

- Voluntary Carbon Offsets (VCOs) for Scope 1; and
- Energy Attribute Certificates (EACs) for Scope 2.

Brambles' renewable electricity use includes electricity generated onsite from solar panels, from renewable electricity contracts and certified 'Greenpower'. Brambles utilises both Bundled and Unbundled Energy Attribute Certificate (EAC) instruments for its market-based Scope 2 method of emissions accounting, ensuring alignment with the SBTi's RE100 methodology. Volume data for purchased EACs is recorded against country level meters to provide the appropriate negative emissions accounting. EACs are forward purchased and retired once applied.

Voluntary Carbon Offsets used to offset Scope 1 emissions in FY24:

Type	Verified by[13]	FY24		FY23	
		$ktCO_2$-e	%	$ktCO_2$-e	%
Technological: Hydro-electric	Verra	15	45%	28	88%
Technological: Wind	Gold Standard	14	43%	-	0%
Nature based: Forestry	Verra, ACR & CAR	4	12%	3	9%
Technological: Solar	Verra	0	0%	1	3%
		33		**32**	

Energy Attribute Certificates (EACs) used to offset Scope 2 emissions in FY24:

Type	FY24		FY23	
	MWh retired	%	MWh retired	%
Technological: Wind	21,765	65%	7,357	19%
Technological: Hydro-electric	10,522	32%	29,794	78%
Technological: Biogas (Gas from organic waste digestion)	1,043	3%	-	0%
Technological: Solar	-	0%	1,076	3%
	33,330		**38,227**	

[13] Refer to the Carbon Offset guide for further information relating to Carbon Offset Standards: https://offsetguide.org/understanding-carbon-offsets/carbon-offset-programs/voluntary-offset-programs/
Verra -Verified Carbon Standard, ACR - American Carbon Registry, CAR - Climate Action Reserve.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Industry-based Guidance

Brambles referenced the following IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures:

Volume 48 - Containers and Packaging

Volume 68 – Road Transportation

Metrics not considered material to Brambles' business as set out in 'Volume 48 – Containers and Packaging' are tracked in Brambles' SASB disclosures. These include the following:

- Water usage[14];
- Total aluminium purchased;
- Amount of production by substrate (paper/wood, glass, metal and plastic); and
- Percentage of production as paper/wood, glass, metal and plastic.

Other Activity Metric (per Volume 48 - Containers and Packaging):

- Number of employees as at 30 June 2024: 12,743.

Approach to setting and reviewing targets

Science-Based Targets (SBT)

Brambles sets SBTs to measure GHG emissions against an emissions baseline. These SBTs were verified by the SBTi. The baseline year for the SBTi target is 2020.

An initial scoping study for materiality was completed at a high level using economic modelling on a summary of financial spend data to determine where more effort and data would be required for the full carbon inventory.

Brambles performs an annual inventory of its full supply chain emissions however as some of the categories are deemed immaterial, the immaterial categories are out of scope for our approved SBTs.

Brambles Scope 3 SBT emissions categories are as follows:

- Category 2, Timber supply – the acquisition, processing and transport of lumber;
- Category 4, Upstream transportation and distribution;
- Category 5, Waste Generated in operations;
- Category 9, Logistics – Outsourced Transport suppliers;
- Category 10, Outsourced service centres – 3rd Party service centre operations; and
- Category 12, End-of-Life treatment of sold products is captured within Category 5.

Scope 3 Categories		SBT Category	FY20 Materiality
1	Purchased goods and services (non-product related)		6.6%
2	Capital goods	x	22.2%
3	Fuel and energy related activities		0.3%
4	Upstream transportation & distribution	x	1.3%
5	Waste generated in operations	x	2.6%
6	Business travel		0.6%
7	Employee commuting		0.1%
8	Upstream leased assets		0.0%
9	Downstream transportation & distribution	x	57.0%
10	Processing of sold products	x	9.2%
11	Use of sold products		0.0%
12	End-of-life treatment of sold products		0.0%
13	Downstream leased assets		0.0%
14	Franchises		0.0%
15	Investments		0.0%

[14] Water withdrawn and consumed in regions of high or extremely high baseline water stress will be evaluated in more detail as part of Brambles' TNFD preparation.

SUSTAINABILITY REPORT - CLIMATE UPDATE continued

Certified sourcing and Waste Targets

Targets for certified sourcing and waste were refined in 2020. These targets were identified by reference to the United Nations Sustainable Development Goals and were approved by the Brambles Board.

Process for reviewing targets

Targets are reviewed in their entirety every five years. Individual targets are added or modified as needed to align with the strategy of the business.

There have not been any revisions to Brambles' 2025 targets during FY24.

KPMG

Independent Assurance Report to the Directors of Brambles Limited

Conclusion

Reasonable Assurance Metrics

In our opinion, in all material respects, Brambles Sustainably sourced timber %, Scope 1 and 2 emissions (market-based), Brambles Injury Frequency Rate and the Women in management roles % have been prepared by Brambles Limited in accordance with Management Criteria for the year ended 30 June 2024.

Limited Assurance Metrics

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Information Subject to Limited Assurance as described below, which has been prepared by Brambles Limited in accordance with Management Criteria for the year ended 30 June 2024.

Information Subject to Assurance

The Information Subject to Assurance comprised the following data as presented in the 2024 Annual Report and as included in the table below:

Reasonable Assurance Metrics	Reported value
• Sustainably sourced timber (%)	100
• Scope 1 and scope 2 emissions (“market-based”) ($ktCO_2$-e)	32.4
• BIFR (Brambles Injury Frequency Rate)	2.9
• Women in management roles (%)	37.5
Limited Assurance Metrics	**Reported value**
• Chain of custody sourced timber (%)	78.0
• First Tree: Millions of trees replanted through certified sustainable forestry programmes	2.6
• Second Tree: Millions of trees enabled through the sustainable growth of second tree	1.7
• Scope 3 (SBT) $KtCO_2$-e	1,293.5
• Renewable electricity (%)	100
• Carbon neutral operations (%)	100
• All plants diverting product waste from landfill (%)	83.0
• Brambles-managed plants diverting product waste from landfill (%)	82.9
• Third-party managed plants diverting product waste from landfill (%)	83.1
• Plants with plans in place to divert product waste from landfill (%)	97.1
• Recycled and upcycled content in new plastics purchased (%)	41.7

Limited Assurance Metrics	Reported value
• Impact across customers' supply chains:	
• Million Tonnes of $tCO_{2\text{-}e}$	1.86
• Megalitres of water	4,265
• Million cubic meters of wood (m3)	2.2
• Millions of Trees	2.3
• Million Tonnes of waste	1.3
• Customer collaborations	
• Number of customer collaborations	491
• Number of collaborative initiatives	2,042
• Tonnes $tCO_{2\text{-}e}$ Saved	96,002
• Top employer accreditation	26
• Women on the board (%)	44.4
• Millions of people receiving meals through Brambles' support for food rescue organisations	20.6
• Millions of people reached through our communications, training, and advocacy (cumulative result)	1.3

Criteria Used as the Basis of Reporting

The methodologies used by Brambles Limited management to measure the Information Subject to Assurance (*the "criteria")* are described in the 2024 Annual Report and the 2024 Basis of Preparation – ESG Metrics.

Basis for our Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 (Standard). In accordance with the Standard we have:

- used our professional judgement to assess the risk of material misstatement and plan and perform the engagement to obtain reasonable assurance that the Information Subject to Assurance are free from material misstatement, whether due to fraud or error;
- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Information Subject to Assurance, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possesses the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

In gathering evidence for our conclusions, our assurance procedures comprised:

- Enquires with relevant Brambles personnel to understand internal controls, governance structure and reporting process of the Information Subject to Assurance;
- Review relevant documentation including relevant Frameworks and policies, such as the Basis of Preparation.
- Undertake sampling procedures over the information subject to reasonable assurance where required on a sample basis.
- Re-perform key relevant calculations and evaluation of the appropriateness of management's assumptions, if any.
- Evaluate the appropriateness of the criteria with respect to the information subject to reasonable assurance.
- Review the Management Criteria in its entirety to ensure it is consistent with our overall knowledge arising from our assurance engagement and procedures.

KPMG

How We Define Reasonable Assurance, Limited Assurance and Material Misstatement

- Reasonable assurance is a high level of assurance, but is not a guarantee that it will always detect a material misstatement when it exists.
- The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
- Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Brambles Limited.

Use of this Assurance Report

This report has been prepared for the Directors of Brambles Limited for the purpose of providing an assurance conclusion on the Information Subject to Assurance and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Brambles Limited, or for any other purpose than that for which it was prepared.

Management's Responsibility

Management are responsible for:

- determining that the criteria is appropriate to meet their needs;
- preparing and presenting the Information Subject to Assurance in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Information Subject to Assurance that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a reasonable assurance engagement in relation to the Information Subject to Assurance for the ended 30 June 2024, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

KPMG

KPMG
Sydney NSW
21 August 2024

Five-Year Financial Performance Summary

US$m	2024	2023	2022	2021	2020
Continuing operations[1]					
Sales revenue	6,545.4	6,076.8	5,519.8	5,209.8	4,717.9
EBITDA[2]	2,249.7	2,082.2	1,841.5	1,737.2	1,561.8
Depreciation and amortisation[2]	(802.0)	(730.1)	(679.5)	(664.3)	(607.7)
IPEP expense	(185.5)	(285.1)	(232.0)	(198.3)	(154.7)
Underlying Profit and Operating profit	1,262.2	1,067.0	930.0	874.6	799.4
Net finance costs	(127.5)	(114.1)	(86.3)	(85.6)	(80.8)
Net impact arising from hyperinflationary economies[3]	(8.4)	(8.8)	(22.0)	-	-
Profit before tax	1,126.3	944.1	821.7	789.0	718.6
Tax expense	(346.4)	(287.1)	(247.9)	(257.5)	(210.6)
Profit from continuing operations	779.9	657.0	573.8	531.5	508.0
Profit/(loss) from discontinued operations[1]	-	56.2	19.5	(8.9)	(60.0)
Profit for the year	779.9	713.2	593.3	522.6	448.0
Weighted average number of shares (millions)	1,391.4	1,388.0	1,415.7	1,475.1	1,548.7
Earnings per share (US cents)					
Basic	56.1	51.4	41.9	35.4	28.9
From continuing operations	56.1	47.3	40.5	36.0	32.8
On Underlying Profit after finance costs and tax	56.7	48.0	42.1	37.6	32.8
ROCI[2,3]	21%	19%	18%	18%	17%
Capex on property, plant and equipment[1]	1,000.4	1,567.1	1,787.0	1,219.0	968.4
Balance sheet					
Capital employed	5,755.2	5,593.6	5,168.4	4,735.9	4,468.2
Net debt[2]	2,528.1	2,723.6	2,717.3	2,054.6	1,711.8
Equity	3,227.1	2,870.0	2,451.1	2,681.3	2,756.4
Average Capital Invested[1,2]	6,133.9	5,763.6	5,150.5	4,930.5	4,698.7
Cash flow					
Cash Flow from Operations - continuing	1,319.1	789.8	391.8	901.1	754.8
Free Cash Flow	882.8	498.1	86.2	622.0	462.2
Ordinary dividends paid, net of Dividend Reinvestment Plan	(406.0)	(318.6)	(304.8)	(280.8)	(290.7)
Free Cash Flow after ordinary dividends	476.8	179.5	(218.6)	341.2	171.5
Key financing ratios[2]					
Net debt to EBITDA (times)	1.1	1.3	1.5	1.2	1.1
EBITDA interest cover (times)	17.6	18.2	21.3	20.4	19.3
Average employees	12,233	12,262	11,894	11,569	11,647
Dividend declared (cents per share)	34.0 US	26.25 US	22.75 US	20.5 US	18.0 US
ESG metrics					
Scope 1 & 2 GHG emissions (ktCO_2-e)	32.4	32.6	37.6	42.4	43.6
Scope 3 GHG emissions (ktCO_2-e)	1,293.5	1,406.6	1,480.2	1,479.1	1,515.8
Women in management roles	37%	36%	33%	32%	31%
Sustainably sourced timber	100%	100%	100%	100%	100%
Sites with product waste diverted from landfill	83%	80%	58%	27%	-
Brambles Injury Frequency Rate	2.9	3.8	4.1	5.0	5.5

1 The CHEP China business is presented within discontinued operations in 2023 and 2022. Periods prior to 2022 included the CHEP China business within continuing operations and are consistent with previously published data. The Kegstar business is presented within discontinued operations in 2021 and 2020.

2 2021 has been restated for the change in accounting policy relating to Software as a Service arrangements. Periods prior to 2021 have not been restated for this change in accounting policy.

3 Brambles applied AASB 129 *Financial Reporting in Hyperinflationary Economies* from 2022. In 2024, Brambles revised the application of its accounting policy relating to its subsidiaries in hyperinflationary economies and now presents the inflationary and foreign exchange translation impacts in other comprehensive income instead of profit or loss or directly in equity. The 2023 comparatives have been restated accordingly. Periods prior to 2023 have not been restated for this change in accounting policy.

Glossary

Acquired Shares	Brambles Limited shares purchased by Brambles' employees under MyShare
Actual currency/actual FX	Results translated into US dollars at the applicable actual monthly exchange rates ruling in each period. Results for hyperinflationary economies are translated to US dollars at the period end FX rates
AGM	Annual General Meeting
ACI (Average Capital Invested)	A 12-month average of capital invested; capital invested is calculated as net assets before tax balances, cash, borrowings and lease liabilities, but after adjustment for pension plan actuarial gains or losses and net equity adjustments for equity-settled share-based payments
AU cents	Australian cents
BIFR (Brambles Injury Frequency Rate)	Safety performance indicator that measures the combined number of fatalities, lost-time injuries, modified duties and medical treatments per million hours worked
BIL	Brambles Industries Limited, which was one of the two listed entities in the previous dual-listed companies structure
Biogenic carbon	Carbon that is sequestered from the atmosphere during biomass growth and may be released back to the atmosphere later due to combustion of the biomass or decomposition
BIP	Brambles Industries plc, which was one of the two listed entities in the previous dual-listed companies structure
Board	The Board of Directors of Brambles Limited, details of which are on pages 46 to 48
CAGR (Compound Annual Growth Rate)	The annualised percentage at which a measure (e.g. sales revenue) would have grown over a period if it grew at a steady rate
Cash Flow from Operations	A non-statutory measure of cash flow generated from operations after net capital expenditure but excluding Significant Items that are outside the ordinary course of business and discontinued operations
Circular economy	A circular economy regenerates and circulates key resources, ensuring products, components and materials are at their highest utility and value at all times
CGPR	The Australian Securities Exchange Corporate Governance Council Corporate Governance Principles & Recommendations, Fourth Edition
Company	Brambles Limited (ACN 118 896 021)
Constant currency/constant FX	Current period results (excluding hyperinflationary economies) translated into US dollars at the actual monthly exchange rates applicable in the comparable period, so as to show relative performance between the two periods. Results for hyperinflationary economies are not retranslated and remain at their reported period-end exchange rates.
Continuing operations	Continuing operations refers to CHEP Americas, CHEP EMEA and CHEP Asia-Pacific (each primarily comprising pallet and container pooling businesses in those regions operating under the CHEP brand), and Corporate (corporate centre including Shaping Our Future and share of results of associates)
Continuous Field Diagnostics	Additional track-and-trace capability on a random sample to continuously map the network and fill the data gaps from serialisation
CRM (Client Relationship Management)	Software tool for managing relationships and interactions with customers and potential customers
CSRD	Corporate Sustainability Reporting Directive
DIFOT (Delivery in full, on time)	A customer measurement of delivery performance within a supply chain
Discontinued operations	Operations which have been divested/demerged, or which are held for sale
DRP (Dividend Reinvestment Plan)	The Brambles Dividend Reinvestment Plan, under which Australian and New Zealand shareholders can elect to apply some or all of their dividends to the purchase of shares in Brambles Limited instead of receiving cash
EACs (Energy Attribute Certificate)	Each EAC represents proof that 1 MWh of renewable energy has been produced and added to the grid
Economic value	A measure of the broader financial benefit provided by an organisation
EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation)	Underlying Profit from continuing operations after adding back depreciation, amortisation and IPEP expense
ELT	Brambles' Executive Leadership Team, details of which are on pages 50 to 53
Emissions factors (EF)	An emission factor is a coefficient that describes the rate at which a given activity releases greenhouse gases (GHG) into the atmosphere
Emission scope	Scope 1: direct emissions from owned or controlled sources.

GLOSSARY continued

	Scope 2: indirect emissions from the generation of purchased energy. There are two methods used to calculate Scope 2 emissions: a) Market-based: Reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims. b) Location-based: Calculated using the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). Scope 3: all indirect emissions (not include in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions Source: https://ghgprotocol.org/
EPS **(Earnings Per Share)**	Profit after finance costs, tax, minority interests and Significant Items, divided by the weighted average number of shares on issue during the period
ESG	Environmental, social and governance
ESRS	European Sustainability Reporting Standards
Free Cash Flow	Cash flow generated after net capital expenditure, finance costs and tax, but excluding the net cost of acquisitions and proceeds from business disposals
FSC®	Forest Stewardship Council®
FY (Financial Year)	Brambles' financial year is 1 July to 30 June; FY24 indicates the financial year ended 30 June 2024
GHG	Greenhouse gas
Group or **Brambles**	Brambles Limited and all of its related bodies corporate
Group Profit Leverage	Reflects the amount by which Underlying Profit growth exceeds sales revenue growth
IBCs (Intermediate Bulk Containers)	Palletised containers used for the transport and storage of bulk products in a variety of industries, including the food, chemical, pharmaceutical and transportation industries
IFRS	International Financial Reporting Standards
IPEP (Irrecoverable Pooling Equipment Provision)	Provision held by Brambles to account for pooling equipment that cannot be economically recovered and for which there is no reasonable expectation of receiving compensation
ISSB	International Sustainability Standards Board
Key Management Personnel	Members of the Board of Brambles Limited and Brambles' Executive Leadership Team
KPI(s)	Key Performance Indicator(s)
LCA (Life Cycle Assessment)	Life cycle assessments are used to calculate and compare the environmental impacts of a Brambles' pooled product to an alternative platform including single-use or pooled equipment
LTI	Long-Term Incentive
Matching Awards	Matching share rights over Brambles Limited shares allocated to employees when they purchase Acquired Shares under MyShare; when an employee's Matching Awards vest, Matching Shares are allocated
Matching Shares	Shares allocated to employees who have held Acquired Shares under MyShare for two years, and who remain employed at the end of that two-year period; one Matching Share is allocated for every Acquired Share held
MyShare	The Brambles Limited MyShare plan, an all-employee share plan, under which employees acquire ordinary shares by means of deductions from their after-tax pay and must hold those shares for a two-year period. If an employee holds those shares and remains employed at the end of the two-year period, Brambles will match the number of shares that employee holds by issuing or transferring to them the same number of shares they held for the qualifying period, at no additional cost to the employee
NPS (Net Promoter Score)	Measure used to gauge customer experience and satisfaction
Operating profit	Statutory definition of profit before finance costs and tax; sometimes called EBIT (earnings before interest and tax)
PEFC	Programme for the Endorsement of Forest Certification
Performance Period	A two-to-three-year period over which the achievement of performance conditions is assessed to determine whether STI and LTI share awards will vest
Performance Share Plan or **PSP**	The Brambles Limited Performance Share Plan (as amended)
Profit after tax	Profit after finance costs, tax, minority interests and Significant Items

GLOSSARY continued

RPCs	Reusable/returnable plastic/produce container/crate, generally used for shipment and display of fresh produce items
ROCI (Return on Capital Invested)	Underlying Profit divided by Average Capital Invested
SBT (Science-based Targets)	Targets that provide a clearly defined pathway for companies and financial institutions to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth
SBTi (Science-based Targets initiative)	Initiative that drives ambitious climate action in the private sector by enabling organisations to set science-based emissions reduction targets
SDG or **UN SDG**	United Nations Sustainable Development Goals
Sharing economy	An economic system in which assets or services are shared between different agents, either free or for a fee
Significant Items	Items of income or expense which are, either individually or in aggregate, material to Brambles or to the relevant business segment and: outside the ordinary course of business (e.g. gains or losses on the sale or termination of operations, the cost of significant reorganisations or restructuring); or part of the ordinary activities of the business but unusual because of their size and nature
STI	Short-Term Incentive
Sustainable timber or **Sustainably sourced timber**	Timber sourced from forests that are managed under the globally recognised standards of the Forest Stewardship Council® (FSC®) (FSC®–N004324) or the Programme for the Endorsement of Forest Certification (PEFC) (PEFC/01-44-79)
Targeted Field Diagnostics	Inject specific asset pools with a sample of full track-and-trace devices to deliver targeted solutions for us and customers
TCFD (Task Force for Climate-related Financial Disclosures)	A framework to help organisations disclose climate-related risks and opportunities
TNFD (Taskforce on Nature-related Financial Disclosures)	A framework to help organisations disclose nature-related risks and opportunities
TSR (Total Shareholder Return)	Measures the returns that a company has provided for its shareholders, reflecting share price movements and reinvestment of dividends over a specified performance period
Underlying EPS	Profit after finance costs, tax and minority interests but before Significant Items, divided by the weighted average number of shares on issue during the period
Underlying Profit	Profit from continuing operations before finance costs, hyperinflation adjustments, tax and Significant Items
Unification	The unification of the dual-listed companies structure (between Brambles Industries Limited and Brambles Industries plc) under a new single Australian holding company, Brambles Limited, which took place in December 2006
VCOs (Voluntary Carbon Offsets)	Voluntary carbon offset credits are transferable instruments certified by an independent certification body to represent an emission reduction of one metric tonne of CO_2
Year	Brambles' 2024 financial year
ZWW	Zero Waste World

Notes

Notes

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Share Registry

Access to shareholding information is available to investors through Boardroom Pty Limited

Boardroom Pty Limited

GPO Box 3993, Sydney NSW 2001, Australia

Telephone 1300 883 073 (within Australia)
+61 2 9290 9600 (from outside Australia)
Facsimile +61 2 9279 0664
Email brambles@boardroomlimited.com.au
Website www.boardroomlimited.com.au

Share Rights Registry

Employees or former employees of Brambles who have queries about the following interests:

- Performance share rights under the performance share plans;
- Matching share rights under MyShare; or
- Shares acquired under MyShare or other share interests held through Certane SPV Management Pty Ltd

may contact Boardroom Pty Limited, whose contact details are set out above.

American Depository Receipts Registry

Deutsche Bank Shareholder Services
American Stock Transfer & Trust Company Operations Centre
6201 15th Avenue Brooklyn NY 11219 USA

Telephone +1 866 706 0509 (toll free)
+1 718 921 8124