

VOCUSGROUP

# SUSTAINABILITY REPORT 2019



## ABOUT THIS REPORT

This is the fourth annual sustainability report prepared for Vocus Group Limited ("Vocus"), reviewing our performance from 1 July 2018 to 30 June 2019. 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 <https://vocusgroup.com.au/sustainability/sustainability-report/>. We welcome feedback on the report, which may be sent to [investor@vocus.com.au](mailto:investor@vocus.com.au).

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Above: One of our Solar Generation Plants, powering part of our regional network



# CHAIR & CEO LETTER

## DEAR SHAREHOLDERS,

On behalf of the Board and our Team, we are pleased to present to you our fourth annual Sustainability Report.

We are presenting to you following a year of foundational change, growth and development as we completed the first year of our strategy to deliver sustainable, long-term growth.

Resetting the company culture and the improvement of our cultural leadership was a key priority in FY19. Comprehensive changes were made to our leadership team and significant capability gaps have been filled which, as we said last year, is key to the success of the business.

The year saw the introduction of a new set of Team Values, which are both a product of how our team operates and a guide to align the team towards a common goal. A series of workshops with our team members were held over a period of 6 months to begin to build "One Team" and embed our values:

- One Team
- Our People Are the Difference
- Disruptive Thinking Every Day
- Crazy About Customers

Over the course of the year, we conducted our first internal Sustainability Survey, which had an excellent response rate and confirmed the informal feedback from our team on their Sustainability Priorities:

- Our Environment;
- Our Workplace; and,
- Our Customers

The fact that our Team placed Our Customers as a top priority demonstrates the authenticity of our Crazy About Customers value. This is further reflected in the excellent results we have had from the improvements made in customer experience throughout the year, as detailed in this report. We are committed to continuing to make improvements to our service, products and customer experiences with greater customer satisfaction as our goal.

We have heard and take seriously the voices of our Customers, team members and investors in regards to the importance of our Sustainability activity. We have delivered in all key areas outlined in this report and in our governance in this area. We look forward to delivering even greater improvements in our next report.

As always, our team has been at the core of our activity, driving these results. We sincerely thank each team member for their contribution in FY19.

We invite you to review our sustainability activity and welcome your feedback via [csr@vocus.com.au](mailto:csr@vocus.com.au).



**Bob Mansfield**  
Non-Executive Chairman



**Kevin Russell**  
Group Managing Director & CEO





# ABOUT VOCUS

**THERE HAVE BEEN NO SIGNIFICANT  
CHANGES TO OUR ORGANISATION  
OR ITS SUPPLY CHAIN DURING FY19.**

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.

The following table provides an overview of the highlights of our FY19 performance. Further details of our financial position and performance are included in our FY19 Annual Report at <https://www.vocus.com.au>

**OVER 9,500km of  
metropolitan and  
regional fibre IN ALL  
MAJOR CENTRES**

**20 owned Data Centres  
ACROSS AUSTRALIA  
AND NEW ZEALAND**

**More than 2,000  
team members  
IN AUSTRALIA AND NEW ZEALAND**

**More than 1,500  
team members in the  
Philippines, EMPLOYED  
THROUGH A BUSINESS  
PROCESS OUTSOURCING  
PARTNER**

— VOCUS NETWORK  
— RBBP FIBRE  
— 3RD PARTY



**VOCUS OPERATES  
ACROSS ALL STATES AND  
TERRITORIES OF AUSTRALIA  
AND ACROSS THE NORTH  
AND SOUTH ISLANDS OF  
NEW ZEALAND.**

## VOCUS GROUP

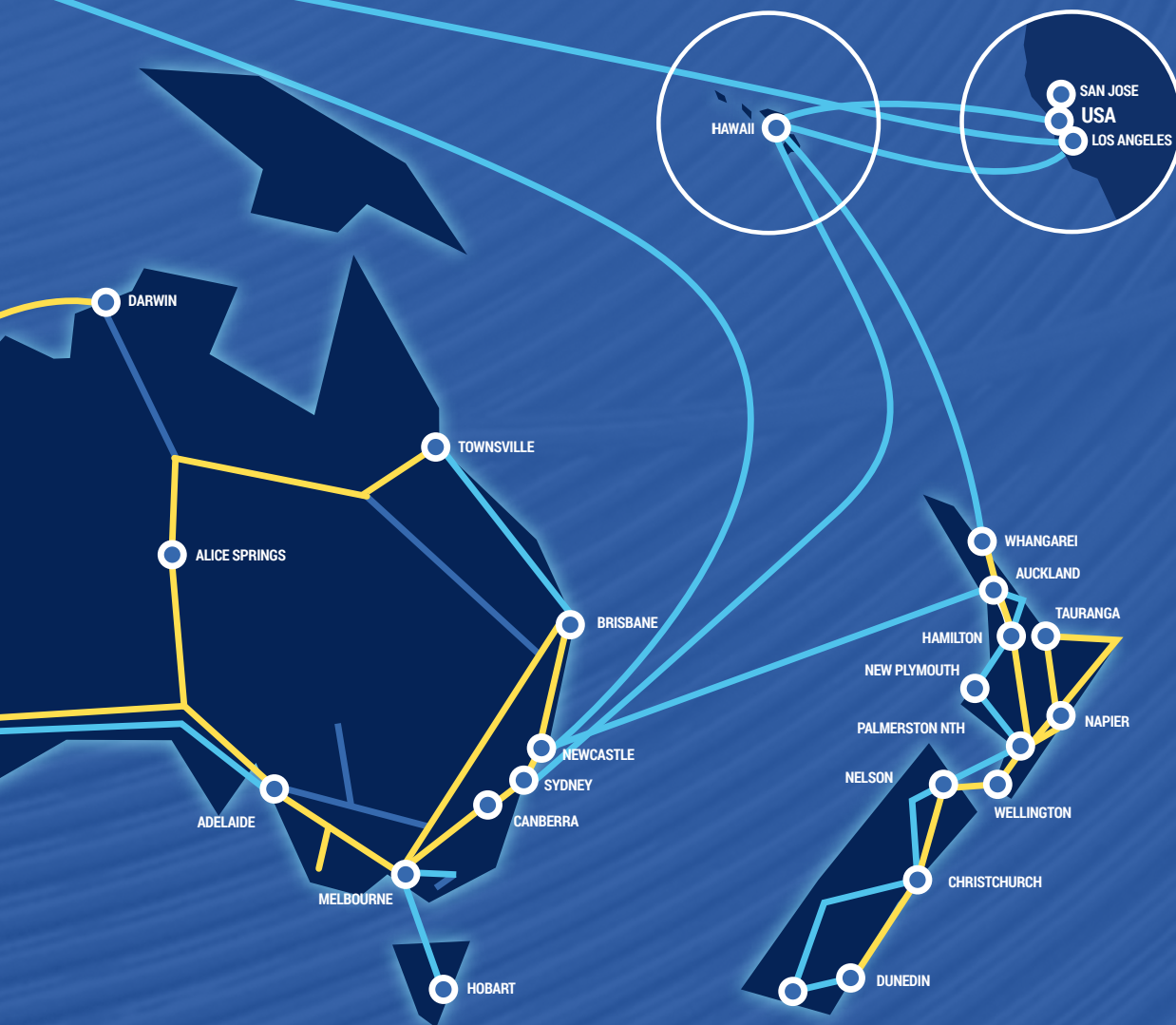
**OUR PRIMARY GO-TO-MARKET  
BRANDS AND SERVICES**

5,500+  
ON-NET BUILDINGS

Connectivity  
TO 17 MAJOR  
SPORTS STADIUMS

4,200 km OF  
INTER-CAPITAL NETWORK  
IN New Zealand

15,020 km OF  
INTER-CAPITAL  
NETWORK IN  
Australia



## AUSTRALIAN BRANDS

## NEW ZEALAND BRANDS

Mass Market	Enterprise & Wholesale



# PRIORITIES AND ACHIEVEMENTS



## Community

### FY19 ACHIEVEMENTS

In FY19, we met our stated goal of maintaining the high level of volunteering activity within our Team. Team dedication to volunteering was outstanding, and the coordination with Telco Together gave us this great outcome.



## Suppliers

During FY19 we have renegotiated and extended for a further 5 years our Mobile Virtual Network Operator agreement with Optus Wholesale.



## Environment

Calculated carbon emissions from motor vehicle fleet and air travel.

We have also for the first time published data about the altitude of our Cable Landing Stations, the assets most susceptible to the risk of rising sea levels.



## Diversity

We have met our commitment to improving the gender balance at the senior leadership level in FY19.

Reflecting the commitment made by our new management team to improve diversity amongst the senior ranks of our organisation, we increased the number of women on the Executive Leadership Team by 66% to three and increased the number of senior and other managers by 25% to 62.

Launched our Diversity Committee.



## Team

Defined and relaunched our Vocus values and embedded them within our team by running 90 values workshops with more than 1000 participants, brainstorming how the values apply to their teams.

Continued our investment in the Vocus Leadership Development programme, investing 2,400 hours in training future leaders.



## Customer

We saw a 35% reduction across Dodo and iPrimus brands for Ombudsman Complaints per 10,000 Services In Operation (4.5 to 2.9, and a 55% reduction in respect of our Commander brand (from 9 to 4 per 10,000 Services In Operation).

## FY20 PRIORITIES



In FY20, we will make our volunteering activities more targeted to team interests, and through our Sustainability Committee we will empower our team to work in the areas where they want to effect positive change.

Preparation for publication of first report under Modern Slavery Act.

Following a period of verification of data and trends, we intend to commence publishing carbon emissions from our data centres and offices in addition to the vehicle fleet and air travel.

We are targeting emissions reductions through a transition to more fuel efficient vehicles, reduction in avoidable air travel and consolidation of office and data centre locations.

Our diversity committee has outlined a series of priorities for FY20, including:

Development of a Graduate Program to build diversity of thought

Review of our Diversity Policy to better support diversity across the business and facilitate diversity in our recruitment



Dedicated communication and awareness activities within the business to support our diverse team in and outside of the business, so we can show on the outside who we are on the inside.

Create a culture of reward and recognition through our internal program, Shine, as Our People Are the Difference

Improve further on making Vocus an awesome place to work through our Benefits and Wellbeing programs

Continue to strengthen the skills and capability of our team.



We will continue our process of simplification, digitisation and modernisation to further improve our customer experience.



# HOW WE CREATE VALUE



**\$1.9<sub>b</sub>**  
Revenue



**675 team hours**  
were spent volunteering and giving  
back to the community

## STAKEHOLDER ENGAGEMENT

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



### Stakeholder Engagement

#### Team

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

During FY19 we redefined our Values under our new leadership 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 were taken to our people and embedded within the business through workshops held across Australia, NZ and Philippines, providing an opportunity for all 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. During the month of May 2019 over 1,000 of our Australian based team members participated in a survey, equating to a participation rate of 72%. In these surveys, 85% our team agree with the statement that they are motivated by our values.

We communicate regularly with team members through various methods including a private social network, email newsletters, and face to face briefings with our CEO and Executive Team several times each year.

The aim of our communication strategy is to keep team members informed, provide opportunities for two-way conversation and align our team members to work towards our common goals.





**\$360m**  
Underlying EBITDA



**\$27,000**  
in charitable donations collected  
through workplace giving in FY19



## Stakeholder Engagement

### Shareholders

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. We endeavour to make this opportunity available to all shareholders and interested parties through an audio webcast of the event. 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.



### Suppliers

We value our supplier relationships and meet regularly with our major suppliers. During FY19 we have renegotiated and extended for a further 5 years our Mobile Virtual Network Operator agreement with Optus Wholesale.



### Customers

An overview of our engagement with our wide range of customers is included in section 10.



### Regulators

We aim to have an open and constructive relationship with all regulators.

# 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 <https://vocusgroup.com.au/about-us/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.

Where Vocus is conducting procurement on behalf of the Commonwealth, we have adopted Fraud Control strategy to manage compliance with the Commonwealth Fraud Control Framework.

## 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.



Above: ASC Perth Horizontal Directional Drill.



# ENVIRONMENT

## A) ASSESSMENT OF OUR CABLE LANDING STATIONS

In accordance with the fourth edition of the ASX Corporate Governance Principles and Recommendations, we have commenced an evaluation of 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 sites.

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.

## B) 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 FY19 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
- 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 & consolidation of legacy UPS systems resulting in significantly reduced electrical system losses
- 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.

Our New Zealand team has implemented a ride-share service for 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 to restrict volume printing, which measure and inform team members of the tree/carbon impact.

All of our cable landing stations are either located on a cliff-top or headland.

## ENVIRONMENT (continued)

### C) 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 2018 calendar compliance year we purchased over 329,000 Renewable Energy Certificates (2017 compliance year: purchased 187,000 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: <https://www.ea.govt.nz/about-us/media-and-publications/electricity-new-zealand/>

### D) 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. The total commissioned capacity of PV plants is 248kW. Wind generation has a rated capacity of 5kW.

In the 2020 Sustainability report we are planning to disclose the amount of power generated by the plans and the associated carbon abatement.



Sections of our network  
are powered by solar and  
wind generators.



## E) MOTOR VEHICLE FLEET

In Australia we run a fleet of 78 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 are progressively renewing our 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 are now being retired.

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

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

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 FY19.

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

**Where:**

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

**Q<sub>i</sub>** is the quantity of fuel type (i) (kilolitres or gigajoules) combusted for transport energy purposes.

**EC<sub>i</sub>** is the energy content factor of fuel type (i) (gigajoules per kilolitre or per cubic metre) used for transport energy purposes (\*).

If **Q<sub>i</sub>** is measured in gigajoules, then **EC<sub>i</sub>** is 1.

**EF<sub>ijoxec</sub>** 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 July 2018, prepared by the Department of the Environment and Energy.

Total Diesel Emissions:	624.45 tonnes CO <sub>2</sub> -e
Total Unleaded Emissions:	6.33 tonnes CO <sub>2</sub> -e

Total Vehicle emissions FY19: **630.78 tonnes CO<sub>2</sub>-e**

## F) 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.

Using the carbon emissions calculator available at <https://www.qantasfutureplanet.com.au/> we calculate that in the course of 2,375 flights taken by Vocus travellers during FY19, emissions generated were 917 tonnes CO<sub>2</sub>-e.

## G) MINIMISING OUR IMPACT – AUSTRALIA'S LEADING SUBMARINE CABLE SPECIALISTS

Vocus is on schedule to complete delivery of a total of more than 10,000 km of secure, high-speed submarine cable within a three year period.

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 the same period, we commenced construction of the 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 c.4,700km submarine cable is on schedule to be completed in December 2019.

During each project's planning phase, an environmental assessment is carried out in relation to the cable route through Australian 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.

## ENVIRONMENT (continued)

### H) NATIVE TITLE/CULTURAL HERITAGE

#### Case Study: Tiwi Islands engagement

In September of 2018, Vocus announced a collaboration with the Northern Territory Government to construct a new fibre optic cable link between Darwin and the Tiwi Islands.

This project represents a significant step forward in improving telecommunications services on the Tiwi Islands. For the first time, communities located on Melville and Bathurst Islands will have access to a reliable, high capacity and trusted fibre optic link to the mainland.

The new fibre optic link provides an historic opportunity to replace the existing sub-optimal microwave link to the mainland, removing capacity constraints and improving telecommunication services to the Tiwi Islands. Poor weather causes significant interruptions to microwave telecommunication links and the tropical conditions in the Tiwi Islands frequently mean that essential services that rely on connectivity cannot be delivered.

The connection will be established through a Branching Unit already provisioned in the Vocus submarine North West Cable System. The cable will provide high-quality, stable connectivity to Darwin, using the pre-existing Vocus Cable Landing Station Facility located at Mindil Beach in Darwin and a pre-existing new facility located at Wurrumiyanga on Bathurst Island.

The project requires construction of a new 60km sub-sea spur cable between the Vocus North West Cable System Branching Unit and the Tiwi Islands.

Tiwi Islands is significant, Indigenous-owned land. It was absolutely essential for Vocus to ensure that the community was properly consulted to ensure that the cable path respects and avoids important cultural sites. In the early stages of planning, Vocus surveys and planning ensured the cable path circumnavigated known and registered cultural sites, in addition to the environmental management considerations. It was then important for our Team to speak with the people on the islands.

Our Regulatory, Compliance and Land Access Manager, who has two decades of experience in this area led the process. Full engagement with local elders and community representatives (land council) was undertaken with an archaeologist contracted by Vocus. Over a number of sessions, the detailed and mapped out cable route and stations plans were presented.

**Vocus takes community feedback and amends and optimises the cable route as necessary to ensure that respect is shown to these culturally significant landmarks.**



Above: Vocus team, an archaeologist consultant and local elders in discussion on the cable path



Above: reviewing and amending the proposed cable path (black line) upon feedback from elders, to create a new, jointly approved cable path (dotted line)



The process with Tiwi residents, council and other representatives took place over a period of more than six months, with multiple meetings with different groups and authorities on the island, to ensure that all relevant stakeholders were consulted, and to allow time for consideration and revision.

The process facilitated Vocus planning and ensured that the path of the cable was at an approved distance from culturally significant sites.



*Above: Our Regulatory, Compliance and Land Access Manager during an engagement meeting*

The Vocus Team looks forward to commencing cable lay in September 2019 and having the cable configured, tested and completed by December 2019.

## I) MINIMISING WASTE – HARDWARE AND PACKAGING

In our offices and warehouses we support Mobile Muster as means of reclaiming materials from recycled mobile phones and routinely recycled all cardboard waste from our warehouses. We also 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.

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 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.

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.

## J) 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 May 2019, 95% of all invoices in our Consumer brands were generated electronically, whilst in our Commander brand 77% of invoices were generated electronically.

In FY19, 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.

## K) ENVIRONMENTAL LAWS AND REGULATIONS

Vocus has not identified any non-compliance with environmental laws and/or regulations during FY19.

# SOCIAL SUSTAINABILITY – TEAM

## A) 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.

Vocus will not permit discrimination, intimidation or harassment of, or by, team members on the basis of race, gender, marital status, national origin or religious beliefs, or on the basis of any other personal characteristics protected by law. 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, 85% of participants agreed with the statement that Vocus protects team members from discrimination, and 87% 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. 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/>



**This year, Vocus formed a Diversity Committee with members from around Australia and The Philippines. Launched in May, the Diversity Committee gathered to discuss our strengths, weaknesses and priorities around this important topic. From this, the Team has grouped into four sub-committees, each with a different area of focus:**

- Communications & Awareness
- Activities
- Measurements & Targets
- Affiliations & Society Impact

**The groups will be working towards set priorities and achievements across policy and the promotion of diversity.**



## Our Team by the Numbers

We are pleased to report an increase in the number of women in Senior Leadership or Executive roles in FY19.

### At 30 June 2019:

Employment Status	Male	Female	Total	% of total
Permanent full time	1,431	502	1,933	90.0%
Permanent part time	18	46	64	3.0%
Contractor	49	34	83	3.9%
Casual	39	28	67	3.1%
<b>Total</b>	<b>1,537</b>	<b>610</b>	<b>2,147</b>	<b>100%</b>

Gender diversity	Number of females	% of total
Board	1	13%
Executive Leadership Team	3	38%
Senior Leadership Team*	19	24%

\* Senior Leadership Team is defined as direct reports of the Executive Leadership Team.

### At 30 June 2018:

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%
<b>Total</b>	<b>1,493</b>	<b>593</b>	<b>2,086</b>	<b>100%</b>

Gender diversity	Number of females	% of total
Board	2	25%
Executive Leadership Team	2	29%
Senior Leadership Team	10	21%

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.

## B) 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.

## C) 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, although we have not sought external assurance over our compliance to the ISO 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. 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 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 2019 we have not experienced any significant lost time injuries and believe that our experience of injuries, as evidenced by our WorkCover premium rates, is in line with or better than industry norms.

## SOCIAL SUSTAINABILITY – TEAM (continued)

### Injury data:

	Lost Time Injury	Medical Treatment Injury	First Aid Injury
Corporate	2 – fracture, slip/trip/fall	9 – burn, pinch/crush injury, slip/trip/fall, Musculoskeletal, existing medical condition	3 – burn, vehicle related, slip/trip, fall
Field	1 – fracture	1 – Musculoskeletal	1 – burn

### Lost hours data:

FY	Hours	Lost days (scheduled work days)
19	527	69

### D) 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.

### E) LEARNING AND DEVELOPMENT

#### Leadership Development Program

We have continued our partnership with the Australian Institute of Management (AIM) and delivered 6 full days of leadership training which took place over 8 months in Perth, Sydney and Melbourne.

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 and knowledge. The LDP program is underpinned by the Vocus values.

Participants were selected by nomination from all areas of the business. We are currently working on a new and improved LDP to be launched in the 2019/2020 financial year.

We also 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.

### Online Learning

Over the course of FY19, a great benefit to the Vocus team was a subscription to Lynda.com for every team member. Lynda.com has more than 10,000 training videos on their training platform. The Lynda.com library covers a wide range of topics from technical skills, time management to career development and leadership. In the 12-month period from July 2018 – June 2019, 50% of Vocus Team members logged into Lynda.com, spent 3,089 hours taking part in on line training and 942 Certificates of completion were awarded. In FY20, Vocus has launched LinkedIn Learning to replace Lynda.com.

In New Zealand we Invested in a new online learning and development programme. Our team enrolled in over 4,300 courses enrolled by team members during FY19 and our course completion rate reached 70%. We also offered an external leadership development programme for the third year. All current leaders have gone through this six month programme.

### Vocus Mentor Program

We run an inhouse mentor program which currently has 104 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.

### Vocus Learning Centre

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

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. This year we added Information Security Awareness to the suite.

### 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.

**In FY19 50% of Vocus Team members spent 3,089 hours taking part in on line training and 942 Certificates of completion were awarded.**



## F) 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 we established a remote working plan in our Consumer operations division. We have grown our ‘work from home’ force from zero to 8% of our customer operations team and are targeting further increases in this working mode for FY20.
- 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. This year we also provided the team with a webinar highlighting the work of the White Ribbon Campaign to end violence against women.

## G) SUPPORTING OUR TEAM FOR BETTER MENTAL HEALTH

We held a series of workshops in Australia to train team members in management roles about the importance of managing mental health. 35 managers attended the training session, which covered content such as flags for mental health issues in the team and tools and resources available to help address these issues. In New Zealand we also provided an externally facilitated mental health training programme for all people managers.

## H) INDIGENOUS INCLUSION AND ENGAGEMENT

Vocus has a history of positive engagement with Indigenous communities and a continued support through our network rollout, our activity in the Northern Territory and The Visibility Project, discussed under Social Sustainability below.

To mark National Reconciliation Week 2019, Vocus launched two new policies expressing our commitment to Indigenous Engagement and Indigenous Inclusion.

By formalising these policies, we aim to unite our (One)Team on our position of Indigenous Australia and our future path and highlight that there is always more we can do.

The Indigenous Engagement Policy aims to ensure that the relationship and engagement between Vocus and our nation’s First People continues to be respectful and successful. The Indigenous Inclusion Policy highlights our commitment to maintaining a safe working environment that is respectful and understanding of Indigenous people.

These policies improve the ways in which Vocus can support Indigenous involvement in our industry and help create paths to improved industry employment opportunities.

## I) 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.

## J) VETERAN EMPLOYMENT

During FY19 Vocus has signed the Veterans Employment Commitment, identifying us as a veteran-friendly employer and allowing us to advertise vacancies on a veteran specific employment board.

# SOCIAL SUSTAINABILITY

## – PRODUCT RESPONSIBILITY

### A) CUSTOMER SATISFACTION AND EXPERIENCE

#### Vocus Retail

Vocus Retail has achieved the following Customer Service improvements for FY19:

- Reduction in TIO complaints – Following a number of service improvement initiatives, we saw a 35% reduction across our Dodo and iPrimus brands for Ombudsman Complaints per 10k Services in Operation (4.5 to 2.9), through a Customer Advocacy program which focused on quality framework changes, people development and overhauling our processes. Our Commander brand also saw a 55% reduction in TIO complaints, from 9 to 4 per 10,000 Services in Operation. This was made possible by the undertaking of several initiatives including embedding a new escalation framework and doubling down on first call resolution across all support teams
- Increase in NPS – We are pleased to deliver a high across all brands in NPS of 34. This is a 50% increase over the previous year, markedly improved by being focused on our customer with workshops to understand and implement change based on customer dissatisfaction
- Genesys implementation – We implemented a Genesys platform which enabled us to provide a better-quality service over the phone by routing calls to the correct support teams and also providing management with enhanced visibility of demand for continuous improvement
- Improved operating structure – We have restructured our support and management model to ensure we have the right people in the right roles to deliver enhanced level of customer experience in every interaction



#### Vocus Network Services

- Customer Experience lead: To further our ambition of focusing on improving customer experiences at the heart everything we do, we've recruited a dedicated Customer Experience lead into the business. Our Customer Experience lead will develop customer-led programs across Vocus Network Services; support the team in designing our next generation of products; and assist in identifying requirements for improving systemised Customer Experience capability.
- Customer Experience capability: Our activity in FY19 has allowed us to identify the key end-to-end journey maps; better understand our customer impacting digital capabilities; and scope the ways of working to implement in FY20 to put our customer-focused commitment into action.
- Customer Service commitment: We have continued our focus on service excellence within the Customer Delivery and Support division with customer service, training and continual improvement experts embedded to prioritise the achievement of our customer service goals. FY19 saw the introduction of a dedicated customer service team, 'Customer Care' to focus on billing and general customer enquiries.
- Measuring our Customer Experience: To measure our performance against our goal 'make it easy' and to further enhance the insights gathered through our award-winning Voice of the Customer program, we introduced a new metric: Customer Effort Score (CES). Through the Voice of the Customer program, we survey all customers at the end of each interaction including following the delivery of a service, a support ticket, billing, Customer Care or data centre query.
- In addition, we gather transactional NPS and CSAT measures. Our Continual Improvement team receive survey feedback real-time and are responsible for 'closing the loop' on any customers with an unsatisfactory experience. This enables us to gain further insights on customer experiences with and resolve any outstanding matters. 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.

Our work in improving customer satisfaction has delivered a 35% reduction in Dodo and iPrimus TIO complaints and a 50% increase in Net Promoter Score in these brands.

## **B) 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.

## **C) 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.

## **D) 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 provided further face to face training to team members working closely with large volumes of customer data, and refreshed our Data Breach Response Plan.

## **E) 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 subpoena.

## **F) PUBLIC POLICY**

Vocus has not made 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.

## **G) FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT**

Vocus has 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 is scheduled to be completed by the end of calendar year 2019.

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

## **H) 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%.



# 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 FY19.

## A) TELCO TOGETHER FOUNDATION

Our national partner for charitable and volunteering activity is the Telco Together Foundation (TTF). ('TTF') was seeded in 2011 by our former Chairman, Vaughan Bowen. TTF unites Australian IT&T companies for the purpose of fundraising for a number of key charities that support communities in need, focussing on mental health, homelessness, food insecurity and indigenous communities. All leading Australian telecommunications companies are members of the TTF. Our General Counsel Ashe-lee Jegathesan is a member of the advisory board.

We supply the TTF with office space and supplies and pay a yearly membership fee of \$50,000.

Other avenues through which the Vocus Team supports fundraising for the TTF include nominating the Foundation as its charitable partner for its annual Commander Channel Partner Conference, and through our Workplace Giving Program.

In FY19 Telco Together was the official charity partner for the Commander Conference and raised almost \$44,000 for Australians experiencing disadvantage. Commander team members, dealers and conference sponsors also participated in a community outreach day, working alongside local families to paint houses in Quezon City, Manila.

TTF provide valuable support to Vocus in coordinating our key Volunteering activities.

## B) 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 MacDonald House, Foodbank and the Salvos providing much needed time in their facilities to support disadvantaged communities.

**Vocus team members across all sites have made a significant contribution by volunteering with a number of charities.**





**This year, Commander team members and channel partners joined in an outreach day, coordinated by Telco Together with Habitat for Humanity Philippines.**

Habitat for Humanity Philippines is a non-profit organisation that builds sustainable communities by providing simple, affordable and decent homes by partnering with industry who assist with volunteer labour and donations. Habitat for Humanity International operates in nearly 90 countries, and has built over 350,000 houses providing more than 1.75 million people with affordable shelter.

Our team, partners and TTF spent the day in the local community in Bistekville 1, Quezon City. Housing the largest number of informal settlers in the country, Quezon City has more than 200,000 families living in areas considered danger zones. Many of these families lost their homes due to floods and cyclones, and now live in patched-up houses made of salvaged materials. The Bistekville 1 site provides homes for teachers, professionals and their families who have struggled to regroup and get back on their feet. Commander worked alongside the local families to bring back a sense of pride by helping them to paint the houses.



## COMMUNITY (continued)

### C) 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 \$27,000 in team donations for TTF through workplace giving in FY19.

### D) 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 they 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 \$300,000 to support disadvantaged Australians.

### E) 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 is on track to be completed in October 2019.

### F) TIWI BOMBERS FOOTBALL CLUB SPONSORSHIP

Vocus, through the Vocus Communications brand, signed as a major sponsor of the Tiwi Bombers Football Club for the 2018/19 NT Football League season. 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.



### G) 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.

### H) 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. We also support the Starlight Foundation's Bush Week, a series of shows with health and lifestyle messages delivered to schools in remote communities that Starlight visits in partnership with NT Health Department paediatricians.

### I) VOCUS SCHOLARSHIP WITH CHARLES DARWIN UNIVERSITY

Vocus is the donor of two \$5,000 scholarships 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.

### J) CHARITABLE CONTRIBUTIONS IN MANILA

We have a significant number of team members 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 and in the last 12 months, 298 blood units were collected across all sites.

**CALL FOR VOLUNTEERS.** We partner with the Department of Social Welfare and Development (DSWD) in preparing immediate relief augmentation of food and non-food items relief items, such as temporary shelters, clothes and dignity kits, to the affected families of both natural and man-made disasters in the country.

**SHARE A SMILE.** An Annual Christmas Caroling Fundraiser is held in partnership with Children's Joy Foundation Inc (CJFI), a non-profit organization that helps the disadvantaged, neglected and poor children in the Philippines. It is seen to be an avenue to give back to the communities where we belong through fostering the value of corporate social responsibility. In December 2018, a total of PHP 97,681.00 (more than AUD\$2,500) cash donations were collected which produced 453 school supply kits. We also granted the wish list of 30 children under the foster care of the Children's Joy Foundation Inc.



# 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
<b>Environmental</b>	Use of materials Energy consumption Products and services
<b>Social – labour practices</b>	Employment Labour/management relations Workplace health and safety Diversity, equal opportunity and non-discrimination Training and education
<b>Social – product responsibility</b>	Customer satisfaction Marketing communications Customer privacy Public policy
<b>Economic</b>	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 FY19 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 <b>at least one topic-specific disclosure</b></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)







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