



Cable & Wireless Optus' commitment to the environment



**CABLE & WIRELESS
OPTUS**

Answering the call

June 2000



Committed to our environment

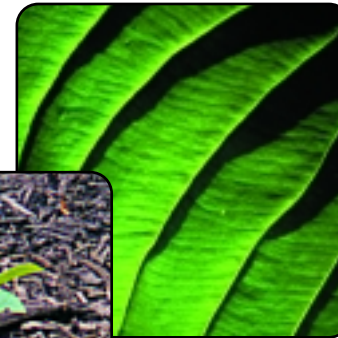
→ Cable & Wireless Optus strives to be the leader in integrated communications. This commitment means more than just providing the best products, services and customer support. It stretches beyond what we do, and reaches into how we do it.

While many of our products and services can contribute to a better world, we recognise that the communications industry does have an impact on the environment.

Cable & Wireless Optus is committed to protecting the environment. We are recognised as a leader in responsive customer services. We also want to be known as a company responsive to the community and environment.

In response to calls for business to demonstrate their environmental performance, we have published our first environment report.

It identifies major environmental issues associated with our business, and provides information about how we are responding to, and managing, those issues.





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Message from the Chief Executive

→ As a leading Australian business, and as part of the Cable & Wireless Group, our company is well placed to influence how the communications industry responds to environmental challenges.

We believe communications technology can empower people. At the same time it can also make an important contribution to environmental sustainability by reducing the need for transport, helping communities interact and improving the transfer of information and ideas.

We acknowledge that unless carefully managed, communication services may have unwanted environmental impacts. We recognise that an open and honest relationship with our shareholders, customers, interest groups and the wider community is critical to our business success. Our first Environment report is an expression of our commitment to protecting the environment and working with communities in which we operate.

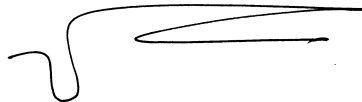
As a relatively young company we have achieved a great deal and consider environmental performance to be a key component of our operations.

During this time of rapid growth we have faced some difficult challenges, but have learnt from our

I look forward to the challenges that lie ahead and to reporting our progress in 12 months time.

experiences, and are committed to continuously improving our environmental performance. This report outlines a full range of strategies and programs we have developed to achieve this goal. It also outlines significant environmental targets we aim to achieve during the coming year.

I look forward to the challenges that lie ahead and to reporting our progress in 12 months time.



Chris Anderson

Chief Executive
Cable & Wireless Optus



Environment policy

- Our environmental vision is to be a leader in the management of environmental issues associated with the development, installation and operation of a major communications network

Our objective is to install, develop and maintain a high quality communications network with minimal impact on the natural and built environment.

How can we achieve this?

To achieve this vision and objective we will:

- Consult with the local community, government authorities, land owners and stakeholders as appropriate, prior to the installation of facilities.
- Avoid or minimise potential environmental impacts associated with our activities by reducing our use of materials and energy, and working with our suppliers.
- Monitor on-going environmental performance associated with our operations.
- Provide environmental awareness training for all operational employees.
- Ensure that we comply with the requirements of all relevant environmental legislation.



■ Solar panels provide the energy requirements of many remote facilities.

Environment policy

→ Key environmental impacts

		Issues							
		Flora & fauna	Visual issues	Cultural heritage	Energy usage	Greenhouse gas emissions	Waste	Fuel storage	
Facilities	Wireline	Inter-city fibre	Key issue	Key issue	Key issue	Important issue	Important issue	Minor issue	Minor issue
		Suburban HFC network	Key issue	Key issue	Key issue	Important issue	Important issue	Minor issue	Minor issue
	Wireless	Mobiles	Important issue	Key issue	Important issue	Key issue	Key issue	Important issue	Minor issue
		Satellites	Minor issue	Important issue	Minor issue	Important issue	Important issue	Minor issue	Important issue
		Microwave links	Minor issue	Important issue	Minor issue	Important issue	Important issue	Minor issue	Minor issue
Corporate facilities					Key issue	Important issue	Key issue	Minor issue	

Colour key

Key issue
 Important issue
 Minor issue

Environmental management systems

→ Environmental Management Systems (EMS) provide a structured approach to the day-to-day management of construction and operational activities to ensure protection of the environment.

Cable & Wireless Optus is currently refining its EMS, and more details will be provided in our next Report (June 2001).



■ To minimise visual impact, where ever possible, we co-locate mobile base station equipment with that of other carriers.

The system will be based on best practice, adapted to meet the specific requirements of our business.

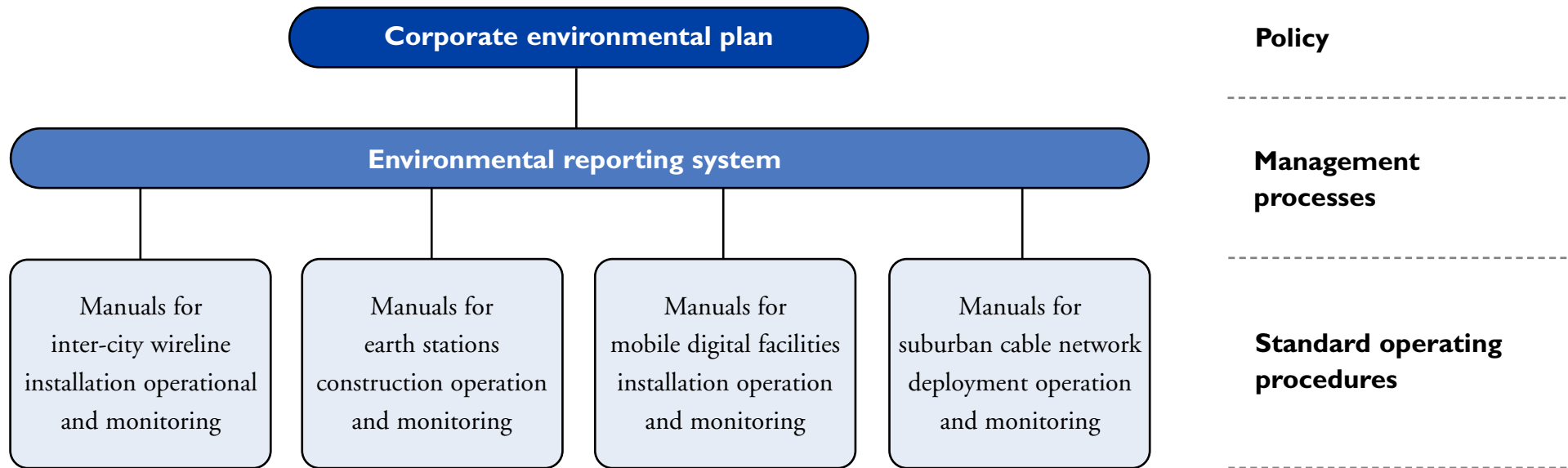
Regular reviews of the EMS by both internal and independent agencies will ensure its ongoing effectiveness in meeting our environmental objectives and delivering continuous improvement in our performance.

Our existing Environment Plan, the basis of our current EMS, provides guidelines for monitoring compliance with current regulations, identifies criteria and procedures for environmental assessments, and details relevant performance measures. The Plan is currently being reviewed to reflect changes in legislation and to incorporate new environmental initiatives. It will be available at this web site by October 2000. The updated Plan will define corporate environmental goals and establish a framework within which each functional division of the company operates.

An EMS at work

An example of how we have already applied our EMS is our approach to the route selection for intercity cables. After identifying the general route we need to take, qualified specialists investigate if there are archaeological, heritage, endangered species, or other environmental matters that need to be addressed. With this information, we can plan the route more precisely, and avoid sensitive areas. In the field, construction staff are trained to minimise disturbance, and qualified environmental staff or contractors monitor and audit construction activities and rehabilitation measures.

Environmental management systems



The Environment Plan is supported by environmental reporting systems and manuals that outline standard operating procedures for a range of activities, such as the installation of inter office fibre (IOF) cables, and mobile phone base stations.

These systems are currently being integrated into the overall Environmental Management System, which will be complete by December 2000.



Corporate governance

All our employees have some level of environmental responsibility. The level of responsibility varies with the role of each employee. For example, Managers at significant operational sites have wide-ranging accountabilities including responsibility for correcting defects found during audits and ensuring that environment incidents are avoided. Office-based administrative employees have a less formal, but important, responsibility to reduce waste and energy usage, and recycle.

Operational staff have environmental responsibilities associated with the various tasks they undertake. They are supported by the Manager, Environmental Affairs who advises on appropriate strategy and direction.

Actual environmental responsibility for construction and operations rests with line-management.

Significant environmental issues associated with individual projects are reported to the Manager, Environmental Affairs, who reports directly to the Director, Corporate Financial Services.

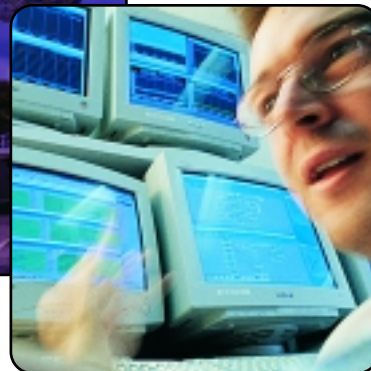
At Board level, the Audit and Finance Committee is responsible for assessing total corporate risk management and advising the full Cable & Wireless Optus Board on environmental matters.

Compliance and significant incidents

As a national communications company, we are subject to environmental regulations under both Commonwealth and State legislation, as well as local government regulations. Major sources of regulation include the Telecommunications Act (1997) and Telecommunications Code of Practice (1997), as well as a range of State environmental and planning laws.

A register of environmental regulations applying to our operations is maintained and updated on a regular basis.

We take these regulatory obligations seriously and are proud of our record on compliance with environmental regulations. significantly, there have been no environmental notices or prosecutions issued against Cable & Wireless Optus since we began operations in 1992. There have also been no known non-compliance relating to our operations during the last two years.



Environmental audits and external reviews

→ Audits of the environmental performance of our operational sites are conducted on a regular basis. Action plans are then developed to ensure issues identified are properly, and promptly addressed.

The reports of environmental audits are a key performance indicator (KPI) for site managers. Since 1993, 20 detailed environmental audits or assessments of our operations have been undertaken. In addition, 65 Environment Risk Audits, which include consideration of environmental issues, have been undertaken since 1997. During the coming financial year 25 more are planned.

External experts, including environmental consultants, also perform assessments of our operations. These reviews include comprehensive environmental impact assessments whenever a major new project, such as cable installation, is planned. Internal reviews are conducted by employees with suitable qualifications and experience.

Employee profile

Jenny Parker

Jenny Parker is an Environmental Manager, and has worked with us for four years. She has qualifications in Social Geograph and Environmental Studies. Before joining the Optus team, Jenny worked with the Disaster Relief Organisation and the UN Conference on Trade and Development.

I'm responsible for many aspects of our environmental management, including right-of-way and environmental processes, legislative compliance, liaison with government and regulators, consultation with community groups and staff, and contractor training on environmental issues.

I work closely with employees from different areas of the business on issues such as the Corporate Environmental Report, internal communication of the Optus environmental and social strategy, projects which involve numerous aspects of the Optus business, examining the sustainability issues, and ensuring that Optus is and continues to be a good corporate citizen.



Jenny deals with a range of environmental issues on a daily basis.

Environmental monitoring

Environmental impacts associated with our activities are most likely to occur during construction, and could include disturbance to soil or vegetation.



Due to the nature of our business, constant monitoring and auditing and a series of stop/check points during construction and operation enables us to reduce the risk of non-compliance or other impacts.

Ongoing monitoring of facilities and operations is also conducted.

Landscape, heritage and ecological values

→ The protection of important landscape, heritage and ecological values is an important concern to us as we develop infrastructure such as fibre optic cable network and mobile phone base stations.

Environmental Impact Assessments (EIAs) of planned work is the main way we identify and manage these important issues during the construction process.

Consultation is an important aspect of EIAs. Typically we would consult with government, community groups and special interest groups to ensure we are aware of their concerns and priorities, and can plan and undertake work appropriately.

WOMBAT and fibre-optic cables

The Southern Hairy Nosed wombat lives only in southern parts of South Australia.

Wombats are powerful diggers and could damage buried fibre optic cables. So when extensive burrowing along a six kilometre stretch of our fibre-optic cable between Adelaide and Perth was discovered, a solution had to be found that protected both the wombats and our cable.



■ Working with the Adelaide University, the habits of the Southern Hairy Nosed wombat were studied, ensuring protection of our intercity fibre cable and this uniquely Australian animal.

To find the best solution, Cable & Wireless Optus is working closely with the University of Adelaide to map the extent of the burrows and to study the wombat's behaviour.

The research will enable us to assess the actual risk to the cable and decide whether it should be relocated or left where it is.

Adelaide University will publish the results of the study. Better knowledge of the wombat's habits will contribute to the long term protection and management of this unique Australian animal.



Landscape, heritage and ecological values

Protecting sensitive environments

During the installation of our buried fibre-optic cable in Melbourne, we were faced with the challenge of putting an underground cable through sensitive parkland beside Merri Creek, in Corburg.

Well vegetated and steep, the creek's embankments are particularly susceptible to disturbance from construction activity. This ruled out tunnelling under the creek. Our solution was to alter the route of the cable through a conduit attached to a pedestrian bridge in the area. A narrow trench was then dug for the remainder of the route to connect the cable to the rest of the local network. Revegetation was completed immediately following construction, returning the park to its original condition.

Regular monitoring has ensured no erosion or other long term environmental impacts have occurred.



Minimising visual impacts

→ The visual impact of modern mobile and fixed telecommunications infrastructure has caused concern in some communities. There is no doubt, that some mobile phone towers have a significant visual impact in particular locations.

Identifying alternative strategies for new construction is a high priority for Cable & Wireless Optus. We have also modified our approach to the approval process to place far greater emphasis on community consultation. A range of strategies including door knocking, letterbox drops, advertisements in local newspaper and public information sessions are now routinely employed prior to construction, depending upon the nature of the project and the requirements of different communities.

The suburban HFC network has traditionally been based on aerial cabling. The Commonwealth Government amended the Telecommunications Act and Code in 1997 to increase the role of local government in aerial cable installation.

Addressing visual impacts is a key component of this approval process. As a result, most new network cable installations are underground. Aerial cabling is mainly limited to connections from the network cables to customers' homes.

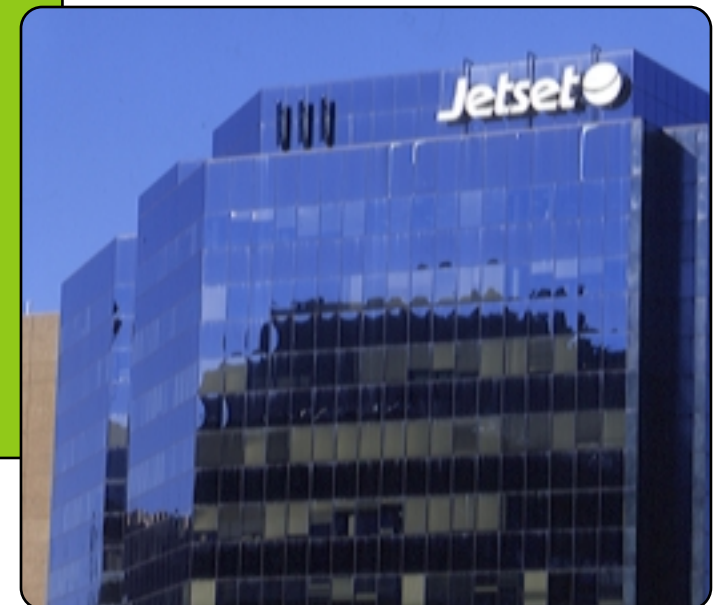
Visual impact of base stations

The various measures we've taken to reduce the visual impact of base stations include:

- Locating them on road and retail signs.
- Locating equipment within buildings.
- Locating them on water towers.
- Screening tower equipment shelters with landscaping and using building materials or colouring that is sympathetic with the surrounding environment.
- Storing microcell equipment within bench seats in the Central Business District.

■ In Metropolitan areas, locating mobile base station antennas on buildings reduces their visual impact.

The visual impacts of mobile phone base stations have also caused concern in some areas. Strategies we use to reduce this impact includes sharing installations with other user carriers, colouring antennas to blend in with existing buildings, and working with equipment suppliers to develop new antenna styles and smaller network equipment.



Managing visual impacts

Employee profile

Robyn Hill

Robyn Hill has worked with us for nearly six years as Community Relations Manager, Mobile Network Deployment. Robyn has experience in land development, town planning, real estate and community consultation and is qualified in Psychology, and Real Estate.

During the past six years I've had a number of roles relating to base station deployment, from providing advice on regulatory, property and planning issues to developing and implementing policy on site selection processes.

As Community Relations Manager for Mobile Network Deployment I have responsibility for our community relations and issues management with respect to deployment issues. I'm proud of our good track record, but recognise that we can make further improvements to ensure we have a more inclusive approach to consultation I know first-hand from experience that with determination, you can usually find a solution that meets community, council and customers needs – a win-win situation.

The most challenging part of my current role is help teams conduct open dialogue with people who have an interest in base station development. It's often a difficult process and can be a highly emotional for some, particularly in relation to possible health effects.

Robyn's goal is to ensure that Cable & Wireless Optus is regarded as trustworthy and credible



Protecting an outstanding streetscape

Construction of aerial cabling has at times caused concern amongst local communities, and we have learnt to be responsive to community concerns.

One such area where there was great potential for visual intrusion was Kooyong Road Armadale, where a row of significant Elms dominates the streetscape. Our solution was to bore underneath the trees, taking particular care not to damage them in the process. As a result, the street retained its outstanding character and we were still able to provide our services to the local community.

Protecting cultural heritage

→ We recognise the importance of protecting items and places of cultural and heritage significance.

Our policy is to avoid sites of cultural and heritage significance identified during field surveys and Environmental Impact Assessments.

We recognise the importance of consulting directly with Aboriginal people. For example, the installation of the Inter Office Fibre (IOF) between Perth and Melbourne, and Brisbane has involved extensive consultation with every Aboriginal Land Council

between Perth and Brisbane.

Due to the nature of our business, constant monitoring and auditing and a series of stop/check points during construction and operation enables us to reduce the risk of non-compliance or other impacts.

Ongoing monitoring of facilities and operations is also conducted.

Operational guidelines

Our operational guidelines for protecting items and sites of cultural and heritage significance include:

- Consulting with relevant authorities such as the Heritage Council, Aboriginal Land Councils, Federal, State and Local government agencies.
- Identifying, and wherever practicable avoiding, significant sites and items in the design phase of a project.
- Locating facilities in areas where there has already been environmental disturbance, and which are unlikely to contain items of significance.
- Consulting with and adhering to recommendations from relevant stakeholders.



Employee profile Peter Turnbull

Peter Turnbull is a Project Manager for Mobile Network Deployment. He has been with Cable and Wireless Optus since October 1998, after 15 years experience as in both the public and private sectors. He has worked for all levels of government.

Qualified in Geography and Physical Sciences, Urban and Regional Planning, and Environmental Management, and certified to undertake Environmental Systems audits under ISO 1400.

Every community has different expectations, and each site is unique. Because of the significant natural attributes of many of the areas we operate, local communities and Councils have a great interest in how we manage environmental issues. And rightly so.

I've just initiated a local government seminar program to help local councils come to grips with issues associated with the deployment of new technology. Our goal is to achieve a better understanding between our company and local government. A better understanding of each other's issue can only lead to better results for local communities.



Peter says one of his most important tasks is to consult with the community and relevant local authorities.

Reducing energy use and greenhouse gas emissions

➔ Minimising energy usage is good for business and good for the environment. By reducing energy consumption, you also reduce the amount of greenhouse gas being produced. You also reduce operating costs.

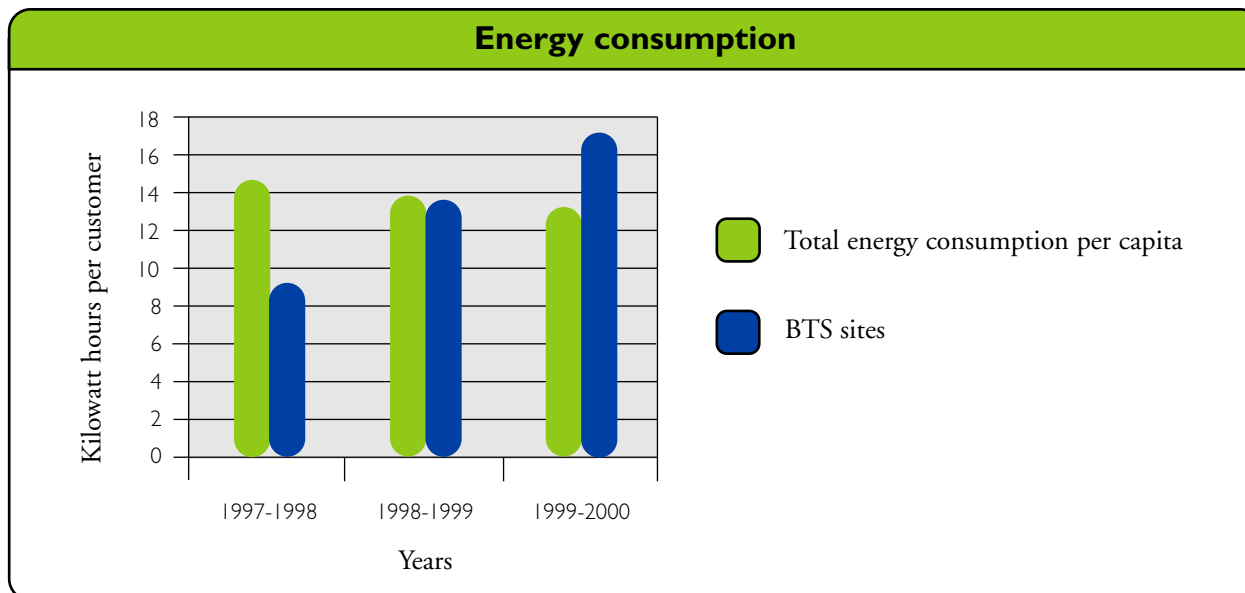
Our business activities consume significant amounts of energy. Most of this is derived from fossil fuel based energy sources. The use of fossil fuels is a major causal factor in the build up of greenhouse gases in the atmosphere. The resulting warming of the atmosphere is known as the greenhouse effect, which some scientists predict could cause future global climate changes.

Energy consumption data for our 30 main operating sites and mobile stations has been collated and is provided in the Energy Consumption graph below. Energy use for Mobile Base Stations has increased, reflecting the continued demand for network development. Total consumption figures show that our total energy consumption per customer has steadily decreased since 1997.

More important than total energy consumption is energy efficiency. Put simply, using energy efficiently means using the minimum possible energy for a particular task. In NSW, we are working in partnership with the Sustainable Energy Development Authority (SEDA) to identify strategies for improving our overall energy efficiency and reducing greenhouse gas emissions. We are a signatory to the SEDA Energy Smart Business program, and have implemented a number of energy saving plans. Several initiatives are already being implemented.

Lighting

The first involved the installation of energy efficient lighting in one of our major call centres at Gordon. This has resulted in a 290,132 kWh energy saving, enough energy to power 33 average family homes for a year. We are now planning to install energy efficient lighting in other Cable & Wireless Optus offices.





Reducing energy use and greenhouse gas emissions

Energy star

Cable & Wireless Optus is promoting energy efficiency for personal computers and workstations. At the beginning of 1999 we implemented the Energy Star Project which enables Desktop PC's to shut down when not in use. This minimises energy usage, while allowing the PC's to remain connected to operating systems. By undertaking the Energy Star program we have reduced energy consumption by 5,560 Mwhrs per year. This is enough energy to power about 625 family homes for a year.

Air conditioner design

It is important to maintain our sensitive electronic equipment at a stable temperature, so air conditioning accounts for a significant proportion of our energy consumption.

In an effort to reduce energy used by air-conditioning units, we are working with the University of NSW to review their design and identifying the most economical air conditioning units for each of our specific applications.

Based on existing facilities it is estimated that new units will be installed in approximately 2600 sites over the next 3-5 years. This initiative is expected to result in 20 to 25% energy savings and large reductions in the amount of greenhouse gases generated.

The reduction in greenhouse gas generation from these initiatives is the equivalent of taking approximately 2500 car off the road. This is shown in the table below.

Fleet conversion reduces costs and emissions

Our fleet of vehicles used by our service and employees consumes significant quantities of fossil fuels. In order to reduce this, we invested in the conversion of approximately three-quarters of our 800 fleet vehicles from petrol to LPG. As a result of this initiative, fuel costs per kilometre have fallen 20% with a corresponding reduction in greenhouse gas emissions.

Using renewable energy

Cable & Wireless Optus has chosen to use solar power at a number of our remote locations. This has meant significant savings in fuel delivery costs and potentially reduced greenhouse gas emissions by approximately 2,100 tonnes of carbon dioxide per year.

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Reducing energy use and greenhouse gas emissions

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Initiative	CO ₂ reduction
Lighting	260 tonnes (the same amount generated by 50 cars each year)
Energy star	5,500 tonnes (the same amount generated by 1,100 cars each year)
Air conditioning	7,000 tonnes (the same amount generated by 1,500 cars each year)

The reduction in greenhouse gas generation from these initiatives is the equivalent of taking approximately 2500 car off the road. This is shown in the table below.

Fleet conversion reduces costs and emissions

Our fleet of vehicles used by our service and employees consumes significant quantities of fossil fuels. In order to reduce this, we invested in the conversion of approximately three-quarters of our 800 fleet vehicles from petrol to LPG.

Summary of energy saving project	
Light fittings affected	690
Total energy savings pa	50% reduction
Energy saved	290,132Kwh reduction
CO ₂ emission saved	260 tonnes
Light levels	Up 5%-10% in general

Reducing waste

→ We are committed to reducing the amount of waste generated by our operations.

To achieve this objective we are improving our waste minimisation and recycling strategy, beginning with waste audits of some of our facilities. These audits will provide reliable data about the different types and quantities of waste we produce, enabling us to develop appropriate strategies to reduce and recycle.

We will work closely with our contractors and suppliers to implement these strategies.

We are also an active participant in the mobile phone battery recycling scheme, in conjunction with Australian Mobile Telecommunications Association (AMTA) and a number of State Governments.

This scheme encourages customers with unwanted batteries to deposit them in specially marked collection boxes at participating retail outlets. This scheme helps to reduce waste while at the same time supporting the development of innovative Australian recycling technology.

Cable & Wireless Optus also operates a material retrieval pickup service for all customer installation

teams. The service facilitates the recycling or reprocessing of unused installation materials.

Initiatives

Other initiatives to reduce waste include:

- Returning and recycling batteries which are used in power supply systems to ALPHA Technologies.
- Recycling paper through VISY Recycling.
- Recycling toner cartridges through Toner Cartridge.

We liaise with our suppliers to determine whether the products we purchase can be returned or recycled, and we incorporate environment-related terms and conditions into new contracts to ensure contractors comply with relevant environmental legislation.

Environmental reporting requirements have also been included in these contracts to verify environmental performance.

Reduce and recycle

A waste audit of Optus' North Sydney Office showed that staff support for existing recycling practices had decreased. Understanding why this had occurred helped us to redesign the system and implement a staff education program with outstanding results. The amount of waste generated by the office was reduced by 31% and the diversion of waste to recycling increased by 30%.



Eliminating ozone depleting substances

Cable & Wireless Optus is helping to protect the ozone layer by progressively removing ozone depleting substances such as chloroflourocarbons (CFCs) and halons from air conditioners and refrigerators. Halons have not been used in our fire suppression systems since 1994.

We are also reviewing our air conditioning and refrigeration equipment to ensure Halons are not being used.





Securing fuel storage tanks

→ Environmental Management Systems (EMS) provide a structured approach to the day-to-day management of construction and operational activities to ensure protection of the environment.

Above ground fuel storage tanks are located at a number of our rural facilities. These tanks are primarily for generators and have a maximum capacity of approximately 600 litres, enough fuel for one day's operation. Underground diesel storage tanks are also located at satellite facilities, telephone exchanges and corporate facilities to provide backup fuel for diesel generators.

In July 1998 we undertook a diesel fuel control and reconciliation program throughout Australia as part of our overall due diligence program. The purpose of this assessment was to confirm the integrity of existing tanks and to ensure that adequate monitoring procedures were in place to detect any leakage. None were found. On-going monitoring and a staged tank replacement program are in place.

Fuel spill

In 1998 a faulty valve caused a diesel spill of approximately 75 litres during tank refilling at a telephone exchange in Canberra. Optus staff responded by identifying and fixing the leak, and binding the spilt oil to prevent it from spreading. Sand was then used to absorb the oil. It was then disposed of at a registered landfill site.

The valve was replaced and the design of the site reviewed to ensure that any future spills are captured. Spill management is now addressed by our Environmental Management System, which provides contingency plans and spill clean up kits for all our major sites.

Communication and consultation

→ We understand the importance of consultation to the success of our business. Communities have an interest in what is happening in their area and an expectation that we will be open and honest in our dealings with them.

They also have a legitimate expectation that we will work hard to address concerns they may have about our business activities.

Consultation with certain parties, including Commonwealth, State and Local Government Authorities and Aboriginal community representatives, is often a statutory requirement. For major projects or developments in particularly sensitive locations, the consultation process may be expanded beyond the statutory requirements to include as wide a range of stakeholders as possible, including individual landholders.

The information gathered during these consultations is then taken into account during the planning and design phase of infrastructure projects.

We also hold quarterly meetings with the Consumer Liaison Forum (CLF). The CLF is made up of national

peak bodies representing consumers and small business users of telecommunications services. It provides feedback on a wide range of issues, including our environmental performance.



■ Representing consumer and community groups, the Consumer Liason Forum provides feedback on a wide range of issues.

Environmental training

Environmental training courses are provided to operational staff to ensure they have a basic understanding of the environmental issues associated with our operations.

More than 200 internal environmental training courses have been conducted during the past two years. Training courses cover key environmental issues such as legislative requirements, cultural and heritage issues and protection of the natural environment.

Environmental training programs are also run for planning and construction groups and are designed to suit the particular circumstances of their work. These programs cover the responsibilities of

Cable & Wireless Optus and its employees and contractors as set out in the Corporate Environmental Plan and relevant legislation.



Training courses cover key environmental issues such as legislation, cultural issues, heritage issues, and protection of the natural environment.

Environmental sponsorships

→ Our sponsorship of Greening Australia supports its national tree-planting program.

The trees planted by Greening Australia are not for commercial purposes, but are specifically aimed at environmental protection and the restoration of degraded natural habitats. Benefits to the environment include improved water quality, soil protection and habitat for native species. Cable & Wireless Optus has so far sponsored the planting of nearly 150,000 trees.

Our Queensland operations have also recently contributed towards a tree-planting program that provided a safer habitat for koalas and other fauna. Working with the Pine Rivers Shire Council, and the Cashmere Place Body Corporate, Optus located its proposed base station on an existing tower, and provided additional native trees for the area. The result is improved coverage for Optus customers in the area, and a better environment for the koalas.



■ Through Greening Australia we have sponsored the planting of more than 150,000 trees.



Challenges ahead

→ Cable & Wireless Optus is aware of some community concern about possible health effects associated with mobile phone base stations. Based on current scientific knowledge, we believe it is most unlikely that electromagnetic energy from mobile phone base stations has adverse effects on human health.

Nevertheless we are never complacent where the safety of the public is concerned and are funding independent research into this issue through the Federal Government and the GSM Association. We welcome public scrutiny and input into the siting, construction and operation of mobile base stations.

Cable & Wireless Optus' position on EME

Safety limits for radiowaves are well established, with clear national and international guidelines. At the frequencies produced by mobile phones and network equipment needed for them to work, the major possible effect is heating of the body if power levels are high. However, mobile phone equipment operates at extremely low power levels and, operating correctly, falls easily within established safety guidelines.

Government and independent safety setting organisations believe the low levels of energy produced by mobile phones and their networks are harmless when operating within appropriate safety guidelines.

To ensure continued safety, there is general agreement more research is needed.

Given the current state of medical and scientific knowledge, Cable & Wireless Optus believes mobile phone networks are safe when operating within set guidelines. This view is based on the opinions of worldwide independent experts and organisations such as the World Health Organisation, UK House of Commons Science & Technology Committee, CSIRO and the Australian Department of Health.

We intend to keep an open mind and will continue to monitor the issue. We encourage, and where appropriate support, further study into the field to ensure the continued safety of the public, customers and staff. We welcome public scrutiny and input into issues relating to the siting, construction and operation of our network equipment.

While definitions for “prudent avoidance”, “the precautionary principle” and “the precautionary approach” are varied, we agree with the over-riding

principle of being careful. We will build and operate our network in an environmentally responsible way, minimizing emissions and visual impact. We will locate equipment appropriately and with regard for the community's expectation.

Cable & Wireless Optus will only sell and endorse mobile phone handsets that meet Australian safety standards. We will work with handset manufacturers to ensure appropriate, up-to-date safety information is included with their products and we will encourage them to make information available about the latest research, and to explain how it relates to their products.

Challenges ahead

Our position on mobile phone safety

1. The health and safety of the public, customers and employees is our top priority.
2. Having reviewed relevant research on EME to date, and on information from independent organisations, we are satisfied mobile phones and mobile phone networks are safe when operating within established safety guidelines.
3. We support the call for more research to ensure continued safety, and where appropriate will support open, independent scientific research into health issues relating to mobile base stations.
4. We recognise our ongoing ethical and legal obligation to ensure Optus facilities are safe. We will strive to abide by both the letter and the spirit of the law.
5. We will co-operate with Government and Statutory bodies, community groups and organisations and individuals concerned about mobile base stations and human health by providing timely, up-to-date, and accessible

information. When requested, and appropriate for effective consultation, we will co-operate and participate in open house or public meetings, seminars, presentations and lectures.

6. Optus will make publicly available all scientific studies the company receives relating to mobile networks and human health. If a requested item is not in our library, we will try to obtain a copy at our cost.



Environmental targets

- We are committed to improving our environmental performance. To demonstrate this commitment we have set numerous environmental targets that we aim to achieve by 2001.

Target summary 2000/01- Australian region

Issue	Current status	2001 target	Officer responsible
Environmental management systems	We have developed a corporate environment plan and standard operating procedures. These documents will form the basis of the EMS.	Refine and document an EMS in accordance with Cable & Wireless' global objectives. Develop an internal audit program for monitoring, measuring and ensuring conformance with environmental policy and targets.	Manager, Environmental Affairs
Visual/ landscape and ecology	Environmental assessment methods to address flora & fauna, cultural heritage and visual impacts have been developed.	Review existing environmental assessment methods to ensure the appropriate management of potential ecological and heritage values. (Continued next page)	Environmental Officers

Environmental targets

Issue	Current status	2001 target	Officer responsible
Visual/ landscape and ecology (Continued)		Where environmental conditions permit, underground cables are to be installed in preference to aerial cabling for all new projects in order to mitigate potential visual impacts.	Environmental Officers
Energy	<p>Energy reduction measures, including modifications to lighting and computers have been implemented in a main office centre.</p> <p>Greenhouse gas reduction measures have been initiated in conjunction with SEDA and solar powered units have been installed.</p>	Collate electronic data for the 30 main energy-consuming sites to enable energy reduction measures to be identified and implemented.	Facility Managers

Environmental targets

Issue	Current status	2001 target	Officer responsible
Waste/chemicals/fuels	<p>Performed a waste management audit of main office centre from which waste reduction measures were identified and implemented.</p> <p>Performed audit of underground tanks and developed and implemented a replacement plan.</p>	<p>Collect waste disposal data from the 9 main waste generating sites in co-operation with suppliers and waste collection contractors to facilitate the identification of re-use, reprocessing and recycling opportunities and to obtain baseline information.</p> <p>Determine if any CFC's are contained within air conditioning units, fridges and fire extinguishers and, if identified, replace by the end of 2001.</p> <p>Continue to replace underground storage tanks, with new perma-tanks to be installed at three operating sites by end 2001.</p>	Facility Managers

Environmental targets

Issue	Current status	2001 target	Officer responsible
Future issues	Currently follow international trends and research regarding radio frequency field issues.	Continue to monitor and address safety issues in an open manner and in accordance with community concerns and advances in technology.	Manager, Environmental Affairs
Communication	<p>Environmental training outlining employee environmental responsibilities is currently undertaken. However formal responsibilities are not documented.</p> <p>Environmental performance to key interest groups is currently not reported in a formal manner.</p>	<p>Develop an internal communication program that outlines employee responsibilities and company performance on environmental targets.</p> <p>Communicate environmental performance and management plans with key stakeholders, including shareholders, and key interest groups in a responsible manner, ensuring easy access to information.</p>	Manager, Community Relations



Verification statement

Dames & Moore was commissioned by Cable & Wireless Optus to verify and validate Cable & Wireless Optus' first environmental report. Our involvement in performing this task included:

Guidance in the data collation process; and Review of the corporate environmental strategy documents and risk audits.

Total disclosure of environmental documents was made during this process. No validation at source of the numerical data was undertaken by Dames & Moore for this first environmental report, nor was any detailed validation of the data collection and data reporting system carried out.

Recommendations

The development of Cable & Wireless Optus' first environment report is a significant achievement.

Dames & Moore is satisfied that Cable & Wireless Optus has a good understanding of the environment in which it operates and are genuinely committed to improving their environmental performance.

In order to improve on the completeness and accuracy of Cable & Wireless Optus environmental report we recommend that additional data collection systems be implemented.

This has been recognised and many of the targets set within this report are aimed at obtaining suitable baseline data to facilitate the presentation of additional information in future reports.



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