

Brambles

Schedule of Matters Reserved for the Board

Brambles Limited

Instituted: 4 December 2006

Amended: 24 June 2009,
28 April 2011
and 1 July 2014

1. Board Responsibility

1.1 Management

The Board is responsible for overseeing the effective management and control of the Group on behalf of Brambles' shareholders, and supervising executive management's conduct of the Group's affairs.

1.2 Delegation

The Board has delegated day to day management of the business and affairs of the Group to executive management, to operate within a control and authority framework designed to enable risk to be prudently and effectively assessed and monitored. The Board has set the levels of authority for the Chief Executive Officer, Chief Financial Officer, and other members of executive management; these levels are periodically reviewed by the Board and are documented. The Board has also delegated certain matters to Committees within defined terms of reference.

There are, however, certain matters which are reserved for the collective decision of the Board. The principle underlying this approach is the need to ensure that appropriate matters can be dealt with effectively under delegated authority, while ensuring good corporate governance by retaining Board control over significant decisions.

2. Board Approval

The following matters (including changes to any such matters) require approval from the Board, except where they are expressly delegated to a Committee of the Board, the Chief Executive Officer or the Chief Financial Officer.

2.1 Strategy and Direction

- (a) The Group's:
 - (i) overall strategic direction and strategic plans for each of the Group's major business units, including the extension of the Group's activities into:
 - (A) new geographic areas involving substantial sovereign risk, or
 - (B) substantially new business areas,and monitoring the implementation of those plans;
 - (ii) the Group's key business and financial objectives; and
 - (iii) the Group's dividend policy, and the approval or recommendation of any dividend pursuant to that policy.
- (b) Acquisitions or disposals of assets which exceed the authority limits delegated to the Chief Executive Officer or the Chief Financial Officer.
- (c) Decisions to cease operating all or any material part of the business of the Group.

2.2 Financial Controls, Compliance, Corporate Reporting and Risk Management

- (a) The Group's annual operating and capital expenditure budgets.
- (b) Treasury policies, including foreign currency exposure and policies on the use of financial derivatives.

- (c) The Group's corporate reporting including:
 - (i) its financial statements and financial reports; and
 - (ii) the Directors', corporate governance, sustainability and remuneration reports and other significant statements to the press, stock exchange and/or shareholders relating to those statements or reports and overseeing the integrity of the Group's reporting systems for those reports.
- (d) The Group's risk appetite and its risk management framework and systems of internal control and the bi-annual review of the effectiveness of that framework and systems.
- (e) Matters impacting on compliance with statutory and regulatory obligations.
- (f) The prosecution, defence or settlement of litigation which is substantial in terms of the implications for the Group.
- (g) The overall levels of insurance for the Group, including Directors' and Officers' liability insurance and indemnification arrangements for Directors.
- (h) Any significant changes in accounting policies or procedures.

2.3 Corporate Structure

- (a) Changes to the Group's capital structure, including reductions of share capital, share buy-backs or issue of new securities, other than:
 - (i) grants under employee option / share schemes, which are dealt with in the Remuneration Committee's Charter; and
 - (ii) issues of shares on the exercise of awards under option or share schemes, which have been delegated to the Company Secretary.
- (b) Substantial changes to the Group's capital or internal corporate structure.
- (c) Changes to Brambles' status as a public company or as a listed entity.
- (d) Any purchase by Brambles of its own shares.

2.4 Appointments

- (a) Appointments to the Board, following a review by the Board's Nominations Committee.
- (b) The appointment of the Chair and, if applicable, the Deputy Chair and/or Senior Independent Director.
- (c) To the extent they may not be Directors, the appointment and termination of the Chief Executive Officer and the Chief Financial Officer and where appropriate, ratifying the appointment and termination of other senior executives.
- (d) The appointment or removal of external auditors (on the recommendation of the Audit Committee).
- (e) The appointment or removal of the Company Secretary.

2.5 Delegation of Authority

- (a) Changes to the membership or Charter of any committee of the Board.

- (b) Changes to the authority delegated to the Chief Executive Officer, the Chief Financial Officer or other levels of executive management.
- (c) Matters which exceed the authority delegated to the Chief Executive Officer, the Chief Financial Officer or other levels of executive management.

2.6 Policies

Substantial policies affecting the Group as a whole, and any amendment to them, including:

- (a) the Code of Conduct;
- (b) share dealing codes for Directors and senior executives;
- (c) Group Health and Safety policies;
- (d) Group Environmental Policies;
- (e) Continuous Disclosure and Communications Policies;
- (f) Corporate Social Responsibility Policy;
- (g) Diversity Policy; and
- (h) policies regarding charitable and political donations.

2.7 Corporate Governance Matters

- (a) The determination of the independence of non-executive Directors.
- (b) The remuneration of the non-executive Directors, within the limits under the Constitution.
- (c) Subject to obtaining shareholder approval, where necessary, the remuneration of the external auditors for audit related work (fees in respect of which will be pre-approved by the Board's Audit Committee).
- (d) Resolutions and related documentation to be put to shareholders in general meeting.
- (e) Oversee the process for compliance with the Group's continuous disclosure obligations.
- (f) Any announcements and press releases which may be made by the Company concerning matters reserved for the Board under this Schedule, except where such approval is not practicable having regard to the Company's continuous disclosure obligations. In those cases, the Company's Disclosure Committee shall approve the relevant announcement or release.
- (g) Where within the Board's power, major changes in the rules of, or changes to the identity of the trustee of, pension or superannuation schemes to which the Company contributes on behalf of employees.
- (h) Measurable objectives for achieving gender diversity and annually assessing both the objectives and the progress towards achieving them.
- (i) Annually review and report on the relative proportion of women and men in the workforce at all levels of the Group.

- (j) The process for identifying and selecting candidates for appointment to the Board including a Board Skills Matrix.
- (k) A bi-annual review of the effectiveness of the Group's risk management framework including by determining that it is properly identifying risks, their materiality and mitigation steps for them.