Optus Sustainability Report 2019
Our Highlights
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About Optus

Optus is the second largest provider of telecommunications services in Australia in terms of revenue and employs over 8,000 employees. As a fully integrated telecommunications provider to more than 10 million customers, Optus delivers a comprehensive range of telecommunications products and services including: mobile and fixed line telephony; broadband services; multimedia entertainment and technology services; satellite services; and converged business telecommunications applications and solutions.

The Optus 4G network provides coverage to 97.2% of the Australian population, and it recently launched its 5G network. Having recently extended its Premier League rights and including the UEFA Champions League, UEFA Europa League and UEFA Nations League, Optus Sport is the home of elite European football and provides customers with live and on demand content, along with expert analysis and highlights.

Since October 2001, Optus has been a wholly owned subsidiary of the Singtel Group, Asia’s leading communications group. Singtel is one of the largest listed Singapore companies on the Singapore Exchange by market capitalisation, with a vast network of offices throughout the Asia Pacific, Europe and the USA, and employs more than 23,000 staff worldwide.
Our sustainable vision and strategy

At Optus, our Vision is to become a world-class digital service provider, always guided by our Purpose to go further to connect customers with exceptional service, network and value.

We want to create sustainable and long-term growth for our business, while leading and shaping positive change for all our stakeholders across the four pillars of our sustainability strategy: The Most Connected Communities, The Smallest Footprint, Our Greatest Asset and The Best Experience.

Our strategy is determined through a materiality assessment to identify priorities and issues of concern amongst internal and external stakeholders. We also look at how our business, its people and our operations can best address social challenges and improve environmental sustainability.

Sustainable Development Goals

The United Nations Global Compact encourages businesses worldwide to adopt sustainable and socially responsible policies, and as a member, we are committed to the Guiding Principles on Business and Human Rights and the Sustainable Development Goals (SDGs).

With 193 governments agreeing to deliver 17 SDGs addressing major world challenges by 2030, we champion the imperative for businesses to transform their thinking and the need for change that is required at both the strategic and operational level if we are to achieve SDGs and measure their impact.

In FY2018, our SDG prioritisation exercise identified 11 SDGs that require the most attention in our countries of operation and supply chains to create sustainable change. In FY2019, we continued to focus on these SDGs, to help stimulate action and impact towards 2030. We have mapped our initiatives to support the SDGs on page 38 of this highlights report.

For more information on Optus’ Sustainability performance and progress, please visit our website as well as the Singtel Group Sustainability Report.
A message from our Chairman and Chief Executive Officer

Our sustainability strategy is one of our core drivers to how we do business, especially with rapid changes in the telecommunications industry. We are focused on those issues that are the most material for our business, the areas in which we have the expertise to make a meaningful impact, and in particular, where we see opportunities to use innovative, tech-based solutions to help address major societal challenges.

Our sustainability strategy has four main pillars: Leaving the Smallest Footprint, Creating The Most Connected Communities, Developing Our Greatest Asset – Our People, and Ensuring The Best Experience – Marketplace & Customers.

Leaving The Smallest Footprint
During the year, we engaged with various parts of the business to identify key financial indicators and business drivers that could be directly or indirectly impacted by the long-term effects of climate change. This is in preparation for voluntary disclosures on climate-related financial risks in the future. We have taken steps to reduce our carbon emissions even as our network expands exponentially, and we are now actively investigating at scale renewable energy sources.

Creating The Most Connected Communities
As a key influencer in the digital landscape, we continue to focus on digital citizenship as one of our key areas for our community investment. We are committed to building a society of digitally educated people who are safe, responsible and positive online. This year we reached a significant milestone with over 300,000 students receiving digital education under our programs since 2013. Optus continued to play a thought leadership role in this space by launching our inaugural Digital Citizenship Roundtable. With the theme ‘Reclaiming our humanity in a digital world’, we brought together sector leaders representing a diverse group of external stakeholders to explore how we can work collaboratively in addressing the growing societal challenges such as cyber security and cyberbullying.

Developing Our Greatest Asset – Our People
We are taking a proactive approach to the Future of Work as we recognise the huge impact on our business from rapid digitisation. To ensure that our people continue to stay relevant in this changing world, we invested $10.7 million during the year to train and upskill our people and leaders. This included introducing new programmes that enable our people to proactively upgrade their knowledge, acumen and skills essential for them to succeed in this digital age.

Ensuring The Best Experience – Marketplace & Customers
We also continued to strengthen our network coverage across regional Australia, extending our 4G mobile networks to service 97.3% of the Australian population. This was achieved by switching on 239 new mobile sites. We are proud to be the first telecommunications company in Australia to make a 5G call, and will be progressively rolling out the new 5G network in the coming year.

In addition, we remain committed to being transparent, ethical and accountable wherever we operate. Australia has recently introduced new Modern Slavery Legislation, which we will use to update our Supplier Code of Conduct and engagement process in the new financial year. This will ensure that our supply chain operates to the highest standards of human and labour rights while adopting leading environmental practices. With over 6,500 direct suppliers and many more in our subsidiary supply chain, these efforts will take time but will help shape responsible practices wherever they operate.

This is a short summary of some of the sustainability activities we have undertaken this year. We hope that you will enjoy reading more about these initiatives in this Highlights Report. If you would like further details please refer to our parent company, Singtel’s, Sustainability Report.

On behalf of Optus, we would like to thank our people, customers and partners for being a part of our sustainability journey, and we look forward to reporting on even greater outcomes in the coming year.

Paul O’Sullivan
Chairman

Allen Lew
Chief Executive Officer
Our Highlights

The Most Connected Communities

$8.72m
invested in
community programs

The Smallest Footprint

Significantly
improved the carbon intensity¹
of our business by
65.8% since 2015

¹We measure the carbon emissions intensity of our operations by kwh/Terabyte (TB) of data

Our Greatest Asset

$10.7m
invested to upskill and train
our people

The Best Experience

FY 2019
was a year of firsts

First to market with a 5G product, and the first time Optus has had 1 million new post-paid customers subscribe in a financial year
The Most Connected Communities

We aim to help those most vulnerable and disadvantaged, in particular the youth in our society to achieve, thrive and belong.

Our community strategy is focused on core areas where we believe we can make the biggest impact: Digital Citizenship; Education & Employment; Inclusion & Wellbeing; and Engaging our People.
The Most Connected Community Highlights

18 people volunteer overseas in Better Together

150 youth completed Pathways 2 Employment training,

21 going on to employment

Together with our people, we donated $311,944 to 268 charities

700 students completed The Smith Family’s student2student mobile program

94% said they improved their literacy skills
The Most Connected Community Highlights

In FY2019 almost 60,000 students attended a Digital Thumbprint workshop.

$12m raised for Aussie Farmers.

551 ABCN volunteers supporting 1,118 students.

2,325 volunteering roles filled by Optus people.
Optus is committed to building a society of digitally educated people who are safe, responsible and positive online. We support digital citizenship education in Australian schools so that young people can reach their full potential in the digital age. Through our award-winning Digital Thumbprint program we support primary and secondary students throughout Australia. Within primary schools Digital Thumbprint with Kids Helpline is an early intervention and education program. Within secondary schools, our Digital Thumbprint program focuses on achieving positive and sustainable behavioural change. Both are free to schools and are accredited by the Office of the eSafety Commissioner.

Since 2013, we’ve delivered workshops and developed digital tools that have educated more than 300,000 primary and secondary school students across Australia so they can be safe, responsible and positive online. In FY2019 we reached even more students, including in regional Australia, through a blend of face-to-face workshops and videoconferencing technology. This last financial year 58,954 young people attended a Digital Thumbprint workshop.

In FY2019, Optus hosted two Digital Smarts Days, delivering digital citizenship education for students in Grades 4–6 and Years 7–8 from low socio-economic schools. Digital Smarts Day is based on the Optus Digital Thumbprint program, facilitated by our delivery partners such as Kids Helpline and Optus volunteers. In July 2018, 175 primary and high school students attended Digital Smarts Day Sydney, supported by more than 50 Optus volunteers. Following on from this successful event, more than 170 students attended Digital Smarts Day Melbourne in November 2018. It was held at La Trobe University in Victoria, and had a greater focus on cyber security education and career pathways through the inclusion of the Optus Cyber Security Experience powered by Life Journey.
Optus Digital Smarts Days

Digital Smarts Day brings together Optus people, community partners and students in Grades 4–6 and Years 7–8 to learn how to be safe, responsible and positive in the digital world, and to understand the possibilities of a career in cyber security.

This year we conducted Digital Smarts Days at our Sydney Campus and at La Trobe University in Melbourne, hosting 345 students and 80 Optus volunteers. The events were based on our Optus Digital Thumbprint program and facilitated by our community partners Kids Helpline with support from the Australian Business and Community Network (ABCN). Our Melbourne event host La Trobe University, is Optus’ strategic alliance partner for cyber security.

With the demand for cyber skills growing rapidly, this was the first year that Optus expanded the Digital Smarts Day program to include its partnership with La Trobe University’s Cyber Faculty. The Day’s activities included content from the Optus Cyber Security Experience powered by Life Journey, which is designed to give students insight in to the processes involved in a typical corporate cyber security attack, and helps them explore cyber security careers that are in high demand.

This cross-sector collaboration means students can learn the skills and qualities that will help them navigate the online world at a young age, and hopefully later build a career in cyber security. The students spent the day in workshops learning about safety in the digital space as well as the positive and negative impact they can have when interacting online. They also gained career insights from Optus cyber security professionals and heard about the University’s under- and postgraduate courses in cyber security.

Find out more about Optus’ commitment to cyber security here.

While the digital world provides countless benefits and opportunities, it can also present significant threats and issues such as cyberbullying. Events such as Digital Smarts Day, and our ongoing Digital Citizenship programs within primary and secondary schools, provide young people with the tools and the know-how to get the most out of their online experience.
We support disadvantaged and vulnerable youth through our Education and Employment programs. These programs aim to improve the employability and confidence skills of young people. A significant partnership in this space is with ABCN. In 2005, Optus became a founding member of ABCN, and in 2018 we were recognised as ABCN’s “Most Outstanding Member Company”. Optus continues to be one of the ABCN’s most active members and in 2018 we ran 36 core programs for young people. During the last financial year, we mentored 1,118 students with 551 Optus staff volunteering, acting as mentors. Since the program’s inception in 2005 a total of 8,884 students have attended an Optus ABCN program. A highlight of the year was the continued collaboration with ABCN and other key charity partners for the Pathways 2 Employment program.

Our partnership with The Smith Family began in 2010 through the introduction of a mobile version of their student2student program. The student2student program matches young people aged 8–14 years, who need to improve their reading, with peer buddies who help and encourage them. It seeks to improve their literacy and confidence. Since its inception the program has been consistently successful in improving the reading ability of participating students, and increasing their confidence and motivation towards reading. Through the partnership, Optus provided mobile phones, credit, and connectivity to student readers and their buddies. Since 2010, Optus has supported 9,012 students to participate in the student2student mobile program, and on average, 91% of readers improved their reading age. We successfully concluded this multi-year program on 31 December 2018 with 700 students benefiting from the partnership in FY2019.

Optus also successfully piloted another program with The Smith Family in FY2019 called Optus Gifted. Optus Gifted is an Australian-first initiative that seeks to address the growing divide between households who have access to the internet and those who do not. The Optus Gifted pilot program builds on our Donate Your Data (DYD) program which saw The Smith Family’s Learning for Life participants (who were Optus customers) receive data from Optus pre-paid customers. DYD was conceived by Optus, with support from The Smith Family and saw a total 11.9TB of data donated from 1,529 donors to 465 participants. The DYD program finished in November 2018 as the Optus Gifted program was launched. The Optus Gifted pilot has seen an additional 4.77TB of data donated to the 159 pilot participants.
Pathways 2 Employment

Finding your way into a good job can be difficult for any young person – and even tougher for those from disadvantaged backgrounds. But for some, all it takes is a helping hand, some good advice and a boost to their confidence to set them on the path to a gainful and prosperous career.

For that reason, in 2016 Optus created and launched the Pathways 2 Employment program. In collaboration with community partners such as ABCN, Optus works with high school students from disadvantaged backgrounds on one of the most challenging specific aspects of finding employment – the interview process.

As Frances Martin, Optus’ Vice President for Retail Sales, says, the program builds on Optus’ existing mentoring work with students.

“The program is an extension of the mentoring programs we offer, providing real employment opportunities for young people who might think of a job – let alone a job at Optus – as something that’s out of reach.”

Since 2016 more than 360 students have participated in the program. Students participate in highly interactive and fun activities designed to build their confidence and understanding of how to deliver their best in a job interview – particularly in the retail sector.

In its inaugural year, all students receive a Pathways 2 Employment Certificate upon completion of the workshop. Students were also encouraged to apply for a role in an Optus retail store over the busy Christmas period, with six of the initial cohort of 56 students proving successful in landing positions.

In 2018, we increased the charity partner participation, with young people from your town and The Smith Family programs joining students from ABCN schools. Indeed, 2018 proved to be the most successful so far, with 150 students from 22 schools attending the workshops and 21 of these students landing a position in a store.

Martin says the program also provides an opportunity for Optus staff to give something back to the community, with almost 200 staff across 40 retail stores participating.

“It’s also invaluable experience for our store managers, who can use the opportunity to build on their coaching and leadership skills while getting the satisfaction that they’ve helped provide a real career pathway for students from ‘high need’ schools,” says Martin.
Optus aims to provide support to the mental wellbeing and health of our community. In March 2018, 21 Optus employees took part in Tour de Cure as riders and volunteers visiting 15 schools. The riders raised $180,000 through their own fundraising channels for Tour de Cure to raise awareness and funds towards cancer research. Later in the year 44 Optus staff took part in the Westpac Tour and the CBA Tour raising $37,500 for Tour de Cure. In addition, $462,000 was donated by Optus to Tour de Cure.

Optus and our people continued to support the Nelune Foundation, which supports children, adolescents, adults and their families to cope with the impact of cancer by providing equality of care irrespective of their social or financial status. Our funding and staff donations support patient care vans as well as raising awareness of the foundation’s work.

In October 2018, 283 Optus Sydney based staff participated in the second annual United Way Macquarie Park Community Walkathon. More than $30,000 was raised on the day which helps provide books and other vital early learning resources to around 600 children in neighbouring West Ryde, where up to 1 in 3 children start school developmentally vulnerable.

We pride ourselves on our inclusive spirit, with teams donating hours of their own time to support important community assistance and wellbeing events such as the Channel 9 Drought Relief Appeal and Tamworth Hay Mate Buy a Bale telethon to support Australian farmers stricken by drought. Our teams from Sydney, Melbourne and Adelaide proudly took part in this initiative in their own time to give back to the community and support the wellbeing of farmers in need. Together we raised over $10 million at the Farm Aid telethon and over $2 million at the Hay Mate event.
Helping Aussie Farmers

As the nation pulls together for Aussie farmers, in August Optus re-purposed a dedicated call-centre and joined forces with Westpac, Rotary, and the National Farmers' Federation to support Channel 9's goal to raise $10 million through the TODAY show's Farm Aid Telethon.

Channel 9's Drought Relief Appeal, including the Farm Aid Telethon raised much-needed funds to help Australian farmers with everyday living expenses, including access to health and financial services.

More than 200 Optus staff volunteered at the Farm Aid call centre to take calls. Over the course of the Telethon our call centre received approximately 9,300 calls. Due to the high call volumes, we enlisted 150 extra people at short notice from our Adelaide, Brisbane and Melbourne offices to take pledges, which contributed to the $3.6 million raised on the Monday alone. In total the Farm Aid campaign raised over $10 million of much needed funds.

Optus provided other value-in-kind including:

- Paying for the calls using the telethon 1800 number
- Facilities set up, security and logistics support
- In-kind advertising space by Adshel for drought relief appeal advertising at outdoor spots near Sydney and Melbourne rail stations

A dedicated space on Optus Sydney Campus for our business customer Westpac to also take pledges.

To support the campaign for farmers we expanded the Optus Winter Appeal to include our drought affected farmers. In addition to our ongoing fundraising for OzHarvest and Mission Australia, we're supporting Rural Aid, to give help directly to farmers affected by the drought through their Buy a Bale campaign. Optus double dollar matched donations to the campaign raising an extra $36,000.

Additionally in October 2018 over 200 Optus people and partners volunteered in the Hay Mate Concert & Telethon. This was a national effort with contact centres in Sydney, Melbourne, Brisbane, Adelaide, Canberra, Perth and a temporary contact centre in Tamworth. Our volunteers in the call centres had a tough but very rewarding job with some people answering 70 calls back to back in four hours.

Our volunteers took 10,000 calls pledging over $2.5 million in donations during the Channel 9 concert.

We also staged a community event in Gunnedah, in conjunction with the local council, including a live broadcast of the Tamworth concert on a large screen in Kitchener Park.
Engaging our People

Engaging our people in the community is one way we make Optus a great place to work. We give each employee up to five days of volunteer leave per year. Employees can participate in skilled or non-skilled volunteer opportunities. Our work in the community also continues to be an important factor for our people. This year we recorded the highest number of people participating in our community programs – more giving and more volunteering totalling 13,206 hours.

Optus people used our online portal Yes4Good to donate, volunteer and fundraise for their favourite causes. In FY19, 732 staff donated over $220,000 via Yes4Good, and 2,325 volunteer positions were filled nationally with engagement across all Optus business units. Since 2005, more than $2,500,000 has been donated to charity by our staff, with Optus matching staff donations up to $300 per person per financial year to support their selected Australian charities. In total $5,738,151 has been donated to charity through the Yes4Good program. In addition, 18 Optus people participated in three overseas volunteering programs, known as Better Together, in Thailand, Philippines and India. In total, they raised over $20,000 to support local community projects in the host countries.

Optus employees also had the opportunity to donate non-perishable goods to Foodbank through our national Food Drive, and volunteer at the Foodbank warehouses in each state. In addition, our people packed over 3,500 food hampers for families in need in November.
Volunteering Policy

In FY2019 we increased the amount of paid leave that employees can devote to general volunteering up to two days, and to five days for some skilled-based volunteering programs. We are delighted to say that staff participation has been steadily growing, with 2,300 people donating over 13,000 hours of their time in the last financial year.

A large proportion of our volunteering effort is directed through the ABCN, a not-for-profit organisation that connects business with disadvantaged education through mentoring and partnership programs. Optus staff can access up to three days paid leave to participate in ABCN activities, and we are pleased to say that Queensland-based team senior telecommunications engineer Vedran Azman, was recognised as ABCN’s Volunteer of the Year for providing mentoring services to more than ten ABCN programs.

And as part of the Singtel group, Optus also provides opportunities for our people to take part in programs throughout the Asia Pacific region through the Better Together program. In 2018, 18 Optus people were selected to participate in this unique program based on their ongoing commitment to charity activities by utilising their paid volunteer leave, mentoring young people through ABCN programs, fundraising, or being regular givers through our Workplace Giving program – yes4good.

Optus also continued its partnership with the Foodbank Christmas appeal in 2018, with 100 staff helping to pack hampers for people in need. In fact, the demand from our staff to participate in pre-Christmas activities saw us extend our program to other charities including The Salvation Army and Variety.

In FY2019 five Optus volunteers travelled to Thailand where they met with colleagues Singtel, AIS (Singtel’s affiliate in Thailand), and Globe (Singtel’s affiliate in the Philippines) for a five-day English camp to help young Thai people from disadvantaged family backgrounds improve their conversational English.

Better Together participants also travelled to India, as well as to the Philippines in 2018, where they ran Digital Citizenship workshops for students and teachers. The Optus Better Together Philippines team raised $5,100 to pay for materials for the school’s kitchen garden and classrooms, and supported the schools’ food program (most students receive their one and only meal for the day at the school), all while helping the students improve their English.
The Smallest Footprint

We are taking action to leave the smallest environmental footprint possible, even while our business and networks continue to grow. We are working to reduce our environmental impacts and to consider potential environmental consequences across our value chain, including our business operations, suppliers, customers and the community. Our Environment Policy outlines our precautionary approach and commitment to the environment.

As a leading communications company, our environmental footprint consists primarily of the carbon emissions generated through electricity consumption across our network, waste we produce such as packaging and e-waste, and how we help support communities in climate adaptation. We also continue to explore ways to be more efficient by making it easy for our customers to recycle their mobile devices. We collaborate with partners and suppliers, and redesign our offerings to minimise our packaging impact and e-waste.

Our environment strategy is focused on Climate Change and Carbon, and Product Stewardship.
The Smallest Footprint Highlights

Developed a 100% recyclable retail bag

More than $2m spend in transmission and last mile diversity and redundancy paths for other cyclone prone areas

Developed a new four-year Sustainable Packaging Strategy 2018–2021

Received APCO Award for our sustainable packaging achievements and efforts in the telecommunications sector
Since 2017, Optus and our parent company Singtel remain committed to a carbon reduction target to reduce absolute Scope 1 and 2 carbon emissions by 42%, and scope 3 by 30% by 2030 from a 2015 baseline, and aim to be carbon neutral by 2050. By using targets approved under the Science Based Target initiative (SBTi), we aim to provide our contribution to keeping the global temperature rise well below 2 degrees Celsius. Our current focus and priority to FY2022 is to identify the roadmap and initiatives we can take to exceed our original approved carbon targets, and to also work toward a more aggressive aspirational target of net zero by 2050.

While our overall emissions have increased slightly in FY2019 due to investing significantly to grow our network coverage, capacity and customer base to support regional communities, we have significantly improved the carbon intensity¹ of our business by 65.8% since we first set these targets in 2015. To help achieve our 2030 emissions reduction target, we are currently tendering for proposals to increase our long-term supply of renewable energy.

We endorsed the Taskforce on Climate-Related Financial Disclosures (TCFD) recommended framework in mid-2017 and have made progress towards its adoption. The topic of climate risks has since been embedded in our updated corporate risk register and reviewed at various levels of management and the Board with mid to long-term targets. During the year, we began our engagement with various parts of the business to identify key indicators and business drivers that may have a direct or indirect financial impact from the long-term effects of climate change. Our next steps include verifying the financial data and modelling to validate how material these indicators are to Singtel’s long-term financial performance.

Climate change resilience is important to us as we continue to integrate resilience and adaptation in our business and network operations. It is particularly critical for us to review current and new climate related risks and trends in countries such as Australia that are prone to major cyclones and inundations so we can take the necessary steps to prepare and respond to these risks. To support this, Optus continue to contribute as a founding member of the Australian Business Roundtable for Disaster Resilience and Safer Communities (ABR) and invest in increasing the resilience and adaption of our network to climate change, for example we have invested $2.14 million in another diverse transmission path along the critical Brisbane-Sydney-Melbourne route and $600,000 on two new SATCATS (mobile cell on wheels) to support communities effected by natural disasters.

¹We measure the carbon emissions intensity of our operations by kwh/Terabyte of data.
Optus has firsthand experience of the chaos that extreme weather and natural disasters can wreak – not just from the cost of repairing damaged equipment, but also in terms of the importance of communications infrastructure for coordinating responses and saving lives.

The bushfires that burned in Tasmania’s Huon Valley south of Hobart in early 2019 destroyed numerous houses and forced more than 700 residents into emergency accommodation at a bushfire evacuation centre in the town of Huonville. Realising we could lend a hand in this time of crisis we worked with the local community by driving the Optus Truck to provide some much-needed support.

The Optus Regional LED Screen Truck is a 5.1 tonnes Fuso Canter 615 wide cab truck fitted with a 3.5m x 1.7m screen and charging stations for mobile devices. The truck was set up for seven days to provide the local community with access to power, as well as giving free Optus prepaid handsets and prepaid vouchers, water, bags and battery packs.

The screen was used to live-stream emergency service briefings and broadcast updates about the bushfire situation from a local radio station. And for the kids, we played a daily movie on the screen and handed out sweet treats.

The Optus trucks play a key role in our ongoing community support work. After initially building two prototype trucks in FY2018 we added a further eight community trucks to the fleet in FY2019 at a leasing cost of approximately $450,000, and we have plans to add four more trucks to the fleet this year.

“Our teams on-ground are deeply involved with the community and will always support them in times of need, be that for disaster relief, or community celebration. The trucks are a critical asset and will be utilised during these activities, where they are operated as a phone charging station and also to entertain displaced families by screening movies,” Parag Panjwani, Director, Local Planning and Strategy said.
Optus actively supports initiatives to reduce e-waste and encourage recycling. During the year Optus focused on increasing the recovery and recycling of mobile phones from our customers. We rely on large volumes of electronic equipment to upgrade our network, and we are seeing an increasing demand from our customers for the latest mobile and internet devices. This results in increasing quantities of redundant equipment and outdated phones becoming e-waste. In FY2019 we recovered over 4 tonnes of consumer e-waste (representing 53,437 handsets, batteries and accessories) for recycling through the Mobile Muster programme; a national industry-wide collaboration e-waste stewardship scheme, enabling customers to recycle their old mobile phones free of charge by taking them to any Optus retail store.

In FY2019, Optus also actively supported the ‘Take 3 for the Sea’ campaign run by Mobile Muster which was shared with internal retail staff for additional engagement and communication to their wider networks. Since its conception in 2010, Take 3 educators have educated over 300,000 students raising awareness of plastic pollution and simple solutions to prevent its occurrence. Additionally, to mark the Planet Ark National Recycling Week in 2018, Optus together with Optus Sport host Mel McLaughlin, promoted the week to encourage customers to donate their old mobile phones to Mobile Muster collection points at Optus and industry partners. Through Mobile Muster, Optus estimates it has saved 10 tonnes of CO2 emissions from entering the atmosphere and conserved 50 tonnes of mineral resources in 2018.

Optus has been committed to the principles of the Australian Packaging Covenant Organisation (APCO) and good sustainable packaging practices since 2007. APCO is a co-regulatory, not for profit organisation that partners with government and industry to reduce the harmful impact of packaging on the Australian environment. In line with its obligations; Optus has progressed sustainable design, purchasing and supply chain activities that have led it to be recognised as an APCO High Performer since 2016. In 2018 Optus reported its sustainable packaging efforts according to the newly revised APCO Packaging Sustainability Framework that aims to provide a consistent and transparent framework for assessing and tracking packaging sustainability across organisations for the first time. Optus was placed in the “advanced” category and was recognised by APCO with an award in the telecommunications industry for our sustainable packaging efforts and leadership.
Optus Eco-bags

In 2017 Australian consumers were estimated to be using around 3.9 billion plastic bags each year, the majority of which ending up in landfill. Worse still, around 150 million bags would find their way into waterways and the oceans, where they would break down into smaller particles and cause environmental harm.

Like many retailers Optus has always provided bags as a convenience to our customers, and had been using a matte laminated art paper bag with polypropylene plastic (PP) cord handles. While these bags were both functional and aesthetically pleasing, they did not represent a strong environmental choice, as the bags would not break down and could not be recycled due to their use of the PP handles and lamination.

Knowing that we needed to do more to help the environment, in 2017 we introduced a new “Eco-bag”, which eliminated the lamination and PP handles. This meant the bag was now acceptable for kerbside collection, as well as being 100% biodegradable and recyclable.

Optus has also chosen to use 90% Post-Consumer Waste (PCW) stock for the paper bags, which is regarded as one of the most eco-friendly options available as it uses paper that has previously been used and recycled. In total we have estimated that to date Optus have saved in the region of 1,000 trees by making a sound environmental choice for our paper bags and avoided using more than 1,496km of PP cord handles.

And rather than using traditional solvent/oil-based inks, Optus has chosen to use soy inks which are low in volatile organic compounds (VOCs). By eliminating use of VOCs we are lowering the production of toxic emissions which cause air pollution. Soy inks are also renewable and biodegradable, and the bag printing process requires less ink in comparison to many other inks for the same output. Soy inks are also considerably easier to remove when the paper is recycled and do not contain harmful metal and chemical residue.

The paper is certified by the Forest Stewardship Council (FSC). FSC certification allows consumers to know that paper has been harvested in a responsible manner by an organisation that looks after the environment and its workers and respects the rights of local indigenous people.
Our Greatest Asset

We want our greatest asset – our people – to thrive personally and professionally. We have a values-led approach to how we behave and work and we are building a culture that is customer-focused, collaborative, and innovative. Not only do we take care of our people's wellbeing, we also empower and enable employees to own their career, learn and develop, encourage open conversations between employees and leaders, and recognise and reward employees who create positive outcomes and impact for the business and customers.

Our Greatest Asset strategy is focused on: A Diverse & Inclusive Workship Framework, The Best Talent, and Health & Safety Always #1*.

* Optus’ health and safety data is reported within the Singtel sustainability report. For more detail refer here.
Our Greatest Asset Highlights

- **55 completed** Automation Academy
- **20** Indigenous young students completed internship in partnership with KARI Foundation
- **2** Indigenous people completed internship
- **800** leaders completed Ability to Execute Training
- **0.5** incidences of serious H&S claims per 1000 FTE
- **72%** Your Voice engagement score
The Best Talent

As our industry advances quickly, we feel that it is important for our people to stay ahead of the game. We’ve implemented a ‘skills for the future’ learning and development program that includes the Automation Academy.

We continue to offer our people comprehensive training focused on our strategic priorities and business needs. Optus people are encouraged to map out their own professional development plans, using a 3-step process that involves identifying and setting personal and/or professional goals, and establishing an action plan to achieve them.

In FY2019 we implemented Ability to Execute (A2E) Essentials, an exciting new capability building program intended for all our people. A2E Essentials helps us develop a shared skill set and common language focusing on accountability, effectiveness, and clear communication. All people in the Consumer AU business will complete the program during FY2020, either face-to-face or online.

Related SDGs

- $10.7m spent on training
- 800 completed Ability to Execute leadership training

Completed Leaderships

- 55
- Automation Academy
- 3
- Good Health and Well-being
- 4
- Quality Education
- 5
- Gender Equality
- 8
- Decent Work and Economic Growth
- 10
- Reduced Inequalities

HOME 27 BCK FWD
Robotic process automation (or RPA) is a significant topic of discussion within business today, presenting a pathway towards freeing workers from low-level and repetitive tasks and enabling them to deliver greater value to their organisation and its customers. But it is a topic that also carries a degree of misunderstanding, in terms of what automation can achieve and the impact it will have on people’s working lives.

Demystifying automation is a key goal of the Optus Automation Academy. Launched in 2018, this initiative seeks to educate Optus staff regarding robotic process automation while building their skills to deliver RPA projects that drive greater efficiency and improve customer service.

According to Optus’ Director for Business Transformation, Timothy Chandran, by up-skilling Optus staff regarding automation and giving them a greater understanding of its potential benefits, Optus will be able to apply automation more quickly and at greater scale without the need to rely on third-party service providers. He believes this will ultimately translate to a more engaged workforce, improved customer satisfaction, and a more profitable business.

"An organisation should not only market products and services but develop people for the future," Chandran says. "Because the right people give you a competitive advantage, and that is the root and soul of the Automation Academy."

To date 55 (and a further 350 registered) Optus staff have participated in the Automation Academy, completing learning modules that equip them with an understanding of change management techniques, process engineering and how automation can be applied, and practical skills to build their own automated software 'bots'.

Chandran says the goal is to have up to a third of all Optus people pass through the Automation Academy. However, he says all employees could benefit from the program.

"Ideally every individual should have a bot that is helping them."

Although it was only initiated in mid-2018, the Automation Academy is already producing results. Chandran says the first batch of students have already delivered $1.5 million in automation initiatives in fields such as inventory controls, provisioning and compliance.

Indeed, he says the Automation Academy has proven so successful it has now been adopted as part of the learning and development curriculum for Singtel in Singapore.
A Diverse & Inclusive Workplace

We continue our commitment to inclusion and diversity and creating a culture that is inclusive of all facets of our community, across lines of gender, sexual orientation, cultural background, religious faith and beliefs, age, and ability. With over 70 different nationalities, our varied backgrounds, perspectives and life experiences help us forge strong connections with each other, and our customers. They help us to make better decisions for our business. We are very proud of our long-term support of LGBTIQ+ programs like GLOBE and Queer Screen. See more details in the case study below.

Internships are offered for Indigenous Australians to provide an opportunity for skill development and to gain first-hand work experience at Optus. In 2017 we engaged CareerTrackers, a national non-profit organisation that creates internship opportunities for Aboriginal and Torres Strait Islander university students, to launch a paid internship program. The same two interns worked at Optus over summer 2018–19, and we look forward to growing the program in 2019.

We have a range of policies and programs in place to ensure our people are supported to reach their full potential. We track progress through a variety of key performance indicators and regular reviews with leadership and key stakeholders. At Optus, 4,131 Optus people are covered by the Employment Partnership Agreement as at 31 March 2019.
At Optus, we’re focusing on creating a welcoming and inclusive workplace where our people feel safe, respected, valued and recognised for their specific attributes, talents and contributions.

By embracing the individuality, backgrounds, perspectives and experiences of all our people, we enrich our workplace, our business and the lives of our customers.

One way we demonstrate our approach to building an inclusive culture is through our relationship with GLOBE (Gay and Lesbian Organisation of Business and Enterprise) Melbourne, which is a not-for-profit foundation that provides support, networking events, advocacy and training for LGBTIQ+ community members and allies. GLOBE’s goal is to raise its profile so that it can cater for the needs of its members within wider business communities and to provide a professional and social environment for its members so they can realise the full potential of business, professional and community engagement.

GLOBE’s vision is to unite Victorian and Australian LGBTI groups and their supporters through social, professional and community events, and to create opportunities for participants to build professional, inclusive and supportive environments that encourage and advocate growth.

In 2015 Optus became GLOBE’s first National Corporate Member and in April 2018 we increased our commitment and signed on as the Principal Partner of GLOBE. As GLOBE’s principal partner, Optus is providing funding and support that is helping GLOBE strengthen its digital offering for small business members. We are also helping GLOBE extend its support to LGBTIQ+ owned and/or operated small businesses through the GLOBE Growth program, which promotes knowledge sharing by Australian corporate partners with small business owners.

At this year’s 2019 Australian LGBTI Awards Optus gained recognition within the LGBTI and business community when we were nominated in the Brand and Marketing category for this Principal Partnership. These awards recognise organisations that make a significant contribution to the LGBTI community, and it was a great honour for Optus to be amongst other organisations that have made a significant impact in terms of diversity and inclusion.

This relationship with GLOBE positions Optus as a key advocate for social inclusion and provides exclusive opportunities for our people across the country. It also plays a key role in building Optus’ reputation as an employer of choice.
The Best Experience

Our customers are at the heart of everything we do. Our goal is to provide them with a great service and great products that they can rely on. As one of Australia’s most trusted companies, we are committed to strong corporate governance, business ethics and transparency, and have a zero-tolerance policy towards fraud, corruption and unethical actions.

The Best Experience strategy is focused on Ethical & Responsible Practices, and The Highest Quality Service & Products.
The Best Experience Highlights

97.3% of the Australian population covered by our mobile network.

Since 2016, 25 social startups supported with $900,000 worth of grant funding aimed at addressing social challenges in the areas of health, education and empowering women and girls.
In FY19, we zeroed our focus in on creating a customer-obsessed culture. With a renewed focus on the behaviours that help us to shine, the Service team delivered significant lifts in customer satisfaction, as reflected in NPS and agent satisfaction and a year-on-year reduction in Telecommunications Industry Ombudsman (TIO) complaints.

We believe that innovation isn’t the responsibility of just one department, it is something that everyone can participate in. Through our Future Makers program, we seek to advance innovative technology solutions that help address social challenges faced by disadvantaged and vulnerable people. In FY2019 seven social start ups participated in a four month capacity building and accelerator program as well as shared in $300,000 worth of grants for their innovative solutions.

For more information you can visit Future Makers or read the Singtel Sustainability Report.

We understand that it is important that our customers have strong mobile coverage when they are working and living in regional Australia, which is why we are continuing to invest in our network to improve coverage, reliability and speed across Australia (see case study on the following page).

We are also making investments in our 5G network. In January 2019, Optus revealed the first details of its game changing 5G Home Broadband service, which is underpinned by a plan to deliver 1,200 5G sites by March 2020. Optus plans to deliver 5G sites across the ACT, Victoria, New South Wales, Queensland, South Australia and Western Australia by March 2020.

In February, Singtel, Optus and Ericsson successfully made an end-to-end 5G video call with Augmented Reality (AR) between Singapore and Australia. Made with OPPO 5G test devices equipped with Qualcomm® Snapdragon™ X50 5G modems on 3GPP-compliant 5G networks in both countries, the call marks the latest 5G highlight for Singtel, Optus, Ericsson and OPPO. Optus will be making a number of key announcements in the coming months including the connection of its first customers on the 5G network and the commercial launch of the Home Wireless Broadband device.
Regional Investment

Optus strives to be a communications provider for all Australians, but Australia’s vast size and dispersed population poses some difficult challenges for keeping citizens connected, especially for mobile communications.

In the past year Optus has activated 239 mobile sites in regional locations. Typical of these is the recent addition to the network of a new base station in Redgate in southwest Western Australia. This tower has been built to provide residents, businesses and visitors with dedicated 4G coverage to make and receive calls, texts and access mobile data, and brings increased coverage along key tourist routes through the Margaret River winery district, including the Leeuwin Estate Winery. The Redgate tower is just one of ten new sites that have been activated in southwest WA in the past 12 months.

Other investments around Australia have included six new towers in the Tamworth region of NSW, (a $4.3 million investment), two new towers on the NSW South Coast, and investing $1.3 million to bring mobile communications to Lake Conjola and Lake Burrill South, following on from previous activations in the Bangalee region and Vincentia North.

We have also been working to expand the capacity of our satellite-connected Sat Small Cells sites, bringing 4G coverage to existing 3G sites at William Creek in outback South Australia and at the Tjuntjuntjara Indigenous community in Western Australia.

As a result of these successful trials, Optus will be upgrading many of our existing 3G Sat Small Cells as well as building more under Black Spots programs.

Indeed, Optus has been an active participant in the Federal Government’s Mobile Black Spot program. More than 70 sites are now live across Australia and combined have been used my more than 700,000 users to make 4.5 million calls.

The Vice President of Regulatory and Government Affairs at Optus, Andrew Sheridan, highlights the importance of the program in providing coverage to people living in remote and rural parts of Australia. “The ability to make and receive calls and browse the internet is something that we believe all Australians should have access to,” Sheridan says. “Access to mobile coverage brings a range of benefits to these communities, beyond being able to make calls it enables them to browse the internet and use the latest in-home technology, which is at the centre of the modern, connected way of life.”
By working closely with our suppliers, we aim to improve the sustainability of our supply chain, including environmental, social and governance risks. We’re committed to inclusive procurement practices, which we believe will create long-term value for our partners and communities.

Optus has an extensive supply chain ranging from mobile and network equipment, and infrastructure suppliers to content providers, security and managing agents. Given the complex nature and the wide geographical presence of our supply chain, we believe that collaboration with socially and environmentally conscious suppliers will help us mitigate a significant proportion of our sustainability risks.

This year, we have taken several positive steps such as examining and updating our Supplier Code of Conduct, Supplier Risk Assessment Questionnaires, Supplier Services Agreements and understanding our salient risk areas in our supply chain. We recognise the need to take a longer-term approach, which is why we are currently developing an over-arching human rights policy. We plan to launch this policy by late 2019, along with a Modern Slavery Statement in response to the new Australian Government legislation on Modern Slavery.

We have identified four key groups of suppliers who pose higher risks in our supply chain: Devices, Network equipment, IT hardware and Offshore call centres. In FY2019, Network equipment and Devices surfaced as pressing areas of concern due to the ban on certain Chinese 5G network manufacturers in some major markets. We placed additional scrutiny on 14 suppliers with identified elevated risks and gathered responses to their self-assessments to better manage this risk and reduce Singtel Group’s exposure. During the year, we undertook a Security Compliance Assessment and visited 21 offshore facilities to ensure that they were set up according to the agreed regulatory security architecture and controls.

Optus is a member of Supply Nation, a direct business-to-business purchasing link between corporate Australia, government agencies and Indigenous-owned businesses. As a Supply Nation member, we meet the requirements of the Australian Government’s Indigenous Opportunity Policy and have access to an online database of Supply Nation-certified Indigenous business suppliers whom we seek to engage for services.
Securing assets from cyber-attacks is one of the great challenges of the digital era, and one that many organisations are struggling to meet.

In 2018 AustCyber, the Australian Cyber Security Growth Network, revealed Australia’s information security sector was already short approximately 2,300 skilled cyber security workers, and would require as many as 17,600 more by 2026.

In light of this problem, and the massive cost when cyber incidents occur, Optus has invested heavily in programs to bolster Australia’s cyber security defences.

Three years ago, Optus joined with Macquarie University to create the Optus Macquarie University Cyber Security Hub, with the objectives of developing new intellectual property through research and development, building skills at the tertiary level, and training up existing workers to be more cyber-aware.

The two organisations have worked to co-develop a curriculum for undergraduate and postgraduate students using input from Optus’ cybersecurity professionals, with the goal of ensuring students are workforce-ready upon graduation. This includes a scholarship program for six students each year and opportunities for students to apply their learnings with experts within the business through capstone and internship programs.

The Macquarie University partnership has been followed by the signing of an agreement with La Trobe University to create the Optus La Trobe Cyber Security Research Centre, which is engaged in pursuing similar objectives.

Optus has also become a primary participant in the Australian Government’s Cyber Security Cooperative, Research Centre (CRC), and will participate in cyber research programs relating to the protection of critical infrastructure, and the development of cyber resilience across all of Australia.

According to Optus’ Associate Director for cyber security partnerships, Matthew Connolly, as Australia’s second largest telecommunications provider and a custodian of critical infrastructure, participating in the development of Australia’s cyber defence capability is not optional.

"Cyber security is a grand challenge and we have an obligation to be investing in building out the ecosystem," Connolly says. "And the type of initiatives that we are undertaking with La Trobe, Macquarie and the Cooperative Research Centre are our investment to make sure we are building a competitive cyber security industry in Australia. To do that we need to be developing new IP, we need to be mentoring and developing new companies, and we need to be training the next generation of skilled workforce.”
We continue our zero-tolerance policy to corruption risks by applying and emphasising good corporate governance, business ethics and transparency while applying robust internal controls in business processes as our core approach.

Our overall group policies on Fraud Investigation and the Whistleblower Program underpin our fraud risk management framework and processes. A total of 67 whistleblower matters were closed during the year ended 31 March 2019 (which includes closure of 8 matters that were under investigation at 31 March 2018).

In October 2018, the Australian Competition and Consumer Commission (ACCC) fined Optus $10 million for misleading conduct in relation to Direct Carrier Billing (DCB) service. This relates to third party content, including premium content such as news websites, and downloadable apps such as games and ringtones.

Optus acknowledged that some customers might have inadvertently subscribed to content they did not want or could not easily unsubscribe from. To date Optus has refunded $12 million and third party content providers have refunded $19 million to customers.

In April 2019, we were fined $25,000 by the NSW Land and Environment Court for non-disclosure of payments to attend ticketed political fund raising events made in 2014 and 2015 (totalling $5,400 when submitting planning applications for sites in Thredbo and Perisher). Optus acknowledged the administrative error and we note that the court found that the offences arose from carelessness, and were certainly not intentional, reckless or negligent.

### Reviewing the Whistleblower framework in line with the new Australian legislation

### Number of Cases received in FY2019 via whistleblower services

<table>
<thead>
<tr>
<th>Received</th>
<th>Substantiated</th>
<th>Not Substantiated</th>
<th>Under investigation</th>
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<tbody>
<tr>
<td>86</td>
<td>19</td>
<td>40</td>
<td>27</td>
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Optus supports the SDGs and has prioritised 11 SDGs that we feel require the most attention given our countries of operation and supply chain. We have summarised how our efforts align to the SDGs in the table below.

<table>
<thead>
<tr>
<th>Sustainable Development Goal</th>
<th>Optus’ Position</th>
<th>Overview of Optus’ Effort and Initiatives</th>
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</thead>
</table>
| **Goal 3: Good Health and Well-being**  
(Ensure healthy lives and promote well-being for all ages) | Optus views any potential risk to the health and safety of our stakeholders seriously, and we actively promote health and safety at the workplace. | **The Best Experience Chapter**  
Electromagnetic Energy (EME)  
Future Makers program  
**The Most Connected Communities Chapter**  
Cancer cause  
Digital Citizenship  
**Our Greatest Asset Chapter**  
Workplace safety and health |
| **Goal 4: Quality Education**  
(Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all) | Optus has an important role in enabling the progress, development and inclusion of vulnerable segments of society through the support of education and skills development opportunities. | **The Most Connected Communities Chapter**  
student2student mobile program (The Smith Family)  
Australian Business and Community Network (ABCN) students mentoring program  
Digital Thumbprint (secondary schools)  
Digital Thumbprint with Kids Helpline (primary schools)  
United Way Macquarie Park Community Walkathon  
Pathways 2 Employment  
**Our Greatest Asset Chapter**  
KARI Foundation  
**The Best Experience Chapter**  
Future Makers program  
Donate Your Data  
Optus Gifted |
| **Goal 5: Gender Equality**  
(Achieve gender equality and empower all women and girls) | Optus treats everyone with respect and consideration at all times, regardless of gender, age, ethnicity, language, cultural background, physical ability, religious belief and lifestyle choice. | **Our Greatest Asset Chapter**  
Gender equality  
Women in leadership  
**The Best Experience Chapter**  
Future Makers program |
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| **Goal 7: Affordable and clean energy** (increase substantially the share of renewable energy in the global energy mix) | Optus is committed to adopting cleaner energy to reduce our reliance on fossil fuels. | The Smallest Footprint Chapter  
Renewable Energy |
| **Goal 8: Decent Work and Economic Growth** (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all) | Optus is committed to growing with our people and making the company a vibrant workplace across our global operations. | The Most Connected Communities Chapter  
Australian Business and Community Network (ABCN) students mentoring program  
Our Greatest Asset Chapter  
Fair employment  
Automation Academy  
KARI Foundation  
The Best Experience Chapter  
Future Makers program |
| **Goal 9: Industry, innovation and infrastructure** (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation) | Optus innovates continuously to stay at the forefront to bring the latest and the best services to our customers, and works with change makers to bring creative solutions to solve societal problems. | The Smallest Footprint Chapter  
Climate adaptation  
The Best Experience Chapter  
Commonwealth Games  
Thinkspace  
Regional investment |
| **Goal 10: Reduced Inequalities** (Reduce inequality within and among countries) | Optus is committed to creating equal opportunity for both our people and our communities. | The Most Connected Communities Chapter  
Optus Gifted  
Our Greatest Asset Chapter  
Equal opportunity  
Inclusion and diversity  
The Best Experience Chapter  
Regional investment  
Supply Nation  
Donate Your Data |
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<th>Overview of Optus’ effort and initiatives</th>
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| Goal 11: Sustainable Cities and Communities (Make cities and human settlements inclusive, safe, resilient and sustainable) | Optus leverages our ICT competence to develop solutions that improve quality of living, and focuses on building a resilient network infrastructure. | The Best Experience Chapter  
2018 Gold Coast Commonwealth Games  
Regional Investment  
The Smallest Footprint Chapter  
Australian Business Roundtable for Disaster Resilience & Safer Communities  
On Track program  
Climate Adaptation  
Community trucks |
| Goal 12: Responsible Consumption and Production (Ensure sustainable consumption and production patterns) | Optus actively monitors our waste management practices as part of our business operations and environmental conservation efforts. | The Smallest Footprint Chapter  
Sustainable packaging strategy  
E-waste |
| Goal 13: Climate Action (Take urgent action to combat climate change and its impacts) | Optus is committed to understanding, managing and minimising our environmental footprint across our value chain, including our business operations, suppliers and customers and has an approval Science based emissions reduction target approved by the Science Based Target Initiative (SBTi). | The Smallest Footprint Chapter  
Community trucks  
Climate adaptation  
Renewable energy |
| Goal 17: Partnership for the goals (Revitalise the global partnership for sustainable development) | Optus believes in the spirit of partnerships and collaboration to solve some of the most pressing social or sustainability needs, whether locally or globally. | We have formed strong relationships with key partners for our strategic programs targeting at meeting our sustainability and community needs. These partners include: Australian Business Roundtable for Disaster Resilience, Westpac, Rotary Australia, National Farmers Federation, La Trobe University, Macquarie University, Telco Together Foundation and our overseas business partners. We have significant and long-standing charity partnerships including Kids Helpline, Foodbank, GLOBE, KARI Foundation, CareerTrackers, The Smith Family and ABCN. |