

Optus Modern Slavery Statement 2023



Yes OPTUS



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Overview

About this statement

This Modern Slavery Statement (Statement) is made by Singtel Optus Pty Limited and covers the Optus group of companies for the 2023 financial year reporting period (1 April 2022 – 31 March 2023). The reporting entities covered by this Statement are listed in Appendix 2.

The Optus group of companies is part of the Singtel Group.¹ The Optus group operates through various entities that share the same policies and processes, and the overall activity of the Optus group of companies is overseen by the executive committee management team and the Board of Directors of Singtel Optus Pty Limited.

Accordingly, this Statement is a consolidated description of the actions taken to address modern slavery risks by the Optus group as a whole, and has been published as a joint Modern Slavery Statement in accordance with section 14 of the *Modern Slavery Act 2018* (Cth) (MSA). Throughout this Statement, the terms "Optus", "we" and "our" are used to refer collectively to the entities within the Optus group of companies unless otherwise stated.

This Statement has been prepared by our Sustainability team in consultation with our Modern Slavery Working Group, which includes stakeholders from relevant functions across the Optus group of companies, such as Finance, Legal, Procurement, Risk, Internal Audit, Regulatory and Public Affairs, People & Culture, Enterprise and Business, Retail and Service. Further information about consultation across the Optus group of companies with reporting entities and owned or controlled entities to prepare this Statement is set out on page 43.

The Board of Directors of Singtel Optus Pty Limited has reviewed and approved this Statement, and it is signed by the Singtel Optus Pty Limited Chief Executive Officer.²

We welcome feedback on this Statement at: sustainability@optus.com.au.

¹ The Singtel Group is Singapore Telecommunications Limited (Singtel) and the group of companies owned and/or controlled by Singtel.

² Singtel Optus Pty Limited has approved and signed this Statement on behalf of the other reporting entities covered by this statement as a higher entity under section 14(2)(d)(ii) of the MSA.

Acknowledgement of Country

Optus acknowledges the Traditional Owners and Custodians of the lands on which we live, work and serve.

We celebrate the oldest living culture and its unbroken history of storytelling and communication.

We pay our respect to Elders – past, present and future – and we strive together to embrace an optimistic outlook for our future in harmony, across all of Australia and for all of its people.



"Connected Communities" artwork created for Optus by Indigenous artist Rhonda Sampson"

CEO Statement

At Optus, we are committed to respecting the human rights and freedoms of every individual regardless of who they are, what they believe and where they live. This is the foundation for our belief that there is no place for modern slavery in our world.

We know that working together with our suppliers on modern slavery and broader human rights issues is key to achieving a more sustainable future. During the year, we enhanced our approach to managing modern slavery risks as set out in this Statement. In FY24, we are implementing plans to develop a supplier engagement roadmap and review select suppliers in high-risk supplier categories.

This year, our Procurement team established the Supplier Management Centre of Excellence to advise the business on supplier and contract management. Their remit includes improving the data we rely on to inform our Modern Slavery Statement, and ensuring Modern Slavery is a consideration in our procurement processes, and on-going supplier management.

In addition to engaging with our selected suppliers, we want to ensure that our team members are equipped to identify and manage modern slavery risks. We enhanced our modern slavery e-learning module during the reporting period and will roll this out in FY24. The module will give our people a better understanding of modern slavery risks that relate specifically to our industry and how we can all play a proactive role in 'speaking up' to help address the risks.

We are committed to continuous improvement, learning along the way, and strengthening our engagement with suppliers to address ongoing challenges around modern slavery. While we had no reported instances of modern slavery relating to our operations or supply chain during the reporting period, we understand this does not mean no risks exist. Going forward, we remain committed to continuous improvement, including delivering on key elements of our action plan in the coming year.

We hope you find this Statement informative and as always, welcome your feedback via sustainability@optus.com.au.



Kelly Bayer Rosmarin, Chief Executive Officer

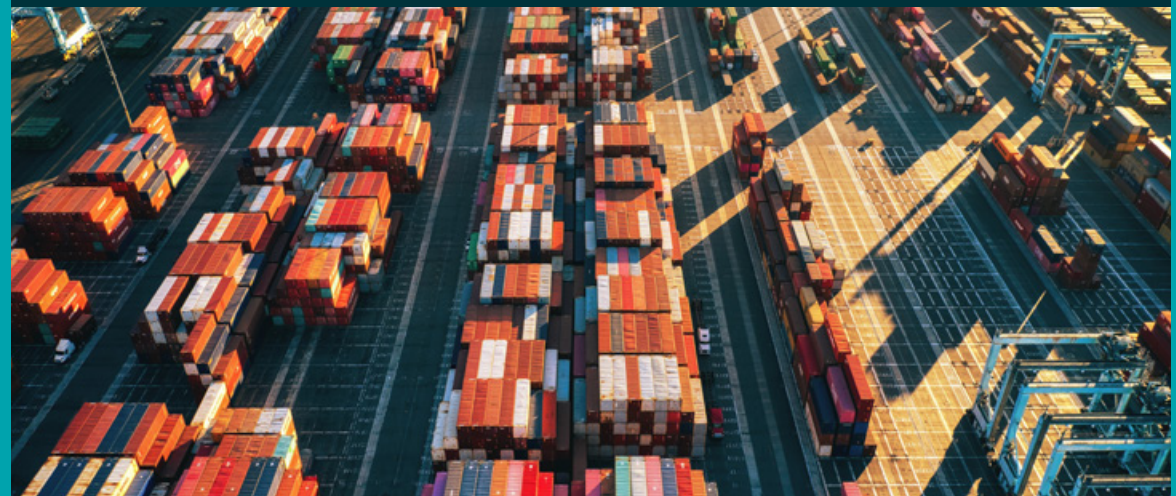
Introduction

Our work to assess and address modern slavery risks in our operations and supply chain is a key element of our commitment to respect all internationally recognised human rights in line with the [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#).

As a leading Australian telecommunications provider, we are committed to ensuring there is no place for modern slavery in our operations or supply chain. We have been a signatory to the [UN Global Compact](#) since 2007, which includes a focus on eliminating forced and compulsory labour and child labour. We are also proud to support the 2030 [UN Sustainable Development Goals \(SDGs\)](#), with one of our priority SDGs including Goal 8: decent work and economic growth. Importantly, Goal 8 includes a strong focus on taking action to help end modern slavery.

What is Modern Slavery?

Modern slavery occurs when 'coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom'.³ Modern slavery involves serious human rights abuses and can happen here in Australia, as well as overseas. The International Labour Organization (ILO) and Walk Free Foundation estimate that over 50 million people around the world are victims of modern slavery. The Walk Free Foundation estimates there may be up to 41,000 modern slavery victims in Australia.



³ This definition of modern slavery is taken from the Australian Government's official guidance material about the MSA.

Our progress to date

Continuous improvement is core to our modern slavery response and we aim to be transparent about our goals and progress.

We are working to further refine our modern slavery risk management across a range of areas.

In our last statement, we committed to:	We have progressed this commitment by:
Updating our existing modern slavery e-learning module.	Reviewing and updating our e-learning module to tailor content to our industry and Optus' context, including modern slavery risks. In addition to all people leaders, we have extended this required training to include staff in additional business units which play a role in our modern slavery response, such as Devices, Regulatory & Public Affairs, and People & Culture. We will continue to review opportunities to further expand the participant base for this training as part of our continuous improvement approach. During the reporting period, approximately 2,400 employees were assigned to the module. This training was also completed by selected external contractors.
Reviewing our modern slavery contract clauses.	As part of our work to strengthen our modern slavery controls with suppliers, we commenced a review of options for tiered contract clauses for use with different supplier cohorts, based on risk. This would enable us to take a risk based approach by using more detailed clauses with higher risk suppliers and higher level clauses with lower risk suppliers.
Exploring opportunities to work collaboratively with selected suppliers to strengthen their capacity to manage modern slavery risks, including identifying key trends and opportunities for further action based on our ethiXbase questionnaires.	<p>Engaging an external specialist business and human rights advisory firm to develop a supplier engagement roadmap and undertake a pilot detailed review on a selected supplier in a high risk sector.</p> <p>During the year, we also took steps to enhance our broader frameworks around supplier engagement by establishing the internal Supplier Management Centre of Excellence to work alongside the Procurement team and provide support to all of Optus through effective tools, templates, and training required to understand and identify modern slavery risks, implementing risk mitigation management actions in day-to-day operations, and supplier management.</p>
Continuing to support collaboration within the telecommunications sector and across sectors, including through ongoing participation in forums such as the UN Global Compact Network Australia (UN GCNA), Telco Together Foundation and the Groupe Speciale Mobile Association (GSMA).	Continued our engagement with key collaborative forums, including progressing collective approaches to supplier risk assessment through the Telco Together Foundation using the FRDM Platform (see page 32).
Engaging with the Australian Government's review of the MSA through collaborative forums, such as the United Nations Global Compact Network Australia (UN GCNA).	Participating in UN GCNA discussions relating to the Australian Government's Modern Slavery Act review, which was undertaken by an independent third party.

Our future plans

We are also working to identify ways we can further strengthen our ongoing response to modern slavery.

Over the next reporting period, we aim to prioritise:

- Implementing our supplier engagement roadmap and commencing detailed reviews of key suppliers in high risk sectors to better understand their operations and supply chains, potential risks and mitigation strategies
- Refining formal indicators to support us to monitor and report on the effectiveness of our response
- Reviewing our procurement and Request for Proposal (RFP) process to include assessment of modern slavery risk management
- Undertaking an assessment of our whistleblower mechanism in line with the effectiveness criteria in the UNGPs
- Providing additional tailored modern slavery training targeted to selected Optus staff involved in managing key supplier relationships (a general awareness-raising session was also delivered to representatives from Optus Procurement in June 2023 and will be reported on in our next statement)





1

Our structure, operations and supply chain



At Optus, our actions align with our vision to be Australia's most loved everyday brand with lasting customer relationships. We are Australia's second largest provider of telecommunications services, providing over 11 million customers in Australia with connectivity services daily, and understand the important role we play in tackling modern slavery.

Our structure

Optus is part of the Singtel Group, Asia's leading communications technology company in Singapore which, through its associates, has a combined 770 million mobile customers across 21 countries. Optus operates as a corporate group comprised of over 40 entities. In addition to the entities listed in Appendix 2 that provide telecommunications, content and other services to our customers, Optus operates these subsidiaries that provide support services for our operations, including engaging Optus staff and performing management and billing services.

Optus is headquartered in Macquarie Park, New South Wales, and we have offices and retail outlets across all states and territories of Australia, employing more than 7,000 people. Key functions across our business relevant to our modern slavery response include Networks, Enterprise and Business (including Regulatory and Public Affairs), People and Culture (including Group Sustainability), Risk Management, Group Finance (including Legal and Procurement), Internal Audit, and Customer Success (including Operations and Enablement and Customer Contact Centres).

Our operations

We deliver a comprehensive range of telecommunications products and services, including mobile and fixed line telephone, fixed and mobile broadband services, multimedia entertainment and technology, and converged business telecommunications and applications and solutions to small and medium sized businesses, enterprise and government customers.

Optus is also Australia's largest and most experienced satellite owner and operator, with five satellites currently in orbit providing satellite services across Australia and New Zealand and to McMurdo Sound in the Antarctic.

Our nationwide retail network operating under the Optus brand includes proprietary, franchisee, and licensee stores. Optus stores are located in over 280 locations to provide Australians with easy access to high quality telecommunications services and solutions.

We also service the telecommunications market through our wholesale business, which sells access to our communications network to other telecommunications service providers. In addition, we have agreements with business partners overseas who provide roaming services to our customers travelling outside Australia. In some cases, these roaming services are provided by other entities in the Singtel Group.



Our supply chain

We have a large and diverse global supplier base with over **1,500 direct suppliers**. Approximately **97% of our procurement spend** in the reporting period was in the following categories:



Our operations:

We are a fully integrated telecommunications provider. We have over **280 Optus stores** (approximately two-thirds managed by partner groups)

Our people:



Approximately **7,000** team members



Approximately **600** contingent* workers within our Australian operations



Approximately **13,000** external services workers - see map on page 13

Our services:



Local, long distance and international, mobile and fixed line services



Broadband



Multimedia entertainment and technology services



Satellite services



Converged business telecommunications applications and solutions

Our customers:

We support individual and enterprise customers around Australia. **98% of the Australian population** is covered by our 4G and 5G networks.

Note: *Contingent Workers are individuals engaged or sourced through a labour hire or recruitment service provider. They perform work at Optus on a temporary or interim basis.

Our supply chain

We draw on our global supply chain to support our operations.

All supplier identification, evaluation and engagement is facilitated by Optus Procurement. Our centralised Procurement team supports the business to undertake transparent and effective sourcing processes, identify and implement risk mitigation, assess supplier practices and align commercial and business goals with Optus' values and public commitments.

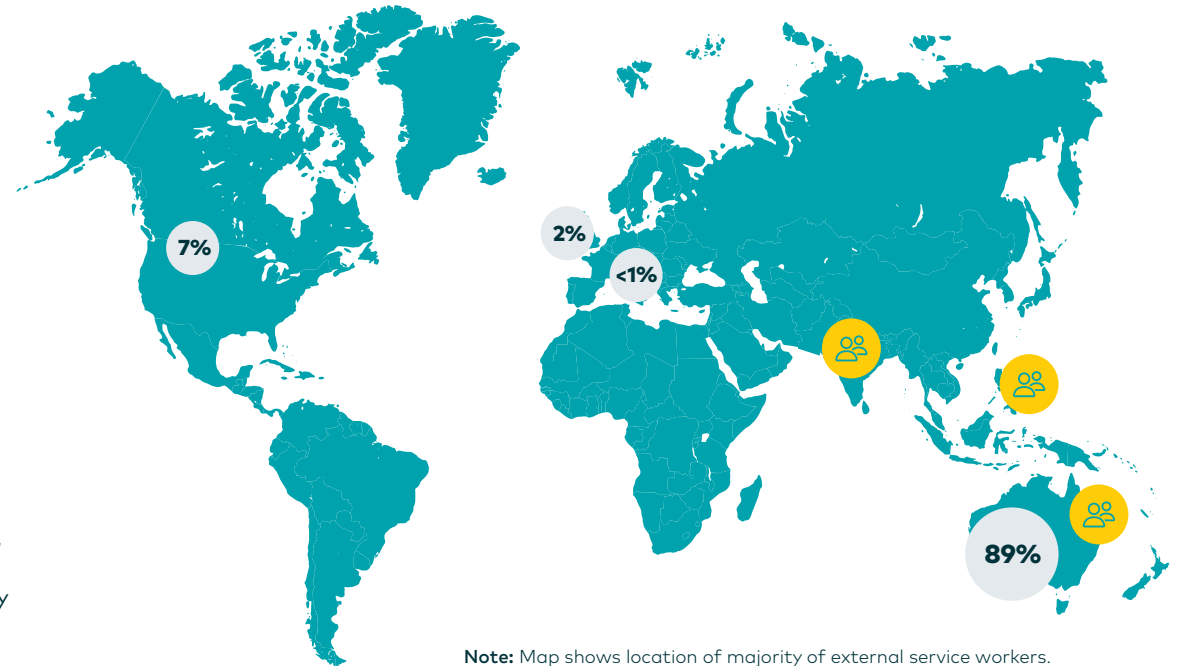
The dedicated Supplier Management Centre of Excellence team act as internal advisors to the procurement team and broader Optus business to meet minimum standards and ongoing supplier performance management and monitoring, in parallel working to simplify the supplier experience supporting Optus.

More information about our Procurement team and our work to further enhance our procurement frameworks is set out on page 24.

Where are our suppliers located?

While approximately 89% of our 1,500+ suppliers are located in Australia, many of these may operate in or source from diverse countries overseas. Levels of modern slavery risk across these countries may vary, including due to factors such as conflict and displacement and the effectiveness of local legal frameworks.

The region for Goods Received Notices (GRN) is based on the predominant country where the majority of suppliers have listed their local contacts. We recognise that this is not necessarily the country where the product or service is manufactured or sourced from, and we are undertaking work to better understand our supply chain beyond Tier 1.



Note: Map shows location of majority of external service workers. We have a small number of external services workers (>40) in Europe.



India-based external services workers servicing Customer success, Networks, IT, Finance, Enterprise and Business: approximately 4500.



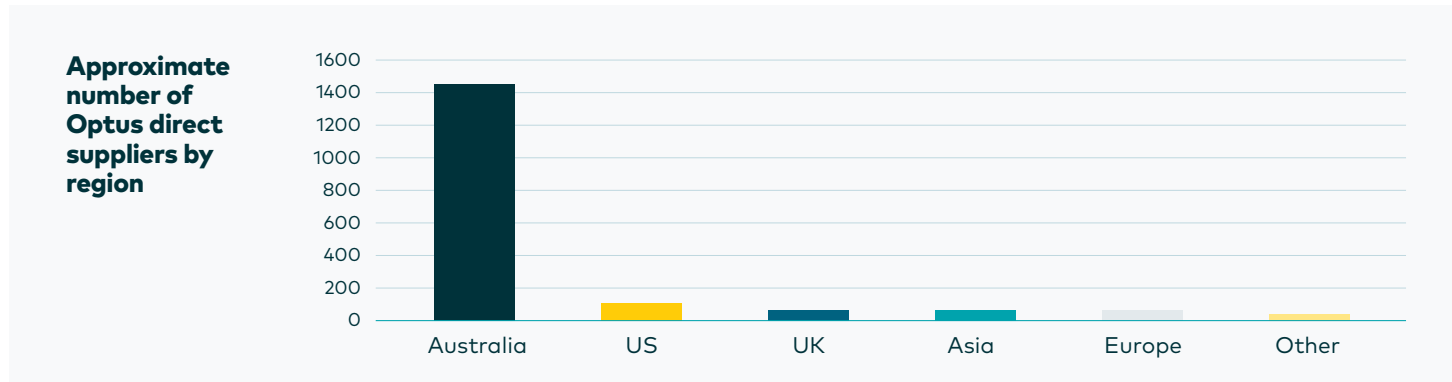
Philippines-based external services workers servicing Customer success, Networks, IT, Finance, Enterprise and Business: approximately 3000



Australia-based external services workers servicing a range of business units including Customer success, Networks, IT, Finance, Enterprise and Business.



% of Optus GRN by region

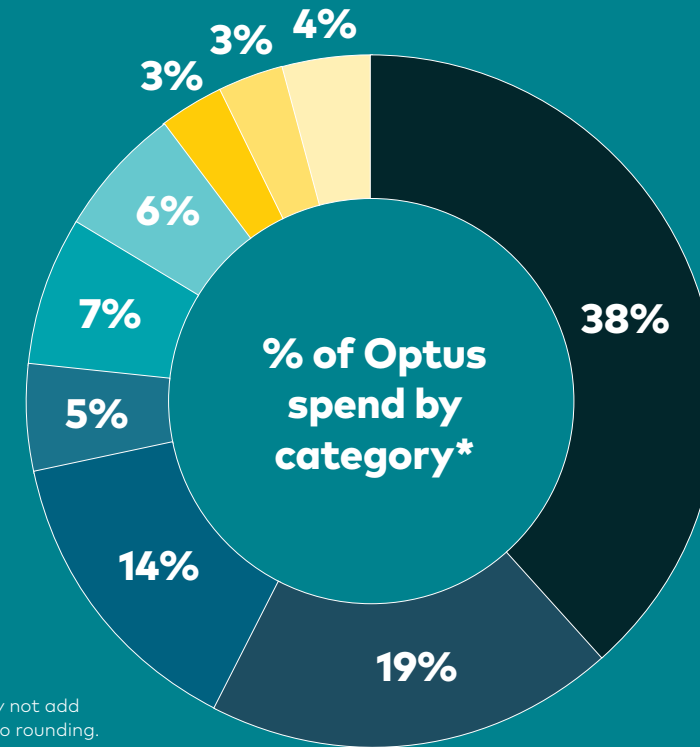


What do we procure from our suppliers?

The different categories we source goods and services from may also involve different levels of modern slavery risk.

As shown in the visual to the right, a significant proportion of our supplier spend is for mobile devices as well as network and equipment. However, while our spend in some categories such as devices is concentrated across a small number of suppliers, our spend in other categories like professional services can involve a higher number of suppliers. The size of our suppliers can also vary significantly within and across categories.

These factors mean that the capacity of our suppliers to manage modern slavery risks is not uniform and can also affect our ability to use our leverage to influence supplier practices. For example, although we have significant spend with our electronic devices suppliers, the size of these businesses means we may have limited leverage to influence how they manage their modern slavery risks. The visual to the right shows information about our supplier spend based on annual goods receipts by category.



Note: The numbers may not add up to 100% due to rounding.

- Mobile Devices
- Network and equipment
- Technology Professional Services
- Professional services (including management advisory services)
- Media and marketing
- Building and Construction
- IT and Equipment
- Contact Centres
- Other

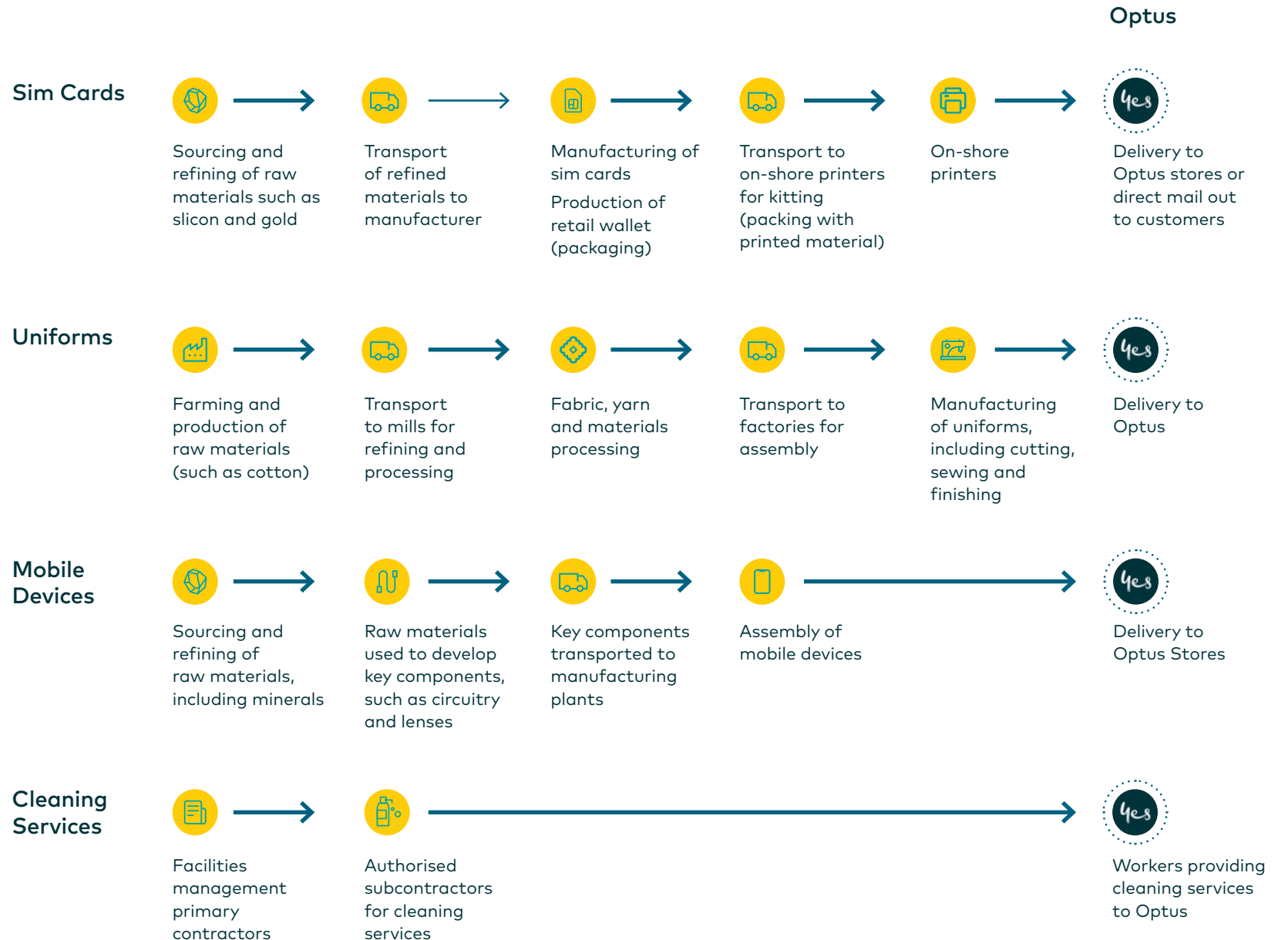
* % of GRN by category is based on dollar(\$) value of GRNs. Values are indicative and provided for illustrative purposes.



Case Study: Understanding our supply chains beyond Tier 1

The telecommunications sector involves a range of complex supply chains, which can involve sourcing activities in multiple countries. In some cases, the most significant modern slavery risks in these supply chains can occur below the Tier 1 level (the suppliers with which we have a direct contractual relationship). This means it is important that we work to understand the types of activities that may occur across our full supply chains, including below Tier 1 level.

The visual to the right explains the key components of selected supply chains relevant to Optus at an indicative level. This visual is intended as a guide to show the different tiers that may be involved in supply chains and does not show every element of the relevant supply chains.



2.

Identifying our modern slavery risks



We are committed to respecting all human rights, including the right to freedom from slavery. As part of this commitment, we work to assess and address modern slavery risks throughout our operations and supply chain.

How we apply the UN Guiding Principles on Business and Human Rights (UNGPs) to understand how telecommunications companies could be involved in modern slavery risks

In line with the UNGPs and the Australian Government's guidance about the MSA, we understand modern slavery risks to refer to the potential for a business to cause, contribute to, or be directly linked to modern slavery through its products, operations or services by its business relationships. The table on the following page summarises how this 'cause, contribute, directly linked' continuum of involvement is relevant to the telecommunications sector.

This continuum of involvement is important as it helps identify the different ways that telecommunications companies could be involved in modern slavery. We have also drawn on the continuum of involvement to inform our Modern Slavery Incident Response Plan, which provides guidance on how we would seek to remediate modern slavery harm in line with the UNGPs expectations.



How we apply the UN Guiding Principles on Business and Human Rights (UNGPs) to understand how telecommunications companies could be involved in modern slavery risks (continued)

The UNGPs and the continuum of involvement		Potential modern slavery risks in the telecommunications industry
Cause	A business may cause modern slavery if its actions directly result in modern slavery practices occurring.	Telecommunications companies could potentially cause modern slavery by, for example, employing young workers who are potentially subjected to hazardous work or otherwise exploited. Optus employs limited numbers of young workers under the age of 18. All young workers are recognised and paid at the full adult wage under Optus' industrial instruments.
Contribute	A business may contribute to modern slavery if its actions or omissions facilitate, enable or incentivise modern slavery practices to occur.	Telecommunications companies could potentially contribute to modern slavery in a number of ways. For example, this could include where the company disregards credible evidence that a supplier is engaged in modern slavery (for example in an audit report) and does not take any steps to address the exploitation. As outlined in this statement, we work to manage modern slavery risks in our supply chain. More information on these steps can be found on page 28.
Directly Linked	A business may be directly linked to modern slavery where it is connected to modern slavery through its products, services or operations (including where there is no direct contractual relationship).	Telecommunications companies could potentially be directly linked to modern slavery if exploitation occurs in their supply chains. For example, goods such as mobile devices could be procured from a supplier which produces the devices at third party factories, which use raw materials that are produced through forced labour. We take a number of steps to manage these risks, including working to enhance our engagement with suppliers to understand their extended supply chains and risk management approaches. More information about our work with suppliers can be found on page 29.

Our salient human rights issues

Our commitment to respect human rights applies not only to modern slavery, but to all internationally recognised human rights. In particular, for our sector, relevant human rights that we may impact include the human rights to privacy; to a clean, healthy and sustainable environment; and children's rights.

During the previous reporting period, we undertook a salient human rights assessment to enhance our understanding of the areas where we may be at risk of involvement in human rights harm. In line with the UNGPs, we understand our salient human rights issues as those areas where the most severe actual or potential human rights impacts could occur through Optus' activities or business relationships. Severity in this context is understood through the lens of risk to people, rather than risk to our business.

We undertook our salient human rights assessment in partnership with an external specialist business and human rights advisory firm. The assessment involved a collaborative, cross-functional consultation process across our business, including a series of interactive workshops and a desktop review.

Modern slavery is often closely connected to other human rights impacts. For example, a factory that exploits its workers may also have poor environmental practices. Completing the salient human rights assessment has supported us to deepen our understanding of how our actions to manage modern slavery risks align with our broader work to respect all human rights.



Supporting safe and fair work in our supply chain



Respecting privacy and data security



Working to secure the safe and healthy use of our products, especially by children



Avoiding adverse human rights impacts on the communities where we operate



Safeguarding our environment



Providing a safe and equitable workplace

While the six salient human rights issues above are all of equal importance to Optus, our work to manage modern slavery risks and avoid human rights impacts, are particularly relevant to the following areas:

1. Supporting safe and fair work in our supply chain
2. Avoiding adverse human rights impacts on the communities where we operate
3. Providing a safe and equitable workplace
4. Respecting privacy and data security such as investing in protecting customer data*

Note: Optus has taken significant action to mitigate risk to our customers. On discovering last year that we had suffered a cyberattack, we immediately shut down the attack and were determined to do whatever we could to protect customers from harm through the misuse of their information.

Understanding our modern slavery risk profile

The table below highlights five areas of our operations and supply chain where we consider there may be potential for modern slavery to occur if our controls were not effective. It also identifies risk factors that may contribute to the vulnerability of workers to exploitation. The key controls we use to manage modern slavery risks in these risk areas are set out in the following section.

	Potential risk area where modern slavery could occur	Potential modern slavery risk factors that may contribute to the vulnerability of workers	How this risk area is relevant to Optus
Operations	Partner groups operating branded retail stores	<ul style="list-style-type: none"> Use of franchisee and licensee arrangements may affect visibility of working conditions in partner-operated stores. 	We have an extensive network of franchisee and licensee (partner) group operated stores around Australia, who are responsible for engaging employees. Further information about how we engage with our partner groups is set out on page 28.
	Services provided by workers in offshore contact centres	<ul style="list-style-type: none"> Use of lower skilled labour, which may include migrant workers who may be vulnerable to recruitment fees, have limited understanding of workplace rights, and face other barriers in seeking assistance. Workers may be located in countries with differing levels of modern slavery risks. 	Our operations are supported by employees of our suppliers based outside of Australia. For example, approximately 5,000 staff located in India and the Philippines provide contact centre services to our customers. Further information about how we engage with our customer success contact centre suppliers is set out on page 28.
Supply chain	Contractors building and maintaining telecommunications infrastructure	<ul style="list-style-type: none"> Use of lower skilled contracted labour who may have limited understanding of workplace rights, and face other barriers in seeking assistance. Use of raw materials which may involve higher modern slavery risks, including where these materials are sourced from countries with a high prevalence of modern slavery. Potential provision of services outside core business hours (such as at nighttime), which may increase the difficulty of identifying exploitive practices by limiting visibility of working conditions. 	We engage a range of contractors in Australia to build and maintain infrastructure. Further information about our supplier risk management approach is set out on page 29.
	Contractors providing cleaning, security, waste removal and other property management services	<ul style="list-style-type: none"> Use of lower skilled contracted labour, potentially including migrant workers who may be vulnerable to recruitment fees, have limited understanding of workplace rights, and face other barriers in seeking assistance. Potential provision of services outside core business hours (such as at nighttime), which may increase the difficulty of identifying exploitive practices by limiting visibility of working conditions. Sourcing from sectors that can involve strong pricing competition and where labour costs comprise a significant portion of suppliers' expenses, which may incentivise suppliers to reduce costs by engaging in exploitive practices. 	We engage a range of contracted service providers to support our operations, including by providing cleaning, waste removal and property management services for our offices and security services for our sites across Australia. Further information about how we engage with our contracted service providers is set out on page 28.
	Procurement of products (eg devices, tablets and accessories) from suppliers	<ul style="list-style-type: none"> Use of lower skilled contracted labour, potentially including migrant workers who may be vulnerable to recruitment fees, have limited understanding of workplace rights, and face other barriers in seeking assistance. Use of transport and logistics services such as shipping and warehousing where workers may be vulnerable to exploitation, including where they work in isolated conditions (such as seafarers). Use of raw materials which may involve higher modern slavery risks, including where these materials are sourced from countries with a high prevalence of modern slavery. 	We have previously identified construction and maintenance support equipment; electrical equipment, components and supplies; and electrical wire management devices and accessories as higher risk supplier categories. Further information about how we manage modern slavery risks related to the procurement of products is set out on page 29.

Case Study: Engaging with a supplier about modern slavery risk management

During the reporting period, we commenced preparations for a pilot detailed review of a supplier of our Optus branded product to better understand how potential modern slavery risks in our supply chain are currently being managed at supplier level and identify potential opportunities for collaboration. We selected Arcadyan to participate in the review.

Arcadyan is a key Optus modem supplier and we have worked closely with this company since 2021, including to develop our new modem made from 95% recycled plastic. More broadly, we also recognise that the electronics manufacturing sector can involve a range of potential modern slavery risks. This can include labour risks relating to the sourcing of raw materials, including minerals, used in electronic componentry, as well as working conditions in manufacturing facilities. There may also be risks associated with the use of third-party logistics in the supply chain, including warehousing and shipping.

We formally commenced the detailed review after the end of the reporting period by undertaking desktop research and arranging a meeting with selected representatives from Arcadyan to discuss their operations and supply chains and modern slavery risk management. Key team members from across Optus also participated in this call, including representatives from Devices, Sustainability and Procurement. As part of this call, Arcadyan provided an overview of their modern slavery and broader human rights response, including key controls. We also discussed issues such as Arcadyan's workforce composition, key policies and processes, social audit results, grievance mechanisms and how they communicate their expectations around modern slavery to suppliers.

Following this first call we are continuing to engage with Arcadyan, including by sharing a tailored questionnaire with Arcadyan to learn more about their response. As part of this process, we are also working with Arcadyan to strengthen our understanding of how different components and materials used in our modems are sourced. We will report in more detail on this work and the key outcomes in our next statement.

While this review remains ongoing, it has highlighted the value of directly engaging with suppliers as part of our modern slavery response and we are considering scope to implement similar processes with other suppliers.

Indicative Diagram of the Modem Supply Chain

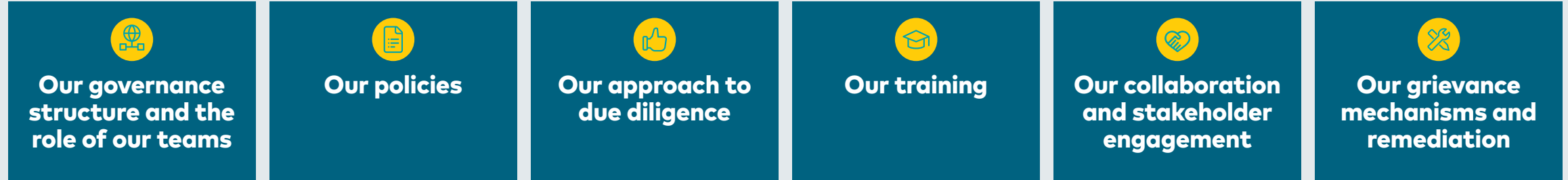


3.

**Our actions to manage
our modern slavery risks**



We work to continuously improve our activities to manage our modern slavery risks in six key areas:



This section of the statement explains our work in each area.

Our governance structure

Our response to modern slavery is led by our cross-functional Modern Slavery Working Group. The Sustainability team also engaged with key Working Group representatives throughout the year to progress work specific to their area. The visual below shows how responsibility for modern slavery is incorporated into our governance structure.





The role of our different teams

Our modern slavery response is supported by a range of business units across Optus. These teams all play important roles in managing our modern slavery risks.

Sustainability	<p>Our Sustainability team is responsible for leading and facilitating the implementation of our modern slavery response. The Sustainability team seeks to support and enable change within Optus, including the leading and development of Optus' modern slavery reporting and collaborating with various departments on integrating sustainability priorities and targets within our day-to-day operations.</p> <p>Importantly, the Sustainability team is also responsible for Optus' broader work to respect human rights, including the Optus Human Rights Statement. This supports the team to integrate our modern slavery risk management with our wider work on human rights, including through processes such as our salient human rights assessment.</p>
Legal	<p>Our Legal team provides legal support for our response, including providing guidance on issues such as the development and use of modern slavery contract clauses in our agreements with suppliers.</p>
Procurement	<p>Our centralised Procurement team supports the business to undertake transparent and effective sourcing processes, assess supplier practices and align commercial and business goals with Optus' values and public commitments. Our Procurement team also includes a Centre of Excellence responsible for providing dedicated support and advice to internal business units on contract management, sustainable procurement, and supplier management.</p>
Internal Audit	<p>Our Internal Audit team provides independent, objective assurance over the controls put in place to manage risks across Optus, including modern slavery, and may play a role in investigating modern slavery related complaints received through our whistleblower mechanism.</p>
Risk Management	<p>Our Risk team oversees the operationalisation of the risk management framework across Optus, which can include the management of risks relating to modern slavery.</p>
People & Culture	<p>Our People & Culture Team oversees the implementation of our People & Culture policies, procedures and practices, and manages engagement of contingent workers under contracts put in place with oversight from the Procurement team.</p>
Enterprise and Business, and Customer Success which includes our retail stores and contact centres	<p>Our core product and services teams play a role in managing potential modern slavery risks related to the products and services provided by Optus, including retail stores and franchises, our offshore contact centres, and provision of services to our enterprise customers.</p>

Our policies

Our policies and procedures underpin the way we engage with our people and suppliers, including in relation to issues such as modern slavery.

Policy	How does the policy support our modern slavery response?	How is the policy implemented?
<p>Human Rights Statement</p>	<p>Our Human Rights Statement was launched in December 2020 and reinforces our commitment to respect all human rights. It provides an overview of our approach to human rights, the standards we set for ourselves and the expectations for the people who work for us, and on our behalf. The Human Rights Statement specifically sets out our commitment to prohibit child labour and modern slavery in any form.</p>	<p>Our Human Rights Statement is published on our website. Optus has also increased awareness and access to this Statement through our internal communications with links to the Statement. The Human Rights Statement is also promoted through our annual modern slavery e-learning module.</p>
<p>Procurement Policy</p>	<p>The Singtel Group Procurement Policy's objective is to ensure all goods and services are acquired via standard process, mitigating risk to Singtel Group companies. As part of this Procurement Policy, we require suppliers to agree to comply with The Singtel Group Supplier Code of Conduct.</p>	<p>The Procurement Policy is published on our Optus intranet. The policy is regularly reviewed and we communicate any policy enhancements and changes across our business.</p>
<p>Supplier Code of Conduct</p>	<p>The Singtel Group Supplier Code of Conduct sets out the expectations of all suppliers with whom the Singtel Group (including Optus) does business. It includes a specific section on human rights, including modern slavery, which sets out the Singtel Group's prohibition on the use of modern slavery in its operations and supply chains and expectations for suppliers. This includes a requirement for international suppliers to have systems to demonstrate compliance with ILO Conventions on labour standards, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. The Supplier Code of Conduct also addresses issues that may be indicators of modern slavery, such as harassment and corruption.</p>	<p>The Supplier Code of Conduct is published on the Singtel Group website. It includes details of mechanisms available to suppliers to report any potential breaches. To do business with Optus, all our suppliers must confirm their acceptance of, and comply with, the Supplier Code of Conduct.</p>



Our policies (continued)

Our policies and procedures underpin the way we engage with our people and suppliers, including in relation to issues such as modern slavery.

Policy	How does the policy support our modern slavery response?	How is the policy implemented?
<p>Contractual Terms and Conditions</p>	<p>We require our suppliers to take reasonable steps to identify and prevent the occurrence of modern slavery offences in their organisation and supply chains, as well as those of any third party with whom they do business. Importantly, our suppliers are asked to notify us upon becoming aware of any modern slavery issue occurring in their organisation or supply chain.</p>	<p>Where appropriate, we discuss these contract clauses with suppliers during contract negotiations. We may also ask our suppliers for access to reports, certifications, audit reports, information and documents, including the completion of a self-assessment questionnaire to assist us in monitoring ongoing compliance with these terms and conditions.</p>
<p>Employment Policies and Frameworks</p>	<p>Optus is a leading employer and developer of talent in the Australian market and provides a comprehensive framework for employment. This framework is underpinned by industrial instruments approved by the Fair Work Commission and provides minimum terms and conditions of employment for our people beyond minimum statutory legal entitlements. Employee terms and conditions of employment are comprised of Optus' relevant industrial instruments, contracts of employment and employment related policies and benefits, which build on minimum employee entitlements.</p>	<p>Employee contracts of employment provide for, at a minimum, terms and conditions of employment that meet legislative and the relevant industrial instrument obligations. Optus' industrial instruments and policies, which enable and support employee terms and conditions, are also published on the Optus intranet.</p>



Our Modern Slavery Action Plan

Our internal Modern Slavery Action Plan identifies key steps we plan to implement to continue to refine our modern slavery response. To provide clear accountabilities for action, each recommendation in the Modern Slavery Action Plan is assigned to a business unit to progress. The Working Group also tracks the implementation of the plan at its meetings.

Our approach to due diligence

We remain committed to continuously strengthening our understanding of potential modern slavery and other human rights risks relating to our operations and supply chains. We also value dialogue with our corporate customers and regularly respond to customer requests for information about our modern slavery approach.

Our current approach to due diligence is applied to all suppliers who want to do business with Optus. We take a tiered approach through segmentation of our suppliers based on their criticality to our core business and environmental, social and governance (ESG) risks, including human rights, decarbonisation, and governance to tailor our engagement accordingly.

Our supplier risk management framework begins as part of the sourcing and onboarding process in prequalification by including ESG questions and clauses to assess supplier existing practice. The supplier risk management framework continues through the contract lifecycle and involves cross-functional collaboration with key stakeholders from across the business. During the lifecycle of the contract, suppliers undertake different risk management actions such as regular performance review meetings, audits, training events, and provision of data.

At the end of the reporting period, we commenced work through our Supplier Management Centre of Excellence to enhance our procurement processes, which includes a review of Optus' current procurement processes and policies against public sustainability commitments and best practice frameworks. This includes a review of our approach to modern slavery due diligence to help us elevate our current procurement documentation, identify and prioritise areas within the supply base that present the greatest risk and opportunity for sustainability action, and develop category specific metrics and effectiveness measurements.

Preparation for these activities started at the end of the reporting period covered by this statement and the majority of this work will be progressed over the next reporting period (the financial year ending 31 March 2024). We will report in more detail on these activities in our next statement.

Managing Modern Slavery Risks for Key Supplier Categories

In addition to our standard procurement processes, we also work closely with key suppliers to support our efforts to manage modern slavery risks.

Contact centres	Partner retail stores	Facilities
<p>We work closely with our third-party Customer Success contact centre suppliers in India and the Philippines to help provide a safe and fair working environment for the approximately 5,000 workers in these locations.</p> <p>During the reporting period, we undertook in-person visits to key contact centre sites. This enables us to speak directly with workers and monitor practices on the ground.</p> <p>More broadly, we continue to engage with our contact centre suppliers through quarterly surveys, periodic virtual events and targeted sessions with contact centre workers to seek their direct feedback.</p>	<p>We undertake financial and probity checks for prospective partners and set clear standards for Partner conduct through our franchisee and licensee agreements, including compliance with relevant laws and work, health and safety requirements.</p> <p>We also have monthly and quarterly performance meetings with our Partners, as well as annual reviews. This engagement helps us to maintain a high level of visibility of Partners' businesses. Any compliance issues would generally be identified and managed by our retail teams on a day to day basis.</p>	<p>BGIS is currently contracted to manage and deliver Optus' facility management services across all facilities nationally. This includes services such as cleaning and waste management, landscaping and garden maintenance, and general handyman services.</p> <p>Our contract with BGIS includes a modern slavery clause (described in our last statement). We work closely with BGIS to monitor compliance with relevant contractual obligations, including through monthly reviews and quarterly senior management meetings.</p> <p>Among other steps to manage potential modern slavery risks, BGIS undertakes annual audits of subcontracted providers to verify they are paying their workers appropriately. BGIS' audit for the 2022 calendar year did not identify any concerns in relation to subcontractors servicing Optus sites. BGIS also requires its suppliers to sign an annual statutory declaration confirming workers have been paid in accordance with relevant legislation.</p>



Case Study: Understanding our suppliers through a modern slavery questionnaire



As outlined in our FY22 Statement, a key focus area for Optus has been exploring options to further refine our supplier questionnaire process. During the previous reporting period, we implemented a modern slavery questionnaire for our key suppliers using ethiXbase.

To date, the automated risk rating generated through the questionnaire responses indicate that the majority of our suppliers have a lower risk profile. We are continuing to use the results to inform our ongoing engagement with suppliers on modern slavery. For example, during the reporting period, we engaged an external business and human rights advisory firm to develop a supplier engagement roadmap. The roadmap will build on the ethiXbase results to help us deepen our engagement with suppliers.

As part of this project, we have identified a range of potential areas where we will explore options to work with our suppliers to strengthen their modern slavery risk management. These may include:



Case Study: Understanding our uniform supply chain and modern slavery controls



Textiles such as uniforms may involve modern slavery risks associated with the harvesting of raw materials such as cotton, as well as the production of garments.

Optus procures certain uniform products such as shirts from Total Uniform Solutions (TUS). These products are made by factories overseas.

TUS requires that factories involved in the production of garments provided to us be audited every 12 to 24 months using SEDEX or comparable standards (such as BSCI). The minimum standard accepted by TUS is SMETA 2 Pillar audits (labour standards and health and safety). Any subcontractors used by factories engaged by TUS must also be approved by TUS.

TUS also has a Code of Conduct that it requires all its supplies, including factories, to meet. This includes a range of requirements relevant to modern slavery, including that suppliers not use child labour, forced, bonded or prison labour and not be required to lodge their identity papers with their employer. The Code of Conduct also addresses issues such as wages and benefits, working hours, discrimination and freedom of association.

TUS has also explained the steps it would take to respond to any allegation of modern slavery and related exploitation in its supply chains, including seeking to respect the best interests of the workers involved.



Training

Training is a key component of our modern slavery response because it helps us to ensure our people understand the role they can play in managing modern slavery risks, including by safely reporting concerns. During the reporting period, we reviewed and updated our modern slavery e-learning module to further tailor the content to Optus' context and modern slavery risks.

The updated e-learning module includes information on the following topics:

- What is modern slavery?
- What does modern slavery have to do with Optus?
- What is Optus doing to reduce the risk of modern slavery?
- How to report suspected instances of modern slavery or any concerns?

The e-learning module also includes selected case studies to help participants understand the risks.

Completion of this module is required learning for all Optus leaders and all staff in certain business units, such as Procurement. The training is also available to all other Optus staff, including retail and franchisee store owners.

During the reporting period, approximately 2,400 employees were assigned to the module. This training was also completed by selected external contractors. Over the next financial year, we will review the current list of employees required to complete the learning to expand to other relevant employee cohorts.



Collaboration and stakeholder engagement

We see collaboration with our business peers and other stakeholders as key to building and maintaining a strong response to modern slavery. During the reporting period, we continued to contribute to the development of collaborative, business-led responses to modern slavery through three key forums.

Forum	How we engage	How this engagement has supported our modern slavery response
UN Global Compact Network Australia (UN GCNA) Modern Slavery Community of Practice	As a signatory to the UN Global Compact since 2007, we are committed to upholding its 10 principles including human rights and labour issues. As part of this commitment, we actively participate in the UN GCNA, including its Modern Slavery Community of Practice. The Modern Slavery Community of Practice is a small, interactive forum with membership from a range of Australian businesses and meets quarterly. It aims to provide a collaborative forum to support Australian businesses to manage and communicate modern slavery risks and develop good practice responses.	Optus' membership of the Modern Slavery Community of Practice has helped us to better understand various other industry sector practices, challenges and learnings. During the reporting period, we participated in Community of Practice events focused on issues such as remediation of modern slavery incidents.
Telco Together Foundation	Optus is a member of the Telco Together Foundation (TTF), an industry network that brings together 21 telecommunications organisations operating in Australia.	Our actions to manage modern slavery risks through an industry wide approach, including through our pilot of the FRDM Platform to better understand our supply chain (see more on page 29). During the reporting period, we worked with the Telco Together Foundation to start to upload supplier data onto the FRDM Platform. We continue to work with industry colleagues to expand our use of this platform, which may include mapping areas of our supply chain beyond Tier 1 and assessing industry and purchase risk.
The Groupe Speciale Mobile Association (GSMA)	The GSMA represents the interests of mobile operators worldwide, bringing together more than 750 operators and approximately 400 companies in the broader mobile ecosystem. As a global member led organisation, Optus (through its parent Singtel's membership), has opportunities for collaboration on a range of topics, such as modern slavery and human rights, providing valuable insights and enabling members to work towards common goals.	We continued to engage with GSMA over the reporting period about broader sustainability issues.



Engagement with Independent Review of the MSA

Optus monitored the progress of the Independent Review of the MSA (the Review), which was undertaken over the reporting period. This included participating in UN GCNA discussions relating to the Review. We discussed the review through our Working Group and are considering how any potential changes to the MSA following the review may support our modern slavery risk management.

For example, any changes to lower the revenue threshold for reporting under the MSA would likely increase the number of our suppliers required to report under the legislation. We also discussed the outcomes of the review at a modern slavery 'lunch and learn' session provided to our Procurement team (this event occurred after the reporting period covered by this statement).



Grievance mechanisms and remediation

In line with the UNGPs, we are committed to providing for, or cooperating in, remediation where we identify that we have caused or contributed to human rights harm, including modern slavery. This commitment is set out publicly in our Optus Human Rights Statement.

The reporting channels that we have in place provide an avenue for workers in our operations and supply chains who have a concern about modern slavery to safely make a complaint. We understand that these mechanisms can only be effective if they are trusted and accessible and we continued to promote the Optus Whistleblower Hotline and other methods for raising concerns through relevant materials over the reporting period.



Case Study: Workers' Awareness of Reporting Channels

Following the lifting of COVID-19 related travel restrictions, we resumed in person visits to our overseas Customer Success contact centres in India and the Philippines.

During these visits, we have introduced a formal site audit tool which incorporates asking a small sample of contact centre workers about their awareness of reporting channels that could be used to safely report any concerns, which could include complaints about their working conditions.

Initially, workers' responses suggested that the levels of awareness may differ, but awareness appears to have been steadily increasing. We continue to work with our contact centre providers to address this going forward.

Site visits may also include 'fireside chat' style sessions or more open forum events to help solicit direct worker feedback about their experiences.



Our Whistleblower Hotline

What it enables	Reporting of any unethical and inappropriate conduct or concerns, such as fraudulent, corrupt or illegal activity, including any potential complaints related to modern slavery. The hotline services is operated in accordance with the Singtel Group Whistleblower Policy, which provides all whistleblowers with protection from detrimental conduct, such as reprisals and retaliation.
Who can use it	All Optus employees and company officers, partners and their employees, contractors and authorised representatives of suppliers and suppliers' workers, people that used to be in one of these groups and family members of any person in one of these groups.
How it operates and how complaints can be raised	Optus' whistleblower process provides multiple channels for complainants to lodge reports. These include via email, online portal and phone number to our designated whistleblower service provider, members of the Optus Internal Audit team, and persons or parties identified in the Singtel Group Whistleblower Policy as Eligible Recipients for complaints concerning Optus. The persons designated as Eligible Recipients include designated members of the Optus senior leadership team, the designated Whistleblower Investigations Officer and Whistleblower Protection Officer for Optus, members of the Optus Internal Audit team, certain specific roles such as Optus Group Counsel, and certain external parties as required by the law in Australia concerning whistleblowing.
How many modern slavery complaints were received through this hotline in FY23	All complaints received through the whistleblower hotline were investigated and none were complaints related to modern slavery.



Our approach to grievance management



4.

Assessing our effectiveness

We understand that maintaining a strong response to modern slavery requires a continuous improvement approach. Measuring the effectiveness of our actions to assess and address modern slavery risks is a key part of the continuous improvement cycle and helps us to identify opportunities to refine and improve our response.

How our modern slavery response has evolved since 2019

Since 2019, we have achieved a range of key milestones in our modern slavery risk management. Tracking our effectiveness helps us to improve and build on our response both now and into the future.

2019-20	Undertook modern slavery risk assessment of suppliers using expert third party	Established modern slavery working group	Developed modern slavery action plan to guide response	Revised contract clauses to address modern slavery
2020-21	Launched Human Rights Statement	Implemented modern slavery e-learning module	Revised Supplier Code of Conduct to address modern slavery	Signed Australian Telecommunications Leadership Statement on Human Rights and Modern Slavery
2021-22	Undertook salient human rights assessment with expert third party	Developed Modern Slavery Incident Response Plan	Delivered targeted modern slavery training to over 100 Optus team members	Rolled out targeted supplier questionnaire

4. Assessing our effectiveness

We consider that an effective business response to modern slavery involves multiple elements. These elements include: a meaningful understanding of potential or actual modern slavery risks across the business' operations and supply chains; the capacity to address these risks through practical actions, such as meaningful supplier engagement and collaboration with stakeholders; and the development of processes to remediate or cooperate in the remediation of any modern slavery-related harm the business identifies it has caused or contributed to.

We currently assess the effectiveness of our response against a range of quantitative and qualitative criteria, as set out below:

Effectiveness criteria	How this criterion helps us understand effectiveness
The successful implementation of action items under our Modern Slavery Action Plan	Tracking our progress in this area helps us identify areas of our response that are progressing well and areas where further work may be required
The number of targeted (role specific) staff who have completed our modern slavery e-learning module and feedback from staff who have completed other training sessions, including the e-learning	Tracking the number of staff who complete training and any feedback assists us to understand levels of modern slavery awareness across our business and where there are opportunities to further tailor training to address key knowledge gaps
Completion rates for our supplier questionnaires and any supplier feedback about the questionnaire process	Tracking the implementation of our supplier questionnaires and any supplier feedback supports us to understand whether the questionnaires are fit for purpose and identify opportunities to further refine the process
The number of modern slavery-related complaints reported to our Whistleblower Hotline (or other channels) and whether any cases were substantiated	Tracking the number of modern slavery related complaints received and whether any cases were substantiated helps us to assess whether our grievance mechanisms are able to identify and respond to modern slavery incidents or allegations and whether we are able to meaningfully investigate and address any complaints
Any feedback from our suppliers, staff, business partners or other stakeholders	Internal and external feedback helps us to understand different perspectives on our modern slavery response and identify opportunities for continuous improvement
Information about good practice provided through collaborative forums such as the UN GCNA Modern Slavery Community of Practice and the Telco Together Foundation that can be used to benchmark our own processes	Participation in collaborative forums helps us to continually improve and better understand how our response compares to key peers across the telecommunications sector and more broadly with the aim of adopting other best practice initiatives

We track our performance against these criteria through both internal and external mechanisms. Internally, we leverage the expertise in our Modern Slavery Working Group to monitor and seek internal feedback on the impact of our actions. Externally, we welcome feedback from our suppliers, staff, business partners, expert advisors and other stakeholders. We also draw on collaborative forums such as the UN GCNA Modern Slavery Community of Practice and the Telco Together Foundation to consider good practice and identify areas where we can improve our response. We acknowledge that measuring the effectiveness of our actions is complex and we will continue to look for opportunities to expand and strengthen our approach to measuring effectiveness.



5. Consultation

Consultation to develop Optus' Modern Slavery Statement

Reporting entities covered by this Statement all share the same company secretary, who was consulted in developing the Statement, including reviewing a draft version of the Statement.

Consultation was also undertaken with owned and controlled entities through engagement at company secretary level.

The overall development of the Statement was led by the Working Group, which includes representatives from key functions across the Optus group, including Sustainability, Finance, Legal, Procurement, Risk, Internal Audit, Regulatory and Public Affairs, People & Culture, Enterprise and Business, Retail, and Service. The Working Group members contributed to and reviewed drafts of the Statement.



Consultation on Optus' modern slavery response

In addition to consultation to prepare the Statement, Optus continued to consult internally on the implementation of our broader modern slavery risk management processes throughout the reporting period. Our Working Group provides the primary mechanism for cross-functional consultation, but we also engage with other business units as required.



Appendix 1: How our statement addresses the mandatory reporting criteria

Modern slavery act requirement	Reference in this Statement
Identify the reporting entity	About this statement Appendix
Describe the reporting entity's structure, operations and supply chains	Our structure, operations and supply chain
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Identifying our modern slavery risks
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	Identifying our modern slavery risks Our actions to manage our modern slavery risks
Describe how the reporting entity assesses the effectiveness of such actions	Assessing our effectiveness
Describe the process of consultation with (i) any entities the reporting entity owns or controls; and (ii) for a reporting entity covered by a joint statement, the entity giving the statement	Consultation
Include any other information that the reporting entity, or the entity giving the statement, considers relevant	Our progress to date (including future plans)



Appendix 2: Reporting entities

The reporting entities covered by this joint statement are:

- Singtel Optus Pty Limited: Provision of telecommunications services
- Optus Networks Pty Limited: Provision of telecommunications services
- Optus Mobile Pty Limited: Provision of mobile phone services
- Optus Internet Pty Limited: Provision of services over hybrid fibre co-axial network and national broadband network
- Optus Satellite Pty Limited: Provision of satellite services
- Alphawest Pty Limited: Provision of information technology services
- Ensys Pty Limited: Provision of cloud services
- Alphawest Services Limited: Provision of information technology services
- Optus Wholesale Pty Limited: Provision of services to wholesale customers
- Optus Satellite Network Pty Limited: Provision of satellite services
- Optus C1 Satellite Pty Limited: Provision of satellite services
- Optus ADSL Pty Limited: Provision of telecommunication services
- Optus Vision Pty Limited: Provision of telecommunications services
- amaysim (Amaysim Mobile Pty Limited): Provision of mobile phone services
- Optus Insurance Services Pty Limited: Provision of handset insurance and related services (this entity was sold during the reporting period)





yes

yes OPTUS