

Date: 14 October 2020

The Manager  
Market Announcements Office  
Australian Securities Exchange Limited  
20 Bridge St  
Sydney NSW 2000

## **ELECTRONIC LODGEMENT**

Dear Sir or Madam,

### **Sustainability Report**

Please find attached Vocus' 2020 Sustainability Report for release to the market.

Authorised for release by:

A handwritten signature in black ink, appearing to read "Simon Lewin".

**Simon Lewin**  
**Company Secretary**





# Sustainability Report 2020

**VOCUS**

Brilliant Made Simple.



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# About this report

This is the fifth annual sustainability report prepared for Vocus Group Limited ("Vocus"), reviewing our performance from 1 July 2019 to 30 June 2020. This report has been prepared in accordance with the GRI Standards: Core option. We have not sought external assurance over this report. This and our previous reports can be found online via [www.vocus.com.au/about-vocus/sustainability](http://www.vocus.com.au/about-vocus/sustainability). We welcome feedback on the report, which may be sent to [investor@vocus.com.au](mailto:investor@vocus.com.au).



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# Letter from the Chairman and CEO



## Dear Shareholders,

We are pleased to provide this comprehensive report on Vocus' sustainability initiatives undertaken in FY20.

FY20 saw Vocus conduct its first Sustainability Survey, which attracted a widespread engagement from across the business and confirmed the Sustainability Priorities of our Environment, our Workplace, and our Customers.

With a focus on the Environment, Vocus has extended its publication of emissions data – this year including carbon emissions from data centres and offices in addition to motor vehicle fleet and air travel. Vocus has joined the Australian Packaging Covenant to demonstrate the company's commitment to monitoring the environmental impact of packaging, and has completed the first year of data collection and reporting in this area. Vocus will work to maintain the reduction in carbon emissions which has come about as a result of reduced travel activity due to COVID-19.

Vocus' data centres are the primary source of electricity usage across the group, with offices representing a secondary pool of electricity usage. Vocus continually reviews data centre operations to maximise energy-efficiency. During FY20 Vocus deployed a range of new efficiency processes and systems, including investments in new cooling technologies to reduce power consumption, automation of air conditioning via Data Centre Infrastructure Management systems, and upgrades and consolidation of legacy power systems resulting in substantial energy savings.

Vocus' Sydney, Melbourne and Perth offices have 5 star or above NABERS Energy ratings.

Vocus is also active in the community. Through Vocus' partnership with the Telco Together Foundation, staff have completed 90 volunteer placements totalling more than 540 volunteer hours. Due to COVID-19, in-person volunteering activities are currently on hold and will be resumed as soon as it is safe and practical to do so. Vocus is also working with the Telco Together Foundation to publish a Modern Slavery Statement on behalf of the telecommunications industry.

In FY20 Vocus held a "5 Weeks of Diversity" celebration, with the theme "All About VocUS". The initiative aimed to further promote a culture where the diversity of Vocus staff is celebrated, accepted and valued. Vocus will launch a new policy for FY21 which recognises the cultural diversity of staff by making some public holidays flexible for religious or cultural reasons. The policy will allow staff to swap some public holidays for a significant religious or cultural day which is relevant to their cultural background.

The company also continued to invest in the Vocus Leadership Development program, investing 2,400 hours in training future leaders. The Skills Growth Indicator program was rolled out to 720 employees in FY20.

Thank you for your ongoing support.

Best regards,

**Kevin Russell,**  
Group CEO

**Bob Mansfield,**  
Chairman

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# About Vocus

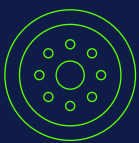
We are proud to have built a world class telecommunications infrastructure platform across Australia, New Zealand and to Asia to support the rapid growth in demand for increasingly resilient, secure and reliable network connectivity. Our specialist fibre network connects Australian capital mainland cities with Asia and Auckland, stretching across the Tasman and connecting north and south islands of New Zealand, and to the United States, Singapore, Indonesia and Hong Kong.

We are Australia's fourth largest telecommunications provider and New Zealand's third largest by revenues. Vocus is listed on the Australian Securities Exchange under the symbol VOC and is headquartered in Melbourne.

Our electricity for supply to customers is sourced from the grid via the Australian Electricity Market Operator, and our gas for supply to customers is purchased from upstream suppliers; we do not own any generation or distribution assets.

Further details of our financial position and performance are included in our FY20 Annual Report at [www.vocusgroup.com.au/investors/company-performance/annual-reports](http://www.vocusgroup.com.au/investors/company-performance/annual-reports)

There have been no significant changes to our organisation or its supply chain during FY20.



**We own and operate a 30,000km fibre network that is purpose-built and managed for business and government**



**5,500+ buildings on-net**



**Connectivity to 17 major sports stadiums**



**4,200km inter capital fibre network in NZ**



**13 purpose-built Data Centres across Australia and New Zealand in addition to Points of Presence in over 65 third party Data Centres.**



Vocus operates across all states and territories of Australia and across the North and South Islands of New Zealand. Our primary go-to-market brands and services are shown in the following table.

Retail		Vocus Network Services	
Australia		Australia	
  			
Brands			
New Zealand		New Zealand	
 		 	



More than 1,800  
team members in  
Australia and New  
Zealand



More than 1,200  
team members in  
the Philippines,  
employed through  
a business process  
outsourcing  
partner

Vocus customer Northern Minerals mining site





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# Priorities and achievements



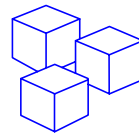
## Community

### FY20 Achievements

Through our partnership with the Telco Together Foundation our team have completed 90 volunteer placements, totalling over 540 volunteer hours.

### FY21 Priorities

Due to the current COVID-19 pandemic our in-person volunteering activities are currently on hold. We look forward to resuming our support of voluntary work as soon as it is safe and practical to do so.



## Suppliers

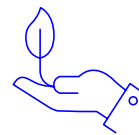
### FY20 Achievements

We will publish our first report under the Modern Slavery Act in respect of activities undertaken in FY20.

### FY21 Priorities

We are working with a group of companies in the telecommunications industry, as coordinated by the Telco Together Foundation, to publish a Modern Slavery Statement on behalf of our industry.

Kanyana Wildlife Rehabilitation Centre



## Environment

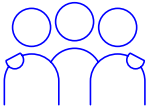
### FY20 Achievements

For FY20 we continued to publish emissions data, which was this year extended to include carbon emissions from our data centres and offices in addition to motor vehicle fleet and air travel, which we started to publish in FY19.

We have also joined the Australian Packaging Covenant to demonstrate our commitment to monitoring the environmental impact of packaging, and have completed our first year of data collection and reporting in this area.

### FY21 Priorities

We will work to maintain the reduction in carbon emissions which has resulted from the reduction in travel activity due to the COVID-19 pandemic.



## Team

### FY20 Achievements

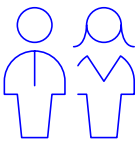
Continued our investment in the Vocus Leadership Development programme, investing 2,400 hours in training future leaders. We also rolled out our Skills Growth Indicator to 720 team members.

### FY21 Priorities

In FY21 we will continue to invest in our Leadership Development program.



Volunteers at Ronald McDonald House



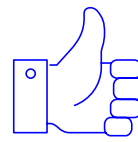
## Diversity

### FY20 Achievements

In FY20 Vocus held a “5 Weeks of Diversity” celebration, with the theme “All About VocUS”. The initiative aimed to further promote a culture where the diversity of Vocus staff is celebrated, accepted and valued. Vocus will launch a new policy for FY21 which recognises the cultural diversity of staff by making some public holidays flexible for religious or cultural reasons. The policy will allow staff to swap some public holidays for a significant religious or cultural day which is relevant to their cultural background.

### FY21 Priorities

We will launch a new policy for FY21 which will set measurable targets for achieving diversity across the Board and the broader company, and to recognise the cultural diversity of our people by making some of our public holidays flexible for religious or cultural reasons. The policy will allow team members to swap some public holidays for a significant religious or cultural day that's more relevant and important to them.



## Customer

### FY20 Achievements

Dodo's \$5 mobile plan was awarded a Canstar Blue Innovation Award, in recognition of its low price and no lock-in contract. It was described as offering for “a long-overlooked segment of the Australian mobile market.”

We achieved a reduction in TIO complaints of 19.5% and 23.4% for Dodo and iPrimus respectively.

### FY21 Priorities

In FY21 we will continue to upskill our customer care staff with ways to support any customers experiencing Domestic Violence.



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# Stakeholder Engagement

Our stakeholders are our team, our customers, our suppliers, the governing bodies of our industry and our shareholders. We engage with stakeholders regularly in the ordinary course of business and through dedicated requests for feedback in a manner appropriate to each group.



## Team

### Engagement

We recognise the value of our team members and the positive impact – both internally and externally – of an engaged and motivated Team.

During FY20 we continued to champion our new Values and reinforced our commitment to our team by including: Our People are the Difference – centred around one of the key points of differentiation. This reflects our commitment to building environments where our people thrive.

These values have been built into our new team member onboarding process through a values workshop that forms part of our induction. This builds on workshops held across Australia, NZ and the Philippines in FY19 when the values were first launched. The induction program provides an opportunity for all new team members to consider how the new values apply to them, and to commence fundamental cultural change.

### A two-way dialogue

We have continued to provide our team members with regular opportunities to provide feedback to management on their work, workplace, benefits and levels of engagement throughout the year. Feedback is collected fortnightly using an online engagement tool which provides real-time, anonymous feedback to managers which also provides the opportunity for managers to respond immediately. In June 2020, 943 of our Australian based team members participated in a survey, equating to a participation rate of 72%. Our overall employee engagement score is 7.5 / 10 which is considered very good when compared to other users of the Officevibe tool.

During the COVID-19 pandemic we have stepped up our communication efforts with our team to provide them clear and direct communication about our response to the crisis. Communication took the form of “all hands” Zoom calls with our CEO as well as smaller group check-ins. We also use Officevibe and other survey tools to check in on the mental and physical health of our team members.



## Shareholders

### Engagement

Our investor relations team aims to ensure all shareholders receive information in an equal and timely manner and encourages an open dialogue with investors through a variety of forums.

Our Annual General Meeting (“AGM”) provides shareholders the opportunity to discuss the financial, operational, and ESG performance of the business with directors and management. Given the ongoing implications of COVID-19, this year we will be conducting our AGM virtually, through an online platform that will provide the opportunity for shareholders and interested parties to engage directly with the Board. From time to time we hold Investor Days which are also made available for shareholders to view via a webcast and pose questions through our dedicated investor email address ([investor@vocus.com.au](mailto:investor@vocus.com.au)).

Our CEO and at times, management team, also engage in institutional and equity analyst events, presentations to brokers and investor briefings.

Any presentation containing new information about the company or its performance is released to the ASX. Post balance date, Vocus released a subscription service on its website to enable retail holders and interested parties to receive email updates on important announcements from the business.



## Customers

### Engagement

An overview of our engagement with our wide range of customer is included in Social Sustainability – product responsibility.



## Suppliers

### Engagement

We value our supplier relationships and meet regularly with our major suppliers. During FY20 we announced new and important partnerships with a range of suppliers, including those vendors selected to partner with Vocus as we roll out our Future State programme to automate and digitise our network and consolidate billing systems.



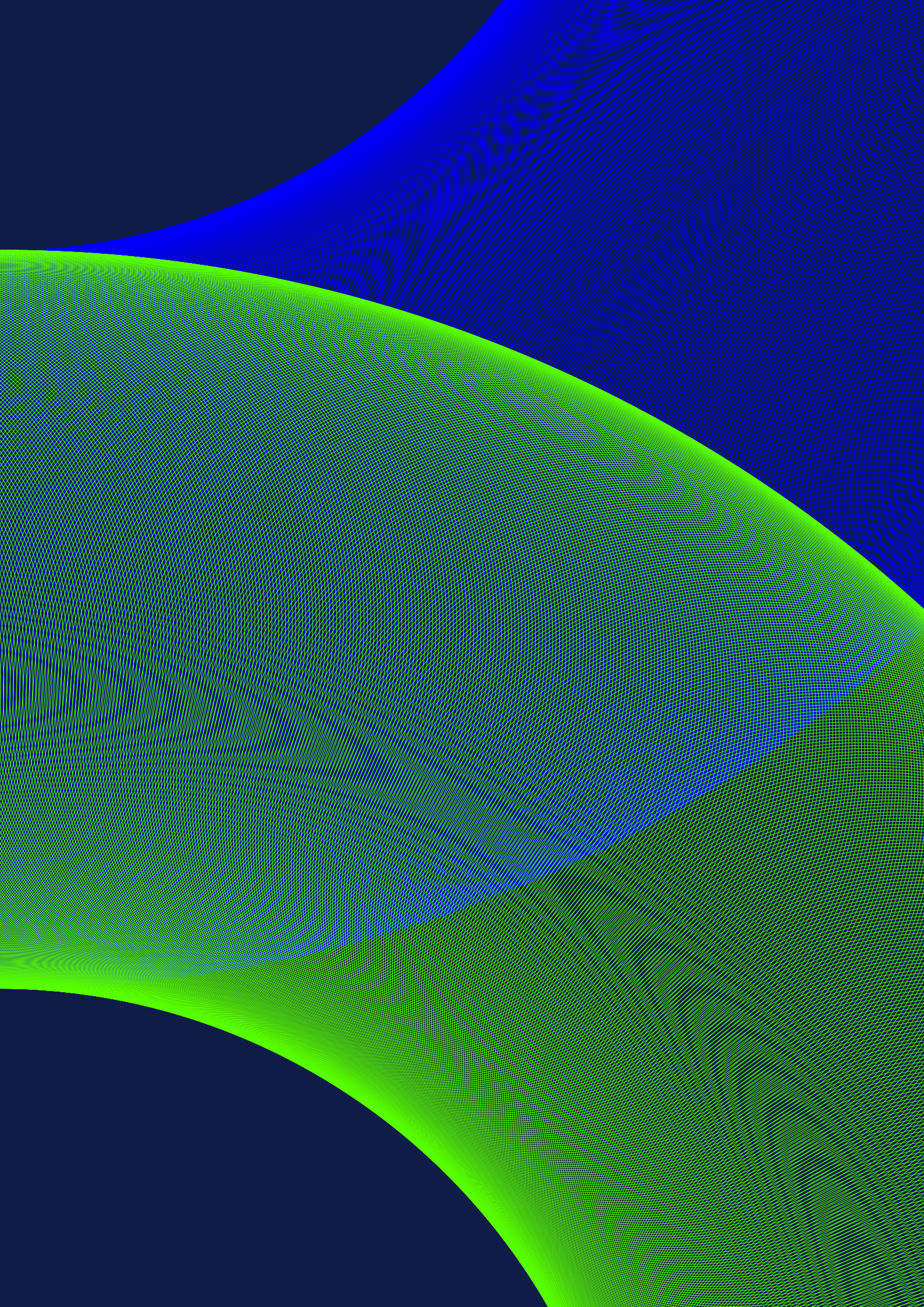
## Regulators

### Engagement

We aim to have an open and constructive relationship with all regulators. This year we have continued to participate in a range of industry working groups including groups facilitated by the Communications Alliance in respect of the COVID-19 pandemic, to share learnings for the mutual benefit of the telecommunications industry.

We have also participated in sector-wide initiatives to improve the resilience of telco networks during natural disaster events such as bushfires, following the catastrophic bushfire season of summer 2019/20.







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# Ethics, Integrity and Governance

Vocus is committed to a sound corporate governance framework. We believe in transparency, accountability and integrity for the benefit of our shareholders, team members, customers and all other interested stakeholders.

Our corporate governance policies and charters are published on our website and are reviewed at least annually in reference to the Corporate Governance Principles and Recommendations, as developed by the ASX Corporate Governance Council.

Detail of our governance structure and is available at [www.vocus.com.au/legal/corporate-governance](http://www.vocus.com.au/legal/corporate-governance). The Audit and Risk Committee, as described in its charter, is responsible for advising the board in relation to the management of risks which may impact on the community or environment in which Vocus operates.

## Code of Conduct

Vocus has adopted a Code of Conduct which describes the company's expectations of its team members, management and directors in relation to ethical behaviour, the treatment of conflict of interests, confidentiality and the use of company resources. We have also established a whistle-blower policy, providing a procedure for reportable conduct.

## Anti-Bribery and Corruption Policy

We have adopted an Anti-Bribery and Corruption Policy providing to team members plain language guidance on what is and is not acceptable conduct when negotiating with suppliers, customers and other interested parties. This policy is available to all team members on our intranet as well as on the Vocus Group website.

## Online Training

Through our online Learning Centre we have produced and implemented a number of compliance modules to train team members on their responsibilities and our guidelines in the areas most crucial to our operations, including privacy and information security, workplace health and safety, anti-bullying and harassment. All permanent team members are required to complete this training and it is refreshed annually.



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# Environment

## Recognising the impact of rising sea levels on our cable landing stations

In accordance with the fourth edition of the ASX Corporate Governance Principles and Recommendations, we have evaluated potential physical risks arising due to climate change, that could affect premises, operations, supply chains, and team member safety.

We have identified our Cable Landing Stations (“CLS”) as being sites most likely to be at physical risk from rising sea levels.

In recent years we have commissioned new CLS for both our Australia to Singapore Cable System and the North Western Cable System, with CLS located in Perth, Anyer, Singapore, Darwin and Port Hedland. We included a 100-year flood analysis as part of the site selection and feasibility study at each site.

All cable landing stations are either located on a cliff-top or headland; in commercial data centres many kilometres inland and in elevated positions; and/or elevated on stilts >3m above ground level.

- The Darwin CLS is sited on a cliff top
- Perth and Singapore “landing stations” are commercial data centres located many kilometres back from the coast and in elevated positions
- The Anyer CLS is a second storey installation on stilts that raise it >3m above ground level
- The Port Hedland CLS is situated back from the headland and above the 100-year flood boundary
- The sole CLS in New Zealand is located in Whenuapai, Auckland. It is 10 metres above sea level and 1 km away from the closest estuary.

## Energy consumption – offices and data centres

Our data centres are the primary source of electricity usage across the group, with our office spaces representing a secondary pool of electricity usage.

As large consumers of electricity, Vocus Data Centres continually reviews its operations to ensure we can operate our facilities in the most efficient manner possible. During FY20 we have continued to deploy various efficiency processes and systems including the following projects:

- Adopting cooling recommendations from the American Society of Heating, Refrigerating and Air-Conditioning Engineers (“ASHRAE”) throughout all facilities nationally allowing for an environment acceptable to modern computing equipment whilst also reducing the total power consumption required to meet the standards
- Investing in class leading Cooling technology such as Smardt Chillers with Turbocor compressor technology reducing power consumption
- Investing in class leading Air Conditioning technology with Variable speed compressors and EC Fans to minimize power consumption – in FY20 upgrades were completed to fans in two of our principal data centres in Sydney and also in our Perth facilities.
- Ongoing automation of Air Conditioning strategies via our DCIM (Data Centre Infrastructure Management) systems to ensure that redundancy is maintained whilst also reducing power consumption
- Replacement and consolidation of legacy UPS systems resulting in significantly reduced electrical system losses. In FY20 we have upgraded 2 UPS systems at our SYD01 data centres which has resulted in substantial energy savings.
- Adopting micro misting solutions to cool ambient temperature and reducing cooling infrastructure power usage

In relation to our office spaces, we work to secure locations with a high energy efficiency rating. Our Sydney, Melbourne and Perth offices have 5 star or above NABERS Energy ratings.

In New Zealand we consolidated our Auckland offices to one central site and installed a bike cage and end of journey facilities for team members to ride or scoot to work. We estimate that the number of cyclists and scooters has doubled over the last year since the introduction of these facilities. We also opted for an automated, motion-sensor lighting system in our new building to reduce energy consumption.

We have implemented a ride-share service for New Zealand inter-office travel to minimise pollution and estimate that this has reduced usage of single occupancy car or taxi use by 40%. We have also implemented a new print management system in our New Zealand offices to restrict volume printing, which measures and informs team members of the tree/ carbon impact.

## Products and Services – sale of electricity

In addition to the usage of electricity in our operations, we are also a retailer of electricity and gas through our Dodo and Commander brands in Australia and Slingshot and Switch brands in New Zealand.

### Australia

Our licenses to sell energy products are held in the M2 Energy entity. We offer customers the opportunity to purchase 10% or 100% green energy. M2 Energy (through our Dodo Power & Gas brand) is an accredited GreenPower supplier and provides 10% and 100% GreenPower options to its customers, supporting clean and renewable sources of electricity such as solar biogas, biomass, hydro, and wind generation.

When a customer chooses 10% or 100% Dodo GreenPower, that percentage of their electricity consumption is abated with Accredited Renewable Energy Certificates created from renewable electricity that has already been supplied into the electricity grid. This electricity replaces the same amount of energy that would otherwise have been sourced from fossil fuels such as coal.

In respect of the 2019 calendar compliance year we purchased over 329,000 Renewable Energy Certificates (2018 compliance year: purchased 350,000 Renewable Energy Certificates) in order to acquit our liabilities under the various clean energy schemes.

M2 Energy also participates in the Commonwealth's Renewable Energy Target, New South Wales Energy Saving Scheme, the Victorian Energy Efficiency Target and the South Australia Retailer Energy Efficiency Scheme.

### New Zealand

Approximately 85% of electricity generated in New Zealand is through renewable sources, where supply of electricity further differs from Australia as it isn't elected by the type of generation (coal or green). The New Zealand government has a strategy in place to lift renewable energy output to 100% by 2035. New Zealand uses hydro, thermal, geothermal, wind and, where necessary, cogeneration for wholesale market supply.

Our telco and electricity bundle offering in New Zealand was launched in FY17 and gained increased sales in FY19 through greater promotion, diversifying revenues in this segment and assisting with customer longevity.

*Source: Electricity in New Zealand, New Zealand Electricity Authority, 2018: [www.ea.govt.nz/about-us/media-and-publications/electricity-new-zealand/](http://www.ea.govt.nz/about-us/media-and-publications/electricity-new-zealand/)*

Data Centre Chiller (top), UPS (bottom left) and Battery (bottom right)





## Solar generated power to support our inter-capital network

Sections of the Vocus inter-capital network are powered by 35 off-grid fibre optic communication shelters, lighting up the fibres on our Adelaide–Perth, Adelaide–Darwin and Tenant Creek –Townsville trunk routes.

These off-grid sites are 100% powered by solar (PV or photo-voltaic energy) and wind generators and keep our network running 24x7x365. The CEVs have also been built with environmental considerations in mind including the following:

- CEVs are built with rainwater tanks to reduce water usage.
- CEVs use free air cooling and are designed for passive cooling to reduce the amount of electricity used.
- CEVs use operational algorithms to keep the air conditioners running only when hotter conditions exist. This minimizes electricity consumption for mains CEVs and also extends the useful life of our air conditioning equipment.
- The total commissioned capacity of PV plants is 248kW. Wind generation has a rated capacity of 5kW.

Vocus Solar CEVs generate approximately 224,798 kWh of renewable energy each year.

## Motor Vehicle fleet

In Australia we run a fleet of 81 vehicles and 50 trailers which are used by our field engineers to maintain our network facilities. In some rural areas we may use third party contractors to assist where no permanent Vocus employees are located within range.

We have renewed our entire vehicle fleet to modern diesel vehicles, primarily Kia Sorento and Toyota Hilux. These vehicles generate at least 20% lower carbon emissions than the older fleet of Ford Rangers, Hyundai iLoads and Holden Commodores which were previously used.

We also use diesel supplied by our vehicle leasing company to purchase fuel for our diesel generators, which are used as back up power generators in the event of the failure of mains power.

Some members of our sales teams may travel by vehicle to visit current or potential customers; we have not included emissions data in respect of these vehicles as we do not collect this information.

The following table shows the volume of fuel used by our fleet and the associated amount of carbon emissions generated during FY20 and FY19.

Total greenhouse emissions are calculated by summing the emissions of each fuel type and each greenhouse gas.

CEV with rain water tanks



The following formula can be used to estimate greenhouse gas emissions from the combustion of each type of fuel Vocus used for transport energy purposes during FY20.

$$E_{ij} = \frac{Q_i \times EC_i \times EF_{ijoxec}}{1000}$$

where:

$E_{ij}$  is the emissions of gas type (j), carbon dioxide, methane or nitrous oxide, from fuel type (i) (CO<sub>2</sub>-e tonnes).

$Q_i$  is the quantity of fuel type (i) (kilolitres or gigajoules) combusted for transport energy purposes

$EC_i$  is the energy content factor of fuel type (i) (gigajoules per kilolitre or per cubic metre) used for transport energy purposes (\*).

If  $Q_i$  is measured in gigajoules, then  $EC_i$  is 1.

$EF_{ijoxec}$  is the emission factor for each gas type (j) (which includes the effect of an oxidation factor) for fuel type (i) (kilograms CO<sub>2</sub>-e per gigajoule) used for transport energy purposes (\*).

*\* Source of energy content and emission factors: The National Greenhouse Accounts (NGA) Factors August 2019, prepared by the Department of the Environment and Energy.*

Period	Number of vehicles in Vocus fleet	Total Diesel emissions generated	Total Unleaded emissions	Total Vehicle emissions
1 July 2019 – 30 June 2020	81	801.61 tonnes CO <sub>2</sub> -e	0.47 tonnes CO <sub>2</sub> -e*	802.08 tonnes CO <sub>2</sub> -e
1 July 2018 – 30 June 2019	78	624.45 tonnes CO <sub>2</sub> -e	6.3 tonnes CO <sub>2</sub> -e	630.78 tonnes CO <sub>2</sub> -e

*\* During FY20, unleaded fuel was used by portable power generators and mowers for maintenance around our CEVs. No fleet vehicles use unleaded petrol.*

## Carbon emissions due to air travel

Due to the widespread nature of infrastructure, office and customer locations across Australia, New Zealand and South-East Asia, we regularly use air travel. We continue to use our premium quality video conferencing equipment throughout our offices as an alternative to travelling, reducing our emissions while maintaining face to face meetings.

Air travel carbon emissions were calculated using the Qantas carbon offset website at <https://www.qantasfutureplanet.com.au/> by taking each route separately e.g. Sydney to Melbourne, Sydney to Brisbane. We were unable to perform a calculation for the specific flights taken by Vocus travellers due to the variability in the types of aircraft used and the lack of availability of such information.

There were 369 flights in FY20 which had multiple stops which caused difficulties in working them through the Qantas calculator. For these flights we calculated an average carbon emission per KM for all flight routes which were flown by Vocus travellers 10 or more times during the financial years. We then used this average as a multiplier over the distance of the itinerary for those 369 flights. A consistent approach was used in FY19.

Using the carbon emissions calculator referred above, we calculate that in the course of flights taken by Vocus travellers during FY20 and FY19, emissions generated were as follows:

Period	Number of flights taken by Vocus traveller	Carbon emissions generated
1 July 2019 – 30 June 2020	1,489	528 tonnes CO <sub>2</sub> -e
1 July 2018 – 30 June 2019	2,375	917 tonnes CO <sub>2</sub> -e

Due to the COVID-19 pandemic, all air travel ceased in late March 2020 for the remainder of the financial year. Accordingly, to make a like for like comparison of travel trends year on year it would be necessary to apply a 25% reduction to the prior year flights and emissions, to account for the fact that the prior year contains 12 months of flights and the current year contains only 9. Considering this, we have achieved a 23% reduction in the volume of carbon



emissions generated in FY20 as compared to FY19 even after adjusting the prior year figures to account for only 9 months of permitted travel activity.

## Carbon emissions due to electricity usage

We have calculated the carbon emissions from electricity usage at our main sites. These include Vocus operated data centres, corporate offices, CEV sites and warehouses.

Total greenhouse emissions are calculated by summing the electricity usage with the emission factors per state.

The following formula can be used to estimate greenhouse gas emissions from the consumption of electricity at our main sites during FY20.

$$Y = Q \times \frac{EF}{1000}$$

where:

**Y** is the emissions measured in CO<sub>2</sub>-e tonnes.

**Q** is the quantity of electricity purchased (kilowatt hours).

For a company operating an electricity transmission network or distribution network, **Q** is the quantity of electricity losses for that transmission network or distribution network during the year.

**EF** is the emission factor, for the State, Territory or electricity grid in which the consumption occurs (kg CO<sub>2</sub>-e per kilowatt hour).

*\* Source of energy content and emission factors: The National Greenhouse Accounts (NGA) Factors August 2019, prepared by the Department of the Environment and Energy.*

State	Total emissions	Emission factors per state	Emissions per state - tonnes of CO
ACT	14,799.27	0.81	11.99
NSW	8,994,866.72	0.81	7,285.84
QLD	710,993.67	0.81	575.90
SA	28,940.00	0.44	30.61
VIC	14,555,271.43	1.02	14,846.38
WA	19,705,949.74	0.69	13,597.11
<b>Total</b>	<b>44,010,820.83</b>		<b>36,347.83</b>

## Minimising our impact – Australia's leading submarine cable specialists

Vocus has completed delivery of a total of more than 9,000 km of secure, high-speed submarine cable over the last 3 years.

In FY19 we completed construction of the Australia Singapore Cable ("ASC"). The ASC is a c.4,600 km submarine cable linking Perth to Singapore, with a landing in Indonesia.

In December 2019, we completed the construction of the 4,700km Coral Sea Cable system, on behalf of the Australian Government. The Coral Sea Cable provides faster, affordable and more reliable communications infrastructure connecting Solomon Islands and Papua New Guinea with Australia. The Coral Sea Cable Company operates and maintains the Coral Sea Cable. Both Papua New Guinea and Solomon Islands majority-own the international cable and receive all revenue generated, and Solomon Islands owns its domestic cable and all revenue it generates.

During each project's planning phase, an environmental assessment is carried out in relation to the cable route through Australian and international waters. The scope of the assessment includes the following:

- Identification of relevant aspects of the existing environment that may affect the placement or long
- term integrity of the submarine cable, or may be potentially impacted by the proposed cable placement and maintenance activities;
- an assessment of the impacts of the proposed works on the environment and the impacts of the environment on the proposed works; and
- identification of specific environmental management principles which should be adopted in the placement and maintenance of the cable in order to avoid or mitigate any potentially adverse impacts; and take into account comments and/or issues raised in the consultation process.

The potential impact of the cable laying activities are assessed in relation to the physical environment (including water depths, currents and sea bed conditions), biological environment (impacts on marine habitats, areas of conservation significance, impacts on fisheries, diving and other cables), natural and cultural heritage (maritime archaeological items and Aboriginal heritage); and social and economic issues.

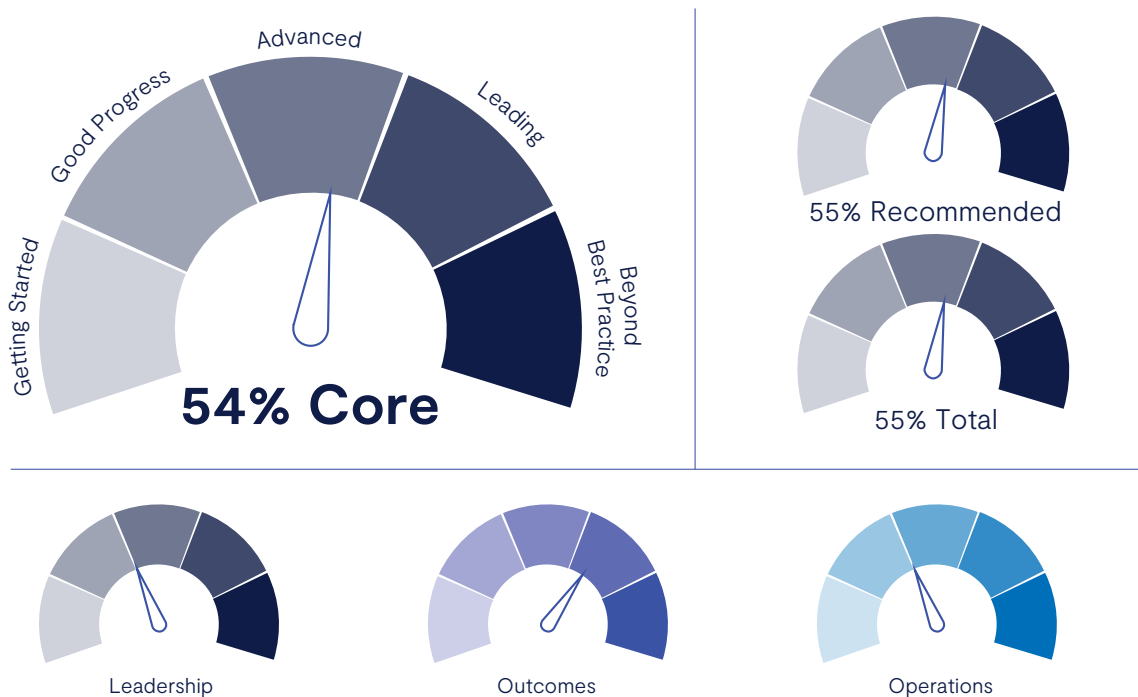
As a result of each assessment, various safeguards are identified to minimise the environmental impact of the project, the recommendations from which are adopted in the specific management of each submarine cable project.

## APCO Membership

This year Vocus has become a member of the Australian Packaging Covenant Organisation (“APCO”). For the 2020 APCO Annual Report, Vocus Group Limited has achieved Level 3 (Advanced) for the core criteria.



### Dashboard



### Summary

For the 2020 APCO Annual Report, your organisation has obtained a score of 54% for the core criteria, achieving Performance Level 3 (Advanced). Four out of six recommended criteria were answered. On average, quantitative data was collected with 'Low' accuracy.

We have used APCO's Sustainable Packaging Guidelines to review our main product lines. Products representing over 90% of our volume from our retail warehouse have been reviewed using the Sustainable Packaging Guidelines, and areas of opportunity to improve packaging on new product releases or new packaging runs have been highlighted for consideration. Results of these assessments will also be shared with suppliers to highlight any areas we believe improvements in packaging sustainability can be achieved.

We participate in a reuse loop with our couriers through the use of their steel cage systems. We also reuse all pallets on goods inwards were possible. For cardboard skids that are on goods inwards, we will endeavour to reuse these for our goods outwards or ensure they are recycled.

We aim to minimise the materials used in the packaging of our own branded products. This includes the removal of unnecessary inner bags and ties on any products we refurbish to place back on the market. Going forward, an aspect of our quality control will involve a new packaging quality system whereby we will use the SPG assessments, both carried out to date and going forward, as a baseline to spec and design packaging for our own brand. We will also highlight to our overseas partners the requirement to minimise packaging where possible as part of our obligations as a signatory to the Australian Packaging Covenant. We are now circulating information requests to our main suppliers, highlighting the positive impact they can have through optimising the packaging they supply Vocus with, or the packaging on the products we place on the Australian market in their behalf.

Our in-house Devices and Warehouse teams have been involved in the development of our packaging for refurbished products. This has resulted in a reuse of packaging and a reduction in the number of packaging components supplied with a refurbished product.



## Minimising waste – hardware and packaging

We participate in electronic product stewardship and are members of the Electronics Product Stewardship Australasia NCTRS co-regulatory arrangement. Through this arrangement we share in the responsibility for minimising damage to the environment through the recycling of computers, televisions and other used electronic equipment.

In each state we recycle obsolete Transmission and IP equipment with registered scrap metal merchants. We also recycle of End of life Batteries systems with registered scrap metal dealers. In Western Australia, South Australia and Northern Territory we refurbish and reuse managed routers as a matter of course. We worked with Sims, Ewastec and other resource recovery partners to divert over 12,000 kgs of returned hardware and other e-waste from landfill in our Retail business warehouses.

In New Zealand we have achieved our goal of zero waste from hardware. All items are recycled in partnership with a specialist e-waste recycler, passed to staff or donated to local community schools.

## Reducing paper waste from bill printing

Printing of customer invoices in our Australian consumer brands is one of our most significant uses of paper resources across the organisation. We are working to reduce the incidence of paper invoices, and though this option will always be available upon request, our default billing option for new customers signing up to a telco or energy plan is to receive invoices in an electronic format.

By June 2020, 93% of all invoices were generated electronically.

In FY20, all paper purchased for use within the business was carbon neutral and from 20% recycled materials. To further minimise our paper waste, we use DocuSign, an electronic document signing tool, and have rolled it out across many parts of our business including lease renewals, confidentiality agreements, dealer agreements and terminations and insurance proposals as well as for internal purposes such as employment agreements.

## Environmental laws and regulations

Vocus has not identified any non-compliance with environmental laws and/or regulations during FY20.





Australia Singapore Cable Network - Direct Landing Operations





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# Social Sustainability

## - Team

### Diversity and equal opportunity

Vocus values and encourages diversity in the workforce. We recognise the benefit gained from having a diverse range of individuals involved in our organisation and business activities. We acknowledge that a range of perspectives is imperative to making good, balanced decisions that are in the interests of our Company as a whole. A diverse workplace promotes Vocus as an 'employer of choice', which in turn attracts key talent at all levels. We are committed to providing an environment in which our entire team is treated fairly and with respect, with equal opportunity and access to available opportunities. In respect of gender diversity, female participation in the workplace adds value and as such, we are committed to implementing and supporting initiatives and processes to help facilitate equal gender participation and opportunity in our business. In July 2021, Vocus implemented new measurable targets for achieving diversity across the Board and the broader company.

Vocus will not permit discrimination, intimidation or harassment of, or by, team members on the basis of race, colour, gender identity, marital or carer status, age, sexual orientation, intersex status, physical or

mental disability, aboriginality, political opinion, national origin or religious beliefs. We recognise the importance of valuing the many differences in background, culture and demographic characteristics of our team members.

**In one of our regular team surveys, 86% of participants agreed with the statement that Vocus protects team members from discrimination, and 91% agreed that people from all backgrounds are treated fairly.**

As part of our annual remuneration review, over 95% of roles have been benchmarked to market data in order to identify roles, we conduct an annual gender pay gap analysis to work towards avoiding the opportunity for any unconscious bias in remuneration decisions.

Vocus has continued to comply with the reporting obligations of the Workplace Gender Equality Agency. More details of our workforce composition and other gender diversity indicators can be found at <https://vocusgroup.com.au/about-us/corporate-governance/>

*Vocus R U OK? Day*



### Our Team by the Numbers

Employment Status	Male	Female	Total	% of total
Permanent full time	1,370	500	1,870	92.0%
Permanent part time	18	49	67	3.3%
Contractor	28	13	41	2.0%
Casual	32	22	54	2.7%
Total	1,448	584	2,032	100%

Gender diversity	Number of females	% of total
Board	1	12.5%
Executive Leadership Team	2	25%
Senior Leadership Team*	18	22%

\* Senior Leadership Team is defined in accordance with the definitions in the Workplace Gender Equality Agency reporting requirements.

### At 30 June 2019:

Employment Status	Male	Female	Total	% of total
Permanent full time	1,393	481	1,874	89.8%
Permanent part time	22	48	70	3.4%
Contractor	30	31	61	2.9%
Casual	48	33	81	3.9%
Total	1,493	593	2,086	100%

Gender diversity	Number of females	% of total
Board	1	12.5%
Executive Leadership Team	3	38%
Senior Leadership Team*	19	24%

A range of functions supporting the Retail business, and some aspects of Vocus Network Services, are provided by a workforce in the Philippines who are employed by a third-party business process outsourcing partner. These functions include inbound and outbound sales teams, customer service, technical support, provisioning and credit control.



## 5 Weeks of Diversity

Vocus has always promoted a culture where the diversity of our people is celebrated, accepted and valued. One of our 4 core Values is ‘Our People are the Difference,’ which highlights that the diversity of our people lies at the culture of our organisation, and that Vocus fosters an environment where our people are able to thrive as themselves.

In 2019 a Diversity Committee was created internally, which included team members from various teams and business units across the organisation, dedicated to promoting diversity within Vocus. A key initiative that resulted from this committee was Vocus’ 5 Weeks of Diversity.

The 5 Weeks of Diversity initiative involved focusing on a different topic each week, for 5 weeks, to promote diversity and inclusion and to celebrate and respect all those in our Vocus community.



An outline of the activity:

### Week one: Mental Health

Mental health week focussed on being committed to creating a mentally healthy workplace that is dedicated to the wellbeing of our staff. By encouraging staff to talk about their mental health, we increased awareness of anxiety, depression and suicide. We raised funds and awareness for R U OK? Day, which was also a timely reminder for staff to gain the support they needed for their mental health.



### Week two: Disability

Disability week focussed on creating an inclusive workplace for people of all abilities – highlighting that our Vocus workplace is somewhere that people look forward to coming to every day and is a place where everyone feels supported. We shared a personal story from a current staff member living with a disability, and held morning teas to raise awareness and funds for STEPS Group Australia and Powerhouse Dreams.



### Week three: Unconscious bias

Unconscious Bias week focussed on being committed to a culture of sustainable psychological safety, looking at the importance and impact of unconscious bias in our workplace. Staff were surveyed to analyse how comfortable they felt in the office, and various Vocus and Industry leaders were interviewed on the topic. 50 of our people leaders came together to discuss their role in creating an environment of psychological safety.



### Week four: Family and Flexibility week

Family and Flexibility week focussed on supporting staff with the ability to integrate their work and personal life. Our new Flexible Working Policy was promoted, designed deliberately broad to suit each personal circumstance, remove barriers and create flexibility. We introduced the notion that success at Vocus is measured by outcomes, rather than time and attendance. ‘Bring your kids to work’ day was a way of celebrating the diversity and families of our team members.



### Week five: Culture

Culture week focussed on how Our People are the Difference, and the importance of acknowledging and recognising the varying cultural aspects of our Vocus community. We also announced a new policy which will make some public holidays flexible for religious or cultural reasons – some staff have culturally significant days throughout the year that they would prefer to take off, rather than the standard public holidays. We also announced our Indigenous Inclusion Policy and Indigenous Engagement Policy.



5 Weeks of Diversity resulted in upwards of 90% engagement from our staff. This engagement came from activities such as: info sessions, morning teas, email communications, surveys, sharing of stories/ experiences and fund raising. The initiative encouraged our staff to bring their whole selves to work, and celebrate their whole selves each day.

Our Officevibe Pulse Survey showed us some very positive results around Diversity after the initiative ran, with 2 measures of diversity:

- “People are respected for who they are”, and
- “People from all backgrounds are treated fairly”

The rating for “People are respected for who they are” increased by 4% in 2019, rising from 73% to 77%. At the same time, the question of “People from all backgrounds are treated fairly” has had a consistently positive response at a very high 87%, which is continuing to rise into 2020. These great results show the impact that the 5 Weeks of Diversity initiative had on the organisation.

## Workforce Gender Equality reporting

Vocus Pty Ltd is the principal employing entity in the Vocus group and is a “relevant employer” under the Workplace Gender Equality Act 2012 (Cth).

The Diversity Policy and Vocus’ most recent Gender Equality Indicators are published in the Corporate Governance section of Vocus’ corporate website, accessible at [www.vocus.com.au/legal/corporate-governance](http://www.vocus.com.au/legal/corporate-governance)

## Labour/management relations/ Supporting our Team

In the event of an operational change impacting our team members, we provide the team with reasonable notice of any change. Where appropriate, we offer outplacement counselling and the option to apply for other vacant roles within the organisation including the payment of a relocation allowance in some instances.

In accordance with local employment law, all team members enjoy the right to freedom of association and collective bargaining. The number of team members who are subject to a collective agreement is not material.



## Workplace Health and Safety

As part of our Sustainability Principles, we are committed to the establishment of a safe place of work, safe working practices and procedures and the provision of safe plant and equipment.

Vocus has implemented a safety management system in accordance with the guidelines outlined in ISO 45001, and is currently working through a process to obtain certification against this standard.

This year we have continued to run workplace health and safety committees. These committees are held on a quarterly basis and represent a forum for our team members to raise concerns about any aspect of safety in the workplace. Vocus has 20 trained Health & Safety Representatives (including 2 deputies) to ensure national coverage across field and corporate work environments. Typical discussion points of these quarterly meetings include:

- Incident and hazard reports, themes
- Workplace inspection scores
- Training needs
- Policy and procedure updates
- Health and wellness offerings and updates
- Communications and guidance (blog posts, alerts)

As previously mentioned, we have also developed and rolled out a series of online training covering WHS topics such as anti-bullying and harassment.

Our team members have access to fresh fruit and breakfast daily, although we have suspended this benefit during the period of working from home from March 2020 onwards. To further support team health and reduce risks associated with a sedentary lifestyle, all team members in our Melbourne and Sydney offices have access to standing desks. We have also made Fitness Passport available to all team members, which allows them to benefit from a subsidised health club membership for themselves and their immediate family.

In the year to 30 June 2020 we have not experienced any significant lost time injuries and believe that our experience of injuries, as evidenced by our WorkCover premium rates, in line with or better than industry norms.

### Injury data:

	Lost Time Injury	Medical Treatment Injury	First Aid Injury
<b>FY20</b>	1	2	4
<b>FY19</b>	3	10	4

### Lost hours data:

	LTIFR	MTIFR
<b>FY20</b>	0.36	0.072
<b>FY19</b>	1.07	1.79

*LTI or Lost Time Injury: any injury sustained by an employee while on the job that prevents them from being able to perform their job for at least one day/shift. Lost Time Injury Frequency Rate (LTIFR):  $(\text{Number of lost time injuries in the reporting period} \times 1,000,000) / (\text{Total hours worked in the reporting period})$ . The number of lost time injuries that occurred during the reporting period. Medical Time Injury: MTIFR (Medically Treated Injury Frequency Rate). The number of occurrences of treatment by, or under the order of, a qualified medical practitioner, or any injury that could be considered as being one that would normally be treated by a medical practitioner.*

## Non-regular employment

As shown in the employment statistics above, the proportion of employment opportunities provided on a basis other than permanent is low at under 7% of the total workforce.

## Learning and development

### Leadership Development Program

Our most recent Leadership Development Program was rolled out as 6 full days of leadership training over 8 months in Perth, Sydney and Melbourne, concluding in August 2019.

The program represents an investment of 2,400 training hours. The aim of the program is to develop the current and next generation of Vocus leaders by developing leadership skills & knowledge. The LDP program is underpinned by the Vocus values. Participants were selected by nomination from all areas of the business.

We continue to have dedicated training resources attached to a wide variety of teams across the business including our Dodo Connect kiosks, Commander, Corporate and Enterprise teams and attached to our sales and customer service team in Manila.

All team members can access the Vocus Learning Centre (VLC), learning platform where a variety of internal training programs are uploaded.

### Full day New Starter Induction

We have implemented a full day induction for new starters, this program was run face to face pre COVID-19 lockdown and is facilitated by the People & Culture team with guest speakers from the business.

Content includes an introduction to Vocus, who we are and what we do, we take a deep dive into our values our benefits, tools, systems, compliance and safety.

### Skills Growth Indicator Launched – skills for today and tomorrow

Digitisation and new technologies are constantly changing the way we work and as a result the skills and capabilities we need to do our job in the future will be different to those we have and use today. To remain relevant in the workplace we each must invest in our personal development and continue to be a lifelong learner.

At Vocus, our people are the difference and we are invested in working with our staff, supporting their personal development. The Skills Growth Indicator is an online tool that has been developed using our Capability and Skills Framework. 720 staff have completed the tool to assist in identifying their strengths, interests and opportunities for their

personal development and growth. The Capability and Skills Framework details both the competencies and skills needed for today and those identified to be needed in the future as our technology changes to meet business need.

### LinkedIn Learning

A great benefit to the Vocus team is that every team member gets a subscription to LinkedIn Learning. LinkedIn Learning has more than 10,000 training videos on their training platform.

The library covers a wide range of topics from technical skills, time management to career development and leadership. In the 12-month period from July 2019 – June 2020, 67% of Vocus team members logged into LinkedIn Learning, spent 1927 hours learning, an average of 2 hours & 44 minutes each in online training.

### Vocus Mentor Program

We run an inhouse Mentor Program which currently has 110 mentors and mentees learning from each other. The mentees gain great insight into areas outside their area of expertise and benefit from an experienced leader. Our mentors benefit from mentoring enthusiastic team members and seeing them grow professionally.

### Compliance Modules

Every second year we roll out Compliance Modules to all team members.

It is recommended that all team members complete the Compliance modules to ensure we are staying true to our value of One team and looking after each other.

Information Security Awareness was added to the suite in 2019 and was recently upgraded for 2020.

The modules are:

- Workplace Health & Safety
- Preventing Discrimination, Sexual Harassment and Bullying
- Your role in Handling Personal Information
- Privacy & Payment Card Industry Data Security Standards
- Information Security Awareness

### Study Assistance

We offer study leave, study days and study support to team members where the course undertaken is relevant to their role and the business. Where possible, team members use Vocus projects as part of their course.



## Supporting families

We recognise the importance of family in the happiness and wellbeing of our Team, and the importance of support for family as essential in our goal of being a great place to work. Other ways that we support families includes:

- Our Purchased Leave program, allowing our team members to purchase up to two additional weeks of annual leave per year
- Our “Five for Five” policy which grants an additional week of annual leave each year to all team members with 5 years’ service
- The option for our Australia-based team members to take Long Service Leave at half pay to double the leave time, subject to operational requirements
- Paid Parental leave entitlement – Vocus offers, to all team members who have accumulated 1 year of service, 12 weeks’ paid leave on the birth or adoption of a child. Secondary carers are entitled to 2 weeks paid partner leave.
- The right for anyone to request flexible working hours or arrangements, subject to operational requirements. At Vocus we have implemented a wide range of flexible working arrangements for our team, including part time working patterns, working from home, variations to standard working hours or, for team members working in a rostered or on call environment, the ability to request particular shifts.
- In New Zealand, regardless of COVID-19-19 we’ve enabled and structured the entire Consumer customer operations division to work from home, 90% of the time. We’ve also initiated a “Work Anywhere” project which enables all staff to spend more time remote working. This project provides valuable staff benefits such as our people having more contact with their family; time and money saved due to avoided commuting time and costs.
- An Employee Assistance Program that provides professional counselling on demand to team members.
- Access to 5 days of unpaid family and domestic violence leave for all team members employed under an award.

## Support when moving to a Working from Home environment

From March onwards the majority of our staff moved to working from home.

We provided a range of extra support, both in respect to the home office working environment and in respect to mental health and wellbeing.

We shared ergonomic guidance on workstation set up and provided flexibility for staff to take office equipment home. We provided a list of tips and tricks when working from home as well as breaks and stretching exercises. We have continued to make available to staff our existing Employee Assistance Programme, which offers staff and their immediate family access to a psychologist, nutrition, financial counselling and introductory legal advice.

## Defined benefit plan obligations and other retirement plans

In accordance with Australian employment law, Vocus pays superannuation contributions of 9.5% of ordinary earnings for all eligible employees. A default superannuation fund has been nominated in order to give team members the benefit of economies of scale, which are passed on as lower plan administration fees. team members are not obliged to use the default fund. A Superannuation Committee has been formed to allow all members of the default fund to put questions about the investment performance, fees or any other aspect of the fund to Colonial First State, the administrator of the default fund.

We confirm that Vocus does not have any defined benefit plan obligations.





Volunteer day at The Exodus Foundation (top left), Sydney Dogs and Cats Home (top right), & Ronald McDonald House (bottom)





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# Social Sustainability – Product Responsibility

## Customer satisfaction and experience

### Retail business

This year we introduced a new Customer Effort Score metric. These surveys have brought the spotlight onto our processes, products, online services and customer service team, and have yielded great insights from our customers. As a result we have implemented programs to reduce the effort in the contact centre, most notably making it easy when you need us, online experience with new digital initiatives underway, our current all brand score finishes the year off at 3.7 (target 5).

Each year we shape our operations to suit our customer needs, in alignment with making it easy we focused on cross-skilled team members to support our customers across enquiries reducing the need for multiple interactions and reach the right person the first time.

Through continued focus to reduce customer effort, updating of our Complaint Framework, and continuation of process and product improvement, all brands saw a reduction across Level 0 complaints of 65% throughout FY20 from July 2019, TIO complaints per 10k SIOs for both Dodo and iPrimus reduced by 19.5% and 23.4% respectively.

The COVID-19 Pandemic created an unpredictable environment, with objective of keeping our team safe and continuing to service our customers we swiftly shifted our Contact Centre in a Work From Home environment, ensuring our customers are able to reach out for the support they need. Close to 600 Customer Service team members shifted to work from home within small window in March, allowing us to continue operations throughout this time.

In our Commander customer service teams, we focused on making changes in areas that give rise to complaints, credits and negative customer experience to help bring the legacy Commander products and processes in line with a digital operating model. Our goals are to create a smoother transition for our customers to the NBN, a reduction in complaint and credit drivers and ensuring less customer effort when assistance is required.

### Vocus Network Services

Our Customer Service commitment has elevated with even great focus on service excellence across Vocus Network Services. Increased training, development under pinned by Skills Mapping and increased Skills Based Routing have allowed us to increase customer centric measures like NetPromoter (NPS), Customer Effort (CES), Customer Satisfaction (CSAT), Delivery Service Levels and Assurance resolution times.

We have raised our NetPromoter Score to 42. Aligned with our brand aspiration of brilliant simplicity we continued our efforts on being easy to deal with and have seen our Customer Effort Score improve to 5.9/7.

During FY20 we have expanded our Customer Experience program to gather even greater understanding of our NPS and Customer Satisfaction results from our customers. These results and insights are contributing to team member performance and continuous improvement programs of work. The feedback is also used to recognise our high-performing team members who consistently achieve a high level of customer service and drive continual improvement initiatives.

We have continued our focus on improving customer experience across our business with significant investment in customer led design, process improvement and improved analytics. These principles have supported the design of our next generation of products and services, while improving the day to day service delivery we provide to all Vocus customers.

We have expanded our dedicated customer care team to support enquiries from additional teams in Vocus Group providing the highest level of care for our customers. In addition, we participate in industry recognised benchmarking that saw a number of Vocus staff receiving industry recognition in the Australian Service Excellence Awards and the 30 under 30 Tech Awards.

FY21 will see even greater investment with enhancements in progress in our customer facing channels, the introduction of machine learning and AI to support customer insights and continued customer centred design and process improvement to delivery brilliant simplicity to the customers of Vocus.

## New Zealand

Vocus New Zealand's retail business has seen continued improvement in customer experience metrics across all brands and products. Key results were an increase in NPS for all our brands during the COVID-19 pandemic, a number of award wins and an increase in team engagement.

Before the COVID-19 lockdowns, Vocus New Zealand had invested in a work-from-home program for just under half its frontline agents. When the Government announced plans, Vocus was able to quickly respond and extend the work-from-home scheme to all frontline staff.

This ensured staff safety, business continuity, and saw service metrics continue at BAU rates. The consistency in service and quality levels were noticed by customers, both anecdotally through social media and other feedback mechanisms, and through to an increase in NPS.

We have made the decision to continue with our work-from-home initiative for all front-line staff on a permanent basis, something that our workforce has highly valued, resulting to an increase in eNPS. For Enterprise customers, our work-from-home approach has enabled us to re-shape shift patterns across our 24/7 Network Service Centre, significantly increasing the level of support available.

Overall, NPS of the three consumer brands has risen from 14.9 in October 2019 to 21.2. This has a flow through to better churn rates, longer customer tenure, improved lifetime value, and improved referral and word of mouth.

At the latest CRM Consulting awards, a prestigious event that celebrates customer service excellence in all industries, Vocus picked up seven awards, including the Supreme Gold award, Industry Sector award, Outbound Sales award, and two best CSR awards.

In addition, Vocus received two awards at the recent Reseller News 30 Under 30 Tech Awards, an event which showcases the brightest young talent working in the tech industry. Vocus has also received four nominations for the upcoming Women in ICT awards, honouring standout individuals in the categories of Innovation, Technical, Rising Star and Shining Star.

Vocus NZ performance in the Telecommunications Dispute Resolution Service rankings improved year on year with Vocus brands having a lower-than average complaints volume per customer. As this metric is widely reported and used as a proxy for customer service, it's vital that Vocus outperforms its competitors.

Across Enterprise and Consumer teams there are plans to accelerate customer service projects in 2020, seeing services and experience as a key differentiator in the market. Already underway is an improved NPS programme, investment in more sophisticated analytics capability and voice-of-customer research, and a staff incentive programme directly tied to customer experience.



## Procurement

Vocus operates a procurement office covering both telecommunications/technology purchases and other goods and services.

We have developed a Request For Proposal (“RFP”) process designed to open up participation in our procurement to a wide pool of potential suppliers, though due to the highly specialist nature of the goods being purchased and in part due to regulatory requirements we have limited ability to seek out locally based suppliers or promote economic inclusion. We offer fixed payment terms to all suppliers.

Vocus will publish its first Modern Slavery Statement for the financial year ending June 2020 where we will provide more detail in respect of the work we have done to identify and mitigate modern slavery risks in our supply chain.

## Marketing Communications

Vocus adopts rigorous review processes to ensure that the marketing campaigns undertaken by its business units comply with all relevant laws and codes, including both the Competition and Consumer Act and the Telecommunications Code of Practice. We have not identified any non-compliance with these regulations during FY20.

## Customer privacy

Vocus is committed to maintaining the privacy of all personal information collected and retained within the business in accordance with our compliance obligations. Vocus is regulated by the Australian Privacy Principles. We have provided a detailed Privacy Policy on each of our customer-facing websites setting out the ways in which we collect personal information and what we use it for. We place contractual obligations to maintain privacy of customer information in all relevant contracts, for example with our BPO partner in Manila. This year we have updated our Privacy Policies to ensure they are written in clear language that is easier for our customers to understand.

## Government requests for subscriber information

In accordance with the conditions imposed in our carrier license, Vocus works with Court and Law Enforcement agencies in order to carry out lawful interception and provide subscriber metadata as required. Such information is produced only on presentation of a warrant.

## Public policy

During FY20 Vocus has not made any cash or in-kind political contributions, nor has Vocus incurred any lobbying expenses. Vocus has paid fees to attend a selected number of political events and forums in FY19, the amounts for which are disclosed to the regulator as required.

Vocus participation in public policy development or lobbying is primarily under the auspices of our membership of the Communications Alliance, a lobbying group representing interests in the telecommunications industry. We have participated in working groups on subjects including the Telecommunications Sector Security Reforms, information security and privacy issues.

## Financial assistance received from government

Vocus received a capital grant from the Northern Territory Government to build, own and operate a new fibre optic cable link between Darwin and the Tiwi Islands which was completed in late 2019.

Vocus has not received any other material financial assistance from government, other than research and development tax credits generally available to Australian businesses.

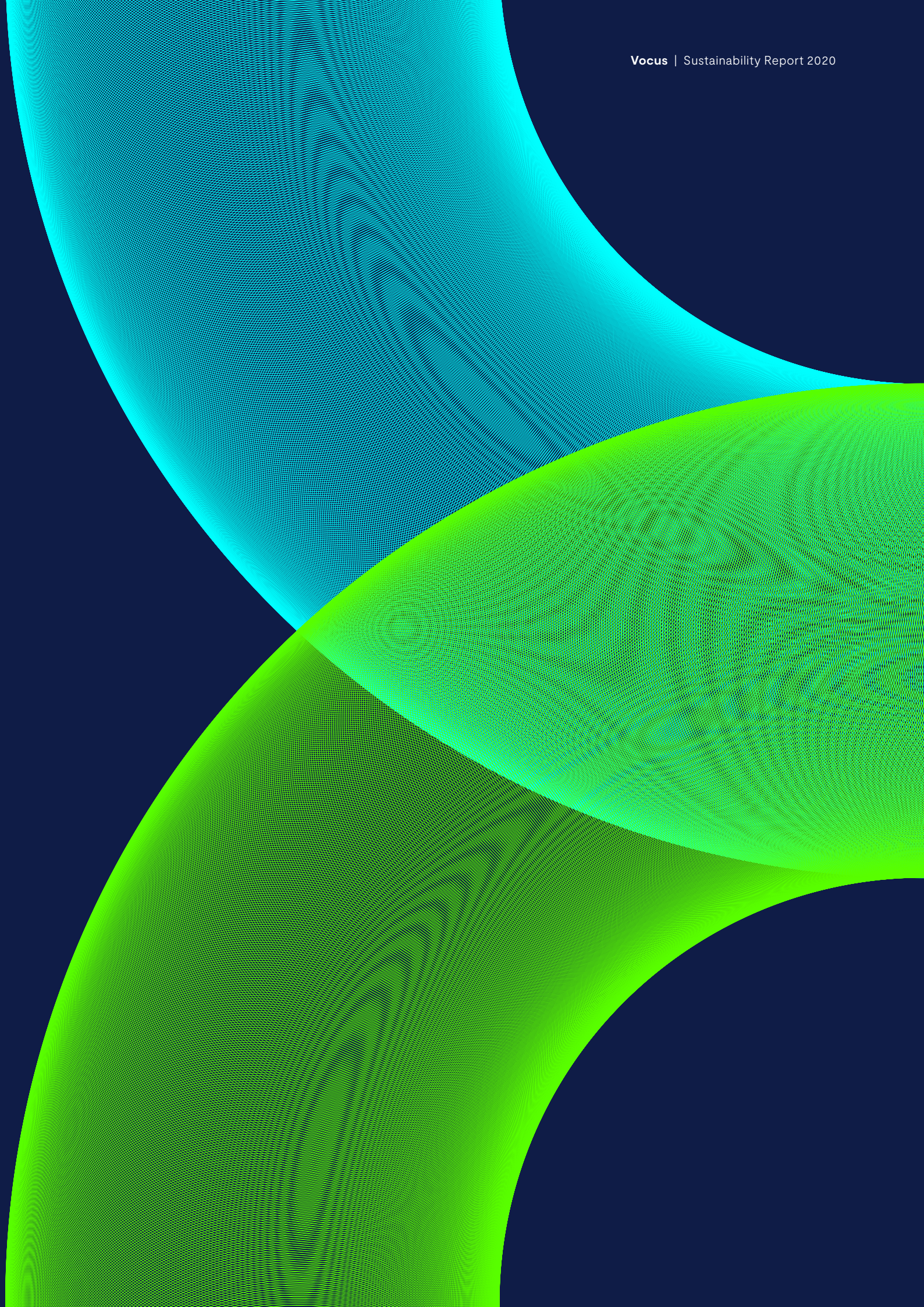
## Tax governance

Vocus has developed a tax governance framework to define roles and responsibilities for tax controls, risk appetite and reporting requirements in relation to income tax matters across the group. This framework has been approved by the Board Audit and Risk Committee.

Vocus has a low risk appetite for tax matters and does not use artificial transactions to obtain tax benefits. An “arm’s length pricing principle” is used for all cross border related party transactions and we maintain healthy relationships with local and international revenue authorities.

The group’s effective tax rate in the last 3 years has been in the range of 30–33%, in line with the Australian corporate tax rate of 30%.







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# Community

Vocus is active in local communities in a variety of ways and supports a number of charities. Below are the highlights of our charitable and community activity in FY20.

## Telco Together Foundation

Our national partner for charitable and volunteering activity is the Telco Together Foundation (TTF).

The Foundation is unique in Australia as our financial support together with the wider telco sector allows them to develop key programs to support the key mission of helping build resilient young Australians by providing education and mental health outcomes in an increasingly connected world.

Through this unique partnership, together, we are able to direct 100% of all funds raised through our philanthropic programs directly to where it is needed most.

In this past year our partnership has achieved some significant outcomes for our staff and our community including providing over 90 volunteer placements, totalling over 540 volunteer hours, securing 22 staff mentors for the eBeacon program, and over 100 staff donating through the Small Change Big Change Workplace Giving Program. Volunteer activities included sorting toys for the annual Salvos Christmas appeal, lunch service at Exodus YouthWorx, dog walking for the Sydney Dogs and Cats Home, and land care work at Kanyana Wildlife.

Other avenues through which the Vocus Team support TTF include nominating the Foundation as its charitable partner for its annual Commander Channel Partner Conference, active participation in their Industry Impact Hub as well donating office space and supplies in our Melbourne office.

Vocus are an active member of the TTF Industry Impact Hub. The Hub brings the telecommunications industry together to establish collaborative industry approaches to issues confronting our community. Current focus areas include Domestic and Family Violence and Modern Slavery.

Our Head of People and Culture Amber Kristof also serves on the TTF Advisory board.



## Australian bushfire response

During the bushfire event of summer 2019/20 we supported our Dodo and iPrimus customers by covering the cost of mobile services for emergency services volunteers for the months of January and February.

In Vocus Network Services we acted fast to redeploy services to alternate routes when bushfires threatened our network in Northern New South Wales.

We also supported our team members who are volunteer firefighters with paid leave for the duration of their voluntary emergency services work. Vocus also matched employee charitable donations to bushfire related charities, generating total donations of \$50,279.50 to charities such as the Australian Red Cross.

## COVID-19 Education Assistance Package

As part of nbn's COVID-19 Education Assistance Package, eligible Dodo customers who had not yet connected to the NBN, were offered a monthly discount of \$30 off Dodo's nbn25 home broadband plan with 101GB of included data – for a total cost of \$30 per month for the first 6 months. Additionally, in response to increased broadband demand due to COVID-19, we offered a temporary increase to an unlimited data allowance on these plans until 30 June 2020. The package was designed to help families on a budget to help them keep their kids connected while they wait for schools to get back to normal.

## Workplace volunteering

Vocus offers to all permanent team members two paid Volunteering Leave days each year. Vocus team members from across Australian and New Zealand offices have made a significant contribution by volunteering with a number of charities including Ronald McDonald House, Foodbank and the Salvos providing much needed time in their facilities to support disadvantaged communities. Other charities where Vocus team members volunteered include:



Volunteers at Salvos 2019

### Kanyana Wildlife Rehabilitation Centre

Kanyana Wildlife Rehabilitation Centre is a not-for-profit organisation dedicated to wildlife conservation. They care for sick, injured, orphaned, and displaced wildlife; breed threatened species; conduct training and research; and educate schools and community.

### Sydney Dogs and Cats Home

Our Volunteers experienced a day in the life of the shelter while helping the Home provide a loving environment for our residents. Our team got involved with many different aspects of animal care, including cleaning, feeding, grooming, dog walking cuddles and playtime

### The Exodus Foundation

The Exodus Foundation's primary mission is to meet the immediate material, emotional and spiritual needs of disadvantaged and marginalised people. Our volunteers assisted by working with Exodus staff in providing innovative, quality welfare, social health, wellbeing, healthcare and healthy nutritious meals to people in need.

## Workplace Giving

We also run a workplace giving scheme where team members can make a regular charitable donation to the Telco Together Foundation through our payroll. We generated over \$21,000 in team donations for TTF through workplace giving in FY20.

## Small Change Big Change

Small Change Big Change (SCBC) is an on-bill donation initiative to increase the fund-raising capacity of the non-profit sector by leveraging the reach of the telecommunications industry.

From 2013 – 2015 TTF partnered with Commander/Vocus to scope and then undertake a pilot. Since then we have continued to support this initiative, with 100% of the donations raised distributed to the Telco Together community charity partners. To date SCBC through donations from Commander Customers has raised more than \$522k to support the SCBC mission of building resilient young Australians by providing education and mental health outcomes in an increasingly connected world.







Tiwi Bombers Football Club sponsorship



## Industry Impact Hub

Vocus are an active member of the TTF Industry Impact Hub. The Hub brings the telecommunications industry together to establish collaborative industry approaches to issues confronting our community. Current focus areas include Domestic and Family Violence and Modern Slavery.

## Provision of internet connectivity to the Tiwi islands

In FY18 Vocus agreed to work with the Northern Territory government to provide at cost a new source of internet connectivity to the Tiwi islands, 80km north of Darwin. This new connection will be provided as a spur of the North Western cable system and will replace the existing ageing infrastructure and provide more resilient and faster internet speeds for residents. The connection was completed and the network was live in late 2019.

## Tiwi Bombers Football Club sponsorship

Vocus, through the Vocus Communications brand, signed as a major sponsor of the Tiwi Bombers Football Club for the 2019/20 and 2020/21 NT Football League seasons. Vocus is proud to support the Tiwi Bombers as a high-performing team that plays an important role in creating connections, positive growth and opportunities for the Tiwi community.

## Bradman 11 Women's cricket sponsorship

Vocus sponsored the Bradman 11 women's cricket team as part of the Fairbreak 11 game. Fairbreak is a global charity that uses cricket and sport to draw attention to the fact that talent is not gender specific, nor bound by culture or borders, and should be given equal opportunity to shine – a message that resonates commitment to diversity, inclusion and equal opportunities.

## Hand Up Foundation New Zealand

Vocus is a sponsor of the Hand Up Foundation. This is a charity which has partnered with selected schools to financially support some of New Zealand's talented, but financially disadvantaged, young sports people. The primary aim of Hand Up is to assist young people achieve their aspirations in their chosen sports, by helping to remove some of the financial barriers which may exist.

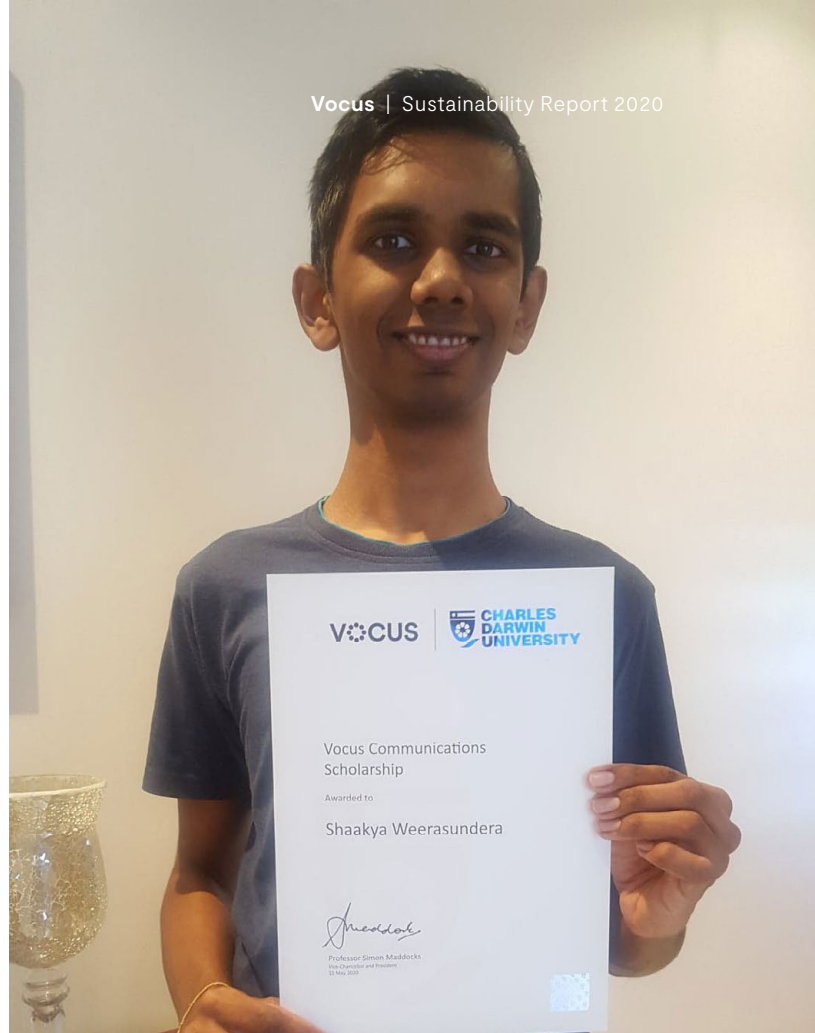


## Vocus partnership with Starlight Foundation

Vocus supports the Starlight Children's Foundation to aid in brightening the lives of sick kids. We provide funding for remote paediatric clinic visits, and a 'fly in/fly out' clinic in partnership with the Northern Territory Department of Health. This provides specialist paediatric care to remote indigenous communities with the fun, interactive and educational presence of the Starlight Captains.

## Vocus Scholarship with Charles Darwin University

Vocus has donated a \$5,000 scholarship for students enrolled in IT subjects at Charles Darwin University. The scholarship is intended to cover course fees and laptops, and we also provide a broadband connection to scholarship recipients for the duration of their course.



Shaakya Weerasundera, scholarship recipient

## Special Children's Christmas Party



## Charitable contributions in Manila

We have a significant number of in Manila, employed via our BPO partner Acquire as the largest base of our customer service and inside sales teams. They have participated in the following community activities this year:

### Blood Hero Drive

The onsite blood donation activity is in partnership with the Philippine Red Cross (PRC). Acquire conducts blood donation drives twice a year 78 Vocus employees participated in the August 2019 activity.

### Taal Volcano Relief Assistance

The Taal volcano first erupted on January 12, 2020 which affected thousands of families and caused millions worth of damage. Acquire organised for goodie bags and relief goods to be sent to evacuation sites in Batangas where many families were relocated.

### Dare To Care

Acquire partnered with Plainview Elementary School, a public school located 15 minutes away from the Shaw Boulevard office on the following initiatives:

- **Brigada Eskwela 2019:** Vocus employee volunteers rendered 6 hours of their day to help clean, repaint, and arrange 6 classrooms.
- **Holiday Toy Drive:** Employees donated brand new and used toys, books, colouring materials and other kid-friendly classroom-worthy items.



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# Management Approach: Identified Material Aspects and Boundaries

When determining materiality, we consider external stakeholder perspectives as well as internal business impact, within the context of the GRI 103 “Management Approach”.

The following aspects have been identified as material to Vocus while defining the content of this Sustainability report:

Category	Material Aspects
Environmental	Use of materials
	Energy consumption
	Products and services
Social – labour practices	Employment
	Labour/management relations
	Workplace health and safety
	Diversity, equal opportunity and non-discrimination
	Training and education
Social – product responsibility	Customer satisfaction
	Marketing communications
	Customer privacy
	Public policy
Economic	Economic performance: this aspect is discussed in the Annual Financial Report.

A list of all entities included in the Vocus consolidated financial report is included in the notes to the accounts of the FY20 Annual Report.

# Appendix: Required disclosures for reports prepared using the Core approach to the GRI Standards

Required criteria	Core option
Use the correct claim (statement of use) in any published materials with disclosures based on the GRI Standards	Include the following statement: 'This report has been prepared in accordance with the GRI Standards: Core option'
Use GRI 101: Foundation to follow the basic process for preparing a sustainability report	Comply with all requirements in Section 2 of GRI 101: Foundation ('Using the GRI Standards for sustainability reporting')
Use GRI 102: General Disclosures to report contextual information about the organization	<p>Comply with all reporting requirements for the following disclosures from GRI 102: General Disclosures:</p> <ul style="list-style-type: none"> <li>Disclosures 102-1 to 102-13 (Organizational profile)</li> <li>Disclosure 102-14 (Strategy)</li> <li>Disclosure 102-16 (Ethics and integrity)</li> <li>Disclosure 102-18 (Governance)</li> <li>Disclosures 102-40 to 102-44 (Stakeholder engagement)</li> <li>Disclosures 102-45 to 102-56 (Reporting practice)</li> </ul>
Use GRI 103: Management Approach to report the management approach and the topic Boundary for all material topics <sup>5</sup>	For each material topic, comply with all reporting requirements from GRI 103: Management Approach. Reasons for omission are only permitted for Disclosures 103-2 and 103-3 (see clause 3.2)
Use the topic-specific GRI Standards (series 200, 300, 400) to report on material topics	<p>For each material topic covered by a topic-specific GRI Standard:</p> <ul style="list-style-type: none"> <li>comply with all reporting requirements in the 'Management approach disclosures' section</li> <li>comply with all reporting requirements for at least one topic-specific disclosure</li> </ul> <p>For each material topic not covered by a GRI Standard, it is recommended to report other appropriate disclosures for that topic (see clause 2.5.3)</p> <p>Reasons for omission are permitted for all topic-specific disclosures (see clause 3.2)</p>
Ensure that reasons for omission are used correctly, if applicable	Comply with all requirements in clause 3.2 (Reasons for omission)



