The Yarra Yarra Biodiversity Corridor is a high impact reforestation project that simultaneously delivers environmental, economic, social and heritage co-benefits. Image courtesy of Carbon Neutral.

PepNet Technologies 2022 Sustainability Report

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Presented by

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OUR SUSTAINABILITY APPROACH

by Dino Sheref

This year our approach to sustainability was to 'Do Business Responsibly' and took steps to more closely align our strategy to our purpose and broader organisational objectives. Our review seeks to embed responsible business principles into every aspect of what we do, from the way we interact with our customers, suppliers and people and to the impact we have on our planet.

When considering what it means to be a responsible business, it's clear that how we do business is just as important as what we do and why we do it. In doing so, we are demonstrating that we understand the expectations on us and the responsibility to support the communities in which we operate.

Our strategy reflects our most material topics, our Sustainable Development Goals (SDGs) priorities, the areas in which we have the expertise to make a meaningful impact, and where we see opportunities to use innovative, tech-based solutions to help address major societal challenges and opportunities.

Through the strategy we will build on our reputation as a trusted, sustainable business and draw on our tech expertise to play a leadership role in promoting a connected world and environmental action.

We are a Carbon Neutral business having been accredited in 2021 and 2022. We have invested in offsets with Carbon Neutral's Yarra Yarra Bioverse Forest Project, in Midwest WA, the first project in Australia to achieve premium Gold Standard certification.

Each year we will conduct a materiality assessment to ensure we are responding to Environmental, Social and Governance (ESG) issues, risks and opportunities of greatest significance to our stakeholders, society and the long-term sustainability of our business. We will undertake our annual assessment in accordance with the World Economic Forum (WEF) framework and consider materiality in the context of emerging global trends, key stakeholder interests, sustainability best-practice, and our overall corporate context. Our findings inform our sustainability approach and programs, internal risk assessments, stakeholder engagement and reporting.

A Year's Overview - 2022

WHERE WE ARE NOW

Welcome to PepNet Technologies 2022 Sustainability Report. After two years of lockdowns and zoom calls, it is now quite clear the global COVID-19 pandemic has permanently changed how we live, work and do business. It has also made many of us rethink what is most important in our personal lives and at work.

The old adage of 'Everything has changed but nothing has changed' is even more true as the need to connect has become paramount in today's world. Social trends and advances in technology drives the customer and employee experience of the future. Our aim is to bring the most innovative and intuitive products and services to market, and with it a broad suite of connectivity options.

Technology has fundamentally changed the way the world works. Even before the COVID-19 pandemic, businesses and communities were responding to shifts that would have seemed unimaginable even a few years ago. COVID-19 has accelerated this technological transformation and Australia's trajectory towards a digital economy.

This Environmental, Social and Governance (ESG) report builds on our guiding principles of how we will engage to take our customers and employees into the future as we work to improve customer experience and sustainability in our workplace while reducing greenhouse gas emissions, fossil fuel dependency and resource use.

Our aim is to reduce emissions as far as we can at the source. We believe any credible carbon neutral claim needs to be accompanied by a robust 100% renewable goal to address Scope 2 emissions. We believe that climate commitments must be backed by action and that means requiring sustainability compliance from all our upstream suppliers by 2030.

Our carbon neutrality goals through the use of highly transparent, domestic carbon offsets, mean as a company we are striving to do all we can in the race to reduce emissions.

Our report brings to life the many things PepNet has delivered this past year, guided by our strategy that is aimed at building trust, and drawing on our tech expertise to play a leadership role in promoting digital connectivity and environmental action. While good progress has been made overall in progressing our renewable energy target, there are some areas where we did not reach the standards we have set for ourselves and we acknowledge there is still much work to be done like reducing freight and courier costs, and supplier sustainable packaging.

For the year ahead, we will continue to focus on developing and investing in the systems and processes required to keep pace with the requirements of today and provide a platform for future growth. We will also continue working hard to bring our vision of being a leader in ICT, to life. To do this, we will learn fast, we will fix problems, improve systems and we will focus on our customers' needs.
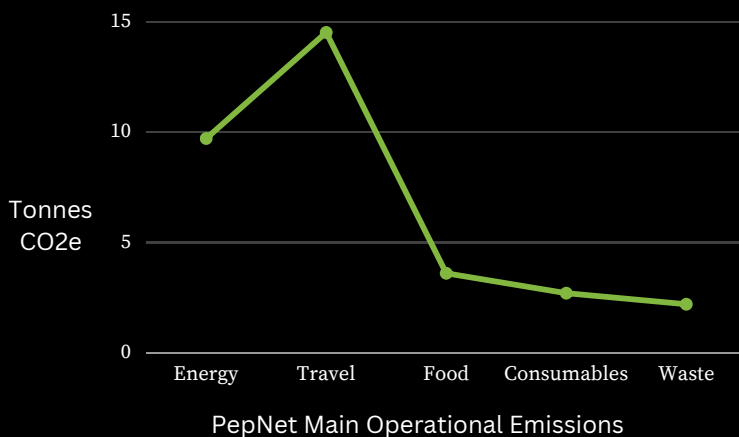
In this way, we will deliver certainty, integrity and performance to our stakeholders. I am proud to lead a team of great people who have risen together to meet the challenges that these last years have brought.

Dino Sheref
Director
PepNet Technologies

2022

BY THE NUMBERS

We continue to set ambitious goals around being a responsible and sustainable business, and why we've embedded these ideas and commitments in our forward strategy. We understand the need to get things right first time, and when we miss the mark, we are transparent about getting back on par and fixing the root causes.

35.61
Tonnes CO2e

2 TONNES
Industry e-waste collection service

PepNet Main Operational Emissions

TOP 5 MATERIALITY TOPICS

Customer Experiences
Privacy and Data Security
Climate Change
Ethics, Values and Governance
Human Capital Development

CLIMATE

On climate change and energy – The Science is clear. Climate change is adversely impacting our environment, economy, communities and individuals. After having achieved carbon neutral certification in the 2021 and 2022 calendar year, our goal is to build towards reaching our target of 80% of absolute emissions reduction by 2030. To this end, we have commenced emissions reduction strategies such as installing solar panels on our building, tinting office windows and setting temperature control policy for HVAC systems.

To improve our resource efficiency – we built on the three resource efficiency targets which focused on re-using and recycling devices, delivering recycled and recyclable packaging, and increasing our recycling of e-waste.

- We have undertaken our ESG assessment in accordance with the World Economic Forum (WEF) framework and consider materiality and governance in the context of emerging global trends, key stakeholder interests and sustainability best-practice.
- We achieved a 96% customer satisfaction rating in our 2022 CSAT survey and continue to focus on providing exceptional customer service.
- We have satisfied the audit compliance contained Essentials 8 Cyber Security (and well on the way to achieving Level 3 of the Maturity Model).
- We continue to develop our staff in accordance with individualised professional development planning.

'We achieved a 96% customer satisfaction rating in 2022'

OUR CUSTOMERS

They are at the heart of what we do, and doing business responsibly means understanding their needs and delivering products and services that meet them. We set targets to measure customer satisfaction through an end of year survey, and we are happy to report that we received a 96% customer satisfaction rating. In terms of room for improvement the feedback received suggested a need to answer calls more quickly and we have actioned this with a communications policy that is committed to ensuring we pick up every call by the 4th ring, so customers do not have to wait long for an operator to answer.

STAFF & CULTURE

We continued to provide a range of support measures for our people, including pandemic leave, wellbeing training and support, and a safe workplace.

Our staff are also integral to our sustainability endevours which not only enables a number of initiatives to get off the drawing board, but is a source of inspiration that drives a culture that activates change in the business and our local community.   Over the last year we have evolved our 2021 trial of e-waste collection service into a quarterly program where we pick up and correctly dispose e-waste for customers. The next steps will be to identify new opportunities to reduce our travel emissions and improve recycling programs from our own network.

The Year Ahead

REIMAGINING CUSTOMER EXPERIENCES

This will be measured on our ability to provide exceptional experiences that drive business growth. That starts with designing and delivering the types of engagements we would want to experience ourselves as a customer.

We will personalise the journey, earn the right to user data and using AI to shift towards empathy. We will focus on consistency through the whole experience.

BUILD A TEAM CULTURE

As employee burnout and attrition rates soar, about half of companies are working on comprehensive plans to reduce staff turnover and we are no different.

Our aim will be to further engage employees based on values and to become a talent hub. The goal is to make work not feel like work and in doing so, looking to slow staff turnover.

We will also have all staff continue to participate in sustainability endeavours. One of these activities is the National Australian Built Environment Rating System (NABERS) for our office. NABERS rates the energy efficiency of commercial buildings by comparing them against benchmarks developed using actual building performance data. Another is carbon literacy, to provide staff with the knowledge of their changing world, and to embrace action as the only way to address solutions.

We intend to work with Net Zero Literacy and accredit with the Carbon Literacy Project (UN recognised) as a *Carbon Literate Organisation* which can typically experience a decreased energy and resource consumption, improved organisational profile, healthier and happier staff, a healthier working environment, a safer supply chain, lower variable costs, enhanced competitiveness and reduced commercial risk.

The Year Ahead

INVEST IN TECHNOLOGY

Our overarching technology goal is: 'To build a connected ecosystem'.

In order to deliver unique experiences for customers and employees, we will need the ability to assemble, combine and orchestrate experiences in real time. We will look to composable solutions that are designed with building blocks so you can easily mix and match, turn on and off, add or remove, and change and improve.

The one overlapping denominator of these three is that they all help build a connected future. In doing so, we have invested in systems and processes for future growth using state-of-the-art business customer tech-offerings, which are being rolled out with cost-savings and emissions control.

Closer to home, we have worked hard to deliver our sense of purpose at the same time as treating matters of data and privacy with the utmost importance. We have satisfied the audit compliance contained Essentials 8 Cyber Security (and well on the way to achieving Level 3 of the Maturity Model).

Our UConnect product is a portable internet solution powered by enterprise-grade Peplink networking equipment, providing fail-safe internet on the go for indoor/outdoor events, conferences via 4K video streaming technology.

We will look to deploy a 'Time and Attendance' software as an employee management system. This is all in line with keeping up with the speed of change, and the flexibility in working conditions we provide to our staff.

Technology is a double-edged sword for the environment. Migrating to the Cloud could eliminate a billion metric tons of CO_2 emission over the next four years, and possibly more, according to a new International Data Corporation (IDC) forecast.

Our objective is of course to assist this reduction and we are now partnered with RingCentral, the global leader in hosted Cloud Communications.

Equally, the United Nations estimates that 54 million metric tonnes of electronic waste are generated each year, with up to 80% heading straight to landfill.

And in order to address our Scope 3 emissions one of the initiatives we've implemented is our e-waste collection service. It is a real problem in our industry, so much so that the WA state government is now acknowledging this by banning e-waste to landfill from 2024, which makes our program even more meaningful.

We are trying to do all we can to reconsider our impact on the planet.

As we look forward, our future prosperity will rely heavily on our ability to leverage the benefits of state-of-the-art technological innovation like 5G, Internet of Things (IoT) and Artificial Intelligence (AI) in a more inclusive way, and in a way where we take greater accountability for our impact on others, on society and on the world in which we live.

We continue to strongly support an agenda that leverages the full power of digital technologies to contribute to society and the health of the planet.

About PepNet

Our purpose is to build a connected future so everyone can thrive. We have been around since 2016, supporting over 100 business customers from a diverse range including small business, large enterprises and government organisations.

Our business employs seven West Australians to the end of 30th June 2022, and at the core of our business is three main operating categories, which are:

RINGCENTRAL

PepNet Technologies now brings world-leading RingCentral technology to your business. More flexible and cost effective than legacy on-premises PBX and video conferencing systems, RingCentral empowers modern mobile and distributed workforces to communicate, collaborate, and connect via any device, anywhere. We are proudly a Certified Delivery partner which allows us to bring our customers value-driven, global-leading communications technology.

TELETRAC NAVMAN

As a Teletrac Navman partner we can provide class leading SaaS fleet management solutions from the Number 1 telematics company in Australia. With over 25 years of experience, its solutions help increase safety, boost revenue and lower operating costs for a variety of industries. We equip businesses with advanced data tools for location-based tracking (per second, high definition), fuel monitoring (ATO Class/Product rulings), reporting, safety, and compliance-all via one powerful, user-friendly platform.

IT SUPPORT

PepNet provides professional networking solutions that support multi-WAN with failover, load balancing and WAN bonding features for mobile, fleet, wireless and wired applications. As PepNet is an Australian Peplink partner and stockist, we configure and design the right solution for your business needs.