



## 2019 SUSTAINABILITY REPORT

Leading the way in Environmental,  
Social and Governance responsibility

# Embracing Sustainability

## Statement from the Chair of InvoCare

As Australia, Singapore and New Zealand's leading operator in the funeral, cemetery and crematoria sector, InvoCare has a responsibility to both our shareholders and the communities we serve to lead the way in defining standards of excellence in the sustainability of our industry's environmental, social and governance (ESG) practices.

To that end, we have appointed a taskforce, comprising representatives from the Board and senior management, to oversee implementation of best practices in managing, measuring and reporting on our ESG performance. One year into this three-year initiative, we are pleased to explain our approach and share our progress in this report. Our aim by 2022 is to ensure that InvoCare's sustainability performance and reporting are best practice.

As increasing attention is focussed on business practices in our sector, we hope that this initiative will further demonstrate our commitment to innovate for the benefit of our people, client families, shareholders and other stakeholders, by evolving and adapting to their ever-changing expectations and needs.

InvoCare recognises that good management of our social, environmental and governance responsibilities is integral to our future growth and prosperity. It is not only important to underpin the reputation and competitive appeal of our brands, but also to evolve our culture in line with contemporary values.

This report details the achievements and outcomes of work undertaken during 2019, outlines key targets for achievement in 2020 and explains the priorities for operational developments by 2022.

### A three-phase initiative

**2019**

Focussed on scoping the challenges associated with best practice ESG management, measurement and reporting; planning our approach and building our capabilities.

**2020**

We will focus on developing the operational and reporting model ideal for our core sectors, building on established and globally recognised frameworks such as the GRI Index.

**2021**

During 2021 we expect to consolidate our new operational protocols and standards, building on our business-wide Enterprise Resource Planning (ERP) system to assess our performance against clearly defined operational targets across all areas of ESG.

**Bart Vogel**

Chairman



# Sustainable Development Goals

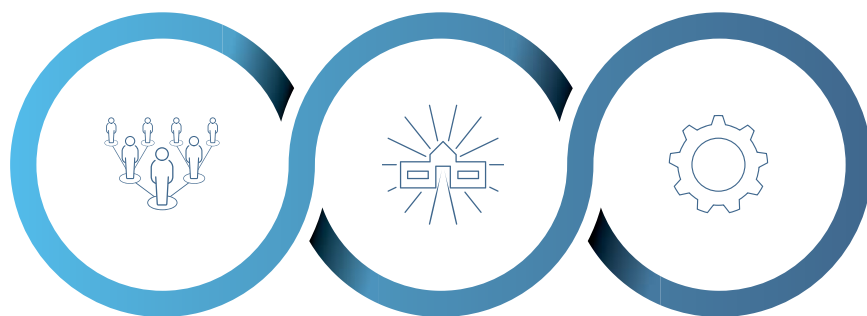
## The United Nations Sustainable Development Goals

InvoCare embraces the United Nations Sustainable Development Goals (SDGs) as a broad framework for defining our ESG priorities as a responsible industry leader. While many of our existing policies and initiatives address key aspects of these goals, we have chosen four key SDGs as our initial focus for further development of ESG best practices.



### InvoCare Goal Strategy

To relate our SDG priorities to the everyday operations of InvoCare and link it to our business strategy and material risks, ESG initiatives and indices will be based on three key areas – People, Places and Practices.



#### PEOPLE

Our aspirations for and engagement with our people, shareholders and other stakeholders, and those living in the communities we serve

#### PLACES

The environmental, aesthetic and social impact of our built facilities, equipment and grounds that we manage

#### PRACTICES

The policies, procedures and protocols that we employ in the planning, development, management and reporting of our operational and financial activities



#### SDG Goal 5: Gender Equality

As a substantial employer, InvoCare is committed to promoting Gender Equality by ensuring that:

- Recruitment and personnel development practices actively avoid unconscious bias
- Positive measures are taken to ensure a balanced ratio of females and males at all levels of our organisation



#### SDG Goal 8: Decent work and Economic Growth

InvoCare is committed to creating a decent work environment and enabling economic growth by:

- Building a mutually supportive, non-judgemental team-culture that equips our people mentally and socially to manage the challenges of dealing with families during times of loss
- Undertaking the necessary training, investment and awareness raising needed to create the safest possible working environment for our people, both physically and mentally
- Providing our people with the appropriate training, remuneration, rewards and support to meet the expectations and needs of our client families and to motivate, enable and acknowledge their success
- Enabling our people to share in the economic growth of the business through employee share schemes



#### SDG Goal 10: Reduces Inequalities

InvoCare is committed to reducing inequalities by:

- Ensuring equal opportunities for our people of all ages, abilities and sexual orientations
- Aiming to achieve a level of employee diversity that truly reflects the communities we serve
- Providing all people in the communities we serve with equal access to funeral and memorial services appropriate to their beliefs, cultural norms and financial circumstances



#### SDG Goal 12: Responsible consumption and production

InvoCare is committed to responsible production and consumption by:

- Engaging with business partners in our supply chains to ensure that they meet or exceed all relevant environmental, social and governance standards
- Minimising the energy consumption and associated greenhouse gas emissions related to our operations, by deploying more efficient cremators, heating and lighting, vehicle fleet management, travel policies and renewable energy sources
- Developing and managing our memorial parks to enhance their native biodiversity and amenity value for local communities



## SDG 5 – Gender Equality

InvoCare recognises that gender equality is not just an important ethical principle, but also brings many practical benefits for the development of stable, innovative and productive teams. Ideally, our aim is to realise a gender balance within the boundaries of a 40:60 ratio in either direction.

In terms of gender balance, InvoCare is made up of different gender mixes at various levels of the business, as illustrated in the chart to the right. At the end of 2019, the 2,033 people who made up the Group's Board, Group Executive Team (GET), Corporate and Operational management and other employees comprised 59% females and 41% males, within our targeted gender balance boundaries. The Group's overall female bias was mainly due to the number of females in Operational areas of the business, in part reflecting the all-female make-up of our White Lady Funeral client families service teams.

The chart shows that the gender balance at all levels of the business at the end of 2019 fell within the targeted 60:40 range, except in the Group Executive Team (excluding the CEO), which was 71% male. Since the end of 2019 this situation has changed, with the ratio in the Group Executive Team now at 57:43 male:female.

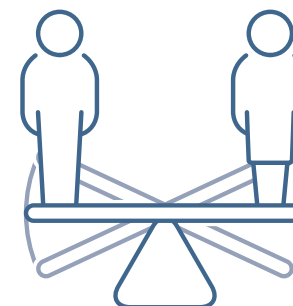
We are pleased to note that the six Non-Executive Directors are equally split by gender. This equal split was also achieved within our Australian management team, as noted over the page.

Areas of relative gender imbalance include our Corporate management team and Operational personnel other than management. Reducing these levels of inequality will be addressed through a range of initiatives in the coming years.

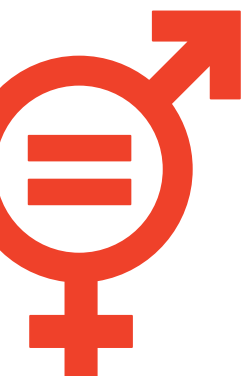
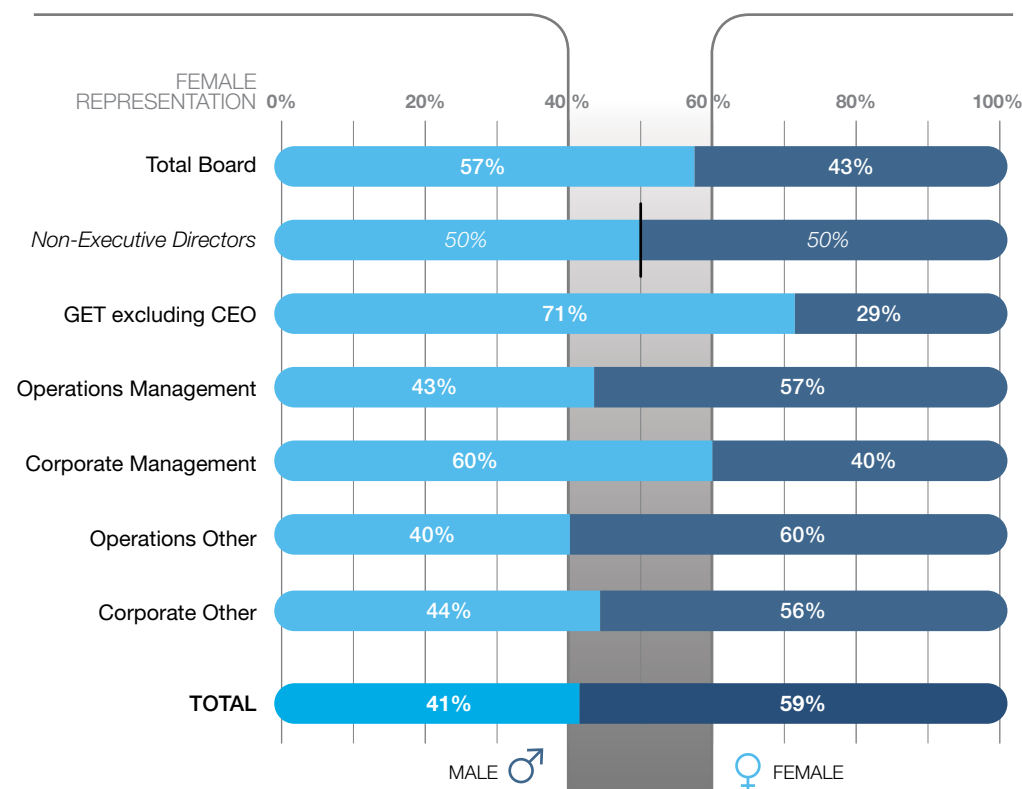
One of the key challenges for addressing gender equity at all levels is to minimise unconscious bias associated with decision making during the recruitment and promotion process. Much effort is now underway to review the recruitment process and resources available to ensure a good fit for our business. Addressing potential gender bias will form an important part of the training and protocols that emerge.

Our Aspire Leadership Program is another area of opportunity to address potential unconscious bias, and to actively support the encouragement of talented females to step up and pursue middle and senior management opportunities in the Corporate areas of our business.

Issues such as equality of remuneration, parental leave and flexible working options will be reviewed in the coming year as part of a wider assessment and evolution of our people and culture practices.



...our aim is to realise a gender balance within the boundaries of a 40-60 split in either direction



## Gender Equality in Action

InvoCare's commitment to Gender Equality is currently reflected in our Australian corporate middle-management team, straddling the space between Senior Executives and Local Managers.

At the end of 2019 the proportions of females and males in this team were equally balanced, reflecting our efforts to draw on and develop leadership talent regardless of gender and age.



## SDG 8 – Decent Work and Economic Growth

The funeral, cemetery and crematoria sectors can be both emotionally and physically challenging for workers, dealing as they must with the practical and personal issues and aspirations of families in times of personal loss and intense grief.

**InvoCare's commitment to meeting the changing needs of our client families means our people are focussed on becoming more flexible and productive than ever before**

There has never been greater emphasis on delivering InvoCare's mission to support clients, their families and friends at a pivotal time in their lives by being compassionate, exceeding expectations and delivering outstanding service. Key customer-based metrics such as Net Promotor Scores are used to measure our people's success in this area.

We know that the satisfaction of client families depends upon our people's personal motivation and job satisfaction. Our call for high, sustained levels of client family focus must therefore be matched with a commensurate commitment and focus to enhance the quality of working life for every InvoCare employee. **One InvoCare Culture** initiatives are designed to create mutually supportive, inclusive and respectful team cultures, which are essential to work life quality.

Key initiatives that recognise, reward and support our people who embrace InvoCare's mission include providing and promoting employee share schemes and our widely admired **One InvoCare Awards**, which is reviewed on the following page.

InvoCare's performance on improving and sustaining the quality of people's work life is currently measured in terms of participation in employee satisfaction surveys. InvoCare is proud to report that our performance across all these measures remains very strong and has largely improved since measurements began.

Another key index of our people's satisfaction is the rate of voluntary resignation, particularly during their first year. An important driver of this outcome is InvoCare's capacity to identify and attract people whose personal values and temperaments align with our mission. Significant recent efforts in this area have contributed to a 7.7% reduction in first year employee turnover from 2018 to 2019.

Workplace Health and Safety is another key area of focus for InvoCare, and the initiatives, outcomes and aspirations in this critical area of decent work are detailed on page 8.





## Decent Work – Reward and Recognition

Personal recognition and reward for outstanding effort and success at being compassionate, exceeding expectations and delivering outstanding service plays a critical part in building a caring and mutually supportive team culture.

The **One InvoCare Awards** recognise outstanding performance on a quarterly basis at state level, and on an annual basis at the national level. These rewards focus on the four core values underpinning cultural efforts to focus teams on the delivery of increasingly valued customer-services, which are built around the principles of CARE:

- Collaboration
- Accountability
- Responsiveness
- Excellence

Every year leaders and achievers from across the Group are brought together for the Award Ceremony, to celebrate and recognise the finalists' achievement in living our values.



### LIFETIME ACHIEVEMENT AWARD RECIPIENT

## Allan Drew OAM



InvoCare's Lifetime Achievement Award honours people who commit their lives to the funeral industry. First awarded to Patsy Healy in 2018, the recipient in 2019 was Allan Drew OAM, who sadly passed away in December 2019 after a long battle with cancer.

Allan was known and well respected by many as one of the great ambassadors and an icon of the funeral industry. Allan bought his first funeral business more than 30 years ago and served as a Funeral Director in Castle Hill from 1994, when his association with InvoCare first began. He was always generous with his time for others and was heard saying many times he believed being a funeral director was one of the greatest jobs on earth. He said the most important part of the role was guiding people through uncharted waters and getting them to the other side in the best condition possible.

Allan was also a strong local community member and generous volunteer in times of disaster, and InvoCare holds his example high to inspire those who come after him.

Allan had an enormous impact on our business and his legacy will live on as he will remain in our Hall of Fame after being presented with the InvoCare Lifetime Achievement Award.

# Decent Work – Focus on Safety

Workplace Health and Safety at InvoCare has been under the spotlight in recent years, with many initiatives focussed on improving peoples' physical and mental wellbeing at work.

Key areas of risk in this area include:

- 1 Psycho-social risks associated with constantly dealing with emotional trauma surrounding the death of loved ones
- 2 Hazardous manual tasks associated with the funeral, crematoria, burial and memorial construction processes
- 3 Chemical handling associated with service delivery

InvoCare recognises that driving improved performance on this critical aspect of decent work life depends of four key factors:

- 1 Leadership's commitment to and focus on employee health safety
- 2 Implementing relevant and effective safety policies and procedures
- 3 Providing safe tools and equipment
- 4 Effectively engaging the workforce with ideas and initiatives that they want to use and follow

A key outcome of this focus on safety during 2019 was the recruitment of Elizabeth Tosti to the newly created position of Head of Safety and Risk.

## Lost Time Injury Frequency Rate (LTIFR)

Year	Rate	Movement %
2017	14.7	–
2018	17.4	↑ +18.4%
2019	14.1	↓ -19.0%



Other initiatives undertaken during recent years have included:

- Inclusion of Safety Performance within all managers' Short Term Incentive
- Development of detailed safety plans for all roles in all locations
- Working with external parties (eg AFDA) to ensure best-practice safety measures are in place
- Introduction of the Safe Zone across all Business Units to proactively flag workplace risks
- Placement of Visual Safety Boards in all locations
- Putting proactive safety measures in place for potential risks, such as COVID-19

The table to the left shows how the Lost Time Injury Frequency Rate has been reduced by 19% in 2019 compared to the previous year, ahead of the targeted 15%. The primary focus for the coming year will be to undertake a more thorough assessment of risks as the basis for developing a three-year strategy, initially focussing on updating the corporate risk register and informing a comprehensive refinement of safety policies and procedures.



## Head of Safety – Elizabeth Tosti

Elizabeth joined us at the start of 2020, bringing deep knowledge and expertise gained across a wide range of industry sectors. Most recently she held a role with Safe Work NSW implementing a government sector safety plan, which encompassed the mental health of first-line responders required to deal with emotionally traumatic working conditions.

Focusing responsibility and authority for improving safety at InvoCare, a dedicated senior management role is expected to drive further progress in the coming years.





## SDG 10 – Reduced Inequalities

InvoCare is committed to promoting and celebrating diversity in every form. Our focus on reducing inequalities reflects a commitment to embracing diversity as a defining feature of our teams. We are also committed to innovating to meet the needs and expectations of our increasingly diverse client families in order to provide products and services that are equally relevant, affordable and satisfying to the communities we serve.

InvoCare has long aimed to create an inclusive organisational team culture where all individuals feel respected and valued. Expanding our operational definition of these principles and developing appropriate measurement of our performance in this area remains a challenge for the coming years.

In terms of catering to people with differing levels of religious belief and capacity to afford the celebration or memorialisation of a loved one's life, InvoCare has a long history of tailoring our funeral service offerings to reflect these differences. For example, our Simplicity Funerals brand caters specifically to people who seek a more simple, affordable, community-based form of funeral experience, while Value Cremations

meets the needs of those for whom dealing with a loved one's physical remains is not seen as intrinsic to the celebration of their life. Our contemporary and traditional local brands and national White Lady brand, in contrast, enable those who choose a more tailored or religiously orientated funeral experience, to realise their ideal vision for celebrating the life of their loved one.

During 2019, we have invested effort to better understand the culturally specific funeral needs and norms of families living in our core communities. Market research has been used to explore the beliefs and preferences of key cultural groups within those communities, and plans are well developed to expand the range of service offerings.

Within our memorial parks business, the different needs and expectations of major ethnic groups within the communities we serve has long been recognised. For the past 20 years a Multi-Cultural Unit (MCU) has operated in New South Wales (NSW), ensuring that their needs and expectations can be met. This is reviewed in more detail on the following page.



InvoCare is committed to promoting and celebrating diversity in every form



## Reduced Inequalities – Culturally Relevant Memorial Experiences

InvoCare's MCU currently operates within the memorial parks business, employing around 26 people drawn from four major ethnic groups living within the NSW communities that they serve, including:

- Korean
- Chinese
- Filipino
- Vietnamese

As active members of these communities who speak their language and share their cultural traditions, MCU staff are responsible for creating a range of experiences and offerings that reflect the religious beliefs and fulfil the familial obligations associated with these distinct cultures. The unit operates alongside those who cater to the Anglo/Irish cultural mainstream of Australian and New Zealand communities.

As well as hosting the second largest Anzac Day Memorial held in NSW, InvoCare's memorial parks also host culturally specific events such as the Ching Ming festival, in which families congregate to sweep the graves of their loved ones; the Chung Yung festival in which families remember and honour their ancestors; as well as celebrating All Souls Day in which the largely Catholic Filipino community come together to remember their departed.

The MCU is also responsible for planning and developing memorial products that cater specifically to different beliefs. For example, the Forest Lawn Memorial Park now contains Lakeview Mountain, on which a dragon carving is situated on a mountain overlooking a lake, creating the ideal Feng Shui to cater to the beliefs of our Chinese families.

As other ethnic and cultural groups grow to become important segments of our communities, so too will the MCU continue to expand our array of ethnically diverse staff and culturally-specific experiences and offerings.





## SDG 12 – Responsible Production and Consumption

InvoCare's commitment to responsible production and consumption involves several broad areas of focus.

**On the consumption side**, the focus is to ensure that we responsibly access the natural resources and labour required to supply consumables such as coffins and grave stones, and to minimise the energy used to heat, light and operate our facilities, transport our people and run our vehicles.

**On the production side**, our primary focus lies in the way we manage the considerable areas of land associated with our memorial parks, as well as minimising the health risks and environmental impacts of the crematoria emissions, waste water and other materials that are produced in the course of our service delivery.

InvoCare's primary means of ensuring responsible consumption via our supply chain has been to require substantial information about suppliers' compliance with relevant environmental and social certification schemes in the course of our periodic tendering process. This process was undertaken with our coffin suppliers three years ago, and is currently underway with our stone suppliers.

With **wood-based coffins**, the primary focus of the compliance review has been to ensure that all timbers are sourced from renewable forests and treated with low-impact chemicals. We have also collaborated with our leading suppliers to ensure that other materials used in coffin construction – such as plastic liners – will soon be made with biodegradable materials.

On the **stone-supply** side, the primary focus is to ensure that the employment practices of our stonemasons are of the highest standard in terms of fair remuneration and working conditions, occupational health and safety and ethical trading behaviours. Recent regulatory changes in this area have prompted the review that is currently underway, and our policy will be to responsibly support supply partners who meet, or are at least taking effective action to meet, the newly imposed standards.

**Energy consumption** has been another focus for cost-savings and reducing our greenhouse gas emissions. This is reviewed in more detail over.



Ain Coffin – now with biodegradable liner





## Responsible Consumption – Energy Savings

Energy consumption by InvoCare is mainly associated with operating our funeral hosting locations, our crematoria and our vehicle fleets.

Our overall efficiency in terms of energy consumption per case is affected by annual fluctuations in the numbers of deaths, which impacts on the utilisation rate of facilities with largely fixed energy costs.

This has contributed to increased electricity consumption and greenhouse emissions per case over the past two years, however we expect to see these decline as levels of demand return to historical norms.

The charts below shows our ability to restrict growth in our greenhouse gas emissions, based on our gas consumption, to levels below the rate of cremation case increases over the past two years. We have done this by replacing our cremators with a more recent model that uses less fuel and burns at much higher temperatures, thereby reducing the level of potentially harmful particulate emissions. This is reflected in the 2.4% year on year decline in our gas related emissions in 2019.

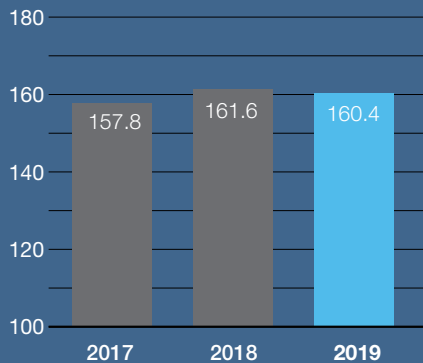
Network and Brand Optimisation (NBO) investment in renovation and refurbishment of our funeral locations has sought to minimise their future carbon footprints by including highly efficient LED lighting and reverse cycle air conditioning, as well as investing in solar panels where appropriate.

A wider review of the cost effectiveness of solar panel's across 30 sites revealed that there is only limited opportunity to deploy this form of renewable energy technology, but helped to identify criteria for sites where it will be feasible in the future.

In 2018 we reported on our initiatives to move to a low-emission motor vehicle fleet, with 45% of the passenger fleet operating on lower emission fuel types, including almost 200 hybrid electric vehicles. In 2019 our focus has been on reducing the number of vehicles in our fleet by utilising them more efficiently. Our success in this area is reflected in an 1.8% decline in our motor vehicle fleet costs in 2019, despite a 3.8% increase in funeral case volumes.

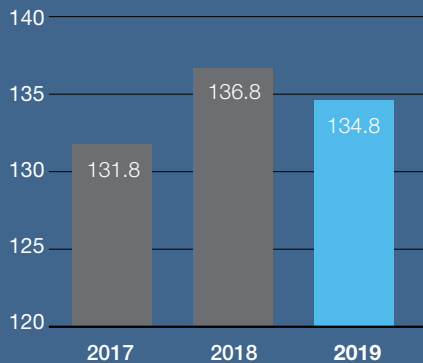
### Electric Emissions / Funerals

Consumption per case  
Kilograms (ie t CO<sub>2</sub> x 1,000)



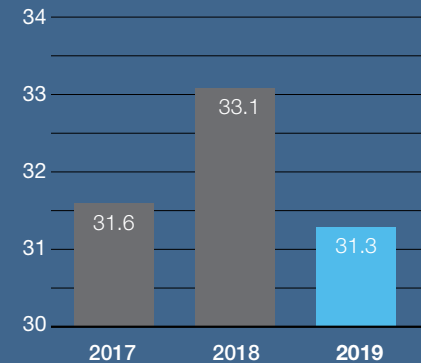
### Emissions / Cases

Consumption per case  
Kilograms (ie t CO<sub>2</sub> x 1,000)



### Gas Emissions / Cremations

Consumption per case  
Kilograms (ie t CO<sub>2</sub> x 1,000)



## 2020 Priorities






The priority for 2020 will be to build on the groundwork undertaken in 2019 to identify and address the gaps in our current ESG practices, plan for and begin to implement the management practices and data gathering required to comprehensively manage, evaluate and report on our performance.

As a starting point, InvoCare has adopted the Global Reporting Initiative (GRI) as a primary framework for reporting ESG. The Appendix to this report lists the GRI Reporting standards that have been identified as relevant to our four key areas of focus. These will provide the foundations for further development of the InvoCare ESG reporting framework, and will guide new initiatives and new data gathering protocols to be developed with the aim of implementation in 2021.

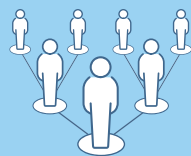
### The key activities planned for 2020 include:

- Identify material ESG risks and opportunities to update and refine our Corporate Risk Register
- Undertake a detailed Gap Analysis to identify what needs to be added to fulfil GRI reporting requirements
- Broaden stakeholder engagement to further raise awareness of ESG as a key aspect of management and reporting practices going forward
- Identify, plan and begin to implement changes required to improve data collection

### We expect to draw on other ESG-related standards:

SUSTAINABLE DEVELOPMENT GOALS :		Gender Equality	Reduce Inequality	Decent Work	Responsible Consumption & Production
	Global Reporting Initiative (GRI)	✓	✓	✓	✓
	Sustainability Accounting Standards Board (SASB)	✓	✓	✓	✓
	Climate Disclosure Standards Board (CDSB)				✓
	Taskforce on Climate – Related Financial Disclosures (TCFD)				✓
	Carbon Disclosure Project (CDP)				✓

Our initial analysis of the GRI reporting standards has broadly revealed areas where InvoCare's current management and measurement practices will need to be enhanced.



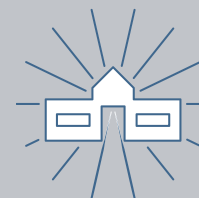
### People

Three of our focus SDGs relate primarily to our treatment of people: Gender Equality, Reducing Inequality and Decent Work and Economic Growth.

This is the most developed area of our existing ESG management and data gathering practices, with many of the specifically identified GRI reporting topics already well covered, particularly in areas relating to fair work, equity and workplace health and safety.

Our commitments to meet the needs of customers include ensuring their health, safety and privacy are a core focus for InvoCare. We already track and report on incidents giving rise to complaints, and follow clearly defined policies for identifying any inappropriate behaviours.

Another core area of focus for InvoCare is our community engagement, and managing the impact of our operations on local community wellbeing. The challenge in this area will be to better record, summarise and report the value of these efforts in terms of local community impacts, such as in the area of grief support.



### Places

InvoCare's funeral home and memorial park network includes more than 200 locations and 300 hectares of memorial parks, management of which is integral to realising Responsible Consumption and Production goals.

InvoCare is well developed in terms of managing and monitoring energy consumption and greenhouse gas emissions associated with operating these sites.

We comply with waste water emission requirements in terms of using grease traps and other filtering systems to minimise potential for harmful substances to enter into local water recycling systems.

We are also becoming more reliant on reclaimed rain water and locally available grey water systems for irrigation of our memorial parks, and this is an area that is earmarked for further development in recurrent capital maintenance and upgrade programs.

The one area that requires substantial further development is our measurement and management of biodiversity on our memorial parks and adjacent lands. While we have historically complied with local councils' guidance in terms of selecting tree and other species when undertaking landscape restoration, such as recently at Allambe Park, there is no biodiversity analysis or plan as yet in place to provide the raft of information required under GRI reporting standards.



### Practices

In relation to our Responsible Consumption and Production goals, InvoCare's key supply chain tendering and review processes have addressed most of the key issues identified in the GRI Standards, such as ensuring fair work and OH&S compliance and avoiding risk of child or forced labour in the production of key material inputs.

InvoCare is investing substantially in our effort to increase the effectiveness of our risk analysis and mitigation practices, particularly in the area of Workplace Health and Safety and Financial Governance.

Training efforts are heavily focussed on local leadership and customer relations, which are both critical to the performance of our teams across many of the SDGs. The Aspire Leadership Program is now embedded as a key part of this practice, and will be evolved and refined to better reflect the specific requirement of ESG awareness and behaviours.

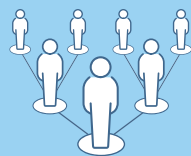
A few areas of practices that need to be developed include reporting of employee benefit status across different employee types, minimum notice periods regarding operational changes, and average hours of training provided per annum.

Full implementation of the group-wide Enterprise Resource Platform (ERP) is currently underway and the generation of relevant measurements will largely be undertaken as an integral part of this process.



## Key initiatives 2020-21

Based on our current understanding of the operational challenges associated with planning and implementing best practice management and measurement of ESG, InvoCare has identified key initiatives that are critical to realising our goal of largely implementing best practices by 2022.



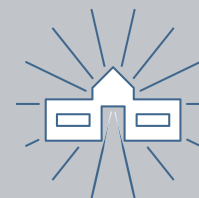
### People

#### Strong local leadership

Evidence has consistently demonstrated the critical role of local leaders in realising our strategic goals, including those relating to ESG. The Aspire Leadership Program will continue to focus on defining what good looks like across these areas, and equipping local leaders with the skills needed to define, implement and motivate best practice within their teams.

#### Cultural diversity

While already well developed in some parts of our business, the focus on developing more culturally diverse service offerings and products within our funeral business will be key to driving greater cultural diversity across the board.



### Places

#### Energy efficiency

We will continue to evaluate and implement ways to reduce overall consumption of energy and reliance on non-renewable energy sources. This effort will be more deeply integrated into our ongoing program of location refurbishment (Network and Brand Optimisation) and evaluation of key areas of capital equipment such as motor vehicles.

#### Biodiversity

We will undertake the work required to define our risks and opportunities in terms of managing biodiversity on our sites, and potentially impacted by our operations. A biodiversity management strategy will be defined by the end of 2021.



### Practices

#### Risk and safety

A full review and overhaul of our risk assessment and Workplace Health and Safety policies will be undertaken in the coming years, with new practices expected to be fully implemented by 2022. Led by our new Head of Safety and Risk, this initiative is expected to extend beyond physical safety to address the significant risks associated with our people's mental health and social wellbeing.

#### Stone supply chain

The supplier review program now underway with our stonemason partners will be concluded in the coming year, significantly improving our ability to assess and report on their social and ethical alignment with equality, fairness and safety principles.

#### Modern Slavery Roadmap

Drawing and expanding on the supplier reviews undertaken as part of the tendering process, we will develop a consolidated Modern Slavery Roadmap and reporting statement that will provide a broader and deeper assessment of the modern slavery risks across all of our supply chains.

# Key goals for 2020

## COVID-19 impact on 2020 Sustainability Goals

This report was developed prior to the unfolding of the COVID-19 pandemic and its likely impact on our business. The goals listed opposite were also developed prior to these events, and the initiatives and expenditures planned to achieve them were included in previously approved 2020 budgets.






As of 25 March 2020, InvoCare's business operations have been severely restricted by 'lock-down' regulations announced in our key markets. The inability to provide our full range of services will impact our business performance, however the scale of the impact on InvoCare is difficult to quantify at the time of publication. We are taking action to mitigate the impact of the disruption to our business resulting from the measures put in place by the authorities to address the COVID-19 crisis. It is anticipated that these mitigation activities will impact our capacity to implement planned initiatives to achieve our 2020 goals.

We have, however, chosen to publish the goals identified prior to COVID-19, and otherwise leave the Sustainability Report largely unchanged to reflect our underlying intentions under less exceptional circumstances.









## Operational performance and initiative completion goals

This table lists InvoCare's key goals to be achieved by the end of 2020, half of which involve changes to measures already in place, and the other half which reflect the establishment of new measures or programs that will be crucial to realising our longer-term goal of best-practice ESG management and performance.

### Performance goals for 2020

Area	Measurable goal	Priority SDGs	Comments
Customer	+80 Group NPS	 Decent work  Reduced inequalities	The challenge is to empower, motivate and reward staff to meet an ever-wider array of client family needs as we broaden our service offerings
Safety	Reduce LTIFR to 12.8%	 Decent work	Decreasing this rate to something more in line with wider industry norms is a top priority
People	Reduce voluntary employee turnover rate to 24.8 %	 Decent work	This is a critical indicator of the success of our cultural programs
Environment	Reduce electricity consumption per comparable case by 2%	 Responsible consumption and production	To assess this priority outcome at local operational levels we will need to develop an index that accounts for annual fluctuations in number of deaths

### Initiative completion goals for 2020

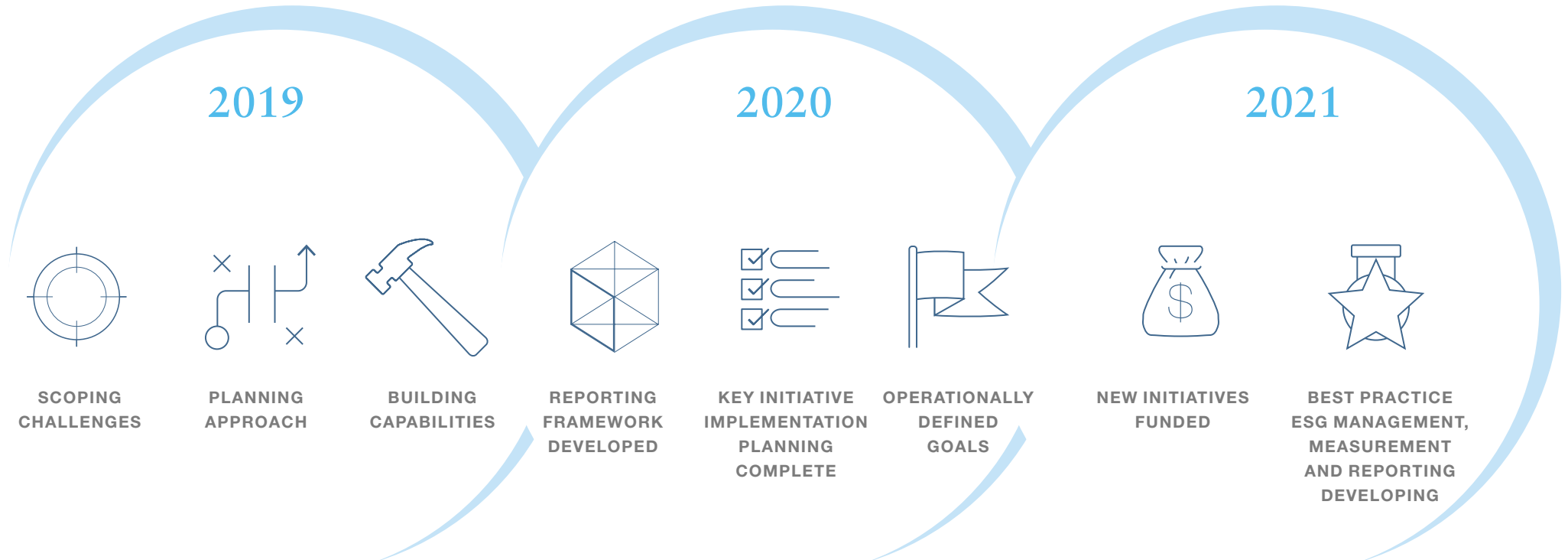
Initiative	Priority SDGs	Comments
2020 Management Essential Suite – Aspire Leadership Program delivery	 Decent work  Reduced inequalities  Gender equality	Effective leadership skills are critical for empowering and motivating teams to successfully meet customer needs and enhance quality of work life, including addressing workplace health and safety and unconscious gender bias
Modern Slavery Roadmap and reporting statement	 Responsible consumption and production	While direct suppliers' employment practices are considered in the context of tenders, we need a consolidated and deeper perspective on the potential for modern slavery in our supply chains
Design new tool for measuring employee engagement	 Decent work	Existing employee satisfaction measures need to be augmented to provide a more complete view of employee's quality of work life
Design cultural measurement tool	 Decent work  Reduced inequalities  Gender equality	We need a robust culture diagnostic tool to measure and track culture over time to assess and enhance the impact culture on quality of work life and the delivery of exceptional customer service

InvoCare is fully committed as an industry leader to define and develop best practice in sustainable ESG management and reporting for our sector.

Our ESG reporting framework and plans for implementing key initiatives will be substantially developed by end of 2020.





New and augmented initiatives will be funded in 2021 based on clearly defined goals across a wide variety of operational measures defined in line with GRI and other reporting initiative standards.





InvoCare aims for best practice ESG management, measurement and reporting to be developed over 2021, aiming to be largely implemented by the end of 2022.







Sustainable Development Goal alignment	   				GRI Ref	Topic
	5	8	10	12		
GRI 205: Anti-corruption					205-1	Operations assessed for risks related to corruption
					205-2	Communication and training about anti-corruption policies and procedures
					205-3	Confirmed incidents of corruption and actions taken
					206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices
GRI 301: Materials					301-1	Materials used by weight or volume
					301-2	Recycled input materials used
					301-3	Reclaimed products and their packaging materials
GRI 302: Energy					302-1	Energy consumption within the organization
					302-3	Energy intensity
GRI 304: Biodiversity					304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
					304-2	Significant impacts of activities, products, and services on biodiversity
					304-3	Habitats protected or restored
					304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations
GRI 305: Emissions					305-5	Reduction of GHG emissions
GRI 306: Effluents and Waste					306-2	Waste by type and disposal method
					306-3	Significant spills
					306-4	Transport of hazardous waste
GRI 308: Supplier Environmental Assessment					308-1	New suppliers that were screened using environmental criteria
					308-2	Negative environmental impacts in the supply chain and actions taken
GRI 401: Employment					401-1	New employee hires and employee turnover
					401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees
					401-3	Parental leave
GRI 402: Labour/Management Relations					402-1	Minimum notice periods regarding operational changes

Sustainable Development Goal alignment	   				GRI Ref	Topic
	5	8	10	12		
GRI 403: Occupational Health & Safety					403-1	Occupational health and safety management system
					403-2	Hazard identification, risk assessment, and incident investigation
					403-3	Occupational health services
					403-4	Worker participation, consultation, and communication on occupational health and safety
					403-5	Worker training on occupational health and safety
					403-6	Promotion of worker health
					403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
					403-8	Workers covered by an occupational health and safety management system
					403-9	Work-related injuries
					403-10	Work-related ill health
GRI 404: Training and Education					404-1	Average hours of training per year per employee
					404-2	Programs for upgrading employee skills and transition assistance programs
					404-3	Percentage of employees receiving regular performance and career development reviews
GRI 405: Diversity and Equal Opportunity					405-1	Diversity of governance bodies and employees
					405-2	Ratio of basic salary and remuneration of women to men
GRI 406: Non-Discrimination					406-1	Incidents of discrimination and corrective actions taken
GRI 407: Freedom of Association and Collective Bargaining					407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk
GRI 408: Child Labour					408-1	Operations and suppliers at significant risk for incidents of child labour
GRI 409: Forced or Compulsory Labour					409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour
GRI 413: Local Communities					413-1	Operations with local community engagement, impact assessments, and development programs
					413-2	Operations with significant actual and potential negative impacts on local communities
GRI 414: Supplier Social Assessment					414-1	New suppliers that were screened using social criteria
GRI 416: Customer Health and Safety					416-1	Assessment of the health and safety impacts of product and service categories
					416-2	Incidents of non-compliance concerning the health and safety impacts of products and services
GRI 418: Customer Privacy					418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data





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This presentation contains forward looking statements, which may be subject to significant uncertainties outside of InvoCare's control. No representation is made as to the accuracy or reliability of these forecasts or the assumptions on which they are based. Actual future events may vary from these forecasts.