Optus Sustainability Report 2020 Our Highlight

0000

OPTUS

6



Contents

- **Our Company Strategy and Purpose** 3
- **About Optus** 4
- **About this Report** 5
- A Message from our Chairman 6 and Chief Executive Officer
- **Supporting Resilience** 8
- The Most Connected Communities 13
- **Our Greatest Asset** 27
- **The Best Experience** 38
- **The Smallest Footprint** 46
- Addressing the Sustainable 57 **Development Goals**

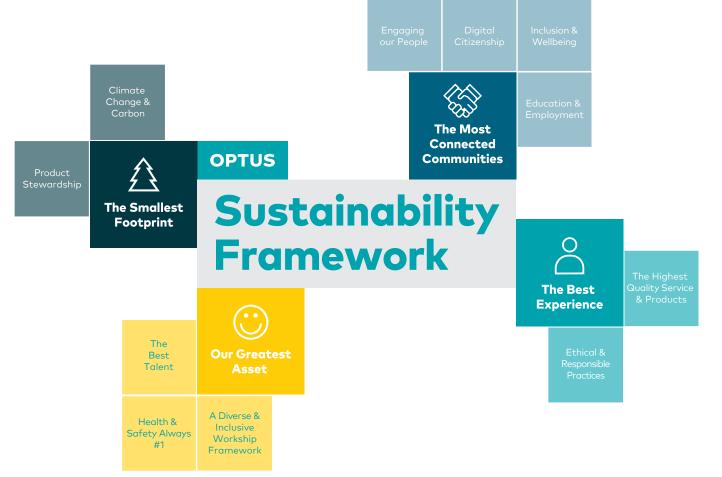
OVERVIEW

OUR GREATEST ASSET THE BEST EXPERIENCE THE SMALLEST FOOTPRINT ADDRESSING THE SDGS BCK

Our Company Strategy and Purpose

At Optus we're passionate about powering optimism with options. We believe that nothing drives greater optimism than a company that operates sustainably to create lasting positive impact for its stakeholders and meet the present and future needs of society. As a telecommunications company we believe we have a distinct and unique role to play in creating tomorrow's world.

Our purpose helps us to think about the world we want and embeds an ethos of innovation into our work. Our sustainability strategy is based on how we can harness our purpose and use our skills, resources and expertise to contribute to a better future for our customers, our people, the environment and our community. We focus on areas outlined in our sustainability framework where we believe we can make a significant impact.



HOME

About Optus

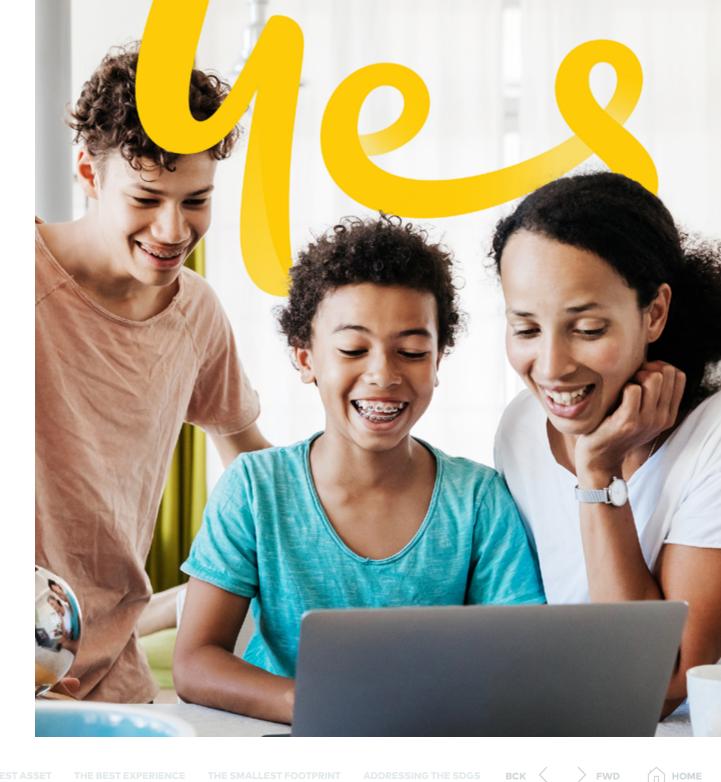
Optus is the second largest provider of telecommunications services in Australia in terms of revenue and employs more than 7,000 people nationally, who together are a reflection of our multicultural country and diverse customer base.

As a fully integrated telecommunications provider with more than 10 million customers, we deliver a comprehensive range of products and services including:

- Mobile and fixed line telephony
- Broadband internet services .
- Multimedia entertainment and technology services
- Satellite services
- Converged business telecommunications applications and solutions

The Optus 4G network provides coverage to 97.3% of the Australian population, and rollout of the 5G network has commenced.

For more about Optus, please visit our website.



About this Report

This is Optus' 21st annual sustainability report and covers our financial year from 1 April 2019 to 31 March 2020. This report is designed to give our stakeholders a closer look at our sustainability strategy, initiatives and performance during the period.

For more details on our sustainability performance, please see the <u>Singtel Group Sustainability Report</u> and Annual Report. As part of the Singtel reporting, Ernst & Young LLP has independently assured a selection of our key ESG disclosures (see their assurance report in the Singtel Group Sustainability Report).

We use the London Benchmarking Group (LBG) methodology to measure and report on our contribution to the community. LBG Australia and New Zealand verified that our evaluation of our community investment was correct on the supplied data.





A Message from our Chairman and CEO

Since the start of 2020, Australia has faced some of its most challenging times. Severe drought culminated in devastating bushfires across many parts of the country, followed by floods and now the impacts of the coronavirus pandemic. It is a testing time for many individuals, businesses and communities.

These circumstances reinforce the importance of our sustainability approach, good corporate citizenship, and the role Optus plays in emergency response, community resilience and promoting optimism. We are proud of the way our people step up, and collaborate with partner organisations and community members to support those impacted by these events – it's been a superb effort! You can read more about how we supported communities in the <u>Supporting Resilience</u> <u>section</u> of this report, and about how we supported our employees in the <u>Health and Safety Always #1 section</u>.

At its heart, our sustainability program is about connecting. We do this in a range of ways: by providing opportunities for more vulnerable members of our community to connect with others, connecting our business decisions with the Paris Climate Agreement, making sure that our connections with customers are underpinned by ethical behaviour, robust data privacy and security protection, educating young people to have positive online behaviours through our Digital Thumbprint program and connecting our employees with our purpose as an organisation. Over the past few years, we have sought to embed sustainability into our culture and values, decision-making, operations and products and services.

This means we continue to embrace more climatefriendly operations and a responsible supply chain; we have emphasised empowering our people and providing them with skills for the future workplace; we have aimed to ensure we give our customers the best possible experience through the quality and safety of our products and services; and we continue to use our skills and expertise to unlock greater opportunities in the digital economy, especially for individuals and communities who might otherwise miss out.

At its heart, our sustainability program is about connecting.

Some of the achievements that stand out in FY20 are how our Optus team came together to support communities during, and in the wake of, the bushfires, including our Green Shoots program to support small businesses to rebuild; how we worked to keep people connected and resolve customer issues while our networks experienced unprecedented demand due to enforced isolation during the COVID-19 pandemic; and how we partnered with our customers to bring greater connectivity to people in vulnerable circumstances through the Donate Your Data program.



We are looking forward to finalising our human rights policy and publishing our first modern slavery statement in FY21. We are also progressing our climate-related risk assessment and disclosures via the Task Force on Climate-related Financial Disclosures (TCFD) framework. Our efforts to make sure Optus is a great place to work are ongoing and we expect to continue to expand our 5G network availability to meet the needs of our customers.

Even as we unwind restrictions, coronavirus will have changed some things forever. More businesses will operate differently, like health professionals using telehealth. More people will work from home. More families and friends will connect with their far away loved ones using collaboration tools. We expect more individuals and companies will rely on our services as they have quickly embraced new ways of doing things. We will seek to understand our stakeholders' evolving needs and concerns and leverage our strengths and partnerships to help address them.

The past six years' have seen sustainability considerations transform how we go about our business and we are confident that in this new decade sustainability will continue to be a defining driving force for our stakeholders and our teams.

BCK

Paul O'Sullivan, Chairman Kelly Bayer Rosmarin, Chief Executive Officer

> FWD

HOME

ADDRESSING THE

Highlights

The Smallest Footprint



of e-waste or handsets, batteries and accessories from landfill

Committed to keeping global temperature increases within 1.5°C above pre-industrial levels by 2100 and reach



Our electricity intensity (kWh/TB) continues to decrease with a new record low of

133 kWh/TB

(compared to 160 in FY19)

Achieved "leading" performance score in the Australian Packaging Covenant Organisation (APCO) assessment for calendar 2019

Our Greatest Asset



new Optus Talent Ambassadors, contributing to 17% increase in candidate applicants across the business in FY20



Optus became a Workplace Gender Equality Agency (WGEA) Pay Equity Ambassador

The Best Experience



Named Australia's strongest brand in Brand Finance's 2019 Top 100 list of Australia's strongest and most valuable brands

total network investment to enhance resilience and coverage in FY20



Launch of the Optus 5G Home Broadband



The Most Connected Communities

200,000+

Optus customers donated over 5.8 million GB of data to over 13,000 young Australians in need, providing digital access through Donate Your Data

2,700 staff volunteer hours in



staff volunteer hours in company time contributed to causes during FY20

\$14.7million

invested in the community in FY20, a 40% increase on FY19



Supporting Resilience

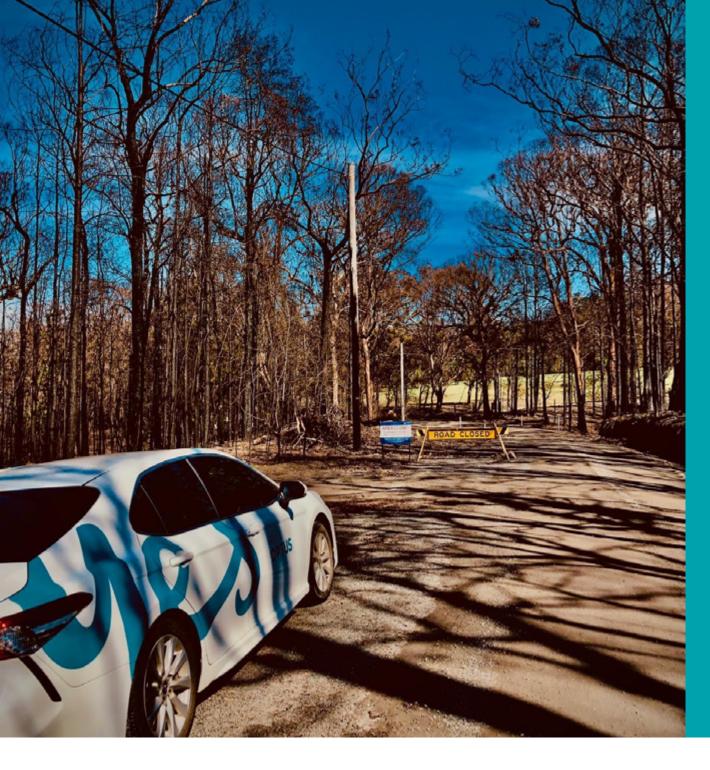


additional workers employed from industries affected by the COVID-19 downturn

7 C

RINT ADDRESSING TH

BCK SFWD



Supporting Resilience

Telecommunications are a crucial service for communities, economies and nations — keeping businesses running and people connected to services and to their loved ones. This is never more apparent than during times of disaster or emergency when telecommunications networks support response and resilience.

At Optus, we integrate resilience into our business and network operations to ensure we can continue to play our part in helping communities respond to emergencies and recover quickly afterwards. For example, our Optus Go Connectivity service enables business customers to keep connected via 4G backup and dual router resilience solutions during times of crisis.

Our response in the face of emergencies was tested during this year, first with the severe bushfires in Australia over the 2019-2020 summer, followed by the COVID-19 pandemic.

We understand how much everyone relies on our critical infrastructure to stay connected to friends and family, to schools, and to work, and so we have been stepping up to the challenge as we know it is essential towards maintaining a positive daily life.

OVERVIEW THE MOST CON

PRINT ADDRESSING T

BCK SFWD

HOME

Bushfire Response

Australia experienced one of its worst bushfire seasons on record through the 2019-20 summer. The importance of Optus' services in keeping our communities safe and connected through this time was very clear.

Creating equitable changes to our services so that first responders were supported and communities could get back on their feet was a top priority for us.

Here's what we did:

On the front line

- Bills waived for eligible volunteer firefighters and SES volunteers
- Our staff provided on-the-ground emergency support by bringing charging stations, prepaid SIMs, satellite, mobile access, and more to established evacuation centres, helping to keep coverage there strong
- Uncapped mobile data for access to emergency websites and information, fire services, federal government websites, ABC and the Australian Red Cross for all our customers

For our customers experiencing financial hardship

• Free call diversions from an Optus fixed home or business phone to any mobile or fixed number

- Extended timeframes for bill payments
- Bill waivers in instances of extreme financial hardship
- Free suspension, relocation or cancellation of an Optus fixed service
- Free prepaid recharges for eligible impacted customers

To keep our customers connected we deployed our SATCATs to boost coverage. SATCATS are Satellite Cells on a trailer that use satellite transmissions for coverage in a limited range, without the need for infrastructure. We deployed them wherever we could to bolster coverage and help affected residents.

Enabling our people to support the community

- Matching staff donations dollar-for-dollar in our employee bushfire appeal
- Providing our people with uncapped, paid emergency service and military leave when they volunteered in affected areas
- Giving two days of paid volunteer leave for non-emergency support efforts related to the bushfires



Local council electricians provisioning a 9kVa generator on-board an Optus LED screen truck, to provide electricity to a hotel in Mid North Coast NSW



"When our communities are facing such difficult circumstances, we all seek to provide whatever support we can for our volunteer firefighters who are placing themselves in harm's way to protect the lives and property of Australians."

HOME

Optus CEO, Kelly Bayer Rosmarin

Bushfire Response (continued)

In February we also launched our Green Shoots grants program to support bushfire-affected small businesses get back on their feet. As part of the grant, we offered recipients:

- \$100 per month of recurring credit for 24 months on an Optus Small Business account
- A tablet or equivalent (memory/colour/size specifications at Optus' discretion)

We also extended our employee volunteer program to enable our people to support small businesses affected by the bushfires.

We understand that rebuilding communities will be a long and difficult process, which is why we are acting now to do what we can to support these small businesses in getting back online and reconnecting with their communities.

Bringing mental health services to regional NSW communities

As regional Australia continues to face relentless droughts, bushfires and heatwaves, we've been devastated to see how this is affecting both the livelihoods and mental health of the communities that live there. To help, Optus teamed up with the Virtual Psychologist service to bring text-based counselling to ten regional NSW communities.

Virtual Psychologist is Australia's first text counselling service delivered by qualified mental health professionals, offering a select range of psychological and counselling support services to individuals and those in corporate, rural and remote settings irrespective of their mobile carrier. In 2017, Virtual Psychologist was accepted into the Optus Future Makers program, marking the beginning of an ongoing engagement with our company. To show our support for communities doing it tough, Optus held a two-week long roadshow in the Central West region of NSW, holding information sessions with the Virtual Psychologist CEO, Dervla Loughnane, and promoting the service through the media. The roadshow offered support to locals by providing contacts for them to confide in and reminded them they could seek support whenever they need by simply sending a text.

Attendees included local social workers, two drought co-ordinators from NSW Health and representatives from Bila Muuji Aboriginal Corporation Health Service, which covers the towns of Bourke, Brewarrina, Coomealla, Coonamble, Dubbo, Forbes, Orange and Walgett.

As regional Australia continues to face relentless droughts, bushfires and heatwaves, we've been devastated to see how this is affecting both the livelihoods and mental health of the communities that live there.



COVID-19 Response and Support

Australia introduced strong social distancing measures in response to the COVID-19 pandemic in March 2020. As a result, reliance on our network became more important than ever. As part of our response, we put in place a range of business measures to support our customers and community to help them navigate through the evolving situation.

Our telephone support centres, corporate campuses and stores were also impacted by the COVID-19 lockdown, with some temporary store closures. In response we pivoted to online shopping, and encouraged those who needed to get in touch to use the My Optus mobile app. We also mobilised our Retail staff so they could supplement the load placed on our customer support team, enabling the store teams to answer questions and provide in-store solutions.

We also put in place a range of measures to help customers and the community stay connected:

- We employed an additional 500 staff from industries affected by the COVID-19 downturn and transferred their excellent customer service skills to Optus
- We provided a three-month postpaid mobile access fee waiver for AHPRA registered health workers to say thank you

- We launched a range of support initiatives for Optus customers including bonus data boosts, unlimited broadband, pausing of plans and late payment fees, and a support package for customers that required financial assistance
- For our Small and Medium Business (SMB) clients, Optus set up a series of initiatives to manage higher connectivity needs and remote ways of working, including a free trial of Optus Loop Live – one of our most popular business tools
- Promoted virtual volunteering opportunities
 Optus staff could support and charities at the
 COVID-19 frontline that our staff could donate
 to via the yes4good Optus giving portal
- Distributed 'emergency' SIMS and 47 iPads to support charities that are at the frontline working in crisis centres and domestic and family violence support

Welcon

Some of our team are supporting our call cer

We will assist you as so as we can,

HOME

Thank you for your understanding,

A member of our Customer Care tean in one of our retail stores

A member of our Customer Care team in action

IE MOST CONNECTED COMMUNITIES OUR GREATEST ASSET THE BEST EXPERIENCE THE SMALLEST FOOTPRINT ADDRESSING THE SDGS BCK 🤇 🖒 FWD

11

OVERVIEW

COVID-19 Response and Support (continued)

We believe that during these challenging times, we have an important role to play in keeping Australians connected with their loved ones, friends and colleagues. As a result, we launched a new campaign called 'A G'day a Day' which aimed to encourage social interaction and increase positivity and optimism during this time of uncertainty and isolation.



" I am really proud of all our teams, who are working tirelessly to keep us all connected." Optus CEO, Kelly Bayer Rosmarin

Health and safety through COVID-19

Optus placed the health, safety and wellbeing of our employees, customers and community at the forefront of our response. At the same time, we worked to ensure our networks could meet the increased demand from those impacted who needed to keep connected socially and maintain their business operations.

To protect our employees, we increased hygiene practices across stores and campuses, employees were encouraged to work remotely where possible, and we established social distancing measures in critical business units operating on site. We appointed business continuity champions, first aiders and fire wardens to support and manage any incidents and issues during this period. A key change was to introduce alternate work sites, including dividing our people into two teams with physical and security restrictions to avoid the risk of infection between teams. Temperature monitoring screens were set up at entrances to each of our offices with site-bound people. In line with managing the mental health and wellbeing of our people who were working from home as a result of COVID-19, we also focused on injury prevention under these circumstances and increased our support of the ergonomic needs of our employees. Our contact centres in India and the Philippines were also impacted by lockdowns and we worked with the partners who operate those centres to ensure that workers' safety was robustly addressed.

TUS CCIONAL OPTIS A member of our Optus and Virgin Astralia talent sharing initiative

From cabin crew to call centre

When we heard that Virgin Australia was standing down staff due to COVID-19, our talent acquisition team quickly got in touch. We proposed a talent sharing solution where Virgin Australia staff could temporarily join our organisation to support our customer care team.

Head of Talent Acquisition, Catherine Fitzgerald said, "On a surface level, you might not think there are many similarities between working in aviation and in telecommunications. But at the end of the day – both industries are all about the customer. We believed the skills and experience from Virgin Australia were very transferable to our organisation."



The Most Connected Communities

As a leader in Australia's digital transformation, Optus is uniquely placed to make a meaningful impact on people's lives. We're committed to leveraging our resources, relationships and capabilities to make a positive contribution in our society.

Our goal is to provide opportunities for those most vulnerable and disadvantaged in our society in particular, our youth — achieve, thrive and belong. Our community strategy is focused on core areas where we believe we can make the biggest impact:

- Digital Citizenship for young people
- Education & Employment for disadvantaged individuals and groups
- Inclusion & Wellbeing for all members of society
- Engaging our People, harnessing their passion, talent and experience to make a meaningful difference to those in need.

Our range of social impact programs and community initiatives address these areas, leveraging partnerships with charities. Working with our charity and community partners ensures that we are addressing genuine areas of need and helps us to increase our impact.

BCK

PERIENCE THE SMALLEST

TPRINT ADDRESSING

> FWD

Our Community Highlights for FY20



staff volunteer hours in company time contributed to causes during FY20

Bushfire community support including

mobile towers restored, and more than



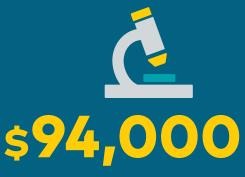
donated to bushfire relief



students participated in Pathways 2 Employment in FY20, 75 mentors and 20 positions were offered



students across 39 programs Australia wide mentored and coached by nearly 400 of our people through ABCN



raised for cancer research in the 10th Annual Tour de Cure cycling event for the Nelune Foundation



Optus customers donated over

5.8 million

GB of data to over 13,000 young Australians in need to provide digital access through Donate Your Data



invested in the community in FY20, a 40% increase on FY19

Expanded our flagship Digital Thumbprint program to reach 16,097 regional students (compared to 1,420 the previous year). The total number of students reached through Digital Thumbprint in FY20 was close to

58,000



NCE THE SMALLEST FOOT

NT ADDRESSING TH

BCK SFWD

HOME

Digital Citizenship

Digital technologies are providing us with experiences and opportunities that would have been unimaginable a generation ago. With those benefits, there are also challenges as our society and individuals navigate this rapidly changing digital world.

We are passionate about fostering responsible and positive online experiences. Our programs to support 'digital citizenship' recognise that the key to achieving this is through early education and support to give young people the knowledge and tools to be safe and responsible members of the digital society.

For us, digital citizenship encompasses:

- Digital responsibility: championing an online world of critical discernment, respect and empathy
- Digital safety: providing workshops and digital tools to build a safe and positive online experience

This has been a key focus area for Optus since 2013, and we've been commissioning research, hosting multistakeholder roundtable events, and garnering insights from Australian students and educators through our Digital Thumbprint Program. Recently we published a Digital Thumbprint Impact report and a Digital Insights 2020 report setting out four key shifts to tackle the digital challenges that have emerged from this work.



Digital Citizenship (continued)

Here's what we're doing:

Digital Thumbprint

Our award-winning Digital Thumbprint workshop for Australian primary and secondary students teaches kids to be safe and smarter online. In FY20 the program reached over 12,700 primary school students through Digital Thumbprint with Kids Helpline, and over 45,100 secondary students across metro and regional communities.

Since 2013, close to 330,000 students have participated in these sessions. Optus Digital Thumbprint is completely free for schools.

The workshop content focuses on raising awareness and teaching core skills to address concerns and topical issues such as:

- Cyber security
- Cyberbullying and respectful relationships online
- Digital identity
- Digital discernment (what's real and what's fake)
- Balancing online vs face-to-face interactions

An evaluation of the program undertaken during 2019 highlighted its long-term impact. For every two student participants, one applied something they learnt within five weeks of participating in the program. 89% of teachers surveyed for the evaluation felt more confident teaching digital citizenship topics as a result of the program. More details of the evaluation can be found here.



Since 2013, close to

330,000

students have participated in the Digital Thumbprint program.

For every two student participants, one applied something they learnt within five weeks of participating in the program.



Former Optus CEO, Allen Lew at a Digital Thumbprint worksi



16 OVERVIEW THE MOST CONNECTED COMMUNITIES

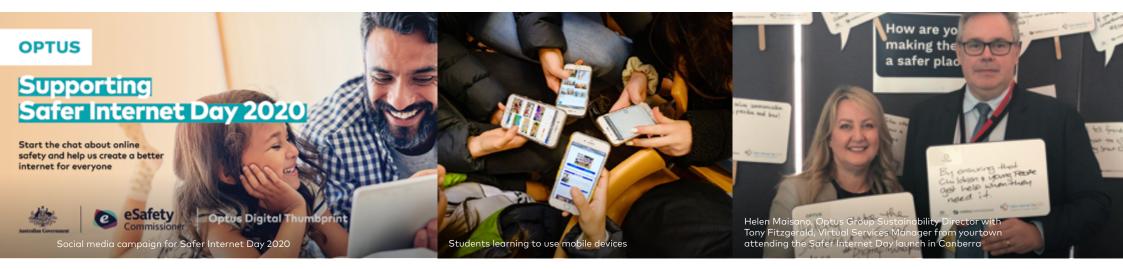
TEST ASSET THE BEST EXPI

PERIENCE THE SMALLEST F

OOTPRINT ADDRESSING

SDGS BCK

Digital Citizenship (continued)



Safer Internet Day

Safer Internet Day is an annual global event that promotes safe, responsible and positive behaviour in the digital world. It is led in Australia by the Office of the eSafety Commissioner.

Optus is a long-standing supporter of the day, and we attended the launch of Safer Internet Day 2020 as guest of Australia's eSafety Commissioner, Julie Inman-Grant.

Digital Citizenship Roundtable

In August 2019 Optus hosted its annual Digital Citizenship Roundtable with Edward Santow, Australia's Human Rights Commissioner, to consider how Artificial Intelligence (AI) is impacting young and vulnerable Australians, and to explore the influence and impact of risk, ethics, empathy and, in particular, discernment in an AI-powered world.

Important take-outs from this discussion included:

• There is a continued need for collaboration and action within the digital eco-system to address the challenges that young or vulnerable people face online

- Algorithmic bias in Al programs can greatly impact young people, women, the vulnerable, and persons of colour
- Tech creators and organisational leaders must continue to recognise diversity when designing Al products and services, so that young Australians can experience new technologies with equal opportunities
- Human rights should be considered in the development stage, rather than reactively revising products if/when end-users are harmed

Education and Employment

We want young people, especially those from disadvantaged backgrounds, to have the opportunity to achieve their potential. We believe the best way to do that is to support their education that will help widen their employment options. We're taking a multifaceted approach to this goal, supporting students' personal and career development as well as providing more tangible help through improved internet access.

This year we also continued to see successful outcomes from our long-standing partnership with the Australian Business and Community Network which supports vulnerable youth in career, education and life choices.

In December 2019 we expanded our Donate Your Data program to include more charity partners and enable more Optus customers the ability to donate excess data to young people in need.



Education and Employment (continued)

Here's what we're doing:

Donate Your Data

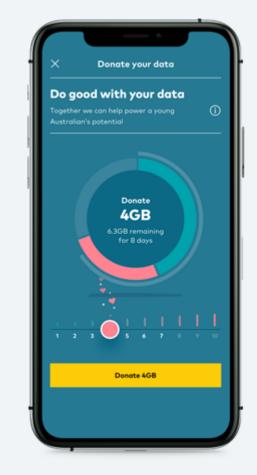
Internet access is increasingly vital as learning resources and job information migrate to digital formats, yet many students can't get access to meet their needs.

Donate Your Data addresses that challenge by enabling Optus Postpaid and Prepaid Mobile customers on eligible plans to donate their excess data via the Optus Mobile App or SMS. We give participants in the program a Prepaid SIM with 10GB of data plus unlimited calls and text every 42 days. Every month, data donations are pooled and then distributed as an added data boost to help young Australians in need realise their full potential.

Since the expansion of the program on 2 December 2019 till the end of March 2020, Optus customers have donated over 5.8 million GB of data. Thousands of students from The Smith Family, KARI Foundation, Australian Business and Community Network (ABCN), The Salvation Army, Girls Academy, yourtown and Mission Australia will benefit from the initiative as it continues and as we actively recruit more charity partners into the program.

More details about how to donate are here.





It's early days, but Donate Your Data is already meeting a real community need and it's been powered by a surge of customer donations. Each month of its operation, up to 91,000 customers donated data, with up to 71% repeat donors in each month and data being distributed to over 13,000 participants.

"It really has made a difference in my education and I'm only where I am today because of the help I've received."

Donate Your Data recipient

Towards the end of our reporting period, we recognised that the disruptions to schooling across Australia due to COVID-19 and the requirement for students to undertake remote learning in many states could leave many students falling further behind. So, we decided to extend the reach of Donate Your Data.

In April 2020 we launched a pilot program with the ABCN to distribute 500 pre-paid SIM cards to disadvantaged students throughout NSW. If successful and needed, the program will be expanded to 60 schools across Australia.

HOME

19 OVERVIEW THE MOST CONNECTED COMMUNITIES OUR GREATEST ASSET THE BEST EXPERIENCE THE SMALLEST FOOTPRINT ADDRESSING THE SDGS BCK < > FWD

Education and Employment (continued)

Pathways 2 Employment

Our annual Pathways 2 Employment program supports disadvantaged young people to become more employment ready. In collaboration with our partners the Australian Business and Community Network (ABCN), The Smith Family and yourtown, the program supported 172 students from disadvantaged backgrounds in FY20 through learning interview and job seeking skills. Pathways 2 Employment also offers participants the opportunity to gain a Christmas casual role in an Optus retail store. We offered 20 positions this year.

Pathways 2 Employment	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Number of students	60	160	149	172
Number of mentors	24	67	68	75
Number of jobs offered	6	10	22	20

ABCN partnership

Optus is a founding member company of the Australian Business and Community Network (ABCN). Together, we partner on a range of programs focused on improving opportunities and outcomes for vulnerable youth in high-needs schools across Australia. At the heart of ABCN programs is the aim to raise students' aspirations and increase their awareness of the personal, educational and vocational choices available. This is achieved through structured programs and mentoring by business professionals in a corporate environment, which also provides students with an insight into the modern workplace and access to business networks.

A highlight this year was seeing three former ABCN students integrate into the Optus team as employees. Two of these have also contributed to ABCN programs as mentors or facilitators. In addition, two of our ABCN students provided a youth perspective at our Digital Citizenship Roundtable.

ABCN	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Number of mentor roles	516	480	540	438	399
Volunteering hours	3,706	3,496	3,537	2,847	2,515
Number of programs	16	35	41	36	39
Students	420	1,126	1,160	1,118	720

* Numbers this year differ from last year as they do not include the InRoads program, Career Choice Days, Digital Smarts Day and My Career Rules, which ran in previous years but not in FY20. We also increased the number of programs that had smaller groups of students and mentors involved (i.e. Focus). Evaluation of the program in FY19 showed that:

- 90% of students who participated in the flagship programs GOALS or Aspirations completed Year 12 or its equivalent, compared with a 79% national average and 76% of disadvantaged students. (ACARA 2017)
- 61% of students who participated in GOALS or Aspirations accepted university study offers, compared with a 60% national average and 46% of disadvantaged students. (Productivity Commission 2016)
- 87% of scholarship students completed ABCN's Accelerate program in 2019 and 100% of those students are engaged in employment, tertiary education or training, compared with 59% of disadvantaged students at age 24. (The Smith Family 2019)

KARI Foundation

Our partnership with the KARI Foundation commenced in FY19 and includes a program co-created between our Human Resources (HR) team and KARI leadership. The program consists of mentoring, coaching and various activities that address the needs and gaps faced by students. It also created volunteering opportunities for our people in our HR division at Optus.

BCK

INT ADDRESSING THE

FWD In HOME

KARI Foundation

Through the Optus KARI Scholarship program, in 2019 our Human Resources colleagues mentored and coached 18 KARI Indigenous scholarship students in New South Wales with direct one-on-one support.

Over the 12 months the program provided the students, who were entering their final two years of high school, with engaging and interactive content designed to support their transition to their next life journey, targeted at further education and employment. The valued partnership provided volunteering opportunities for 45 members of our HR team, including the delivery of three workshops and three student mentoring sessions.

One of those workshops focused on helping students develop skills required to land their dream job. Facilitated by an Optus mentor, participants were able to step out of their comfort zone with a variety of games and activities. Participants were grouped into pairs and were tasked with a game where they were required to create objects, using their bodies as the pieces, but without talking. The activities used throughout this program related back to how first impressions come from a person's body language and how this can have an impact in an employment interview.





Inclusion and Wellbeing

Our commitment to inclusiveness takes many forms. In our operations, we're focusing on a welcoming, inclusive and diverse work-culture, recognising that feeling included contributes to overall wellbeing. In our engagement with the community we also aim to see how Optus can support inclusion and wellbeing through supporting physical and mental health, especially people in vulnerable circumstances.

We do this by contributing to causes that directly support physical or mental health and wellbeing.



Partnership promotes safety for kids

Optus has formed a joint partnership with Optus Future Maker finalist and IOT start up Commsync, and Optus business customer Brisbane City Council, to give a Commsync Safety Watch to at-risk children and youth to help keep them safe.

Kids who are caught within a family violence scenario can discreetly trigger their wearable device to send an alert to members of their safety network if they feel vulnerable or are attacked. The safety network will receive the wearer's location, a voice call (via one-way or two-way microphone), SMS and emails. Optus provides the cost of the watch and the cost of the carriage as part of our donation.

The initiative is managed by Commsync's charitable arm, the StandbyU Foundation. StandbyU is focused on safety for women and children. For participants, StandbyU creates safety plans tailored to each individual based on its extensive knowledge of the risks inherent in child protection and domestic violence. When the child triggers the alert, their support network is alerted and responds.

BCK

> FWD

HOME

EXPERIENCE THE SMALLEST FO

FOOTPRINT ADDRESSING T



Clinical Trials Connect

Optus, in partnership with the Garvan Institute of Medical Research (Garvan), the National Breast Cancer Foundation (NBCF), the Nelune Foundation and Tech Mahindra, have developed an online platform which connects breast cancer patients to clinical trials in Australia.

In February 2020, the volunteer project team at Optus delivered a prototype for the online platform that will be used by the Garvan and NBCF cancer researchers to match breast cancer patients looking for trials to hospitals and oncologists looking for local clinical trial candidates.

To make this project possible, a multi-disciplinary team was created to include volunteers from various Optus departments, including Finance, Digital, Customer Experience, IT, Legal and others. The first step was understanding the pain points of both breast cancer patients and the medical professionals caring for them:

- From a breast cancer patient's perspective, it can be overwhelming tracking down latest information on clinical trials they can join to potentially save their life whilst dealing with an unforgiving illness.
- From a medical professional's perspective, there is a challenge in finding suitable candidates that will ultimately determine the success of their trial.

With the help of the Nelune Foundation, Optus was able to conduct interviews with breast cancer patients, medical oncologists and trial coordinators to map out their needs, concerns and questions. As a result, the Optus team, working closely with renowned cancer researchers, developed this breast cancer clinical trial matching platform. The customer journey was specifically designed by the Optus Customer Experience volunteers to address all user-identified paint points.

The prototype created by the Optus volunteers and Tech Mahindra creates a simple and easy online portal where breast cancer patients can answer a few questions which are used to match them to clinical trials based on an up to date and single source of Australian clinical trials. It has now been handed over to the NBCF and Garvan, which intend to make this tool available to the general public.

Engaging our People

Our people are the driving force behind our impact in the community. We encourage our people to contribute their time, skills, knowledge and ideas to help make a difference to the lives of people and communities around Australia, and the world.

We give each employee up to five days of volunteer leave per year where they can participate in skilled or non-skilled volunteer opportunities. Using the online platform yes4good, we enable employees to choose from more than 250 charities to support via donations, fundraising or volunteering. We match employees' donations and fundraising up to \$300 per person per year.

An example of the impact our volunteering can achieve is our support for Share the Dignity #itsinthebag, a charity which helps vulnerable and at-risk women, teenagers and mothers with newborns in Australia by providing bags filled with essential items. Optus employees donated to Share the Dignity via the <u>yes4good</u> platform and during the Christmas period in 2019 our staff from corporate offices and retail stores volunteered their time to prepare 527 bags, with 300 of these being freighted directly to bushfire-affected communities in NSW. Optus matched our people's donations to this charity for November and December, with the overall campaign generating a contribution of \$90,000, consisting of time, in-kind and cash donations. Another example is our support of The Smith Family (TSF) Toy and Book Appeal. For Christmas 2019, 40 employees nationally volunteered by packing gift packs and delivering packs to families identified by TSF. With our help, more than 27,000 children received gifts.

We were proud to be recognised by Good Company in 2019 for being one of the best workplaces in Australia for giving back.

We also encourage our customers to get involved, through programs such as Donate Your Data, or through nominating schools to participate in our Digital Citizenship programs.

As well as amplifying our impact, involving our people helps to keep them motivated and engaged in their work.





mas campaign



> FWD

HOME

Good Company award 2019

Collection of bags during the Share

FOOTPRINT ADDRESSING T

Engaging our People (continued)

Here's what we're doing:

Better Together

Each year we join forces across the Singtel Group to support communities and build skills in countries where we operate through the Better Together program. Better Together is held in four destinations: India, Thailand, the Philippines and an Indigenous Australia experience. Participants apply to join the program and are selected based on their demonstration of engagement in community programs.

In FY20, 17 Optus people joined with colleagues from Singtel Group in India and northern Australia.

The Indigenous Australia team spent a week in the Northern Territory working on a range of projects in both urban and regional communities and learning about Aboriginal heritage and culture. The team had a deeply immersive Indigenous experience.

The Better Together Australia team raised more than \$6,000 for the Balunu Foundation which will fund a Healing Camp for Aboriginal youth at risk or impacted by suicide to reconnect with their culture.

The Better Together India team split into smaller teams with a mix from each company and were allocated to either a primary or secondary school, visiting four schools in Amristar supporting approximately 2,000 students. Our people supported the local teachers in lessons including General Knowledge, English, Mathematics, Hygiene, Sport, and Environment. Lots of Punjabi dancing and singing was exchanged between our volunteers and the students! Prior to leaving, our Better Together participants fundraised to purchase much needed items for the Bharti Foundation and its school communities that they visited. Through GoFundMe pages, bake sales and raffles, the team raised over \$12,000.

Mentoring programs

One of the most impactful ways to change young people's lives is through mentoring. It's also a superb opportunity for our people to practice new skills such as coaching. A number of our programs and partnerships, such as Pathways 2 Employment and the ABCN, provide opportunities for our people to develop their skills in leadership, diversity awareness, coaching and mentoring.

"You will not only help shape the lives of these students but it also allows you to learn a lot about yourself and develop your skills in communication."

Sothee, InterAct mentor



Imogen from Optus Centre Perth and Shrikant from our partner site in Mumbai visiting Satya Bharti School in Bhattike.



Jawoyn man with Steve Friend learning to play the digeridoo



Better Together India – Andrew from our retail team with a group of students

SET THE BEST EXPERIENCE

THE SMALLEST FOOTPRINT

INT ADDRESSING

S BCK < 🔶 FWD

П НОМЕ

Tour de Cure

The 2019 Tour de Cure Signature tour was the tenth year that Optus supported Tour de Cure, a challenging and spectacular cycle tour over 1,400 km from Sydney to Geelong through the Australian Alps.

'The Tour' is a prime vehicle for employee engagement and volunteering. As well as Optus volunteers for event organisation, a team of six Optus riders used their volunteering days and annual leave to participate. It was a cold and wet 13 days for the riders and support crew with mornings as cold as minus four degrees and strong headwinds along the way, but they persevered and enjoyed the spectacular scenery. Along the way the riders visited local communities in Shepparton and Geelong, speaking to over 5,000 school kids and showing them how to 'Be Fit, Be Healthy, Be Happy' to set up good habits for life and help reduce the risks of cancer. The Optus truck accompanied the riders to show our support.



> FWD THE MOST CONNECTED COMMUNITIES BCK



Our Greatest Asset



Operating in an industry sector where technology skills are highly sought-after, we know that we need to offer a great working life in order to be competitive.

With more than 7,000 team members throughout Australia, we believe that by encouraging people to bring their whole selves to work, we foster improved employee satisfaction. This in turn powers a better experience for our customers and greater productivity. The success of this approach is reflected in our voluntary turnover rate for employees of 15% (compared to 17% in FY19), and our most recent employee engagement performance.

7 OVERVIEW THE MOST CONNECTED COMMUN

MUNITIES OUR GREATEST ASSET

ST ASSET THE BEST EXPE

EXPERIENCE THE SMALLES

THE SMALLEST FOOTPRINT ADDRESSING THE SDGS BCK **Security** FWD The Home

Our People Highlights for FY20

Our employee sentiment score from our annual employee engagement survey Your Voice increased by 8 points to



309 3

people completed an Intelligent Automation training course

new Optus Talent



Ambassadors





average training hours per employee



total training investment



Our annual employee engagement survey, Your Voice, provides us with vital information to shape our people's working experience. The Engagement Sentiment score was 80% in FY2020 (an increase of eight points from last year). Our employees are telling us that they feel supported by their immediate managers and colleagues, their colleagues are inclusive, they appreciate work-life balance and that they continue to see meaning in our brand and values.

We support our people with:

- Comprehensive workplace health, safety and wellbeing programs and practices
- Talent development and skills training •
- Opportunities to be involved in supporting • causes that they are passionate about
- A strong focus on diversity and inclusion, extending to gender, LGBTIQ+, cultural, age, and to people with a disability

OUR GREATEST ASSET

> FWD BCK

HOME

Health and Safety Always #1

At Optus, health, safety and wellbeing are built into how we operate. We pride ourselves on mutual respect and supporting our staff to provide a safe and inclusive space for customers, colleagues and the community.

Our goal is to continuously improve our performance in preventing workplace-related injuries. Our workplace injury frequency rate in FY20 has reduced to 1.2 compared to 1.3 in FY19. Our workplace fatality rate remained at 0 in FY20, and the absenteeism rate was maintained at 0.017.

Here's what we are doing:

Employee wellness

The mental health and wellness of our teams is front of mind for Optus; our front-line staff can be impacted by stressful customer resolution experiences and our technicians sometimes complete hazardous work to ensure the network operates smoothly. During FY20 Optus introduced a public position of mutual respect in support of our frontline workers in response to increasing levels of customer intimidation and aggression. We shifted from a position that 'the customer is always right', to one of 'mutual respect'.

As part of this approach we launched a poster campaign, signature block messaging, and stickers for work vehicles, offered training to our people, and added scripting to our call centre scripts to support consistent responses to our customers. We also amended our postpaid contracts to include clauses allowing service suspension or termination for poor customer behaviour, depending upon the extent and repetition of the behaviour of our customers.

The feedback from our people has been one of overwhelming gratitude that Optus has taken such a public and consistent stance, whilst retaining a focus on exceptional customer experience.

We believe in creating a safe, inclusive and healthy workplace, and recognising and promoting good mental health has a significant role in this. Leaders and employees are integral in creating a safe work environment, one that doesn't create or exacerbate mental health problems and where employees with mental illness are properly supported. To raise awareness of this, we launched two e-learning courses in FY20 - 'Mental health in your workplace' (for all employees) and 'Managing mental health in your workplace' (for people leaders).

We also partnered with our Employee Assistance Plan provider to run monthly wellbeing webinars in FY20. These information sessions focus on various wellbeing topics such as mindfulness, mental health - how to have the conversation, resilience, getting a good nights' sleep and managing pressure.

Respect goes both ways.



OPTUS

#Respect

We believe in creating a safe, inclusive and healthy workplace, and recognising and promoting good mental health has a significant role in this.

Health and Safety Always #1 (continued)

Health and safety

In FY20, we were audited and successfully re-certified to AS4801, the Australian Standard for Safety Management. The certification demonstrates that Optus continues to meet a high standard of safety management systems. During FY21 we will continue to maintain our certification to AS4801 and then transition to a new International Standard for Safety Management, ISO:45001. We were again successfully audited by the Office of the Federal Safety Commissioner (OFSC) in late 2019 to confirm our compliance with their regulatory expectations associated with the use of Australian Federal Government funding, for example in projects such as Black Spot.

Contractor safety management

To sustain the health of our network across all of Australia, we employ contractors to supplement our workforce when required. They make up 2.3% of our workforce. We see our contractors as part of the Optus family, and support their safety and wellbeing just as we do our employees.

In November 2019, we were successfully audited by the Office of the Federal Safety Commissioner to meet compliance expectations associated with Australian Federal Government funding.

As part of our safety management we established an HSE Critical Incident Hotline for immediate reporting of serious safety incidents by contractors and staff. This is to enable prompt and accurate reporting of serious incidents that may need to be communicated immediately to our Australian safety regulator (Comcare) to meet legislative timeframes.

For more details on Optus' health and safety targets and progress, visit the <u>Singtel Group Sustainability</u> <u>Report.</u>



PRINT ADDRESSING

The Best Talent

We operate in a highly-skilled and highly-competitive industry where our success depends in great part on the skills, knowledge and enthusiasm of our people. To maintain a healthy and engaged team we need to invest in training and development that is relevant and innovative, and also to focus on the mix of skills and knowledge our people will need to equip them for the future of work.

To enable our staff to be future-ready we have developed four key learning pillars:

- Compliance
- Company
- Business
- Future

These programs focus on personal effectiveness, leadership and technical and functional areas that support our strategic priorities and business needs, such as cloud services, analytics, cyber security and smart cities.

Our Graduate Program had over 1,700 applicants, and in FY21 we will be onboarding 40 new graduates to begin our two-year program, working across our various business units – particularly in areas with skill shortages. To round out our attraction strategy, we launched a Talent Ambassador Program, to encourage employee advocacy for Optus careers including the voice of our people through #OptusLife on social media platforms.



LLEST FOOTPRINT ADDRESSING THE SDGS BCK

Talent Ambassador Program

In the highly-competitive tech world, Optus needed a strategy to market careers in a way that would attract top talent and compete with Australia's largest technology firms. With 4.5 million monthly active users in Australia, LinkedIn is one of the most widely used social media platforms for career-related content.

Research shows that on LinkedIn, employee generated content goes significantly further than company generated content and that companies with sociallyengaged employees are more likely to attract and retain top talent. Leveraging these insights, we developed the Optus Talent Ambassador Program, a bespoke program that inspires our people to celebrate, promote, and showcase their career at Optus on LinkedIn through a united hashtag, #OptusLife.

To be considered for the program, Ambassadors had to submit an application answering various questions on why they'd be suited to the program and why they felt passionate about Optus as an employer. From more than 100 applications in two weeks, we chose a diverse group of 38 Ambassadors.

Ambassadors received a full-day training session to get to know each other and received training on social media marketing skills to help them share their #OptusLife story. To recognise our Ambassadors, we gifted them Optus Talent Ambassador jackets as a symbol of their efforts in promoting Optus careers and each month they benefit from a tailored training and development program to evolve their personal brand and social media marketing skills.

Since October 2019, the program has:

- Generated 1.1 million organic views from #OptusLife posts (saving over \$150,000 in advertising costs)
- Given a 356% uplift in LinkedIn company pageviews in the first 30 days of the program
- Contributed to a 17% increase in candidate applicants in October and November 2019, compared to October and November 2018
- Reduced the average number of days to fill roles company-wide from 43 to 36 days yearon-year.

Our Talent Ambassador Program was recognised as a global case study showcasing LinkedIn's best-in-class approach to recruitment marketing on the platform.



"The Optus Talent Ambassador Program is one of the best Employee Advocacy programs we've ever seen."

Lucas Bunzel, Product Marketing Manager at LinkedIn's USA headquarters

The Best Talent (continued)

Here's what we are doing:

Ability to Execute

We have continued our Ability to Execute (A2E) Essentials program, an innovative capability building program launched in FY19 and intended for all our people. A2E Essentials helps us develop a shared skill set and common language focusing on accountability, effectiveness, and clear communication. During FY20, everyone in our Australian Consumer business completed the program, either face-to-face or online.

Singtel Group Learning Fiesta

A centrepiece of our training and engagement program this year was the Singtel Group Learning Fiesta. Optus ran 45 different courses and events over 75 sessions in a two-month period during October and November. These were offered both as face to face sessions and online streaming sessions, and we made sure our people were given the opportunity and time to attend sessions. The Fiesta was a success with nearly 1,400 people taking part. 86% of those who participated said they were very glad to have attended the sessions and would recommend the learning to another team member.

Future of work

Innovation and change are a constant in our industry and we want our staff to be able to thrive in the workplace of the future. To support this aim, in FY20 we continued our 'Career Agility' platform, a platform which helps individuals assess, develop and plan their careers in preparation for the future of work. The platform is a two-way exchange where activities, conversation and information are shared with our people about the future of work and what it means for them.

Focus on automation

Automation is one of the key technologies powering the next-generation at Optus. It's clear that Intelligent Automation, a combination of Robotic Process Automation (RPA) and Artificial Intelligence (AI) technologies, is a crucial accelerator of digital transformation and we continue to develop our strong capabilities in these fields.

Launched in 2018, the Optus Automation Academy is a capability development program that will upskill our people for future technical and non-technical automation roles. This ground-breaking program put us on track to become one of the first official Robotic Process Automation (RPA) training partners and reference facilities in the Southern Hemisphere.

In FY20, more than 300 people attended an Intelligent Automation course through our iAutomate Centre of Excellence (iAutomate CoE).

This year, to centralise our RPA practice, iAutomate CoE, IT and our RPA teams across Consumer, Optus Wholesale and Networks, set up a new Robotics Operation Centre (ROC) to monitor, govern, operate and support our digital workforce of more than 150 RPA bots, ensuring our automation practice is sustainable, adheres to regulation and policies, and meets our evolving needs.



Mark Channing, Head of iAutomate CoE, at one of our automation workshops



IT ADDRESSING T

BCK **Second Second** FWD

HOME





Build-a-Bot Hackathon

Optus' iAutomate Centre of Excellence team hosted a Build-a-Bot Hackathon working with different areas of the business to teach them how to use Robotic Process Automation (RPA) to solve problems.

Eight teams worked to solve problems aimed at improving customer experience and their working life – making the technology work for them and our customers. Some examples include:

• The Talent Acquisition team aimed to use automation to help them and their leaders recruit talent more effectively. TARA (Talent Acquisition Robot Assistant) will scan thousands of resumes for keywords and phrases to allow categorization, allowing the team to deal with people more than paperwork.

- Focused on improving customer experience for orders that may need extra attention, the Supply Chain team built a Bot to check stock levels to support speedy customer deliveries.
- The Optus Business Client Services team built "RobotSmith", a virtual contact centre agent able to log into our Optus Business customers' managed environments, and confirm they are functioning as expected, or then alert the team to issues before they occur. This enables the team's engineers to focus on more complex tasks.

Our Indigenous talent pipeline in Australia

Optus has been partnering with CareerTrackers with a combined purpose of achieving the best outcomes for Australia's vulnerable communities, including Indigenous Australians, while also enhancing our talent pipeline.

CareerTrackers is a national non-profit organisation supporting the long-term career aspirations of Aboriginal and Torres Strait Islander University students. CareerTrackers links students with employers to prepare students for success at university, their chosen profession and in their respective communities.

In FY2019 we welcomed three Indigenous Interns to Optus offering them 12-week paid internships via the partnership.

For more details on Optus' skills and training targets and progress, visit the <u>Singtel Group Sustainability</u> <u>Report.</u>

A Diverse and Inclusive Workplace

We strive to foster a culture of embracing our differences. We believe that an inclusive culture, where you can be yourself at work, forges stronger connections with our customers and drives innovation. We have made strides towards greater inclusion and diversity, but we know there's still more work to be done to ensure our workforce truly reflects the mix of ages, cultures, gender and other indicators of diversity in our community. Our goal is that our people feel included within their teams and that we have a mix of people with varying perspectives and experiences that represent the community we aim to serve.

Our Inclusion Strategy sets out to derive value for our business and customers by focusing on diversity of thought. Inclusivity is a key ingredient in creativity and innovation that makes Optus a successful 'Challenger' brand.

We do this through:

- Encouraging our people to be themselves by expressing their unique identity
- Having a voice to contribute ideas and different ways of solving problems and challenges
- Empowering our people and energising them of what is possible

To provide focus and derive real value from an inclusive workplace, we have identified a number of enablers and initiatives.

Here's what we are doing:

Optus Diversity and Inclusion Council

This internal council was established in 2019 to strengthen our position as a leading employer, by providing focus and advocacy for priorities to deliver on our Inclusion Strategy and drive innovation through diversity of thought. The Council is chaired by an executive leader and comprised of senior leaders representing different business units. The initial focus of the Council is to provide insight and input to achieve greater inclusivity leading to an increase in female representation, working towards gender balance.

Gender Diversity

Optus is committed to creating a gender-inclusive workplace. In 2020, Optus became a Workplace Gender Equality Agency (WGEA) Pay Equity Ambassador pledging to promote and improve gender equality.





Our Inclusion Strategy sets out to derive value for our business and customers by focusing on diversity of thought.

35 OVERVIEW THE MOST CONNECTED COMMUNITIE

OUR GREATEST ASSET THE BEST EXP

PERIENCE THE SMALLEST FOO

OTPRINT ADDRESSING

G THE SDGS BCK

A Diverse and Inclusive Workplace (continued)

People with disability

Over the past several years, as a result of participating in Australia's Access and Inclusion Index in 2017, we have taken steps to improve the inclusion of people with disability in our workforce. To support this, we forged a partnership with WISE Employment to attract talent and refreshed our Accessibility & Inclusion Action Plan.

We also worked in consultation with our people to understand what is required to design and fit-out our premises (starting with our Sydney Campus) to ensure that they are in line with the latest access standards and technology. Key initiatives delivered this year include:

- Disability Confident Recruiter training for our Talent Acquisition Team
- A partnership established with WISE Employment (a Disability Confident Recruitment company)
- The purchase and launch of a Disability Confident Manager e-learning module for people leaders
- An upgrade of our compliance training modules in an accessible format for our people
- The introduction of an external mentoring program (PACE mentoring) with the Australian Network on Disability, where we had five senior Optus leaders mentor job seekers

In FY21 we will continue to action the recommendations from the Access and Inclusion Index to connect with our diverse customers and create business value.

For more details on Optus' diversity and inclusion programs, visit <u>our website.</u>



Matt Formston from Optus Business who has a rare eye disorde called Macular Dystropy which causes loss of vision

OUR GREATEST ASSET THE BEST

PERIENCE THE SMALLEST FO

RINT ADDRESSING T

BCK SFWD

HOME



A key feature of the Inclusive Australia initiative is building an alliance of supporting organisations, committed to a common vision: an inclusive Australia where all people feel they belong and are valued, and difference is respected and celebrated.

Optus pledges our support to 'Inclusive Australia'

Inclusive Australia has been formed by a group of corporate, government and not-for-profit companies coming together to build a science-based, social inclusion movement to improve Australian society's attitude and behaviour towards people from different backgrounds and circumstances.

Inclusive Australia wants to make exclusion and discrimination a thing of the past by bringing people together, changing current attitudes, and starting to celebrate our diversity as a strength. As an outcome, we believe social and economic burden can be lessened. A key feature of the Inclusive Australia initiative is building an alliance of supporting organisations, committed to a common vision: an inclusive Australia where all people feel they belong and are valued, and difference is respected and celebrated. Alliance members are growing and include Australia Post, PwC, Coles, Paralympics Australia, Special Olympics Australia and more.

Like Inclusive Australia, Optus shares the vision of 'connection builds empathy' and 'let's start celebrating diversity as a strength'. By embracing our differences, we positively impact our customers and society to help people feel they belong. Our Chairman Paul O'Sullivan and immediate past CEO Allen Lew co-signed Inclusive Australia's pledge to show our commitment, and Optus hosted Inclusive Australia's Official Sydney Launch at our Optus Sydney Campus in December 2019.

We will continue to actively show our support. As a well-known Australian brand, we have the power to reach large audiences and promote social inclusion through our people, programs and our collaboration with others.

The Best Experience

We aim to provide our customers with the best experience. To do that, we need to make sure that all areas of our operation are focused on that goal. Our strategy is to:

- Provide the highest quality products and services
- Ensure ongoing robust cyber security and customer data privacy and protection
- Strengthen our approach to a responsible supply chain
- Innovate for our customers
- Respect human rights
- Ensure product and service safety
- Deliver an ethical and fair approach in all we do

Across our business we have a suite of programs and activities all designed to enable our customers to have the best possible experience with us. Some examples of what we are doing are:

- Strengthening our network by expanding coverage and eliminating communications blackspots
- Launching our 5G broadband product
- Improvements to our MyOptus App
- Launch of the CX Academy

B OVERVIEW THE MOST CONNECTED COMMUNI

TIES OUR GREATEST ASS

THE BEST EXPERIENCE

ICE THE SMALLEST FOO

OTPRINT ADDRESSING 1

FWD

HOME

FULL-1

NO

AUS

NORWA

Nice AF

Our Best Experience Highlights for FY20



This year we were delighted to be named Australia's strongest brand in Brand Finance's Top 100 list of Australia's strongest and most valuable brands for excellent customer service and value for money. Our brand strength score is up 4% due in part to improved results with brand reputation, familiarity and recommendation.

Our award is reflected in part by the one million new postpaid customers who subscribed to our service in FY20.

So that we can continue to earn the trust that our customers have placed in us, this year we set up a dedicated group to prioritise and resolve 46 'pain points' to improve customer satisfaction. These included issues such as:

- Continuing voice to text service to ensure continued accessibility to our services for people with hearing loss
- Payment confirmation page built into the self-service platform to lessen accidental overpayments by our customers; and
- Stopping the restriction of a customer's service outside of business hours.

Customer data privacy and security is a key issue for us – and for our customers. We take our privacy obligations seriously and we regularly review and audit our processes to ensure our customers' information is managed securely.

The Highest Quality Products and Service

By putting customers at the centre of all we do, we aim to provide the highest quality products and service. We see high quality as being expressed through:

- Robust customer privacy and data security
- Network enhancements
- Innovations in products and services
- Product and service safety



Here's what we are doing:

Customer data privacy and protection

We conduct our business in compliance with privacy and telecommunications laws in Australia. These laws cover rules governing the collection, use, disclosure and care of personal data.

During FY20, we proactively probed our complaint online tracker database to check if any complaints should have been directed to our Data Protection Office. From our active search, we picked up 250 customer data related incidents, caused mainly due to staff error and negligence, and mostly affecting individuals. As well as taking our own actions to protect data and privacy, we are also active in supporting customers, and young people in particular, to keep themselves safe online (refer to the <u>Digital Citizenship</u> <u>section</u>). Additionally, we participate in Privacy Awareness Week (PAW), an annual initiative to raise awareness of privacy issues and the importance of protecting personal information.

Leveraging technology

Innovation and problem solving

We're constantly innovating to find ways to give our customers the best experience with us. We listen to customer feedback and we aim to meet and exceed customer expectations.

An example of this approach comes from our new digital messaging service. We launched this service to enable customers to interact with Optus, not have to repeat their enquiry history, and then go about their lives while Optus solves their problem.

Optus Messaging is the latest 'always-on' help and support channel and is available through My Optus app and online via My Account. Optus Messaging provides a 24/7 direct line of communication with Optus care teams where customers can 'come and go' from a conversation at their own pace and convenience.

Unique to Messaging, this service facilitates a conversational-style approach between Optus customers and care support teams by drawing on the latest technologies to blend digital and human experiences.

The Highest Quality Products and Service (continued)

Leveraging technology (continued)

Launch of the CX Academy

This year we unveiled CX Academy, a training program to build and improve Optus customer experience and service outcomes. Born out of a strategic focus to improve customer experience (CX), the program takes employees through a variety of customer experience masterclasses designed to drive the best end-to-end experience for customers.

Since the program launched in April 2019, over 300 Optus employees nationally have been trained across a range of CX disciplines exploring Lean Process Improvement, Customer Journey Mapping and Human-Centred Design.

"By taking part in the Academy, employees learn to apply globally recognised tools to real business issues, becoming champions of great customer experience." Vaughan Paul, Optus Vice President of Digital Consumer

Enabling 5G in Australia

Optus is rolling out 5G services across Australia, with a focus on providing customers with fast 5G phone and broadband services to meet demand for a better streaming and data experience. Our Optus 5G Home Broadband plan, launched in 2019, is providing our customers with next generation internet speeds illustrating how we are creating the best experience for our customers with the highest quality service and products.

In FY20, our 5G rollout ramped up considerably, with 740 active 5G sites now available to our customers at the end of March 2020. We've also claimed a number of firsts, teaming up with Ericsson to deliver Australia's first 5G tele-operated drone controlled over a live 5G network, and successfully made an end-to-end 5G video call whilst simultaneously streaming video content on a 5G device. The international video call was made using the Optus 5G network in Australia and Singtel's pilot 5G network in Singapore.

Investigating health impacts of radio waves

We recently invited Dr Phil Knipe, a physicist specialising in measuring and modelling radio waves, to carry out various 5G demonstrations at our Optus Sydney campus.

Using a spectrum radio analyser, which measures radio signals in the 420MHz and 6GHz frequency range, Dr Knipe measured the radio signals from our 5G base station outdoors and indoors with other wireless devices including microwave ovens, baby monitors and a 5G mobile phone. Using the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) that test safety limits, Dr Knipe found that readings on the various devices and the 5G base station were well within ARPANSA standards.

The demonstration showed:

- Two-way radio and microwave came in at 0.09% of ARPANSA's safe limits
- 5G when outdoors at 0.025%
- A baby monitor at 0.001%
- 5G radio signal when indoors only reached 0.0001% of the safe limits

The Highest Quality Products and Service (continued)

Customer hardship support

Optus understands that unexpected events can arise which are beyond the control of our customers. When customers approach us in difficulty, we aim to understand their circumstances, review possible solutions and offer a tailored approach for each customer. We aim to enable customers experiencing difficult circumstances to keep connected to essential services, their family and friends, and have access to income support and other assistance facilities.

A specialised team looks after vulnerable customers, including those affected by:

- Natural disasters
- Domestic/family violence
- Mental health
- Death in the family
- Family breakdown/separation
- Substance dependency
- Incarceration and
- Gambling

Team members are trained to be able to identify and assist these customers, and work with them to create win-win solutions for both Optus and the customer. Protecting customers' privacy is also paramount.

We're always trying to ensure our approach meets evolving better practice, and we've set up mechanisms to seek feedback from external agencies and customer advocates. We also participate in key conferences and workshops to obtain feedback, ideas and develop opportunities to work collaboratively to provide the best customer assistance.

Enhancing network reliability and coverage

We continue to enhance our networks and infrastructure to support the digital transition underway in businesses, schools and universities and homes across Australia. We expect the COVID-19 situation to accelerate this transition.

Our total Network Investment was \$1.1 billion in FY20. Of this, we invested \$905 million in our mobile network and \$303 million of this was to extend our coverage and capacity capabilities within our regional network.

As well as delivering these big infrastructure projects, we have steadily improved coverage, investing in new mobile phone towers, mainly in regional areas where 'communication blackspots' have impacted network reliability. This sustained program of investment, delivered in partnership with Federal and State Governments, will underpin the digital future for Australia's regions.

Product service and safety

To ensure our technology performs well above safety standards, we conduct audits of base stations and undertake predictive Electro Magnetic Energy (EME) modelling and testing to ensure compliance at our sites with the Australian standards. We experienced no reportable EME incidents during FY20 and publish the EME reports of all our sites at www.rfnsa.com.au.

COPTUS OPTUS RED HAT FO RED HAT FO EXAMPLE SSI DURNE JOUR F SSI DURNE

RED HAT APAC INNOVATION AWARDS

MODERN APPLICATION DEVELOPMENT

Red Hat's ANZ VP and GM Max McLaren present Optus VP Group IT Australia, Seow Yoke Kong with an innovation award in Melbourne

Red Hat Innovation Award

In October 2019 Optus was recognised at the Red Hat Innovation Awards in Melbourne for our creative thinking, determined problemsolving and innovative use of open source technology, when we were crowned joint winner of the Red Hat APAC Innovation Award. Optus was recognised in two categories: digital transformation and modern application development for our development of the Cloud Core Contact Centre (C4).



Fostering social innovation through Future Makers

Our Optus Future Makers program is a capacity building and accelerator program that empowers social start-ups who leverage technology to address social challenges for disadvantaged and vulnerable people.

The program is open to start-ups, social entrepreneurs and not-for-profit organisations who already have a minimum viable product out in the market. It enables shortlisted applicants to advance their technology-based solution and build their start-up, social impact and tech expertise, with an opportunity to gain investment to scale their business and their impact.

In FY20 we introduced a shared value stream to the program with the aim of finding opportunities for our

alumni and Optus stakeholders to work together. As a result, a pilot program was developed with 2017 alumni, Commsync and Brisbane City Council to give a safety watch to at-risk children and youth to help keep them safe in family violence scenarios.

We also participated in the annual Singtel Group Future Makers program, held in Singapore in June 2019 in collaboration with the Asia Venture Philanthropy Network. Ten selected finalists from across Singtel, Optus, and regional Associates AIS, Globe and Telkomsel had the opportunity to pitch for funding, learn from thought leaders during the conference, collaborate with fellow Future Makers and scale their solutions in the region with a total grant pool of \$100,000 from Singtel. The two Optus Future Makers representatives were Equal Reality and Virtual Psychologist, with both receiving funding to expand their offerings in the Asia Pacific region. In particular, Virtual Psychologist, a text-based counselling service, is currently undertaking a pilot program with Globe in the Philippines to roll out its services to more than 200 schools and 380,000 students.

Ethical and Responsible Practices

As one of Australia's strongest brands, we understand the trust that is placed in us to do the right thing. We are committed to strong corporate governance, business ethics and transparency, and have a zerotolerance policy towards fraud, corruption and unethical actions.

We are subject to several legislative and regulatory requirements and we seek to comply with them; we check our compliance regularly and if there are any breaches, we seek to understand what has happened, rectify the matter and modify our practices.

At a Group level we have policies on Anti-Bribery and Corruption and Fraud Investigation. These are underpinned by a Code of Conduct for our people and a Whistleblower Hotline.

In early 2019, the Australian Parliament passed legislation that requires large organisations to maintain a whistleblower service and to comply with provisions concerning protection of whistleblowers that make certain types of disclosure. We are currently reviewing the Optus hotline and the Singtel Group Whistleblower Policy to ensure that they meet the requirements of the legislation.

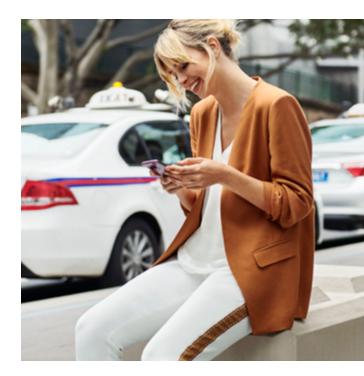
In FY20 there were 108 cases reported to our Whistleblower Hotline including 29 substantiated cases.

Fair and responsible marketing

At Optus, we're committed to providing our customers with game-changing experiences. This can only be achieved through delivering to the customer what was advertised. Having accurate and customer friendly communications that enable our customers to understand what is being offered and meet their expectations is critical.

We evaluate our performance via the number of communications related incidents (errors), regulatory enforcement and customer satisfaction. This year we were fined for two breaches involving marketing material.

In December 2019, the Australian Competition and Consumer Commission (ACCC) fined Optus \$6.4 million for misleading claims about home internet disconnections to consumers. We offered customers a cost-free exit from contracts signed due to such claims. We were also fined \$504,000 in January 2020 by the Australian Communications and Media Authority (ACMA) for breaching spam laws. We apologised to our customers and took prompt action to address the issues. As a result, we undertook an independent review of our systems and processes in our Australian operations to report on the management of marketing communications, including approval of marketing and advertising copy. The report found there were no revisions or rectifications reasonably necessary for Optus to make to its compliance program, or legal processes, to limit the risk of future contraventions of the Australian Consumer Law.



(HOME

A responsible supply chain

In FY20, Optus transacted with over 1,150 diverse suppliers, including commercial third party relationships. Our supplier base covers several categories, the largest of which are devices, construction, networks, information technology, marketing and advisory services.

We are on a journey to creating a responsible and sustainable supply chain and this year we took significant steps towards that goal. These include:

- Updating our Group Supplier Code of Conduct and incorporating labour and environmental clauses within our Master Services Agreement
- A gap analysis to identify areas of improvement within our supply chain processes
- Commencing a risk assessment of our active supplier base to identify environmental and social risks such as risks of human rights or labour practice abuses
- Developing a three-year program of action to enhance our supply chain risk management

We ask all our suppliers to confirm that they abide by the Optus Supplier Code of Conduct, which sets out the standards we expect of them, including respect for human rights and the environment. We also plan to refine our Supplier Self-Assessment questionnaire which all new suppliers are expected to complete.

Human Rights

As a signatory of the UN Global Compact since 2007, we're committed to upholding its ten principles including human rights and labour issues. The UN Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights also guide our approach and policy development to help us better assess, mitigate and combat modern slavery impact in our operations and supply chain. We respect and support the human rights of individuals regardless of who they are, and where they live. We are currently undertaking a supplier risk assessment of our suppliers in order to better understand our salient risks and how we can mitigate modern slavery in our supply chain.

With the introduction of the Modern Slavery Act 2018 (MSA) in Australia, the Group Master Services Agreement (GMSA) has been reviewed and updated to incorporate the MSA requirements. As well, we're developing a Human Rights Policy and a Modern Slavery statement that will be published at the end of 2020. Our Supplier Code of Conduct has also been updated incorporating measures addressing labour and human rights. It will be communicated to suppliers at the commencement of new tender processes to ensure they understand the expectations for working with the Singtel Group.

Indigenous suppliers

To improve our engagement with Indigenous organisations and to identify Indigenous partnership opportunities, Optus has renewed its partnership with Supply Nation, and an Optus Indigenous Working Party was formed this year. The Working Party aims to plan the Indigenous strategy across both Optus Business and Consumer, which includes raising awareness, creating volunteer opportunities, a robust procurement plan, and involvement in the education programs for Indigenous youth.



HOME



The Smallest Footprint



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

The key elements of our policy are:

- A commitment to understanding, managing and minimising the environmental impact of our business operations, products and supply chain
- Continually improving our environmental performance and minimising impact through resource and energy management, pollution prevention and biodiversity protection
- Managing our carbon footprint and energy consumption through use of technology, process improvements, energy optimisation and other efficiency measures
- Adopting plans and measures throughout our operations and infrastructure to adapt to and build resilience to the longer-term risks of climate change.

Our environmental footprint consists mainly of the carbon emissions generated by electricity consumption across our network, the waste associated with the packaging of our products as well as the disposal of the devices we sold when they reach their end of life (EoL).

OTPRINT ADDRESSIN

BCK SFWD

Our Smallest Footprint Highlights for FY20

Committed to keeping global temperature increases within 1.5°C above pre-industrial levels by 2100 and reach

emissions by 2050

We kept our communities and emergency services connected during the Black Summer last year and implemented new ways to increase the resilience of our infrastructure using innovative approaches

Diverted 3,728 kg of e-waste or

51,544

handsets, batteries and accessories from landfill



Our electricity intensity (kWh/TB) continues to decrease with a new record low of



Achieved "leading" performance score in the Australian Packaging Covenant Organisation (APCO) assessment for calendar 2019

Decreased carbon intensity to a new record low of



0.1 ton CO2e/TB

Climate and Carbon

We manage the impact of climate change proactively because this enables us to serve our customers when they need it most. For example, when extreme weather events affect our communities (e.g. bushfires), having resilient telecommunications infrastructure is vital to continue providing a critical service, ensuring families can stay in touch with their loved ones and emergency services are able to coordinate rescue and relief operations. We're also working to improve our energy efficiency and exploring ways to power our infrastructure with renewable energy to minimise our carbon footprint.

In July 2019, Optus and Singtel were part of a pioneering group of 28 global companies to commit to climate targets in alignment to the Paris Agreement. This group of companies is committed to keeping global temperature increases well below 2°C above pre-industrial levels by 2100. We have strengthened our contribution by moving towards a net-zero emissions organisation by 2050. Climate change is a risk to businesses worldwide and we're striving to communicate the impacts to our business arising from climate change risks by benchmarking our progress towards the full disclosure of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Since 2017 we have progressively disclosed more information in relation to climate risks in our sustainability reports and continue to improve the incorporation of climate risks into decision making. For more details about our roadmap to net-zero, please see the <u>Singtel Group</u> <u>Sustainability Report.</u>



Here's what we are doing:

Climate adaptation and resilience

We're continuing to integrate resilience and adaptation into our business and network operations. It's critical for us to review current and new climate related risks and trends in many regions of Australia that are prone to major cyclones and other natural disasters so we can take the necessary steps to prepare and respond to these risks.

At a policy and research level, we contribute as a founding member of the Australian Business Roundtable for Disaster Resilience and Safer Communities (ABR). ABR's recommendations to Government have been recognised through development of Australia's National Disaster Risk Reduction (NDRR) Framework, launched in April 2019. Through ABR we will continue to be actively involved in the National Disaster Risk Reduction (NDRR) Industry Advisory Forum, to shape implementation of the Framework. At an operational level, we're continuing to invest in equipment and resources that enable a more effective response to natural disasters and emergencies. Our disaster management fleet utilises SATCATS (a Satellite Cell on a trailer that uses satellite transmissions for coverage in a limited range, without the need for infrastructure). During calendar 2019 our Operations Team explored the use of rapid deployment mobile solutions for disaster management and as a result, our current fleet of four SATCATS may be complemented by an additional investment of \$1.5 million on small cells. Small cells are lighter, easier to transport, provide instant access to the 4G platform and are cheaper than SATCATS. This investment will strengthen our disaster response capabilities by rapidly deploying mobile coverage solutions to affected zones.

At an operational level, we're continuing to invest in equipment and resources that enable a more effective response to natural disasters and emergencies.



HOME

Climate and Carbon (continued)

Taskforce on Climate Related Financial Disclosures (TCFD)

We endorsed the TCFD recommended framework in mid-2017. Since then, we have worked across our business to identify the impacts to the business arising from extreme weather events such as cyclones, bushfires and floods. Identifying climate risks requires developing scenarios associated with transitional (related to moving to a low-carbon economy) and physical risks. We are actively continuing to improve our understanding and disclosure of these risks in our annual reports.

After identifying the different physical, transitional and liability risks in our organisation and updating our corporate risk register, we began engagement with risk modelling experts to further refine our understanding of the impact of extreme weather events and incorporate them into our business planning processes.

We have also begun to scope our next steps which include linking the physical risk modelling results to the financial data to validate how material these indicators are to Optus/Singtel's long-term financial performance. A targeted area within our Australian network has been identified as the most suitable for physical risk modelling purposes and to help us better understand the variety of interdependencies with different stakeholders within the business as we continue improving our disclosures as part of our TCFD journey.

Please visit the <u>TCFD website</u> for more information about their framework.

Science Based Targets (SBT)

Science Based Targets are environmental best practice and use climate science to set GHG emissions reduction targets. We were the first Australian telecommunications company to adopt such targets and get them approved in 2017. Optus/Singtel is committed to reducing our scope 1 and 2 emissions by 42% and scope 3 emissions by 30% between 2015 and 2030.

In February 2020, the first science-based, sector-specific decarbonisation pathway to reduce Greenhouse Gas (GHG) emissions in alignment to the 1.5°C report, across the global telecommunications sector was announced. We supported this pathway from the very beginning and actively contributed with the SBTi (Science Based Targets initiative), GSMA (the global mobile operators' industry body), ITU (International Telecommunication Union) and GeSI (Global e-Sustainability Initiative) to make it a reality.

We continue implementing a range of energy efficiency initiatives within our business and exploring renewable energy options to power our infrastructure as well as a range of projects to better understand our supply chain risks. FY20 Scope 1 Emissions 16.3% reduction from FY19 to 2,149 tCO2e

FY20 Scope 2 Emissions



We were the first Australian telecommunications company to adopt such targets and get them approved in 2017.

> FWD

Climate and Carbon (continued)

Energy efficiency

The significant growth in network coverage across Australia and increased use of mobiles has increased our energy consumption as we expand capacity through our network, base stations and network facilities. We're continuing to improve the amount of energy used across our networks despite this significant increase. Our use of energy during the last year increased by less than 5% while the data traffic through our network increased by more than 25%.

We're also working on several initiatives targeting energy reduction across energy-intensive touch points of our operations, such as network infrastructure, data centres, satellite earth stations and office buildings. These include:

- Retrofitting energy-efficient LED lighting, saving 1,857 MWh/year (6,685 GJ/year) or 1,486 tCO2e/year)
- Mobile shelter cooling initiative a multi-year initiative to replace current fresh air fans with modern DC variable speed fans and larger intake units, with the capability of doubling the air intake and reducing the need to rely on air conditioners
- Deploying software enabling mobile equipment to shut down during periods of low traffic to reduce energy consumption



Mobile shelter cooling site installations completed:

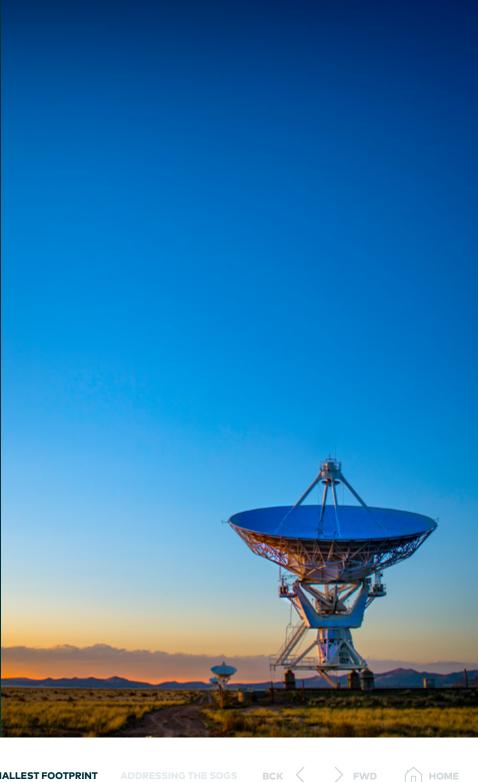
FY20

FY19 **470**

FY18 **260**

Total site installations completed

1,100



On track for more sustainable transport to work

The Optus Sustainable Transport Strategy is an award-winning program that focuses on reducing Optus' impact on the environment by encouraging public transport and reducing car dependency. When a key rail transport link to Optus Sydney campus was temporarily closed, we established 'On Track', to help manage the disruption for Optus employees by:

- **Reducing** the need to travel by encouraging flexible work
- **Retiming,** by shifting the peak to avoid congestion on the roads
- **Remoding,** by encouraging people to travel in different ways

As a result of our program we saw a 10.5% increase in people travelling by bus, and a 10% decrease in driving from 47% to 42%. The program resulted in a significant and lasting shift away from driving alone to public transport, took over 17,000 cars off the road during the rail closure period (September 2018-June 2019), achieved a dramatic reduction in employees arriving at peak hour and delivered a 67% increase in the number of employees working remotely on a regular basis.



The program resulted in a significant and lasting shift away from driving alone to public transport and took over 17,000 cars off the road during the rail closure period (September 2018-June 2019).

Product Stewardship

Governments, communities, customers and other stakeholders increasingly want to be assured that the goods and services they buy have minimised their negative environmental and social impacts.

Our product stewardship approach considers the impact of our products and services before products reach our stores, during our operations and activities and after their useful life. Our most significant impacts are in the packaging used for mobile phones and other electronic equipment that we sell, and the waste generated by our operations and our products.

Our waste streams include End of Life devices, waste associated with the expansion of our network, product packaging waste and municipal waste generation associated with the operation of our stores and offices. We have a range of initiatives in place to manage each of these waste streams, with a focus on reducing and recycling our own waste, collaborating with partners and suppliers, and redesigning our product offerings to minimise our impact in this area. In FY20 we enhanced these efforts by:

- Improving our performance against Australia's packaging framework to be recognised as 'leading' by the Australian Packaging Covenant Organisation (APCO)
- Consolidating our Sustainable Packaging Strategy into ten targets for the period 2019-2021 and aligning it to our aspirational target to make all packaging 100% re-usable, recyclable or compostable by 2025
- Working closely with our waste management supplier to reduce the amount of waste sent to landfill by more than half from our previous year and continue to explore ways to eliminate disposal to landfill
- Beginning the process of having our waste management performance benchmarked using the NABERS national rating system
- Initiating supply chain sustainability risk assessment together with Singtel



HOME

Product Stewardship (continued)

Here's what we are doing:

Sustainable packaging

Sustainable packaging has a direct and indirect contribution in our environmental impact across the value chain, from resource utilisation, product packaging all the way to the generation of different waste streams.

Optus' Sustainable Packaging Goals were initially developed in FY19 and progressively refined during FY20 into a set of ten clear and concise targets. The targets outline sustainable packaging goals around weight reduction and optimisation, recyclability and recoverability of materials, Australasian Recycling Label (ARL) implementation, waste diversion from landfill, and other key improvement areas.

With Australian environmental ministers agreeing on an aspirational goal of having all packaging in Australia either reusable, recyclable or compostable by 2025, we have aligned our approach with this goal. As part of this journey, all foils, celloglaze and spot UV as well as finishes that make packaging not recyclable have been removed from our products this year. We have also included the FSC and recycling logos on the reverse of the packaging of all our prepaid SIM packaging. Finally, we launched a new online training module accessible to all Optus staff to support a range of sustainability initiatives including sustainable packaging.

We're committed to the principles of the Australian Packaging Covenant Organisation (APCO), a co-regulatory, not-for-profit organisation partnering government and industry to reduce the environmental impact of packaging in Australian communities.

Our efforts were also recognised by the APCO award for the Telecommunications category last year, ranking us as a "Leading" Australian company in our sustainable packaging efforts and best practices. In calendar 2019 we achieved an APCO score of 72% (up from 55% in 2018), which helped us to move from the 'Advanced' to the 'Leading' category in sustainable packaging in Australia.

This is the third consecutive year we have been awarded by APCO, as well as being recognised as a high performing member since we joined in 2007.

APCO noted that Optus made significant improvements in the areas of Consumer Engagement, Packaging Design, Packaging Material Efficiency and Business to Business Packaging.



TELECOMMUNICATIONS SECTOR



With Australian environmental ministers agreeing on an aspirational goal of having all packaging in Australia either reusable, recyclable or compostable by 2025, we have aligned our approach with this goal.

(HOME

A sustainable packaging partnership

As a member of Australian Packaging Covenant Organisation, Optus had already made progress towards realising the Australian environment ministers' target of 100% reusable, recyclable or compostable packaging by 2025. When Finsbury Green won Optus's long-term print management contract, their sustainability credentials played a large part in the decision.

Partnering with Finsbury Green means that Optus is working with one of the most sustainable printing solutions providers in the world. At the front line of this approach is the Finsbury Green Star Rating System* (FGSR) that all of FG suppliers must complete during the supplier accreditation process. FGSR is an environmental evaluation protocol that actively promotes sustainable practices within FG supply chain and include the completion of an online questionnaire resulting in a star rating and a calculated CO2 footprint which are independently audited. This enables Optus to ensure its second tier of suppliers adhere to the best environmental performance metrics, so the positive rippling effects move beyond our immediate interaction with tier 1 suppliers.



Product Stewardship (continued)

e-Waste management and recycling

We actively support initiatives to reduce e-waste and encourage recycling.

Australians are among the world's highest users of technology and produce around 25kg per person of electronic waste each year. Recycling electronic equipment such as mobile phones, enables consumers and businesses to avoid future greenhouse gas emissions, save energy, prevent potentially hazardous materials from entering the environment and conserve natural resources. In Australia, we recycle more than 98% of our own e-waste.

Our initiatives include:

- SIM card recycling in calendar 2019 we recycled 246,426 SIM cards as part of our SIM expiry recall initiative, making a total of 4.29 tonnes of material diverted from landfill under this intiative
- Developing consumer education material on the correct way to recycle Optus packaging material
- A program to recycle unwanted television set top boxes. In calendar 2019 a total of 62,588
 Fetch TV set top boxes were returned through a postal drop off service, avoiding associated courier packaging as well as transport emissions
- Mobile phone recycling in partnership with the national Mobile Muster scheme, a national industry-wide collaboration stewardship scheme that allows customers to recycle their old mobile phones at any Optus retail store

 Through these efforts, we diverted 3,728 kg of e-waste or 51,544 handsets, batteries and accessories from landfill in Australia in FY20, a slight decrease on FY19. The decrease mainly comes from a drop in collections coming from our stores and we have identified that there is a significant opportunity to increase collections by increasing the visibility of the program within our stores

Our efforts saved 8.3 tonnes of CO2 emissions and conserved 42.2 tonnes of mineral resources. Additionally, as part of the Mobile Muster program, around 339kgs of packaging was collected through the Mobile Muster for recycling.





Staff engagement

In 2019, across Singtel and Optus we ran Project LESS which aims to promote a culture of LESS – Little Eco StepS – among our staff to raise awareness while engaging them to play a part in conserving the environment and protecting our planet. We hope to reduce our carbon footprint by spreading the ethos that little acts can collectively make a big difference. The initiative launched on World Environment Day on June 5 2019 and was promoted on our social media channels with the hashtag #YestoLess.

At La Perouse in Sydney as part of a Landcare activity, members of our Project Less environment taskforce helped to regenerate the coastline of Dharawal and Gadigal Aboriginal communities by removing non-native plants which block the sunlight reaching the smaller natives. The team also watered newly planted natives and rescued birds that had fallen from their nest.

56 OVERVIEW THE MOST CONNECTED COMMUNITIES OUR GREATEST ASS

THE BEST EXPERIENCE

THE SMALLEST FOOTPRINT ADD

SING THE SDGS BCK 🤇

FWD IN HOME

Addressing the Sustainable Development Goals

In FY20 we continued to focus on 11 SDGs, to help stimulate action and impact towards 2030. The table below highlights how we are responding to the SDGs.

SDG		Optus' Position	Optus' Effort and Initiatives
	Goal 3: Good Health and Wellbeing Ensure healthy lives and promote wellbeing 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 section: Product and Service Safety
			The Most Connected Communities section:Digital CitizenshipInclusion and Wellbeing
			Our Greatest Asset section: • Health and Safety Always #1
4 sector	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.	Supporting Resilience section The Most Connected Communities section: Digital Citizenship Education and Employment Our Greatest Asset section: The Best Talent
5 888. E	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 section: A Diverse and Inclusive Workplace The Most Connected Communities section: Digital Citizenship
7 transmittan Total senar	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 section: Climate and Carbon
8 CONTRACTOR	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.	 Our Greatest Asset section: A Diverse and Inclusive Workplace The Best Talent The Best Experience section: Highest Quality Products and Services Leveraging Technology

Addressing the Sustainable Development Goals (continued)

SDG		Optus' Position	Optus' Effort and Initiatives
9 North History	Goal 9: Industry, Innovation and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialisation 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 section:Product StewardshipClimate and Carbon
	Goal 10: Reduced Inequalities Reduce inequality within and among countries	Optus is committed to creating equal opportunity for both our people and our communities.	 Our Greatest Asset section: A Diverse and inclusive workplace The Most Connected Communities section: Digital Citizenship Education and Employment
	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.	Supporting Resilience section The Smallest Footprint section: Product Stewardship Climate and Carbon The Best Experience section: Leveraging Technology
	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.	Supporting Resilience section The Smallest Footprint section: • Product Stewardship
	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 a Science Based Emissions Reduction Target approved by the Science Based Target Initiative (SBTi).	The Smallest Footprint section: Climate and Carbon
17 11111111	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.	 The Most Connected Communities section: Digital Citizenship Education and Employment Inclusion and Wellbeing Engaging our People

