

**Module: Introduction****Page: Introduction****CC0.1****Introduction**

Please give a general description and introduction to your organization.

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

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

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

Our Containers business (primarily operating under the CHEP brand) comprises three business units:

- Automotive, serving the automotive manufacturing industry;
- IBCs, providing intermediate bulk containers (IBCs) to the customers transporting raw materials in the food and general manufacturing industries;
- Oil and gas, which provides container management solutions to the oil & gas and refining sectors through the Ferguson Group and CHEP Catalyst and Chemical Containers businesses. As of October 2016, Brambles' Oil & Gas business unit was merged into an independent joint venture company, Hoover Ferguson group, which is 50% owned by Brambles; and
- (formerly) Aerospace, which provides containers and pallets for the transportation of baggage and cargo to airlines. Brambles recently divested the Aerospace business.

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

For more information go to [www.brambles.com](http://www.brambles.com).

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## CC0.2

### Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Wed 01 Jul 2015 - Thu 30 Jun 2016

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## CC0.3

### Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
Australia
United Kingdom
Rest of world

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**CC0.4****Currency selection**

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD(\$)

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**CC0.6****Modules**

As part of the request for information on behalf of investors, companies in the electric utility sector, companies in the automobile and auto component manufacturing sector, companies in the oil and gas sector, companies in the information and communications technology sector (ICT) and companies in the food, beverage and tobacco sector (FBT) should complete supplementary questions in addition to the core questionnaire.

If you are in these sector groupings, the corresponding sector modules will not appear among the options of question CC0.6 but will automatically appear in the ORS navigation bar when you save this page. If you want to query your classification, please email [respond@cdp.net](mailto:respond@cdp.net).

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below in CC0.6.

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**Further Information**

**Module: Management**

**Page: CC1. Governance**

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**CC1.1**

**Where is the highest level of direct responsibility for climate change within your organization?**

Board or individual/sub-set of the Board or other committee appointed by the Board

**CC1.1a**

**Please identify the position of the individual or name of the committee with this responsibility**

The Board is responsible for the establishment and review of the effectiveness of the Group's system of internal control and risk management. This includes consideration of climate change risks. The Board is also responsible for the Group's Environmental Policy and Corporate Social Responsibility Policy. The Brambles sustainability working group and the Executive Leadership Team (ELT) help to formulate sustainability strategy, policies and targets, including those relating to climate change. Brambles has developed a sustainability strategy and reports its sustainability performance, policy and overall governance on its website (please see document attached). In FY16, Brambles established a sustainability risk and control committee to report through normal risk management processes.

**CC1.2**

**Do you provide incentives for the management of climate change issues, including the attainment of targets?**

Yes

**CC1.2a**

**Please provide further details on the incentives provided for the management of climate change issues**

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
All employees	Recognition (non-monetary)	Other: Environmental volunteerism and recognition	Brambles has an employee volunteering policy, which provides employees with three days of paid volunteer leave per year during usual contracted hours. This time can be used to volunteer their services to community-based not-for-profit environmental or educational organisations. During FY16, employees volunteered more than 17,200 hours. Brambles recognises the volunteering efforts of our employees by featuring them in internal communications, on the company intranet, on www.chep.com, and in our sustainability reporting, ie Sustainability Review.
Other: Suppliers and Customers	Recognition (non-monetary)	Emissions reduction project Other: Recognition of sustainability efforts	Brambles uses its logistics knowledge to minimise the carbon footprint of our customers by working with suppliers to reduce transport distances and associated emissions. We also work collaboratively with customers and suppliers to eliminate unnecessary empty return truck trips. Brambles features the customers and suppliers that it works with online

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
			at www.chep.com and in its Sustainability Review (see pp 7-9, 11-13).
Environment/Sustainability managers	Monetary reward	Emissions reduction target Energy reduction target Supply chain engagement Other: External sustainability recognition	Brambles' Global Head of Sustainability has KPI targets based on improved external recognition of the company's sustainability efforts (such as through CDP) (annual bonus). Within the business, members of the sustainability team have KPIs linked to reductions objectives (annual bonuses). In some regions, this is cascaded down to other departments (eg Operations Europe). Other employees have bonuses partly linked to implementing energy efficient measures and achieving reduction targets.
Energy managers	Monetary reward	Emissions reduction target Efficiency target	Eg CHEP Europe and CHEP Australia monitors progress on energy initiatives versus targets regularly, both absolute emissions and using a KPI intensity metric. Monetary bonuses are linked to KPI achievement.
Management group	Monetary reward	Energy reduction target	For some senior managers, annual bonuses are linked to implementing energy efficient measures and achieving reduction targets.

#### Further Information

#### Attachments

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC1.Governance/BRL179\\_S31\\_Sustainability\\_Report\\_for\\_web.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC1.Governance/BRL179_S31_Sustainability_Report_for_web.pdf)

**Page: CC2. Strategy**

**CC2.1**

**Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities**

Integrated into multi-disciplinary company wide risk management processes

**CC2.1a**

**Please provide further details on your risk management procedures with regard to climate change risks and opportunities**

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	Global - Brambles risk management processes cover its entire operations in every region	3 to 6 years	Brambles risk management processes are outlined in detail on its website and in our Corporate Governance Statement pp 8-9 (attached). The identification, assessment and adoption of mitigation plans for material economic, environmental and social sustainability risks (which includes those related to climate change) was incorporated into the Group's risk management framework. The risk and control committees (RCCs), as a part of their regular review of their respective risk profiles and material risks, identify, assess and, if applicable, adopt mitigation plans for economic, environmental and social sustainability risks. Any such risks, and their associated mitigation steps, are included in the twice yearly report from the Executive Leadership Team (ELT) to the Board (see Section 7.2 on p 9). A description of the nature of the Group's material EES risks and how those risks are managed is set out in Section 4.1 on p 5 of Brambles' 2016 Annual Report (attached).

**CC2.1b**

**Please describe how your risk and opportunity identification processes are applied at both company and asset level**

The Board is responsible for overseeing Brambles' risk mgt framework (partly delegated to Audit Committee).

The Board:

- Is responsible for approving & reviewing the effectiveness of internal control & risk mgt;

- Conducts a bi-annual review of the effectiveness of the risk mgt framework which includes determining that it is properly identifying risks, materiality & mitigation steps; &

- Conducts an annual review of the insurance program.

The Board & Audit Committee are supported in their roles by mgt & internal audit.

The Board has adopted a risk mgt framework; objectives are published in the attached Corporate Governance Statement (pp 8-9).

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

This framework was enhanced during FY16 with the establishment of a Sustainability Risk Committee (SRC). The SRC supplements the role of the Group RCCs, which continue to identify, assess & adopt mitigation plans for EES sustainability risks. The SRC receives & reviews that part of the bi-annual risk reports prepared by the Group RCCs to the ELT that relate to their respective sustainability risks & mitigations plans & assesses & reports to the ELT on whether there is a material exposure to those risks. Any such risks & associated mitigation is included in the twice yearly report from the ELT to the Board.

The SRC also reviews & approves a bi-annual sustainability risk matrix for the Group. A description of the nature of the Group's material EES sustainability risks & how those risks are managed is set out in Section 6, pp 6-7, 2016 Annual Report.

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#### CC2.1c

##### **How do you prioritize the risks and opportunities identified?**

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

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#### CC2.1d

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment
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## CC2.2

**Is climate change integrated into your business strategy?**

Yes

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### CC2.2a

**Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process**

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

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

In the short-term, we have an excellent opportunity to deliver environmental benefits in our customers' supply chains. We help customers address their climate change concerns by helping to reduce their carbon footprint through the share and reuse of our solutions. In FY16, our customers saved at least 2.3 million tonnes of CO2 and 1.3 million tonnes of waste by using our pallets and RPCs, instead of alternative platforms. We also create opportunities to optimise supply chain networks through collaboration with multiple partners, for example by reducing transport distances and inefficiencies. Our sharing and reusing circular model also decreases demand on natural resources. In order to keep our strategy relevant and maximise the value of our sustainability activities to investors, customers, employees, suppliers and the community, we regularly assess our performance against defined targets and through annual reporting of progress. We engage regularly in external benchmarking of our policy and performance, through independent investor, customer and NGO surveys, as well as seeking external assurance each year on key areas of focus.

In the long-term, climate change impact is most relevant to the sourcing of our materials, which is of key concern to both our business and the wider community. Our reliance on a sustainable timber supply base means that the long-term issues of deforestation and climate change are important to us. We manage these by



applying best practice in environmentally responsible sourcing and operational management. We also work to reduce the carbon impact of our suppliers.

Our ability to collaborate with customers and suppliers to reduce environmental impact, using our logistics knowledge, gives us a competitive advantage. For example, in FY16, CHEP North America helped out customers save over \$20 million in supply chain costs through packaging improvements, product damage reduction, environmental performance, labor efficiencies and transportation synergies, including reducing empty transport travel by 4.8 million kilometres. (Sustainability Review 2016, p 8) We help customers understand their supply chains and minimise their environmental footprint. Because of the environmental efficiencies of our pooling model, CHEP is able to achieve carbon neutrality for customers and some of our markets and products. For example, CHEP's carbon neutral pallet program allows participating customers to offset the annual carbon footprint of their CHEP pallet movements with internationally-recognised certified credits, organised in partnership with the Carbon Neutral Company. Customers are able to reduce the carbon footprint of their supply chain and invest in reforestation projects in developing countries.

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

As reported in the 2016 Annual Report, Brambles identified meeting customer demand for sustainable outsourced supply chain solutions amid an intensifying competitive environment as one of the key factors influencing strategic objectives and financial performance targets and creating an area of opportunity. (see p 5) As a result, we rejuvenated our sustainability strategy and key brand programs to focus on leveraging the inherent sustainability of Brambles' business models and driving new levels of customer engagement. We also updated our sustainability targets to address our goals under or framework of 'Better Business', 'Better Planet' and 'Better Communities'. This includes our aspirational of 'zero emissions' with the main goal of a 20% reduction in carbon emissions per unit delivered by 2020; along with year on year improvement in carbon emission intensity for transport emissions (CO2/kilometre) and year on year improvement in energy provided from renewable sources.

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#### CC2.2b

Please explain why climate change is not integrated into your business strategy

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#### CC2.2c

**Does your company use an internal price on carbon?**

No, and we currently don't anticipate doing so in the next 2 years

CC2.2d

Please provide details and examples of how your company uses an internal price on carbon

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Mandatory carbon reporting	Neutral	Australian NGER legislation submission – required annually from 2011-2014. Brambles was required to submit its Scope 1 and 2 energy consumption and GHG emissions in accordance with this legislation. Brambles successfully applied to be deregistered from the Scheme in 2015 as our emissions and energy levels did not meet the threshold in FY16 and are not expected to for the foreseeable future.	The National Greenhouse and Energy Reporting (NGER) Scheme was introduced by the Australian Government in 2007 to provide data and accounting in relation to greenhouse gas emissions and energy consumption and production. The Scheme's legislated objectives are to: -

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
			<p>underpin the carbon price mechanism - inform policy-making and the Australian public - meet Australia's international reporting obligations - provide a single national reporting framework for energy and emissions reporting. The Scheme is administered by the Clean Energy Regulator.</p>
Energy efficiency	Neutral	<p>In the UK, the CRC Energy Efficiency Scheme (through the Department of Energy and Climate Change) is a legislative requirement whereby CHEP reports its UK Scope 1 and 2 emissions and purchase allowances based on these emissions (excluding transport). CHEP UK engages with a consultant to report and keep up-to-date with any changes and simplifications to the legislation. CHEP appears in the annual report publication (listed as Cyan Logistics, which is the highest UK parent covering all Brambles businesses) at <a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/577132/LIT_10638.xlsx">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/577132/LIT_10638.xlsx</a>.</p>	<p>The CRC Energy Efficiency Scheme (or CRC Scheme) is designed to improve energy efficiency and cut emissions in large public and private sector organisations. The CRC affects large public and private sector organisations across the UK, together responsible for around 10% of the UK's greenhouse gas emissions. Participants include supermarkets, water companies, banks, local authorities and all central</p>

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
			<p>government departments. publicly. HM Treasury has issued a consultation paper which proposes the abolition of the CRC Energy Efficiency Scheme (CRC), and its replacement by a single business energy consumption tax based on Climate Change Levy (CCL). The Government also proposes to develop a single reporting framework to replace current requirements under ESOS, Mandatory Greenhouse Gas Reporting and other schemes including the CRC scheme and the Climate Change Agreements. It is proposed to design this framework "through the prism of " ESOS, a scheme which the Government is committed to maintain, because it is an EU requirement under the Energy Efficiency Directive.</p>
Other: Food	Support	World Economic Forum - working with business, political, academic thought leaders to help shape global,	The WEF has

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
waste		<p>regional and industry agendas. Brambles works with the World Economic Forum and members on the Forum's food waste projects. Brambles has also created opportunities for international non-profit organisation Enactus and the WEF, focusing on reducing food loss and waste. Addressing the issues of food security and food waste, Brambles works with food banks around the world, applying our logistics and supply chain expertise. In FY16, Brambles signed a three year agreement with the Global Foodbanking Network, an international not for profit organisation that supports food banks in more than 30 countries. Brambles also continued its efforts in FY16 to address food waste in partnership with customers and suppliers. With the world's population forecasted to rise to 9.1 billion by 2050, it is estimated that food production needs to increase by 70% to keep pace with the growing population. At the same time, it is estimated that between one-third and one half of the food produced by the developed world is lost post-harvest between the farm and consumer. The contribution of food waste to GHG emissions through both landfill and increased pressure on agricultural resources is well documented. Brambles recognises that through the application of its logistics and supply chain expertise it is uniquely placed to help reduce food waste throughout the value chain. We do this by collaborating with customers and retailers, as well as in our own product development. Examples in FY16 include IFCO's 'Let's Eat' campaign and a key zero waste project with Kroger. (Sust Review 2016, p 9, 13). Brambles was also invited by the World Bank to talk at the Future of Food forum in 2016.</p>	<p>publicly stated that cutting food loss and waste is a great way to drive sustainability and development and a crucial step on the way to providing quality, nutritious food to a growing global and urban population. The WEF's New Vision for Agriculture initiative engages leaders of business, government, civil society, farmers organisations, development partners and other groups to work together to achieve sustainable agricultural growth. The initiative works at the global level with the G8 and G20, and facilitates national-level partnerships. Substantial gains in agricultural productivity can be realised through investment, innovation, policy and other improvements.</p>
Other:	Support	CHEP Australia is engaged with the government's Office of Environment and Heritage NSW, through its	Results depend on a

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Environmental performance		Sustainability Advantage program. The program works to: - clean energy strategy for service centres; - integrate environmental strategies with business planning; - use resources more efficiently; - engage and train staff to become an employer of choice; - enhance customer, supplier and community relationships; - measure their carbon footprint and manage their emissions; and - manage environmental risk and ensure compliance. Further information is available on their website at: <a href="http://www.environment.nsw.gov.au/sustainbus/sustainabilityadvantage.htm">http://www.environment.nsw.gov.au/sustainbus/sustainabilityadvantage.htm</a> .	company's own efforts, while Sustainability Advantage provides expertise, training, tools and a network of organisations working towards sustainability.
Other: Circular economy	Support	The European Commission launched its circular economy package at the end of 2015. It aims to promote – in a descending order - prevention, reuse, recycling, recovery, with disposal being the management option of last resort. To do so, it is updating the framework directive on waste (2008/98/EC) and its daughter directives, including the Directive on Packaging and Packaging Waste (94/62/EC).	Brambles is using this opportunity to promote its business model of prevention and reuse, and this over making Europe a recycling economy, which is becoming a buzz phrase too commonly used. It is trying to align with like-minded allies with the same industry sector aims, including Plastics Europe, an EU trade association, and Reloop, a loose grouping of the transport and sales packaging industries to lobby together to improve the legislation and increase the amount of reusable packaging equipment put on the EU market.

**CC2.3b**

**Are you on the Board of any trade associations or provide funding beyond membership?**

Yes

**CC2.3c**

**Please enter the details of those trade associations that are likely to take a position on climate change legislation**

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
CEI-Bois	Consistent	CEI-Bois, the European Confederation of woodworking industries, was founded in 1952 and represents the interests of the European woodworking industry. The primary goal of CEI-Bois is to further the interests of the European wood sector and to this end, it aims to influence EU policy-making. It is the main body representing and defending the interests of the European woodworking and furniture industries towards the European Union.	CHEP's Senior Director, Global Government and Public Affairs is the chairman of this body and his team is involved in climate change and environmental policies for the group and dealing with the European Director-General Environment and Director-General Climate.
FEFPEB, the European Federation of Wooden Pallet and Packaging Manufacturers	Consistent	The main objectives of FEFPEB are the promotion of timber packaging and the determination and defence of the interests of the European Wooden Pallet and Packaging Industry. Also monitors and provides comment on illegal logging/timber, renewable energy and biomass (through associated organisations) and lightweight packaging.]	CHEP's Senior Director, Global Government and Public Affairs is an Executive Director of FEFPEB. In this role he addresses climate change impact with the Director-General Environment; for example, through the adverse impact on climate with Drying Chambers for Heat Treatment to ensure pallets and lumber are ISPM15 compliant.
Australian Food and Grocery Council's Sustainability Council	Consistent	CHEP is a founding member of the AFGC's, Retail and Suppliers Roundtable, Sustainability Council. Other founding members include some of our customers from the retail and food manufacturing industries. AFGC is the leading national organisation representing Australia's food, drink and grocery manufacturing industry. AFGC's Sustainability Commitment is a ten year strategy that sets	In 2012, the AFGC's Future of Packaging white paper identified a need for greater understanding of the implications of packaging on sustainability outcomes. As a responsible partner throughout food

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
		clear objectives, targets, metrics and case studies that will shape the future direction of the food and grocery manufacturing industry's performance across water, energy and emissions, packaging and social and sourcing indicators.	supply chains, CHEP Australia commissioned the Royal Melbourne Institute of Technology's Centre for Design study on 'The role of packaging in minimising food waste in the supply chain of the future.' The study was released in June 2013 and a copy is available at chep.com. Food waste is a contributor to GHG emissions through landfill.
Efficient Consumer Response (ECR) and related organisations	Consistent	The ECR ("Efficient Consumer Response") movement effectively began in the mid-nineties and was characterized by the emergence of new principles of collaborative management along the supply chain. A related organisation CHEP is involved with is GS1. Climate change issues are dealt with to a lesser extent by GS1.	The CHEP President, Europe is a board member for ECR (Europe).
Consumer Goods Forum	Consistent	CHEP is involved with the Consumer Goods Forum, which focuses on the design and implementation of global standards and solutions to improve the efficiency and visibility of supply and demand chains globally and across sectors. The CGF publishes information on its and members' responses to climate change on its website at: <a href="http://www.theconsumergoodsforum.com/sustainability-strategic-focus/climate-change">http://www.theconsumergoodsforum.com/sustainability-strategic-focus/climate-change</a> .	CHEP Is a member of the Consumer Goods Forum, which is focused on advancing the industry through strategic priorities, including sustainability. Brambles was one of the companies featured in the CGF Climate Change brochure released around the COP21 Paris climate talks in late 2015. for our work on sustainable supply chains.

**CC2.3d**

**Do you publicly disclose a list of all the research organizations that you fund?**

Yes

**CC2.3e**



**Please provide details of the other engagement activities that you undertake**

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

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

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

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**CC2.3f**

**What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

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

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

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

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

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

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

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**CC2.3g**

Please explain why you do not engage with policy makers

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## Further Information

### Attachments

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/Sustainability Governance.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/Sustainability%20Governance.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/CHEP - Key Associations and Memberships.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/CHEP%20-%20Key%20Associations%20and%20Memberships.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/230818\\_-  
\\_Brambles\\_2016\\_Annual\\_Report\\_updated.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/230818_-_Brambles_2016_Annual_Report_updated.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/UN Global Compact Communication on Progress 2015.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/UN%20Global%20Compact%20Communication%20on%20Progress%202015.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC2.Strategy/Brambles\\_Corporate-Governance-Statement-17AUG2016.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC2.Strategy/Brambles_Corporate-Governance-Statement-17AUG2016.pdf)

## Page: CC3. Targets and Initiatives

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### CC3.1

**Did you have an emissions reduction or renewable energy consumption or production target that was active (ongoing or reached completion) in the reporting year?**

Intensity target  
Renewable energy consumption and/or production target

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### CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
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**CC3.1b**

**Please provide details of your intensity target**

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions covered by target	Target year	Is this a science-based target?	Comment
Int1	Scope 1+2 (location-based)	16%	6.5%	Metric tonnes CO2e per unit of production	2015	122520	2020	No, but we anticipate setting one in the next 2 years	Brambles commits to achieving a 20% reduction in carbon emissions per unit delivered by 2020. 100% of scope 1 and scope 2 emissions are covered, but these made up 16% of our total emissions footprint in FY15. <a href="http://www.brambles.com/sustainability-goals-better-planet#section-zero-emissions-3730">http://www.brambles.com/sustainability-goals-better-planet#section-zero-emissions-3730</a>
Int2	Scope 3: Downstream transportation and distribution	70%	0.1%	Grams CO2e per kilometer*	2015	456780	2016	No, but we anticipate setting one in the next 2 years	Year on year improvement in carbon emission intensity for transport emissions (CO2/kilometre). <a href="http://www.brambles.com/sustainability-goals-better-planet#section-zero-emissions-3730">http://www.brambles.com/sustainability-goals-better-planet#section-zero-emissions-3730</a>

**CC3.1c**

**Please also indicate what change in absolute emissions this intensity target reflects**

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
Int1	Decrease	23	No change	0	Brambles conducted a review of the carbon intensity target to determine if it was in line with a science based target in 2016. Following our analysis and a review by our assurance provider Brambles' has concluded our carbon emission goals are broadly consistent with approaches approved by the Science Based Target initiative prior to 2017. The projected FY20 absolute scope 1 and 2 emissions that would be achieved following application of the target carbon intensity reduction for scope 1 and 2 is 23% lower than the projected business as usual emissions, assessed by applying the CFACT method. Brambles will explore a formal submission to the SBT advisory group in FY17, now that the methodology applied has changed.
Int2	No change	0	Decrease	5	[NEEDS CHECKING/CLARIFICATION - Because transportation contributed over 80% of scope 3 emissions in the base year, if the target of year on year improvement in intensity is met (which would mean at least 5% reduction in absolute transport emissions), the overall reduction in scope 3 emissions, even if there is no reduction in other scope 3 emissions), would also be around 5%.]

CC3.1d

Please provide details of your renewable energy consumption and/or production target

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment
RE1	All energy consumed	2015	417200	13%	2020	18%	Brambles' target is a year on year improvement in energy provided from renewable sources. With approx 3% of energy from renewable sources in 2015, this would mean at least 8% by 2020. <a href="http://www.brambles.com/sustainability-goals-better-planet#section-zero-emissions-3730">http://www.brambles.com/sustainability-goals-better-planet#section-zero-emissions-3730</a>

**CC3.1e**

**For all of your targets, please provide details on the progress made in the reporting year**

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Int1	20%	33%	Brambles achieved a 6.5% reduction in CO2/unit delivered in FY16 from FY15 levels.
Int2	20%		[Emissions intensity for transport in FY16 vs FY15 - THIS NEEDS TO BE PROVIDED AND ADDED]
RE1	20%	20%	Brambles' target is a year on year improvement in energy provided from renewable sources. With approx 3% of energy from renewable sources in 2015, this would mean at least 8% by 2020. In FY16, Brambles' renewable energy procurement in FY16 contributed 15% of our global annual electricity consumption, a 2% increase from FY15.

**CC3.1f**

**Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years**

**CC3.2**

**Do you classify any of your existing goods and/or services as low carbon products or do they enable a third party to avoid GHG emissions?**

Yes

**CC3.2a**

**Please provide details of your products and/or services that you classify as low carbon products or that enable a third party to avoid GHG emissions**

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
Company-wide	Sharing and reusing our returnable pallets, crates and containers decreases demand on natural resources and allows our customers to avoid emissions that are generated by alternative platforms (such as one-way). In FY16, our customers saved 2.3 million tonnes of CO2 by using our pallets and crates. By collaborating with customers in transport, we saved 35,000 tonnes of CO2 and 35 million kilometres in trips.	Avoided emissions	Other: Calculations are based on the results of independent life cycle analyses (LCA), details outlined in attached 2016 supplementary information doc.	100%	More than 80% but less than or equal to 100%	
Product	CHEP has offered its carbon neutral pallet program since 2013, starting in Spain. The program is offered to customers in Europe and	Low carbon product	Other: VCS (Verified carbon standard) and Gold standard (carbon		Less than or equal to 10%	Details of project identification and credits purchased

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
	<p>the US. The program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. CHEP has a growing number of carbon neutral product customers, including Spadel, MSM and Heinz. In FY16, Wholesum Harvest took up the first carbon neutral product offering in the US. The quarter pallet carbon neutral product has also been offered in all European countries since FY15, after being introduced in Germany in FY14. In 2014, CHEP Europe announced that its pallet pool in Sweden was carbon neutral. In FY16, customers using the carbon neutral products offset 8,114 tonnes of CO<sub>2</sub>, an increase of 30% from FY15.</p>		credit standards)			during FY16 are outlined in response to question CC13.2a.

**CC3.3**

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

Yes

**CC3.3a**

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	2	0
Implementation commenced*		
Implemented*	8	47629628
Not to be implemented		

### CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Waste recovery	Waste recovery/minimisation for customers: Our network advantage reduces costs for customers and makes supply chains more sustainable. Our customers	450000000	Scope 1 Scope 3	Voluntary	0	0	<1 year	Ongoing	Brambles makes no monetary savings from eliminating waste generated by customers through the use of our solutions. Cost



Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	<p>saved 1.3 million tonnes of waste by using our pallets and RPCs to move their goods in FY16, compared to using alternative platforms. (see Sustainability Review 2016, p 7) Because of the varied nature of customer waste saved by use of our pallets and RPCs, it is difficult to estimate annual CO2 savings; however, 1.3 million tonnes of general solid waste would generate approximately 450,000,000 tonnes of CO2 emissions, using the US EPA's Waste Reduction Model (WARM), version 14 (2016). (see attached warm spreadsheet) CHEP Europe developed a tool that evaluates the financial and sustainability impacts of returnable transit packaging (such as our solutions). The tool will be shared amongst customers' sustainability teams in FY17 to assist with better packaging decisions. (Sust Review, p 12) Kroger, the US's second largest retailer,</p>								<p>savings would be realised in other parts of customers' supply chains, which is not tracked by Brambles.</p>

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	highlighted their use of CHEP and IFCO solutions in their 2016 Sustainability Review as a way to help them meet their zero waste threshold by 2020. (p 13) CHEP's 'Test Track' was used to assess the durability of a tissue manufacturer's 100% recycled product packaging, with positive results that helped our customer use recycled packaging instead of virgin pulp and saved them \$320,000.								
Transportation: use	Reducing transport use and impact: Using our logistics knowledge by collaborating with our key partners tackles the critical sustainability issues of empty trucks, wasted kilometres and avoidable CO2 emissions. By collaborating with over 177 customers through our transport programs in FY16, we saved 35,000 tonnes CO2 and 35 million kilometres in trips. For example, in Belgium, CHEP	35000	Scope 3	Voluntary	77140000	0	<1 year	Ongoing	The investment required for these projects is not monitored or reported at a global level.

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	<p>collaborated with Coca-Cola Enterprises, Colruyt and Van Dievel to make our collective supply-chains more efficient. By reducing the distance that trucks had to travel, these customers saved money and cut CO2 emissions by 30%. In FY16, CHEP North America helped our customers with transportation synergies, including reducing empty transport lanes by over 4.8 million kilometres. In the US, fleet optimisation helps customers earn revenue and reduce empty miles by hauling CHEP's backhaul freight and the customer storage program reimburses customers for storing pallets on site using seasonally available space, reducing transportation. In Europe, we partner with 135 customers on transport, Total Pallet Management and multimodal programs. CHEP also works with transport providers to replace diesel trucks with</p>								

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	<p>more eco-friendly natural gas trucks to reduce scope 3 emissions. The introduction of alternative fuels such as liquid natural gas (LNG) and compressed natural gas (CNG) to transport our pallets helps to develop a more sustainable supply chain. In FY16, CHEP Europe joined Connect2LNG, a consortium of companies led by Unilever and co-funded by the European Commission that will further develop a European infrastructure for LNG through large scale collaboration. Monetary savings are realised by customers, as well as Brambles. Savings related to nominated transportation projects were not specified in 2016 financial reporting. However, despite increased activity and a 8% increase in sales revenue in FY16 (in constant currency, see p 8 Annual Report), transport expenses paid to service suppliers increased by less</p>								

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	than 1% from FY15 (p 53). Monetary savings estimated are the difference between an approximate 8% increase in FY15 transport costs and the actual cost in FY16 (assuming increased revenue has a parallel impact on transport activity).								
Energy efficiency: Building fabric	Projects to reduce energy consumption and associated scope 2 emissions: this includes incorporating best practice lighting, plant and building management technologies during site relocations, upgrades and refurbishments. For example, in FY16, lighting and energy efficient design formed part of the Alpharetta site upgrade in the US, which includes electric vehicle charging stations that encourage all North American staff to power up their electric vehicles at work. IFCO installed process data monitoring systems in our European and US plants,	0	Scope 2 (location-based)	Voluntary	0	0	<1 year	Ongoing	Brambles does not report electricity separately from other occupancy costs in our financial reporting.

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	<p>with the ability to accurately monitor our process inputs and outputs and collect data related to electricity, water and chemicals. This will help us identify process efficiencies. While this is undoubtedly reducing energy consumption (and associated costs and emissions), because of improved data collection and increased production, Brambles reported an increase in energy reported from electricity in FY16. For this reason, no savings have been reported for the year. [However, in FY16, occupancy costs (that include electricity) decreased by 4% from FY15, despite an 8% increase in sales revenue for the same period. Electricity may make up a portion of the \$8.4 million saving.]</p>								
Product design	Our sharing and reusing circular model decreases demand on natural	2300000	Scope 3	Voluntary	0	0	<1 year	Ongoing	Estimated environmental benefits based on

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	resources and our network advantage reduces costs for customers and makes supply chains more sustainable. Our products are designed to be shared and reused amongst our customers. Our customers saved 2.3 million tonnes CO2 by using our pallets and RPCs to move their goods in FY16, compared to using alternative platforms. (see Sustainability Review 2016, p 7)								LCAs, as outlined in Brambles Sustainability Review 2016 - supplementary information document (attached). While our customers' use of our products and expertise reduces their costs, this does not directly reduce our costs. Marketing and sales efforts highlighting our sustainability benefits to customers are not reported separately in our expenses.
Low carbon energy purchase	Brambles has a goal of year-on-year improvement in energy provided from renewable sources. Renewable energy procurement in FY16 contributed 15% of our global annual electricity consumption, a 2% increase from FY15. [If we had not used any renewable energy, our scope 2 emissions from	8500	Scope 2 (location-based)	Voluntary	0	0	1-3 years	Ongoing	The difference in the monetary expense or investment required for electricity from switching to renewable energy was not reported separately in FY16.

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	electricity would have been proportionally higher than reported in FY16, by approximately 8,500 tonnes CO2).]								
Product design	Expansion of carbon neutral product offering: CHEP has offered its carbon neutral pallet program since 2013, starting in Spain. The program is offered to customers in Europe and the US. The program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. CHEP has a growing number of carbon neutral product customers, including Spadel, MSM and Heinz. In FY16, Wholesum Harvest took up the first carbon neutral product offering in the US. The quarter pallet carbon neutral product has also been offered in all European countries since	8114	Scope 3	Voluntary	0	0	1-3 years	Ongoing	While our customers' use of our carbon neutral products and expertise may impact their costs, this does not directly reduce our costs. Marketing and sales efforts highlighting our carbon neutral products to customers and potential customers are not reported separately in our expenses.



Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	FY15, after being introduced in Germany in FY14. In 2014, CHEP Europe announced that its pallet pool in Sweden was carbon neutral. By the end of 2016 customers using our carbon neutral products in Europe and the US offset 26,684 tonnes of CO2 since the program began in 2013.								
Waste recovery	Own operations: Our sharing and reusing circular model decreases demand on natural resources as our products are designed to be shared and reused amongst our customers. Retaining ownership of our pooled wooden pallets meant CHEP reclaimed and reused 4,610 tonnes of wood for the repair and manufacture of pallets in FY16, reducing our demand for virgin wood. An additional 47,219 tonnes of wood was reclaimed and reused in other ways (fuel or recycling) during FY16. Brambles aims to have zero product waste sent to landfill	183535	Scope 3	Voluntary	42000000	0	<1 year	Ongoing	Brambles does not report the monetary savings from use of reclaimed wood and reground plastic, compared to purchasing virgin material. However, these cost savings may be the equivalent of purchasing material on the open market. In FY16, 27,000 tonnes of plastic suitable for use in RPCs would have cost approximately \$42M (using avg cents per pound for

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	<p>by 2020. In FY16, 72% of our largest pallet sites ensure waste is diverted from landfill. In FY16, 27,018 tonnes of damaged plastic from RPCs was reground and recycled into new IFCO and CHEP products. This reduces our demand for virgin plastic and means that none of our RPC plastic ends up in landfill. CHEP also developed a post-consumer waste recycled plastic pallet in FY16. The pallet is manufactured using mixed plastic that is expensive to segregate. This plastic would otherwise be burnt for energy generation or down cycled into lower grade products. (Sust Review, p 10) CHEP Recycled in North America acquires the majority of its wood from unrepairable pallets, promoting the use of a raw material that might otherwise end up in landfill (the volume of this wood is not reported in our reclaim</p>								<p>HDPE for large volumes in May 2016, according to Plastic News, see attached). Similarly, purchase of 4,600 tonnes of timber for pallet manufacture and repair on the open market (with certified status) would have cost approximately \$55,000 (applying US Southeast pricing for hardwood pulpwood in Q1 2016, see attached). This has been used to provide an estimate of cost savings, excluding costs and savings of other waste and recycling. Because Brambles has always retained ownership of its assets, there is no additional investment required in the reclaim processes.</p>

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	or recycling data). An estimate of the emissions saved by reclaiming wood and plastic for reuse and recycling other waste in our own operations has been calculated by applying the US EPA's Waste Reduction Model (WARM), version 14 (2016), with a breakdown of our reclaiming and recycling waste efforts. (see attached spreadsheet 'Own ops warm...').								
Waste recovery	Food loss and waste: Customers' use of our RPCs saved over 3,920 tonnes of food waste (based on a comparison with alternative platforms). (Sust Review, p 7) In addition, Brambles donated in-kind equipment to global food banks to redistribute over 170,000 tonnes of rescued food, providing 320 million meals to those in need. If this food had gone to landfill, it would have generated approximately 94,000 tonnes of CO2 (calculated	94479	Scope 3	Voluntary	0	1540000	<1 year	Ongoing	Brambles does not incur a cost or make monetary savings from reducing customers' food waste, although customers would make monetary savings from their use of the RPCs.

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	by applying the US EPA's Waste Reduction Model (WARM), version 14 (2016), with a breakdown of our reclaiming and recycling waste efforts. (see attached spreadsheet 'Food waste warm...'). Donations of in-kind equipment to community organisations, mostly food banks, was valued at \$1,540,000 in FY16.								

### CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Regulatory requirements drive investment in emission reduction activities in certain parts of our operations as we comply with state, local, federal and international requirements. Various regulations affect building design and retrofits, fleet services and other activities in our operations.
Dedicated budget for low carbon product R&D	CHEP has offered its carbon neutral pallet program since 2013, starting in Spain. The program is offered to customers in Europe and the US. The program allows customers to offset the footprint of their CHEP pallet movements and purchase

Method	Comment
	internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. CHEP has a growing number of carbon neutral product customers, including Spadel, MSM and Heinz. In FY16, Wholesum Harvest took up the first carbon neutral product offering in the US. The quarter pallet carbon neutral product has also been offered in all European countries since FY15, after being introduced in Germany in FY14. In 2014, CHEP Europe announced that its pallet pool in Sweden was carbon neutral. In FY16, customers using the carbon neutral products offset 8,114 tonnes of CO2, an increase of 30% from FY15. [PLANS TO EXPAND AND ANY R&D OR OTHER DEVELOPMENT ACTIVITIES ASSOCIATED WITH EXPANSION OF PROJECT?]
Employee engagement	Brambles regularly encourages its employees to reduce their environmental footprint or find ways to benefit their natural environment. From time to time, training videos and other educational activities are provided to employees to improve their environmental awareness and behaviours. For example, environmental calculators allowing employees to estimate their carbon footprint are available on Brambles intranet 'Walter'. Sustainability information is also provided on the intranet, including promoting Earth Hour each year, Earth Hour competitions and other sustainability information. Brambles and its businesses communicate the environmental volunteering done by employees in its internal newsletters and intranet. In some businesses, Brambles 'give as you earn' policy encourages employees to donate to not-for-profit community-based organisations, including environmental organisations, with matching programs in place in some businesses. Sustainability leadership is provided throughout the Group. For example, CHEP Australia has established a Sustainability Leadership Committee comprising directors and managers. Environmental coordinators (one representative from each site) will champion environmental initiatives. [UPDATE FOR FY16]
Internal incentives/recognition programs	For some employees, a monetary reward (bonus) is linked to sustainability achievements, including energy savings, emissions reductions and external recognition of emissions reduction activities (such as through CDP). This applies to Sustainability Directors and managers, as well as others, throughout the Group. In some regions (and increasing) this is cascaded to other departments (Operations Europe, for example). CHEP Europe monitors progress versus target regularly, both absolute emissions and using a KPI, grams CO2 per C-stock generated. [IS THIS STILL APPLICABLE?] Sites achieving emissions savings are recognised in internal publications in some businesses. For example, CHEP Australia publishes sites that achieve emissions reductions in its internal newsletter, its sustainability report and on its internal television system. [ANYTHING BETTER FOR FY16 OR ONGOING?]
Partnering with governments on technology development	For example, CHEP Australia participates in the NSW Government's Sustainability Advantage Program to access best practice advice on sustainability for continual improvement. [STILL APPLICABLE?]
Other	Setting targets and sharing best practice throughout the Group: Brambles is committed to zero environmental harm including taking action on climate change and addressing its impacts through our value chain. Brambles set a goal of zero emissions. We commit to achieving a 20% reduction in carbon emissions per unit delivered by 2020. In support of this goal, Brambles aims to achieve: - Year on year improvement in carbon emission intensity for transport emissions (CO2/kilometre). - Year on year improvement in energy provided from renewable sources. Brambles will continue to work within its direct business as well as with material suppliers and collaborate with customers to reduce the carbon intensity of our activities. Brambles is now investigating setting a science-based target that incorporates scope 1, scope 2 and scope 3 targets.
Employee engagement	CHEP undertook a transformation project in FY16 based around the central message that we can help our customers improve their supply-chain challenges and efficiencies while producing environmental benefits, an approach where profit and planet are no longer a compromise. The project produced a series of solutions built around the better end-to-end value,

Method	Comment
	supply-chain capabilities and expertise, and the superior environmental benefits of CHEP's share and reuse model. This equips CHEP's commercial teams with the knowhow to communicate how CHEP's solutions help our customers meet both profitability and sustainability goals.

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### CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

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### Further Information

We have two projects that we have publicly identified that are currency in the pipeline to be implemented in FY17 and beyond, although more are under investigation. These two projects are IFCO's 'Let's Eat' campaign, which is being launched in 2017 and will focus on helping retail customers who supply fresh food to reduce the environmental impacts of food waste and emissions. We have not estimated associated emissions reductions from this activity, but we do report each year the total environmental benefits from customers' share and reuse of our solutions and this data will be captured in that figure next year. Another project is the decision making tool developed for use by our customers to assist with better packaging decisions by evaluating the financial and sustainability impacts of Returnable Transit Packaging (RTP). The RTP tool consistently demonstrates the advantages of our reusable packaging over single use packaging and was developed through an industry collaboration project started through The Ellen MacArthur Foundation's Circular Economy 100 group. As for the previous project, data will be reported through the environmental benefits of customers' use of our solutions, but has not been estimated separately.

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### Attachments

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/BRL179\\_S31\\_Sustainability\\_Report\\_for\\_web.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/BRL179_S31_Sustainability_Report_for_web.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/2016\\_Sustainability\\_Supplementary.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/2016_Sustainability_Supplementary.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Ops waste saved only warm\\_v14 for scope 3 waste emissions estimates.xls](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Ops%20waste%20saved%20only%20warm_v14%20for%20scope%203%20waste%20emissions%20estimates.xls)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Food waste saved only warm\\_v14 for scope 3 waste emissions estimates.xls](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Food%20waste%20saved%20only%20warm_v14%20for%20scope%203%20waste%20emissions%20estimates.xls)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Plastics News HDPE resin pricing 2016.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Plastics%20News%20HDPE%20resin%20pricing%202016.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Cust waste saved only warm\\_v14 for scope 3 waste emissions estimates.xls](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Cust%20waste%20saved%20only%20warm_v14%20for%20scope%203%20waste%20emissions%20estimates.xls)

<https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC3.TargetsandInitiatives/Timber Prices US SE HPW Q1 2016.pdf>

**Page: CC4. Communication**

**CC4.1**

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

Publication	Status	Page/Section reference	Attach the document	Comment
In voluntary communications	Complete	7-13, 26-29	<a href="https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC4.1/BRL179_S31_Sustainability_Report_for_web.pdf">https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC4.1/BRL179_S31_Sustainability_Report_for_web.pdf</a>	
In other regulatory filings	Complete	<a href="https://www.gov.uk/government/publications/crc-annual-report-publication-201415-and-201516">https://www.gov.uk/government/publications/crc-annual-report-publication-201415-and-201516</a>	<a href="https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC4.1/UK CRC table 2016.xlsx">https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC4.1/UK CRC table 2016.xlsx</a>	Spreadsheet listing CHEP's emissions in the UK (under Cyan Logistics) can be downloaded from the url. (also attached)
In voluntary communications	Complete	<a href="http://www.brambles.com/sustainability-goals-better-planet#section-zero-emissions-3730">http://www.brambles.com/sustainability-goals-better-planet#section-zero-emissions-3730</a>		'Better Planet' goals -

Publication Status	Page/Section reference	Attach the document	Comment
			zero emissions
In other regulatory filings	Complete 9	<a href="https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC4.1/Brambles_Corporate-Governance-Statement-17AUG2016.pdf">https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC4.1/Brambles_Corporate-Governance-Statement-17AUG2016.pdf</a>	Risk framework relevant to sustainability and climate change risks reported as per ASX Corporate Governance Guidelines.
In voluntary communications	Complete <a href="http://www.brambles.com/Content/cms/sustainability-2016/FY16_Brambles_Sustainability_Performance_Data_Summary_20161115_2.xlsx">http://www.brambles.com/Content/cms/sustainability-2016/FY16_Brambles_Sustainability_Performance_Data_Summary_20161115_2.xlsx</a>	<a href="https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC4.1/Five year performance data combined FINAL Nov 2016.xlsx">https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC4.1/Five year performance data combined FINAL Nov 2016.xlsx</a>	Emissions data for past five years

#### Further Information

**Module: Risks and Opportunities**

**Page: CC5. Climate Change Risks**



**CC5.1**

**Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

**CC5.1a**

**Please describe your inherent risks that are driven by changes in regulation**

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Cap and trade schemes	In the UK, the Carbon Reduction Commitment Energy Efficiency Scheme came into force in April 2010. CHEP UK is registered. The CRC Energy Efficiency Scheme in the UK is a legislative requirement to report and purchase	Increased operational cost	Up to 1 year	Direct	Virtually certain	Low	Participating in the UK CRC scheme requires CHEP to purchase allowances for the tonnes of CO2 generated. In 2015/2016, this was 10,863 tonnes at 16 pd 90 (compliance sale price), a total cost of 183,584 pd (approximately \$247,000, at June 2016 foreign exchange rates).	Brambles has invested in an environmental management system iCARE and started implementing strategies that will reduce energy consumption and emissions in the UK and globally. Brambles is investigating an improved data	There is an annual subscription cost of licensing iCARE; this is not substantial to the business. The cost of a new system would incur an initially higher expense. The market rate for suitable systems varies from \$10,000-200,000, or monthly charges

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>allowances based on Scope 1 and 2 emissions (excluding transport). Together with the reputation considerations, the scheme encourages organisations to develop energy management strategies that promote a better understanding of energy usage. The scheme is designed to tackle CO2 emissions not already covered by Climate Change Agreements (CCAs) and the EU Emissions Trading Scheme. Reporting under this scheme will continue to apply until 2019, when the UK government will replace it, in a</p>						<p>It is difficult to estimate the financial implications were such schemes to come into place into other countries where Brambles currently operates; however, if they apply only to scope 1 and scope 2 emissions, the impact would likely not be significant. Brambles combined scope 1 and scope 2 emissions for FY16 were 120,700 tonnes of CO2. If UK pricing per tonne were applied globally, this would have cost approximately \$2,039,830 (applying June 2016 foreign exchange rates). (Brambles total costs for FY16 for</p>	<p>collection system for global operations to improve monitoring and analysis. CHEP UK also works with an independent consultancy firm to report Brambles' emissions in the UK. Brambles has also increased the purchase of renewable energy in the UK as a lower carbon alternative to previous electricity purchases. Brambles also works to reduce our energy and emissions footprint through investing in energy efficiency in our facilities.</p>	<p>per user which are lower. The purchase of renewable energy in the UK may mean a price difference to the cost of non-renewable energy, but this is not reported separately. Costs associated with risk mitigation take a number of forms, for example, capital costs and overhead costs (such as employing sustainability experts, etc). Capital expenditure, which may have included retrofitting more efficient technologies during site relocations and upgrades, was \$1,095,200,000 in FY16. (Annual Report, p 52)</p>

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>revenue neutral way to the government, with an increase in the Climate Change Levy. Other countries or regions have adopted other schemes, for example, the New Zealand Emissions Trading Scheme, the European Union Emission Trading Scheme, and some states in the US. China has announced that in 2017, it will launch a national cap-and-trade program involving six of its largest carbon-emitting industrial sectors, beginning with coal-fired power generation. Cap and trade schemes will lead to an increase in cost</p>						<p>continuing operations were \$4,710,700,000. The above cost would represent less than 0.04% of current expenses.)</p>		<p>Repairs and maintenance expenses, which include non-capital expenditure on refurbishments and upgrades, were \$785,400,000 in FY16. The specific cost of energy efficient installation is not tracked or reported separately on a global level.</p>

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	for Brambles, its businesses and its customers.								
Other regulatory drivers	The Australian Competition and Consumer Commission supervises companies making green claims, including carbon claims. Legal protections and expectations are contained in the Australian Consumer Law (ACL), which is a schedule to the Competition and Consumer Act 2010. The ACL states that businesses must not mislead or deceive consumers in any way, and it carries serious penalties for businesses that fail to meet these requirements (see attached guide).This	Other: Reputational risk and possible fine	Unknown	Direct	Exceptionally unlikely	Low	Risks of making 'green claims' including carbon claims without evidence to substantiate is a Federal Court action. It is difficult to estimate the financial implications of future action or outcomes; however, this would not be material or likely for our business.	Brambles seeks to minimise this risk through its sustainability strategy, including targets to reduce its impact on the environment (including emissions reductions). An inventory of carbon related claims aligned with evidence is kept. Since FY12, Brambles has used the services of an independent third party to verify its data and statements in its annual sustainability review, including its GHG emissions. (see attached assurance statement for	The cost of independent assurance of Brambles GHG emissions is not separated from assurance of other sustainability indicators. Costs associated with our sustainability strategy, targets and risk mitigation activities take a number of forms. There are raw material costs (eg buying certified source materials), capital costs (eg investments in energy efficiency projects) and overhead costs (eg employing sustainability experts, etc). Specific costs are not disclosed but are not

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	means Brambles' must be able to verify and substantiate public statements of environmental benefits.							FY16).	substantial to the business.
Uncertainty surrounding new regulation	Proliferation of regional legislation. Brambles businesses in the UK is directly affected by the UK Carbon Reduction Commitment Energy Efficiency scheme and in previous years has come under Australia's NGER Scheme, where we were required to monitor and report emissions when a certain threshold had been reached. Brambles previously addressed the carbon tax in Australia, prior to	Increased operational cost	>6 years	Direct	About as likely as not	Low	Details on current impacts are noted above. While current requirements do not represent a substantive cost to Brambles, proliferation of such legislation could introduce operational complexity and associated cost burden to the business. This could impact Brambles' ability to predict possible additional operational costs, reporting requirements, impacts on services to customers and so on.	Brambles global environment reporting and analysis system allows us to better assess the impact of legislation should it come into force, given the greater ease of accessing emissions data in individual countries and regions. Brambles businesses have the capacity to enter their energy, waste and water data regularly and analyse the information at their discretion. Our	The cost of implementing an environmental reporting system is not substantial to the business.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	its repeal in July 2014. While none of these represent a substantive risk to the company, the potential proliferation of similar and varying legislation in other countries could present a risk since the company operates in more 50 countries around the world.							environmental reporting system includes emissions data at a site and country level. It also allows integrated compliance analysis and reporting.	
Product labeling regulations and standards	Many of Brambles' customers provide FMCG products that may be impacted by voluntary or mandatory product labelling. This information requires cooperation with their suppliers, including Brambles' businesses, to determine the	Increased operational cost	Up to 1 year	Indirect (Client)	More likely than not	Low	Customer requests for information to enable them to calculate the carbon impact of individual brands or products will require Brambles to improve its own data collection systems. While current requirements do not represent a substantive cost to Brambles,	Brambles collects extensive data on its environmental impact using its environment reporting and analysis system, implemented in FY12. In addition, CHEP offers a carbon neutral pallet service, allowing customers to further reduce	The cost of implementing our environmental reporting system is not substantial to the business. Specific costs related to joint collaborations with customers are not disclosed due to commercial sensitivity.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>carbon impact of products and services. For example, in 2012, the European Commission commissioned a study to investigate the possibility of creating a product label which provides consumers with information about the environmental lifecycle performance of the product (Single Market for Green Products initiative). In February 2015, Wal-Mart, one of Brambles' customers, announced a new online badging program in an effort to index supply chain sustainability</p>						<p>proliferation of such legislation or customer and industry initiatives could introduce operational complexity and associated cost burden to our businesses.</p>	<p>environmental impact. The service enables customers to purchase carbon credits to help finance emission-reduction projects worldwide. CHEP uses LCI and LCA data where possible to enable it to calculate its customers' environmental impact, including greenhouse gas emissions. If required by customers, CHEP will collaborate to determine its impact in their supply chains.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	standards across product categories.								
Fuel/energy taxes and regulations	<p>Brambles and its customers rely on transport providers to move its pooling solutions and goods throughout the supply chain. Fuel/energy taxes and regulations impact on the cost of transport services. Fuel/energy taxes currently exist in countries where Brambles' businesses operate, for example, in Australia an excise tax on fuel is levied by the federal government. The price of fuel, impacted by fuel taxes, is one of the conditions that contributes</p>	Increased operational cost	Up to 1 year	Indirect (Supply chain)	Virtually certain	Low-medium	<p>Financial implications of fuel and energy taxes vary from country to country where Brambles' businesses operate and may change regularly. For example, the fuel excise tax in Australia is linked to inflation and reviewed every six months. In Australia, grants and incentive schemes involving tax credits and rebates also apply to businesses or industries that rely heavily on the use of fuels, such as transport. Some governments provide fuel tax concessions for alternative fuels, such as natural gas. Fuel costs impact Brambles'</p>	<p>Using our logistics knowledge by collaborating with our key partners reduces transport distances and associated costs and environmental impacts. By collaborating with over 177 customers through our transport programs in FY16, we saved 35,000 tonnes CO2 and 35 million kilometres in trips. For example, in Belgium, CHEP collaborated with Coca-Cola Enterprises, Colruyt and Van Dievel to make</p>	<p>Management of transport and energy suppliers is conducted through normal procurement processes. No incremental cost is associated. Costs of customer focused fuel-related programs are not monitored separately to normal customer processes. Transport expenses for Brambles for FY16 (continuing operations) were US\$1,089.8 million. Brambles does not report other energy costs (such as electricity) separately in its financial reports.</p>



Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>to a key business risk, where changes in business conditions in the markets we serve may affect the profitability of our business models. (p 52 of attached Investment Market Briefing on Transport inflation, demonstrating elevated line-haul rates for the past 18 months)</p>						<p>transport suppliers. The reported cost of transport in FY16 was US\$1,089.8 m in the 2016 Annual Review, p 53. The actual impact of fuel taxes or possible fuel taxes is not known at this time due to the number of variables and possible situations.</p>	<p>our collective supply-chains more efficient. By reducing the distance that trucks had to travel, these customers saved money and cut CO2 emissions by 30%. In FY16, CHEP North America helped our customers with transportation synergies, including reducing empty transport lanes by over 4.8 million kilometres. In the US, fleet optimisation helps customers earn revenue and reduce empty miles by hauling CHEP's backhaul freight and the customer storage program reimburses</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>customers for storing pallets on site using seasonally available space, reducing transportation. In Europe, we partner with 135 customers on transport, Total Pallet Management and multimodal programs. CHEP also works with transport providers to replace diesel trucks with more eco-friendly natural gas trucks to reduce scope 3 emissions. The introduction of alternative fuels such as liquid natural gas (LNG) and compressed natural gas (CNG) to transport our pallets helps to</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								develop a more sustainable supply chain. Our energy saving initiatives reduce our energy use and associate cost of purchasing energy from suppliers.	
Other regulatory drivers	Regulatory compliance is noted as a key business risk (p 5 Annual Report 2016). Governments and regulatory authorities have become increasingly focused on environmental, sustainability and other issues. Governmental and customer focus on these issues may lead to additional regulatory and legislative action which could increase our	Increased operational cost	1 to 3 years	Direct	About as likely as not	Low	If we fail to comply with regulatory obligations, it could give rise to investigations by regulators or litigation, adversely affect licenses we hold and damage our reputation, which could adversely affect our operational and financial performance. Any material change or increase in regulatory obligations could also adversely affect the viability of our current business model	The Chief Executive Officer, through the Executive Leadership Team (ELT), has principle responsibility for risk management. Brambles operates a company-wide risk management framework. In addition, Brambles employs a Senior Director, Government & Regulatory Affairs, Marketing, who	Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	costs of operations or adversely affect demand for our services. Government regulations affect all aspects of Brambles' operations, Those regulations impose obligations on (amongst other things) environmental protection.						and strategies. Increases in operating costs could negatively impact our profitability or cash flow. Given the range of potential scenarios, we are unable to report actual financial implications.	assists with monitoring of regulation, including environmental regulation, for the Group globally. For further information on corporate governance and risk management, please see the attached Corporate Governance Statement.	

**CC5.1b**

Please describe your inherent risks that are driven by changes in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in temperature	Increased intensity,	Increased operational cost	1 to 3 years	Indirect (Supply	About as likely as	Low	All of these potential	In December 2012, Brambles	Risks and potential

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
extremes	<p>period and frequency of heat waves, causing infrastructure impacts, such as buckling rail tracks and temporary port closure. For example, increasing temperature extremes could impact on the availability of grid electricity, access and the ability for our services to access transport on affected infrastructure, such as roads, rail, etc, increased exposure at particular times of the year (for eg, peak demand).</p>			chain)	not		<p>effects are also likely to impact our insurance premiums over time, as for the business community generally. Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.</p>	<p>commissioned a climate change adaptation report from an independent third party to investigate risks and opportunities in its business from climate change. The outcomes of the report were used in part to address the issues identified in this response. Brambles has insurance policies to cover our respective properties and operational hazards with policy specifications and insured limits that we believe are customarily carried for similar properties and operating activities. We continue to monitor any potential impacts of this risk through our normal risk management processes. The CEO, through the ELT, has principal responsibility for risk management. Brambles operates a company-wide risk management framework, the</p>	<p>implications are monitored through risk management processes. No incremental cost is associated. Overhead costs, such as employing sustainability experts, etc are not disclosed due to commercial sensitivity, but are not substantial. Brambles has not had any impact in the past five years on insurance premiums for continuing operations. Insurance premiums are not disclosed due to commercial sensitivity.</p>

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								<p>objectives of which are:</p> <ul style="list-style-type: none"> <li>- To incorporate effective risk management as part of Brambles' strategic planning process;</li> <li>- To require business operating plans to address the effective management of key risks;</li> <li>- To develop internal audit plans to concentrate efforts on providing assurance on the viability and value of risk mitigation/management processes;</li> <li>- To embed a stronger risk management culture;</li> <li>- To improve allocation of capital to reflect business risks;</li> <li>- To seek competitive advantage through increased certainty of achieving agreed organisational and business objectives; and</li> <li>- To continue to fulfil governance requirements for risk management. See the attached Corporate Governance Statement for further info.</li> </ul>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	<p>Changing temperature and precipitation patterns may lead to physical effects on our assets (wooden pallets, etc) and decreased availability of raw materials in the supply chain.</p> <p>Changes in precipitation may also impact on our ability to provide a resilient product, as prolonged rainy seasons and humidity may cause mould on pallets. Climate change may increase the occurrence and frequency of floods,</p>	Increased operational cost	Up to 1 year	Direct	More likely than not	Low	<p>Inventories and property, plant and equipment were valued at US\$4,732.3 m in FY16. (p 42 Annual Report 2016)</p> <p>Potential catastrophic losses may be uninsurable, or not insurable on a financially reasonable basis (eg, we do not carry business interruption insurance for our Pallets business, but we carry "increased cost of working insurance" for that business) or may be subject to larger excesses or coverage limitations. Our Pallets'</p>	<p>We carry various insurance policies to cover our respective properties and operational hazards with policy specifications and insured limits that we believe are customarily carried for similar properties and operating activities. Group Risk and Audit manages risk with robust site and asset management plans and modelling, including emergency response and business continuity. Global building surveys applying Zero Harm standards are conducted continually. Brambles has been working to apply GPS coordinates to all sites. This allows Brambles to modify our insurance program where catastrophe and flood data is available (eg USA). We have independent and physically separate primary and secondary computer systems, as</p>	<p>Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk. Brambles has not had any impact in the past five years on insurance premiums for continuing operations. Insurance premiums are not disclosed due to commercial sensitivity.</p>

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>which can then affect our direct operations. Some of Brambles' global operations and infrastructure services required to continue to operate may be exposed to some physical risks from climate change. Flood damage and business interruption will increase costs, disrupt supply chains and impact insurance premiums. Unexpected events could disrupt our operations and adversely affect our results of operations. We are</p>						<p>business, which provides pooled wooden pallets to customers, contributed 74% of sales revenue in FY16. If uninsured or uninsurable loss occurs, we could be subject to material liability or lose invested capital in and anticipated profits from affected property or assets. Damage to computer and back-up systems may require significant investment to repair or replace, and we may suffer interruptions that adversely</p>	<p>well as offsite storage and a disaster recovery plan. In 2014, Brambles expanded natural catastrophe modelling with its insurer. The 2011 Qld floods demonstrated Brambles' resilience. Two flood-affected service centres were impacted by water rising up to 2.4 metres. Customer transactions were rerouted to other service centres. About 90 per cent of equipment at both service centres had to be replaced (costs recouped through insurance). CHEP often provides pallets to assist emergency services.</p>	



Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>subject to the risks of unexpected events, natural disasters such as hurricanes, tornadoes, floods, fires, earthquakes, etc and potential outbreaks of public health related issues that may directly impact the fast-moving consumer goods industry, such as food borne illnesses. Each of these events could adversely affect our operational and financial performance. These events could result in customer disruption, employee safety issues,</p>						<p>affect operational and financial performance. Given the range of potential scenarios, we are unable to meaningfully quantify all implications.</p>		

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	physical damage to one or more key operating facilities, temporary closure of one or more key operating facilities, temporary disruption of information systems, reputational damage, financial impairment or litigation. Our operations and properties may be uninsured or underinsured and failure to maintain adequate insurance may result in a default under our debt instruments.								
Tropical cyclones (hurricanes)	Increased, intensity, frequency and	Reduction/disruption in production capacity	Up to 1 year	Direct	About as likely as not	Low	Inventories and property, plant and	We carry various insurance policies to cover our respective	Any risk and its potential implications

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
and typhoons)	area of impact of cyclones, causing damage to our assets, including facilities, as well as roads and other infrastructure. Unexpected events could disrupt our operations and adversely affect our results of operations. We are subject to the risks of unexpected events, natural disasters such as hurricanes, tornadoes, floods, fires, earthquakes, etc and potential outbreaks of public health related issues that may directly impact the fast-						equipment were valued at US\$4,732.3 m in FY16. (p 42 Annual Report 2016) Potential losses of a catastrophic nature such as those arising from catastrophic events, may be either uninsurable, or, in our judgment, not insurable on a financially reasonable basis (for eg, we do not carry business interruption insurance for our Pallets business, although we carry "increased cost of working insurance" for that business) or may be subject to	properties and operational hazards with policy specifications and insured limits that we believe are customarily carried for similar properties and operating activities. Group Risk and Audit manages risk with robust site and asset management plans and modelling, including emergency response and business continuity. Global building surveys applying Zero Harm standards are conducted continually (Charter attached). Work to apply GPS coordinates for every site in order to map against events, including weather events and rating in terms of likelihood of events where data is available from insurers and regulators (eg USA) is conducted. In 2014, Brambles expanded natural catastrophe modelling with its insurer. We	are monitored through our risk management processes. No incremental cost is associated with monitoring this risk. Brambles has not had any impact in the past five years on insurance premiums for continuing operations. Insurance premiums are not disclosed due to commercial sensitivity.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>moving consumer goods industry, such as food borne illnesses. Each of these events could adversely affect our operational and financial performance. These events could result in customer disruption, employee safety issues, physical damage to one or more key operating facilities, temporary closure of one or more key operating facilities, temporary disruption of information systems, reputational damage, financial impairment or</p>						<p>larger excesses or limitations on coverage. If an uninsured or uninsurable loss occurs, we could be subject to material liability or lose both our invested capital in and anticipated profits from the affected property or assets. Damage to computer and back-up systems may require significant investment to repair or replace, and we may suffer interruptions that adversely affect operational and financial performance. Given the range of</p>	<p>have independent and physically separate primary and secondary computer systems, as well as offsite storage and a disaster recovery plan.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>litigation. Our operations and properties may be uninsured or underinsured and failure to maintain adequate insurance may result in a default under our debt instruments. Brambles' computer systems, including back up systems, are subject to damage or interruption from power outages, catastrophic events, such as fires, tornadoes and hurricanes, and so on. Interruption or failure of these systems could impair our ability to provide our</p>						<p>potential scenarios, we are unable to meaningfully quantify the implications.</p>		

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	services effectively and materially damage our reputation and ability to attract and retain customers.								
Sea level rise	Long term inundation risk of ports, low lying road and rail. Rising sea levels over time may impact on port and road infrastructure and the ability for our services to access transport on the affected infrastructure. Should over the mid to long term the impacts of climate change prompt the relocation of customers' operations, or	Increased operational cost	>6 years	Indirect (Supply chain)	Unknown	Low	Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.	Brambles has insurance policies to cover our respective properties and operational hazards with policy specifications and insured limits that we believe are customarily carried for similar properties and operating activities. We continue to monitor any potential impacts of this risk through our normal risk management processes. The Chief Executive Officer, through the Executive Leadership Team (ELT), has principal responsibility for risk management. Brambles operates a company-wide risk management	Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>the location of served industry sectors (such as fresh produce), then Brambles would need to consider the most appropriate basis for service continuity to those customers or industries.</p>							<p>framework, the objectives of which are as follows: - To incorporate effective risk management as part of Brambles' strategic planning process; - To require business operating plans to address the effective management of key risks; - To develop internal audit plans to concentrate efforts on providing assurance on the viability and value of risk mitigation/management processes; - To embed a stronger risk management culture; - To improve allocation of capital to reflect business risks; - To seek competitive advantage through increased certainty of achieving agreed organisational and business objectives; and - To continue to fulfil governance requirements for risk management. For further information on corporate governance</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								and risk management, please see the attached Corporate Governance Statement.	
Induced changes in natural resources	Risks to Brambles' supplier sectors, such as transport and forestry. Changing and unstable weather patterns, such as temperature increases and limited rainfall could generate more drought incidences and pose challenges to raw material and agricultural systems. Significant increases in fuel prices may negatively impact its operations.	Increased operational cost	>6 years	Indirect (Supply chain)	About as likely as not	Low	Impacts on raw materials and fuel would lead to increased costs for Brambles. Increases in operating costs could negatively impact our profitability or cash flow. Brambles could require substantial capital expenditure to adjust its business models to meet developments. Failure to source sufficient timber and other raw materials required for	Because we recover, repair and allow customers to reuse our products many times, we are able to reduce demand on resources. For eg, customers' use of pooled pallets saved at least 1,38 million trees in FY15 (see p 6 of the Sustainability Review 2015). We reported 4,901 tonnes of wood reclaimed and reused by CHEP in FY15. (p 22 Sustainability Review 2015) 100% of plastic material is recovered from IFCO RPCs at end of life. This reduces our demand for virgin plastic. In FY15, IFCO reused more than 17,000 tonnes of plastic material in the manufacture of new RPCs (p 19 Sustainability Review 2015) We generally	The cost of recovering and reusing wood and plastic is not considered separately, as it is an inherent part of our business model. Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.



Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>Brambles depends on the availability of natural resources, such as lumber, fuel and plastic resin. Droughts may impact on the availability of lumber in certain regions for our suppliers. In addition, risks to Brambles' client sectors, such as food and agriculture and information technology, due to changing areas of suitable land, increased incidence of pest and disease, impacts on production, may impact on demand for</p>						<p>the production of pallets at acceptable costs could significantly affect Brambles' operations. Brambles reported operating expenses of US\$462.0 m on raw materials and consumables and US\$785.4 m on repairs and maintenance in FY16 (p 53 of Annual Report 2016). In FY17, Capital expenditure for Pallets (which includes the cost of purchasing pallet assets) was US\$781.9 m; and for RPCs and Containers (which</p>	<p>source supplies of raw materials from a range of providers in each geographic region; however, in Australia we are dependent on a single local supplier for our lumber and plastic resin needs. Should over the mid to long term the impacts of climate change prompt the relocation of customers' operations, or the location of served industry sectors (such as fresh produce), then Brambles would need to consider the most appropriate basis for service continuity to those customers or industries.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>provision of services by Brambles' businesses. Fluctuations in commodity prices and raw material availability may affect our operations, operating revenues and results of operations. We have operations that are directly or indirectly exposed to volatility in costs of fuel, lumber, plastic resin and other raw materials that have the potential to impact our operations and margins. While we generally source supplies of raw materials</p>						<p>includes the cost of purchasing crates and containers) it was US\$313.1 m (see p 52 of the Annual Report 2016). Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.</p>		

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>from a range of providers in each geographic region, in Australia we are dependent on a single local supplier for our lumber and plastic resin needs. The failure to source sufficient timber and other raw materials required for the production of pallets, at acceptable costs and as required, could significantly affect our operations and adversely affect our business. In addition, any increase in the cost of materials, such as</p>								

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	timber and plastic resin, may also increase our repair costs of pallets, RPCs and containers.								
Other physical climate drivers	Melting ice, rising sea levels, more frequent and severe droughts and floods, change in temperature extremes and average temperatures are part of the environmental changes that businesses face and make some of our customers (eg food industry) more exposed than others. Current market issues that could support competitive	Reduced demand for goods/services	>6 years	Direct	About as likely as not	Low	The impact of noted factors could materially adversely affect our business, financial condition and results of operations. Sales revenue for FY16 was reported at US\$5,535.4m. This includes revenue from our Pallets, Containers and RPCs businesses. Revenue from RPCs (which relies on the food and produce industry) was US\$991.8m in	We conduct ongoing programs to drive customer intimacy throughout the supply chain, including retailers. Should over the mid to long term the impacts of climate change prompt the relocation of customers' operations, or the location of served industry sectors (such as fresh produce), then Brambles would need to consider the most appropriate basis for service continuity to those customers or industries. The Chief Executive Officer, through the Executive Leadership Team (ELT), has principal responsibility for risk management. Brambles operates a	Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>service offerings include (among other things) changes in retailer behaviour. Brambles notes industry trends as a key risk, in particular in the context of a dynamically changing retailing landscape. (p 5 Annual Report 2016)</p> <p>The physical impacts of climate change are predicted to have the most significant consequences in emerging economies, such as those in Asia and Africa. This could have implications for the viability of our</p>						<p>FY16. (see Annual Report 2016, p 8 and 13) Given the range of potential scenarios, we are unable to meaningfully quantify the actual financial implications at the current time.</p>	<p>company-wide risk management framework, the objectives of which are as follows: - To incorporate effective risk management as part of Brambles' strategic planning process; - To require business operating plans to address the effective management of key risks; - To develop internal audit plans to concentrate efforts on providing assurance on the viability and value of risk mitigation/management processes; - To embed a stronger risk management culture; - To improve allocation of capital to reflect business risks; - To seek competitive advantage through increased certainty of achieving agreed organisational and business objectives; and - To continue to fulfil governance requirements for risk management. For</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>business activities in these regions. Operations in new foreign markets may achieve low margins or may be unprofitable, and expansion in existing emerging markets may be affected by local legal, political, economic and market conditions, including fluctuations in prices for commodities and raw materials. The impact of noted factors could materially adversely affect our business, financial condition and results of</p>							<p>further information on corporate governance and risk management, please see the attached Corporate Governance Statement.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	operations.								

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Our customers and society in general are increasingly concerned about and addressing their own impacts on climate change. Climate change mitigation/adaptation and deforestation are of increasing concern to stakeholders, including customers. Customer demand for sustainable outsourced supply chain solutions and an intensifying competitive environment is noted as a key risk.	Reduced demand for goods/services	1 to 3 years	Direct	About as likely as not	Low	Brambles' sales revenue in the 12 months ended 30 June 2016 was US\$5,535.4 million. Revenue specifically related to major customers or customers engaged in our various customer-focused sustainability programs (for	Brambles has a sustainability strategy and key brand programs focused on leveraging inherent sustainability of Brambles business models and driving new levels of customer engagement. The targets Brambles sets are key drivers in our efforts to continuously improve and deliver more efficient, safer and environmentally sustainable supply chains. Further commentary on material sustainability issues, targets and progress is in the 2016	The costs of management actions to address our environmental impact are embedded within the business and not separately reported. Working with customers on collaborative programs, or developing new programs and products is considered a part of the cost of doing

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	(p 5 Annual Report 2016) Reputational risk could arise by not addressing our environmental impacts and assisting customers' supply chains, especially as attention extends to forest commodities and water. A lack of transparency could lead to customers moving to competitors, undermining our credibility and value of our business brand. Reputational risk could arise if we are not seen to be addressing our own impacts on the environment and assisting our customers with their supply chain.						example, our carbon neutral program) is not reported due to commercial sensitivity. We have reported increased customer involvement in these programs. Growth in revenue for carbon neutral products increased in FY16, with an additional 30% of carbon offsets purchased compared to FY15.	Sustainability Review. Brambles engages with customers on these issues in various ways, for example, we will respond to our customers Wal-Mart, Jaguar Land Rover, L'Oreal and Kellogg in 2017 through the CDP supply chain questionnaire.	business.
Fluctuating socio-economic conditions	The potential for increased physical effects on the markets we serve could indirectly lead to reduced demand and wider social	Reduced demand for goods/services	>6 years	Indirect (Client)	About as likely as not	Low	Because this is a long-term risk with unpredictable implications from climate change, we	The Chief Executive Officer, through the Executive Leadership Team (ELT), has principal responsibility for risk management. Brambles operates a	Any risk and its potential implications are monitored through our risk management



Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>disadvantages. Brambles reported risks associated with external factors include the challenging macro-economic environment that may affect demand for Brambles' services and/or the Group's profitability (see p 5 of the Annual Report 2016). Our global operations subject us to inherent risks, including political and economic risks and conditions specific to the countries or regions in which we operate, which could adversely affect our financial performance.</p>						<p>are unable to meaningfully quantify the actual financial implications at the current time as it relates specifically to climate change.</p>	<p>company-wide risk management framework, the objectives of which are as follows: - To incorporate effective risk management as part of Brambles' strategic planning process; - To require business operating plans to address the effective management of key risks; - To develop internal audit plans to concentrate efforts on providing assurance on the viability and value of risk mitigation/management processes; - To embed a stronger risk management culture; - To improve allocation of capital to reflect business risks; - To seek competitive advantage through increased certainty of achieving agreed organisational and business objectives; and - To continue to fulfil governance requirements for risk management. For</p>	<p>processes. No incremental cost is associated with monitoring this risk.</p>

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								further information on corporate governance and risk management, please see the attached Corporate Governance Statement.	
Reputation	Exclusion from ethical/green investment funds and other impacts. Brambles is subject to the risk that negative publicity, whether true or not, may affect stakeholder perceptions of Brambles' past actions and future prospects. Brambles could face reputational damage that affects its share price through exclusion from ethical/green investment funds, including superannuation funds in Australia that increasingly consider sustainability initiatives of the companies they	Reduced stock price (market valuation)	>6 years	Direct	Unlikely	Unknown	Brambles market capitalisation as at 30 June 2016 was A\$18.9 billion. The percentage of shares held by ethical/green investment funds is not known. A list of the twenty largest ordinary shareholders is on p 38 of the Annual Report 2016. Brambles has determined that at least 50% of shares held by our top 50 shareholders	Brambles seeks to minimise this risk through its sustainability strategy, including targets to reduce its impact on the environment (including emissions reductions). Brambles annual reporting on progress regularly provides communication to the investment community to alleviate this risk. Brambles considers sustainability throughout its business operations, including through its Code of Conduct and Zero Harm Charter. Brambles responded to investor requests regarding environmental management and performance in FY16, including through the	Any risk and its potential implications are monitored through our risk management processes. No incremental cost is associated with monitoring this risk. Responding to external surveys involves the time of both internal resources and external consultants, but the cost is not substantial to the business.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	invest in. If Brambles does not effectively communicate to the market this may lead to a loss of investor confidence in the business and its management and reduced share price performance.						are from companies who are signatories to the UN Principles for Responsible Investment, which would indicate an interest in the sustainability practices of those companies in which they invest.	CDP investor response, Dow Jones Sustainability Index and its Sustainability Review (attached). Brambles also responds to various other sustainability and ethical investment fund surveys and approaches and is listed or mentioned in many as a strong performer. This includes FTSE4Good, oekom, Ethibel, MSCI Sustainalytics, etc.	

CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

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## CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

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### Further Information

#### Attachments

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared)

[Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/BRL179\\_S31\\_Sustainability\\_Report\\_for\\_web.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/BRL179_S31_Sustainability_Report_for_web.pdf)

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/150915 Brambles Investment Market Briefing.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/150915%20Brambles%20Investment%20Market%20Briefing.pdf)

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared)

[Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/Brambles\\_Corporate-Governance-Statement-17AUG2016.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/Brambles_Corporate-Governance-Statement-17AUG2016.pdf)

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/230818\\_-\\_Brambles\\_2016\\_Annual\\_Report\\_updated.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/230818_-_Brambles_2016_Annual_Report_updated.pdf)

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/KPMG Assurance statement 2016.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/KPMG%20Assurance%20statement%202016.pdf)

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/Zero Harm Charter \(Feb 2013\) ENGLISH.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC5.ClimateChangeRisks/Zero%20Harm%20Charter%20(Feb%202013)%20ENGLISH.pdf)

### Page: CC6. Climate Change Opportunities

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## CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation  
 Opportunities driven by changes in physical climate parameters  
 Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Fuel/energy taxes and regulations	Brambles works with customers and suppliers directly, using our logistics knowledge, to help customers understand their supply chains and minimise their environmental footprint. Regulation and taxes on fuel could lead to a greater interest in our pooled products. For example, in	Increased demand for existing products/services	Up to 1 year	Indirect (Supply chain)	More likely than not	Low	Monetary savings are realised by customers, as well as Brambles. Savings related to nominated transportation projects were not specified in 2016 financial reporting. However, despite increased activity and a 8% increase in sales revenue in FY16 (in constant currency,	Brambles works to reduce its environmental footprint by using our logistics knowledge to minimise the footprint of its customers and the supply chain through network optimisation, improving transport efficiencies, transport collaboration, Total Pallet Management and multimodal (use of road, rail and sea) programs, which reduce transport distances and associated emissions. (see 2016 Sustainability Review). Brambles announced a target of year on year improvement in carbon emission intensity for transport emissions (CO2/kilometre). Brambles also announced targets for reducing emissions and increased renewable energy use in 2016. Installation of more energy efficient	All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated. Operating expense information is reported in Brambles 2016 Annual Report, p 53. Total operating expenses for FY16

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>FY16, by collaborating with over 177 customers through our transport programs we saved 35,000 tonnes CO2 and 35 million kilometres in trips. For example, in Belgium, CHEP collaborated with Coca-Cola Enterprises, Colruyt and Van Dievel to make our collective supply-chains more efficient. CHEP North America helps customers with transportation synergies, including reducing empty</p>						<p>see p 8 Annual Report), transport expenses paid to service suppliers increased by less than 1% from FY15 (p 53). While the exact financial impact of the opportunity to Brambles through increased customer revenue is not reported, Brambles reported US\$5,535.4 m in sales revenue in FY16. (p 8 2016 Annual Report)</p>	<p>equipment rewards continuous improvement in our equipment upgrades and energy usage through reduced operational costs. Reducing energy use is a key component of emissions reductions activities, subsequently reducing energy costs.</p>	<p>were US\$4,710.7 million.</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>transport lanes by over 4.8 million kilometres in FY16. In the US, fleet optimisation helps customers earn revenue and reduce empty miles by hauling CHEP's backhaul freight and the customer storage program reimburses customers for storing pallets on site using seasonally available space, reducing transportation. In Europe, we partner with 135 customers on transport, Total Pallet Management</p>								

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>and multimodal programs. CHEP also works with transport providers to replace diesel trucks with more eco-friendly natural gas trucks to reduce scope 3 emissions. The introduction of alternative fuels such as liquid natural gas (LNG) and compressed natural gas (CNG) to transport our pallets helps to develop a more sustainable supply chain. In FY16, CHEP Europe joined Connect2LNG, a</p>								



Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	consortium of companies led by Unilever and co-funded by the European Commission that will further develop a European infrastructure for LNG through large scale collaboration.								
Cap and trade schemes	Cap and trade schemes present incentives to cutting GHG emissions cost-effectively through energy efficiency, promoting energy efficient equipment, renewable alternatives, etc, and making these	Reduced operational costs	Up to 1 year	Direct	About as likely as not	Low	Reducing energy use is a key component of emissions reductions activities, subsequently reducing energy costs. Energy costs are included in our annual financial reporting. In FY16, despite a 8% increase in sales	Brambles announced new targets for reducing emissions and increased renewable energy use in 2016. Installation of more energy efficient equipment rewards continuous improvement in our equipment upgrades and energy usage through reduced operational costs. Reducing energy use is a key component of emissions reductions activities, subsequently reducing energy costs.	The cost of installing energy efficient equipment is not reported separately in our financial reporting; however, would be included in the relevant expenses or capital costs in our 2016 Annual Report.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>cheaper due to increased market demand. The move to more energy efficient equipment rewards continuous improvement in our equipment upgrades and energy usage through reduced operational costs. While Brambles businesses do not currently participate in an emissions trading or cap and trade schemes, these may affect us in future if they are adopted or expanded in countries where we</p>						<p>revenue (in constant currency), occupancy costs (which include energy costs at many sites) decreased by US\$8.4 million (approximately 4% from FY15). Decreased energy use may contribute to lower occupancy costs.</p>		

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	operate.								
Product labeling regulations and standards	New regulations and initiatives to provide environmental communication to consumers are expected in some countries (eg EU, France, Belgium, Sweden, Germany, Greece, China, Thailand, Japan, Mexico). Many countries already have voluntary environmental product labelling standards. FMCG customers with high awareness of climate change may	Increased demand for existing products/services	Up to 1 year	Direct	Virtually certain	Low-medium	While the exact financial impact of the opportunity to Brambles through increased customer revenue by those interested in the environmental benefits of pooling is not reported, Brambles reported US\$5,535.4 m in sales revenue in FY16. (p 8 2016 Annual Report). The number of customers participating in the carbon neutral pallet program continues to grow each year. Growth in revenue	Brambles' business model is inherently sustainable. Because we recover, repair and allow customers to share and reuse our products many times, we are able to reduce demand on resources and waste. The CHEP carbon neutral program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. Further information on the environmental benefits of our share and reuse model and the programs we implement can be found on our website at <a href="http://www.brambles.com/sustainability">www.brambles.com/sustainability</a> and in the 2016 Sustainability Review.	Management of customers and accounts is conducted through normal account management processes. No incremental cost is associated. Operating expense information is reported in Brambles 2016 Annual Report, p 53. Total operating expenses for FY16 were US\$4,710.7 million.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>be looking to reduce the entire life cycle impact of their products. Product labelling requirements present an opportunity for Brambles' businesses to demonstrate the reduction in environmental impact from using pooling solutions. Some of Brambles' customers that have demonstrated an interest in reducing the environmental impact of their supply chains include L'Oreal, Jaguar Land Rover,</p>						<p>for carbon neutral products increased in FY16, with 30% more carbon offsets through the program compared to FY15. Brambles does not report revenue from specific customers for reasons of commercial sensitivity. CHEP has offered its carbon neutral program, beginning in Europe, since 2013.</p>		

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>Walmart and Kelloggs (though their CDP supply chain requests), as well as those participating in our carbon neutral program (including Heinz, MSM, Spadel, Henkel and Unilever. Moving customers from one way systems to our share and reuse model delivers measurable environmental benefits for customers. In FY16, customers' use of our pallets and reusable plastic crates (RPCs) saved CO2-e emissions,</p>								

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	trees, water and reduced waste (see figures in 2016 Sust Review, p 7) Brambles allows customers to better measure the impact of their product life cycle and assist with data required for labelling and other environmental regulations.								
General environmental regulations, including planning	Waste regulation: for example, the EU Waste Directive. Brambles is focused on reducing waste in customers' supply chains. Customers saved more than 1.3	Increased demand for existing products/services	Up to 1 year	Direct	Virtually certain	Low-medium	Brambles does not report the value of individual contracts due to commercial sensitivity. Brambles does not estimate revenue growth for customers adopting	As well as working with customers and potential customers to demonstrate the environmental benefits of our reusable solutions (including reduction in waste), Brambles applies our logistics and supply chain expertise to reduce food loss and waste, as well as in our own product development. For example, CHEP and IFCO are working with Unilever on the development of returnable packaging solutions that replace single use cardboard	All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>million tonnes of waste by using and reusing our pallets and crates in FY16. Food waste in particular is an issue that generates wastage of resources, including water, energy and superfluous GHG emissions, and reduced supply of agricultural materials, which is particularly important to our customers. It is estimated that between one third and one half of the food produced by the developed</p>						<p>purely to reduce food waste. Brambles reported US\$5,535.4 m in sales revenue in FY16. (p 8 2015 Annual Report) RPCs, which particularly reduce food waste through innovative product design, reported sales revenue of US\$991.8 million in FY16 (up 16% in constant currency from FY15 - see p 13 of the 2016 Annual Report).</p>	<p>for FMCG products, reducing food loss and waste. One of our key community partnerships is with food banks around the world. Working with food banks not only provides assistance to community groups and charities working with those less fortunate, but it also helps to reduce food waste by diverting usable products from landfill (see 2016 Sust Review p 31).</p>	<p>these. Operating expense information is reported in Brambles 2016 Annual Report, p 53.</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>world is lost post-harvest between the farm and consumer. Brambles recognises that by applying our logistics and supply chain expertise we are uniquely placed to help reduce food waste throughout the value chain. Working with our customers and retailers in FY16, we reduced food waste by more than 3,920 tonnes (see 2016 Sust Review p 7). We do this by collaborating with customers and retailers, as well as in</p>								



Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>our own product development. Problems associated with multiple handling, spoilage and damage during transportation to manufacturers, markets and consumers result in significant amounts of food waste. Brambles reduces food waste and loss through our innovative pooled products and logistics services. Brambles has created opportunities for international non-profit organisation</p>								

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>Enactus and the World Economic Forum, focusing on reducing food loss and waste. Our communities goals include a commitment to supporting food security and reducing food waste initiatives (see Better Communities Goals). In March 2013, Brambles joined the World Economic Forum as a partner and became a steering committee member of the Forum's food waste project.</p>								

CC6.1b

Please describe your inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other physical climate opportunities	Brambles businesses have demonstrated their ability to respond to customer needs in situations that may arise due to climate change, such as extreme weather events. Climate change and environmental issues are top on the agenda for a number of multinational customers that carefully assess the impacts of physical events due to climate change. For example,	Increased demand for existing products/services	Up to 1 year	Direct	Virtually certain	Low	Brambles does not report the value of individual contracts due to commercial sensitivity. Brambles reported US\$5,535.4 m in sales revenue in FY16. (p 8 2016 Annual Report) This is an 8% increase (constant currency) from FY15.	Brambles businesses have demonstrated their ability to respond to customer needs in situations such as extreme weather events. For example, In 2012, our operations were impacted by the extensive flooding in Thailand, but suffered no significant asset losses or business interruptions. CHEP was able to continue servicing customers throughout the period. Brambles businesses have an extensive network of service centres and uses many outsourced service centres. This provides them with a great deal of flexibility to adjust	The costs of product development are not separated out for environmental or sustainability projects. All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring these. Operating expense information is reported in Brambles 2016 Annual Report, p 53. Total operating expenses for FY16 were US\$4,710.7 million.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	Nestle, Unilever, Procter & Gamble and Jaguar Land Rover are some of our customers who demonstrate this concern by participating in the CDP, some achieving leadership status.							the network to meet changing customer needs or to reduce or optimise transport costs. The benefits of our service and business model are also more attractive to existing and potential customers as they address the impacts of energy, packaging and waste regulation and reporting on their businesses.	
Change in temperature extremes	Changing climactic conditions allow Brambles businesses to develop products to help their customers withstand these conditions faced in transportation, such as international shipping.	New products/business services	Up to 1 year	Direct	Virtually certain	Low	Brambles does not report the value of individual contracts or products due to commercial sensitivity. Brambles reported US\$5,535.4 m in sales revenue in FY16. (p 8 2016 Annual Report)	Brambles conducts product development and testing. Our Innovation Center in Orlando, Florida, a world-class product testing and engineering facility supports projects in an ongoing manner. New innovations in pallet types are designed or evaluated and wood species tested. We report	The costs of product development are not separated out for environmental or sustainability projects. All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring these. Operating expense information is reported in Brambles 2016 Annual Report, p 53.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>Several product developments address customers' needs to respond to changing climate patterns and temperature extremes with an environmentally friendly solution. For eg, CHEP's reusable automotive international shipping container IcoQube ensures greater protection for goods during shipment, completely fills a standard sea container and significantly reduces the waste associated with traditional</p>						<p>RPCs (which includes IFCO) reported US\$991.8 m in sales revenue in FY16, while Containers reported US\$453.7 m in sales revenue in FY16.</p>	<p>on new product development regularly on our websites (<a href="http://www.chep.com">www.chep.com</a>, <a href="http://www.ifco.com">www.ifco.com</a>, <a href="http://www.brambles.com">www.brambles.com</a>).</p>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>packaging. It improves CHEP's ability to solve important automotive supply chain issues, including the extreme climate conditions and high levels of humidity found inside sea vessels, for example when crossing the equator (see attached product info on IcoQube). CHEP and IFCO also work with customers to improve the transportation of food, which is more vulnerable to temperate extremes and changes in temperature. For eg, IFCO's egg crate</p>								

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	improves the protection and handling of eggs and helps to reduce broken eggs by up to 66%. The crate ventilation allows for faster cooling performance for better quality and freshness. (see product info attached) IFCO also has a meat crate to allow for temperature stabilisation while transporting meat.								
Induced changes in natural resources	Climate change will impact agricultural and forestry systems. The secure supply of wood is critical to Brambles.	Other: Supply chain adaptation	>6 years	Indirect (Supply chain)		Low	Brambles works with suppliers in achieving sustainability outcomes as part of general procurement practice. The	In order to achieve improvement and promotion of responsible and sustainable procurement of timber, Brambles continues to work with strategic suppliers to further	The costs of procurement practices, such as supplier programs, is not separated out for environmental/sustainability projects and managed through operational processes. No incremental cost is associated with these.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>CHEP uses timber to make and repair reusable pallets in our pooling system. We work with suppliers in timber (development), securing longer term supply of raw materials. This improves our competitive opportunity in creating reliable supply of high quality raw materials that may be impacted by changes in temperature patterns. We also minimise our environmental footprint. Because we recover, repair and allow customers to reuse our</p>						<p>value of individual contracts is not reported due to commercial sensitivity. In FY16, Brambles purchased 2.7 million cubic metres of wood for use in CHEP pooled pallets (2.3 million cubic metres in FY15). Certified timber may carry a price premium. For eg, according to FSC, one of the accepted certification standards, "Depending on the operation, price premiums for FSC-wood, particularly from the</p>	<p>increase the available supply of chain of custody certified timber. A target of achieving chain of custody certification for 100% of timber has been set, to provide a focus for the continual improvement and promotion of the responsible and sustainable procurement of timber (see Better Planet Goals attached). In FY16, Brambles purchased 2.7 million cubic metres of wood for use in CHEP pooled pallets. Of the wood purchased in FY16, 97.3% was from certified sources, with 48% carrying chain of custody certification. Brambles reports its timber sourcing through CDP Forests, achieving sector leadership in</p>	<p>Operating expense and capex information is reported in Brambles 2016 Annual Report, pp 52-53.</p>



Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>pooled products many times, we are able to reduce demand on resources and waste. Customers' use of pooled timber pallets saved at least 1.4 million trees in FY16. (see 2016 Sust Review, p 7) As a credible and trusted partner in our customers' supply chains, we aim to continuously improve the way we source materials. Through proactive engagement with our suppliers and customers, we seek to positively influence and subsequently</p>						<p>tropics, range from 15 to 25%." (see attached) However, our work with suppliers in timber development secures longer term supply. This improves competitive opportunity. The cost of timber to the business is captured in financial reporting for capital expenditure (purchase of newly manufactured pallets) US\$781.9 m and operating expenses (raw materials and consumable</p>	<p>recognition of its efforts.</p>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>improve our supply chain, including timber. Brambles has a target of achieving chain of custody certification for 100% of all timber purchased, working towards the aspiration of zero deforestation (see attached target). According to CDP Forests, deforestation accounts for approximately 10-15% of the world's greenhouse gas emissions, equivalent to the entire transport sector. We continue to look for opportunities</p>						<p>s) US\$462.0 m. (see p 52-53 of the 2016 Annual Report.</p>		

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	to overcome challenges to the supply of pallet-grade chain of custody certified timber in all regions. (see Sust Review, pp 22-24)								

CC6.1c

Please describe your inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behavior	Climate change and environmental issues are top on the agenda for a number of multinational customers. Some of Brambles' customers that have demonstrated an interest in reducing the	Increased demand for existing products/services	Up to 1 year	Direct	Very likely	Low-medium	Brambles does not report the value of individual contracts due to commercial sensitivity. While the exact financial impact of the opportunity to Brambles	Brambles' business model is inherently sustainable. Because we recover, repair and allow customers to reuse our products many times, we are able to reduce	The costs of product development are not separated out for environmental or sustainability projects. The cost of carbon credits as part of the carbon

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>environmental impact of their supply chains include L'Oreal, Jaguar Land Rover, Walmart and Kelloggs (though their CDP supply chain requests), as well as those participating in our carbon neutral program (including Heinz, MSM, Spadel, Henkel and Unilever. Moving customers from one way systems to our pooled solutions delivers measurable environmental benefits for customers. In FY16, customers' use of reusable pallets and plastic crates instead of one way saved CO2-e emissions, trees, water and reduced waste (see figures in 2016 Sust Review, p 7) Brambles allows customers to better measure the impact</p>						<p>through increased customer revenue is not reported, Brambles reported US\$5,535.4 m in sales revenue in FY16. (p 8 2016 Annual Report) Revenue from the carbon neutral program is included in the sales revenue reported. Growth in revenue for carbon neutral products was up in FY16, with more than 30% more offsets purchased compared to FY15, including customers taking it up for the first time in the US.</p>	<p>demand on resources and waste. The CHEP carbon neutral program allows customers to offset the footprint of their CHEP pallet movements and purchase internationally recognised VCS-certified carbon credits in reforestation projects in developing countries. Further information on carbon neutral program and pallets is available in the 2016 Sustainability Review and on CHEP's website. (see attached case studies - Sweden, Spadel water bottler and Heinz)</p>	<p>neutral pallet program are passed on to customers directly. All opportunities and their potential implications are investigated through our operational processes. No incremental cost is associated with monitoring these.</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	of their product life cycle. The benefits of Brambles' products and business model are more attractive to existing and potential customers as they address the impacts of energy, packaging and waste on their businesses and seek to limit deforestation in their supply chains. The environmental benefits of pallet pooling were highlighted in media around customer contracts won or extended in FY16, further demonstrating customer recognition. (see attached media for some examples)								
Reputation	Climate change and environmental issues are important to many multinational companies, including those who	Increased demand for existing products/services	Up to 1 year	Direct	Very likely	Low-medium	Brambles does not report the value of individual contracts due to commercial sensitivity.	Climate change and environmental issues are the focus of many companies, keen to address	All opportunities and their potential implications are investigated

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>are customers or are potential customers, and other stakeholders, such as investors and providers of capital. The benefits of Brambles' products and its business model are more attractive to existing and potential customers as they address the impacts of energy, packaging and waste regulation and reporting on their businesses and seek to limit deforestation in their supply chains. The environmental benefits of pallet pooling were highlighted in media around customer contracts won or extended in FY16, demonstrating customer recognition. (see attached media for a few eggs) Inclusion in ethical/green</p>						<p>While the exact financial impact of the opportunity to Brambles through increased customer revenue is not reported, Brambles reported US\$5,535.4 m in sales revenue in FY16. (p 8 2016 Annual Report) Brambles market capitalisation as at 30 June 2016 was A\$18.9 billion. The percentage of shares held by ethical/green investment funds is not known. A list of the twenty largest ordinary shareholders is on p 38 of the Annual Report</p>	<p>supply chain impacts. This includes Brambles' customers and potential customers. Through our supply chain packaging solutions, pallets, crates and containers are reused continuously, reducing consumption and raw material waste, while an optimised network increases efficiency and reduces transport emissions. Increased awareness of sustainability issues presents opportunity for the benefits of existing products to be recognised and formally</p>	<p>through our operational processes. No incremental cost is associated with monitoring these. Operating expense information is reported in Brambles 2016 Annual Report.</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>investment funds and sustainability indices can also be a result of recognition of sound sustainability policies and performance. improving reputation with customers and investors. Brambles was acknowledged as a Sustainability Leader by the Dow Jones Sustainability Index/RobecoSAM in 2015 and 2016 and also listed on the DJSI World Index.</p>						<p>2016. Brambles has determined that at least 50% of shares held by our top 50 shareholders are from companies who are signatories to the UN Principles for Responsible Investment, which may indicate an interest in the sustainability practices of those companies in which they invest. The Advertising Value Equivalency (AVE) associated with media coverage of the environmental benefits of Brambles pooled</p>	<p>measured. There was extensive media coverage during FY16 of customers adopting our share and reuse solutions related to environmental benefits, including reduced emissions (see attached). In addition, Brambles' focus on addressing its own environmental footprint and supply chain (for eg, by working towards its target of chain of custody certification for timber purchased for CHEP pallet manufacture, reducing GHG emissions, removing timber waste from landfill,</p>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							products for FY16 was approximately US\$1.5 million, including all languages.	improving recycling, etc) could lead to broad reputation gains. Being recognised through external programs, such as CDP and DJSI means we are clearly communicating our performance and actions on climate change to stakeholders, including investors. A good reputation could also impact our ability to recruit employees committed to our environmental actions.	
Increasing humanitarian demands	From time to time, Brambles' businesses provide pallets, RPCs and containers free of charge to transport emergency	Wider social benefits	Up to 1 year	Direct	Virtually certain	Low	The exact financial impact of this opportunity to Brambles through increased	Brambles partners with local and global food bank organisations by providing equipment such	Brambles reported in-kind donations of pallets, crates and services to the value of



Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>supplies for relief efforts in times of disaster. Brambles also partners with food banks around the world to provide assistance to community groups and charities working with those less fortunate (see 2016 Sust Review, pp 30-33) In addition, Brambles' businesses have assisted agencies providing humanitarian aid with analysis of their supply of goods through our logistics knowledge. For eg, in FY16, CHEP worked with the UNHCR to improve the delivery of life saving refugee aid (see UNHCR attachment). CHEP is performing an in-depth study of the UNHCR global supply chain network. CHEP's Plant Network Optimisation Team</p>						customer revenue is not evaluated.	<p>as pallets, Reusable Plastic Crates (RPCs) and containers as well as the expertise of our people. IFCO's Worldwide Responsibility Program shares its expertise in collecting and transporting fruit and vegetables with food banks around the world. CHEP and IFCO collaborate with over 100 food banks around the world. In FY16, the Global Foodbanking Network and Brambles signed a three year partnership. We provide skilled and un-skilled volunteer labour to help our charities with requirements</p>	<p>US\$1,540,000 in FY16. The volunteering value provided by Brambles' employees in FY16 was US\$400,000. (see 2016 Sust Review p 31) The cost of managing community partnerships and other programs is not reported separately; however, this would be included in the operating expense information reported in Brambles 2016 Annual Report, p 53.</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>in the US is reviewing the current state of UNHCR resources to reduce the lead time required to service refugee camps. The UNHCR study involves multi-country, air, sea and road transportation and multiple data sources, factors which greatly increase the scale and complexity of the study. Brambles partners with community organisations and charities working with those less fortunate, providing equipment such as pallets, Reusable Plastic Crates (RPCs) and containers, as well as the expertise of our people.</p>							<p>ranging from logistics planning and network collaboration to packing food hampers for those in need. Brambles allows three days volunteering leave to all permanent employees each year. (see Sustainability Review pp 30-32)</p>	

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

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CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

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CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

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**Further Information**

**Attachments**

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CHEP Aerospace Solutions and Fiji Airways renew ULD management partnership.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CHEP%20Aerospace%20Solutions%20and%20Fiji%20Airways%20renew%20ULD%20management%20partnership.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CHEP's Carbon Neutral Program Set to Reduce Water Bottler's Carbon Footprint.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CHEP's%20Carbon%20Neutral%20Program%20Set%20to%20Reduce%20Water%20Bottler's%20Carbon%20Footprint.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Lucart Jan 2016.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Lucart%20Jan%202016.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Iceland Jan 2016.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Iceland%20Jan%202016.pdf)

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Alcanza Jan 2016.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Alcanza%20Jan%202016.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CHEP Helps Swedish Customers Reduce Footprint.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CHEP%20Helps%20Swedish%20Customers%20Reduce%20Footprint.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Release - CHEP Europe Awarded Highest Rating In Ecovadis Supplier Survey.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Release%20-%20CHEP%20Europe%20Awarded%20Highest%20Rating%20In%20Ecovadis%20Supplier%20Survey.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/FSC media release.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/FSC%20media%20release.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/230818\\_-\\_Brambles\\_2016\\_Annual\\_Report\\_updated.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/230818_-_Brambles_2016_Annual_Report_updated.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CHEP and Air Europa extend ULD management partnership.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CHEP%20and%20Air%20Europa%20extend%20ULD%20management%20partnership.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/BRL179\\_S31\\_Sustainability\\_Report\\_for\\_web.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/BRL179_S31_Sustainability_Report_for_web.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/IcoQube\\_3\\_Automotive\\_Container-2.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/IcoQube_3_Automotive_Container-2.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Heinz - Sustainability Vital In Supply Chain.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Heinz%20-%20Sustainability%20Vital%20In%20Supply%20Chain.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/UNHCR and CHEP to improve delivery of life saving refugee aid with supply chain study.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/UNHCR%20and%20CHEP%20to%20improve%20delivery%20of%20life%20saving%20refugee%20aid%20with%20supply%20chain%20study.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CHEP Europe Spadel Jan 2016.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/CHEP%20Europe%20Spadel%20Jan%202016.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Release - Air Austral awards ULD management contract to CHEP.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Release%20-%20Air%20Austral%20awards%20ULD%20management%20contract%20to%20CHEP.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/IFCO's egg crate.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/IFCO's%20egg%20crate.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Better Planet Goals - Zero Deforestation.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Better%20Planet%20Goals%20-%20Zero%20Deforestation.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/north america chep january 2016 TetraPak.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/north%20america%20chep%20january%202016%20TetraPak.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Brambles included in Dow Jones Sustainability World Index for second year.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Brambles%20included%20in%20Dow%20Jones%20Sustainability%20World%20Index%20for%20second%20year.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Release - SAS to extend partnership and transition to lightweight containers with CHEP.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Release%20-%20SAS%20to%20extend%20partnership%20and%20transition%20to%20lightweight%20containers%20with%20CHEP.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Orangina Jan 2016.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC6.ClimateChangeOpportunities/Orangina%20Jan%202016.pdf)

## **Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading**

### **Page: CC7. Emissions Methodology**

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**CC7.1**

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Tue 01 Jul 2014 - Tue 30 Jun 2015	78940
Scope 2 (location-based)	Tue 01 Jul 2014 - Tue 30 Jun 2015	41820
Scope 2 (market-based)	Tue 01 Jul 2014 - Tue 30 Jun 2015	0

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**CC7.2**

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
Other

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**CC7.2a**

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

See attached 2016 Sustainability Review - Supplementary Information document for data measurement techniques and explanations on GHG emissions (pp 8-9).  
 Global: The World Resources Institute's GHG Protocol conversion and emissions factors for fuel and gas consumption.  
 EMEA, Asia, New Zealand, Canada and Latin America: The International Energy Agency (IEA) emissions factors (as prescribed by the GHG Protocol) for electricity consumption.  
 USA: The Energy Information Administration (EIA) emissions factors for electricity consumption of all US operations.  
 Australia: The National Greenhouse Accounts (NGA) emissions factors for electricity consumption of all Australian operations.

**CC7.3**

**Please give the source for the global warming potentials you have used**

Gas	Reference
CO2	Other: GHG protocol and Australian national greenhouse account factors and EIA factors for USA states and regions.

**CC7.4**

**Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page**

Fuel/Material/Energy	Emission Factor	Unit	Reference
Other: See attached spreadsheet for emission factors, under 'Further Information'			

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**Further Information**

Scope 2 emissions were not calculated or reported on a market basis for FY15 for target purposes. FY15 figures have been restated to set a target baseline for sites relevant to our target. A full breakdown of the methodology and boundaries is available in our 2016 Sustainability Review - supplementary information document (attached).

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**Attachments**

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/FY16 Emissions factors.xlsx](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/FY16%20Emissions%20factors.xlsx)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/2016\\_Sustainability\\_Supplementary.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/2016_Sustainability_Supplementary.pdf)  
[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/Emission Factors for iCARE System\\_FINAL.xlsx](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/Emission%20Factors%20for%20iCARE%20System_FINAL.xlsx)

**Page: CC8. Emissions Data - (1 Jul 2015 - 30 Jun 2016)**

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**CC8.1**

**Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory**

Operational control

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**CC8.2**

**Please provide your gross global Scope 1 emissions figures in metric tonnes CO<sub>2</sub>e**

78940

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**CC8.3**

**Please describe your approach to reporting Scope 2 emissions**

Scope 2, location-based	Scope 2, market-based	Comment
We are reporting a Scope 2, location-based figure	We have operations where we are able to access electricity supplier emissions factors or residual emissions factors, but are unable to report a Scope 2, market-based figure	We did not calculate or report a scope 2 market-based emissions figure for FY16. We will investigate doing this in FY17, as we are able to separate renewable energy data by country.

**CC8.3a**

**Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e**

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
41820	0	We did not calculate or report a scope 2 market-based emissions figure for FY16. We will investigate doing this in FY17, as we are able to separate renewable energy data by country.

**CC8.4**

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

No

**CC8.4a**



Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why the source is excluded

**CC8.5**

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 5% but less than or equal to 10%	Extrapolation Other: Uncertainty in data received	Data is manually entered in our system on a monthly basis. This involves the risk of human errors or unintended mistakes in system use. Where invoice data has not been received for a period in the reporting year, the first step is to confirm that the facility is still operated by Brambles. If the operation is confirmed energy use is estimated, then calculated using the average energy consumed in the months for which an invoice has been received. Also for FY16, in order to focus our data collection and efficiency efforts, in relation to emissions Brambles undertook an exercise to identify the 136 sites representing 95% of emissions (based on FY15 emissions totals). These sites were identified as 'in scope' and energy consumption data was collected. The remaining sites that represent 5% of emissions were subsequently estimated based on the average emissions of the 136 sites. 100% of fleet data was collected.
Scope 2 (location-based)	More than 5% but less than or equal to 10%	Extrapolation Other: Uncertainty in data received	Data is manually entered in our system on a monthly basis. This involves the risk of human errors or unintended mistakes in system use. Where invoice data has not been received for a period in the reporting year, the first step is to confirm that the facility is still operated by Brambles. If the operation is confirmed energy use is estimated, then calculated using the average energy consumed in the months for which an invoice has been received. Also for FY16, in order to focus our data collection and efficiency efforts, in relation to emissions Brambles undertook an exercise to identify the 136 sites representing 95% of emissions (based on FY15 emissions totals). These sites were identified as 'in

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
			scope' and energy consumption data was collected. The remaining sites that represent 5% of emissions were subsequently estimated based on the average emissions of the 136 sites.
Scope 2 (market-based)	Less than or equal to 2%	Data Management	All Scope 2 data for FY16 was collected and reported as location-based, rather than market-based. Brambles will look to adapt emissions reporting in future to reflect renewable energy purchased for a market-based method. We did purchase renewable energy in FY16, in fact, 15% of our global electricity consumption was purchased from renewable energy sources.

#### CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance process in place

#### CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC8.6a/KPMG Assurance">https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC8.6a/KPMG Assurance</a>	1-2	ASAE3000	100

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
			statement 2016.pdf			

**CC8.6b**

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emission Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission

**CC8.7**

**Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures**

Third party verification or assurance process in place

**CC8.7a**

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC8.7a/KPMG Assurance statement 2016.pdf">https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC8.7a/KPMG Assurance statement 2016.pdf</a>	1-2	ASAE3000	100

#### CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Year on year change in emissions (Scope 1 and 2)	The assured information, as stated in the provided assurance statement, includes all information and data on emissions as stated in the attached 2016 Sustainability Review on p 26, excluding quantitative and qualitative information related to Scope 3.
Emissions reduction activities	The assured information, as stated in the provided assurance statement, includes all information and data on emissions as stated in the attached 2016 Sustainability Review on p 26, excluding quantitative and qualitative information related to Scope 3.

#### CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

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CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

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**Further Information**

During FY16, in order to focus our data collection and efficiency efforts, in relation to emissions Brambles undertook an exercise to identify the 136 sites representing 95% of emissions (based on FY15 emissions totals). These sites were identified as 'in scope' and energy consumption data was collected. The remaining sites that represent 5% of emissions were subsequently estimated based on the average emissions of the 136 sites. 100% of fleet data was collected.

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**Attachments**

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC8.EmissionsData\(1Jul2015-30Jun2016\)/BRL179\\_S31\\_Sustainability\\_Report\\_for\\_web.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC8.EmissionsData(1Jul2015-30Jun2016)/BRL179_S31_Sustainability_Report_for_web.pdf)

**Page: CC9. Scope 1 Emissions Breakdown - (1 Jul 2015 - 30 Jun 2016)**

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CC9.1

**Do you have Scope 1 emissions sources in more than one country?**

Yes

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CC9.1a

**Please break down your total gross global Scope 1 emissions by country/region**

Country/Region	Scope 1 metric tonnes CO2e
Australia	4691
United Kingdom	3980
Rest of world	63472

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**CC9.2**

**Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)**

By business division

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**CC9.2a**

**Please break down your total gross global Scope 1 emissions by business division**

Business division	Scope 1 emissions (metric tonnes CO2e)
Pallets Americas	46660
Pallets Asia-Pacific	7020
Pallets Europe, Middle East and Africa	8700
RPCs	7730
Containers	2040
Corporate	0

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**CC9.2b**

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
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CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
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CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
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**Further Information**

**Attachments**

**Page: CC10. Scope 2 Emissions Breakdown - (1 Jul 2015 - 30 Jun 2016)**

**CC10.1**

**Do you have Scope 2 emissions sources in more than one country?**

Yes

**CC10.1a**

**Please break down your total gross global Scope 2 emissions and energy consumption by country/region**

Country/Region	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Australia	17491		83753388	
United Kingdom	1356		2813554	
Rest of world	29770		62162778	

**CC10.2**

**Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)**



By business division

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**CC10.2a**

**Please break down your total gross global Scope 2 emissions by business division**

<b>Business division</b>	<b>Scope 2, location-based (metric tonnes CO2e)</b>	<b>Scope 2, market-based (metric tonnes CO2e)</b>
Pallets Americas	13120	
Pallets Europe, Middle East and Africa	6400	
Pallets Asia-Pacific	13810	
RPCs	11440	
Containers	2420	
Corporate	1430	

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**CC10.2b**

**Please break down your total gross global Scope 2 emissions by facility**

<b>Facility</b>	<b>Scope 2, location-based (metric tonnes CO2e)</b>	<b>Scope 2, market-based (metric tonnes CO2e)</b>
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**CC10.2c**

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)
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**Further Information**

**Attachments**

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC10.Scope2EmissionsBreakdown\(1Jul2015-30Jun2016\)/Five year performance data combined FINAL Nov 2016.xlsx](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC10.Scope2EmissionsBreakdown(1Jul2015-30Jun2016)/Five%20year%20performance%20data%20combined%20FINAL%20Nov%202016.xlsx)

**Page: CC11. Energy**

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**CC11.1**

**What percentage of your total operational spend in the reporting year was on energy?**

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

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**CC11.2**

**Please state how much heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year**

Energy type	MWh
Heat	0

Energy type	MWh
Steam	0
Cooling	0

---

**CC11.3**

**Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year**

407802.8

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**CC11.3a**

**Please complete the table by breaking down the total "Fuel" figure entered above by fuel type**

Fuels	MWh
Diesel/Gas oil	13085758
Natural gas	67718640
Liquefied petroleum gas (LPG)	53748971
Motor gasoline	24749

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**CC11.4**

**Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a**

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Emissions factor (in units of metric tonnes CO2e per MWh)	Comment
Energy attribute certificates, Guarantees of Origin	12324		15% of electricity purchased in FY16 came from renewable sources, increasing by 2% from FY15. Sites with renewable energy procurement receive electricity from clean sources, including energy produced from hydro, wind, tidal, wave, photovoltaic, biomass, waste gases and industrial waste sources.
Off-grid energy consumption from an on-site installation or through a direct line to an off-site generator owned by another company	208		Electricity generated in Belgium from an onsite renewable resource (solar panels).

#### CC11.5

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
163131	163121	0	208	208	The renewable energy produced on-site in Belgium is used by that site only.

#### Further Information

Brambles did not report how much heat, steam, and cooling in MWh was purchased and consumed during the reporting year. We will investigate this for future reporting.

#### Attachments

<https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC11.Energy/Five year performance data combined FINAL Nov 2016.xlsx>

#### Page: CC12. Emissions Performance

#### CC12.1

**How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?**

Decreased

#### CC12.1a

**Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year**

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities	2	Decrease	Our combined scope 1 and scope 2 emissions decreased 2% from FY15. Scope 1 emissions reduced 4% and include emissions from gas, onsite electricity production and fuel used in fleet vehicles. Scope 2 emissions from purchased electricity increased in absolute terms by 2% in FY16. The increase was due to improved data collection, with accurate data, as well as increased production demands at our service centres.
Divestment		No change	Not applicable
Acquisitions		No change	Not applicable
Mergers		No change	Not applicable
Change in output		No change	While Brambles reported increased sales revenue and increased production demands in our service

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
			centres in FY16, this did not lead to an increase in our combined scope 1 and scope 2 emissions. There was an increase of 2% in scope 2 emissions from purchased electricity, but this was offset by reductions in scope 1 emissions.
Change in methodology		No change	Not applicable
Change in boundary		No change	During FY16, in order to focus our data collection and efficiency efforts, in relation to emissions. Brambles undertook an exercise to identify the 136 sites representing 95% of emissions (based on FY15 emissions totals ). These sites were identified as 'in scope' and energy consumption data was collected. The remaining sites that represent 5% of emissions were subsequently estimated based on the average emissions of the 136 sites. 100% of fleet data was collected. This did not impact the reported change in emissions.
Change in physical operating conditions		No change	Not applicable
Unidentified		No change	Not applicable
Other		No change	Not applicable

#### CC12.1b

**Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

#### CC12.2

**Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue**

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.0000218159	metric tonnes CO2e	5535400000	Location-based	10	Decrease	Brambles recorded a decrease in combined scope 1 and scope 2 GHG emissions in FY16, despite increased sales revenue and operational activity for the Year. This was due to energy and emissions efficiency projects, as well as increased renewable energy purchase.

### CC12.3

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.00017	metric tonnes CO2e	Other: per unit delivered	7103500000	Location-based	5.5	Decrease	The emissions intensity per unit delivered in FY15 was 0.000018. The reason for the decrease was energy and emissions efficiency projects, as well as increased renewable energy purchase.
8.053	metric tonnes CO2e	full time equivalent (FTE) employee	14996	Location-based	15	Decrease	Brambles recorded a decrease in combined scope 1 and scope 2 GHG emissions in FY16. This intensity figure was also impacted by an increased number of Brambles employees (FTEs is the snapshot number of employees as at 30 June 2016; FY15: 14,024).

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**Further Information****Attachments**

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC12.EmissionsPerformance/Five year performance data combined FINAL Nov 2016.xlsx](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC12.EmissionsPerformance/Five%20year%20performance%20data%20combined%20FINAL%20Nov%202016.xlsx)

**Page: CC13. Emissions Trading**

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**CC13.1****Do you participate in any emissions trading schemes?**

No, and we do not currently anticipate doing so in the next 2 years

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**CC13.1a**

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

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**CC13.1b**

What is your strategy for complying with the schemes in which you participate or anticipate participating?

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**CC13.2**



Has your organization originated any project-based carbon credits or purchased any within the reporting period?

Yes

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits canceled	Purpose, e.g. compliance
Credit purchase	Other: REDD+	Acre Amazonian Rainforest Conservation (VCS 963). Purchased as part of CHEP Germany and CHEP Sweden's carbon neutral pallets and the carbon neutral pallet program, which allows customers to offset the footprint of their CHEP pallet movements and purchases internationally-recognised VCS certified carbon credits in reforestation programs in developing countries.	VCS (Verified Carbon Standard)	3055	3055	Yes	Voluntary Offsetting
Credit purchase	Energy efficiency: service	Guatemala Water Treatment and Cookstove Project (GS 1321). Purchased as part of CHEP's carbon neutral pallet program, which allows customers to offset the footprint of their CHEP pallet movements and purchase internationally-recognised VCS certified carbon credits in programs in developing countries.	Gold Standard	1260	1260	Yes	Voluntary Offsetting
Credit purchase	Energy efficiency: households	Improved Mexican Cookstoves (VCS 1216). Purchased as part of CHEP's carbon neutral pallet program, which allows customers to offset the footprint of their CHEP pallet movements and purchase internationally-recognised VCS certified carbon credits in programs in developing countries.	VCS (Verified Carbon Standard)	83	83	Yes	Voluntary Offsetting

Further Information

CC14.1

Please account for your organization’s Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, not yet calculated				Brambles has reviewed our operations to determine the main contributors to Scope 3 emissions and identified purchased goods as one of these. Purchased goods include harvesting of timber purchased from suppliers and other purchased goods and services, such as paper and cardboard.
Capital goods	Relevant, not yet calculated				Brambles has reviewed our operations to determine the main contributors to our Scope 3 emissions and identified capital goods – particularly pallets and containers – as one of these. Brambles did not calculate the emissions from capital goods, including pallets, crates and containers, in FY16. Purchase of other fixed assets and IT supplies may be relevant, but are not relevant as these capital goods are not considered material.
Fuel-and-energy-related activities (not included in	Relevant, not yet calculated				While there are likely to be fuel and energy related activities not included in our scope 1 and scope 2 reporting, the categories currently disclosed cover

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Scope 1 or 2)					the majority of our emissions.
Upstream transportation and distribution	Relevant, not yet calculated				Brambles has not calculated the emissions generated in the transportation of purchased raw materials, or other supplier delivered goods. Other forms of upstream transportation and distribution have not been evaluated. The categories currently disclosed cover the majority of our emissions.
Waste generated in operations	Relevant, calculated	10263	In FY16, Brambles' businesses generated 29,567 metric tonnes of general waste. General waste emissions are estimated at 10,263 metric tonnes of CO2-e. Estimated emissions from waste and recycling for Brambles' operations for FY16 were calculated using the US EPA Waste Reduction Model (WARM) v 14 (released March 2016). While not all waste and recycling is generated in the US, this spreadsheet is used to calculate an estimate of the possible emissions impact of waste and recycling in our operations. Estimated emissions breakdown for waste was calculated using default options and based on mixed municipal solid waste to landfill. However, due to Brambles' reclaim and recycling efforts, emissions saved from recycling lumber, mixed paper, mixed metals and mixed plastics means that all waste and recycling had a net emissions impact of - 317,282 t CO2-e in FY16. This is 225,354 t CO2-e less than the emissions impact if all	100.00%	All waste data obtained from our own operations, based on supplier invoices. Reclaimed wood and plastic data, used for the comparison data only, obtained from our own operations.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			waste was sent to landfill, based on US estimates. Spreadsheet attached below.		
Business travel	Relevant, calculated	4692	Figure provided captures air travel taken by Brambles' employees using the corporate travel provider. It includes air travel, hotel stays and car hire booked through our corporate travel provider, but does not include other forms of travel, or travel booked outside of the corporate travel provider for FY16. For FY16, regions using the corporate travel provider includes North America, Australia and New Zealand for the last quarter of FY16 and Europe for June 2016. This data has been extrapolated to estimate emissions for the entire FY16. Other regions have come on board since FY16, which will improve data collection and accuracy in FY17.		To reduce air travel in FY16, Brambles continued to encourage the use of videoconferencing, tracking the emissions saved. In FY16, 65,343 kgs of CO2-e was avoided through the use of videoconferencing.
Employee commuting	Relevant, not yet calculated				Brambles has identified employee commuting as a main contributor to our scope 3 emissions. No primary commuting data is available at this time. Brambles had 14,996 permanent employees around the world as at 30 June 2015. At our Alpharetta, US site, electric vehicle charging stations were included in recent upgrades to encourage employees to use electric vehicles and power them while at work.
Upstream leased assets	Relevant, calculated	109770	We estimate outsourced service centre (OSC) emissions by applying our average internal service centre grams CO2-e per production		While we calculate an estimate for the emissions from the OSCs that manufacture our pooled pallets, crates and containers, Brambles has not

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			unit and apply to production figures for the OSCs, using country specific emission factors. (In previous years, this data was incorrectly applied to 'downstream leased assets').		calculated the emissions generated by the leased assets of suppliers of our raw materials, such as timber mills that supply our timber, or other suppliers.
Downstream transportation and distribution	Relevant, calculated	543960	We estimate Scope 3 emissions for transport. We calculate an emissions estimate either by using data available, applying a specific module developed by LeanLogistics or, where that module cannot be used, estimates are made based on type of fuel, place of travel, type of vehicles and travel distances.	0.00%	
Processing of sold products	Not relevant, explanation provided				Brambles retains ownership of its pooled assets, thereby ensuring that end of life management is controlled and recovery, reuse and recycling efforts can be maximised. Our recycled pallets operations collects discarded white wood pallets and uses these to manufacture new white wood pallets in our own operations, which are then sold. Brambles did not calculate the emissions relevant to these products as they are a very small part of our operations.
Use of sold products	Not relevant, explanation provided	0	Brambles is able to make customers' supply chains more sustainable, compared to the use of alternative platforms. Because we recover, repair and allow customers to share and reuse our solutions many times, we are able to reduce GHG emissions, demand on resources and waste. In FY16, customers' use of RPCs and pooled wooden pallets saved at least 2.3	0.00%	Brambles retains ownership of its pooled assets, thereby ensuring that end of life management is controlled and recovery, reuse and recycling efforts can be maximised. Our recycled pallets operations collects discarded white wood pallets and uses these to manufacture new white wood pallets in our own operations, which are then sold. Brambles did not calculate the emissions relevant

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			million tonnes of CO2-e (FY15: 990,000 tonnes CO2-e). This figure was calculated using life cycle analyses (please see the 2016 Sustainability Review - supplementary review for further information on methodology). This data has been verified by third party assurance. (see 2016 Sustainability Review p 7). As we are unable to enter a negative value in the emissions column, 0 has been entered.		to CHEP Recycled products as they are a very small part of our operations.
End of life treatment of sold products	Not relevant, explanation provided				Brambles retains ownership of its pooled assets, thereby ensuring that end of life management is controlled and recovery, reuse and recycling efforts can be maximised. Our recycled pallets operations collects discarded white wood pallets and uses these to manufacture new white wood pallets in our own operations, which are then sold. Brambles did not calculate the emissions relevant to these products as they are a very small part of our operations.
Downstream leased assets	Not relevant, explanation provided			0.00%	Brambles does not have any leased assets beyond our outsourced service centres (OSCs) that manufacture our pooled products for use and reuse.
Franchises	Not relevant, explanation provided				Brambles does not operate any franchises.
Investments	Not relevant, explanation provided				Brambles does not have investments outside of those made within our own operations.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Other (upstream)	Not relevant, explanation provided				While there may be other upstream emissions not included in our scope 1 and scope 2 reporting, the categories currently disclosed cover the majority of our emissions.
Other (downstream)	Relevant, calculated	0	Customers' use of our reusable plastic crates (RPCs) in FY16 saved over 3,920 tonnes of food waste (up from 3,000 tonnes in FY15). This figure was calculated using life cycle analyses (please see the 2016 Sustainability Review - supplementary review for further information on methodology). Our in-kind equipment donations also helped redistribute over 170,000 tonnes of rescued food, which may have otherwise ended up in landfill. This data has been verified by third party assurance. (see 2016 Sustainability Review p 7). This was not measured in FY15. Estimates from emissions from 3,920 tonnes of food waste that were saved are calculated at 2,129 tonnes CO2 for FY16, using the US EPA's warm method noted for waste above (FY15: 1,630 tonnes CO2) Adding the 170,000 tonnes of food rescued gives a total emissions saving of 94,137 tonnes of CO2 if this had gone to landfill. This does not consider the emissions saved from not having to produce the same amount of food for distribution from cradle to gate.	0.00%	As we are unable to enter a negative value in the emissions column, 0 has been entered. While there may be other downstream scope 3 emissions, we believe the categories disclosed cover the majority of our emissions.

**CC14.2**

**Please indicate the verification/assurance status that applies to your reported Scope 3 emissions**

Third party verification or assurance process in place

**CC14.2a**

**Please provide further details of the verification/assurance undertaken, and attach the relevant statements**

<b>Verification or assurance cycle in place</b>	<b>Status in the current reporting year</b>	<b>Type of verification or assurance</b>	<b>Attach the statement</b>	<b>Page/Section reference</b>	<b>Relevant standard</b>	<b>Proportion of reported Scope 3 emissions verified (%)</b>
Annual process	Complete	Limited assurance	<a href="https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/CC14.2a/KPMG%20Assurance%20statement%202016.pdf">https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/CC14.2a/KPMG Assurance statement 2016.pdf</a>	1-2; Measure positive impact of pooling model through savings of emissions, etc, carbon emissions and kilometres saved through transport collaboration - these data points only (not other scope 3 emissions sources noted above)	ASAE3000	50

**CC14.3**

**Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?**

Yes



CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Waste generated in operations	Emissions reduction activities	12	Decrease	Reduced waste to landfill in line with our target of zero wood waste to landfill and zero plastic waste to landfill by 2020.
Business travel	Change in boundary	7.5	Increase	This year, we have included emissions provided by our corporate travel provider for air travel, hotel stays and car hire, where in previous years we only reported emissions from air travel. For FY16, regions using the corporate travel provider includes North America, Australia and New Zealand for the last quarter of FY16 and Europe for the June 2016. This data has been extrapolated to estimate emissions for the entire FY16. Other regions have come on board since FY16, which will improve data collection and accuracy in FY17. For FY15, For FY15, regions using the corporate travel provider for all or part of the Year included most of the Americas, UK and Europe, as well as Australia and New Zealand.
Upstream leased assets	Unidentified	2	Decrease	There was a small decrease in emissions from our outsourced service centres in FY16. We are not aware of the reasons for this change at the time of reporting.
Downstream transportation and distribution	Change in boundary	10	Increase	Emissions from third party transport included IFCO RPCs for the first time in FY16. We restated FY15 scope 3 transport emissions in our sustainability reporting in 2016.
Use of sold products	Change in boundary	132	Decrease	Life cycle analysis data used to calculate the estimate of emissions saved by customers' use of our solutions improved due to increased production in FY16 and the inclusion of Australian and South African LCAs for the first time (as well as those in Europe and the USA).
Other (downstream)	Change in boundary	31	Decrease	Life cycle analysis data used to calculate the estimate of emissions saved by customers' use of our solutions in reducing food waste improved due to increased production in FY16 and the inclusion of Australian and South African LCAs for the first time (as well as those in Europe and the USA).

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**CC14.4**

**Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)**

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

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**CC14.4a**

**Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success**

Brambles is committed to achieving Zero Harm and considers environmental impacts in all decisions and engagements (Charter attached).

We engage with customers, suppliers and other partners directly or through collaborative forums, including industry associations. We prioritise engagements that align with our business objectives, including our sustainability goals. We measure the success of these engagements through stakeholder feedback, improved customer and supplier relationships, as well as through quantitative measures, such as reduction in emissions, transport kilometres, internal costs and other environmental benefits. Some examples of our engagement measures and programs are listed below.

Timber sourcing is controlled centrally by the global procurement team. We have an aspirational goal of zero deforestation and a target of achieving chain of custody certification for 100% of timber purchased by 2020. According to CDP Forests, deforestation accounts for approximately 10-15% of the world's greenhouse gas emissions, equivalent to the entire transport sector. Our global procurement team works with timber suppliers in sustainable timber production help to address this issue. 97.3% of timber purchased for CHEP pooled pallets was from certified sources in FY16, with 48% carrying chain of custody certification. Further details are provided in the 2016 Sustainability Review, pp 21-24 and in Brambles' CDP Forests response.

Brambles helps customers understand their supply chains and minimise their environmental footprint. We work with customers and suppliers directly, using our logistics knowledge. By collaborating with over 177 customers and transport providers, we reduced transport distances by 35 million kilometres and saved 35,000 tonnes of CO<sub>2</sub> in FY16. CHEP Europe as joined Connect2LNG, a consortium of companies led by Unilever and cofounder by the European Commission that will further develop a European infrastructure for Liquid Natural Gas (LNG) through large scale collaboration. Alternative fuels are one of the ways we can tackle global warming associated with road transport. LNG is currently considered the most suitable sustainable alternative to diesel. In the US, fleet optimisation helps customers increase productivity, earn revenue and reduce empty miles by hauling CHEP's backhaul freight. Customers' use of the Total Pallet Management program (major manufacturers and retailers) allows CHEP to manage all of a customer's pallet needs onsite and supply pallets without the need for additional transport. This helps optimise the network and reduces the energy requirements of the pallet pool.

Brambles' businesses are also well placed to address the environmentally important issue of food loss and waste in the supply chain. We do this by collaborating with customers and retailers, as well as in our own product development. Working with our customers and retailers, we reduced food waste by more than 3,920 tonnes in FY16.

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**CC14.4b**

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Type of engagement	Number of suppliers	% of total spend (direct and indirect)	Impact of engagement
Active engagement	871	33%	This figure represents 21 critical tier 1 suppliers (timber) with whom we engage on timber certification and chain of custody certification and approximately 850 third party transport providers with whom we also engage (often in collaboration with customers) to reduce transport distances and associated emissions. The number and % of total spend is reported as transport expenses, which make up 23% of total operating spend, and raw materials and consumables, which would include timber, as a percentage of operating expenses reported in FY16 (outlined in the 2016 Annual Report, p 53). Total spend with timber suppliers has not been included in this percentage where this spend is reflected in both operating expenses and capital expenditure (where it relates to the purchase of manufactured pallet assets).

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**CC14.4c**

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

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**Further Information****Attachments**

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared)

[Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/BRL179\\_S31\\_Sustainability\\_Report\\_for\\_web.pdf](https://www.cdp.net/sites/2017/16/2116/ClimateChange2017/CC14.Scope3Emissions/BRL179_S31_Sustainability_Report_for_web.pdf)

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/230818\\_-\\_Brambles\\_2016\\_Annual\\_Report\\_updated.pdf](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/230818_-_Brambles_2016_Annual_Report_updated.pdf)

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/warm\\_v14 for scope 3 waste emissions estimates.xls](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared%20Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/warm_v14_for_scope_3_waste_emissions_estimates.xls)

[https://www.cdp.net/sites/2017/16/2116/Climate Change 2017/Shared](https://www.cdp.net/sites/2017/16/2116/Climate%20Change%202017/Shared)

[Documents/Attachments/ClimateChange2017/CC14.Scope3Emissions/2016\\_Sustainability\\_Supplementary.pdf](https://www.cdp.net/sites/2017/16/2116/ClimateChange2017/CC14.Scope3Emissions/2016_Sustainability_Supplementary.pdf)

**Module: Sign Off**

**Page: CC15. Sign Off**

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**CC15.1**

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Robert Gerrard	Group VP, Legal and Secretariat (Executive Leadership Team)	Other C-Suite Officer

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**Further Information**

**CDP 2017 Climate Change 2017 Information Request**