

Get involved

Give back

Make a difference





About this Report

This is the second annual sustainability report prepared for Vocus Group Limited ("Vocus"), reviewing our performance from 1 July 2016 to 30 June 2017. This report has been prepared in accordance with the Core option of the Global reporting Initiative's G4 Sustainability Reporting Guidelines. We intend to progress to using the GRI Standards for our next report and have not sought external assurance over this report. This and our previous reports can be found online via <http://vocusgroup.com.au/sustainability/sustainability-report/>. We welcome feedback on the report, which may be sent to investor@vocus.com.au.

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Chairman and CEO's Letter



Geoff Horth & David Spence

Dear Fellow Shareholders,

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

At Vocus, taking a sustainable approach to business is core to and an underlying theme in our values and goals, which include treating each other and our customers with respect. FY17 was a year of intense internal focus as our Team worked to integrate our acquisitions and grow our business; however, our Team continued to deliver on our sustainability strategy to Get Involved, Give Back and Make a Difference.

This report covers our success in these areas within the context of the GRI G4 Sustainability Reporting Guidelines. We appreciate the approach of the GRI Standards and will align our reporting with the improved standards in line with the FY18 deadline for implementation. In association with aligning our reporting to the GRI Standards, we will review our sustainability strategy to incorporate the key element of minimising our environmental impact. We have made a renewed commitment to our sustainability through delivery of our key sustainability priorities for FY18.

We must commend our Team for being at the forefront of our sustainability activities, driving our volunteering activity, achieving an above-average yearly amount in workplace giving and pioneering an award-winning customer experience program. We have a goal of being a Top Ten Great Place to Work and have endeavoured to give back to our Team and our Customers through initiatives such as our Leadership Development Program, our support for study and our support of working families – all of which is detailed in this report. We believe that an investment in our Team is an investment for our Customers and our Shareholders.

Better understanding our Customers has been a continued focus in FY17, and one that is carried forward as we continue to survey our customers and analyse their behaviour. One way in which we've strived to improve consumer customer experience this year is to further develop our self-help and account management tools, to better serve them as they want to be served.

We are very confident that the business platform we have established is in a strong position to genuinely rival our competitors and grow market share in future years delivering on our growth commitment to our Team and our Shareholders.

We have an experienced Leadership Team in place, harnessing our engaged and motivated Team around Australia and New Zealand, to drive our success.

We invite you to review our sustainability activity and welcome your feedback via investor@vocus.com.au.

David Spence,
Chairman

Geoff Horth,
Group CEO

About Vocus

5,000

more than 5,000 buildings on-net

7,000km

fibre network in NZ

70

data centres in Aus and NZ

2,254

team members in Australia and New Zealand

2,800

team members in the Philippines, employed through a business process outsourcing partner

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

We are Australia's fourth largest telecommunications provider and New Zealand's third largest by revenues.

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.

There have been substantial changes to Vocus' business during the period covered by this report. In October 2016 Vocus announced the acquisition of Nextgen Networks, the North Western Cable System development project and the Australia Singapore Cable development project. These changes are discussed in the FY17 Annual Report.

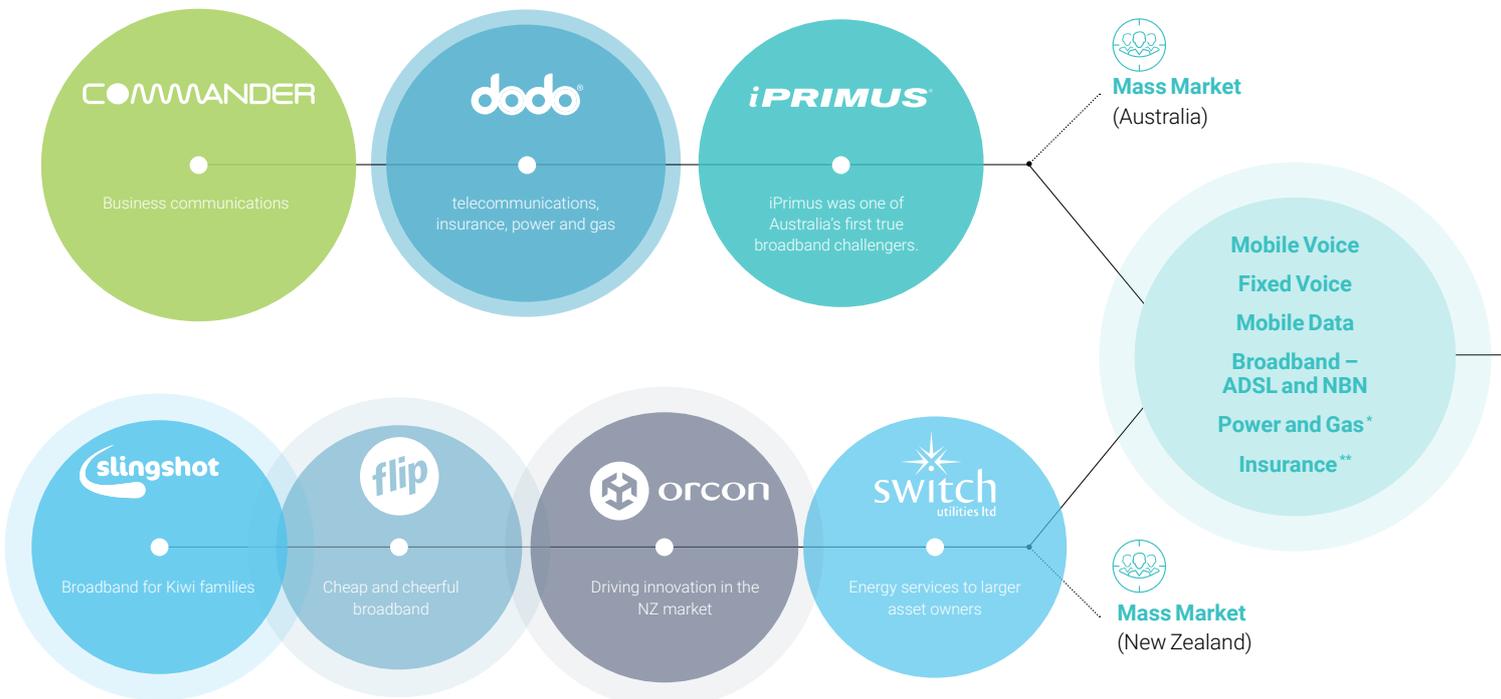
The following table provides an overview of the highlights of our FY17 performance. Further details of our financial position and performance are included in our FY17 Annual Report at <https://www.vocus.com.au/investors/annual-reports>.

	FY17
Revenue	\$1.8bn
Underlying EBITDA	\$366.4m
Underlying NPAT	\$152.3
Underlying fully diluted EPS	24.7 cents per share
Interim dividend*	6 cents per share

* excluding special dividends

* Electricity and gas, residential and small business customers in VIC, NSW, QLD and SA
 ** Car, home and contents insurance products

Our primary go-to-market brands and services



Vocus operates across all states and territories of Australia and across the North and South Islands of New Zealand.

30,000 Km

network spanning Australia and New Zealand



VOCUS GROUP

For Enterprise, Government and Wholesale

engin

Leading IP voice provider

Enterprise & Wholesale (Australia)

**Fibre and Ethernet
Internet
Data Centre
Voice**

VOCUS GROUP

For Enterprise, Government and Wholesale

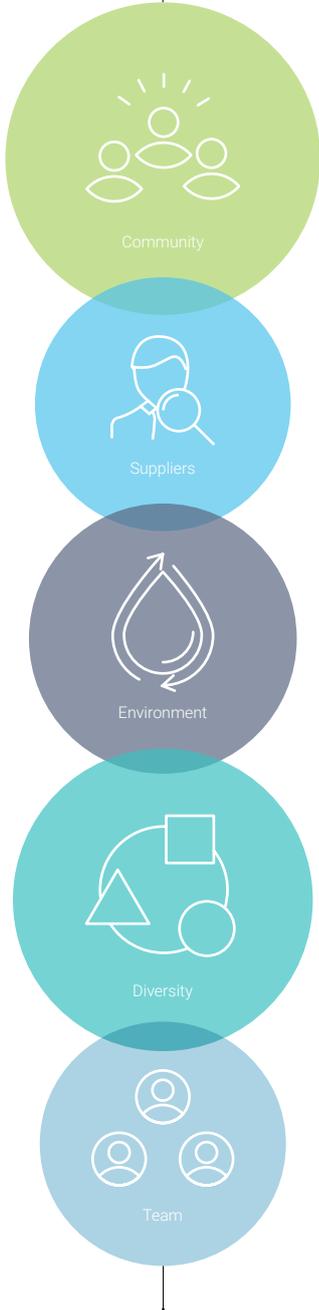
talk

Provider of voIP solutions

Enterprise & Wholesale (New Zealand)

* Commander is now a part of Enterprise & Wholesale.

Priorities and Achievements



FY17 achievements

51 team members took paid Volunteering Leave. 274 hours / 66 days were volunteered in Sydney, Melbourne, Adelaide & Perth

Worked with our partners and suppliers to communicate our sustainability principles and practices

Continued to improve the efficiency of our Data Centres. Reduced the water consumption of our Mitcham Data Centre by 5000L per day

Introduced a gender pay check to ensure equality of remuneration

Graduated 204 team members from our Leadership Development Program

FY18 Priorities

Through our Internal Communications channels and the support of our Leadership Team, we would like to increase volunteering by 5% in FY18

In FY18 we commit to the introduction of supplier screening to ensure standards of ESG are met and that as far as possible, we source from companies that meet our criteria.

Reduce paper consumption across the business by 1.5%

The directors and CEO commit to increasing diversity at Senior Leadership levels by 2%

Graduate the next level of team members through our Leadership Development Program – a minimum of 100 more team members

51

team members took paid Volunteering Leave

1.5%

reduction of paper consumption by FY18

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.



Team



Being a Top Ten Great Place to work is one of our Goals as we recognise the value of our team members and the positive impact – both internally and externally - of an engaged and motivated team.

Our team members have several opportunities to provide feedback on their work, workplace, benefits and levels of engagement throughout the year. Annually, we survey our team in detail through the Great Place to Work survey. This an anonymous survey open to all team members in Australia and New Zealand, gathering feedback around the key aspects of engagement – communication, leadership, recognition and reward, remuneration, camaraderie and community.

80% of our team members completed the Great Place to Work survey in FY17 and overall 74% of respondents agreed that Vocus is a Great Place to Work, both results improving by 4% compared to last year. Some of the areas where we scored particularly highly included:

- Respect for work-life balance and the ability to access flexible working patterns;
- Granting of autonomy in day to day tasks and being able to work independently;
- Diversity and fairness, discussed further in our section on Social Sustainability.

We also conduct weekly team surveys via an online engagement tool which provides real-time, anonymous feedback to managers in their team and which also provides the opportunity for managers to respond to that feedback immediately.

We communicate regularly with team members through methods including a private social network for Vocus team members, an e-mail newsletter, face to face briefings with our CEO and Executive Team and recorded video messages to brief team members on major events occurring in the business.

The aim of our communication strategy is to keep team members informed, provide the opportunity for feedback and ensure understanding of our goals and priorities.

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.

The 2017 Vocus Investor Day was also webcast and shareholders were invited to listen to management presentations and engage via an online Q&A tool. Throughout the year, shareholders have the opportunity to provide feedback and pose questions through our dedicated investor email address (investor@vocus.com.au).

Our CEO and at times, CFO, 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.

Suppliers



We value our supplier relationships and meet regularly with our major suppliers.

Customers



An overview of our engagement with our wide range of customers is included under our section on Customer Satisfaction and Experience.

Regulators



We aim to have an open and constructive relationship with all regulators. We are active participants and contributors to policy debates via our membership of the Communications Alliance, and our regulatory team also take part in and contribute to a variety of industry working groups on subjects such as the proposed changes to the Notifiable Data Breach Scheme.

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.

The FY17 Annual Report contains details of our governance structure and is also available online. The 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. Finally, 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.

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.

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. In FY17, Vocus has not been found to have breached any regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.

At the core of our behaviour are our values, which are focussed on empowering our team members, doing the right thing by the customer and each other, and delivering returns to our shareholders. We believe that living our values benefits all of our stakeholders.

Our values



Clever company no muppets

We are awesome people with a great attitude, unleashed and empowered to do our job.



Have a crack

We detest bureaucracy, we collaborate to find a smarter way, we take risks, we act decisively and we celebrate our wins.



Don't screw the customer

We put ourselves in the customers' shoes, we make it easy to buy and easy to use.

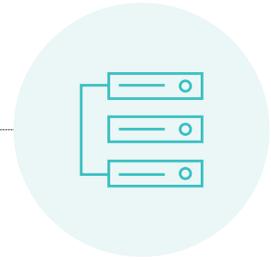


Don't be a D!@khead

We respect each other, we value relationships and we have the hard conversations.



Environment



Energy consumption – offices and data centres

Our data centres are the primary source of electricity usage across the group, followed by our office spaces.

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 FY17 we have continued to deploy various efficiency processes and systems including the following projects:

- Continued installation of Hot and Cold Aisle separation to the data halls. By separating the supply and return air, the cooling plant operates in a more efficient manner, thereby reducing the load for each facility while also providing a more stable environment for our clients. In addition, blanking panels are utilised in all data halls to ensure that the facility air separation is as effective as possible;
- Adoption of cooling recommendations from ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineers) enabling an environment acceptable to modern computing equipment whilst also reducing the total power consumption required to meet the standards;

- Investment in class leading Cooling technology such as PowerPax and Uniflair Chillers with Turbocor compressor technology reducing power consumption;
- Investment in class leading Air Conditioning technology with Variable speed compressors and EC Fans to minimize power consumption;
- Automation of Air Conditioning strategies via our DCIM (Data Centre Infrastructure Management) systems to ensure that redundancy is maintained whilst also reducing power consumption; and
- Replacement of legacy UPS systems resulting in significant improvements in electrical system losses.;

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. 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.

Minimising our impact – Mitcham data centre case study

As part of our commitment to reducing energy consumption and water usage, this year we undertook a project to upgrade the chiller facility at our data centre in Mitcham, Victoria.

The data centre was configured with a primary chiller and two back up units. Both the primary and the back-up units were not operating at peak efficiency relative to more modern chiller equipment available on the market.

We replaced the two back up units with a new Powerpax chiller unit, moving the existing primary chiller to act as back up. Through the use of adiabatic cooling, the Powerpax chiller substantially reduced the water consumption of the site by approximately 5000 litres per day. In addition, the highly efficient unit has resulted in a substantial reduction in active power consumption for the mechanical plant.



Likely future developments and results

The Operating and Financial Review which forms part of the Directors' Report outlines business prospects and strategies for future financial years in order to facilitate the informed decision making of shareholders.

The directors have released guidance for FY18, with revenue expected to increase to

\$1.9–2bn

and underlying EBITDA to \$370–\$390m

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 2016 compliance year we purchased over 239,000 Renewable Energy Certificates (2015 compliance year: purchased 180,000 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

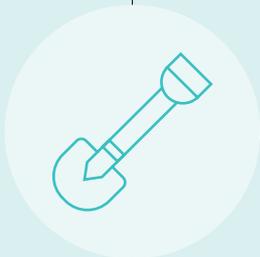
Approximately 80% of electricity generated in New Zealand was through renewable sources in 2014¹. New Zealand, which in 2014 ranked in the top five countries in the world for its percentage of renewable energy generation, uses hydro, thermal, geothermal, wind and, where necessary, cogeneration for wholesale market supply.

In FY17 we extended our telco and electricity bundle offering to New Zealand residential customers, offering a prompt payment discount on both services as part of the bundle.

50%
of our products and their end consumer packaging can be recycled

8.4%
of our Consumer and Small Business invoices were printed down from 8.7% last year

1. Source: Electricity in New Zealand, New Zealand Electricity Authority, <https://www.ea.govt.nz/>



Australia – Singapore cable under construction

Minimising our impact - Construction of the Australia to Singapore cable

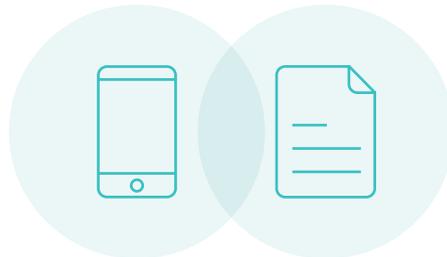
In December 2016 we announced that we had signed an agreement Alcatel Lucent Submarine Networks to construct the Australia to Singapore Cable project (“ASC project”). The ASC project is an approximately 4,600 km undersea cable linking Perth to Singapore, with a landing in Indonesia. Land works started in mid 2017 and the project is expected to be completed by August 2018.

During the project’s planning phase, an environmental assessment was carried out in relation to the cable route through Australian waters. The scope of the assessment included 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 were 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 the assessment, various safeguards were identified to minimise the environmental impact of the project. These safeguards and recommendations have been adopted in the management of the ASC project.



Minimising waste – hardware

Our Pendo business sells mobile phones, tablet computers, televisions and smart watches through national retailers and through the Pendo website. We estimate that 50% of our products and their end consumer packaging can be recycled.

In our offices and warehouses we support Mobile Muster as means of reclaiming materials from recycled mobile phones and in FY17 we diverted in excess of 50kgs of mobile phones from landfill. We also routinely recycle all cardboard waste from our 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.

Minimising waste – paper

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 2017, 8.4% of our Consumer and Small Business invoices were printed, in comparison to 8.7% of all invoices which were generated in a paper format a year ago.

In FY17, 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, franchise agreements, dealer agreements and terminations and insurance proposals as well as for internal purposes such as employment agreements.



Team

Diversity

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,

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 our recent Great Place to Work survey, over 90% of participants affirmed their belief that we as a business treat people fairly regardless of their race, ethnicity, gender or sexual orientation.

In relation to equality in gender pay, during the year we completed a review of remuneration across the merged entities in the Vocus group. This included benchmarking of pay to market data and a comparison of 'like for like' salaries. This is an important step in ensuring that our team members are being paid fairly. Part of this annual process now includes a 'gender check' to highlight any gaps between what women and men are paid and avoid the opportunity for any unconscious bias in remuneration decisions.

At 30 June 2017:

Employment Status	Male	% of total	Female	% of total	Total	% of total
Permanent full time	1,447	91.8%	545	80.4%	1,992	88.4%
Permanent part time	26	1.6%	46	6.8%	72	3.2%
Contractor	16	1.0%	20	2.9%	36	1.6%
Casual	87	5.5%	67	9.9%	154	6.8%
Total	1,576	100%	678	100%	2,254	100%

Age Range	Total	% of total
Under 25	345	15.3%
26-40	1,289	57.2%
41-65	610	27.1%
Over 65	10	0.4%
Total	2,254	100%

Gender Diversity	# of females	% of total
Board	1	17%
Executive Leadership Team	1	14%
Senior Leadership Team	17	29%

Our Team by the Numbers

At 30 June 2016:

Employment Status	Male	% of total	Female	% of total	Total	% of total
Permanent full time	1,299	88.7%	454	77.3%	1,753	85.5%
Permanent part time	44	3.0%	47	8.0%	91	4.4%
Contractor	13	0.9%	15	2.6%	28	1.4%
Casual	108	7.4%	71	12.1%	179	8.7%
Total	1,464	100%	587	100%	2,051	100%

Age Range	Total	% of total
Under 25	392	19.1%
26-40	1,168	56.9%
41-65	484	23.6%
Over 65	7	0.3%
Total	2,051	100%

Gender Diversity	# of females	% of total
Board	1	12%
Executive Leadership Team	2	22%
Senior Leadership Team	11	25%

Labour/Management Relations/Supporting our Team

In the event of an operational change impacting our team members roles, we provide 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.

The number of team members who are subject to a collective agreement is not material.

Workplace Health and Safety

As part of our Team Benefits program, we offer all permanent team members a subsidy which can be used to fund any health and wellness activity, such as a gym membership or sports equipment. Our team members also 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 Sydney office have access to standing desks. Our aim is to install these desks in any future office fitout.

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. We have also established a "Speaking Safety" group on our internal social media platform. Speaking Safety provides a central repository for team members to access our WHS policies and instructions on how to log incidents or hazards. It also serves as a real-time consultation mechanism. We have also developed and rolled out a series of online training covering WHS topics such as anti-bullying and harassment.

We have implemented an on-line pre-qualification system to enable us to manage safety, risk assessment and licensing across our Australian contractor base.

In the year to 30 June 2017 we have not experienced any significant lost time injuries and believe that our experience of injuries, as evidenced by our WorkCover premium rates, is largely in line with industry norms.

Wellness at Vocus

This year we instituted a Health & Wellness week to demonstrate our support for team members in focussing on strategies to improve health and wellbeing in the workplace.

Team members were able to access one-on-one or group advice from a series of health professionals who came to the Vocus offices. Consultation topics included mole checks for skin cancer, bowel cancer information and risk assessment sessions, mental health, stress awareness and resilience building, and diabetes risk assessments.

In addition to the Wellness Week, we have supported our team members in improving their health and fitness through the Vocus Weight Loss Challenge. Vocus provided a monetary prize as a motivational tool, but the challenge was underpinned by a holistic approach using support and advice from qualified personal trainers and nutritionists. Over an 8 week period team members were supported in a healthy eating and lifestyle journey, including a weekly weigh in and articles containing advice from qualified personal trainers and nutritionists. Across the business, the challenge attracted 320 participants.

Training and Education

We continue to invest in training for team members across all areas of the business, using the 70:20:10 philosophy of learning and development. 10% of training is delivered face to face in a classroom environment, 20% of training is delivered through coaching, 360 degree feedback surveys, networking and mentoring, and 70% of training is delivered through on the job practice, work assignments and projects.

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 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
- The right for anyone to request flexible working hours or arrangements, subject to operational requirements
- An Employee Assistance Program that provides professional counselling on demand to team members

Investing in our Leaders

During the year, 204 Team members participated in the Vocus Leadership Development Programme ("LDP"), delivered in conjunction with the Australian Institute of Management.

The programme represents an investment of 9,792 hours across Australia and New Zealand. The aim of the programme is to develop the current and next generation of Vocus leaders, by developing leadership skills and knowledge, underpinned throughout the course by a reinforcement of the Vocus values. Participants were selected by nomination from all areas of the business including Sales, Operations, Customer Service, Technology and Corporate Services. Participants subsequently have the option to continue their learning and study for a Diploma qualification.

We also have dedicated training resources attached to a wide variety of teams across the business including our Dodo Connect kiosks, Commander brand, Vocus Enterprise and Wholesale team and attached to our sales and customer service team in Manila. All team members can access the Vocus Learning Centre, learning platform where a variety of internal training programs are uploaded, including compliance training.

Our entire team has access to Lynda.com, an online library of training courses and videos covering a wide range of topics from technical professional development through to soft skills such as time management, career development and management. In the 8 month period October 2016 – May 2017 Vocus team members spent 1,964 hours taking part in on line training and accessed 1,255 unique courses.

We offer study leave and study support to team members where the course undertaken is relevant to their role and the business as a whole. We have not yet tracked data on access to training by gender or by employment category.

Social Sustainability – product responsibility

Customer Satisfaction and Experience

Our goal is to become the Most Loved Telco – and we believe in this so strongly that it's on our office walls across Australia and New Zealand. We pride ourselves on dealing with our customers via their preferred method – whether by phone, online chat or account management tools.

Streamlining the Experience

Our Product Ethos is to make things 'easy to buy and easy to use'.

- In our Australian Consumer brands Dodo and iPrimus, we have designed a "hassle free" upgrade process to migrate customers from their existing ADSL subscription to a new NBN plan as their address becomes ready for service, streamlining the process.
- To help us better support our customers, we have implemented a new customer relationship management platform, which consolidates all relevant customer information into one easy-to-use platform and simplifies interactions with our contact centre.
- We have enhanced our on line support tools with several new functions, which enables customers to manage their accounts conveniently online at a time that suits them, including an interactive Frequently Asked Question functionality.

Customer Satisfaction

Understanding our customers is key to our success. We continue to use customer satisfaction surveys and Net Promoter Score to monitor customer satisfaction.

Across the Company, we survey customers at various points during their relationship with us to provide opportunity to give feedback and help us actively identify any issues, enabling a dialogue as well as giving us insight.

In Enterprise and Wholesale – Australia, we have established a Customer Experience and Business Improvement team to prioritise the achievement of our customer service goals. As part of our customer experience and business improvement initiatives, 500 team members were selected to participate in the first phase of Certified Customer Service Excellence (CCSE) training in partnership with the Customer Service Institute of Australia. This investment in our service delivery was made to improve consistency of customer experience across our legacy brands. In conjunction with the certification of our team members, we celebrated Customer Experience Month, raising awareness of the customer experience and disseminating information in an enjoyable and memorable format.

Our Head of Customer Experience and Business Improvement was awarded the Service Hero prize at the Customer Service Industry of Australia 2016 awards in recognition of the success of this initiative.

As part of our Voice of the Customer program managed by our Customer Insights team, we survey all customers at the end of the delivery cycle, following a Support, Billing or Data Centre query. We reach out to all customers who complete surveys and get further insights, good and bad, about their experiences with Vocus. This feedback enables us to recognise our high performing team members who are consistently achieving a high level of customer service, and drive business improvement initiatives where required.

We have also launched a new customer feedback survey tool, Qualtrics, enabling us to publish real time statistics on dashboards around the business displaying our performance in our measures of customer experience.

Our Product Ethos:



easy to buy



easy to use



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 FY17.

Telco Together Foundation

Our national partner for charitable and volunteering activity is the Telco Together Foundation (TTF). Vocus Executive Director Vaughan Bowen and CEO Geoff Horth are members of the TTF advisory board, which is chaired by Vocus Non-Executive Director Bob Mansfield AO.

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.

Small Change, Big Change

Launched in early 2016 following a pilot program in 2015, Small Change, Big Change is an on-bill donation initiative to increase TTF's fund raising capacity by leveraging the reach of the telecommunications industry. Exclusively under our Commander brand, customers are given the opportunity to opt in or out of an on bill donation amount ranging from \$1-\$5/month. In FY17, donations of approximately \$74,000 were generated, which were passed on in full to TTF's charitable partners.



Volunteer days

Vocus offers to all permanent team members the right to spend two days each year undertaking paid volunteering work. This year 51 team members volunteered 274 hours in Sydney, Melbourne, Adelaide and Perth to a variety of charities, including Food Bank, Second Harvest and the City Salvos.

Payroll giving

We run a workplace giving scheme where team members can make a regular charitable donation to the Telco Together Foundation through our payroll. We have generated over \$42,000 of donations through this scheme.

Orcon designer modem series

In New Zealand we launched a limited edition series of modems under our Orcon brand, which turned this every day piece of equipment into art by featuring original art work from five local Kiwi artists on the side of the modem. The original art works were then auctioned, generating a contribution of more than \$5,000 for conservation charity Forest and Bird.

Vocus partnership with Starlight Foundation

We continued our partnership with the Starlight Children's Foundation to support and raise funds to aid in brightening the lives of sick kids across Australia. We provide funding for remote paediatric clinic visits, and a 'fly in/fly out' clinic in partnership with the Northern Territory Department of Health which 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 pediatricians.

Vocus Scholarship with Charles Darwin University

We have funded two scholarships of \$5,000 each 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. We also offer a paid work experience placement of a minimum of two weeks to help the recipients in developing their workplace skills and networks.



The Telco Together Foundation

The Telco Together Foundation (TTF) was seeded in 2011 by our Executive Director, Vaughan Bowen. The TTF unites Australian ICT companies to help disadvantaged Australians through fundraising, volunteering and creating community projects that leverage the unique technology and reach of the ICT industry.

The TTF raises money for Community Partners supporting areas such as mental health, homelessness, Indigenous health and youth unemployment. All leading Australian telecommunications companies are members of the Foundation. For more information please visit <http://telcotgether.org/>

Team activities

During the year we undertook numerous ad hoc fundraising activities across our offices, with a few of the highlights as follows:

- Donated three monitors to the Hunter Surf Lifesaving branch headquarters Office at Tighes Hill, Newcastle;
- Donated a laptop to the Royal North Shore Hospital Sydney, to be used in the emergency department to conduct research on the Perfusion Index of critically ill patients;
- Hosted Australia's Biggest Morning Tea in our offices;
- One of our Sydney team members raised \$2,500 for the Leukaemia Foundation via participation in the World's Greatest Shave;
- Our Orcon brand is a proud sponsor of Cure Kids, and in October 2016, team members in Auckland did their bit to help prepare for the annual Red Nose Day appeal, volunteering time to spend the day packing tens of thousands of red noses (more than 200,000 Red Nose Day goodies to be exact!) and capped off the day with a donation of \$1000 from Vocus, in addition to our annual \$20,000 donation
- Collected canned foods in our Auckland offices for the City Mission's "One Can, Two Can" appeal.
- Held a Movember morning tea in Sydney, raising \$365.

Giving Back 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:

Dare to care: Project Play: Pateros

This year's Dare to Care Project helped convert a 300 square meter area inside Pateros Elementary School into a safe playground area for the students of of the school. The majority of the funding for this project came from sponsors within our team, under the Acquire Dare to Care program.

Blood Hero 4

A blood-drive activity happens twice a year in partnership with Philippine Red Cross. During the blood-drive in February we were able to collect a total of 191 bags of blood from our team member donors. In return, our team members and their families who needs blood products are granted access to these medical supplies whenever needed. This advocacy has helped countless people within and beyond our BPO partner organisation.

Christmas Outreach

During December 2016 Acquire invited the Children's Joy Foundation to have a Christmas Carolling activity throughout all of our sites. Our team members then made cash donations to this foundation which cares for orphans and abandoned children as part of a non-government organisation based in Manila. PHP 125,700 of donations were generated.



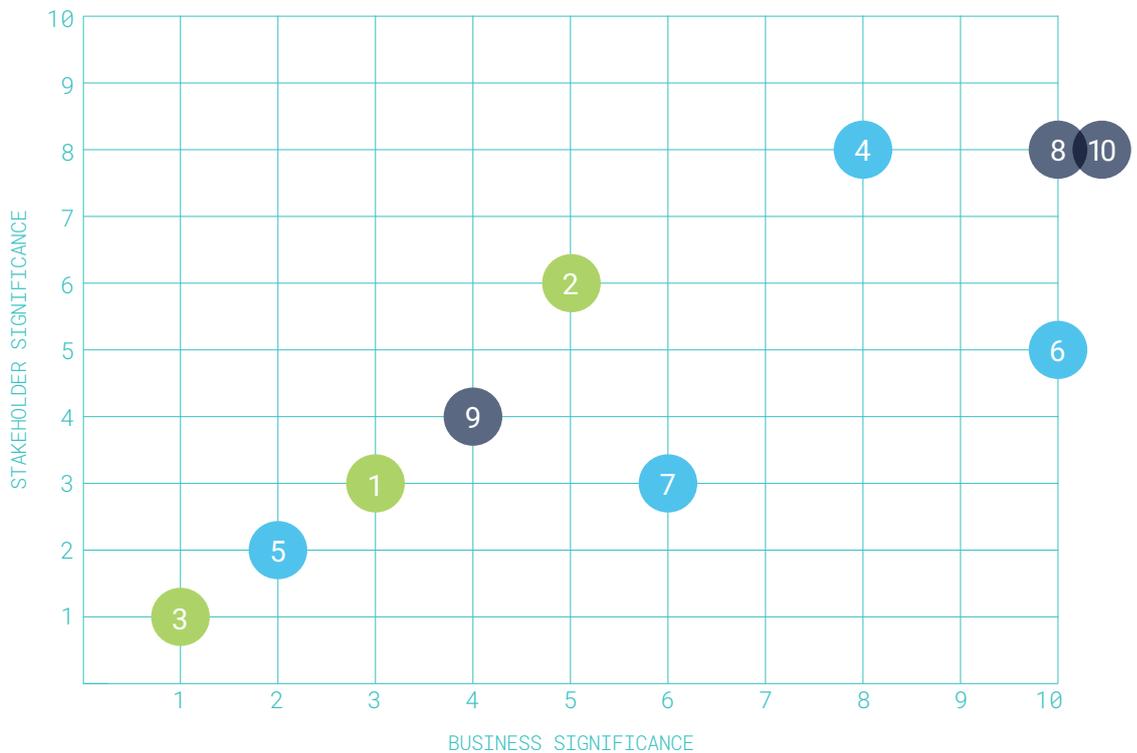
Identified Material Aspects and Boundaries

When determining materiality, we consider external stakeholder perspectives as well as internal business impact, within the context of the GRI Standards materiality principle.

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

Category	Material Aspects
Environmental	Energy consumption
	Products and services
	Transport
Social – labour practices	Employment
	Labour/management relations
	Workplace health and safety
	Training and education
Social – product responsibility	Customer satisfaction
	Marketing communications
	Customer privacy
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 FY17 Annual Report.



Environmental	Social – labour practices	Social – product responsibility
1. Energy consumption in offices and data centres	4. Diversity and Opportunity in Employment	8. Customer satisfaction
2. Products and services - sale of electricity and gas	5. Labour/management relations	9. Marketing communications
3. Transportation of products	6. Workplace Health and Safety	10. Customer privacy
	7. Training and education	

Appendix

Required disclosures per Global Reporting Framework

TABLE 3: REQUIRED GENERAL STANDARD DISCLOSURES

General Standard Disclosure	'In accordance' – Core (This information should be disclosed in all cases)	'In accordance' – Comprehensive (This information should be disclosed in all cases)
Strategy and Analysis	G4-1	G4-1, G4-2
Organizational Profile	G4-3 to G4-16	G4-3 to G4-16
Identified Material Aspects and Boundaries	G4-17 to G4-23	G4-17 to G4-23
Stakeholder Engagement	G4-24 to G4-27	G4-24 to G4-27
Report Profile	G4-28 to G4-33	G4-28 to G4-33
Governance	G4-34	G4-34, G4-35 to G4-55(*)
Ethics and Integrity	G4-56	G4-56, G4-57 to G4-58(*)
General Standard Disclosures for Sectors	<i>Required, if available for the organization's sector(*)</i>	<i>Required, if available for the organization's sector(*)</i>

TABLE 4: REQUIRED SPECIFIC STANDARD DISCLOSURES (DMA AND INDICATORS)

Specific Standard Disclosures	'In accordance' – Core	'In accordance' – Comprehensive
Generic Disclosures on Management Approach	For material Aspects only(*)	For material Aspects only(*)
Indicators	At least one Indicator related to each identified material Aspect(*)	All Indicators related to each identified material Aspect(*)
Specific Standard Disclosures for Sectors	<i>Required, if available for the organization's sector and if material(*)</i>	<i>Required, if available for the organization's sector and if material(*)</i>

