



InvoCare FY20
Sustainability Report

New dimension
to sustainability

Raising the bar on Sustainability

Statement from the Chair of InvoCare

In 2019, InvoCare announced the aim to lead the way in our field for delivering Environmental, Social and Governance (ESG) outcomes. In this year's sustainability report we are pleased to introduce the new leadership team that will be responsible for taking this challenge to the next level.

Led by our new CEO, Olivier Chretien, the executive leadership team will be strengthened by the addition of an Executive General Manager dedicated to Health, Safety and Sustainability.

This report details the achievements our previous leadership team delivered under very difficult circumstances during 2020, in line with the framework and objectives as set out in last year's report.

The Board is particularly proud of all of our teams ability to manage the COVID-19 pandemic without serious incident to employees, clients or service attendees, in part by rapidly bringing forward planned digital initiatives to enable remote ceremony access, which was offered free of charge to client families.

The final part of this report looks ahead to introduce the new approach under which ESG initiatives and outcomes will be managed and reported in future. It also introduces additional metrics that will be included as key indices of InvoCare's future progress towards ESG leadership.

Bart Vogel [Chairman of the Board](#)

Our initial three-phase program

2019

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

2020

Focussed 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 sustainability.



Raising the bar on Sustainability



Introduction from the incoming CEO of InvoCare

With the last four years of infrastructure investment, InvoCare is now well equipped with renovated facilities, state-of-the-art multimedia solutions and better management systems needed to define and deliver excellent sustainability outcomes. Under my leadership, the senior executive team will build on this strong infrastructure platform to develop the strategies, structures and programs that will realise InvoCare's potential for true sustainability leadership in our region of operation.

My first senior appointment was to bring Grace Westdorp across from her role as General Manager HSW, Risk and Sustainability at Wesfarmers Industrial and Safety to join InvoCare in the newly created role of Executive General Manager (EGM), Health, Safety and Sustainability. Adding Grace's proven leadership experience and know-how represents a significant step up in our ability to deliver excellence, and so ranks as one of the most important steps forward for sustainability to emerge at the end of 2020.

Together with Grace, I will take a direct role in encouraging a culture of sustainability understanding and awareness within InvoCare. We will begin with in-depth research to better understand the factors most important to our key stakeholders and weigh our efforts to reflect these priorities. We also plan to evolve the sustainability management and reporting framework.

Sustainable products and services – a key area of opportunity is to review the services and products we offer to develop options that are more intrinsically sustainable, in terms of their environmental footprint and social impact – including, for example, minimising the potential for modern slavery in our supply chains.

Customer, stakeholder and community engagement

– another key focus area will be how we engage with our communities and wider society, particularly looking for opportunities to leverage our considerable physical and human capital assets to create value for those with whom we engage.

A safe, inclusive and rewarding workplace – we will continue to place a major focus on ensuring the wellbeing of our employees, with all facets of safety – including psychological safety and inclusiveness amongst our top priorities.

Reducing environmental footprint – we will look at the physical networks of funeral homes, operational centres, crematoria and memorial parks that we operate to ensure that we not only minimise any potentially negative environmental impacts, but also manage them in ways that enhance and restore environmental values.

Commercial integrity – Our good commercial reputation is vital for long-term sustainability. In all of our commercial and financial dealings we must ensure that our decision making and behaviour meets community expectations, compliance obligations and strategic risk management objectives as we pursue our fiduciary responsibility to shareholders for delivering sustained profitability.

I really look forward to our teams making significant progress in these areas in the years ahead.

Olivier Chretien Chief Executive Officer

COVID-19 impacts on Sustainability priorities

Maintaining our essential community services

As a provider of essential community services, InvoCare was challenged to remain fully operational throughout all phases of the various national and state-based lock-down conditions implemented to manage the COVID-19 pandemic.

Despite the massive disruption and considerable risks to employees exposed to affected communities, to date no one at InvoCare has contracted COVID-19 as a result of work exposure.

Adjusting priorities

The primary impact of the COVID-19 lockdown regulations was to pull resources away from other planned activities, such as masterplan development for the memorial parks, to redirect it towards more urgent and vital responses to the pandemic. Cost management was also implemented to minimise the impact of reduced revenue associated with limited funeral and other event attendance.

InvoCare's capacity to manage the massive response required to remain compliant with all COVID-19-related regulations reflected the fact that existing emergency plans and protocols for managing infection disease risks were able to be rapidly deployed and adapted to meet the specific and unprecedented challenges arising from the pandemic.

Taking the lead

Another factor impacting our capacity to address sustainability initiatives during the COVID-19 pandemic was the need for InvoCare management and practice experts to support the wider industry association and participate in government forums, to help assess and refine the regulations developed specifically to address risks in the funeral and memorial sectors.

Shift in Sustainability focus associated with COVID-19 impacts

Increased focus	Health and Safety	The majority of redirected effort was focused on assessing and addressing health and safety risks arising from the pandemic, bringing forward the development of online training capabilities, such as interactive webinars and establishment of a COVID-19 Taskforce, including a dedicated email inbox to enable communication across various time zones.
	Digital Accessibility	Providing online accessibility to funeral events and increased capacity for virtual engagement with client service personnel was also a primary area of increased activity, requiring rapid deployment of already planned digital capabilities based on new or refurbished infrastructure.
Decreased focus	Memorial Park Master Planning	A process intended to develop new, long-term masterplans for our Memorial Parks was temporarily paused to free up management and resources for the COVID-19 response.
	Cultural Measurement Tool	Anticipated development of cultural diagnostic tools to measure and track organisational culture was also deferred in light of COVID-19 management demands.

2020 highlights and achievements



Health & Safety

InvoCare was very pleased to have remained operational throughout the 2020 COVID-19 lockdowns without any recorded cases of workplace-acquired infections.

Heightened awareness of safety, backed by increased resources around safety risk evaluation and best practices were realised through online safety training and incentive initiatives. These initiative contributed to a 11.6% reduction in Lost Time Injury Frequency Rates (LTIFR) from 2019 to 2020, which was ahead of our proposed target (10.0%).



Digital accessibility

Another key achievement in 2020 was to provide our client families and others much greater online access to our employees, product and service information and live events.

Accelerated due to COVID-19 lockdowns, digital platform innovations were a key outcome of the increased focus on positive customer engagement with more accessible and transparent information provision, and contributed to positive net promoter score outcomes.

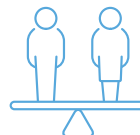


Local empowerment and rewards

A significant component of 2020's COVID-19 driven cost control was to substantially reduce the level of centrally located operational management, delegating more authority and responsibility to local leaders and teams.

The quarterly net promoter score incentives for our customer facing employees were deferred during 2020. However in recognition of the critical roles they had in maintaining excellent client service and satisfaction, an end of year incentive was paid in December 2020.

Building on the success of the ongoing Aspire Leadership program, these initiatives have supported the maintenance of very high net promoter score levels (79) despite the frustrations and uncertainties associated with COVID-19 lockdown regulations.



Gender-balanced senior leadership team

At the end of 2020 our Executive Leadership Team, including the CEO, was equally gender balanced with four females and four males. Normally reported without the CEO (who is counted with the Board) this is a significant improvement on last year.



Modern slavery statement

A significant milestone at the end of the 2020 year was the development of our Modern Slavery Statement, which sets out our process to identify, prevent, mitigate and address modern slavery risks in our supply chain.

The Statement reflects our commitment to understanding and addressing the social and ethical challenges associated with our business and to promoting high standards of ethics and integrity.



Diversity and inclusion leadership

In 2020, InvoCare was included as one of only nine Australian listed corporations in the world's top 100 companies by the Refinitiv Diversity and Inclusion Index.

As one of the top 100 international organisations from over 9,000 assessed globally, that places InvoCare in the top 1% of the world's listed organisations on Diversity and Inclusion.

Reframing our ESG focus areas

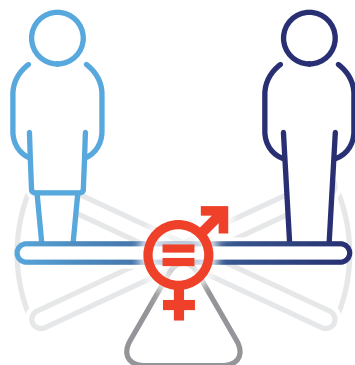


Gender equity – overall performance

Remaining in balance

At the end of 2020 the overall proportion of females to males within InvoCare remained within our target limits of 60:40, albeit slightly more skewed towards females (60%) than last years (59%).

In 2020, we saw a slight increase in the proportion of females in both non-management operational and support office roles, pushing these groups slightly outside our ideal limits to 61% and 64% females, respectively.



Aligning our balance at the top

In 2019 we reported a 71%/39% male/female split in InvoCare's Executive Leadership Team. At the end of 2020 the gender balance in this senior executive group had shifted to within our targeted 60:40 ratio boundaries, now with slightly more females (57%) relative to males (43%), as listed below (excluding the CEO who is counted amongst the Board).

Refinitiv Diversity and Inclusion Index

Reflecting our long-term focus on gender equality and growing efforts to drive other aspects of diversity and inclusion across all parts of the business, in 2020 InvoCare was included as one of only nine Australian listed corporations in the world's top 100 companies by the Refinitiv Diversity and Inclusion Index. This ranks the top 100 international organisations globally from over 9,000 assessed on a wide ranging set of Diversity and Inclusion metrics, including gender and cultural diversity in management and boards along with diversity initiatives and goals.



Executive General Manager – Australian Funerals

Lynne Gallucci



Executive General Manager – Customer

Victoria Doidge



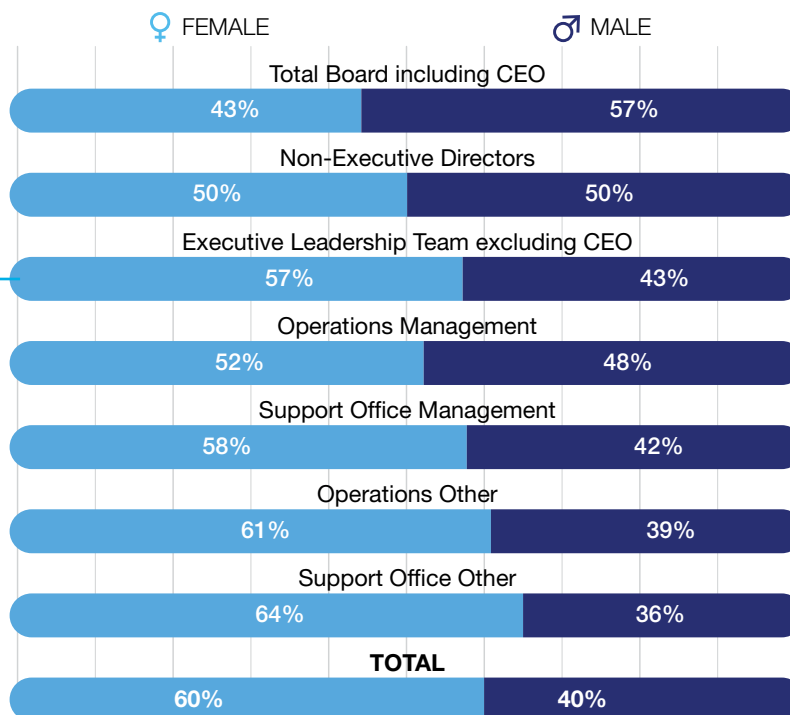
Executive General Manager – Human Resources

Amanda Tober



Company Secretary

Heidi Aldred



Chief Financial Officer

Adrian Gratwicke



Executive General Manager – Cemeteries & Crematoria

Steve Nobbs



Executive General Manager – Stakeholder Engagement

Fergus Kelly





Expanding our focus on psychological safety

Recognising the vital importance of psychological safety for workers in our sector, particularly during times of widespread community distress such as a global pandemic, a number of initiatives were implemented to raise awareness of these risks and provide effective tools to manage them.

In September all locations celebrated R U OK? Day, where events including morning and afternoon teas, lunches and baking competitions, highlighted this important initiative and promoted the need to keep checking in on one another's mental health.

We also held interactive webinars in Victoria during the extended lockdown period, facilitated by our EAP provider, to provide employees with tools and tips to manage their mental health and increase resilience, through this testing time.



White Ribbon Australia Accreditation

During a year which saw incidences of domestic violence increased amongst the wider population, InvoCare also chose to engage with White Ribbon Australia to raise awareness of this issue and begin a process of accreditation that aligns with the Workplace Gender Equality Agency standards.

Managing the risks of COVID-19

InvoCare has traded through the COVID-19 pandemic lockdowns without an incident of workplace related infection. This was in large part due to the rapid creation of a COVID-19 Taskforce under the overall coordination of our Health and Safety team.

The Taskforce rapidly developed and distributed Operational Guidelines, Cleaning Guidelines, training material on correct techniques for 'donning and doffing' PPE, which our Procurement team ensured were in adequate supply. The Taskforce also re-distributed our already robust Infection Control Procedure. Local managers worked hard to ensure Business Continuity plans and Emergency Management plans were updated to include COVID-19 safety requirements.

Regular communication to employees was key. We provided regular updates and guidance material via email and interactive webinars.

Several locations were subject to audits from the Department of Health in VIC, NSW and QLD and all passed with flying colours, receiving congratulations from the auditors for providing exceptional COVID-19-safe environments.



Decent work – rewards and recognition

myCare Benefits program

In August 2020 InvoCare launched our myCare benefits and wellbeing platform, offering a wide range of discounts and wellbeing tips for a healthy lifestyle as a way of saying “thank you”. Providing an easily accessible and user-friendly “one stop shop” for InvoCare benefits, myCare has been designed to give our people and their families the support they need in challenging times and beyond.



NPS incentive for customer-facing employees

Faced with stress and frustrations created by COVID-19 lockdown restrictions, some of InvoCare’s customer-facing employees were placed under ever greater pressure than usual to maintain positive customer experiences and ensure high levels of customer satisfaction.

In recognition of their critical role in delivering the wider organisational mission to be compassionate, exceed expectations and deliver outstanding customer service, this group was recognised for maintaining the very high net promoter score of 79.

CARE Awards

The One InvoCare Awards recognise outstanding performers in each of our four care values:

- Collaboration
- Accountability
- Responsibility
- Excellence

During 2020, the 2019 CARE Award nominees and winners were recognised in a virtual awards presentation.

In early March 2021 the 2020 CARE Award nominees and winners were celebrated at an awards evening held simultaneously in multiple locations across Australia and New Zealand connected through live streaming. The 2020 Awards introduced the first ‘Safety’ award.



Lifetime achievement award

As the 2020 CARE awards evening was cancelled due to COVID, two long-term employees received lifetime achievement awards at the start of 2021.

Graeme Rhind was recognised for a career stretching back over 40 years, during which he served as Managing Director of his family owned business and took an exemplary role in the industry, including long standing service both as a member of the Funeral Directors Association of New Zealand (FDANZ) PR Committee and as a secretary of the Canterbury, Nelson, West Coast District Committee. Graeme was recognised for his outstanding example as a mentor and supporter to his fellow employees: always asking “are you ok, how can I help?”, listening and encouraging fellow funeral workers in ways that are so important to successful leadership in our profession.

Doris Zagdanski was also recognised for supporting others, particularly in how to provide comfort to grieving family members. Trained as a teacher, Doris became a Funeral Director and later was first to fill the role of National Training Manager in what became InvoCare. She was instrumental in developing the My Grief Assist website, which provides information and resources on grief and the grieving process; has authored seven books on loss, grief and empathy; and is sought after as a conference speaker and trainer. Doris has also been actively involved in the Australian Funeral Directors Association (AFDA), including a period as AFDA Queensland President.



Reduced inequalities – diversity and inclusion

Long term challenge

Emerging from a traditional sector, InvoCare is focussed on developing the ethnic and cultural diversity of our employees to reflect the communities we serve. In working towards a more diverse offering to our client families, InvoCare is committed to an inclusive workplace where all of our people have a strong sense of belonging. Where they are all equally valued and respected, contributing their unique perspectives and talents, making the most of a diverse workplace community.

Focus on multi-cultural service experience

Our 2019 report outlined the well established multi-cultural unit (MCU) operating in our Memorial Parks and explained how recent network and brand investment has created funeral homes capable of being readily adapted to reflect the appropriate level of religiosity or culturally specific traditions associated with the celebration of life.

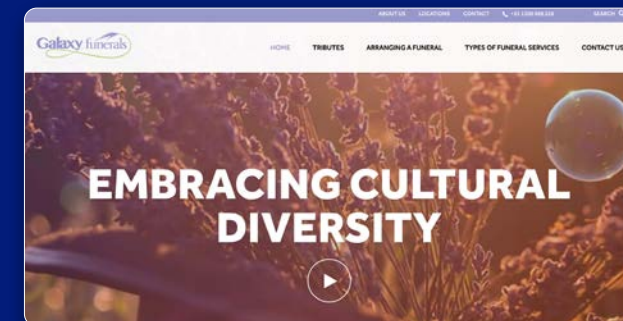
In 2020 attention swung onto the customer service experience in our funeral business, looking across a range of initiatives including business acquisition, employee recruitment and training and awareness creation, particularly amongst local management.

One of the key initiatives undertaken in 2020 was to actively recruit customer-facing employees with multi-lingual skills appropriate for their local communities.

Galaxy funerals acquisition

In July 2020 we announced our acquisition of Galaxy Funerals, a specialist business providing funeral care to the Chinese community, with religious and non-religious backgrounds. The team provides multilingual services in Cantonese, Mandarin and English allowing them to bring family and friends closer together at a time of loss by bridging the language barriers between generations.

We are exploring the opportunity for the Galaxy team to share their knowledge with the broader InvoCare community, educating them on how we can best serve the interests of the communities we work in.



Reduced inequalities – accessibility

Embracing digital culture

2020 saw a significant step forward in terms of accelerated digital innovations to bring us further in line with contemporary consumer expectations and, in the short-term, provide non-contact options across the widest possible array of services and products.

One of the long-term benefits of this accelerated rollout of digital innovations, driven by our need to respond to COVID-19 restrictions, has been to substantially improve the quantity, quality, transparency and accessibility of our products and services. Digital accessibility now better enables people with language difficulties, limited mobility or the ability to afford time-consuming and potentially expensive travel improved access to services.

Pricing transparency

A key area of improvement has been to deliver far greater pricing transparency to enable people to more confidently select the products and services that ideally suit their budget.





Responsible consumption – social impacts

Modern slavery risk mitigation

Analysis around responsible consumption has revealed a gap in our ability to assess and mitigate risks of modern slavery associated with our supply chains.

During 2020 we developed our Modern Slavery statement, which is available on our website. It includes:

- Evaluating the modern slavery risks of each new supplier as part of an assessment
- Ensuring our contractual arrangements include specific clauses addressing fair work and the risk of modern slavery
- Conducting more detailed risk assessments and requesting more detailed information from third and fourth tier suppliers with a greater degree of focus on slavery and human trafficking
- Including a review of potential modern slavery risks as part of our ongoing vendor governance process
- Working with suppliers through InvoCare's Procurement Department to develop and implement agreed action plans within agreed timelines
- Taking action against suppliers that fail to improve their performance in line with an action plan, including the termination of the business relationship



Marble mines

Marble imported from overseas is a key area of risk identified for modern slavery practices. COVID-19 dependent, we are planning on engaging the services of a recognised global workplace audit firm to assist us in actively auditing our key suppliers' employment and workplace management practices to confirm their compliance with fair work aspects of our contracts.

Contract cleaners

Locally, InvoCare is heavily reliant on contract cleaners, who are themselves dependent on tier 2 and 3 labour hire contracts to meet our demand for cleaning services.

This is another area of potential risk where more active assessment of current practices is planned for the near future.





Responsible consumption – energy and emissions

Alternative cremator review

As many of our cremators approach the end of their operational life InvoCare has initiated a supplier review to identify alternatives that offer significant reductions in terms of fuel consumption and/or particle emissions.

Sustainably sourced material inputs

A key factor in assessing potential suppliers is the adherence to sustainable practices. Supply partners, such as coffin manufacturers, have been selected in part based on their audited accreditation for sustainably sourced raw materials, such as FSA accredited timber.

Biodegradable coffin liners

Having worked with our manufacturers to develop the right product and manufacturing capability in 2019, InvoCare switched to all biodegradable coffin liners in 2020. This ensures that the long-term environmental impact of interments is minimised while remaining safe in the short-term.

Energy consumption and emissions

In our 2019 Sustainability Report we set the objective to reduce electricity consumption by 2% per case in 2020 based on our initial metrics associated with CO2 emissions and energy consumption. Planned activities to further refine and better understand our emissions profile were not able to be progressed during 2020 and will be our focus in 2021. Gaining a deeper understanding of our emissions profile in 2021, including independent verification of our data, will enable future targets for emissions reduction to be set for 2022 and beyond.

Move to more renewable energy sources

Energy Efficiency opportunities will be explored in 2021 including installation of solar panels, LED lighting retrofits and review of fleet vehicles.



Summary of 2020 initiatives and outcomes



SDG Goal 5: Gender equality

Aspire Leadership Program

- Leadership training actively addressed the issue of unconscious gender bias that may affect female's opportunity to gain senior management roles



SDG Goal 8: Decent work and economic growth

Management focus on safety awareness

- Creation of a senior management role focussed primarily on safety, with additional resources devoted to safety training and awareness at management levels

Employee engagement and cultural diagnostics

- Design new tools for measuring employee engagement and cultural health diagnosis



SDG Goal 10: Reduced inequalities

Increase cultural diversity in Funeral sector

- Investment in training and business development to enable more culturally diverse employment opportunities, and product and service offerings



SDG Goal 12: Responsible consumption and production

Improve Modern Slavery risk mitigation

- Asses risks and develop initiatives to mitigate risks of Modern Slavery in key material and service supply chains, encompassing both primary and secondary supply chain tiers

Initiatives

Outcomes

- InvoCare continues to promote more women to management and leadership roles
- Our commitment to gender equality at middle and senior management levels was a major factor in achieving recognition as one of the world's top 100 in terms of Diversity and Inclusion

- Outstanding success in managing the risks of COVID-19
- Significant reduction in LTIFR levels, ahead of targeted goals
- Measurement initiatives deferred until 2021 because of COVID-19 impacts

- Local team development of understanding and skills to adapt funeral homes for culturally appropriate end of life celebrations
- Acquisition of Galaxy Funerals to cater to a large and growing ethnic sector of Australian society

- Development and publication of Modern Slavery statement
- Standard inclusion of fair work clauses in new contracts with primary suppliers



Future sustainability
framework

Areas of focus for 2021 and beyond

Sustainable products and services

Move to promote green funeral options

InvoCare aims to promote a range of more sustainable innovations in the highly traditional funeral sector and support customers' shift towards green funerals. Elements of green funerals can include avoiding cremation and the need for embalming chemicals, and using naturally untreated, easily biodegradable materials for coffins.

Paperless and virtual client engagement

Another area where new technology will allow us to reduce our own and client's consumption of precious resources is in the selection, specification and management of contractual arrangements. Planned future digital solutions will allow clients to undertake virtual tours of memorial sites without having to travel – particularly important for those who may live at a distance from their chosen memorial park. Contracts can also be viewed and signed without the need for paper for those happy to adopt this approach. Promoting this option is another aspect of our push for sustainability.

Socially responsible labour inputs

A third key area of opportunity lies in ensuring that we minimise any risk of modern slavery within our supply chains – whether these be for materials such as marble sourced from overseas or locally within contract labour forces employed to clean and maintain our sites. Initiatives in these areas will include partnerships with global workplace audit firms, supplemented by our own active auditing of at-risk suppliers. The process of including binding social fairness clauses in supplier contracts will also continue to be implemented. As a part of this process we will work with suppliers to support their understanding of the importance of this program.



Areas of focus for 2021 and beyond

Customer, stakeholder and community engagement

Understanding issues and options honouring the end of life

InvoCare is increasingly adopting a leadership role in providing the information families need to make well informed decisions about managing the impacts of a loved one's death, and honouring their life and celebrating their memories.

Providing clear, accurate and relevant information about all the issues and options available to families at this emotionally significant time of their lives will be a key initiative for online and printed communications in future.

Accessibility and inclusivity

Our brands cater to a wide range of community groups with differing religious beliefs, cultural norms and financial capabilities, and InvoCare is committed to continually improve the accessibility of our services to all sections of the communities we serve.

For example, we are committed to offering information and engagement options in many languages other than English, as well as providing a wide range of pricing structures that meet the wide variance in families' desire and ability to afford funeral management, life celebration and memorialisation.

Enhancing community wellbeing

Another opportunity is to leverage our very substantial capital assets and local employee goodwill to enhance the wellbeing of the local communities we serve.

We will explore ways to offer practical and emotional counselling to bereaved families beyond the management of funeral and memorial arrangements, making our facilities available for the use of local community groups, or hosting community events in our substantial memorial park sites.



Areas of focus for 2021 and beyond

A safe, inclusive and rewarding workplace

A holistic focus on employee safety

A key initiative already initiated is increased focus on all aspects of health and safety, including psychological safety. Working in our sector can place emotional strain on our frontline workers, with consequent risks to their psychological wellbeing. We will develop further initiatives to address these risks, at the same time as we continue to address hazardous manual tasks and other aspects of physical safety. We will also look to build on our collaboration with White Ribbon Australia to raise wider awareness and understanding of risks associated with the important societal issue of family violence, for the benefit of all.

A new 'Safety' category is being introduced as part of our CARE awards to recognise program excellence and commitment to safety.

Recognition and rewards

We will continue to develop new ways to recognise and reward our employees commitment to serve our client families in their critical times of need, whether directly as frontline service providers, or indirectly by supporting those frontline employees to maintain the highest levels of quality and integrity.

A new employee engagement survey tool 'Your Say' will be implemented. 'Your Say' will provide real time results for our leaders and allow for benchmarking of our business against other organisations.

Inclusion and diversity

We will continue to focus efforts on evolving our workforce towards one that is more fully representative of the gender, ability, cultural and ethnic diversity within the communities we serve. This also means addressing and minimising any risks of bigotry or discrimination associated with such differences.

The Aspire Leadership program will continue to focus on equipping our teams with skills needed to ensure an inclusive culture in which all can feel welcome, safe and appreciated.

In 2021 we will see the launch of our Diversity and Inclusion strategy, which will utilise expertise from the Diversity Council of Australia, of which we are a member. This strategy will help us put in place the right approach to ensuring the diversity needed to optimise our commitment to service excellence to our client families in an inclusive environment.



Areas of focus for 2021 and beyond

Reducing environmental footprint

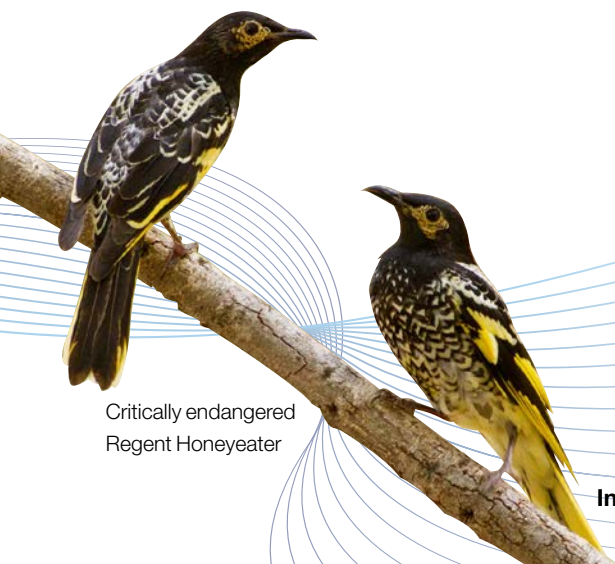
Minimising energy consumption and greenhouse emissions

A range of opportunities remain open to InvoCare to reduce average energy consumption and greenhouse emissions per case in both our funeral and crematory facilities. Over the course of 2021 we will review opportunities associated with solar panels and LED lighting as well as undertaking a review of our fleet vehicles and fuel usage.

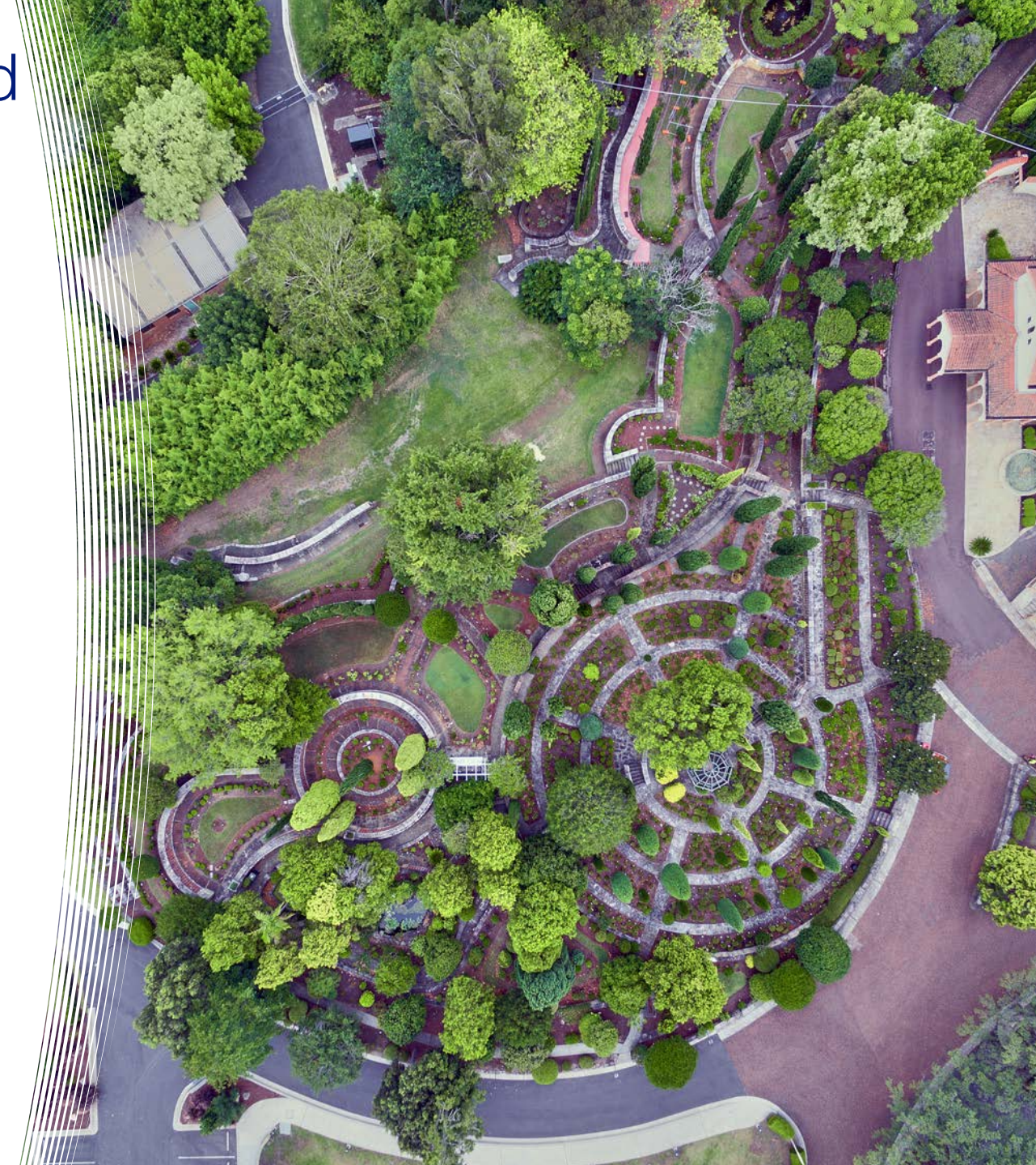
Adding ecosystem service value

New approaches to accounting recognise the values we derive from the environment, which are referred to as 'ecosystem services'.

For example, restoring part of a Memorial Park to create a habitat for an endangered species would add ecosystem service value, as would managing a wetland to minimise runoff to mitigate potential flood damage. InvoCare aims to better assess these opportunities and begin to factor these value-adding opportunities into our Memorial Park master planning process, which was deferred to 2021 due to COVID-19.



Critically endangered
Regent Honeyeater



Areas of focus for 2021 and beyond

Commercial integrity

Sound capital management

Capital management policies will continue to evolve, including a review of delegation authorities for budgeted and unbudgeted capital investment; the standardisation of business case templates; new financial target requirements for project versus acquisition investments; and an overall focus on Return on Capital Employed (ROCE) and debt leverage ratio as key indices of performance.

Appropriate business dealings

A review of our enterprise risk program provides opportunities to clarify and monitor adherence to policies, standard operating procedures and delegation of authority.

Management training will emphasise the need to support appropriate behaviour, and encourage whistleblower hotline calls to identify any risks.









Our ability to engage and collaborate with our external stakeholders has also been enhanced in 2021 by the creation of a new Executive General Manager role of Stakeholder Engagement.





Goals for 2021

Building measurable indices based on the new framework

AREA	ASPECTS	DIMENSION OF SUSTAINABILITY		METRIC	2020 GOAL	2020 ACTUAL	2021 GOAL
Sustainable products and services	Labour inputs	Modern slavery risk mitigation	 Decent work and economic growth	High risk category contracts committed to compliance with fair work provisions (new contracts)	N/A	N/A	100%
Engaging people and communities	Customer satisfaction	Ensuring customer expectations are fully met	 Decent work and economic growth	Average net promoter scores (NPS)	80	79.4	80
Safe, inclusive and rewarding workplaces	Safety	Mitigating physical injury and psychological harm	 Good health and wellbeing	Lost Time Injury Frequency Rate (LTIFR)	Reduce by 10.0%	Reduced by 11.6%	Reduce by 10%
	Inclusivity	Ensuring women and men have equal opportunities	 Gender equality	Gender balance	Within 60:40	60:40	Within 60:40
	Employee satisfaction	Ensuring employees are happy in their roles	 Reduced inequalities	First year voluntary employee turnover rate	Reduce by 10.9%	Reduced by 1.6%	20%
Minimising our environmental footprint	Energy inputs	Minimising gas and electricity consumption	 Responsible consumption and production	Energy	Reduce by 2%	TBD *	TBD *
	Carbon emissions	Minimising carbon emissions	 Climate action	Emissions	N/A	N/A	TBD *
Commercial integrity	Capital management	Ensuring appropriate levels of return on capital employed	 Industry, innovation and infrastructure	ROCE	N/A	8.6%	>10%

* Refer page 13

Sustainability leadership

Introducing Grace Westdorp

Before joining InvoCare, Grace was General Manager Safety, Risk and Sustainability with Wesfarmers Industrial and Safety which operates four main businesses spanning safety products, industrial and corporate workwear, industrial and medical gases and management consulting. Grace has also held senior leadership roles within Westpac and Crane Group.

Grace has over 25 years' experience developing and leading strategic improvement programs in Health, Safety, Wellbeing and Sustainability and is a passionate believer that good work is beneficial to people's health and wellbeing. Grace utilises sound governance and risk mitigation strategies tailored to business needs to leverage and lift performance in key results areas including fatality and injury prevention and continual improvement programs across material Sustainability issues.

Grace holds qualifications in:

- Nursing
- Occupational health and safety
- Environment and climate change

Aspirations for 2021 and beyond

Joining InvoCare as Executive General Manager Health, Safety and Sustainability in March 2021 provides an exceptional opportunity for Grace to further embed our Sustainability programs and more effectively manage the impacts on our communities and environments in which we operate.

Having already established our main sustainability goals we will look to embed these targeted programs to enhance our team member wellbeing through focused health, safety and wellbeing initiatives; an inclusive work environment to enhance job satisfaction and career development; improve transparency in our supply chains to support improved social and environmental practices; increased waste recycling opportunities and reduce our carbon footprint; and increased focus on capital management and ethical business practices.

2021 will also provide InvoCare an opportunity to conduct a Materiality Assessment and more fully engage with our stakeholder groups. This process will enable further refinement of our program trajectory to better understand the most material issues and to focus efforts on actively managing them.





Innovation Vocation Care

This presentation contains forward looking statements, which may be subject to significant uncertainties outside of IVC'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