



McMillan
Shakespeare
Limited
Sustainability
Update 2017

MMS 2017 Sustainability Update

McMillan Shakespeare Ltd (MMS) is a provider of workplace benefits, vehicle financing and fleet management services.

In 2011 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, Stakeholders, Environment and Responsible Corporate Governance.

The report summarises our performance during the financial year ended 30 June 2017 (FY17) for MMS and presents our Corporate Sustainability Scorecard, to demonstrate our track record over the last six years. The report excludes data for our UK businesses, except where noted.

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 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 on their annual leave entitlements. Our people have volunteered 249.5 hours of the company's time during FY17 to support our charity and NFP customers.

Other highlights of MMS' performance in FY17 include:

- Employed 996 staff locally in Australia and New Zealand operations.
- Continued to reduce our greenhouse emissions produced by our car fleet and electricity usage. Emissions in air travel increased by 24% due to our expanding businesses including additional international travel as a result of our increased global operations.
- The retention of carbon neutrality for all 95.4 tonnes of CO2 emissions resulting from the production of printed materials for our company.
- Further increasing the number of women in our senior management team.
- Delivering community benefits by improving overall productivity, and paying dividends and salaries to our shareholders and staff.
- Increasing our contribution to the community by paying \$40.6 million in tax in FY17, an increase of 20.8% on a year earlier.
- Continuing our contribution to the community through our sponsorships to selected organisations.
- Increasing an average monthly Net Promoter Score to 50 (rated as 'excellent' for financial services companies).

MMS CORPORATE SUSTAINABILITY SCORECARD

	FY17		FY16		FY15		FY14		FY13		
Customers											
Net Promoter Score (Average monthly score)	50		49		50		51		53		
Customer Compliments (%) (Ratio per Customer)	0.18		0.20		0.26		0.18		0.18		
Customer Complaints (%) (Ratio per Customer)	0.46		0.45		0.39		0.50		0.66		
Customer Complaints resolved by MMS & Customer Advocate (%)	99		100		99		-		-		
Stakeholders											
Donations and Sponsorships	\$317,196		\$396,190		\$275,789		\$250,150		\$319,042		
Company-sponsored staff volunteering (Hours)	249.5		271.9		386.2		-		-		
Taxes paid (\$M) ¹	40.6		33.6		29.0		26.0		26.4		
Salaries and related expenses paid to employees (\$M) ¹	121.4		120.2		96.9		81.0		74.2		
Productivity: Revenue/Staff (Index = 100 as at July 2008)	174.9		169.2		167.5		162.0		156.0		
UNPATA (\$M) ^{1,2}	87.2		87.2		69.6		56.1		62.2		
Dividends paid to shareholders (\$M)	54.1		46.6		43.9		29.1		36.5		
Market Capitalisation (A\$M)	1,210.0		1,138.1		973.9		683.4		1,205.8		
Environment											
Air Travel (tonnes CO ₂ per FTE)	0.47		0.38		0.33		0.31		0.33		
Car Fleet (tonnes CO ₂ per FTE)	0.32		0.39		0.43		0.49		0.49		
Electricity (tonnes CO ₂ per FTE)	1.79		1.82		2.15		2.44		2.44		
Printed material (tonnes CO ₂ per FTE) ³	Neutral		Neutral		Neutral		Neutral		Neutral		
Responsible Corporate Governance											
Headcount (FTE) ⁵	996		984		828		793		804		
Employee engagement score (%) ⁴	76		No survey		80		No survey		84		
Staff Turnover (%)	30.6		29.4		24.5		26.3		25.6		
Absenteeism (%)	3.6		3.5		3.8		4.0		3.8		
Staff Training & Development (Hours)	22,165		28,863		31,964		31,698		36,090		
Lost Time Injury Frequency Rate (AS1885.1–1990)	6.1		5.1		8.1		Nil		3.7		
Employees											
	M	F	M	F	M	F	M	F	M	F	
Total (%)	49	51	48	52	47	53	47	53	52	48	
Management (%)	67	33	66	34	-	-	-	-	-	-	
Group Executive (%)	75	25	79	21	82	18	82	18	85	15	
Board (%)	80	20	80	20	100	Nil	100	Nil	100	Nil	
Employee Age Diversity											
	<20		20-29		30-39		40-49		50-59		60+
%	1.3		23.5		39.9		21.4		10.71		3.2

1 Includes UK businesses

2 UNPATA is calculated as NPAT before the after-tax impact of acquisition related items (including impairment charge for intangible assets, acquisition expenses, amortisation of acquired intangible assets and deferred consideration items).

3 Printed material carbon emissions are 100% offset by purchased carbon offsets.

4 Employee engagement survey completed biennially.

5 As at 30 June 2017

McMillan Shakespeare Limited

ABN 74 107 233 983
AFSL No. 299054
Level 21, 360 Elizabeth Street
Melbourne Victoria 3000
www.mmsg.com.au