Environment, Social and Governance (ESG)

Sustainability Report FY2023





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Our Commitment

We commit to empowering Aboriginal and Torres Strait Islander peoples in every opportunity to advance their health, wellbeing and self-determination.

We commit to listening, learning, understanding, respecting, and celebrating Aboriginal and Torres Strait Islander peoples' diverse cultures and perspectives, and to reflecting this in how we work with the community.

We commit to co-designing our services with Aboriginal and Torres Strait Islander leaders, peoples and communities to ensure they are holistic, culturally safe, and free from racism and discrimination, so communities can access the help they need, when they need it.

We will continuously improve the way we work and engage with Aboriginal and Torres Strait Islander peoples, so that all people feel safe and respected.

Aboriginal and Torres Strait Islander health workers are critical to closing the gap in health outcomes. We are committed to increasing the numbers of Aboriginal and Torres Strait Islander staff working with us, particularly in remote and regional communities.

We will demonstrate these commitments in our work across Australia, every day.

We will show this in how we engage with and serve Aboriginal and Torres Strait Islander peoples and communities, through our corporate and business planning, and through implementing our Reconciliation Action Plan.

Acknowledgement of Country

Hearing Australia would like to acknowledge and pay our respects to the Traditional Owners of the land on which we live and work.

We pay our respect to Elders past, present and emerging and acknowledge the longest continuing culture on Earth.

We extend our acknowledgement and respect to all Aboriginal and Torres Strait Islander peoples with whom we work and who we serve, now and into the future.

Artwork created by Davinder Hart who is an Aboriginal artist born in Perth, Western Australia. His family roots connect from Bibbulmun and Katanning in the south west region of the Noongar people.

Foreword

A message from our Chair and Managing Director

It is with great pleasure that we present Hearing Australia's inaugural Environmental, Social and Governance Sustainability Report (ESG-SR) for financial year ending 2023.

As a market leader in the hearing services industry, we are well positioned to reduce our organisation's environmental impact while influencing our business partners and suppliers to adopt sustainable business practices.

Sustainability is an underpinning principle that shapes our actions as we strive to improve our environmental and social performance.

Our ESG-SR serves as a testament of our efforts to vertically integrate sustainability and societal equality across our operations and supply chains.

As we look ahead, we are challenging ourselves and our partners to employ environmentally conscious methods and innovative solutions that address the world's most pressing climate challenges. We also believe that by embracing sustainable and inclusive practices, we will create long-term value for our people, our clients, the broader community, and the environment.

We also understand that sustainability is a journey and are excited by what we can achieve together and how we can actively contribute to a better future.

We would like to take this opportunity to thank our people and business partners for their innovation, adaptability and support as we progress through our ESG journey.

Collectively, we will create a more equitable, climate conscious and sustainable future for generations to come.



Chair of Hearina Australia



Managing Director of Hearing Australia

Introduction

Environment, Social and Governance (ESG) Sustainability Report

Hearing Australia is a corporate Commonwealth entity (CCE) and required to report our emissions pursuant to the Australian Federal Government's annual reporting requirements for CCEs, Resource Management Guide No. 136 (RMG136).

The Board of Hearing Australia (Board) advises that this Environment, Social and Governance (ESG) Sustainability Report 2023 has been prepared in accordance with the Public Governance, Performance and Accountability Act (2013) (PGPA Act) and section 16E of the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule).

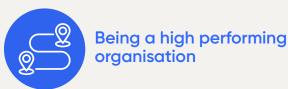
Overview

This report outlines how Hearing Australia has worked towards achieving its sustainability goals over the FY23 period and the organisation's commitment to delivering services to all Australians in alignment with our Corporate Goals:



Delivering excellent outcomes





In 2023, Hearing Australia committed to solidifying its sustainability commitments and our Environment, Social and Governance Sustainability Report (ESG – SR) details our outcomes for the period from 1 July 2022 to 30 June 2023 including;

- ESG programs implemented in quarter four (4) of 2023
- Forward looking statements underpinning our planned ESG activities throughout 2024
- Targets that support our corporate plans to reduce our emissions across a range of identified areas

Sustainable Development Goals (SDG's)

Aligning Hearing Australia's sustainability goals to global standards

Our Global Approach to Sustainability

Hearing Australia supports the United Nations Sustainability Development Goals and have developed our framework and key sustainability initiatives and commitments in alignment with the globally recognised targets, indicators and best practice approach to managing our environmental, social and governance impacts.



Image courtesy of the United Nations

Sustainable Development Goals (SDG's)

ENVIRONMENT

Our environmental initiatives, outcomes and targets are supported by the following SDG's:











SOCIAL

Our social services and impact are supported by the following SDG's:













GOVERNANCE

Our corporate responsibilities and oversight support all of Hearing Australia's SDG's in addition to SDG16:







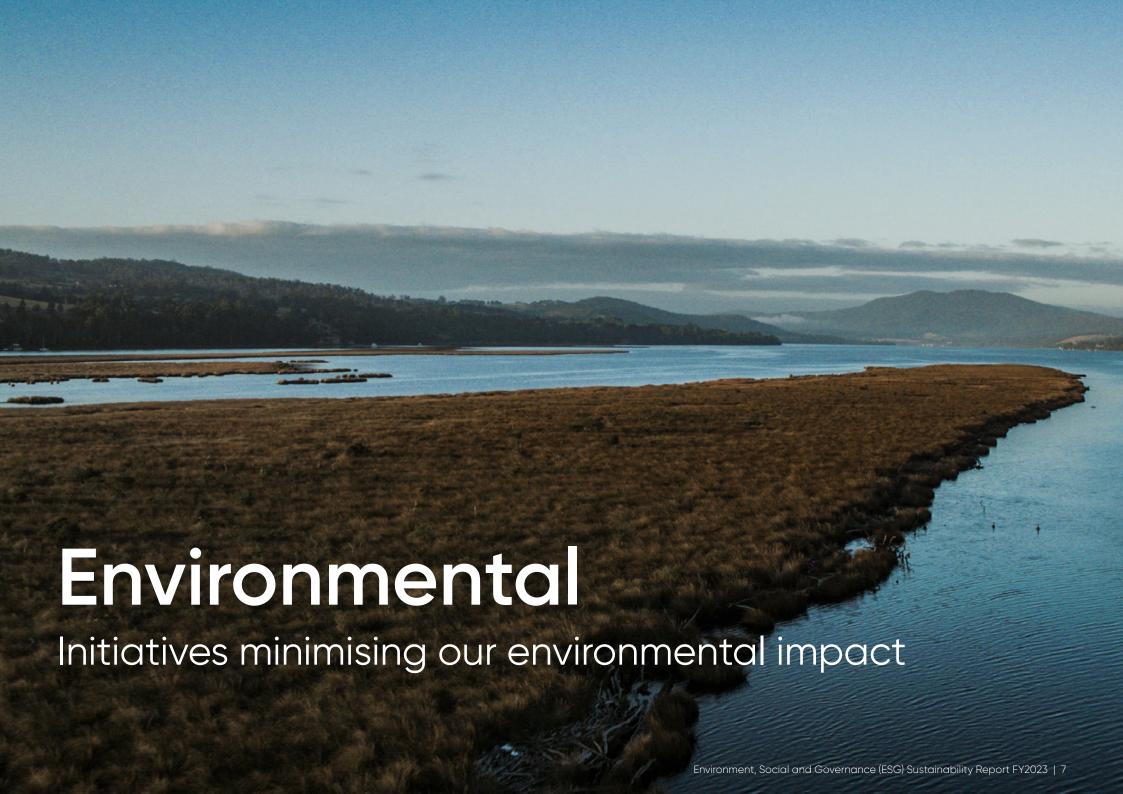












Scope 1, 2 and 3 Emissions

Measuring our effectiveness

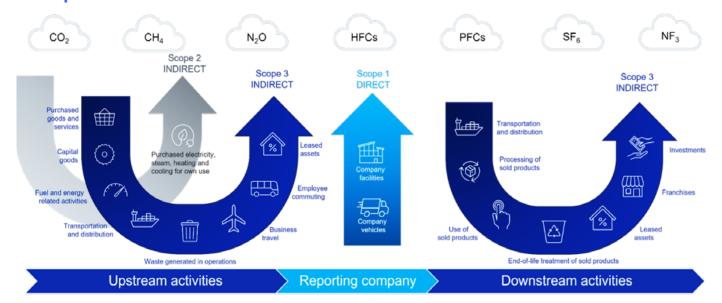
Hearing Australia measures the effectiveness of our emissions reduction actions in accordance with the <u>Div. 4 of the National Greenhouse and Energy Reporting Regulations 2008 (NGER)</u> as defined by the <u>GHG Protocol Corporate Standard</u> for Scope 1, 2 and 3 emissions.

FY23 marks our inaugural ESG Sustainability Report and addresses our relevant Scope 1, 2 and 3 emissions. Calculations used to report emissions are consistent with the Department of Climate Change, Energy, the Environment and Water (DCCEEW) <u>Australian National Greenhouse Accounts Factors</u> equations.

To further our efforts in ensuring a sustainable future, we plan to undertake an organisation wide materiality assessment in 2024 to identify the areas that our people feel are key opportunities. For the FY23 period, the approach taken was in combination with the Australian Public Service Net Zero 2030 department, an initial internal assessment of our current emissions status and, in conjunction with emissions reports provided to Hearing Australia's by our suppliers.

We anticipate our future ESG Sustainability Reports will showcase the effectiveness of the measures taken as we commence our sustainability journey from 2024.

Transportation



Scope 1 Emissions

Covers emissions from sources that an organisation owns or controls directly. (eg; Gasoline)

Scope 2 Emissions

Covers emissions indirectly caused from energy purchased and used. (eg; Electricity)

Scope 3 Emissions

Covers emissions a company is indirectly responsible for across its value chain. (eg; Supplied product disposal)

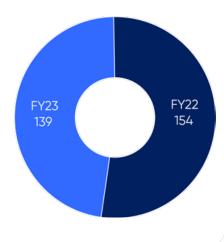
Transportation

Vehicle Fleet

Vehicle Fleet Size FY22-23 Comparison

In FY23, we reduced our vehicle fleet by 11% or, 15 vehicles. 13 of which had petrol combustion engines in support of our commitment to increase the uptake of Low Emissions Vehicles (LEV's).

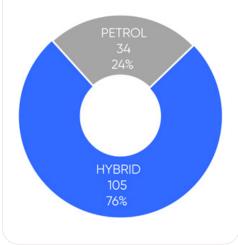
FY22 v FY23 Vehicle Fleet Size



Low Emissions Vehicles (LEV's)

Our fleet consists of 76% Low Emissions Vehicles (LEV's), which utilise Hybrid Technology and underscores our commitment to reduce vehicle induced carbon emissions.

FY23 PETROL v HYBRID

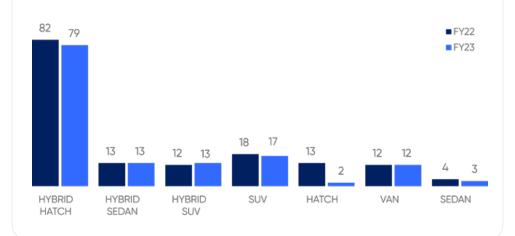


Vehicle Mix Petrol v Hybrid FY22 to FY23 Comparison

Most of our vehicle fleet consist of Toyota Corolla Hybrid Hatch models which were identified as having low emissions and a high Green Vehicle Guide rating within their class.

In FY23, petrol combustion engine vehicles represented the lowest proportion of our fleet mix, and the 11% reduction in our fleet was represented across the petrol combustion engine within the Hatch, and SUV vehicle class.

FY22 v FY23 VEHICLE MIX



Fuel Gaseous Emissions

In FY23, Hearing Australia's vehicle fleet consumed a total of 38,149 litres of fuel.

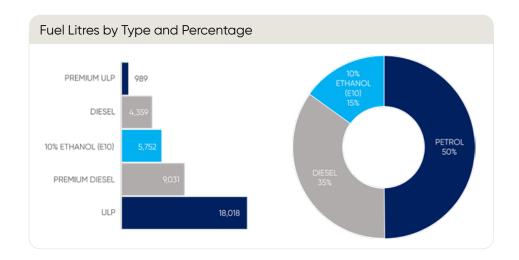
Premium ULP and ULP representing the highest volume at 54%, followed by Premium Diesel and Diesel at 45% and, 1% of biofuel E10 (10% Ethanol) at lower quantities mainly due to our 105 Hybrid vehicles requiring less fuel.

Across our 139 vehicles, the estimated total of Scope 1 combined gaseous emissions where 80,684 tonnes and, Scope 3 combined fuel emissions where 101,145 tonnes.

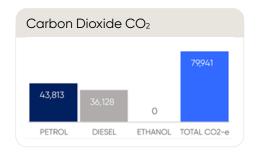
Forward Looking Statement

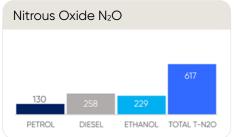
In FY24, Hearing Australia will commence a Fleet Optimisation Program to;

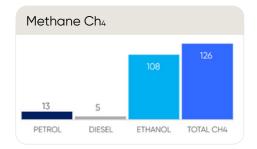
- Ensure financial sustainability
- Vehicles are the least emitting in their class
- Further reduce our fleet size where the opportunity presents
- Commence a feasibility study to introduce fully Electric Vehicles
- Target: Reduce combined CO₂-e emissions by a further 10%

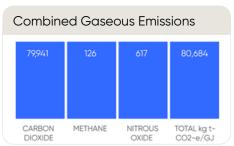


Scope 1 Fuel Gaseous Emissions: kg t CO₂-e/GJ

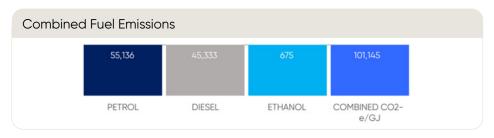








Scope 3 Combined Fuel Emissions: CO₂-e/GJ



Aviation Emissions

In FY23, Hearing Australia reduced flight CO₂ emissions by 54%.

Our results were bolstered by actively promoting the use of video and phone conferencing. All meeting invitations include virtual links by default to allow dial in options for internal and external attendees, and we host virtual events from our National Office.

We also expanded our Teleservices across Australia to support our customers' needs which further reduced staff air travel.

For the year, we undertook 4789 flights of which;

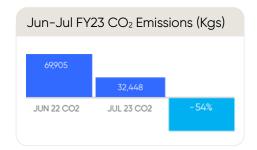
- 4,713 where Domestic flights and 99% economy seats
- 76 where international flights and 59% economy seats
- Total flight kilometres travelled were 5,611,853 kilometres, of which 5,069,608 were attributed to domestic travel
- Average CO₂ emissions per flight of 200, and 141 per traveller

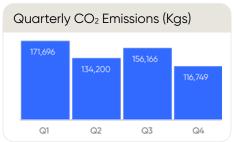
Forward Looking Statement

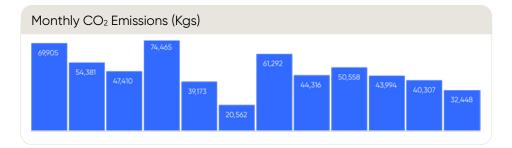
In Q1 FY24 Hearing Australia adopted a travel limit strategy that restricts all unnecessary travel. Throughout 2024 we will continue to review our travel activities and consider;

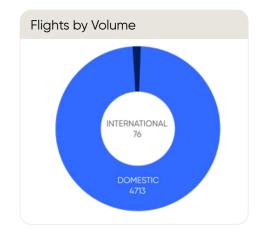
- Adopting travel thresholds
- Opportunities to offset our flights emissions
- Maintaining our travel limit strategy across business travel
- Target: Reduce FY24 travel related CO₂ (kgs) by 15-20%

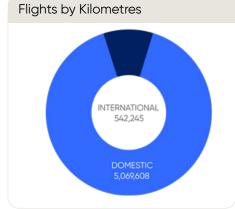
Scope 1 Fuel Gaseous Emissions: kg t CO₂-e/GJ











Product Supply & Distribution Emissions

Hearing Australia distributed 70.622 packages and, 248,364 letters in FY23.

84% of deliveries where managed by Australia Post with 15.3% of deliveries carbon offset under their Carbon Neutral Delivery program certified by Climate Active ™.

The balance of deliveries where managed by TGE representing 16%.

In FY23, there was an increase in t CO₂-e emissions of 64%, which eased from April.

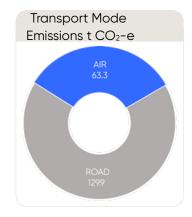
This was mainly attributed to third party systems permitting Priority or Express freight attracting high emitting air mode delivery methods.

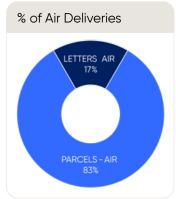
Forward Looking Statement

In Q3 FY24, a Supply & Distribution Program will commence to;

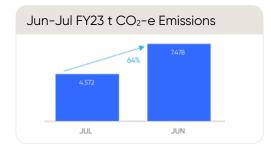
- Leverage new technologies that automate distribution flow via a Direct-To-Vendor (DTV) model
- Review opportunities to digitise letters and forms
- Engage ESG conscious delivery partner/s
- Increase uptake of carbon offset options
- Introduce criteria to deter Priority or Express options
- Target: Increase the DTV distribution model by 20-25%
- Target: Reduce Air mode deliveries by 10-15%

Scope 1 Transport Emissions: t CO₂-e













Energy

Purchased Electricity Emissions

In FY23 Hearing Australia's leased property portfolio amounted to 187 sites nationally across a range of hearing centres, warehousing, and facilities.

The purchased energy mix amounted to;

- Coal fired energy (All States): 82%
- Renewable energy (NSW): 18%

The total kilowatts (kWh) purchased nationally (including renewable energy) totalled 2.35M.

Total kWh purchased by state (Inc. Renewables)								
NSW	VIC	QLD	TAS	SA	WA	NT	ACT	
1,034,313	494,823	439,386	113,601	100,537	90,166	47,048	34,034	

Of purchased energy, CO₂-e emissions (excluding renewable energy offsets) totalled 1.3 Tonnes.

Total tCO₂−e emissions by state (Exc. Renewables)								
NSW	VIC	QLD	TAS	SA	WA	NT	ACT	
492	421	321	19	25	49	25	29	

Forward Looking Statement

In Q4 of FY23, we undertook a national energy audit to identify opportunities to introduce renewable energy across our sites.

The audit identified >100 sites that could be converted to 100% GreenPower™ energy, representing >50% of our property portfolio.

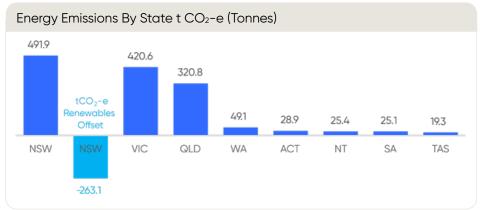
In Q1 FY24, we actioned the conversion to GreenPower™ across the identified sites and solidified our commitment to further reduce our energy emissions from purchased energy.

FY24 Targets

- Increase Renewable Energy kWh's: +75%
- Increase Sites Powered by 100% Renewable Energy: +50%
- Decrease Energy Emissions t CO₂-e: -50%







Solid Waste

Paper Waste Emissions

In FY23, our copier paper waste produced 18 tonnes of paper waste and 58 tonnes of CO₂-e emissions. 98% of our copier paper was Certified Carbon Neutral and 73% Australian Made product.

Throughout FY23, the paper manufacture industry continued to feel the aftereffects of the global pandemic with the demand for recycled paper goods remaining high and above manufacturing capacity.

Hearing Australia ordinarily utilises 100% Recycled and Australian Owned copy paper, however; due the significant disruption to paper supply chains beyond our control, we managed the environmental impact by employing copier paper that was 100% or up to 99% recycled product which represented 69% of our consumption.

Where recycled product was not available, we utilised sustainably sourced product which represented 31% of our consumption.

Additionally, we encourage a paperless environment to avoid printing where possible to reduce our landfill impact.

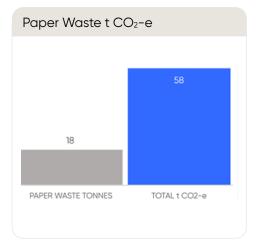
Forward Looking Statement

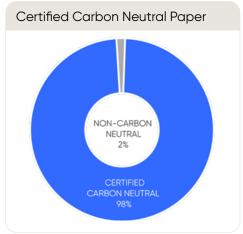
In Q2 FY24 we audited our existing printer fleet and printing habits resulting in a key actionable, namely introducing a SaaS Enabled Printer Fleet to manage waste and further reduce our emissions in FY24;

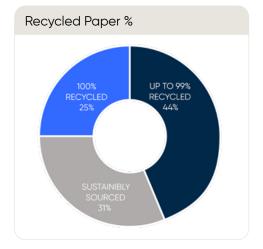
- Utilising 100% Recycled copier paper (where possible)
- Deploying a new Printer Fleet embedded with SaaS technology to effectively manage print volumes, paper waste and emissions
- Employ energy efficient machines to reduce energy consumption
- Target: Default print setting to black and white and double-sided print (Deployed in Q2 FY24)

Target: Transition the new SaaS enabled printer fleet by mid-2024

Scope 3 Paper Waste Emissions: t CO₂-e









Office Stationery & Supplies

Paper based Stationery and Supplies are limited to essential items and approved for order on a needs basis to actively mitigate over consumption as evidenced by our total FY23 order volume below:



Forward Looking Statement

Hearing Australia was advised in Q2 FY23 that the existing Whole of Government Agreement will not be renewed.

This presents the opportunity to review market offerings and ensure Hearing Australia receives the:

- Best value for money
- Highest quality product range
- Paper and plastic products are made from the highest possible levels of recycled materials
- Potential to engage a Supply Nation Certified stationery partner.

Cleaning Products

Hearing Australia's cleaning contractors are required to use environmentally conscious;

- Toilet tissue
- Paper towels
- Cleaning products

Additionally, we provide all employees with the following products to maintain a safe environment for our people, customers, and visitors:

- Hand sanitiser
- Alcohol wipes for hard surfaces

In addition, our national centres and offices are professionally cleaned and maintained on a regular basis.

Recycling Bins

We have deployed recycling bins with clear labelling and graphics to assist employees and customers dispose of food and packaging in an environmentally conscious manner.

Each bin series is stationed in highly visible areas in our kitchen areas and, office spaces and facilities.

This initiative supports our responsible waste management approach and ensures food and packaging waste is;

- Correctly sorted
- Collected regularly
- Responsibly handled
- Recycled appropriately

Hearing Australia holds our cleaning and solid waste management suppliers under contract, and ourselves, to the applicable National Policy's and Environmental Protection Measures.



National Waste Policy 2018



National Environment Protection Measures



National Waste Action Plan 2022

Single Use Batteries Emissions

During FY23, accumulative battery purchases showed a 2% increase compared to the previous financial year however, the overall trend highlights a steady decline in battery purchases in Q2 due to an increasing demand and uptake of our rechargeable hearing aid products.

The estimated landfill from single use battery purchases equated to 15 tonnes and t CO_2 -e/t of 20.6.

Forward Looking Statement

In support of our commitment to reducing our indirect environmental impacts related to disposal of single use batteries, in FY24 we plan to undertake a market review of battery recycling programs with the potential to engage a National Battery Recycling Partner.

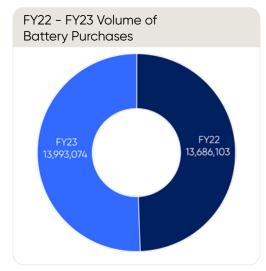
In addition, we will continue to offer rechargeable devices to our customers to improve their quality of life and by extension decrease the associated Scope 3 emissions by;

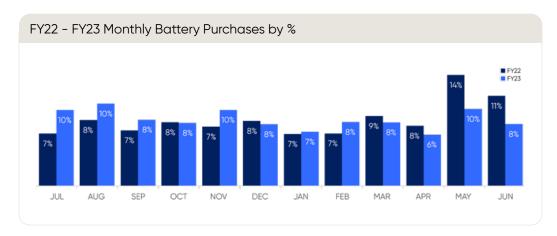
- Providing our network and customers with a safe and convenient battery collection option
- Embedding a circular economy for 100% of spent batteries deposited across our network
- Target: Reduce t CO₂-e/t emissions by 5-10%



Scope 3 Commercial Waste Emissions: t CO₂-e/t







Rechargeable Devices

Hearing Australia actively supports improving the life of our customers, and as an organisation we continuously seek to provide sustainable products such as our rechargeable hearing aids.

FY23 saw a 43% increase in customer uptake of our rechargeable hearing aids and a 37% decrease in non-rechargeable hearing aids reliant on single use batteries.

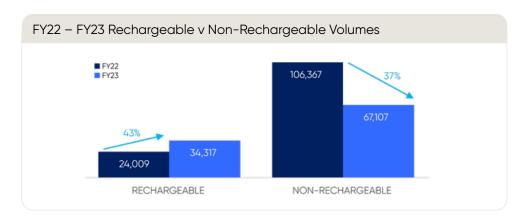
Forward Looking Statement

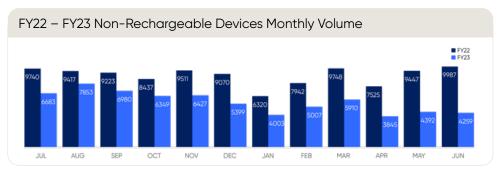
Hearing Australia will continue to offer rechargeable devices to our customers.

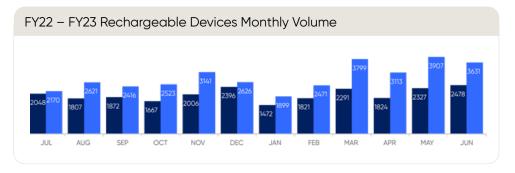
During FY23, we will increase our focus on improving our customers awareness of Hearing Australia's rechargeable options and their benefits, for example;

- Ease of use
- Length of product life
- Eliminating the need to purchase batteries
- Reduced battery swallow risk by children or pets
- Reduces landfill waste and environmental impact
- Target: Increase rechargeable uptake of non-fully subsidised devices for our Commercial clients to >80%









Facilities

Property

Hearing Australia provides our national services across our 187 centres network in addition to our 287 nationwide visiting sites.

We continually review our footprint for opportunities to deliver our services to Australians.

In FY23, we grew our network by establishing 14 new Hearing Centres.



Forward Looking Statement

To ensure our customers have access to high quality hearing services and care whether they live in remote, regional, or metro locations, we have committed to providing industry leading services to more Australians and plan to grow our centre network in FY24 by a minimum of;

5 new centres

Sustainable Building

In FY23 Hearing Australia piloted using new sound proofing Durra Panels™.

The panels are manufactured from;

- Compressed wheat and rice straw
- Naturally renewable resource products
- Circular economy processing that utilises agricultural waste by-product



Energy Efficiency

Across our network we ensure properties are energy efficient, including electronic hardware, in support of the objectives of the Australian Government's Energy Productivity and Efficiency priorities.

Some of the initiatives we've undertaken to embed sustainable practices include;

- Implemented an Energy Management Plan and Green Lease Schedules for our National Head Office
- Incorporating energy efficient lighting across all centres
- Upgrading aged air conditioning units with modern units
- Using environmentally conscious refrigerants
- Installing dual flush toilets
- Ensuring computer hardware is ecologically and power saving compliant
- Monitors automatically set to sleep mode after 10 minutes of inactivity
- Incorporating a Solid-State storage unit
- Virtualising 97% of Wintel Server workload 95% of Unix Server workload



Our Services

Hearing Australia Services

Hearing Australia's purpose is to provide world leading research and hearing services for the wellbeing of all Australians.

Our vision is that we will provide the best hearing solutions for anyone, anytime, anywhere.

During 2023, we provided our services to 282,902 clients and achieved an 87% customer satisfaction rate.

In addition, Hearing Australia celebrated its 75th anniversary and are deeply proud of our history of providing hearing health services, care and innovative products to all Australians for three quarters of a century.

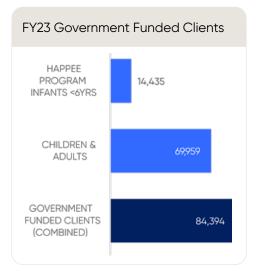
Established in the 1947, Hearing Australia and its research arm the National Acoustic Laboratories (NAL) have helped over two million children and adults not only across Australia, but globally.

In FY23 Hearing Australia provided national services covering;

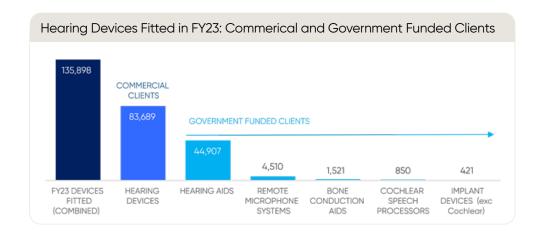
- Hearing assessments
- Rehabilitation services
- Hearing device fittings
- Supporting health referral services
- Delivery of Government funded services
- Commercial services to self-funded customers

Forward Looking Statement

Our focus remains on achieving the best outcomes for our customers and delivering market leading products and globally recognised and respected research that improves the lives of people with hearing loss in a an impactful and life changing way.







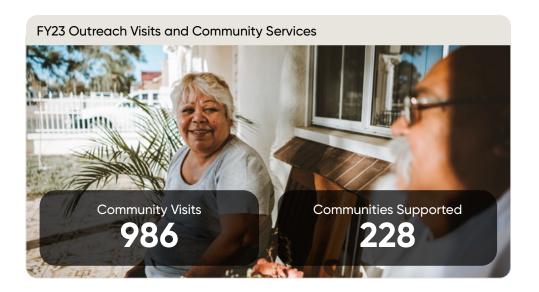
Outreach Program

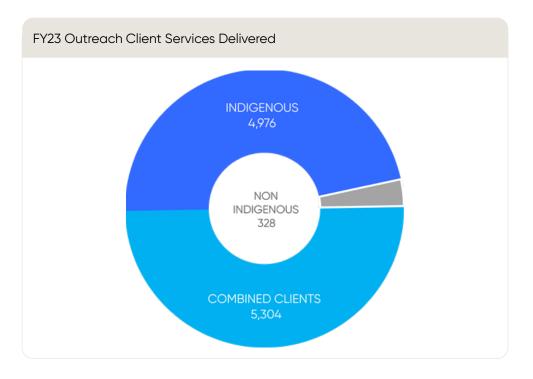
Hearing Australia delivered 5,304 services to Indigenous and Non-Indigenous Australians under our Community Service Obligations - Outreach Program.

The Outreach Program delivers services in our national Hearing Centres and, via regular visits to regional and remote communities across Australia. In FY23, we achieved 986 visits across 228 communities and provided the following hearing services and care:

- Ongoing clinical care
- Hearing device repair services
- Review of hearing and communication needs
- Assistance with hearing device selection, fitting and use
- Counselling and guidance to assist listening and communication
- Community liaison, training and raising awareness of ear and hearing health

In partnership with over 100 Aboriginal Community Controlled Health Organisations (ACCHO's) we developed our key commitments under the First Nations Action Plan and worked closely with the Aboriginal and Torres Strait Islander Ear and Hearing Health Partnership Committee in support of the ACCHO's National Aboriginal and Torres Strait Islander Ear and Hearing Health Strategy.





Forward Looking Statement

In FY23, we developed our First Nations Action Plan and, a Shared Hearing Services Plan (SHSP) co-designed with the Chief Executive Officers of three ACCHO's, the Orange Aboriginal Medical Service (OAMS), the Coonamble Aboriginal Health Service (CAHS) and the Katherine West Health Board.

In Q3-4 of FY23 we;

- Signed a 4-year Shared Hearing Services Partnership Agreement (SHSPA) with OAMS and CAHS
- Ratified 3 new plans under the SHSPA to support First Nation communities
- Launched a dedicated First Nations Support Line

In FY24 onward, we will continue to collaborate with the OAMS, CAHS and partner with hearing health sector leaders and stakeholders to help shape and deliver long-term improvements in the delivery of hearing services to First Nations peoples.

Hearing Assessment Program – Early Ears (HAPEE)

In FY23 under our Hearing Assessment Program – Early Ears (HAPEE) program, we assessed and supported 14,435 children representing an increase of 20% compared to the previous financial year.

HAPEE is funded by the Australian Government and provides free diagnostic hearing checks and follow up care for young Aboriginal and Torres Strait Islander children aged between 0-6 years of age prior to commencing full time schooling.

First launched in 2021 with a focus on remote to very remote areas which has since expanded to include regional and metro areas.

The program was developed in consultation with;

- Representatives from the Aboriginal Community Controlled Health Service representatives
- Key stakeholders from the Aboriginal and Torres Strait Islander hearing health sector
- The Department of Health and Aged Care
- Hearing Australia key stakeholders

This critical service helps identify and assist children who may be left undetected and untreated for hearing loss or ear disease, which could adversely impact their learning outcomes and wellbeing.

In year ending 2023 approximately;

- 26% of assessed children had undiagnosed ear disease
- 21% of assessed children had undiagnosed hearing loss

Forward Looking Statement

Hearing Australia will continue to provide the critical HAPEE program in conjunction with the Australian Government and support the hearing health of our youngest First Nations people, and work toward providing increased care and services.

Stretch Reconciliation Action Plan (RAP)

In FY23, Hearing Australia developed its fifth Stretch Reconciliation Action Plan (RAP) spanning 2023 to 2026.

The RAP aligns with Priority Three of the National Agreement on Closing the Gap - Transforming Government Organisations and aims to deliver tangible benefits for our staff and customers and, underpins our commitment to reconciliation by focusing on;

- Ensuring a culturally diverse and safe workplace
- Enhancing delivery of culturally respectful services
- Improving engagement with Aboriginal and Torres Strait Islander peoples
- Delivering services in partnership with Aboriginal and Torres Strait Islander organisations

Forward Looking Statement

Hearing Australia anticipates that our Stretch Reconciliation Action Plan to achieve Board endorsement and commence implementing our initiatives in FY24.



National Acoustic Laboratories (NAL)

National Acoustic Laboratories (NAL) is Hearing Australia's research arm and in FY23, NAL delivered a record 29 projects, engaged 4800 participants and collaborated on 48 international projects.

At the request of the Department of Health and Aged Care, NAL in collaboration with industry leaders, successfully delivered;

- Creating a Spotify App that screens hearing health
- Assisting with Health's National Hearing Awareness Campaign
- Delivery of the Evaluating the clinical and cost-effectiveness of upgrading cochlear implant sound processors (CUSP) in the Hearing Services Program involving 14 clinical sites and 304 participants

A key program deliverable for NAL was the creating of the NALGuide, a simply to use consumer-friendly guide explaining hearing aid technology and features such as:

- Speech understanding
- Sound quality and listening comfort
- Usability, connectivity and personalisation

The guide is also used by manufacturers seeking to adopt consistent terms to describe their product features allowing consumers to compare devices based on their needs.

NAL is also a globally respected and recognised organisation. In FY23, NAL achieved the following;

- 66th International EUHA Congress: Keynote Speaker
- Received 248,000 social media impressions across NAL posts
- Gained National News Coverage: NAL's Airpods Pro Research
- 4th Virtual Conference Computational Audiology: Co-organised and presented
- Annual Audiology Australia Conference: Delivered 19 presentations and received 3 awards

In FY23, National Acoustic Laboratories (NAL) achieved the following outcomes:



Forward Looking Statement

NAL also commenced numerous key research and innovation projects leading into FY24, such as;

- A patient-driven Telehealth App
- Multi-year research partnership with GN ReSound
- Remote screening tool kits powered by artificial intelligence
- Research collaborators with Phonak and the University of NSW
- Partnering with Google and industry to improve hearing health with artificial intelligence

Our People

Employee Growth and Opportunities

Our people are the backbone of Hearing Australia's success and deliver our services with dedication, professionalism, and purpose everyday.

As demand for our services grew in FY23, we completed the period with a total of 1434 employees (1220 FTE).

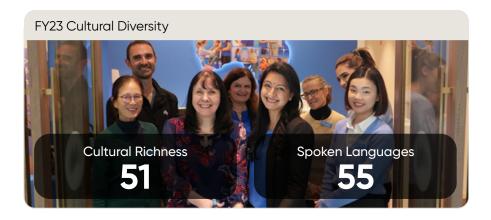
At financial year ending 2023 Hearing Australia;

- Hired 330 new employees across a range of opportunities
- Total new hires accounted for 23% growth in our workforce
- Increased our full-time permanent staff by 6%

Our employee mix is representative of our commitment to being an inclusive employer and great place to work;

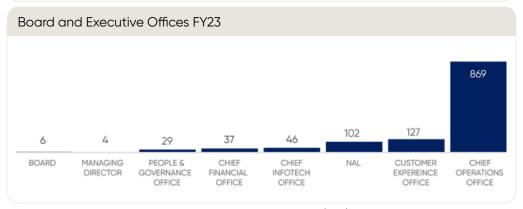
- 19% or 268 Male employees
- 81% or 1,166 Female employees
- 3% or 42 First Nations employees
- 4% or 55 Hearing Impaired employees
- 5% or 71 Disability Impaired employees

We also value and foster our globally diverse workforce whose heritage add cultural richness and awareness to our organisation and customers, with over 380 employees who can speak other languages.









Employee Wellbeing

Hearing Australia offers a comprehensive range of Employee Wellbeing Programs to ensure our people feel safe, respected, and valued.

A suite of information and services are available to all our staff on our intranet MyHub regardless of employment structure or tenure.

Some wellbeing offerings include;

- Flu vaccination program
- Hearing Australia's Good Vibrations monthly wellbeing newsletter
- Full service Employee Assistance Program (EAP) including SMS and App
- Access to our national Fitness Passport program for staff and their families
- Supporting numerous health and wellbeing awareness activities such as; National Mental Health Week, International Women's Day, R U OK Day

We have a dedicated intranet channel that provides multiple employee services, health tips and contacts for prevention services

Forward Looking Statement

We launched a 3 year wellbeing strategy **Better Me + Better You = Better Us** designed to ensure we create and maintain a safe, supportive, and respectful culture that is conducive to optimal individual mental health and wellbeing.



Learning and Development

Hearing Australia supports our employees learning and development to build the capability of our people via a range of online information, tools, and training resources to support new hire induction, continuous learning, professional and career development covering;

- Mandatory Annual Training
- New Employee Induction and Training
- Business Support Staff Induction and Training
- Centre Hearing Advisor Induction and Training
- Manager Onboarding, Induction and Training

Additionally, we provide our senior leaders with a suite of nearly 3000 resources to assist with refresher training or refining their core skills;

- Mind Tools: An online platform to help improve performance and develop skills through on-demand learning
- Managers Corner: Resources and information dedicated to our people leaders to support their development
- Leadership Fundamentals Program: Supporting our senior leaders to learn and evolve as leaders

In FY23, our employees completed 6,500 hours of professional training and development nationally:





Corporate Governance

Hearing Australia's Board

Hearing Australia was constituted under the Australian Hearing Services Act 1991 (AHS Act) and is an accountable authority pursuant to the Public Governance, Performance and Accountability Act 2013 (PGPA Act).

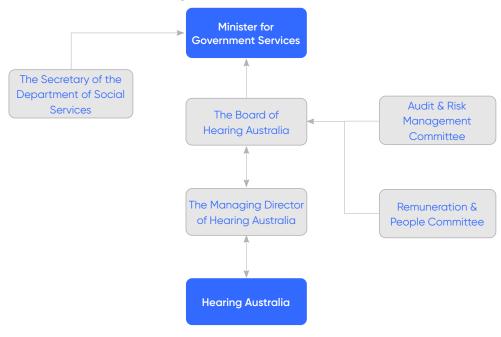
Under the PGPA Act, Hearing Australia is defined as a corporate Commonwealth entity and is governed by the Board of Hearing Australia (Board).

The Minister for the National Disability Insurance Scheme (NDIS) and Minister for Government Services, the Hon Bill Shorten (Minister);

- Appoints our Hearing Australia's Board of Directors
- Director appointees are engaged on fixed terms by the Minister
- With the exception of our Managing Director, all appointees are Non-**Executive or Special Purpose**

The Board consists of highly credentialed Directors with significant and extensive expertise and oversee the performance, strategic direction and effectiveness of governance policies and practices and, is also accountable for ensuring that Hearing Australia performs its functions in an ethical and economical manner.

Our Board and Leadership Structure



Audit & Risk Management Committee

Hearing Australia established the Audit and Risk Management Committee (Committee) under section 33 of the Australian Hearing Services Act 1991 (the AHS Act) in compliance with section 451 of the Public Governance, Performance and Accountability Act 2013 (Cth) (PGPA Act) and section 172 of the Public Governance, Performance and Accountability Rule 2014 (the Rule).

The Committee operates under the Audit and Risk Management Committee Charter and supports our Board in fulfilling its responsibilities under the AHS Act and the PGPA Act, including;

- Evaluating the adequacy and effectiveness of Hearing Australia's management.
- Discharge of its responsibilities in respect of financial and performance reporting
- Risk management and control
- Management of fraud and corruption
- Internal compliance with applicable laws and policies

Our Executive Team

The <u>Hearing Australia Executive Team</u> is responsible for ensuring;

- Efficient operations and delivery of our services
- Effective commercial management
- Development and delivery of our corporate strategies

We leverage off each member's extensive professional experience across a variety of industries to ensure our vision, management and strategies lean into our rich legacy and heritage but equally incorporate and apply a multi-industry and progressive lens.

Our Managing Director and Executive team are also accountable for ensuring all areas of our organisation support and progress Hearing Australia's sustainability goals and delivery of our corporate strategies, including emission reduction targets.



Managing Director of Hearing Australia Kim Terrell



Chief Operations Officer Gina Mavrias



Chief Financial Officer
David Cuda



Acting - Chief Customer Officer
Stephen Jean



Director of NAL Brent Edwards



Chief People & Governance Officer Robin Priddin



Chief Information Officer Siddhartha Parti

Our Operational Oversight Senior Leaders



Head of Governance Jodie Varnai

Our Governance division is charged with responsibilities to ensure that Hearing Australia meets its corporate governance obligations and that supporting processes and systems are maintained to a high standard.

Key fields of responsibility for the function include;

- Management of Hearing Australia's Board Secretariate function
- Managing the businesses Public Governance, Performance and Accountability obligations
- Project management governance
- Corporate reporting obligations



Head of Risk and Compliance Andrew Methven

Our **Risk and Compliance** division is responsible for Hearing Australia's risk management and compliance management systems.

The division works closely with our Governance division and Audit and Risk Management Committee and oversee key functions covering;

- Identifying and maintaining our compliance obligations
- Risk and compliance monitoring and reporting
- Risk assessments and management activities
- Assurance work and independent reporting
- Providing risk and compliance training
- Business continuity and crisis management
- Security management
- Strategy and implementation of the Insurance Program



Head of Legal Carol Daoud

Our Legal division provides support and legal advice across the organisation and assists stakeholders with;

- Providing advisory on legal matters
- Raising staff awareness of their legal obligations
- Ensuring the business meets its legal requirements.
- Advisory on the application of laws
- Management of legal matters for Hearing Australia
- Guidance and legal advice on contracts and leases
- Privacy and freedom of information management



Head of Procurement, ESG and Logistics Sandra Lopez

Our Procurement division is accountable for ensuring procurement best practices are followed, leads or facilitates;

- Compilation of Hearing Australia's annual Modern Slavery Transparency Statement
- Modern slavery vendor compliance programs
- Management of procurement frameworks and policies
- Develop & implement national procurement strategies across direct and indirect portfolios
- Implementing effective cost mitigation strategies
- Procurement procedural and legislative advice
- Major tender and vendor evaluation programs
- Procurement ethics and probity internal audits
- Negotiating national commercial contracts

Newly formed in June 2023, our Environmental, Social and Governance (ESG) divisions' key areas of accountability include;

- Compilation of Hearing Australia's ESG Sustainability Report
- Emissions reporting obligations to the Australian Government
- Providing advisory on ESG legislation and application
- Educating int/ext stakeholders on ESG best practices
- Leading national sustainability strategies and programs
- Globally aligning ESG frameworks and policies

Our Logistics and Warehousing division manage Hearing Australia's national supply chain, logistics and product vendors and oversees;

- Monitors and maintains inventory management systems
- Ensuring vendors deliver product on-time and efficiently
- Key product and 3PL vendor relationship management
- Leading global and local supply chain strategies
- Supply chain frameworks, procedures, and policies
- Inventory reporting and cost management

Supplier Environmental Management

Environmental management clauses are included in our supplier contracts and in compliance with the;

- National Environment Protection Measures
- Energy Efficiency in Government Operations Policy
- Australian Consumer Law
- National Waste Policy
- Green Marketing

Forward Looking Statement

In Q4 of FY23, our commercial contracts were hallmarked for review and strengthening of our suppliers ESG requirements.

In addition, we will commence a supply chain wide review of our supplier base to determine key areas of opportunities to partner with our supplier group and develop in sustainable practices to facilitate reduction of emissions and waste in support Hearing Australia's ESG commitments and strategy.

Some key areas of focus will be;

- ESG selection criterion
- Sustainably sourced goods
- Emissions reporting packages
- Ethically manufactured goods
- Product innovation and technology
- Waste and packaging management
- Environmentally conscious operations
- Energy efficient hardware and devices
- Application of circular economy principles
- Percentage of recycled material in product lines

In addition to refreshing our commercial agreements, we will work with our key supply chain partners to develop quantifiable KPI's, ESG programs and sustainability commitments that are aligned with globally recognised standards and best practice.

Modern Slavery

Pursuant to the section 13 of the Modern Slavery Act 2018 (Cth), Hearing Australia is required to report and publish an annual Modern Slavery Transparency Statement (MSTS) with the Australian Attorney General's Office (AGO).

Prior to publication, our MSTS is endorsed by Hearing Australia's Board and Managing Director and, approved by the AGO who ensure we meet our obligations under the Act.

Hearing Australia continues to hold a zero-tolerance position on human rights breaches and are committed to eradicating all forms of slavery, servitude, forced labour and human trafficking across our supply chain and undertake to perform our corporate responsibilities purposefully and with integrity.

Forward Looking Statement

In Q1 of FY24, we assessed our modern slavery risk management method and associated reporting framework, and determined a refreshed approach was due.

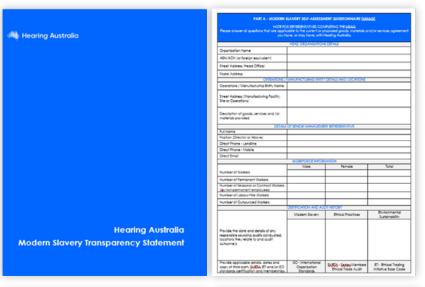
In response a renewed Modern Slavery Strategy was implemented coupled with a new format MSTS detailing our activities in identifying, assessing, and mitigating modern slavery risks across our global supply chain.

The MSTS and under-pinning modern slavery program was approved and registered by the AGO in Q3 and incorporates best practice improvements, such as:

- Compilation of a Modern Slavery Compliance Register
- Embedding Modern Slavery Risk Management into our supplier contracts
- Annual requirement for suppliers to sign our new Hearing Australia's Supplier Code of Conduct
- Annual requirement for suppliers to complete and submit our new Supplier Modern Slavery Questionnaire (MSAQ)
- Ongoing risk assessment of all our suppliers with annual expenditure above internal tolerance thresholds
- Compilation and publication of a compliant and AGO approved Modern Slavery Transparency Statement
- Deployment of an employee training program to raise awareness and assist in identifying and reporting potential modern slavery risks

We invite you to view Hearing Australia's FY23 - Modern Slavery Transparency Statement at one of the following locations;

- The Hearing Australia website
- The Australian Attorney General's Modern Slavery Statements Register







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