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14 September 2021

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

*Via electronic lodgement*

Dear Sir / Madam

**Brambles Limited – 2021 Investor Briefing – Day 2 Presentations**

Reference is made to the announcement yesterday about Brambles virtual investor briefing on 13 and 14 September 2021.

Enclosed are the presentations to be given on the second day of the briefing, which will commence at 6.00 pm on 14 September (Australian Eastern Standard Time).

Details on how to attend the briefing are on Brambles' website at brambles.com/webcasts.

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

Yours faithfully
**Brambles Limited**

**Robert Gerrard**
Group Vice President, Legal & Secretariat

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# Investor Day 2021

## Day 2

14 September 2021

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# Day 2 agenda

| Sydney | London | Presentation | Presenter |
|---|---|---|---|
| 18:00 | 9:00 | CHEP Europe | David Cuenca, President CHEP Europe |
| | | Q&A | |
| 18:40 | 9:40 | CHEP Latin America | Paola Floris, President CHEP Latin America |
| | | Q&A | |
| 19:15 | 10:15 | BREAK | |
| 19:20 | 10:20 | CHEP North America | Laura Nador, President CHEP North America |
| 19:45 | 10:45 | Plastic Pallets | Laura Nador<br>Joaquin Gil, Senior Vice President of Financial Planning & Analysis<br>Graham Chipchase, CEO |
| | | Q&A | |
| 20:45 | 11:45 | BREAK | |
| 20:50 | 11:50 | CHEP Asia-Pacific & CHEP IMETA | Phillip Austin, President, CHEP Asia-Pacific and President, CHEP IMETA |
| | | Q&A | |
| 21:30 | 12:30 | Closing remarks | |

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# Financial numbers and format

Unless otherwise stated:

- All currency amounts are in US dollars
- All historical dollar amounts are at actual foreign exchange (FX) rates
- All outlook statements are at fixed 30 June 2021 FX rates
- Year-on-year percentage growth rates are in constant currency, as defined in the Glossary
- Compound annual growth rates (CAGR) are calculated at fixed 30 June 2021 FX rates
- Impact of potential outcomes of the Costco plastic pallets trials not included in a financial projections
- All forward looking statements are subject to the Disclaimer on the next slide

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# CHEP Europe

David Cuenca
President, CHEP Europe

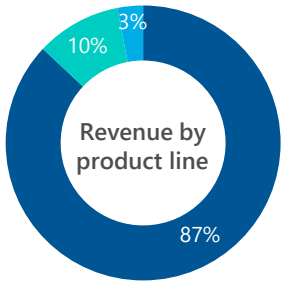
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2021

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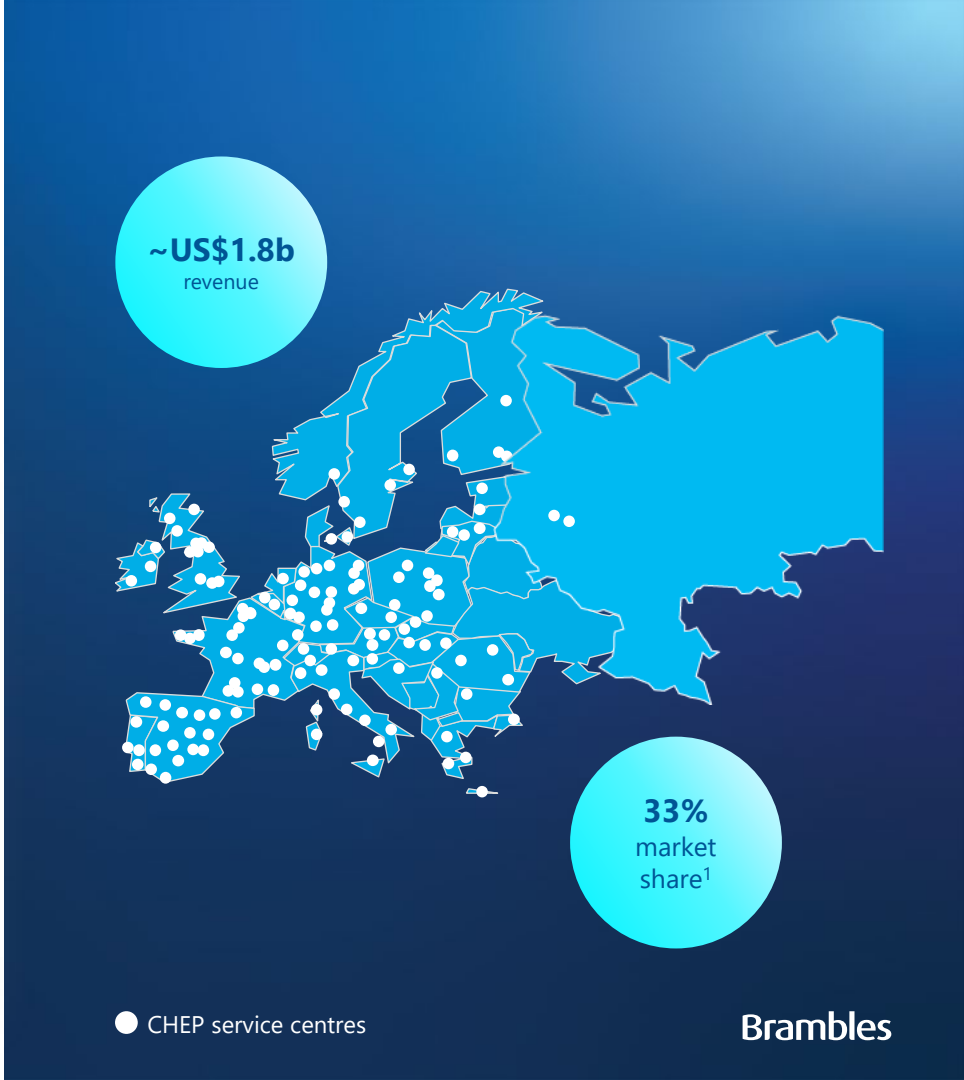
# CHEP Europe overview

## Network advantage underpins the strength of the European business

| | CHEP Europe | Nearest competitor |
|---|---|---|
| FY21 revenue | **US$1.8bn** | ~US$290m |
| Employees | **~3,100** | ~300 |
| Delivery points | **~315,000** | ~28,000 |
| Service centres | **~300** | ~130 |
| Countries | **28** | 15 |
| Market share[1] | **33%** | 7% |




[1] Market share reflects Europe full-size wooden pallets business only.

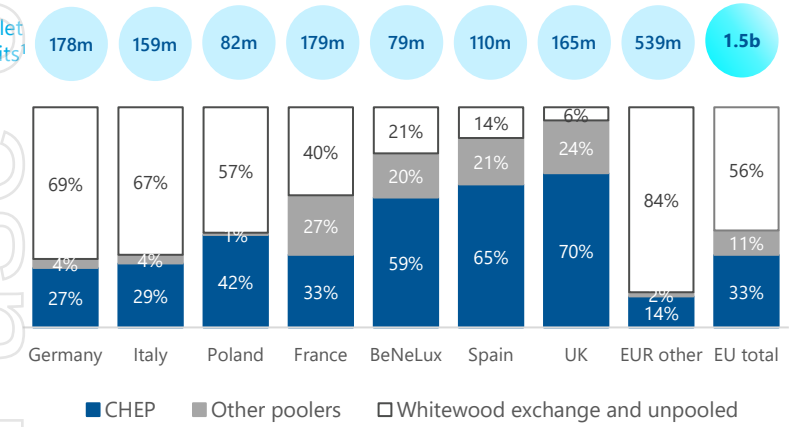



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# CHEP is the market leader in Europe

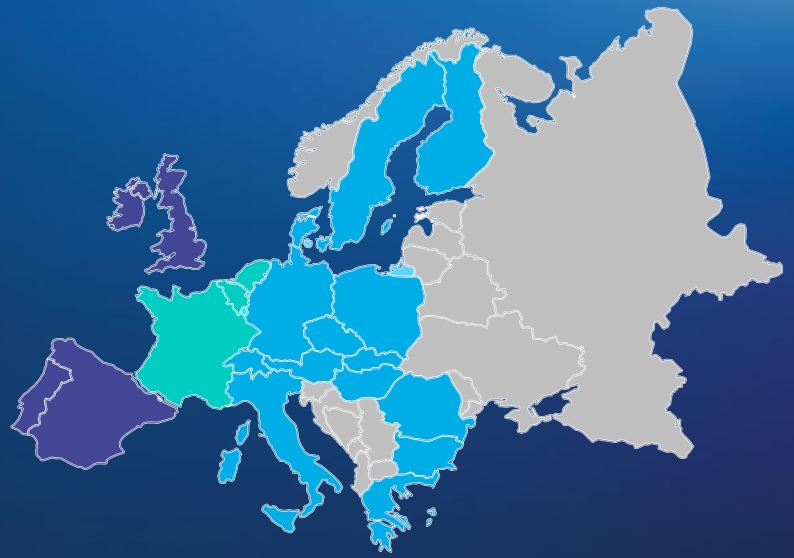
## Significant growth opportunities within existing markets

### European Pallets Market Share




[1] Market share data relates to full-size pallets only. Source: internal data, open market competitor data and population and economic consumption levels.

### European pallets markets competitive maturity



| Pooling Competition | Whitewood | CHEP Growth Strategy |
|---|---|---|
| At scale | Limited | Defend / Grow Value |
| At scale | Viable | Defend / Grow Value |
| Entering | Predominates | Grow Share |
| No CHEP presence | Predominates | Establish |

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# FY21 Performance

**Proven business resilience with strong financial and business outcomes despite uncertainties from COVID-19 and Brexit**

- COVID-19 and Brexit created disruptions in supply chain with elevated and unpredictable demand patterns and higher inventory balances to de-risk supply chains
  - Supported our customers to keep their businesses going at a critical time
  - Invested in heat treatment capacity (ISPM 15)
- Strong renewal performance with key customers and win backs from competitors
- Continued delivery of cost leadership and productivity initiatives to support profitability and returns





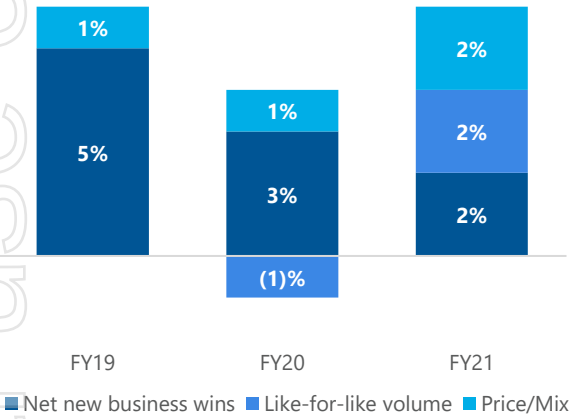


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# Sales performance and outlook

## History of resilient sales performance driven by mix of portfolio, pricing mechanisms and multiple avenues for growth

History of resilient sales performance




CHEP Europe sales growth outlook:

| | Medium-term expectations | Key drivers |
|---|---|---|
| Pricing | ~0.5% - 2% | Contractual pricing increases to offset inflation |
| Like-for-like | ~0.5% - 1% | Consumer consumption trends |
| Net new wins | 2% - 3% | Conversion of new and existing customers to pooled pallets |
| **Total** | **3% - 6%** | |

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# Growth in Central Eastern Europe

## A clear strategy to drive continued high growth in Germany



### Germany Market Position and Growth Objectives

| | Product | Revenue (US$m) | Market Share % | Objective |
|---|---|---|---|---|
|  | Full-size | ~110 | 27 | Grow at double-digits each year, through segmented pricing |
|  | Half Display | ~25 | 20 | Grow and defend through best-in-class cost structure |
|  | Quarter Display | ~40 | 85 | Defend through product and service diversification |

**Success Factors:**

- 100% retailer acceptance (Aldi and Lidl)
- Targeting high volume, fast moving segments with strategic pricing based on target scale
- Driving network and supply chain cost efficiencies
- Upskilled sales structure moving to a consultative approach, implemented to expose costs of whitewood exchange
- External recruitment and incentive scheme evolution

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# Automotive

**Electric vehicles (EV) and supply chain visibility are key customer priorities we are addressing**

**Original Equipment Manufacturer (OEM) Opportunities and Challenges**

| | |
|---|---|
| Ford | All Europe electric by 2030; constructing electric vehicles at the Light Commercial Vehicle Plant in Turkey |
| Jaguar | Moving to electric vehicles for all Jaguar brands by 2025 |
| Land Rover | Fully electric by 2030 |
| Volvo | 50% of sales volume to be electric by 2025 |
| Daimler | 2025 onwards all new models electric vehicles only |

- Driving supply chain efficiency through visibility and collaboration
- Semi-conductor shortage, as an ongoing consequence of pandemic supply chain disruption

**CHEP Auto Strategic Response**

- CHEP's electric vehicle programme launched three years ago and currently working with key battery manufacturers for insert pooling
- Transforming Foldable Large Container (FLC) pool into a Digital Pool in FY22. Scope: Ford and supplier-owned packaging
- Ford team fully engaged and committed, value streams approved, undergoing pilot led by BXB Digital
- Short-term demand reduction mitigated by increased daily hire due to longer cycle times and customers holding increased safety stock

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# Focus on transformation

**European priorities to build on our competitive advantage to underpin future growth and sustain strong margin levels**



Customer Value



Asset Efficiency & Network Productivity



Digital Transformation



Business Excellence

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# Unrivalled
# Customer Value

**Extending our competitive advantage by improving the customer experience, differentiating service and leading on sustainability**



### Customer experience

- Reorganising customer service structure and processes
- Applied data analytics and front office empowerment to resolve queries
- Further pricing, invoicing and audit process improvements
- Salesforce implementation to improve growth efficiency, account management and customer service



### Service differentiation

- ETA notifications roll out
- New service models: field inspected pallets
- Simplified onboarding
- Simplified processes for smaller customers
- Sales and operations planning enhancement and predictive ordering



### Sustainability leadership

- Coca-Cola European Partners retention driven by sustainability credentials
- First platform made from upcycled consumer plastic (Wheeled Q+)
- Partnerships with customers to support their sustainability objectives: transport collaboration, packaging waste reduction, supply chain efficiencies

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# Network Productivity

## A range of cost and efficiency initiatives underpin sustainability of margins



### Plant automation

- Ongoing investment in service centre automation to improve volume capacity and repair consistency
- Next phase of automation (automated repair) rollout to begin in FY22






### Transport efficiency

- Manage relationship with 1,000+ carriers to ensure best rates for repeat lanes
- Dedicated team managing spot market demand to keep prices under control
- Collaboration team focused on generating savings by sharing transport with and between customers



### Agile networks

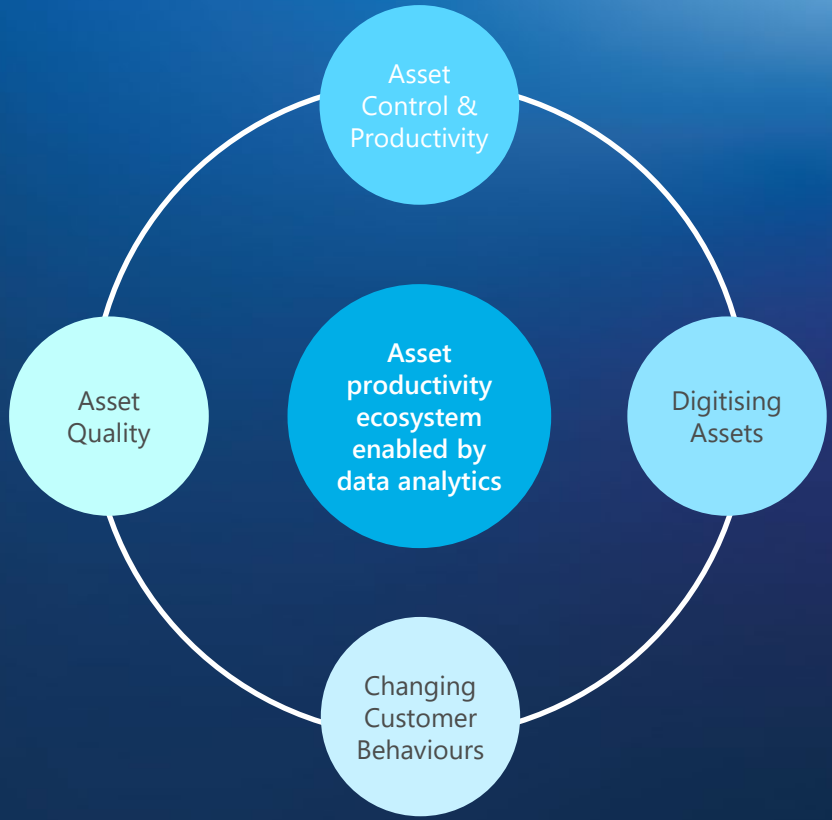
- Addition of manufacturer and retailer on-site solutions to improve agility of network and lower costs
- Strengthening partnerships with top customers and retailers

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# Asset Efficiency

## Asset productivity ecosystem to drive improved cash flow and ROCI outcomes

- **Use of advanced data analytics** to improve customer account health and anomaly detection to proactively address potential points of loss
- **Improve collection of stray pallets**
- **Improve velocity/accuracy of collections** at cooperative distributor points though data analytics, forecasting algorithms and improved transport capabilities
- **Improve customer behaviour** with terms and conditions of contracts focused on creating win-win situations when customers improve asset behaviour (lower losses = lower price)
- **Rollout of retailer commercial framework** to promote reducing asset reuse and win-win collaboration opportunities
- **Continuous improvement in pallet design** to reduce damage rate and improve the ease and cost of repair




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# Business Transformation enabled by digital

**Driving real business benefits in Europe through supply chain visibility**

### Ireland Targeted Field Diagnostics

- 5,000 tagged pallets
- Data Analytics
- Optimised service

- Identified sources of losses, e.g. new pallet dealer locations, out of pool flows
- Highlighting and preventing unauthorised usage, e.g. Logistics Service Providers (LSP) picking or devanning containers on pallets; new revenue or preventative actions
- Enabled service offer transformation

**COMPLETE**

### Northern Europe Continuous Field Diagnostics

- 100,000 tagged pallets
- Data Analytics
- Customer Partnership

- Improve Asset Productivity
- Enable segmented pricing
- Identify and trial new customer value streams

**TO COME**

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# Business Excellence

## Investing in our people in order to better support future growth



### Health & Safety

- Safety Differently promotes a collaborative solution focus to Health & Safety
- Launch of Feel Good programme to support employees in Mental, Physical, Financial & Social Wellbeing



### Future Skills & Talent

- Suite of learning and talent programmes both online and classroom-based
- Regional Mentoring programme to support two-way knowledge acquisition
- Learning Academy to develop new skills
- Rotational programmes at entry level (Graduate) and experienced hires



### Amazing Place to Work

- Specific 2025 targets for Inclusion & Diversity. Programmes to address: Women in Leadership & Plants, Disability at Work, Race at Work, LGBTIQ+, Multi-generational Workforce
- Top Employer status awarded for excellence
- Partnerships with LEAD Network and Business in the Community to support our I&D initiatives



### Effective Organisation

- Organisational effectiveness to empower employees and create stronger people capabilities
- Process automation investments in key areas such as customer-facing roles, asset audit, sales and operating planning and financial planning
- Use of data analytics to improve decision making

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# Summary

**CHEP Europe well placed to create shareholder value through customer focus and growth, digital transformation and cost leadership actions**

- Strong FY21 revenue growth with Underlying Profit leverage and improvement in ROCI demonstrating resilience of business
- Operating environment and inflation headwinds continue to present challenges, but business well placed to offset through pricing and productivity
- Growth opportunities through a number of avenues close to the core
- Digital transformation and focus on providing unrivalled customer value key to strengthening customer value proposition and unlocking shareholder value
- Cost leadership actions will underpin margin and ROCI performance over the short- and medium-term




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# CHEP Latin America

Paola Floris

President, CHEP Latin America

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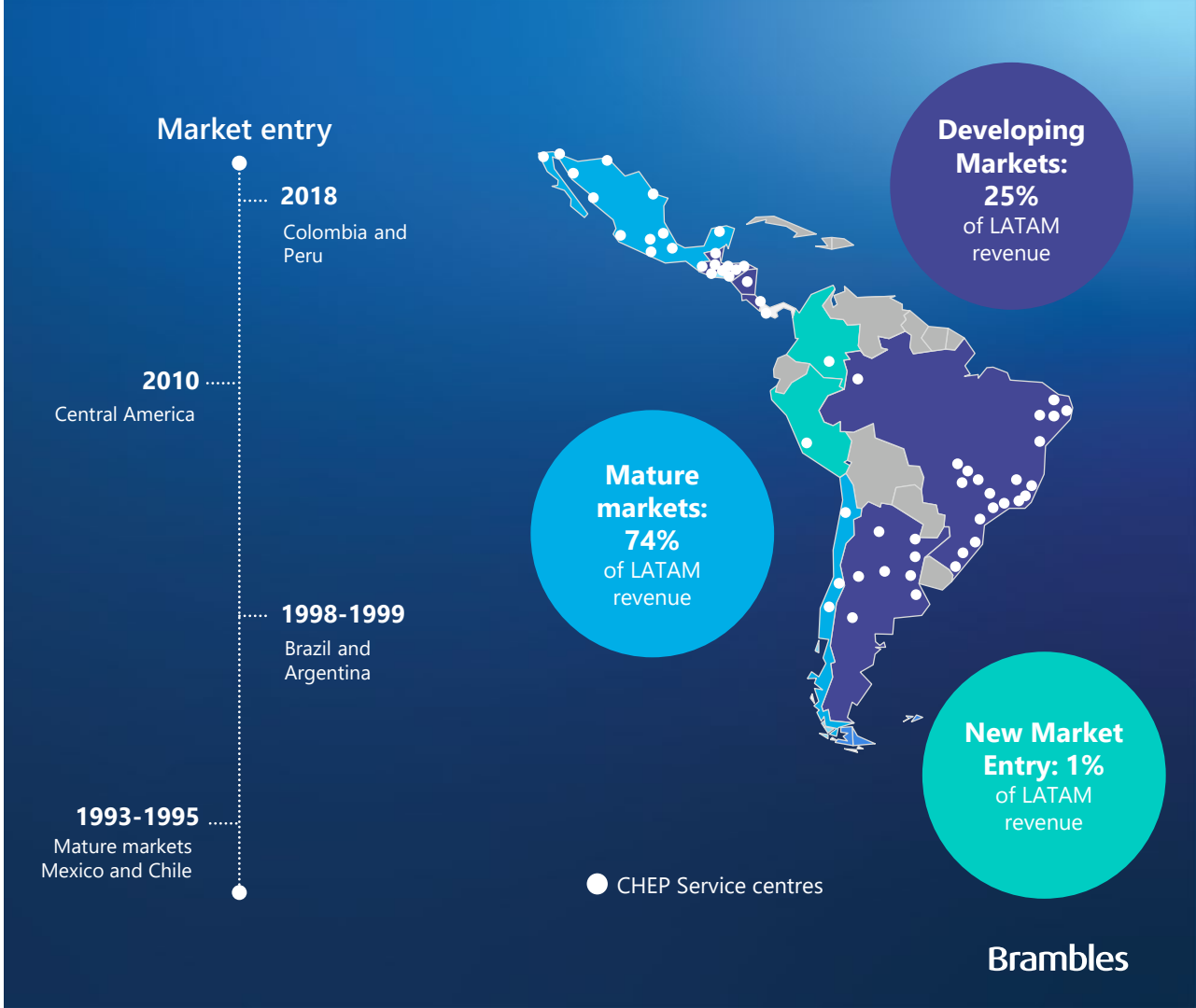
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# CHEP's evolution in Latin America

## Diverse businesses at various points of maturity

| | CHEP LATAM |
|---|---|
| FY21 revenue | US$353m |
| Employees | ~700 |
| Delivery points | ~11,000 |
| Service centres | ~104 |
| Countries | 11 |
| Market share[1] | 35% |

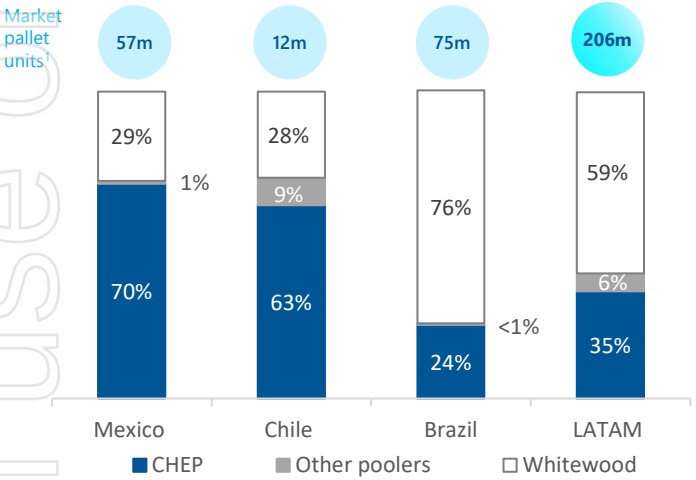
[1] Market share reflects pallets business only.




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# CHEP is the market leader in Latin America

## Significant growth opportunities across the region




[1] Market share data relates to flows of full-size pallets only. Source: CHEP research and analysis.




| CHEP market | Pooling Competition | Whitewood | Modern trade penetration | CHEP growth strategy |
|---|---|---|---|---|
| Developed | Present | Limited | High | Defend / grow value |
| Developing | Present | Predominates | High | Grow share |
| New Entry | Present | Predominates | Low to Mid | Establish and grow |
| No CHEP presence | | | | |

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# Established strong foundations for future growth

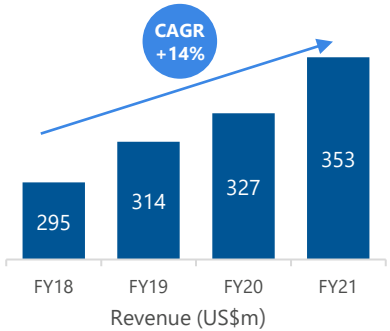
**Focus on asset control and pricing reflecting cost-to-serve supporting improved financial outcomes and cash flow generation**

**Actions taken over the past three years:**

- Improved commercial terms to better cover the cost-to-serve
- Comprehensive asset management programme supported by data analytics and structural organisational changes to improve asset control and accountability through the supply chain
- Supply chain initiatives to deliver operational efficiencies, including service centre automation and durability improvements

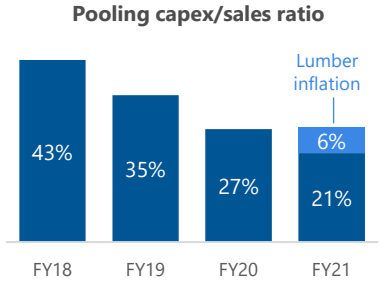
## Improved financial outcomes…

**Revenue momentum**
market share expansion and increased price realisation in line with cost-to-serve and inflationary pressures




**Asset efficiency benefits**
resulting in increased cash flow generation in the period

**~US$70m improvement in FY21 cash flow generation over FY18 levels**




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# Transformation in Latin America

**Improving the customer experience and driving further asset and network efficiencies to support revenue growth, margin improvement and cash flow generation**



### Customer Value

- Customer collaboration
- Upskilled commercial team
- Exceptional customer experience
- Last Mile Solutions



### Asset Efficiency & Network Productivity

- Asset productivity initiatives
- Automation journey
- Supply chain efficiencies including transport optimisation and pallet durability initiatives



### Digital Transformation

- Asset digitisation for asset productivity
- Artificial Intelligence/Machine Learning for asset protection initiatives



### Business Excellence

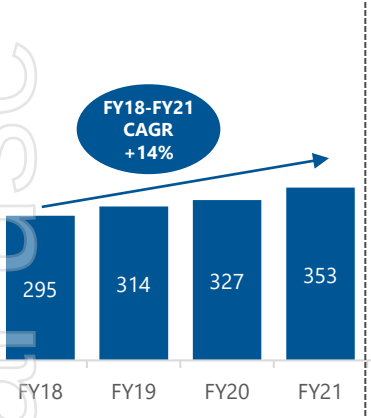
- People, safety and sustainability
- 'Top Employer' award in Brazil and Mexico in FY21, looking to expand across the region

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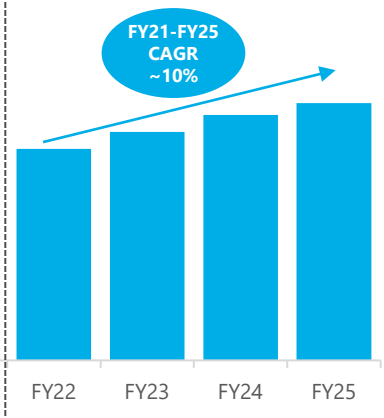
# Sales performance and outlook

## Ongoing revenue momentum driven by market share expansion and price realisation supported by an enhanced customer value proposition

Track record of strong sales revenue growth




Outlook: double-digit growth on an increased revenue base




### Enhanced Customer Value...

- Commercial reorganisation to improve customers' experience with a focus on value creation
- Customer process improvements to simplify interactions
- Transport collaboration programmes generating both environmental benefits and cost savings
- Improved agility and efficiency of customer onboarding
- Launch of simplified offering for small customers

### Supporting strategic growth initiatives:

**Brazil**

**Exports**

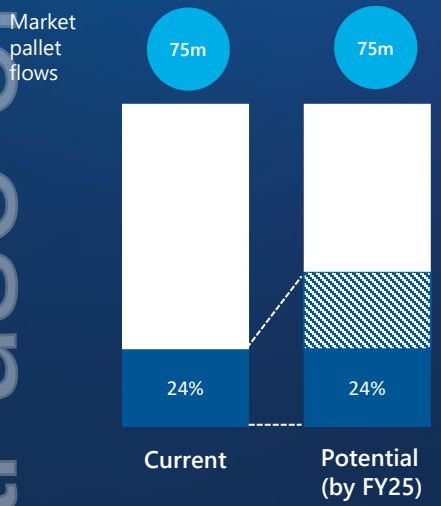
**Innovation**

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# Growth: double market share in Brazil by FY25

**Grow market share through expansion with major local and international FMCG and beverage companies**




Brazil accounts for **~15%** of Latin America revenues

## Market overview

- Largest, most populated country in Latin America (+200m inhabitants)
- Whitewood pallets predominant in Brazil
- Modern retail infrastructure and increased presence of international FMCG companies driving need for higher pallet quality standards
- Local manufacturers continue to dominate widest penetrated categories (i.e. local food companies hold +70% share)

## Strategy to double market share

- Strong value proposition for manufacturers and retailers:
  - Network and quality advantage
  - Sustainability
  - Automation and Technology
- Competitive sales organisation, with focus on category management:
  - Increase growth with new and existing global FMCG and local customers
  - Target specific high volume, high rotation categories e.g. beverage
- Best practice asset management to ensure sustainable growth

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# Growth: increasing export volume

**Increase fresh produce exports into North America, expand into other regions and assess diversification into other export categories**

**Business overview:**

- Export flows from Mexico and Central America
- Main destination is North America
- Concentrated in Fresh Produce
- Whitewood dominant in export flows but not well suited to meet increasing customer demand for specific quality, coverage and sustainability requirements



Exports accounts for **~20%** of CHEP Latin America revenues

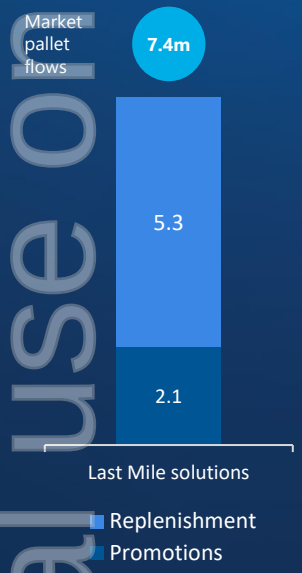
## Strategy to accelerate growth

- Leverage superior value proposition:
  - expertise across borders within fresh categories
  - network scale and geographic coverage
  - pallet availability and quality specific to exports
  - sustainability credentials
- Increase share of fresh produce flows from Mexico and Central America to North America
- Further expand to Europe and explore potential for exports to Asia
- Assess diversification into other high-volume export categories

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# Growth: Last Mile Solutions

**CHEP is well positioned to capitalise on increasing demand for in-store solutions across Latin America**




Source: CHEP estimates based on data from Euromonitor database.

## Opportunity

- Manufacturers seeking innovative point-of-sale platforms and displays to increase impact, visibility and ease of shopping
- Manufacturers invested US$6bn in point-of-sale solutions in FY20
- Increased retailer demand to support 'essentials' while creating a more dynamic and agile layout to respond to COVID-19 restrictions for consumers

## Point-of-sale platform



Half pallet

## Strategy to service market demand for point-of-sale solutions

- Start pilot testing in South America in FY22
- Strong and unrivalled innovative solution for key FMCGs and retailers
- Build scale through expansion in Brazil, Chile and Mexico to the end of FY25

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# Strengthening asset efficiency

**Through digital, advanced data analytics and enforcing legal title**




**Digitising assets and data analytics:**

- Stray pool illumination to detect leakage points
- Machine Learning techniques to identify illegal flows, counterfeit pallet sources
- Geolocation and photographic algorithms combined with Machine Learning to detect NPD's and new recyclers
- 'Detect' digital tool to identify customer declaration anomalies and increase compensation for lost assets

**Asset Control & Productivity:**

- Legal action to enforce legal title and stop illegal use/reuse of assets
- Continue to map the territory and identify new recyclers and NPDs
- Further identify leakage points at top retailers and increase pallet recollections
- Channel pricing implementation throughout the region to reflect losses
- Increase collection of compensations for lost assets

**Changing customer behaviour:**

- Improved customer declaration process
- Increase electronic declarations among customers to ensure transfers are timely and accurate

**Asset quality**

- Introducing nail plates and clinch nails
- Combining hard wood with soft wood
- Increased costs to be offset by asset efficiency

**Continued focus on asset efficiency underpins margins, returns and cash flow generation**

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# Excellence in supply chain

**Strategic initiatives to improve network capacity and capabilities, optimise transport and increase automation**

- Automation and network expansion
  - Reduce manual interventions/labour dependence through technology
  - Incremental capacity in markets to support strategic growth
- Optimise collections and costs
  - AI on collections and forecasting
  - Improvement in transport fees negotiation
  - Continue improving fill rate



## San Martin Obispo Plant in Mexico

- Largest service centre in Latin America
- Automation delivering:
  - 10% increase in processing capacity
  - 18% reduction in reliance on labour
  - 35% incremental heat treatment capacity
  - Aqua Klippa (robotic board removal) and ADI (automated inspection) delivering improved efficiency, pallet quality and consistency
  - Water recycling system from Aqua Klippa reaching zero wastewater aligned with sustainability goals

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# Summary

**Transformation to support sustainable profitable growth, improved customer service and increased financial returns**

- Consistent delivery of double-digit revenue growth over the past four years with material opportunities for further growth in the region
- Actions taken to improve commercial terms and asset control in the region have delivered material benefits over the past three years, with key initiatives being leveraged in other regions
- Digital transformation is key to ongoing improvements in asset productivity and customers' experience
- The business is now well placed to continue delivering strong revenue growth and profitability notwithstanding ongoing inflationary pressures and challenging economic environments across the region

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# CHEP North America

Laura Nador
President, CHEP North America

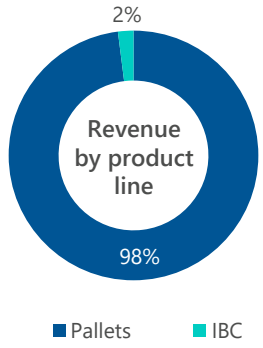
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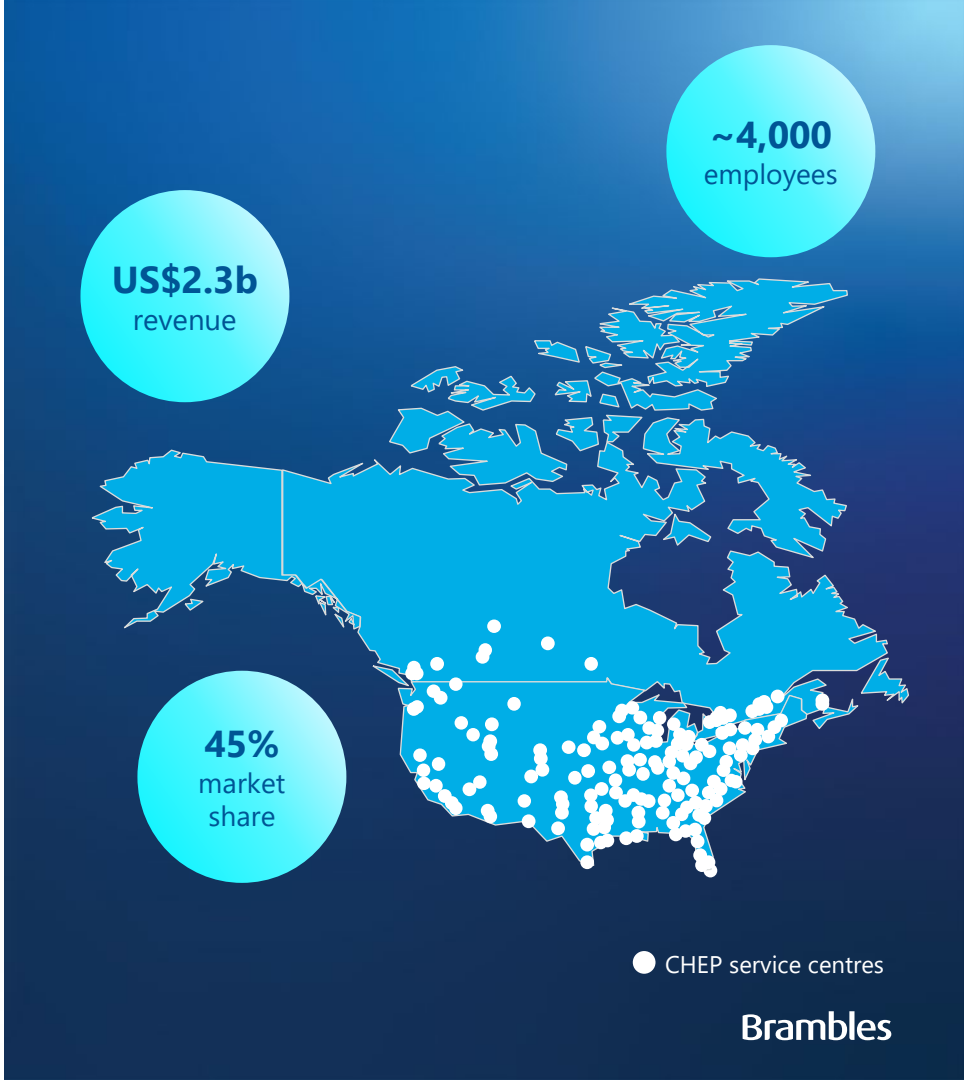
# CHEP North America Overview

**Our scale and efficiency advantages enable us to serve most customers within 50 miles**

| | CHEP North America |
|---|---|
| FY21 revenue | ~US$2.3b |
| Employees | ~4,000 |
| Delivery points | ~60,000 |
| Service centres | ~350 |
| Market share[1] | 45% |




[1] Market share reflects pallets business only.




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# Ongoing market volatility in FY22

**Range of pricing mechanisms and other initiatives in place to mitigate supply chain challenges**

## Lumber inflation

- Lumber surcharges
- Optimised sourcing strategies
- Expansion of North American sawmill strategy

## Transportation shortages

- Deployed technological enhancements
- Rationalised carrier base
- Updated commercial agreements
- Reduce retailer return cycle time
- Expanded efforts in freight collaboration and surcharge for cost recovery

## Labour shortages

- Robust retention strategies
- Automation
- Employee Value Proposition (Employer of choice)

## Supply Chain volatility

- Service centre automation driving expanded capacity to address demand surges and enhanced operational efficiencies to absorb cost volatility
- Increase pallet safety stock and improving durability
- Collaborations on returns

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# Pallet availability challenges impacts and actions

**Pallet availability constraints expected to persist through FY22 despite a range of actions to improve asset efficiencies and reduce losses**

**Market Dynamics:**
- COVID-19 driven demand volatility
- Severe labour shortages and transport capacity issues
- Lumber inflation and supply challenges driving pallet shortages across the market
- Increased unauthorised reuse and sale of pallets driven by scarcity of pallets in the market
- Increased levels of inventory at retailers and manufacturers

**Implications for FY22:**
- Ongoing challenges with access to lumber and lower pallet returns continuing to impact availability
- Lower volumes in 1H22 relative to prior year, reflecting ongoing pallet shortages and a moderation in retail sales, expected to be offset by price and mix benefits
- IPEP expense expected to remain elevated, despite asset management actions given ongoing pallet shortages, lower returns and increased unauthorised reuse
- Network plant inventory levels to remain below optimal levels driving higher supply chain costs

**Actions: Organisational focus on asset productivity initiatives including:**
- Increased pricing to recover higher cost-to-serve and limit flows to higher risk lanes
- Use of small truck fleet to increase pallet collections
- Enforcement of legal title and increased recovery of compensation for lost assets
- Retailer collaboration to increase returns and address unauthorised reuse
- Increased use of data analytics and deployment of smart assets to provide insights to support asset recoveries
- Pallet purchases to improve pallet availability and increase plant stock levels

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# CHEP US margin improvement

US margins increased ~2 pts from FY19 to FY21 with foundations in place for further margin expansion

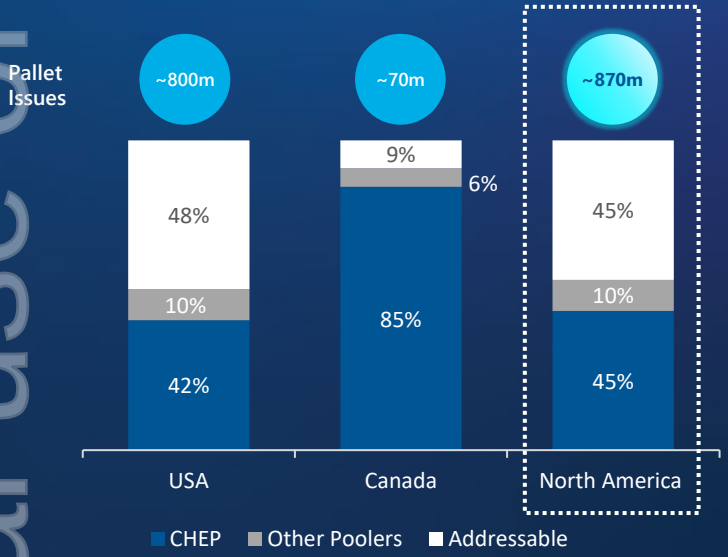
**CHEP US targeting to deliver ~0.5pt margin improvement in FY22 noting market dynamics remain unpredictable**

| Initiatives | |
|---|---|
| Supply chain cost out | • Annual transport and network optimisation exercise undertaken<br>• Productivity cost improvements |
| Pricing/ surcharges | • Continue to renegotiate contract terms and pricing to insulate against inflation and offset higher cost-to-serve<br>• Pricing growth of 5% in FY21<br>• ~80% of contracts now with lumber and transport surcharges |
| Procurement initiatives | • Lumber strategy implemented and delivering cost benefits to lumber repair and capex in line with expectations |
| Automation programme | • Phase one completed with 50+ automated plants performing in line with expectations with enhanced ability to manage demand volatility |

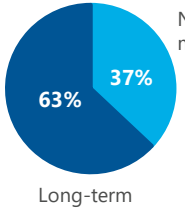
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# Market leadership with enhanced capabilities to support future growth

## Delivering customer value through partnership and industry leadership




## Unserved market addressability




**Near to medium term:** addressable with standard 48x40 wooden pallet, conversion to a 48x40 footprint, introduction of an alternative 48x40 platform or expansion into underpenetrated channels

**Longer term:** addressable through non 48x40 alternative platforms and unlocking new channels with new business models and asset controls

## Market developments driving further opportunities for longer-dated growth

- E-commerce
- New products and channels
- Pent up consumer demand
- Conscious consumers (Sustainability)

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# Differentiated customer value proposition

**Preferred supplier for North America's largest FMCG and Retail companies**

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**Trusted Partnership**

- Responsive during volatile market conditions (like COVID-19) via our advantaged network size and density
- Continued value creation for manufacturers and retailers, i.e. freight collaboration, empty mile reduction, elimination of single use packaging
- Able to control costs by leveraging our global sourcing network



**Proven Reliability**

- Agile business model to support customers in changing market conditions
- Consistent quality and service; International Organisation for Standardisation (ISO) certified



**Recognised Industry Leadership**

- Collaborative solutions that improve efficiencies across customer supply chains
- Global sustainability pioneer; Zero Waste World collaboration
- Proven supply chain innovations

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# A model positioned to deliver profitable volume growth

**Leveraging our pipeline of whitespace and expansion opportunities to grow our portfolio based on market attractiveness**



## Protect

**Strategic partnerships**

- Target manufacturers and retailers that enable our scale and service models

**Geographically desirable markets**

- Geographically target manufacturers and retailers to optimise our capacity to serve and reduce our cost structure



## Improve

**Higher potential markets**

- Capture market share in segments with more attractive footprints

**High turn, low-cost retail markets**

- Enhance value proposition for accounts with better flows and lower cost-to-serve



## Grow

**Higher value segments**

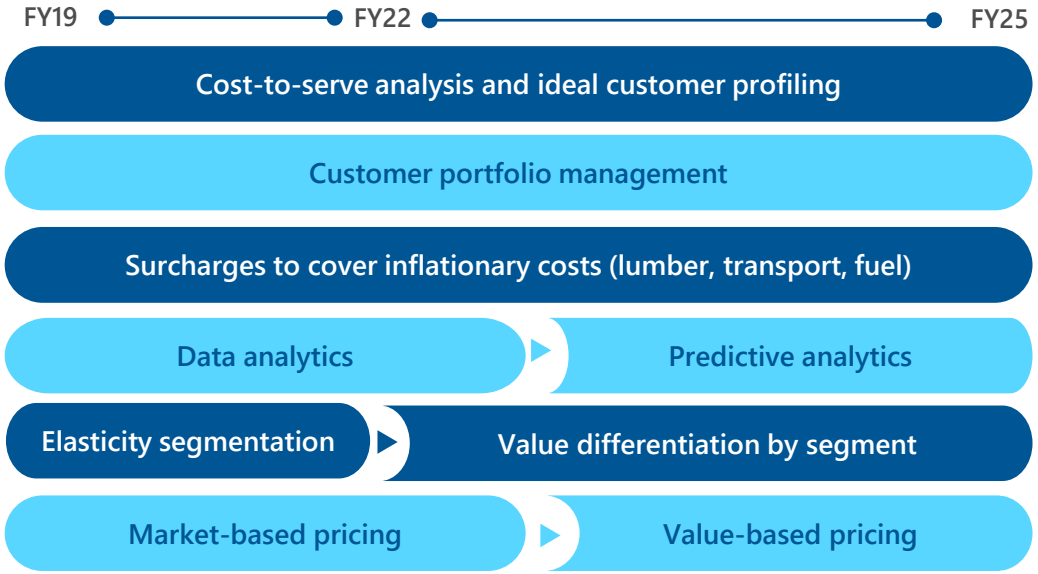
- Capture/target growth in segments that reward our value proposition
- Extract value based on offering and customer perceived value

**New products and channels**

- Offer new products and cross-sell opportunities
- Explore growth in new or underserved channels

# Pricing transformation to deliver customer value and profitable growth

Leveraging customer and market insights into pricing decisions to profitably deliver differentiated customer value




Supported by:

- Portfolio optimisation
- Differentiated value proposition
- Customer value and journey mapping
- Enhanced Customer Experience

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# Ongoing revenue growth balancing volume and price

Value-based pricing and disciplined pipeline management to drive strategic growth with new and existing customers

## CHEP North America Pallet Growth Opportunities

| Product | Historical 4-year average | Medium-term expectations | Initiatives |
|---|---|---|---|
| Like-for-Like | 2% | ~1-2% | • Strong partnerships with strategic customers through joint value creation<br>• Medium-term expectation reflects post COVID-19 normalisation |
| Net new wins | 1% | ~1-3% | • Target new business to optimise supply chain network<br>• Disciplined top-to-bottom (acquisition through conversion) funnel management to drive profitable growth and pipeline velocity<br>• Medium-term expectation reflects focus on profitable growth and includes exiting unprofitable existing customers, as well as normalisation of market conditions (i.e. market availability) |
| Pricing/Mix | 3% | ~2-3% | • Medium-term expectation reflects normalisation of market conditions and ongoing pricing discipline |
| **Total** | **6%** | **5-7%** | |

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# North America
# Transformation initiatives

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## Customer Value

- Customer collaboration
- Best-in-class customer experience
- New sources of value



## Asset Efficiency & Network Productivity

- Asset productivity initiatives
- End-to-end process improvements
- Smart asset deployments
- Automation
- Transport and network optimisation



## Digital Transformation

- Asset digitisation and productivity
- Artificial Intelligence/Machine Learning for process automation
- Enable customer value



## Business Excellence

- People, safety and sustainability
- Operational productivity

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# Automation building on success of Phase 1

**FY18-FY21 investments supported volume growth and delivered a range of other benefits**

- +30% sort capacity
- +20% repair capacity
- 55 automated lines installed
- 42 Klippas installed

Continue automation programme to achieve further capacity and agility gains

**FY22** ▶ **FY24** ▶ **FY25+**







**1 Further rollout current technologies**

- Focus on process reliability and ergonomic improvements
- Accelerate financial benefits from current installs

**2 Reducing Manual Effort**

- Rollout global programmes: 'Plant of the Future'
- Continue journey to fully automated inspection to drive consistent quality
- Develop and implement roadmap to touchless plant

**3 Minimal human touch**

- Eliminates physically demanding tasks

- Creates safer work environment
- Enables workforce diversity
- Reduces manual efforts at the table
- Continues automation journey with Robots and Cobots
- Improves pallet quality / durability

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# Asset productivity

**Transforming North America Asset Productivity through technology, process redesign and pricing to reduce losses**

## Goals

- Reduce flows to non-participants
- Reduce uncompensated pallet losses
- Increase returns from retailers and recyclers
- Protect legal title

## Initiatives

| | |
|---|---|
| Changing customer behaviour | • Targeted smart asset deployments by channel/customer<br>• Channel pricing to cover higher costs and losses<br>• Increase compensation for lost assets<br>• Increased retailer collaboration |
| Asset control and productivity | • Expand small truck private fleet and multi-colour pallet processing centre programmes<br>• Enhanced asset recovery programme<br>• Recruitment of highly trained asset protection managers<br>• Legal action as needed |
| Data and technology | • Application of advanced analytics (e.g. anomaly detection)<br>• Process redesign and improvement through Machine Learning (ML) and Repeatable Process Automation (RPA) |

**Flow Through Ratio to improve by ~1 pt (increasing pallet returns by ~3 million pallets) to pre COVID-19 pallet return levels by end of FY23 with further improvements by end of FY25**

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# Enhanced customer value through digitisation

## Leveraging data analytics and automation to enhance customer insights and value creation

### Digitise the Customer Experience

myCHEP portal and process automation improvements:

- Digitise over 250,000 annual customer touchpoints for order and delivery, proof of delivery and ETA
- Eliminate response times due to manual interactions

- Cloud first strategy for safety and reliability

### Process automation

New process automation through Robotics and Directed Machine Learning:

- Automate email conversations for order, collections and proof of delivery
- Automate notifications for order placement and issue resolutions

- Automated Bot solutions for proactive account health management
- Predictive account health monitoring using Machine Learning

### Customer centric organisation optimisation

Customer behavior process applications and technology:

- Customer needs algorithmics for improved lifecycle management

- Salesforce optimisation for enhanced account management and curated marketing and service support

### New value creation

Customer value analysis technology:

- Targeted solution requirements and market adoption
- Increase customer loyalty and asset productivity

- Retail value proposition enhancements
- Engagement centre with proactive outbound customer contact

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# Summary

**CHEP US delivering margin improvement despite significant challenges**

- CHEP North America largest contributor to Group growth
- Organisational focus on asset productivity
- Continued investment in automation and quality to improve safety, increase capacity, deliver cost efficiencies and consistency
- Significant future growth opportunity to be captured through value-based pricing and a strategic approach to new volume growth
- Digital and data analytics to enable best-in-class customer experience and support of strong financial outcomes

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# Plastic pallets

# Investor Day
2021

Laura Nador
President, CHEP North America

Joaquin Gil
Senior Vice President, FP&A

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# Costco and CHEP
# A history of collaboration and partnership

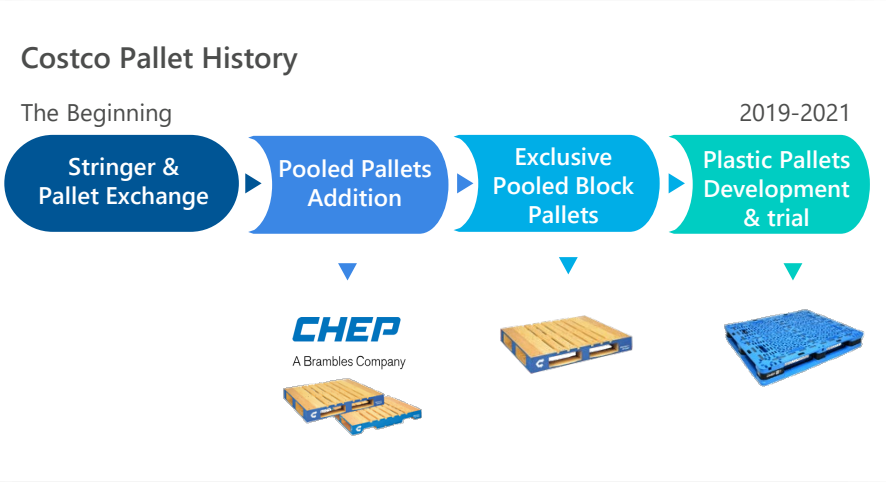
**Costco is one of our fastest-growing retail customers, and represents ~10% of our volume in the US**

**Costco is one of our fastest growing retailer partners**

- CHEP volume CAGR of 13% over previous 5-years
- 2,400+ CHEP customers that ship into Costco

**Costco and CHEP have a history of collaboration**

- Pooled pallets only and Block pallet migration
- Onsite pallet sortation services
- International expansion
- Transportation collaboration
- Asset control processes




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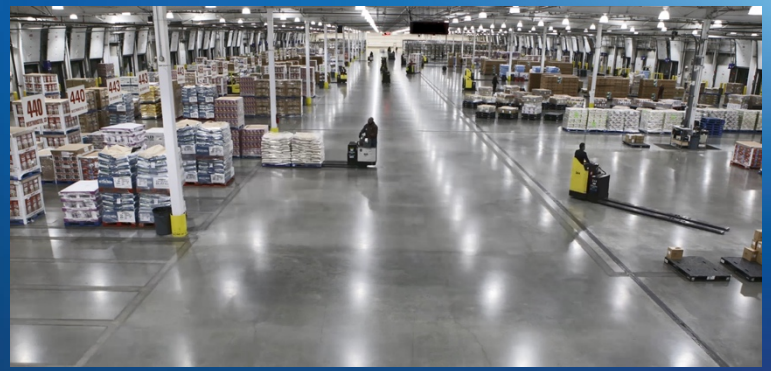
# Why Costco's supply chain is different to other retailers

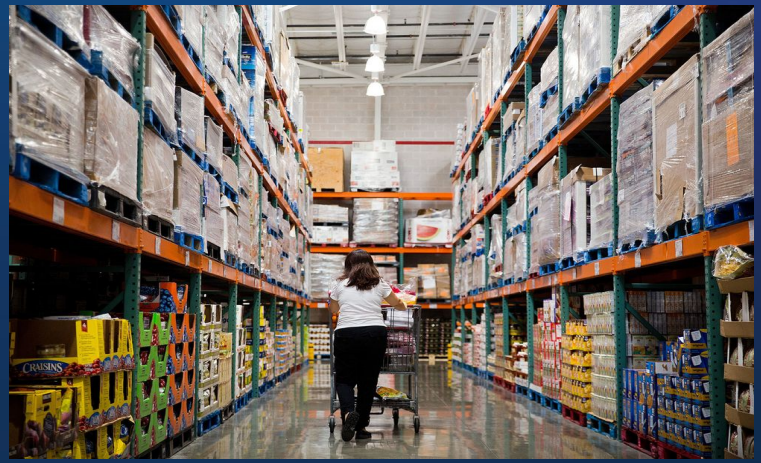
**Pallets play an important role in Costco's business given their fast-moving, cross dock-based supply chain and their warehouse-style stores, where consumers shop directly from the pallet**

**Costco's decision to move to plastic pallets is driven by a unique combination of supply chain characteristics:**

- Cross dock distribution model (no storage and no picking)
- Full pallet fulfillment model
- Increasing use of own private transportation fleet
- Consistent consumer facing merchandising platform
- Limited SKU assortment
- Rapid inventory turnover
- Adoption of technology and process for efficient asset control

**Member value[1] and efficiency are at the core of Costco's key values**




[1] Membership is required to access Costco Club Stores. An annual fee is paid by members, and in return they get access to the many benefits and lower prices offered by Costco.

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# Trialling new operating model for CHEP plastic vs. wood

## Testing Costco on-site pallet sortation and digital operating model to drive supply chain synergies, reduce risk and support enhanced customer value

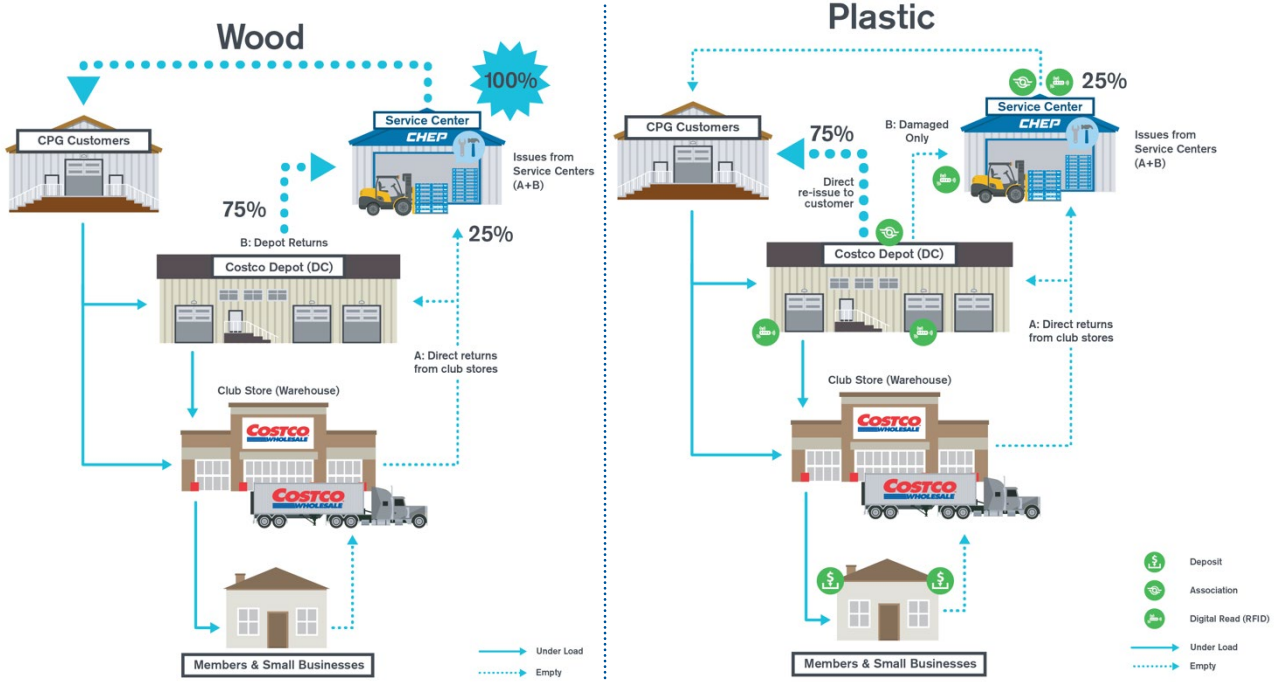
Expected low damage rate on plastic pallets enables a retail sort-based operating model that is different from wooden pallets.

This operating model should enable:

- Reduced transport and repair costs
- Improved asset efficiency through shorter cycle times

Testing a digital operating model leveraging Costco Depot RFID network and CHEP's 100% serialised pallet pool

- Reduces risk by providing visibility to out-of-network moves and leakage
- Enhances customer experience by providing proactive account health, simplified audits and pricing clarity
- Costco deposit fee is a loss compensation mechanism to drive member and small business accountability




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# The UL approved, repairable CHEP plastic pallet




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# Development of our plastic pallet

**Costco was a partner during every step of the product development journey. The pallet meets all Costco and regulatory requirements while being positioned for long term success**



**1 Pallet developed with Costco for their supply chain**

- Includes features for Costco material handling and supply chain – Pallet Jack entry ramp, arched under side of top deck
- Testing and feedback at Costco depots throughout the development cycle

**2 We believe our plastic pallet is the only pooled platform that meets fire and ISO 8611 @ 2,800 lbs. requirements**

- 100% of pool is fire safety approved
- Pallet uses a food safe, non-halogenated flame retardant
- Pallet tested to global industry standard at 2,800 lbs. – ISO 8611



**3 Pallet developed for long term business viability – including environmental and digitisation**

- 100% of the pool is serialised – RFID, visual, QR
- Portion of pool to have active trackers
- Pallet is multiple piece repairable
- CHEP owned IP enables a flexible, multi-location production strategy

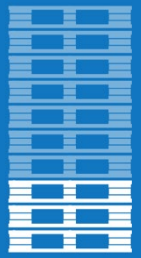
Plastic pallet design stays true to CHEP's core value of leading the market in sustainable pooling solutions enabled by Costco's network and CHEP's product design characteristics

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# Large-scale pilot in progress

**Pilot with multiple manufacturers and Costco to test key operating and economic model assumptions and inform final recommendation**

| | | | | | |
|---|---|---|---|---|---|
| Categories | Fresh | Sundries | Hardlines | Softline | Other Food |
| Supply Chain | Depot-Dry | Depot-Wet | DSD | Direct from Production | Uses 3rd Party |
| Warehouse | Standard | Business Centre | | | |
| Customer Size | Top 5 | Top 25 | SME | | |
| Customer Scale | National | Regional | | | |
| Product Type | Branded | Private Label | | | |
| Product Weight | Heavy | Light | | | |



Piloting with 10+ customers representing >30% of CHEP Costco moves

## Pilot testing key variables of plastic pallet economics:

**Asset Control**

- Overall loss rates (manufacturer and Costco) and level of uncompensated losses
- Flow dynamics and cycle times

**Plastic Pallet Durability**

- Validate plastic pallet test track results

**Operating Model**

- Scan compliance at Costco and CHEP service centres
- Efficiency from retailer sort model

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# Pricing and returns on plastic pallets dependent on key variables

**Given the high capital cost of plastic pallets, low loss rates and driving operational costs savings are essential for a viable business case. Hence, plastic pallets are only suited to more closed loop, low loss supply chains and require a price premium**

| Key variables in plastic pallet economics | Our experience in other markets compared to wooden pallets | Financial Implications |
|---|---|---|
| Capital cost of asset | Plastic ~3 times cost of wooden pallets | • Increased capital investment<br>• Higher depreciation costs |
| Loss rate | Plastic~30% to~50% lower (Restricted to low loss lanes) | • Lower loss rates in units but significantly higher value of assets |
| Damage rate | Plastic ~1/10th of wood | • Lower repair costs overall; higher cost of individual pallet repair offset by lower volume of pallets needing repair |
| Cycle time | No change based on pallet type (Differs based on nature of supply chain and customer product) | • Faster cycle time reduces capital investment required |
| Pricing | Price premium to wood required (% dependent on variables above) | • Price premium required to meet financial return criteria |

**Pilot underway to understand these variables for Costco and to test:**

- Use of RFID technology to track assets to minimise loss rates (given high asset cost)
- Onsite inspection and pallet issues to reduce operating costs through transport savings

**Outcomes of pilot will determine price premium required**

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# Decision criteria

For Brambles to proceed with the investment in Costco plastic pallets the following criteria would need to be met

| | |
|---|---|
| **Forecast returns (ROCI) post roll-out** (steady state, ~year 5) | **If returns are:**<br>• >15% ROCI - Proceed<br>• Single-digit ROCI - Don't proceed<br>• ROCI between these two ranges, requires assessment of further opportunities to improve returns over the longer term |
| **Costco's commitment to:** | **Level playing field**<br>• Plastic pallet quality requirements and specifications the same for all suppliers for all plastic pallets |
| | **Operational requirements**<br>• Continue focus on asset controls via RFID (expansion of readers across the Costco network), retail customer deposit system and other process changes<br>• Enable efficient onsite inspection and re-issue of pallets to reduce number of pallets returning to CHEP service centres<br>• Explore further opportunities for transportation collaboration |
| **Costco suppliers' acceptance of:** | • **Plastic pallets**<br>• **Pricing and commercial terms including** premium to wooden pallets and compensation for lost plastic pallets |

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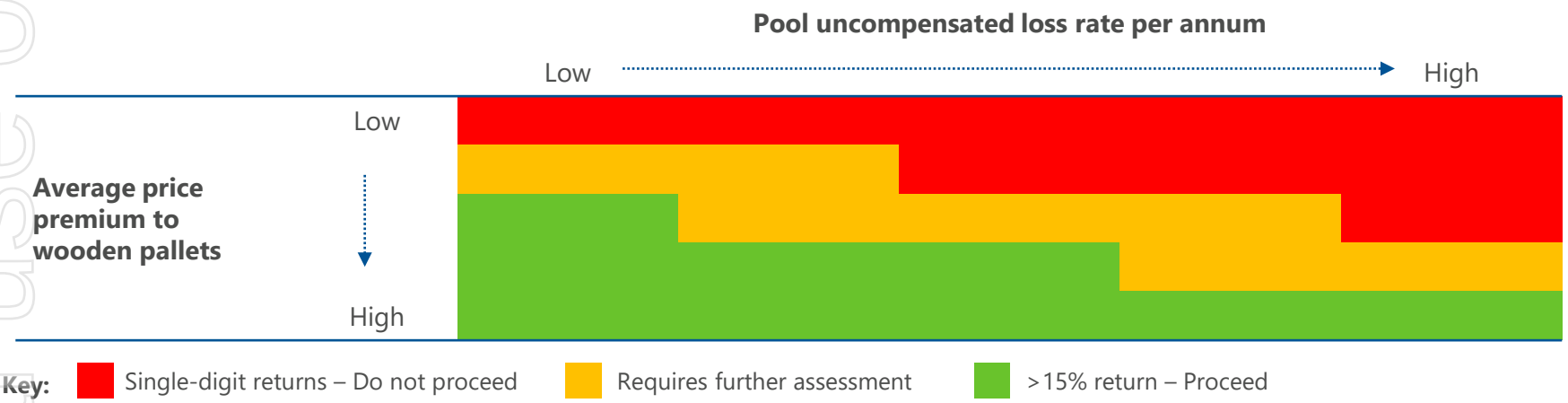
# Decision criteria

## ROCI is one of the key variables in Brambles' decision criteria

**Key variables of expected return on investment in Costco plastic pallets are asset cost, loss rate and pricing**

**Costco plastic pallet** (at ~mid-point of unit cost[1])

Steady State (~year 5) ROCI sensitivity to issue fee and loss rate




**Key:** Single-digit returns – Do not proceed | Requires further assessment | >15% return – Proceed

[1] The current price is higher than shown due to resin price increases.

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# "What if" Costco proceeds with plastic pallets and Brambles decides not to invest in a plastic pallet pool

- Conversion to plastic pallets would be phased. Most likely over ~3 years
- Short-term transition costs (for example pallet relocation costs) and inefficiencies in the wood pool due to loss of Costco volume
- Expect to replace Costco volumes (~10% of US volumes) with new business wins over the mid to long-term
- May result in market share decline given inability to grow with Costco (as they gain market share), however ~50% of US market is currently unpooled, providing opportunities for longer term growth
- Avoid plastic pallet capital investment of between ~US$450m and US$700m over ~3 years
- Reduced capital investment in wooden pallet pool over initial 3-year period. As wooden pallets are progressively released from Costco flows they would be redeployed to existing and new customers (Capex avoidance of ~US$150m to US$180m over 3 years)

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# Decision on investment in Costco plastic pallets expected in H2 FY22

- We are proud of our long and mutually successful partnership with Costco
- While we strive to meet our customers' needs it is also important that we continue with a disciplined approach to capital allocation. Consistent with this, we have established clear decision criteria on which to make this investment decision
- Loss and damage rate outcomes and resulting price premium are critical to financial viability of plastic pallets within Costco's unique supply chain
- The results from the pilot will provide key inputs to our decision in H2 FY22
- We have a strong pipeline of growth opportunities, both with Costco and in the overall market
- Currently, there are limited use cases where high-cost plastic pallets are commercially feasible due to significant price premium required to compensate for higher loss and damage profiles of other retailer supply chains given the current high cost of plastic pallets

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14 September 2021

# Investor Day 2021

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# CHEP Asia-Pacific

Phillip Austin
President, CHEP Asia-Pacific

# Investor Day
2021

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# CHEP Asia-Pacific Overview

## Performance and potential across the portfolio

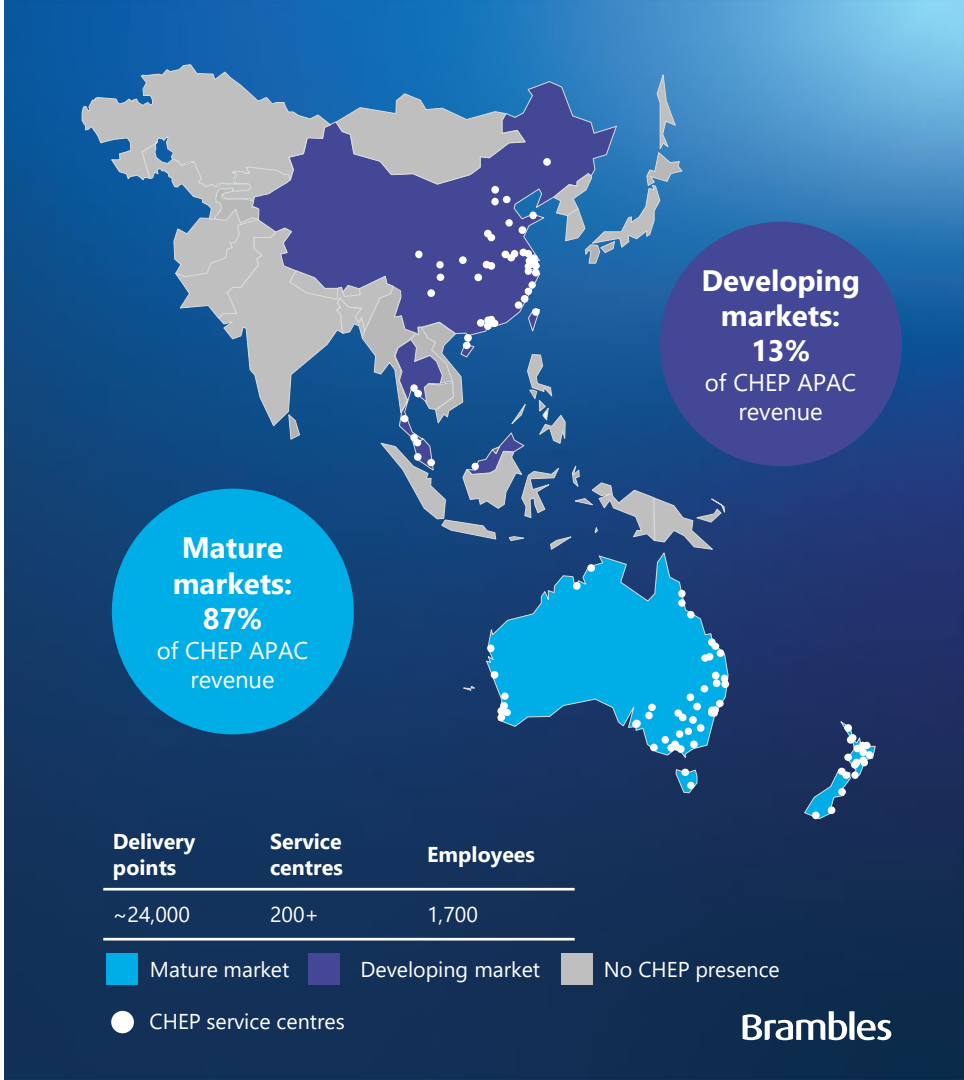
**Developed Markets: ANZ**

- Strong and stable competitive market positions
- Ongoing system growth and attractive incremental growth opportunities that leverage network advantage

**Developing Markets: Asia**

- Predominantly unpooled with material longer-term growth opportunities
- Highly competitive pooling market environment as customer supply chains modernise and adopt palletisation
- Focused growth opportunities supported by disciplined allocation

**Well positioned to deliver mid-single digit revenue growth, with profit leverage and returns over 20%**




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# Developed markets:
# Australia & New Zealand

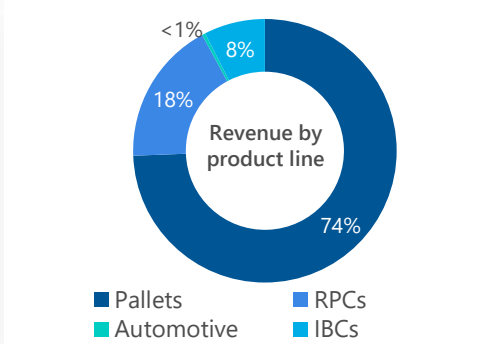
## Australia

- Multi product service offering driving opportunities for accretive growth
- Innovation in new product formats to meet the evolution of supply chain and retail
- Completing sustained programme of investment in service network driving safety, service and productivity
- Strong progress in Customer Experience/Net Promoter Scores both supported and challenged by sustained pandemic activity

## New Zealand

- Multi product service offering driving opportunities for accretive growth
- Stable and strong market position in pallets reflected in improved commercial outcomes and strong positive trends in Customer Experience/Net Promoter Score
- Emerging normalisation of demand drivers and activity after variable pandemic activity
- Market leading position in RPC supports accretive returns and growth

## Products




## Potential

- Mid-single digit revenue growth driven by organic growth and price in key markets as well as increased RPC volumes
- Profit leverage and improved returns driven by increasing cost efficiency and productivity driven capital investments and overhead cost control

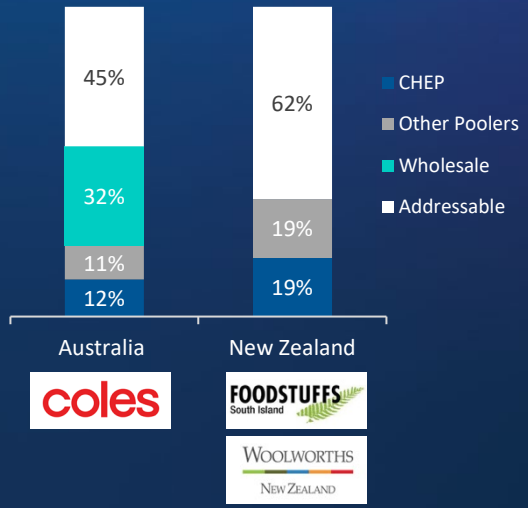
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# RPCs: developed markets

## Significant incremental growth opportunity underpinned by long-term contracts

### Australia & New Zealand RPC pooling segment

*Market share by units %*




**Retained and rebuilt a strong foundation for growth**

- Retention of key long-term contracts in New Zealand
- Good progress in establishing operations to support new long-term agreement in Australia

**Leverages CHEP's network effect in local market structures**

- Fully integrated business operations and highly concentrated, highly penetrated retailers across fresh produce
- Existing multi product supply to customers enhanced via RPC
- CHEP can utilise existing service and overhead structures for stakeholder value

**Improving performance and exploring potential**

- Considerable category volume remains unserved in existing retailer fresh food category
- Wholesale and food service segments represent large addressable volumes
- Early progress in meal kit/home service providers
- Well positioned to support any evolution of alternate plastic products in omni-channel retailing

**Performance and exploring potential**

- Improved volumes and profitability in FY23 as Australian contract infrastructure set-up is finalised
- Strong platform thereafter for continuing future growth in returns

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# Operational focus: Australia

## Delivering ongoing competitive advantage and growth through relentless evolution and renewal



### Customer Value

- New and improved products
- Upgraded service network improving customer experience
- Enhanced online services and account analytics
- Verifiable and recognised sustainability benefits
- Service fundamentals reinforced and recognised through pandemic
- Improved capability to meet quality, availability, hygiene benchmarks
- Value-based pricing across portfolio



### Asset Efficiency & Network Productivity

- Extensive programme of site renewal, consolidation and automation: safety, productivity, capacity and Customer Experience
- Optimised planning tools (asset and network productivity)
- Diversified and secured forward timber supply



### Digital Transformation

- Collaborative customer asset digitisation pilots (value)
- Robotics Process Automation deployment and extension (efficiency)
- Enhanced customer facing analytics (Customer Experience and pool integrity)
- Increasing transactional analytics (efficiency, effectiveness, revenue integrity)



### Business Excellence

- Sustained high employee engagement and improving Zero Harm fundamentals
- Increasing gender and ethnic diversity
- Ongoing overhead productivity
- Disciplined cash collection
- Rapid transition to renewable energy

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# Developing markets: South East Asia

## Strengthening the foundations for ongoing growth

### Progress

- Ensuring high customer retention
- Investing in plant automation
- Embedding process and systems improvements from across the Group
- Re-establishing price indexation and momentum

### Performance

- Mid to high single-digit revenue growth rates
- Improved profitability and the capacity for future growth and leverage
- Improved customer experience Net Promoter Scores and feedback
- High levels of asset utilisation
- Improved overhead productivity
- Positive cash generation aided by strong cash collection and enforcement of lost equipment charges

### Potential

- Mid-high single-digit revenue growth
- Improved profitability and returns

### Products



Wood pallets



Plastic pallets



IBC



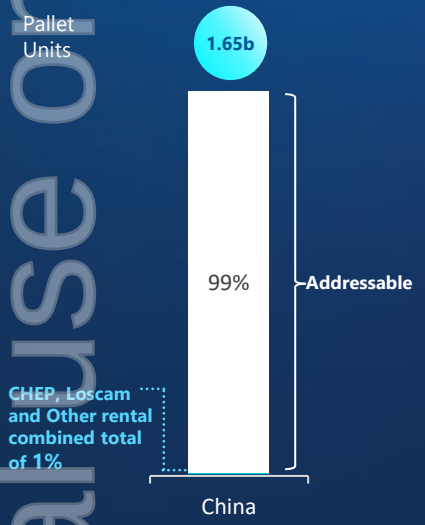
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# Developing markets: China

## Market progressing on the path to pooling




- Established pallet and supporting infrastructure standards and palletisation as element of central 5-Year Plans for logistics
- Ongoing reduction of traditional logistics unskilled labour force
- Increased domestic consumption
- Early-stage supply chain and logistics consolidation and supply chain automation

**Market activity increasing:**

- Highly competitive market environment
- Establishing partnerships with national logistics operators to build agile physical and customer network
- Adopting local technology to improve customer experience

## Building foundations and options for investment-worthy growth

**Disciplined approach to capital investment, balancing customer 'reach and relevance' with competitive relativity**

- Targeted growth with key retail, e-commerce, FMCG and logistics sectors
- New leadership with entrepreneurial approach
- Network development with proprietary automation and hybrid low-cost density model with local partners
- Strengthened asset utilisation and legal title
- 30% growth in timber pallet business with high customer retention and Net Promoter Scores
- Increased profitability, profit leverage and material increases in asset utilisation and cash flow generation
- Exploring further partnerships to create value as market evolution continues

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# CHEP
# Asia-Pacific summary

**Well positioned to deliver profitable growth and strong returns with ongoing disciplined capital investment and cash management**

- Protect and grow our strong market positions in developed markets and unlock further value in developing markets
- Investments in optimisation of growing base business and foundations of future growth across developing and developed markets whilst maintaining strong returns
- Investments and building of capability in Customer Experience and Employee Experience to support asset efficiency, network productivity, digital transformation, business excellence and customer value
- Well positioned to deliver mid-single digit revenue growth, with profit leverage and returns of over 20%

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# CHEP IMETA

Phillip Austin
President, IMETA

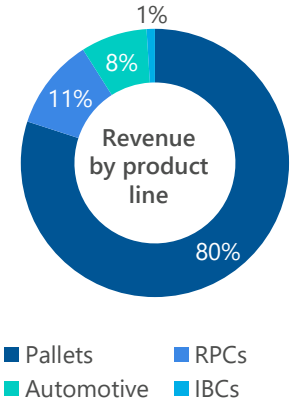
# Investor Day
2021

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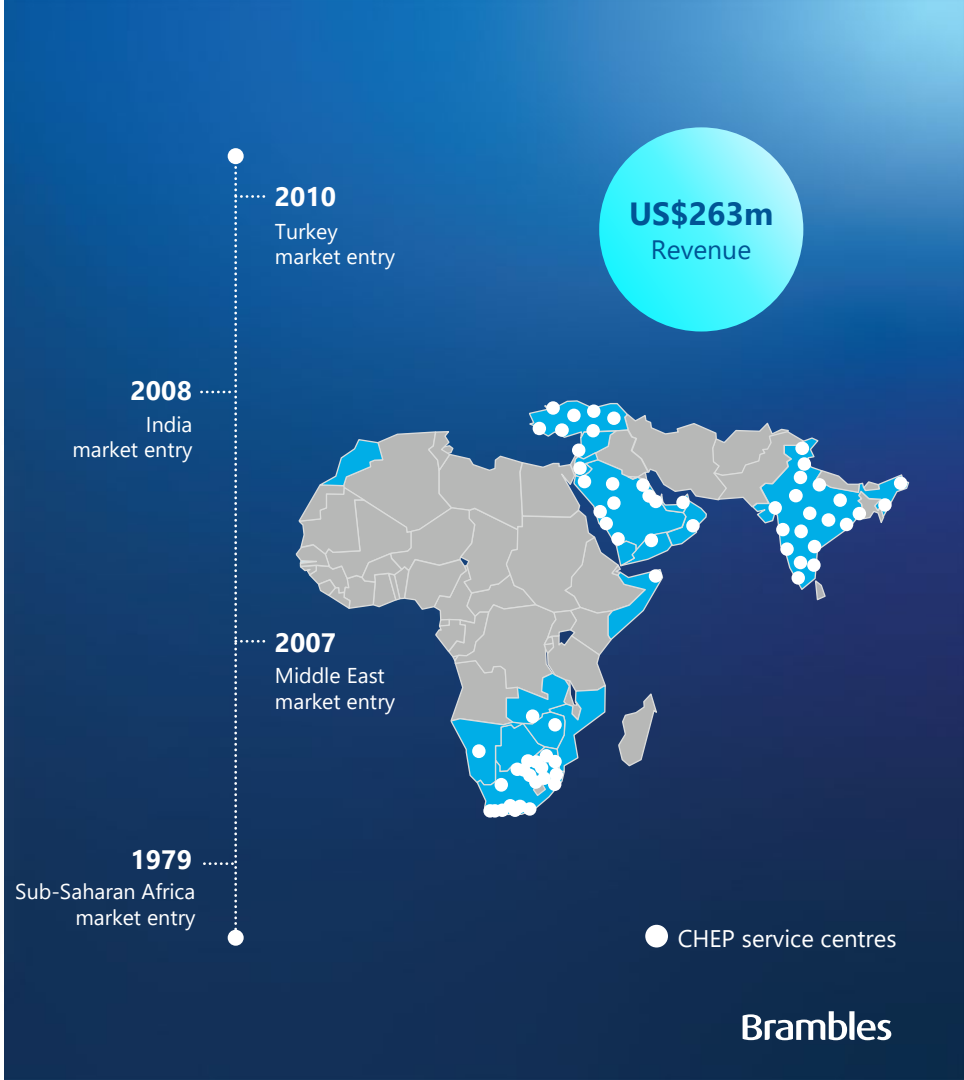
# CHEP in IMETA

**A broad regional portfolio reflecting diverse business and market maturities generating profitable growth and sustained growth opportunities across the portfolio**

| | CHEP IMETA |
|---|---|
| FY21 revenue | US$263m |
| Employees | ~2,300 |
| Delivery points | ~2,400 |
| Service centres[1] | 140 |
| Countries | 17 |




**Note:** IMETA = India, Middle East, Turkey and Africa.
[1] Service centres and locations on map includes operations on customers' premises, i.e., TEMS.

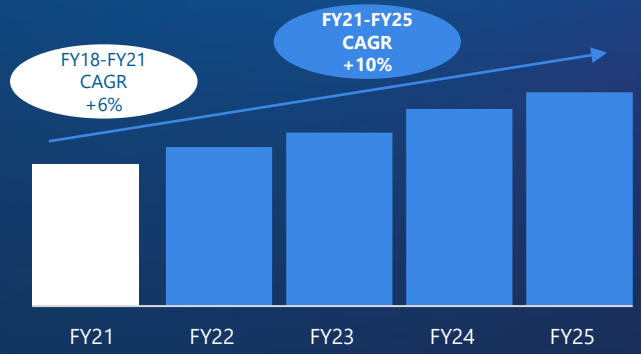



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# Growth Environment in IMETA

## Increasing growth momentum and further potential...

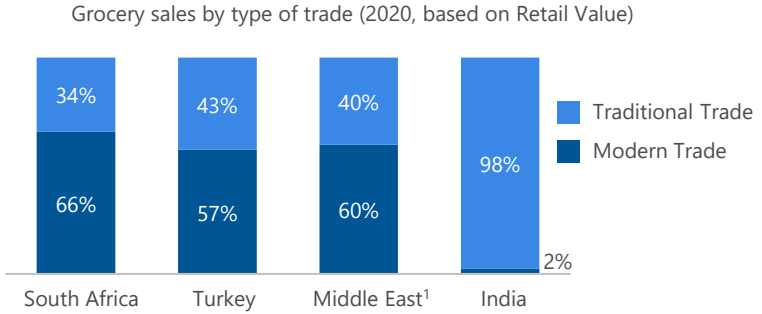



## Underpinned by...

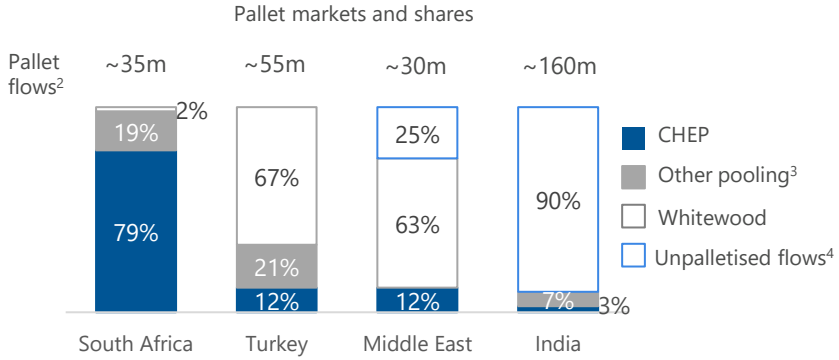
...maturing supply **chains** demanding standardised and quality solutions

... modernisation of **retail** markets and structures

## Favourable market structures with increased modern trade




## Significant addressable opportunity




[1] Saudi Arabia and UAE. [2] Market share data relates to full-size pallets only, calculated as number of pallet movements from manufacturers, if all flows were palletised. [3] Pooling competitors and customer-owned pools. [4] Pallets are mainly used for storage, i.e. flows are not the right measure. Source: Euromonitor; CHEP research and analyses.

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# IMETA: developing markets

**Responsibly expanding and optimising the network in line with maturing of local supply chains**

### Turkey

- Leverage standardisation trend with key retailers to grow core business solutions
- Expand penetration of pooling solutions by converting whitewood market
- Continuously strengthening value pricing, cost to serve and asset controls

### Middle East

- Grow core business and markets as industries continue to mature
- Explore growth opportunities in adjacent industries and geographies
- Optimise network and asset control through local collaboration and adoption of CHEP global best practice

### India

- Selectively target core business growth assuming appropriate commercial and macro-economic environment
- Strengthen and optimise operation to enable future growth
- Expand pooling and segment offerings in Automotive
- Continue collaboration and pilots with e-commerce players to develop pooling solutions

## Main products



Wooden pallets



Automotive crates



Securetainers

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# Developed markets: Sub-Saharan Africa

**Continued profitable growth opportunities in Sub-Saharan Africa by leveraging strong position and expertise in market both within core business and innovative solutions**

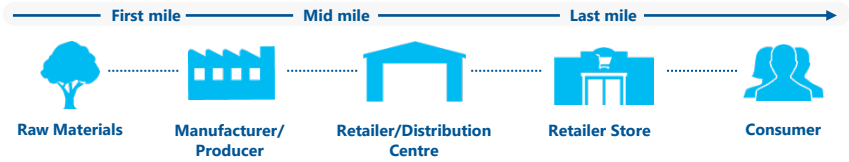
**Sub-Saharan Africa (SSA)**

- Established multi-product business operational since 1979 with South Africa as the main country market
- Built market leading position by pioneering pooling solutions
- Long-standing relationships with key industry players
- Active in Agriculture, FMCG/Retail, Automotive and other industries
- Solutions for first to last mile of the supply chain
- Operating across the value chain including forestry and milling

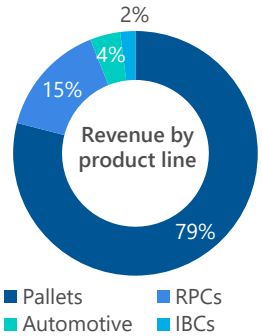
## CHEP SSA Value chain




## Industry supply chain




## Multi-product business







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# Developed markets:
# Sub-Saharan Africa

**Mitigating forward supply and cost risk to maximise shareholder and customer value**

**Forest and Milling in this market:**

- Secures consistent supply of quality FSC[1] certified timber
- Mitigates risk of price fluctuations
- Gives necessary control of operation and cost along value chain
- Enables flexibility and innovation
- Embeds Sustainability commitments into the organisation

**Relentless continuous improvement, innovation and optimisation across the business drives profitable growth**

**Asset efficiency, Network Productivity and Business Excellence**

- Optimised plant network and ongoing automation
- Aligning commercial terms with cost-to-serve
- Enhancing asset protection, recovery and efficiency
- Reducing product damage ratio and improving asset durability

**Close partnerships and continuous development with decision making retailers is the key to growth**

**Customer Value**

- Closer collaboration across functions and levels including workshops and feedback
- Joint short- and long-term planning
- Continuous development and improvement of products and offerings, including services and digital transformation
- Optimising network to serve more efficiently
- Increasing Net Promoter Scores supporting customer retention and growth

[1] Forest Stewardship Council – FSC certified wood has been harvested sustainably.

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# CHEP IMETA summary

**A broad portfolio of diverse businesses and market maturities set to continue generating profitable growth with further opportunities across the region**

- Strong foundation for sustained performance and potential for ongoing growth with a broad portfolio in developed and developing markets
- CHEP's strong network in key markets gives a clear competitive advantage, enabling efficient customer value creation and supporting future opportunity realisation
- Growth opportunities across the portfolio driven by maturing supply chains demanding standardised and quality network solutions
- The region has the proven and future capacity for continuing operating leverage through continuous improvement, innovation and optimisation
- Integrated forestry and milling operations in South Africa provide continuity and risk mitigation while supporting sustainability goals
- The foundations of the business in IMETA are underpinned by our people and our leading Zero Harm, Employee Engagement and Customer Net Promoter Score outcomes across the region

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Brambles

14 September 2021

# Investor Day 2021

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# Appendix

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# Glossary

Except where noted, common terms and measures used in this document are based upon the following definitions:

| | |
|---|---|
| ACI<br>(Average Capital Invested) | Average Capital Invested (ACI) is a twelve-month average of capital invested.<br>Capital invested is calculated as net assets before tax balances, cash, term deposits, borrowings, and lease liabilities, but after adjustment for pension plan actuarial gains or losses and net equity adjustments for equity-settled share-based payments |
| Actual currency/FX | Results translated into US dollars at the applicable actual monthly exchange rates ruling in each period |
| AI | Artificial Intelligence |
| BIFR<br>(Brambles Injury Frequency Rate) | Safety performance indicator that measures the combined number of fatalities, lost time injuries, modified duties, and medical treatments per million hours worked |
| BLE | Wireless personal area network technology |
| BRIXScan | Technology to capture and process asset level data |
| Capex<br>(Capital expenditure) | Unless otherwise stated, capital expenditure is presented on an accruals basis and excludes intangible assets and equity acquisitions. It is shown gross of any fixed asset disposal proceeds. |
| Cash Flow from Operations | Cash flow generated after net capital expenditure but excluding Significant Items that are outside the ordinary course of business |
| Circular economy / Circular model | A circular economy regenerates and circulates key resources, ensuring products, components and materials are at their highest utility and value at all times |

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# Glossary

Except where noted, common terms and measures used in this document are based upon the following definitions:

| | |
|---|---|
| Cobots | Collaborative robot |
| COLT | CHEP Operations and Logistics Technology |
| Constant currency/constant FX | Current period results translated into US dollars at the actual monthly exchange rates applicable in the comparable period, so as to show relative performance between the two periods |
| COP26 | COP26 is the 2021 United Nations 26th climate change conference |
| CRM | Client Relationship Management |
| DPMO (Defects per million opportunities) | A measure of the capability of a process, where the DPMO number indicates the number of defects observed or expected in a process when there is a possibility (opportunity) to have made a million defects |
| EBITDA | Underlying Profit after adding back depreciation, amortisation and IPEP expense |
| EPS (Earnings per share) | Profit after finance costs, tax, minority interests and Significant Items, divided by weighted average number of shares on issue during the period |
| FLC | Foldable Large Container |
| FMCG | Fast Moving Consumer Goods |
| Free Cash Flow | Cash Flow generated after net capital expenditure, finance costs and tax, but excluding the net cost of acquisitions and proceeds from business disposals |

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# Glossary

Except where noted, common terms and measures used in this document are based upon the following definitions:

| | |
|---|---|
| FSC | Forest Stewardship Council |
| IBC (Intermediate Bulk Container) | Palletised containers used for the transport and storage of bulk products in a variety of industries, including the food, chemical, pharmaceutical and transportation industries |
| IPEP (Irrecoverable Pooling Equipment Provision) | Provision held by Brambles to account for pooling equipment that cannot be economically recovered and for which there is no reasonable expectation of receiving compensation |
| ISO certified | International Organisation for Standardisation |
| ISPM 15 | ISPM 15 is the International Standards for Phytosanitary Measures. No. 15 is for the regulation of wood packaging material in international trade |
| Like-for-like revenue / organic revenue | Sales revenue in the reporting period relating to volume performance of the same products with the same customers as the prior corresponding period |
| ML | Machine Learning |
| MSCI | Morgan Stanley Capital International, is an investment research firm that provides stock indexes, portfolio risk and performance analytics, and governance tools to institutional investors and hedge funds |
| Net new business | The sales revenue impact in the reporting period from business won or lost in that period and over the previous financial year, included across reporting periods for 12 months from the date of the win or loss, at constant currency |
| NPD | Non-participating distributor |

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# Glossary

Except where noted, common terms and measures used in this document are based upon the following definitions:

| | |
|---|---|
| NPS | Net Promoter Score |
| OEM | Original Equipment Manufacturer |
| RFID | Radio Frequency Identification Device |
| ROCI (Return on Capital Invested) | Underlying Profit divided by Average Capital Invested |
| RPC | Reusable plastic/produce crates or containers, used to transport fresh produce; |
| Sales revenue | Excludes revenues of associates and non-trading revenue |
| SDG | Sustainable Development Goals |
| Significant Items | Items of income or expense which are, either individually or in aggregate, material to Brambles or to the relevant business segment and: outside the ordinary course of business(e.g., gains or losses on the sale or termination of operations, the cost of significant reorganisations or restructuring); or part of the ordinary activities of the business but unusual because of their size and nature |
| Underlying Profit | Profit from continuing operations before finance costs, tax and Significant Items |
| ZWW | Zero Waste World |

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# Investor Relations contact

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