

STRONGER WITH  
**CAPRICORN**<sup>®</sup>



**2024**

ENVIRONMENTAL,  
SOCIAL & GOVERNANCE  
REPORT

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## About this Report

This year at Capricorn we began articulating our Environmental, Social and Governance (ESG) journey, framing our commitment to fostering positive sustainability initiatives, identifying the areas we currently perform well in and those we can improve. We've started assessing our ESG risks and opportunities because we recognise that these impacts have the potential to affect our operations and sustainable business practices if they're not managed, and they ultimately impact our Members, Preferred Suppliers, people and communities. This report will be developed each year, allowing us to explore opportunities to strengthen our commitment to ESG, guide our resource allocation and consider investment decisions moving forward.

This report reflects the performance on sustainability issues of *Capricorn Society Ltd* ("Capricorn") in Australia and New Zealand for the financial year ending 30 June 2024, including Capricorn Society Financial Services, Capricorn Travel Australia, Capricorn Risk Services and Capricorn Insurance Services. We have also included Capricorn Mutual in areas where we believe its activities may impact Capricorn stakeholders. Capricorn entered into a joint venture with Repairify Australia Holdings Pty Ltd (Repairify) in July 2023; details of this arrangement are included on page 24. The reporting data does not include the proportioned interest of the joint venture.

**We have a real role to play**, not just in celebrating and promoting our industry, but in **making a difference** to the issues that matter to our Members and their businesses.

*The Capricorn Society Board fully supports and has approved this report. It offers a general overview of Capricorn's activities throughout the financial year 2023/24 but is not intended to cover all aspects comprehensively. While the information provided has been prepared in good faith, based on our current knowledge and understanding, it has not been subjected to external audit or independent assurance. All data is in Australian dollars unless otherwise stated.*

# Chair & Group CEO Statement

Thank you for your interest in Capricorn’s inaugural Environmental, Social and Governance (ESG) Report.



This report sets the baseline against which all future Capricorn ESG reports will be measured. It’s the starting point of our journey, not the destination, but it’s a vital first step.

Business owners across our industry, like all industries, have been coming to grips with ESG in recent years. What was once a buzzword is now law in Australia—at least, the sustainability part of it is. The Federal Government, concerned about the impact of climate change and meeting its commitments to the Paris Accords (the international pledge to try to prevent global temperatures rising by more than 1.5C), has legislated that all businesses which must already prepare annual financial reports as a requirement of the *Corporations Act 2001*, must now also prepare a Sustainability Report. In New Zealand, similar new mandatory disclosures only affect the largest publicly listed companies.

Under the Australian laws, Capricorn won’t have to file a Sustainability Report until at least 2027. But we wanted to get ahead of the game and start the process not because it’s a mandatory requirement, but because we fundamentally believe in doing the right thing and being good corporate citizens. That’s also why this voluntary report doesn’t just cover sustainability, but goes much further to include the other key areas of ESG as well. It is, therefore, far more comprehensive than any future, mandated, sustainability reports will be.

“Doing the right thing goes to the very heart of our cooperative ethos. **We believe we are stronger when we work together**, and that means playing our part.”

Doing the right thing goes to the very heart of our cooperative ethos. We believe we are stronger when we work together, and that means playing our part. By learning from and building on the baseline set in this report over the coming years, we can help our Members, Preferred Suppliers and other stakeholders in our supply chain improve their own environmental and social impacts; help them improve their understanding and awareness of some of the climate responsibilities that are going to challenge and impact our industry and our businesses. This report is as much about our responsibility to our Members and Preferred Suppliers as it is about the long-term sustainable growth of Capricorn itself.

## So, what’s in this report?

It’s worth noting this report takes into account the activities of both Capricorn Society Limited and Capricorn Mutual Limited. In preparing the report, our team has carefully considered and been influenced by the United Nations Sustainability Development Goals and Global Reporting Initiative Frameworks. These were used as guiding tools. They were the headlights, if you like, allowing us to see the road ahead.

The report itself is split into eight key Areas of Focus. These are: Empowering Members, Climate Resilience, Sustainable Consumption, Employee Wellbeing, Innovation and Digital Transformation, Data Governance and Cybersecurity, Ethical Supply Chains, and Integrity and Accountability.

A great deal of consultation, discussion and thought went into selecting these areas. In choosing them, we also listened carefully to what Members had told us about their challenges and priorities in our State of the Nation Survey.

In this report, you’ll find information about the kinds of initiatives we’ve already introduced. For example, in 2024 we introduced Purple Stars, our new employee reward and recognition program, and we’ve invested in Shift4Good, a venture capital organisation that backs projects that are decarbonising the transportation sector.

This report isn’t about setting targets for ourselves. That’s a body of work we’ll undertake in the future, as we establish what we hope to achieve in the next five, 10, and 25 years. This report is a look at where we stand now and a discussion of the road ahead. But it also puts a framework in place to ensure transparency and accountability—making sure that we retain the trust of our Members, Preferred Suppliers and other stakeholders long into the future.

ESG is about being a good corporate citizen—doing the right thing by your people, your stakeholders, your community and the planet. As we move towards our Net Zero future, we must all find ways to make our businesses not just greener, but stronger and more resilient. For Capricorn, that journey starts here. Thank you for coming along with us.

  
**Mark Rowe**  
Chairman

  
**David Fraser**  
Group CEO

“ESG is about being a good corporate citizen—**doing the right thing by your people, your stakeholders, your community and the planet.**”

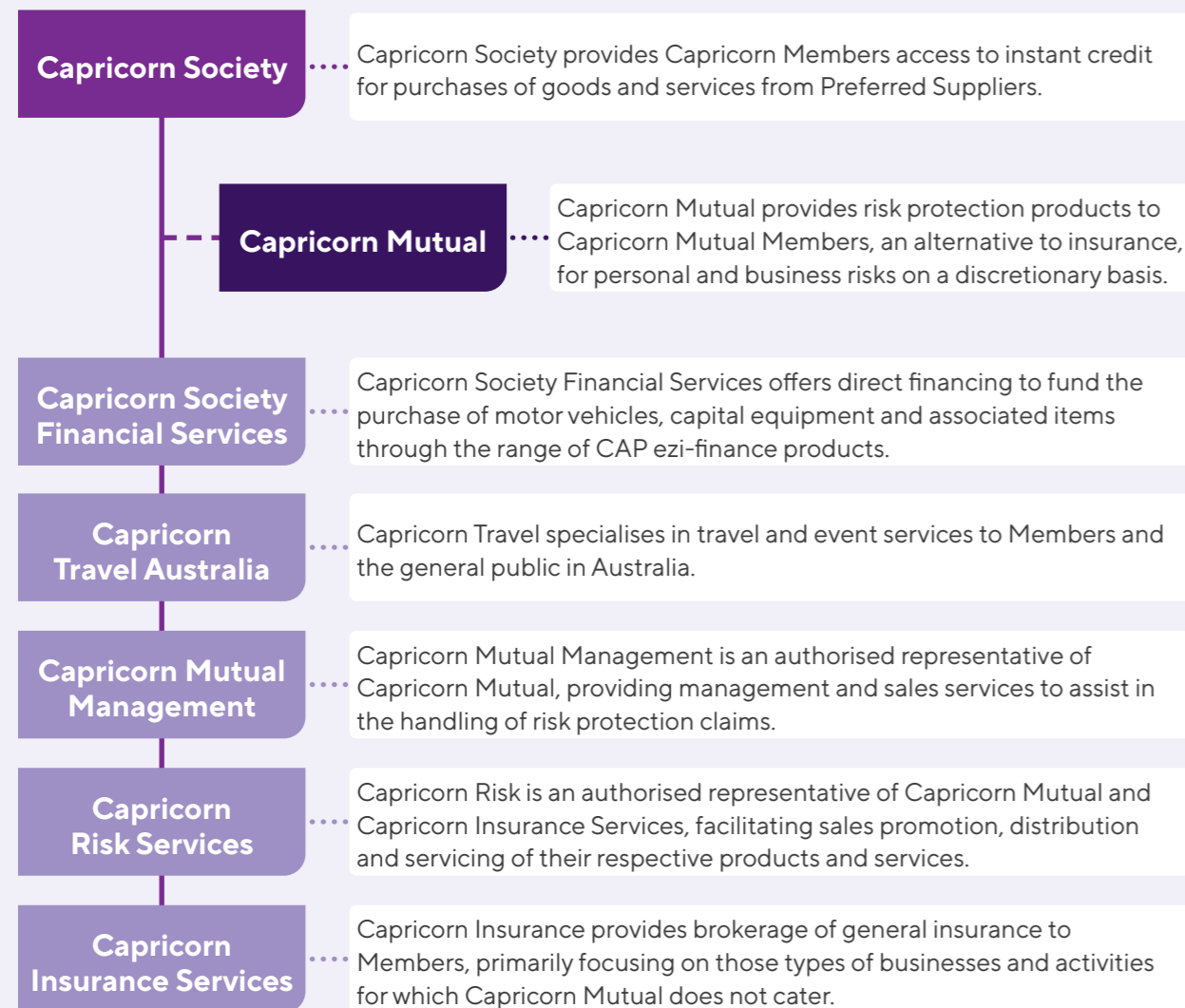


# Capricorn Overview

## Who is Capricorn

Capricorn Society was established in 1974 to support business owners in the automotive aftermarket industry. Now, 50 years later, Capricorn has over 29,000 Members across Australia and New Zealand, including mechanical workshops, collision repairers and auto electricians.

Capricorn offers a range of competitive financial services products, including its flagship trade account that connects Members with over 2,000 Preferred Suppliers. Proudly operating by cooperative principles, Capricorn also offers Members access to risk protection, extended finance, exclusive industry events and a generous Capricorn Rewards Program.



Capricorn 1974, a wholly owned subsidiary of Capricorn Society established to hold property, and Capricorn's joint venture with Repairify Australia Holdings Pty Ltd (Repairify) (entered into in July 2023) are not depicted in this diagram.



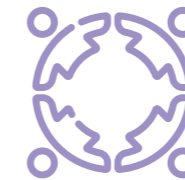
### Our Vision:

One Capricorn empowering our community to thrive.



### Our Purpose:

To improve the lives of Members by supporting them in building stronger businesses.



### Our Values:

Our Values support our Vision, Purpose, and Culture. They are the qualities that help us make a difference and make the Capricorn Community a better place.

Our Values serve as a foundation for how we **ACCT**.

**Accountability. Courage. Collaboration. Trust.**



## Capricorn is...



### Our Members

Small to medium businesses in the automotive aftermarket industry, including mechanical workshops, collision repairers, auto electrical, commercial trucks, tyre and suspension and many more across Australia and New Zealand.

## Being serviced by...



### Our Preferred Suppliers

Giving Members access to everything they need to run their business.

## Supported by...



### Capricorn

Connecting businesses in the industry and offering outstanding customer service, products and networking events.

# Areas of Focus

We engage with a broad range of stakeholders to manage risks and opportunities across our operations. Capricorn is founded on cooperative principles, so our priority is to improve the lives of our Members and Preferred Suppliers by supporting them in building stronger businesses and empowering our industry community to thrive. Through stakeholder engagement this year we identified our Areas of Focus. These topics are important to how we operate and recognise the areas where we can create positive, and mitigate negative impact for our stakeholders.



## Developing our Areas of Focus

### 1. Identification of Impact

We identified the areas we believe are most important by engaging with our stakeholders and considering the environmental, social, and economic influence of our operations. We did this through materiality matrices, surveys and research initiatives. This process allowed us to understand our communities' concerns and expectations, and where focus should be centred.

### 2. Assessment of Impact

Next, we assessed how these areas related to our operations, what our current and future controls are and where we can make a meaningful difference. This included discussing how each topic may impact our long-term ESG performance. Our findings have been recognised as our Areas of Focus.

### 3. Looking Ahead

As we look ahead, we will continue to develop our Areas of Focus by engaging with our stakeholders, monitoring expectations and concerns that might arise. Periodic reviews of our Areas of Focus will be completed as new developments emerge, such as regulatory changes, market shifts and changes to our industries. Over the next 12 months, we plan to incorporate emerging industry trends into our assessments, initiate scenario analysis, prioritise our Areas of Focus, and mature our materiality process. This approach ensures we address the topics that require our attention most and allows us to adapt in a changing environment.

## Frameworks

We've been guided by the following Environmental, Social and Governance Frameworks in our inaugural report.

### Global Reporting Initiative



We adopted the Global Reporting Initiative (GRI) framework as a guiding tool for our non-financial reporting as it best reflects our approach to ESG. This year, we aligned our reporting with the *GRI: 2 General Disclosures 2021* and incorporated insights from other relevant disclosures within the framework. These are presented throughout the report and detailed in our [GRI Index](#) and [ESG Disclosure](#) sections.

### United Nations Sustainability Development Goals



The Sustainability Development Goals (UNSDGs) are 17 goals in support of the United Nations Sustainable Development Agenda. The goals work together to promote dignity, peace and prosperity for people and the planet, now and in the future. This year we assessed and aligned the most relevant SDGs with our values, stakeholder interests and strategic priorities.


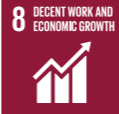


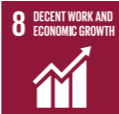
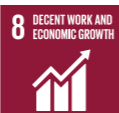

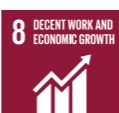
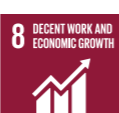

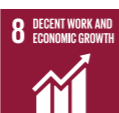

#### Sustainability Development Goals

- 
4 **QUALITY EDUCATION**  
*Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.*
- 
8 **DECENT WORK AND ECONOMIC GROWTH**  
*Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.*
- 
9 **INDUSTRY, INNOVATION AND INFRASTRUCTURE**  
*Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.*
- 
12 **RESPONSIBLE CONSUMPTION AND PRODUCTION**  
*Ensure sustainable consumption and production patterns.*

Each year we plan to improve and expand our ESG reporting to provide better transparency and disclosure for our stakeholders.

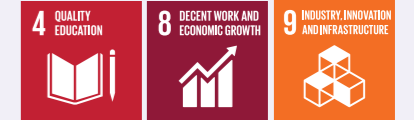


## Areas of Focus

Areas of Focus	What this means to us	United Nations Sustainability Development Goals
<b>Empowering Members</b>	We're focused on empowering and improving the lives of our Members to thrive in a changing sustainable economy. Supporting our Member businesses through Capricorn products and services, ongoing development and skills access, creating opportunities, fostering innovation and promoting sustainable economic growth are important to us.	  
<b>Climate Resilience</b>	In a changing environment, we're dedicated to enhancing resilience in our operations and for our Members. This means promoting sustainable practices, cultivating climate resilience, and adapting for physical and transitional climate change risk.	 
<b>Sustainable Consumption</b>	Promoting sustainable consumption in our supply chain means promoting resource efficiency, reducing environmental impacts, advancing responsible waste management throughout product life cycles, and fostering environmental stewardship in our Member industries.	 
<b>Employee Wellbeing</b>	Our people are what set us apart and enable us to bring our purpose to life. We're focused on creating a safe environment, recognising and rewarding outstanding contributions, creating opportunities for growth, and ensuring inclusive and productive learning and development.	 
<b>Innovation &amp; Digital Transformation</b>	We aim to help our community build stronger businesses. We're doing this by exploring digital transformation and innovation to improve operational efficiency, promote sustainable initiatives and increase returns for our Members.	 
<b>Data Governance &amp; Cybersecurity</b>	Our community trusts us to protect their information. We're committed to protecting against risks of data breaches and cyberthreats through strong data governance and cybersecurity.	
<b>Ethical Supply Chains</b>	As an intermediary we play an important role facilitating the supply chain of our Members and Preferred Suppliers. We're focused on supporting ethical practices in our supply chain by upholding human rights, encouraging responsible sourcing and addressing modern slavery risk.	 
<b>Integrity &amp; Accountability</b>	We uphold and maintain high standards of corporate governance and ethical conduct as a priority. We're achieving this by fostering transparency, accountability, and compliance, ensuring consistent and principled decision-making throughout our business.	

## Empowering Members

Supported UNSDGs



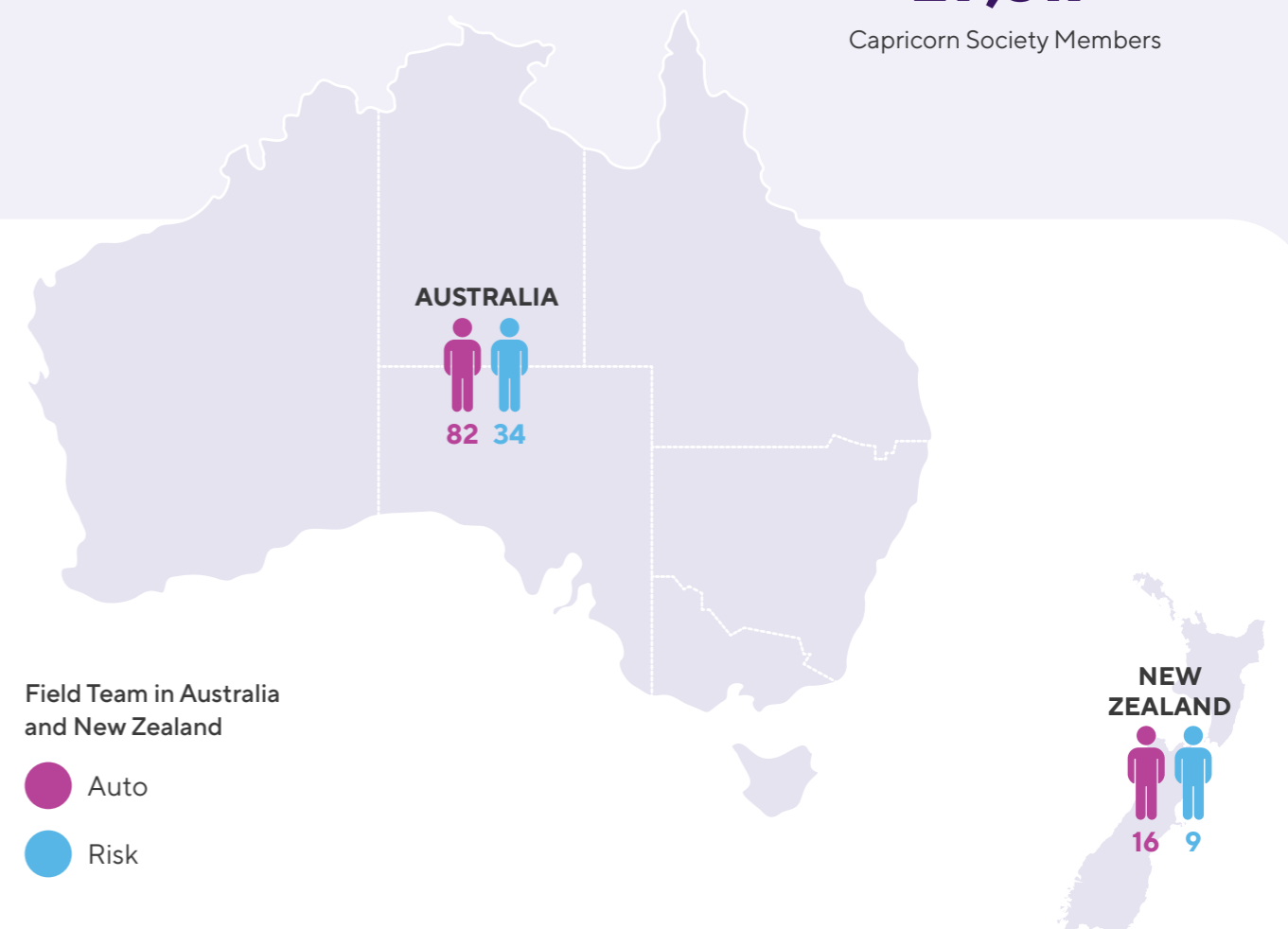
At Capricorn, our focus is centred on empowering and enhancing the lives of our Members by championing them to manage their businesses effectively, providing tailored support to fit their unique circumstances and to build stronger businesses.

As the largest automotive aftermarket member-based organisation in Australia and New Zealand, we aim to help our Members in an evolving sustainable economy. This includes supporting our Member businesses through Capricorn products and services, ongoing development and skills access, creating opportunities, fostering innovation and promoting sustainable economic growth. By doing so, we aim to create opportunities that empower our Members and their businesses.

Our Field Teams provide onsite assistance to our Members and Preferred Suppliers making sure they're receiving the support they need from Capricorn to ensure their businesses thrive.

# 29,317

Capricorn Society Members



## Returning Value to Members

This year we returned \$92.3 million in value to Capricorn Members. This equals a 26.9% Member Value Return through benefits such as dividends, Trade Rebates and Rewards Points.

**\$15.3m**

FY24 Dividends Declared

**\$18.5m**

FY24 Trade Rebate Declared

**\$78.5m**

FY24 Total Rewards Points Received by Members<sup>1</sup>

<sup>1</sup> Rewards Points Received by Members are rewards points that have been collected by Members throughout the reporting period and allocated towards their rewards balance. This may include Capricorn Rewards Points, Capricorn Bonus Rewards Points and Trade Rebates declared from a previous reporting period and collected in the current reporting period.

## Rewards Points and Rewards+

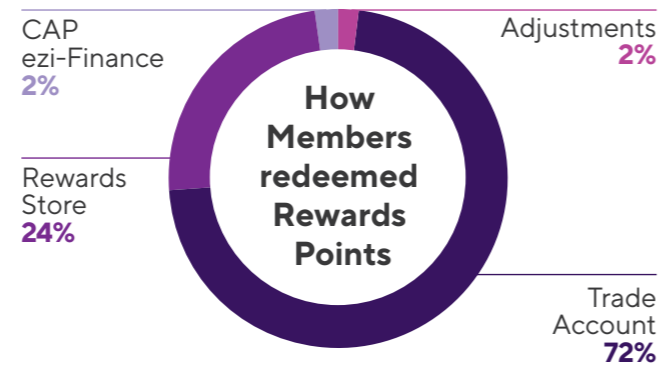
We understand how hard our Members work; that's why we offer Capricorn Rewards, one of Australia and New Zealand's most generous loyalty programs that works as hard as our Members. On eligible purchases, our Members earn Capricorn Rewards Points that can be redeemed for a wide range of rewards through the Capricorn Rewards website.

Our rewards program supports our purpose to help Members build stronger businesses. Rewards Points provide our Members with greater choice to manage their cash flow and capital with greater flexibility. Points can be used towards Capricorn services, such as paying off their trade accounts, equipment and vehicle finance deposits, networking events, and travel, as well as gift vouchers and selected merchandise.

### Introducing Rewards+

This year, we've introduced Rewards+ which allows our Members to use their rewards points in more ways and how they like. Members can now redeem points outside the Rewards website on eligible products, giving them more opportunities to leverage their points for their businesses.

Rewards+ can support capital needs such as purchasing essential parts or new technology or even upgrading equipment, making it easier to manage operational cash flow without impacting their budget. The Rewards+ program creates a practical, financial advantage for our Members by turning rewards into more usable capital, empowering our Members to reinvest in their growth and build resilience.



**72% of Rewards Points redeemed this year were used by Members to pay off their trade accounts.**



## Understanding our Community

Our Capricorn Experience and Research team is an integral part of our business, implementing initiatives across the group to deliver great experiences for both our Members and Preferred Suppliers. Collaborating closely with our stakeholders across the group, the team strives to uncover improvement opportunities and share insights that will empower our teams to confidently optimise processes and improve the Capricorn experience.

**5,000+**  
engagements of Members in our research projects in FY24

### State of the Nation

In 2020, we embarked on an ambitious project. Our goal was to understand the challenges and opportunities faced by business owners in our industry. We called this report the *State of the Nation*. It's quickly become a benchmark for the automotive industry. Our report provides the most comprehensive data and insights into how small-business owners are tackling the challenges in the industry, and the support they need to thrive. Last year, our Members told us their biggest challenge was the skills shortage. This year we researched and prepared a special report on this issue to help us understand it better. You can view our latest *State of the Nation* report on the "Publications" section of our website.

### Voice of Community Program

Our Voice of Community program collects timely and regular feedback from our Members and Preferred Suppliers about their experiences with our products and services. The insights gained allow us to accurately focus on Member and Supplier needs and expectations and improve our product and service quality.

### Net Promoter Score

We use Net Promoter Score (NPS) to measure loyalty with Capricorn. It helps us understand how likely our Members and Preferred Suppliers are to recommend us and the products we provide. We measure NPS through our research trackers like *State of the Nation*.

**75**  
Net Promoter Score

**75%**  
Automotive Contact Centre Satisfaction Score

**92%**  
CAP ezi-finance Application Process Satisfaction Score



## Improving our Member Support

Delivering better Member outcomes starts with truly understanding a Member's entire journey with us. We're committed to identifying and addressing the areas that may contribute to negative experiences, whether related to our services, processes, or operations. By actively listening to Member feedback through our Contact Centre teams, Field Teams, Voice of Community program, surveys and employee insights, we leverage data to guide and assess our impact.

Receiving feedback creates a valuable opportunity for us to learn and enhance the experience for our Members and Preferred Suppliers. This year we focused on how we perceive and manage feedback and complaints internally, improving how we identify, track, and resolve issues across our Automotive teams. These efforts reflect our commitment to capturing and addressing all feedback. This resulted in our response times decreasing, with a 7-day average complaint response time, a 12.5% improvement over last year. Through Capricorn Risk Services we've been working to improve our processes; this year we saw a 22% reduction in complaints as a result.

We take pride in delivering positive experiences to our Members while supporting them in building stronger businesses, with complaints arising from less than 1 in 1,400 interactions. Complaints can vary in nature of complexity and possible remedial action, including in some instances the involvement of third parties. While we aim to consistently provide high-quality products and services, we recognise that challenges arise. When they do, we are committed to addressing them with accountability, fairness, and a focus on resolution.

**75%**

Automotive Contact Centre  
*Satisfaction Score*

**121,000+**

Phone calls  
answered this year



## CAP ezi-finance

CAP ezi-finance through Capricorn Society Financial Service empowers our Members with access to competitive loans for eligible equipment and assets to grow their business, with no set-up costs or application fees. Members can also use their Capricorn Rewards Points towards their finance deposits. This year over \$1.19 million in points were redeemed on assets and equipment. This year we expanded our finance product offering to support our Members in the purchase of their next vehicle, providing them with more opportunities to benefit from their membership.

**92%**

Application Process *Satisfaction Score*

**604**

Vehicles financed

**1,434**

Assets financed

**\$1.19m**

Rewards Points redeemed on  
CAP ezi-finance deposits



## Capricorn Travel

Our Capricorn Travel and Events team offers our Members personalised travel experiences and networking events throughout the year. This year we hosted our first Capricorn Convention in Hawaii. This was our first Convention outside of Australia since 2018.

Our annual gala dinners created  
networking opportunities for

**4,379**

Members and Preferred Suppliers

- 2023 Travellers Choice Gold Award
- 2023 Supplier's Choice Award by Air New Zealand
- 2023 Supplier's Choice Award by Norwegian Cruise Line





## Capricorn Mutual

Capricorn Mutual provides its members with risk protection products, an alternative to insurance, for personal and business risks on a discretionary basis. These services are facilitated by Capricorn Risk Services and Capricorn Mutual Management employees. Where our Mutual does not provide protection, Members can access general insurance policies brokered by Capricorn Insurance Services.

This year we paid out \$71.7 million in protection claims, supporting our Members when they needed us most. We also saw our strongest financial performance yet. As a result, we are delighted to have announced a \$5 million Member Loyalty Rebate for eligible Capricorn Mutual Members.



### Capricorn Mutual

**41%**

of Capricorn Society Members are members of Capricorn Mutual<sup>2</sup>

**\$5m**

Member Loyalty Rebate

**99%**

Acceptance of lodged risk protection claims

**\$71.7m**

Risk protection claims paid to Members

**\$143.1m**

Gross written risk protection

**6,800**

Risk protection claims lodged

### Capricorn Insurance Services

**\$23.2m**

Gross written premiums brokered

**3,700**

Capricorn Insurance Services policies brokered

<sup>2</sup> Membership of Capricorn Mutual is available to Capricorn Society Members. Capricorn Society Members are not required to be members of Capricorn Mutual.

## Climate Resilience

Supported UNSDGs



In a rapidly changing environment, we're dedicated to enhancing the resilience of both our business and our Members' businesses.

Climate change poses a risk for our stakeholders, and we recognise our role in promoting sustainable practices to safeguard our industry's future and stability. We're focused on exploring practical solutions that support climate strategies to address the challenges posed by environmental changes and also present opportunities for cost savings, efficiency improvements, risk reduction, growth and resilience in revenue. Our goal is to ensure that our community is well-positioned to adapt and thrive in the face of evolving market demands, all while maintaining the core values that drive our industry.

### What is climate risk and what does climate resilience mean to Capricorn?

Climate risk refers to the potential physical and transitional climate challenges that businesses and communities might face as climate-related changes impact their operations, assets, and long-term plans. At Capricorn we're invested in promoting climate resilience throughout our supply chain. This means preparing for these challenges in a way that safeguards stability and exploring ways that we can adapt. For us, this means being there for our Members as they navigate these changes, supporting them with insights and solutions that can promote long-term resilience. While we recognise the complexities of this evolving landscape, our goal is to stand by our Members, helping them adapt to and mitigate risks wherever possible.

#### PHYSICAL CLIMATE RISK



Flooding



Storms



Extreme heat and drought



Bushfires



Sea level rise



Water scarcity

#### TRANSITIONAL CLIMATE RISK



Market



Regulatory



Legal



Reputation



Technology

## Our Emission Profile

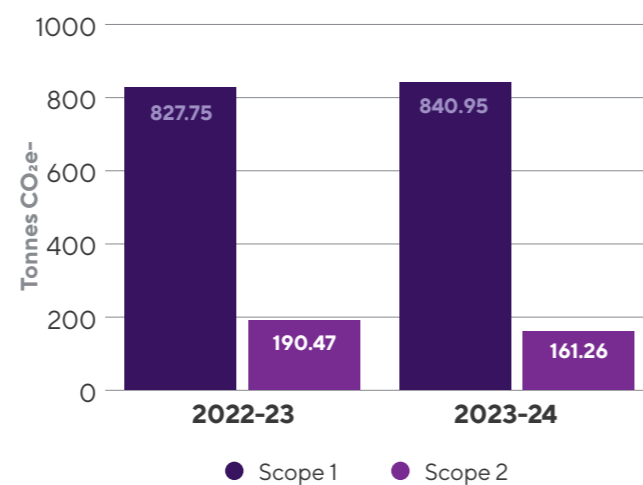
This year we began tracking our energy and emission profiles across scope 1 and scope 2 energy sources. We recognise our role in facilitating emissions within the supply chain by providing financial services and risk protection to our Members. Under the Greenhouse Gas Protocol (GHG Protocol) these are classified under scope 3 investments emissions and can have the potential to impact our community and environment. Over the next year we aim to explore what this looks like in our operations and how we can deliver benefit for our Members and Preferred Suppliers.

**Scope 1:** Our scope 1 emissions are largely attested to fuel our Field Team use in their company vehicles. Our Field Team visiting our Members and Preferred Suppliers at their businesses is part of what sets us apart. As our business grows, we expect our fuel usage will too. One way we're improving emissions efficiency is by leasing our vehicle fleet. Through term agreements, we have the flexibility to upgrade our vehicles with newer safety features and fuel-efficient consumption technology.

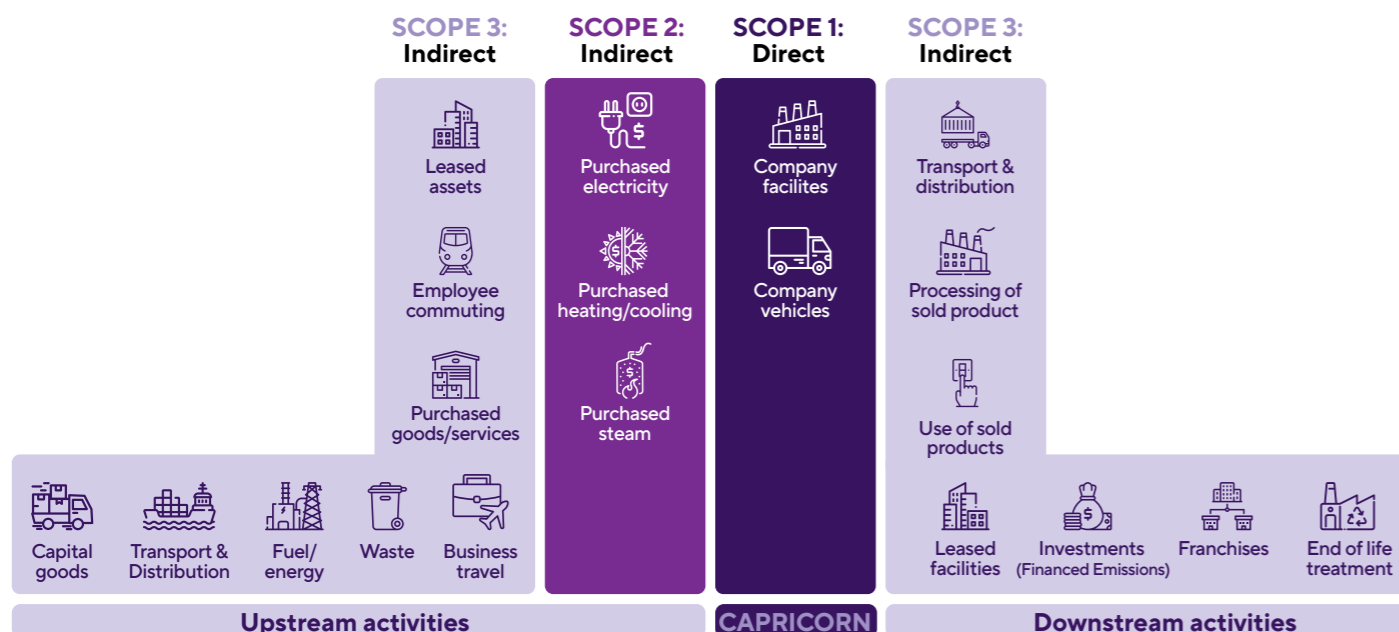
**Scope 2:** Our scope 2 emissions relate to our energy usage at our Perth and Sydney offices. In February we relocated our Perth office. This move has allowed both commercial locations to be situated

in 5-star NABERS targeted offices, aligning our operations with best practices in energy efficiency and sustainable workspaces. In Perth we've noticed a reduction in our electricity consumption already. This year we also completed moving our data centre offsite. This project has resulted in a steady reduction of our energy consumption over the past two years. We expect to see this stabilise in the coming periods. The emissions from this function are now considered part of our scope 3 profile. To avoid shifting emissions, we offset our consumption through a carbon neutral service agreement.

Greenhouse Gas Emissions



## The GHG Protocol: Scopes Across the Value Chain



## Shift4Good: Expanding Our Sustainable Investment Portfolio

This year we directed capital to projects that contribute to improving climate resilience. In December 2023 we announced a strategic investment into Shift4Good, a global independent Venture Capital impact fund dedicated to sustainable mobility. We recognise that mobility is changing, that's why we expanded our portfolio to support our Members in an increasingly connected, autonomous, shared and electric environment.

Shift4Good launched in October 2022 to fund and support the most innovative startups, building solutions to decarbonise the transportation sector. We look forward to the discoveries made and how we can explore these opportunities for the benefit of our Members and broader communities.

## Risk Protection



As climate change accelerates, the physical risks posed by extreme weather events are becoming more frequent and severe across Australia and New Zealand. Through Capricorn Mutual, Capricorn Risk Services and Capricorn Insurance Services we understand the growing challenges our Members face in protecting their businesses from the increasing risks of floods, storms, bushfires, and other climate-related events. We're committed to ensuring Members are prepared for all impacts that might come their way.

*"Our Members trust us to put them first and foremost, supporting them as they face life's uncertainties."*

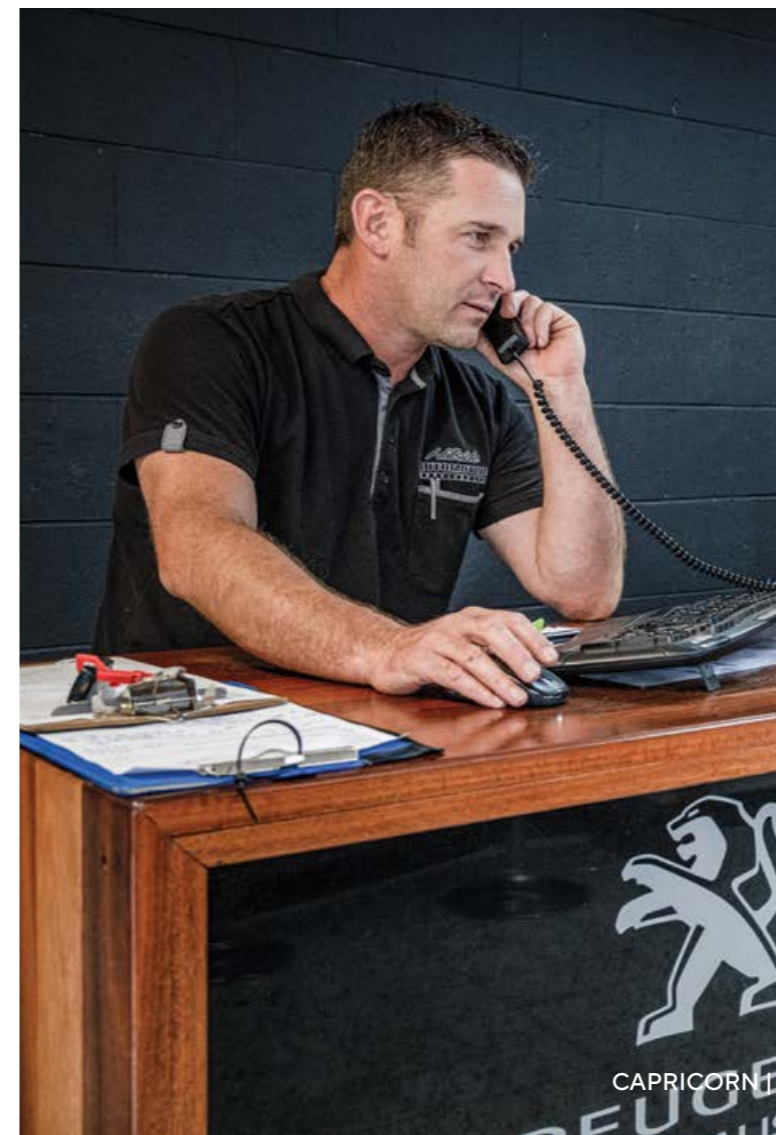
*We recognise that the changing climate patterns require us to not only respond to risks but also anticipate them. Last year we saw firsthand the effects of severe weather events through Cyclone Gabrielle and the Auckland Floods in New Zealand.*

*This year, we were fortunate to see a reduction in the severity of weather-related claims, even as the number of events remained consistent. We know we can't be complacent; that's why we're looking into how we can help our Members build more resilient businesses, so in times of uncertainty they can get back to doing what they do best.*

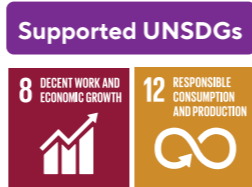
*Our strategy is centred on supporting Members by providing effective protection solutions, risk assessments, and tailored coverage options that address their needs.*

*Our aim is to help our Members protect their businesses and communities while empowering them to stay ahead of the changing climate landscape, making sure they are prepared, supported and protected."*

Rod Scanlon, CEO Risk Services



# Sustainable Consumption



Promoting sustainable consumption within our supply chain involves improving resource efficiency and minimising environmental impacts at every stage of the process. This means actively encouraging the responsible use of resources—from raw material sourcing to the final disposal of products—ensuring output is maximised while reducing unnecessary waste and energy consumption.

By supporting responsible waste management practices throughout the entire product life cycle, we aim to minimise our environmental footprint, promote recycling and reuse, and reduce the volume of waste that ends up in landfills.

## Paper Statement Reduction

We're committed to reducing our environmental footprint and promoting sustainable consumption across all our operations. As part of this effort, in March 2024 we introduced our *Opt-Out of Paper Statements* campaign for our Members to receive their Capricorn Trade Account statements solely online through the myCAP portal. Historically, Members have received both online and paper-based statements.

To promote the campaign, Members who opted out of paper statements from March to May went into the running to win 25,000 Capricorn Bonus Points. Within three months, the campaign saw 21% of our Members actively move away from paper statements. The promotion has resulted in an expected reduction of our supply chain paper waste, energy use and emissions contribution. Members who opted out still receive the monthly email advising them when their statements are ready for viewing online, making sure that they can continue to manage their accounts effectively.

From January, all new Member's automatically receive eStatements as their preferred delivery method. We're committed to continue facilitating changes to a more sustainable supply chain, embracing digital innovation and convenience.

As of June 2024

**29%**

of all Members receive their statements solely through our online portal myCAP

## Promoting Sustainable Consumption in Our Workspace

We understand that true change begins within our operations. Earlier this year our Facilities team launched our Go Green Campaign. Applying our values, we asked our people to collaborate and bring forward ideas on how we can reduce our environmental footprint to create more sustainable office spaces. Ideas like our Paper Reduction Challenge saw departments reducing their consumption by 47%. It's through projects like this and leading by example that we aim to strengthen resource efficiency.



# Employee Wellbeing

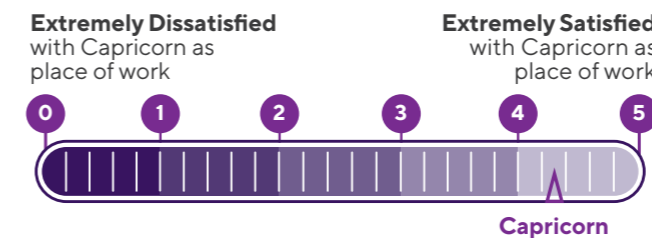


Our people are the driving force behind everything we do and are what truly sets us apart. We recognise that their dedication, expertise, and passion are key to our success, which is why we are committed to fostering an environment where every individual feels safe, supported, and valued.

## Employee Engagement Scores

To achieve our strategy, we need a motivated and accountable team that is passionate about our Members and Preferred Suppliers, allowing us to bring our purpose and vision to life.

We measure our performance of creating a culture for our people and their engagement through our annual survey. We use a third party to help us recognise and identify the needs of employees that, when met, create and support a great workplace.



**4.34/5**

Employee Engagement Mean

## Learning and Development

We believe in providing our people with opportunities for personal and professional growth and providing ongoing training, resources, and career development pathways. By investing in their development, we empower our people to advance their skills, reach their full potential, and take on new challenges with confidence. We believe in providing training styles that suit the whole workforce, either utilising our online learning system, CapLearn, or in-person programs from our learning and development team. Last year over 40% of training was interactive in nature.

This year, 112 of our People Leaders received leadership training, equipping them with the skills required to influence and guide their teams to success. We also relaunched our Emerging Leaders Program, with participants nominated by their leaders. We're proud to say that the six-month program has results, with 29% of emerging leaders advancing into higher roles with increased responsibilities, including overseeing direct reports.

**14.5**

Average number of courses each employee completed through CapLearn



## Prioritising Mental Health and Wellbeing

Creating a safe and inclusive space is our priority, ensuring that every team member can perform at their best. This includes fostering a supportive environment where our people feel they belong and are comfortable seeking help if they need it. This year we equipped fifteen employees to be Mental Health First Aid Officers in our workplace. Similar to our First Aiders, our officers each attended an accredited course to equip them with the relevant skills. Mental Health First Aid Officers are trained to foster open communication about mental health, guide individuals to professional help when needed, and create a safe and healthy workplace. We've made sure all our people have access to our officers, by locating them in our Perth and Sydney offices, as well as within our Field Teams.

Throughout the year we also held in-person and online wellbeing seminars for our people. This year we addressed the following topics:

- Understanding Anxiety
- Creating Healthy Habits
- How to Create Perfect Sleep
- Men's Health Through The Decades
- Mindful Eating
- Women's Health Through The Decades
- Digital Detox
- Supporting Mentally Healthy Men

## Purple Stars

Reward and recognition are essential aspects of our culture, allowing us to acknowledge each other's efforts and achievement, celebrate our successes, and create a positive and supportive work environment. We believe everyone can make a difference and when we acknowledge, support and uplift each other, we can achieve anything we set our minds to. This is how we inspire and make our vision a reality.

We relaunched our awards program this year. Purple Stars recognises the outstanding contributions our people deliver for our Capricorn Community. These awards serve to celebrate our organisation's highest level of achievement and reinforce the importance of doing so with our ACCT value in mind.

We celebrate individual and team achievements throughout the year with awards in the following categories:

- **Leadership Award**  
An employee who demonstrates behaviours aligned with the leadership actions – creating clarity, leading by example, growing and evolving.
- **ACCT: Individual Award**  
An employee who models our ACCT Values.
- **ACCT: Better Together Award**  
A team that models the ACCT Values.
- **Moving Forward Award**  
An employee or team who has demonstrated innovation or continuous improvement, or challenged the status quo.
- **Voice of Community Award**  
An employee who has gone above and beyond to support our vision of One Capricorn Empowering Our Community To Thrive.

## Introducing New Ways of Working

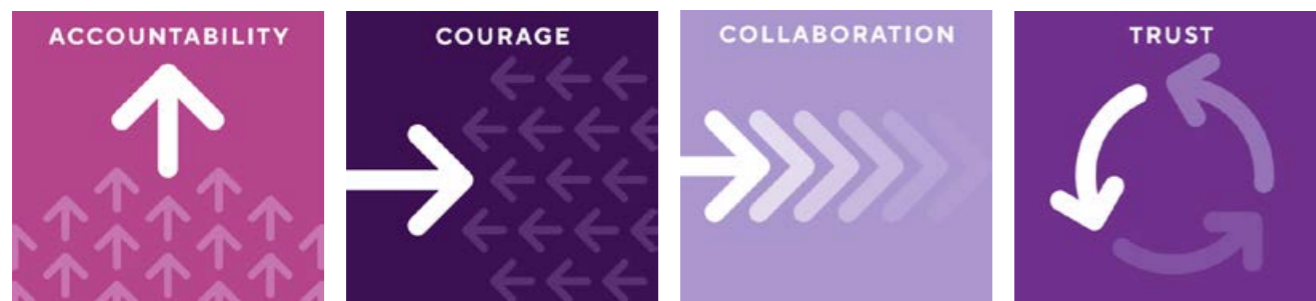
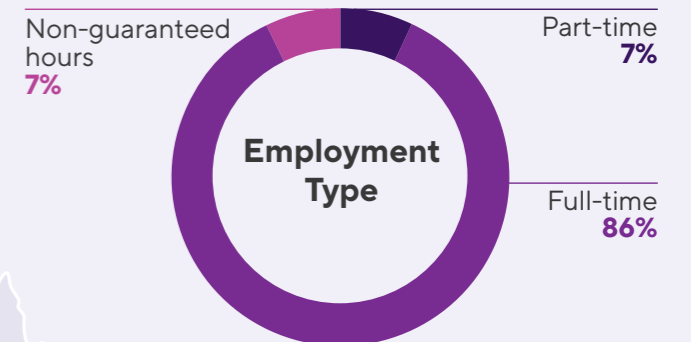
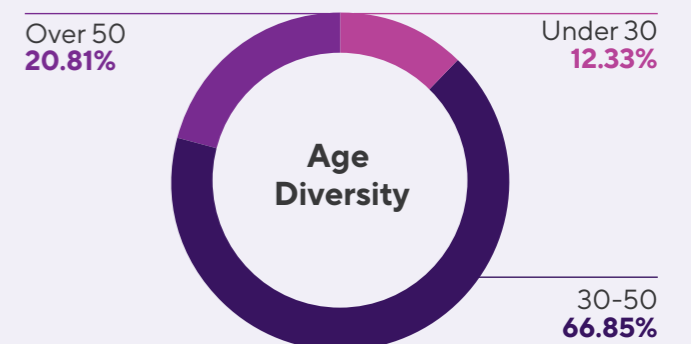
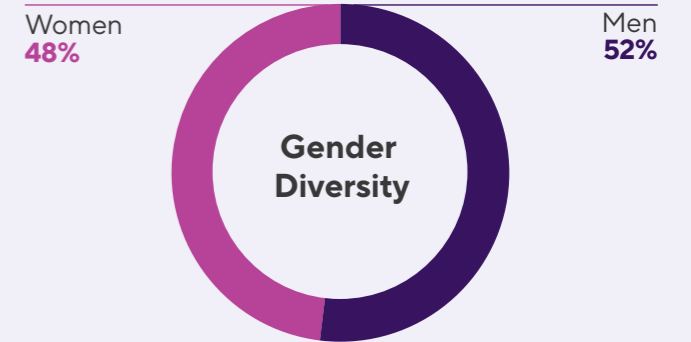
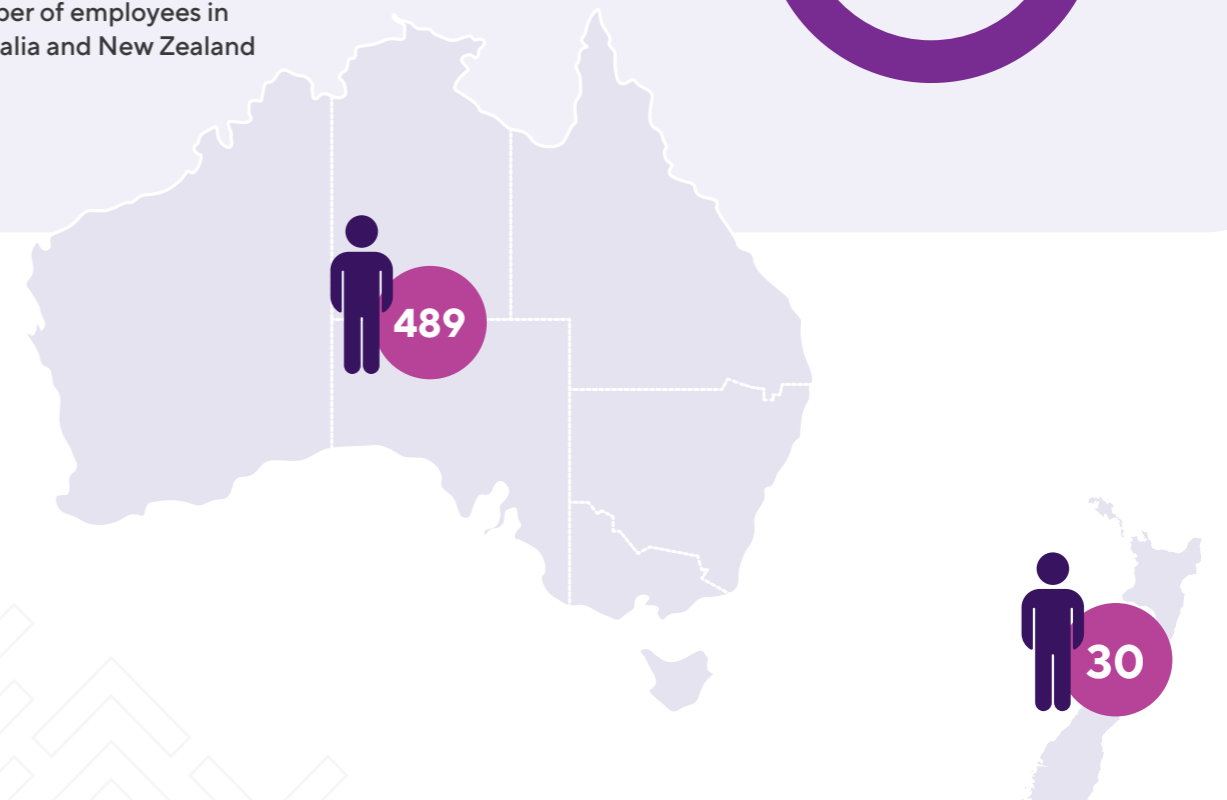
In 2022, we launched our Drive To Thrive strategy. As part of this strategy, we introduced and prioritised New Ways Of Working, an initiative to help us bring our culture to life and empower our team members to work more productively and collaboratively.

This year we outgrew our head office in Perth and relocated from West Perth to the Perth CBD. This move has allowed us to introduce Activity Based Working into our office. We recognised our people needed a collaborative, innovative workspace that enables them to do their best for our Members. Our new office has been designed with a 5-star targeted NABERS rating, collaboration spaces and our wellness and contemplation room, creating a safe space for our people.

## Diversity

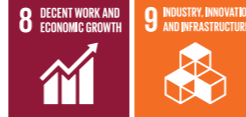
We know a diverse and inclusive workforce can foster creativity and a sense of belonging, drive better decision-making, and deliver positive outcomes for our Members and the broader community. Embracing different perspectives strengthens our ability to innovate, collaborate, and deliver these results.

### Number of employees in Australia and New Zealand



# Innovation & Digital Transformation

Supported UNSDGs



Our goal is to empower our community by providing the tools and opportunities to build stronger, more resilient businesses that are equipped to thrive in today’s dynamic marketplace. We are actively pursuing this by embracing digital transformation and fostering innovation across all aspects of our operations.

Awareness of upcoming trends, industry movements, and technological advancements helps us anticipate changes that could shape our environment. Ultimately, our focus on digital innovation and sustainability is about delivering tangible benefits to our Members, including enhanced efficiency, profitability, and long-term value. By investing in these areas, we aim to increase returns for our members, driving both immediate gains and sustainable success.

## Repairify

In July 2023 we entered into a joint venture agreement with Repairify Australia Holdings Pty Ltd (Repairify). The joint venture enables the delivery of advanced automotive remote diagnostic services to repairers across Australia and New Zealand.

This is an integral part of our commitment to provide the highest levels of support to our Member businesses, equipping them with the technology to service vehicles across the vast and ever-changing Australian and New Zealand car parc.

Repairify provides market-leading remote automotive diagnostic services across North and South America, Canada and Europe, with strong long-term relationships across a wide range of original equipment manufacturers.

Capricorn and Repairify each have a 50% ownership of this joint venture, branded as “Repairify” and distributed across Australia and New Zealand by Capricorn as a Capricorn Preferred Supplier. It is important to note that all Repairify products and services will also be available to all automotive aftermarket workshops across Australia and New Zealand, regardless of whether they are a Capricorn Member.

We see our Members gaining significant benefits from this joint venture, and we’re proud to offer them more opportunities to better serve their businesses.



## Enhancing Digital Experience

We’re committed to improving our Members’ experiences by enhancing their digital journey, improving efficiency and creating user-friendly solutions. In June last year we introduced our online self-service card payment platform in myCAP. This feature means our Members can pay their trade accounts when it suits them, without the need to ring our contact centre, better fitting their busy schedules.

Since the launch of our online payment service, we’ve seen a reduction on average of 161 hours per month in our call centre, reflecting both increased efficiency for our team and less time on the phone for our Members. We also introduced self-service direct debits, meaning our Members have more ways to manage and control their finances.

Each month over

**80%**

of all payments are now processed through myCAP

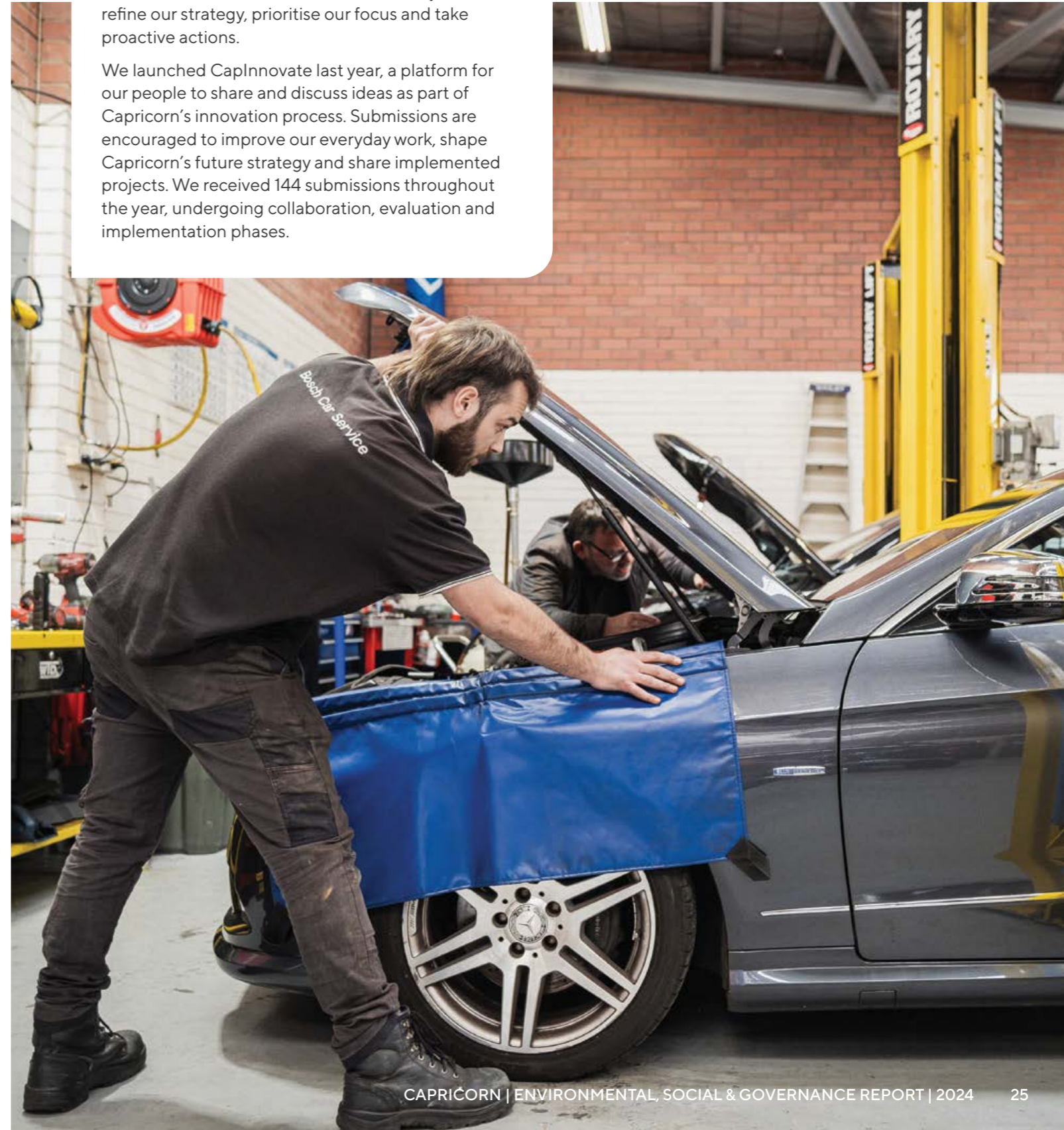
## Innovation and CapInnovate

We believe innovation at Capricorn is about connecting problems and opportunities to create new and unique value that enables the transformation and growth of our business and community. It lets us assess what our future environment may be, refine our strategy, prioritise our focus and take proactive actions.

We launched CapInnovate last year, a platform for our people to share and discuss ideas as part of Capricorn’s innovation process. Submissions are encouraged to improve our everyday work, shape Capricorn’s future strategy and share implemented projects. We received 144 submissions throughout the year, undergoing collaboration, evaluation and implementation phases.

**144**

CapInnovate submissions





# Data Governance & Cybersecurity

Our community trusts us to safeguard their information, and we take that responsibility seriously. In an era where data breaches and cyberthreats are becoming increasingly sophisticated, we are committed to maintaining robust and appropriate data governance frameworks that ensure the responsible handling, storage, and use of confidential information across all of our operations.

We aim to provide our community with the peace of mind that their personal and business information is being handled with the appropriate levels of care, security, and confidentiality. Our commitment to strong data governance and cybersecurity is not just about compliance but about reinforcing the trust that our Members and Preferred Suppliers place in us every day.

**162**

Employees completed privacy awareness training this year



Our Data Privacy Program is delivered in five workstreams, designed to support our privacy obligations

## Privacy Program

As a trusted Member-owned organisation, we have an obligation to protect the interests of our colleagues, our Members and our broader community. This includes being accountable and transparent in how we collect, manage and protect individuals' personal information.

Our Data Privacy Program is one of our strategic priorities. The program is focused on ensuring we meet and maintain our privacy obligations to protect our community and continue our trusted reputation. Data privacy generally refers to the ability of a person to determine for themselves when, how, and to what extent personal information about them is collected, used and shared with or communicated to others. At Capricorn, this means that we only collect the information we need, make Members aware when we are collecting their information, explain for what purpose and gain their consent where required.

This year we released our updated enterprise Privacy Framework and updated Privacy Policies for Capricorn Society and Capricorn Mutual to ensure ongoing compliance with our privacy obligations. The policies are designed to support adherence across our jurisdictions with the Australian Privacy Principles of the *Privacy Act 1988* (Cth) and the

*New Zealand Privacy Principles of the Privacy Act 2020* (NZ). Our Framework outlines the governance structures we have in place to meet our commitment, including policies and procedures, technical and process controls, training and awareness materials, and control checks. In December we released our Privacy Handbook for employees and contractors. The Handbook is another tool we use to provide ongoing guidance, detailing what our obligations are and how we can meet those obligations.

With our Data Privacy Program, we will continue to refine and improve our processes, awareness, and training into FY25.



## Cybersecurity and Vigilance

Safeguarding our Members', Preferred Suppliers' and employees' trust and privacy is central to our enterprise strategy. Our dedicated Cybersecurity team works to protect our systems, investigate threats and increase user awareness and capabilities across the organisation. Recognising that cyber risk cannot be entirely eliminated, we remain vigilant, continuing to invest in our resources to proactively address evolving cyberthreats.

Our cybersecurity measures are a critical component of our business to help prevent data breaches, identity theft, and other types of cybercrime. We recognise cybersecurity is only effective if our users are educated and aware of what they need to do to protect Capricorn from cybercrime. This year we introduced our Cybersecurity User Awareness Framework, articulating our Cybersecurity Awareness Program. The framework's focus is to increase user responsiveness and build the capabilities needed to enhance our cybersecurity. As part of our framework, our Cybersecurity Awareness Working Group includes representatives from across the business to improve our cyber culture, provide ongoing feedback and deliver input on the effectiveness of our training activities.

We continually adapt our cybersecurity strategies through industry benchmarking and simulated threat exercises, helping us identify emerging risks and adjust our processes and education to combat cybercrime. Throughout the year we conducted four phishing exercises to test our capabilities, 33% more than last year, further strengthening our readiness against sophisticated cyberattacks.

During the year we expanded our defences, increased our email security, and strengthened network threat protection, ensuring that our capabilities continue to evolve in line with the ever-changing threat environment.

**293**

Employees completed cybersecurity training

## Ethical Supply Chains

We play a critical role in facilitating a seamless and efficient distribution channel that connects our Preferred Suppliers with our Members. This responsibility extends beyond just our services; it includes fostering a commitment to promoting ethical practices and supporting human rights throughout the supply chain.

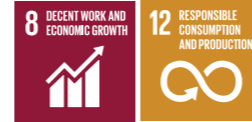
We work to identify and address risks associated with modern slavery, striving to keep our supply chain free from exploitation and abuse.

### Expanding Modern Slavery Training

Our Modern Slavery Statement outlines the steps we take to identify, evaluate and address the risk of modern slavery within our operations and supply chain. As a reporting entity under the *Modern Slavery Act (Cth)* our latest Modern Slavery Statement can be found on the “Corporate Documents” section of our website.

This year we implemented Modern Slavery Awareness training for all employees across Capricorn, with a 100% completion rate.

### Supported UNSDGs



## Responsible Investment

Our investment portfolio ensures we’re maximising future growth in our business and for our Members. The Capricorn Investment Committee oversees the management of our portfolio to align with our values and for the interest of our Members. Last year we took further steps to strengthen our commitment to responsible investment, integrating ESG guardrails into our fund manager selection processes. As of 30 June 2024, 91% of fund managers for our long-term investment pools are either signatories of the *United Nations Principles for Responsible Investment* or members of the *Responsible Investment Association Australia*. Investments that do not meet these criteria have been approved by our investment advisors as having sufficient compensating factors around sustainability that justify their selection.

Our position is that sustainable growth and responsible investment are not mutually exclusive but mutually reinforcing. We believe having an optimum mix of defensive and growth assets in the investment portfolio, together with a robust lens for responsible investing, has delivered a risk/return objective that aligns with our strategy and values.

## Supporting Local

Supporting our local economies across Australia and New Zealand is engrained in our culture. Prioritising local procurement is one of the ways we’re supporting responsible sourcing in the supply chain. This year we spent \$84.8 million on products and services from direct suppliers throughout our operations. Approximately 85% was paid to suppliers located in Australia and 6% in New Zealand.

## Integrity & Accountability

Our history is built on prioritising strong corporate governance and ethical conduct, fostering transparency, responsibility, and compliance throughout our businesses. Our decision-making processes are aligned with our core values, ensuring accountability and integrity at all levels. This commitment builds trust with Members, Preferred Suppliers, our people and the broader community.

Guided by cooperative principles, we operate with democratic Member control, participation, and concern for the community. These values shape our governance approach, promoting fairness, integrity, and shared accountability.

### Corporate Structure

The Capricorn Society and Capricorn Mutual governance bodies comprise Member directors, independent directors, and non-executive directors as per their respective constitutions. Each structure is founded on cooperative principles, providing a platform and voice for Members with the added support of industry experience. The Capricorn Society and Capricorn Mutual constitutions can be found on the “Corporate Documents” section of their corporate websites.

The Capricorn Society Board has adopted the latest edition of the ‘Cooperative and Mutual Enterprise Governance Principle’ (ed. 1.2, 2020) prepared by the Business Council of Co-operatives and Mutuals. Our Corporate Governance Statement can be found in our Annual Report, providing further insights into our governance framework and practices.

Information regarding the Capricorn Mutual Board structure—including directors’ experience, qualifications, and attendance records—can be found in their Annual Report, offering a comprehensive overview of their governance and leadership. The Capricorn Mutual Board Annual Report can be found on the “Corporate Documents” section of the corporate website.



## About the Capricorn Society Directors



### Mark Rowe<sup>3</sup>

**QLD (Chair)**  
GAICD

Mark has run his own business for 25 years. Mark has been a Capricorn Member since 1999 and was first elected to the Board in October 2022. Mark is a member of the Capricorn Remuneration and Nomination Committee, the Digital and Transformation Committee and the Capricorn Relationship Committee. Mark served as a member of Capricorn's Audit and Risk Committee from October 2022 to October 2023.

Mark has previous Board and Committee experience including being a current Vice President of VASA, a non-profit organisation representing the technicians, professional service centres, suppliers and original equipment manufacturers of the automotive air conditioning, electrical and thermal management industry in Australia and New Zealand. Mark is also a member of the Beaudesert Chamber of Commerce.



### Mark Cooper<sup>4</sup>

**VIC/TAS Director**  
GAICD, Grad. Cert. Comm

Mark became a member of Capricorn Society in 1995 and was first elected to the Board in October 2013. He became Chair of the Board in 2019. Mark is a member of Capricorn's Remuneration and Nomination Committee and Digital and Transformation Committee.

Mark is also a Director of Capricorn Mutual Ltd.

Mark has been involved in the automotive industry for over 40 years and currently owns and operates a number of mechanical service and repair businesses.

Mark has completed a marketing and financing independent business course, a Certificate IV in Small Business Management and obtained a Graduate Certificate in Commercialisation from the University of Tasmania. Mark is a Director of several family-owned companies and currently sits on the Executive Committee of the TACC (Tasmanian Automotive Chamber of Commerce).



### Peter Stewart

**SA/NT Director**  
Dip.Auto, Dip.T, Adv.Dip.T,  
MMIAME, GAICD

Peter joined the Capricorn Board in 2015. Peter is a member of Capricorn's Audit and Risk Committee and the Capricorn Relationship Committee. Peter has previously served on the Capricorn Remuneration and Nomination Committee, including serving as Chair from 2018 to October 2020.

Peter has been involved in the automotive industry for over 24 years. He sits on a number of automotive industry committees. Peter has been a Capricorn Member since 1999 and is currently a Master Member of the IAME, Deputy Chair of the MTA (SA) Automotive Repair Division Committee, a member of the Industry Advisory Council of the MTA (SA), and a member of the RAA Approved Repairers Committee.



### Lydia Stjepanovic

**NSW/ACT Director**  
BCom, GAICD

Lydia was elected to the Board in 2021 and is Chair of Capricorn's Remuneration and Nomination Committee. Lydia also serves on the Digital and Transformation Committee and was previously a member of Capricorn's Audit and Risk Committee and the Capricorn Relationship Committee.

Lydia is a second-generation automotive services business owner with a Bachelor of Business and Commerce (Management) from the University of Western Sydney and an Advanced Diploma in Business (Marketing) from Macleay College.

Lydia grew up within the automotive industry as the daughter of an auto electrician. Lydia has been involved with the industry her entire life in one capacity or another.



### Nigel Osborne

**WA Director**

Nigel has 34 years of automotive industry experience. He has been a Capricorn Member for 26 years and was first elected to the Board in October 2022. Nigel is a member of Capricorn's Audit and Risk Committee. Nigel is the currently the national representative of AASDN (Australian Automotive Service Dealers Network) and is also a WA representative for the Automotive Repairers Council of Australia.

Nigel has previous committee experience working with the Bosch Service Council of WA, the Australian Bosch Service Dealers Network and as Chair of the OTRA (on the road again tours charity group).



### James Candish

**NZ Director**

James joined the Capricorn Board in 2023 and was appointed as a member of Capricorn's Audit and Risk Committee and the Capricorn Relationship Committee.

James has been a successful mechanical services business owner in Ashhurst for the last 16 years and is currently the Central west Regional Chair for the MTA. James is also actively serving in roles within his local school Board and Parent Teacher Association.

A passion for industry teaching and apprentice training has driven James to address critical issues in this area through collaboration with local training institutes.

<sup>3</sup> Mark Rowe was elected as Chair in October 2024, following Mark Cooper.

<sup>4</sup> Mark Cooper served as Chair of the Capricorn Society Board for the reporting period and continued in the role until October 2024. Mark continues to serve as a Director.





**Bruce Rathie**

**Independent Director**  
B.Comm, LLB, MBA, FIML,  
FAICD, FGIA, Grad Dip CSP,  
SA Fin

Bruce was appointed to the Capricorn Board in July 2008 as an Independent Director. Bruce also served as Vice Chair to the Board from 2015 to 2018. Bruce is a member of Capricorn’s Audit and Risk Committee, previously serving as Chair from 2021 to 2023. Bruce is also a Director of Capricorn Mutual Ltd, acting as Chair until June 2023.

Bruce is currently a non-executive director of ASX listed PolyNovo Limited and ASX listed Cettire Limited. He is also currently Chair of ASX listed The Market Limited and ASX listed CleanSpace Holdings Limited. Prior to commencement of his professional governance career in 2000, he had successful careers in private legal practice and then investment banking.



**Mario Pirone**

**Independent Director**  
B.Bus, Grad. Dip. Bus, FCPA

Mario joined the Capricorn Board in July 2014 as an Independent Director. Mario became Chair of Capricorn’s Audit and Risk Committee in October 2023 and has previously served as a member of the Remuneration and Nomination Committee and the Digital and Transformation Committee. Mario also served as Vice Chair to the Board from 2019 to 2022.

Mario is also Director and Chair of the Capricorn Mutual Board.

Mario brings over 26 years’ experience as a senior executive and director in large and complex organisations. Mario has enjoyed a lengthy career in the general insurance, funds management and financial services fields. Mario was formerly CEO of the Guild Group (2009 to 2022), CEO of CGU Insurance (2004-2008) and a Senior Group Executive with Insurance Australia Group (1999-2008).

Mario has also held a number of non-executive directorships over the past 11 years.



**Donna Vinci**

**Independent Director**  
GAICD, FGIA, MACS-Snr

Donna joined the Capricorn Board in 2019 and is a member of Capricorn’s Remuneration and Nomination Committee. Donna also chairs Capricorn’s Relationship Committee and Digital and Transformation Committee. Donna has previously served as a member of the Audit and Risk Committee.

Donna’s extensive experience in board directorships and executive roles across strategy, business, operations, risk management, governance, data, digital technology, and her track record of delivering digital disruption and transformation projects for major financial services organisations globally enables her to play a key role in business transformation as we continue to integrate human and digitisation for our business to create new customer experiences and make a societal impact.

In addition to her directorship at Capricorn, Donna currently serves as a Non-executive Director at Western Sydney Airport, at Newcastle Greater Mutual Group, Hunter Water, MS Plus and Oakhill College and is a strategic advisor.

Donna is a graduate of the Australian Institute of Company Directors, is a Fellow with the Governance Institute of Australia and a graduate in ESG Leadership. Donna was awarded Cisco’s Women in IT, 2019, CIO of the Year Award.

## Capricorn Society Governance Framework & Board Participation

	Board Meetings		Committee Meetings							
	Eligible to attend <sup>5</sup>	Number attended	Audit and Risk Committee		Remuneration and Nomination		Capricorn Relationship Committee		Digital and Transformation Committee	
			Eligible to attend <sup>5</sup>	Number attended	Eligible to attend <sup>5</sup>	Number attended	Eligible to attend <sup>5</sup>	Number attended	Eligible to attend <sup>5</sup>	Number attended
<b>Bruce Rathie</b>	7	7	5	5	0	0	0	0	0	0
<b>Donna Vinci</b>	7	6	1	1	4	3	3	3	5	5
<b>James Candish<sup>6</sup></b>	5	5	4	4	0	0	3	3	0	0
<b>Lydia Stjepanovic</b>	7	7	0	0	5	5	0	0	4	4
<b>Mario Pirone</b>	7	7	4	4	1	1	0	0	1	1
<b>Mark Cooper</b>	7	7	0	0	5	4	0	0	5	5
<b>Mark Rowe</b>	7	7	1	1	4	5 <sup>7</sup>	3	3	4	4
<b>Nigel Osborne</b>	7	7	5	5	0	0	0	0	0	0
<b>Peter Stewart</b>	7	7	5	5	0	0	3	3	0	0
<b>Phil Saxton<sup>8</sup></b>	2	2	0	0	1	1	0	0	2	2

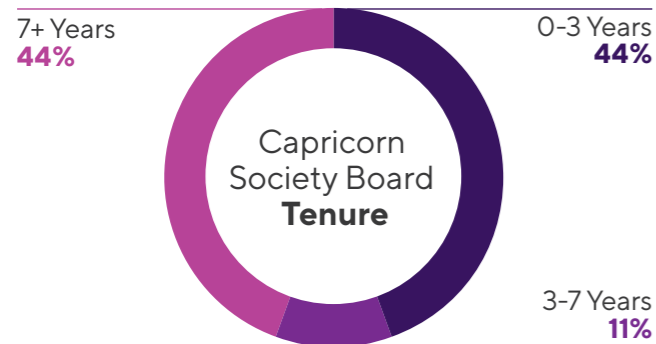
<sup>5</sup> The number of scheduled and unscheduled meetings held throughout the reporting period.

<sup>6</sup> James Candish was appointed as a Director to the Capricorn Society Board in October 2023.

<sup>7</sup> Directors can be invited to attend committee meetings as guest.

<sup>8</sup> Phil Saxton retired as a Director from the Capricorn Society Board in October 2023.

## Capricorn Society Board Diversity



## Approach to Whistleblowing

We are committed to transparency and building an environment in which people feel free to raise concerns safely, securely and with confidence that they will be protected and supported. Our Whistleblower Protection Scheme aligns with Australian and New Zealand legislation to enhance integrity and accountability in how we conduct business. This year 100% of employees completed Whistleblower Training to affirm their right to disclose and protections available. Our Whistleblower Policies are available on the Capricorn Society and Capricorn Mutual websites.

**100%**

of employees completed Whistleblower Training



# GRI Index

## General Disclosures

GRI	Disclosures	Location in Corporate Document Suite
<b>The organisation and its reporting practices</b>		
2-1	Organisational details	Capricorn Society and Capricorn Mutual, Perth Australia.
2-2	Entities included in the organization's sustainability reporting	<a href="#">About this Report</a>
2-3	Reporting period, frequency and contact point	<a href="#">About this Report</a>
2-4	Restatements of information	Not applicable.
2-5	External assurance	This report has not been subjected to external audit or independent assurance.
<b>Activities and workers</b>		
2-6	Activities, value chain and other business relationships	<a href="#">Capricorn Society 2024 Annual Report</a> <a href="#">Capricorn Society Prospectus</a>
2-7	Employees	<a href="#">ESG Disclosures</a>
2-8	Workers who are not employees	<a href="#">ESG Disclosures</a>
<b>Governance</b>		
2-9	Governance structure and composition	<a href="#">Integrity &amp; Accountability</a> <a href="#">Capricorn Society 2024 Annual Report</a>
2-10	Nomination and selection of the highest governance body	<a href="#">Capricorn Society Prospectus</a>
2-11	Chair of the highest governance body	<a href="#">Integrity &amp; Accountability</a> <a href="#">Capricorn Society 2024 Annual Report</a>
2-12	Role of the highest governance body in overseeing the management of impacts	<a href="#">Capricorn Society 2024 Annual Report</a>
2-13	Delegation of responsibility for managing impacts	<a href="#">Capricorn Society 2024 Annual Report</a>
2-14	Role of the highest governance body in sustainability reporting	<a href="#">About this Report</a>
2-15	Conflicts of interest	<a href="#">Capricorn Society 2024 Annual Report</a>
2-16	Communication of critical concerns	<a href="#">Integrity &amp; Accountability</a>
2-17	Collective knowledge of the highest governance body	<a href="#">Capricorn Society 2024 Annual Report</a>
2-18	Evaluation of the performance of the highest governance body	<a href="#">Capricorn Society 2024 Annual Report</a>

GRI	Disclosures	Location in Corporate Document Suite
<b>Strategy, policies and practices</b>		
2-22	Statement on sustainable development strategy	<a href="#">Chair &amp; Group CEO Statement</a>
2-23	Policy commitments	<a href="#">Capricorn Society 2024 Annual Report</a>
2-24	Embedding policy commitments	<a href="#">Capricorn Society 2024 Annual Report</a>
2-25	Processes to remediate negative impacts	<a href="#">Capricorn Society 2024 Annual Report</a>
2-26	Mechanisms for seeking advice and raising concerns	<a href="#">Capricorn Society 2024 Annual Report</a>
2-27	Compliance with laws and regulations	There have been no significant instances of non-compliance with laws and regulations during the reporting period.
2-28	Membership associations	<a href="#">Capricorn Society 2024 Annual Report</a>
<b>Stakeholder engagement</b>		
2-29	Approach to stakeholder engagement	<a href="#">Areas of Focus</a> <a href="#">Empowering Members</a>
2-30	Collective bargaining agreements	Capricorn does not have any employees engaged under collective bargaining agreements.



# ESG Disclosures

All data presented as of 30 June 2024 unless otherwise stated.

## Environmental Disclosures

Greenhouse Gas Emissions	Unit	2022/23	2023/24
<b>Capricorn</b>	tCO <sub>2</sub> e-		
Scope 1 Emissions		827.74622	840.9532457
Scope 2 Emissions <sup>9,10</sup>		190.47158	161.2585298
<b>Total Scope 1 and 2 Emissions<sup>9,10</sup></b>		<b>1,018.217794</b>	<b>1,002.211776</b>
<b>Australia</b>	tCO <sub>2</sub> e-		
Scope 1 Emissions		670.20166	691.4339026
Scope 2 Emissions <sup>9,10</sup>		190.47158	161.2585298
<b>New Zealand<sup>11</sup></b>	tCO <sub>2</sub> e-		
Scope 1 Emissions		157.54456	149.5193431
Scope 2 Emissions		0	0

Energy Consumption	Unit	2022/23	2023/24
<b>Capricorn</b>	Gj		
Fuel consumption from non-renewable sources		12,282.07876	12,512.91547
Fuel consumption from renewable sources		415.98720	432.88135
Fuel consumption from electricity consumption <sup>9,10</sup>		1265.89777	1074.22798
<b>Total energy consumption within the organisation<sup>9,10</sup></b>		<b>13,963.96373</b>	<b>14,020.02481</b>
<b>Breakdown by Energy Source</b>	Gj		
Scope 1: Fuel		12,248.52	12,490.70
Scope 1: Natural Gas		33.55502	22.21940
Scope 2: Purchased Electricity Office Spaces <sup>9,10</sup>		1,265.89777	1,074.228
Electricity generated from on-site solar panels		415.98720	432.881352
<b>Total</b>		<b>13,963.96373</b>	<b>14,020.02481</b>
<b>Australia</b>	Gj		
Scope 1: Fuel		9,929.04000	10,284.68000
Scope 1: Natural Gas		33.55502	22.21940
Scope 2: Purchased Electricity Office Spaces <sup>9,10</sup>		1,265.89777	1,074.22798
Electricity generated from on-site solar panels		415.98720	432.88135
<b>New Zealand<sup>11</sup></b>	Gj		
Scope 1: Fuel		2,319.48374	2,206.01607

<sup>9</sup> Scope 2 FY23: as it relates to New South Wales, has been proportionately estimated due to incomplete data.

<sup>10</sup> Scope 2 FY24: Western Australian emissions data includes the unoccupied West Perth property under Capricorn control, the current Perth CBD office location, as well as data from the CBD site during renovation.

<sup>11</sup> Capricorn does not hold offices in New Zealand. Facilitating only mobile field and remote employees.

## People Disclosures

Team Members	Unit	2022/23	2023/24
<b>Head Count by Country</b>	#	473	519
Australia		442	489
New Zealand		31	30
<b>Head Count by Gender</b>	#		
Female		216	247
Male		257	271
Other		0	1
<b>Employment Type</b>	#		
Full Time		407	445
Part Time		43	36
Temporary		23	38
Australia: Full Time		377	416
Australia: Part Time		42	36
Australia: Temporary		23	37
New Zealand: Full Time		30	29
New Zealand: Part Time		1	0
New Zealand: Temporary		0	1
<b>Workers who are not employees</b>	#	22	4
<b>New Hire and Turnover</b>	#		
New Hire		173	157
Turnover		110	112
<b>Parental Leave</b>			
Team Members eligible for parental leave	#	344	362
Team Members eligible for parental leave	%	72.73	69.75
Team Members who accessed parental leave:			
Female	#	9	9
Male	#	10	12
<b>Gender Diversity</b>	%		
Women in the workforce		45.67	47.59
Women in Executive Leadership		37.50	44.44
<b>Age Diversity</b>	%		
Under 30		10.78	12.33
30 - 50		65.33	66.86
Over 50		23.89	20.81
<b>Engagement Index</b>			
Respondents	#	362	438
Engagement Mean	/5	4.39	4.34
Percentile Rank		74	69



## Member Disclosures

Capricorn Society	Unit	2022/23	2023/24
<b>Support &amp; Services</b>	#		
Members		26,966	29,317
Phone calls answered			
Capricorn Society		-	66,272
Capricorn Risk Services		-	55,190
<b>Complaints</b>			
Received	#		
Capricorn Society		306	305
Capricorn Risk Services		179	140
Resolution Time	Days		
Capricorn Society		8	7
Capricorn Risk Services		17	18
<b>Member Benefits</b>			
Dividends Declared	\$	14,500,000.00	15,300,000.00
Trade Rebates Declared		17,000,000.00	18,500,000.00
Reward Points Received		72,242,594.12	76,447,819.66
Reward Points Redeemed		60,588,008.50	68,336,861.12
<b>Performance</b>			
Net Promoter Score		72	75

Capricorn Mutual	Unit	2022/23	2023/24
Members	#	11,129	12,055
Risk Protection Claims paid out to Members	\$	80,200,000.00	71,700,000.00
Risk Protection Claims paid out to Members	#	6,012	6,832
Gross written risk protection	\$	119,700,000.00	143,100,000.00

Capricorn Insurance Services	Unit	2022/23	2023/24
Gross written premiums	\$	20,600,000.00	23,200,000.00
Insurance Policies Brokered	#	3,604	3,745

Capricorn Mutual Member Benefits	Unit	2022/23	2023/24
Rewards Points Received	\$	1,800,000.00	2,100,000.00
Member Loyalty Rebate		-	5,000,000.00

# Glossary

## Governance Disclosures

Governance	Unit	2022/23	2023/24
<b>Capricorn Society Board</b>	#		
Total Directors		9	9
Member Directors		6	6
Independent Directors		3	3
Female Directors		2	2
<b>Age and Gender Diversity</b>	%		
Female		22	22
Male		78	78
Under 30		0	0
30 - 50		22	33
Over 50		78	67

Capricorn Mutual Limited	Unit	2022/23	2023/24
<b>Total Directors</b>	#	4	5
Non-Executive Directors		3	4
Independent Directors		1	1
Female Directors		1	2
<b>Age and Gender Diversity</b>	%		
Female		25	40
Male		75	60
Under 30		0	0
30 - 50		0	20
Over 50		100	80

Governance	Unit	2022/23	2023/24
<b>Data Governance &amp; Cybersecurity</b>			
Phishing Simulations completed		3	4
<b>Privacy</b>	#		
Reportable Incidents to the Regulator		0	0
<b>Whistleblower</b>	#		
Whistleblower Reports		0	0
Employees who completed training		0	524

Term	Definition
<b>ACCT</b>	our Values: Accountability, Courage, Collaboration, Trust (ACCT) to support our Vision, Purpose, and Culture.
<b>Age diversity</b>	the percentage of total headcount employees, by age group as at 30 June of the reporting period.
<b>Annual Report</b>	the Capricorn Annual Financial Report and related Directors' and Auditor's report for the reporting period.
<b>AutoBoost</b>	an online service provided to Members with a range of free and paid tools to help them better run their businesses, including amongst others equipment and building maintenance reports, online and print advertising templates and an SMS system.
<b>Bonus Rewards Points</b>	Reward Points issued by either a Preferred Supplier (known as Preferred Supplier Bonus Points) or Capricorn (known as Capricorn Bonus Points) in connection with a special promotion or limited offer.
<b>CAPhub</b>	Capricorn's online content hub, bringing together articles, interviews, industry analysis and more to help Members better run their businesses.
<b>capLearn</b>	Capricorn's internal learning management system.
<b>Capricorn</b>	Capricorn Society Limited (ACN 008 347 313) and its wholly or partly owned subsidiaries (but for the avoidance of doubt excludes Capricorn Mutual) unless otherwise indicated.
<b>Capricorn Insurance Services</b>	Capricorn Insurance Services Pty Ltd (ACN 154 801 377), a wholly owned subsidiary of Capricorn.
<b>Capricorn Mutual</b>	Capricorn Mutual Limited (ACN 104 601 194).
<b>Capricorn Mutual Management</b>	Capricorn Mutual Management Pty Ltd (ACN 129 143 479), a wholly owned subsidiary of Capricorn.
<b>Capricorn Risk Services</b>	Capricorn Risk Services Pty Ltd (ACN 111 632 789), a wholly owned subsidiary of Capricorn.
<b>Capricorn Service Data</b>	an online service for Members that provides access to the most comprehensive online service information for thousands of vehicles, supporting the service and maintenance of almost any vehicle in line with manufacturers' warranty requirements.
<b>Capricorn Society Financial Services</b>	Capricorn Society Financial Services Pty Ltd (ACN 129 134 667)
<b>Capricorn Travel Australia</b>	Capricorn Travel Australia Pty Ltd (ACN 008 926 645)
<b>Claims incurred</b>	the value of claims incurred by Capricorn Mutual from eligible risk protection claims made by Capricorn Mutual Members within the reporting period. Claims incurred are allocated to the date of claim lodgement. The payment of claims to Members may occur in alternative reporting periods, reflecting the claim settlement date.
<b>Claims paid</b>	the payment of claims to Capricorn Mutual Members made within the reporting period by Capricorn Mutual. Claims paid may be related to a claim lodged in a different reporting period.

Term	Definition
<b>Dividend</b>	a distribution of Capricorn profit to shareholders if declared. Dividends are calculated on the shares held by Members as at 30 June of the reporting year. Dividends declared for a reporting period are paid in subsequent reporting periods. The Capricorn Directors may determine in their absolute discretion the quantum of dividend, if any, from year to year having regard to matters such as Capricorn's current and expected financial performance in the subject and succeeding years, retained profits, future plans and available cash.
<b>Employee Turnover</b>	all voluntary and involuntary terminations of employment, by head count, throughout the reporting period.
<b>Energy Consumption</b>	the consumption from fuels (diesel, petrol and related variants, natural gas and electricity) under Capricorn's operational control. Energy consumption is measured in gigajoules.
<b>Executive Leadership Team</b>	members of the Executive Leadership Team, reporting to the Group Chief Executive Officer.
<b>Field Team</b>	Capricorn's team members responsible for visiting our Members and Preferred Suppliers.
<b>Fuel</b>	diesel, petrol and associated variants purchased for use in company-controlled vehicles.
<b>Full-time [Employees]</b>	team members who are contracted for a minimum of 37.5 hours per week.
<b>Gender Diversity</b>	the percentage of total headcount employees, by gender group as at 30 June of the reporting period.
<b>Greenhouse Gas Emissions</b>	the production of carbon dioxide (CO <sub>2</sub> ), methane (CH <sub>4</sub> ) and nitrous oxide (N <sub>2</sub> O) from operational consumption (diesel, petrol and related variants, natural gas and electricity) under Capricorn's operational control. Greenhouse gas emissions are measured in tonnes of carbon dioxide equivalent, reflecting the greenhouse gas warming potential of relevant gases.
<b>Head count</b>	is the total number of employees at 30 June of the reporting period. Head count excludes directors and non-employees.
<b>Interactions</b>	can refer to any communication between Capricorn and Preferred Suppliers through channels such as phone calls, emails and site visits.
<b>Member Complaints</b>	are the number of complaints received by Capricorn during the reporting period, recorded in internal Member management systems.
<b>Member Loyalty Rebate</b>	a redistribution of Capricorn Mutual profits, if declared, to eligible Capricorn Mutual Member. Eligible Capricorn Mutual Members must have a minimum of three continuous years of tenure with Capricorn Mutual as of 30 June each year, with the rebate distributed to eligible Members proportionally, based on their respective annual spend with Capricorn Mutual, with more weighting applied to those based on tenure.
<b>Member Value Return</b>	the total value received by Members during the reporting period, including from Rewards Points, Trade Rebates, share balances and dividend payments declared in reporting periods and received by a shareholding Member. It reflects how Members are being financially rewarded as a Capricorn Member.

Term	Definition
<b>myCAP</b>	Capricorn's Member and Preferred Supplier online portal. Members can manage their membership and access trade account statements, reward shop, digital Purple Pages and online services such as Capricorn Service Data and AutoBoost.
<b>NABERS</b>	a NABERS rating (National Australian Built Environment Rating System) measures the environmental performance of buildings, assessing factors like energy and water efficiency, indoor environment quality, and waste management to benchmark sustainability. NABERS is scored out of 5.
<b>National Greenhouse and Energy Reporting (NGER)</b>	the Australian national scheme for required corporations to report on greenhouse gas emissions, energy production, energy consumption, and other information related to energy and emissions management. The NGER scheme and relevant legislation includes the <i>National Greenhouse and Energy Reporting Act 2007 (Cth)</i> ; the <i>National Greenhouse and Energy Reporting Regulation 2008</i> ; and the <i>National Greenhouse and Energy Reporting (Measurement) Determination 2008</i> . Capricorn has used NGER to source energy and emission factors.
<b>Net Promoter Score (NPS)</b>	the measurement of loyalty our Members have with Capricorn. NPS is the calculation of Members who are considered Promoters.
<b>Preferred Suppliers</b>	businesses that have signed a Preferred Supplier Trade Agreement with Capricorn and are then able to charge the supply of goods and services to Members through the Member's trade account.
<b>Purple Pages</b>	a directory of Preferred Suppliers available to Members.
<b>Reporting Period</b>	refers to 1 July to 30 June of the relevant financial year.
<b>Reward Points</b>	the points allocated to a Member for every \$1.00 or NZ\$1.00 that they spend through their Capricorn Trade Account on eligible purchases from Preferred Suppliers and Capricorn related companies.
<b>Rewards points received</b>	rewards points that have been collected by Members throughout the reporting period and allocated towards their rewards points balance. This may include rewards points, bonus rewards points and trade rebates declared from a previous reporting period and collected in the current reporting period.
<b>Reward points redeemed</b>	rewards points that have been expended by Members through Capricorn in the reporting period. Rewards points can be redeemed by Members towards paying off their trade accounts, equipment and vehicle financial deposits through CAP ezi-finance as well as through the Capricorn Rewards portal.
<b>Satisfaction Score</b>	how satisfied our Members and Preferred Suppliers are with our service after they have had an interaction with us. We measure satisfaction through our Voice of Community program and express it as a percentage. The higher we score the better we're performing.
<b>Scope 1 emissions</b>	emissions from natural gas and company vehicles under Capricorn's operational control. Emissions are calculated applying NGER factors.
<b>Scope 2 emissions</b>	emissions from commercial properties under Capricorn's operational control. Emissions are calculated applying NGER factors.
<b>Team Members who had access to parental leave</b>	permanent team members who have served twelve months of employment are eligible to access paid parental leave.

Term	Definition
<b>Temporary [employment]</b>	employees hired on a limited contracted or temporary basis.
<b>Trade account</b>	a credit facility provided to Members by Capricorn. Only purchases from Preferred Suppliers are able to be put on a trade account.
<b>Trade rebate</b>	a redistribution of Capricorn profits shared in proportion to a Members trade account spend as at 30 June for the reporting period. Trade rebates, if declare, may at the discretion of Capricorn, be paid as a cash payment, as a credit on a Member's trade account, by way of issue of additional rewards points or, where permitted by Capricorn, by way of further shares. Trade rebates declared for a reporting period are paid in subsequent reporting periods.
<b>Whistleblower reports</b>	the number of whistleblower reports recorded by Capricorn's third-party provider <i>YourCall</i> during the reporting period.
<b>Women in Executive Leadership</b>	means women in the Executive Leadership Team, reporting to the Group Executive Officer.
<b>Women in the workforce</b>	the percentage of total headcount employees, occupied by women as at 30 June of the reporting period.
<b>Workers who are not employees</b>	contracted labour hire or agency contract workers. Recorded as the total utilisation by headcount in the reporting period.





STRONGER WITH  
**CAPRICORN**<sup>®</sup>

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