



MMS 2015 Sustainability Update

As a trusted provider of workplace benefits and fleet management services, McMillan Shakespeare Ltd (MMS) enhances the financial wellbeing of our customers. We also have a key role in addressing public issues that impact our customers, community, environment and our people. So we strive to embrace new ways of doing business that allow us to deliver strong customer and social outcomes.

In FY11 we adopted a more formal approach to sustainability to guide our decisions and actions for our Australian and New Zealand operations, and benchmark our progress toward achieving a more sustainable future. We appointed a Corporate Social Responsibility (CSR) Manager, and developed metrics relating to key CSR performance categories that would allow us to track our progress in the years ahead. Our categories form a CSR Scorecard and comprise: Customers, Community, Environment and Responsible Corporate Governance.

This report summarises our performance during the financial year to 30 June 2015 (FY15) for MMS (excluding Presidian Pty Ltd which was acquired in February 2015) and presents our CSR Scorecard following to demonstrate our track record over the last four years.

For over two decades MMS has been a trusted workplace benefits services partner to many Not-for-Profit (NFP) health, aged care and charity organisations. In Q2 FY15 MMS launched a human resources initiative that gives every employee the opportunity to volunteer one day a year for a charity or NFP organisation with no impact to their annual leave entitlements.

Other highlights of MMS' performance in FY15 include:

- Achieving carbon neutrality for all CO₂ emissions resulting from the production of MMS printed materials.
- Reducing our greenhouse emissions produced by air travel, car fleet travel and electricity by 6% on the FY14 level. This was achieved by a 12% fall in emissions from car fleet travel and electricity, with the latter achieved because most MMS employees are located in CBD buildings with NABERS (National Australian Built Environment Rating System) ratings of 4.5 or better. An 18% increase in emissions from air travel detracted from our overall FY15 emissions result. However this was principally driven by work associated with the acquisitions of Presidian and United Financial Services Pty Ltd.
- Delivering community benefits by improving overall productivity, and paying dividends and salaries to our shareholders and staff.
- Contributing \$275,789 in donations and sponsorships to community organisations and staff-supported causes including Sids and Kids, Ronald McDonald House, and the RSPCA. Total contributions for FY15 increased by 10% on the previous year.
- Maintaining an average monthly Net Promoter Score of 50 or above (rated as 'excellent' for financial services companies).
- Maintaining employee engagement levels above 80%, ranking MMS as a High Performance work environment.

| | FY15 | | FY14 | | FY13 | | FY12 | |
|---|-----------------------|-----|------------|-----|------------|-----|-----------|-----|
| Customers | | | | | | | | |
| Customer Satisfaction Index (Index = 100 as at July 2008) | 191.7 | | 195.8 | | 225.0 | | 229.2 | |
| Net Promoter Score (Average monthly score) | 50 | | 51 | | 53 | | 50 | |
| Customer Complaints resolved by MMS & Customer Advocate (%) | 99 | | ~ | | ~ | | ~ | |
| Community | | | | | | | | |
| Donations and Sponsorships | \$275,789 | | \$ 250,150 | | \$ 319,042 | | ~ | |
| Company-sponsored staff volunteering (Hours) | 386.23 | | ~ | | ~ | | ~ | |
| Taxes paid (\$M) | 29.04 | | 26.06 | | 26.39 | | 23.05 | |
| Dividends paid to shareholders (\$M) | 43.9 | | 29.06 | | 36.52 | | 31.42 | |
| Salaries and related expenses paid to employees (\$M) | 96.86 | | 81.04 | | 74.24 | | 65.68 | |
| Productivity: Revenue/Staff (Index = 100 as at July 2008) | 170.1 | | 162.0 | | 156.0 | | 152.7 | |
| Environment | | | | | | | | |
| Air Travel (tonnes CO2 per FTE) | 0.84 | | 0.71 | | 0.77 | | ~ | |
| Car Fleet (tonnes CO2 per FTE) | 0.43 | | 0.49 | | 0.49 | | ~ | |
| Electricity (tonnes CO2 per FTE) | 2.15 | | 2.44 | | 2.44 | | ~ | |
| Printed material (tonnes CO2 per FTE) | Nil Carbon Neutral | | ~ | | ~ | | ~ | |
| Responsible Corporate Governance | | | | | | | | |
| Headcount (FTE) | 828 | | 793 | | 804 | | 730 | |
| Engaged Employees as at annual survey (%) | 81 | | No survey | | 84 | | No survey | |
| Staff Turnover (%) | 24.54 | | 26.29 | | 25.59 | | 29.46 | |
| Absenteeism (%) | 3.76 | | 4.02 | | 3.84 | | 4.05 | |
| Staff Training & Development (Hours) | 31,964 | | 31,698 | | 36,090 | | 36,698 | |
| Lost Time Injury Frequency Rate (%) (AS1885.1–1990) | 8.12 | | Nil | | 3.7 | | 3.1 | |
| Employee Gender Diversity | | | | | | | | |
| | M | F | M | F | M | F | M | F |
| Total (%) | 47 | 53 | 47 | 53 | 52 | 48 | 52 | 48 |
| Senior Management (%) | 82 | 18 | 82 | 18 | 85 | 15 | 83 | 17 |
| Board (%) | 100 | Nil | 100 | Nil | 100 | Nil | 100 | Nil |

