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**ANNUAL
REPORT
2017**

oOh!media Limited ACN 602 195 380 ASX:OML

Sustainability Report

This Sustainability Report is an extract from the full 2017 Annual Report of oOh!media Limited.

The Annual Report was authorised for issue, in accordance with a resolution of the Directors. The Directors have the power to amend and reissue the Annual Report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the Company. These reports, all media releases, financial reports and other information are available at the Investors section of our website: www.oohmedia.com.au.

Sustainability Report

Introduction

I am pleased to present the 2017 Sustainability Report.

The outcomes of conscious and responsible corporate behaviour are inextricably linked to financial performance and lead to long-term sustainable growth. oOh!media has created a framework for overseeing long-term sustainable growth and the reporting of same, having regard to internationally recognised principles including those published by the Global Reporting Initiative (GRI). That framework includes:

- operational and governance policies and practices;
- risk management processes; and
- internal controls.

The framework is considered appropriate for oOh!media's business and designed to promote sustainable and ethical behaviour.

This Sustainability Report outlines oOh!media's core sustainability activities between 1 January 2017 and 31 December 2017 (the reporting period), following the GRI's G4 Sustainability Reporting Guidelines.



Tony Faure
Chair

19 February 2018, Sydney

Reporting Principles

The GRI is an international independent standards organisation that helps businesses, governments and other organisations understand and communicate their impacts on issues such as the environment, labour management and business transparency across activities and supply chains. The GRI's Core G4 Sustainability Reporting Guidelines are effective until 30 June 2018.

This Sustainability Report is current as at 19 February 2018 and has been approved by the Board. Any questions regarding this report can be directed to the Company Secretary of oOh!media Limited.

Organisational Profile

oOh!media Limited, a publicly listed company on the Australia Securities Exchange (ASX), operates across Australia and New Zealand, with headquarters located in North Sydney, NSW, Australia,

oOh!media provides its products and services for the benefit of both media agencies and clients wishing to advertise their own products and services.

As at 31 December 2017, oOh!media has 464 permanent employees and 16 casual employees working across Australia and New Zealand. Most of oOh!media's activities are performed by employees of oOh!media. Of these employees, none are covered by collective bargaining agreements.

In more detail:

Total number of employees by contract and gender

Contract type	Female	Male	Total
Permanent	243	221	464
Casual	4	12	16
Total	247	233	480

Number of permanent employees by employment type and gender

Employment type	Female	Male	Total
Full time	206	218	424
Part time	37	3	40
Total	243	221	464

Total workforce by region and gender

Location	Female	Male	Total
New South Wales	173	165	338
Victoria	51	51	102
Queensland	13	10	23
South Australia	4	1	5
New Zealand	6	6	12
Total	247	233	480

The ratio of annual compensation for the highest paid individual against the median annual total compensation is 14x. The ratio of percentage increase in annual total compensation for the highest paid individual against the median percentage increase in annual total compensation is 1:2.

oOh!media's supply chain can be broken down into the following categories:

Commercial: oOh!media engages with commercial partners to secure properties, generally by exclusive rights under lease or licence, on which oOh!media can in turn install advertising media for sale to third parties. This involves all parties referred to in the overview of principal activities on page 2 of the Directors' Report in the Annual Report. The majority of these activities are operated from within oOh!media.

Operations: oOh!media's operations include the procurement and installation of manufactured goods including digital and classic screens and structures, printing of classic screens, creation and procurement of content, data and insights, the development and maintenance of information technology systems and processes, and the management of all workplace health, safety and environmental elements associated with same. The majority of these activities are led from within oOh!media, with support from specialist manufacturers, installers and service providers.

Sales and marketing: oOh!media has a dedicated sales and marketing team to assist media agencies and advertisers source the most effective locations for their advertising and engagement needs.

The majority of these activities are operated from within oOh!media.

Support services: oOh!media operates a suite of support services to ensure quality management and effective governance. These include human resources, finance and legal functions. The majority of these activities are operated from within oOh!media.

No significant changes to the supply chain have occurred during the reporting period.

oOh!media is also a member of the following associations and organisations:

- Outdoor Media Association (Australia)
- Outdoor Media Association of New Zealand
- Founding member and shareholder of Measurement of Outdoor Visibility and Exposure (MOVE)
- Media Federation of Australia (MFA) and Next Generation (ngen)
- Association for Data-driven Marketing and Advertising (ADMA)
- Australian Association of National Advertisers (AANA)
- Property Council of Australia (PCA)
- Data Governance Australia (DGA)
- Global Association for Marketing at Retail (POPAl)
- Federation European Publicite Exterieur (FEPE). oOh!media's CEO, Brendon Cook, holds the role of Vice President.

Stakeholders

oOh!media's stakeholders are an essential part of oOh!media's operations, and planning and engagement with stakeholders is a key element of effective risk management and opportunity development. The following is a list of stakeholders that oOh!media believes have the greatest potential impact on sustainability risks.

Investors: oOh!media communicates important information regularly to investors through a range of forums and publications in accordance with oOh!media's Continuous Disclosure Policy and Media Communications Policy. These forums and publications are further detailed in the Investor Relations section on page 31 of the Corporate Governance Report in the Annual Report. An overview of oOh!media's profile, businesses and corporate governance framework is also available under the Investors tab on oOh!media's website at <http://www.oohmedia.com.au>. oOh!media's investor relations program is led by the CEO and CFO with support from the Company Secretary, the Deputy CFO and an external investor relations consultant.

For deeper insight, the Board commissioned a confidential perception audit during the reporting period, seeking feedback on the quality of the Company's communication and publications. Whilst the results were generally very pleasing, identified opportunities have been adopted in this Annual Report and the Annual Review.

The Chair, the Lead Independent Director and the Chair of the Remuneration & Nomination Committee also make themselves available for meetings with investors, analysts and proxy advisers over the year to ensure two-way engagement.

Employees: oOh!media's vision is to be Australia's most desirable employer in the media industry, attracting the best talent to the Company's innovative, fun and achievement-driven culture. This culture promotes high performance, employee retention, and attracts high calibre talent. Each business unit has access to a HR business partner for specialised support, with dedicated resources for recruitment, talent management, organisational change and development and continuous improvement.

All new employees participate in an online onboarding and induction program, with feedback from the new employee at multiple stages along the way. Once settled, employees set KPIs with their managers, linked to the Company's strategic goals. Managers check-in with employees regularly to support their progress, and employees and managers are able to provide feedback to each other at any time, including as part of the quarterly check-ins and annual performance review process.

Each employee participates in in-house learning programs, designed to suit their particular role in oOh!media. Online training is provided on relevant topics including ethics, business acumen and knowledge, legal and regulatory requirements and WHS, complemented by face-to-face programs.

oOh!media also conducts regular employee engagement surveys through Aon Hewitt and in 2017 conducted a cultural audit through The SLAP Company, which gave deep insights into the strengths and opportunities in the oOh! culture relevant to achieving its strategy.

Commercial partners: oOh!media is dependent on relationships with concession holders to manage its lease and licence portfolio. oOh!media has deep experience working with commercial partners, with dedicated account managers to facilitate meaningful and successful relationship outcomes, particularly when managing risks in the portfolio environment such as safety, data protection and advertising regulatory compliance. Commercial partners can be private landlords, government bodies, local councils and regulatory authorities.

Service providers: oOh!media selectively secures the services of specialists where required. Service providers are required to comply with oOh!media's Code of Conduct and WHSE & Sustainability Policy to ensure oOh!media's ethical and quality standards are maintained across all environments. Safety management plans are required by service providers, bespoke to the services provided. oOh!media and the respective service providers review performance during the relationship and at times of contract review.

Media agencies: oOh!media is dependent on relationships with media agencies to represent oOh!media's products and services to their advertiser clients. oOh!media has invested in data and insights to give agencies a greater understanding of the performance of advertiser client campaigns using oOh!media's unique portfolio, and the opportunities presented with technological advancements. Each agency has a dedicated oOh!media relationship manager to ensure feedback is received and distributed across the business.

Advertisers: oOh!media is also dependent on relationships with customers who advertise their goods and services. Whilst a smaller proportion of revenue than that sourced through media agencies, oOh!media's digital footprint and operational support has allowed advertisers to engage direct for bespoke campaigns.

Government and local councils: Planning laws continue to develop alongside commercial property opportunities and technological advancements. Similarly, federal, state and local safety regulations and advertising standards develop alongside community expectations. oOh!media has always and will continue to engage directly and through industry with regulatory bodies to ensure Out Of Home advertising activity is of high quality, conducted with safety as an absolute priority for all stakeholders.

Communities: oOh!media is passionate about our community and our ability to operate in a way that benefits the wider community. Where required, oOh!media engages with communities, business alliances and resident groups in relevant environments ahead of developing advertising solutions to secure feedback on proposed activities. oOh!media also regularly engages specialists to provide assessments of the impact of its activities on local community environments, whether the impact of heritage, lighting, traffic or noise.

Ethics & Integrity

oOh!media has 3 core values:

- **Bold Dreams:** We dream big and inspire others with our ideas and passion. We are bold and push boundaries to create Unmissable moments. In other words, we ensure we are always clear on what we want to create and look for ways to make things better for our clients and ourselves.
- **Big Impact:** We do our best for the customer and oOh!media as a whole, always striving to be better. We are curious, looking for diverse ideas and ways to continuously learn. In other words, we make sure everything we do is meaningful for our audience and always bring our best selves to work.
- **Deep Connection:** We have a genuine care and respect for ourselves and each other as individuals. We have fun together and celebrate our camaraderie as much as our success. In other words, we are one team with shared goals and always look after our work family and mates.

These values are represented in oOh!media's policies, including:

- Code of Conduct
- Workplace Behaviour Policy
- Diversity & Inclusion Policy
- Continuous Disclosure Policy
- Dealing in Securities Policy
- WHSE & Sustainability Policy
- Conflict of Interest Procedure

Each of these can be found on the oOh!media website at <http://www.oohmedia.com.au/corporate-governance>.

The Code of Conduct is designed to ensure that oOh!media and all people employed, contracted by, associated with, or acting on behalf of oOh!media, maintain a reputation for the highest standards of business conduct, professionalism and integrity. The key components of the Code of Conduct include:

- Our actions must be governed by the highest standards of integrity and fairness;
- Our decisions must be made in accordance with the spirit and letter of applicable law; and
- Our business must be conducted honestly and ethically, with our best skills and judgment, and for the benefit of customers, employees, shareholders and oOh!media alike.

oOh!media supports these policies with a Whistleblower Policy, which together with the Code of Conduct, sets out the process for seeking advice on ethical and lawful behaviour, and for reporting concerns about unethical or unlawful behaviour. Employees have access to an in-house legal team comprising qualified solicitors, in addition to an independent counselling service operated by the St James Ethics Centre. Concerns can be reported to key management including the CEO, CFO, Group HR Director or General Counsel, the Audit, Risk & Compliance Committee, or where required, to an independent external whistleblower service at no cost and with the guarantee of anonymity.

Key impacts, risks & opportunities

The most relevant risks to the business achieving its operational and financial targets are captured under risk management on pages 3 and 4 of the Annual Report. The summary below describes the key risks and associated challenges and opportunities, together with mitigations strategies and actions undertaken by the Company.

Whilst there continues to be change following technological advancement, regulatory development and an increasingly competitive environment, oOh!media has and continues to prioritise strategies that allow it to take advantage of these challenges for long-term business growth. It is this approach that has resulted in year-on-year revenue growth for over 14 years, and allowed the Company to transform from an Out Of Home media property business to a location-based new-media business delivering industry leading insights and technological advancements.

To align with the GRI G4 Guidelines, oOh!media has collated these risks into material issues, or 'aspects', that reflect oOh!media's significant economic, environmental and social impacts or those elements that substantively influence the assessments and decisions of oOh!media's stakeholders. In this Sustainability Report, these have been captured under four headings:

- **People:** maintaining an innovative, engaged and safe workforce is essential for oOh!media's continued performance.
- **Operations, economic impacts and governance:** oOh!media takes a zero tolerance approach to unethical business practices, and is committed to acting professionally, fairly and with integrity in all activities and with all stakeholders.
- **Environment and sustainability:** managing business in an environmentally responsible manner, considering and caring for the environment, now and for the future.
- **Community:** consulting with local communities as part of our everyday business activities, and working with community partners to invest time, resources and money where we can make a positive difference.

There are a number of governance mechanisms in place to manage these risks:

- **Capable people:** Senior management and dedicated teams trained in relevant regulatory and legal requirements, to specialist internal and external advisers across the areas of finance, law, WHSE and supply chain management.
- **Systems and processes:** a framework of policies, systems and processes to guide the business.
- **Documentation:** standard template contracts to ensure compliance to standards and allocate risk appropriately amongst parties.

Material aspects

In accordance with the GRI G4 Guidelines, the material issues or aspects that reflect oOh!media's significant economic, environmental and social impacts are set out in

the table below, noting whether the impacts are internal, external or both, and subsequently explored in further detail below.

Category	Issue and Boundary
People	<ul style="list-style-type: none"> ▪ Safety (internal and external) ▪ Talent acquisition, retention & management (internal) ▪ People development (internal) ▪ Diversity, inclusion & belonging (internal) ▪ Flexible working & parental leave (internal)
Operations, Economic Impacts & Governance	<ul style="list-style-type: none"> ▪ Suppliers (internal and external) ▪ Data protection & privacy management (internal and external) ▪ Compliance with regulations & standards (internal and external) ▪ Corporate governance framework (internal) ▪ Corporate governance report (internal and external)
Environment & Sustainability	<ul style="list-style-type: none"> ▪ Carbon emissions (internal and external) ▪ Commercial development (internal and external) ▪ Recycling & waste (internal and external) ▪ Energy (internal and external) ▪ Sustainable printing (internal and external) ▪ Quality control (internal and external) ▪ Regulatory compliance (internal and external)
Community	<ul style="list-style-type: none"> ▪ Contribution (internal and external) ▪ Industry support (internal and external) ▪ Employee giving (internal and external)

People

oOh!media is committed to being an employer of choice through our exceptional culture and leading people practices. Beyond the foundation of providing a safe working environment for all people across our business, we aim to engage, develop and support our people to be better and to contribute fully in their careers and life. As innovation leaders, we recognise that our differences as individuals are key to our success and promote diversity as a core operating principle.

These aspects are of high materiality to oOh!media and its stakeholders.

Safety: oOh!media strives to create a safe and healthy workplace for all employees, contractors and visitors. oOh!media maintains high standards in WHS for its outdoor operations, warehouse, printing and office environments and has a comprehensive WHS management framework and plan in place.

- Ongoing commitment to a comprehensive policy and framework for WHS supported by our WHS Management System.
- A WHS Committee with representatives from across the business that meets bi-monthly to review the WHS framework, initiatives, incidents, learnings, communication and training programs.
- Accreditation to AS/NZS4081:2001 Occupational Health and Safety Management Systems maintained since 2015.
- Regular reporting of WHS initiatives, issues and opportunities to the Senior Executive, the Audit, Risk & Compliance Committee and the Board.

oOh!media did not receive any fines or grievances for non-compliance with safety laws and regulations over the reporting period.

Talent acquisition, management & retention: oOh!media has a formal talent acquisition and management process to ensure the best talent is retained for the benefit of oOh!media and its stakeholders.

In March 2017, oOh!media launched its mobile onboarding experience. This experience commences 30 days prior to a new employee commencing and continues until the end of their first 12 months. During this time, the Company measures its Employee Net Promoter Score – how likely the new employee is to refer oOh!media as a place to work. At the end of the reporting period, oOh!media's average Employee Net Promoter Score was 92/100.

Employer branding was launched during the reporting period, incorporating an external careers website and talent community where potential employees can submit their profiles to be considered for future opportunities. In the months following the launch, the oOh!media Talent Community grew month-on-month by over 1000, and oOh!media saw significant growth in engaged members on LinkedIn – individuals who are following the company page, visiting the careers page or viewing oOh!media jobs. This community grew by over 5,000 members in two months. During the reporting year:

- 15 per cent of top talent at oOh!media received an increase in role responsibility and 11 per cent were mobilised into new opportunities;

- top talent was seen to be concentrated around 1-2 years and 2-5 years of tenure, indicating the enhanced recruitment and attraction strategies are having a positive impact; and
- overall employee turnover was 18 per cent, with voluntary turnover at 12 per cent, well below industry benchmarks.

These retention results are especially positive, given that the Company acquired a number of businesses in the prior year.

oOh!media also has a long-term incentive plan (LTI Plan) (share ownership) for senior managers and talented individuals to further promote retention of key people. Further details on the LTI Plan is set out on pages 13 and 18 of the Remuneration Report.

People development: oOh!media has a comprehensive people development agenda, and over the reporting period related activities included culture and engagement, leadership, employee development and performance.

- Supporting the innovative culture of the Company through the physical environment by starting a multi-year facilities refresh, introducing collaborative, flexible and future-focused workplaces aligned with the principles of activity-based working.
- Embedding of performance and goal-setting conversations including manager and employee training on performance, goal setting and career development.
- Completed training needs analysis and set development focus areas across technical, career, culture and competency-based development in 2016-17.
- Delivering year three of our three-year "LEAD" leadership development program, which now includes all people leaders at oOh!media. The program aims to build inspirational leaders and includes face-to-face workshops, knowledge boosts, online content and learning cohorts. It builds from a core of self-awareness and personal effectiveness through to skills and mindsets for leading teams and culture.
- Maintaining a talent management program, ensuring we have the right people to meet our longer-term strategy and that we deploy our best people into roles that can maximise their contribution to the business.

Diversity, inclusion & belonging: oOh!media is committed to unlocking the innovative potential of the Company by creating and supporting an environment where all ideas are heard, inspiring our people to harness their creativity to generate value and growth in an inclusive and diverse culture. oOh!media's Diversity & Inclusion Policy is available under the Investors tab on oOh!media's website at <http://www.oohmedia.com.au>. Further details of oOh!media's diversity, inclusion and belonging framework is set out on page 28 of the Corporate Governance Report in the Annual Report.

Over the reporting period, oOh!media's focus on gender diversity and inclusion achieved a number of outcomes:

- Women in leadership roles increased from 27 per cent in 2015 to 39 per cent in 2017, with women filling more than 60 per cent of our high-talent leadership pipeline.

- Continued operation of the Women in Leadership program, including mentoring, executive coaching, internal and external networking and specialised Women in Leadership development opportunities.
- An increase in female representation, with 52 per cent of total permanent employees being female.

- 100 per cent of employees returned from parental leave during the year
- The appointment of a new, highly experienced female Non-executive Director to the Board.

In 2015, the Board approved a set of diversity objectives for 2016-2017, set out below, with performance status as at the end of the reporting period.

Objectives	Details, targets and status
Increase the percentage of women in leadership roles	<ul style="list-style-type: none"> Women to represent 33% of all managers by end 2016 and 40% by end 2017. <i>39% as at December 2017</i> Women to represent 17% of key senior leadership positions by end 2016 and 25% by end 2017. <i>15% as at December 2017</i>
Increase female participation rates	<ul style="list-style-type: none"> Ensure female interviewers and candidates in all possible selection and interview processes. <i>Proactively managed by Talent Acquisition team</i> Targeting external female talent for key roles and any new Board appointments. <i>Female Non-executive Director appointed 22 September 2017.</i>
Increase targeted leadership development for women	<ul style="list-style-type: none"> Introduce targeted development through formal mentoring, development plans and a Women in Leadership program. <i>Program implemented in 2015 and maintained over 2016 and 2017.</i>
Demonstrate commitment to inclusive behavioural practices	<ul style="list-style-type: none"> Introduce and tailor development that deliberately fosters a culture of inclusion and builds awareness of inherent biases. <i>Included as part of LEAD program</i> Build supporting processes and programs that build inclusive behavioural practices
Demonstrate appreciation for all employees regardless of gender, cultural identity, age, sexual orientation, disability, work style or approach	<ul style="list-style-type: none"> Celebrate the diversity of our Company and ensure that it is reflected at internal and external events. <i>Deliberate efforts made to include diverse representation at Company events</i> Participate in government and/or industry initiatives that are designed to improve diversity or promote inclusive cultures. <i>Publicly endorsed support for marriage equality initiative.</i>
Create an environment to ensure all employees can shine	<p>Review, refine and introduce policies and practices that support inclusion and diversity, such as:</p> <ul style="list-style-type: none"> Flexible working arrangements Parental leave policies and stay in touch programs Gender pay equity reviews Formal innovation incubation processes Review relevant engagement survey metrics and look for positive change year-on-year. <i>Flexible work embedded more deeply in culture, stay in touch and return to work programs launched and pay equity review undertaken with positive year-on-year movement.</i>

oOh!media did not receive any fines or grievances for non-compliance with discrimination laws and regulations over the reporting period.

Flexible working & parental leave: All employees have access to flexible working arrangements, either on an ad hoc basis or the ability to request a formal arrangement. The introduction of activity-based working in many of our offices, combined with technology improvements, has made flexible working a normal workplace activity. Primary caregivers can access 12 weeks' parental leave as a combination of upfront payments, return to work bonuses and extra leave and receive \$1000 worth of vouchers to put towards essential services upon commencing parental leave. Combined with keeping in touch and return to work programs, this helped ensure all employees scheduled to return from parental leave in 2017 did in fact return to work.

Over the reporting period, oOh!media received widespread independent recognition, including the following:

- Winner - 2017 Sir Ken Robinson Innovation & Creativity Award, Australian HR Institute Awards
- Finalist - Employer of Choice (100-999 employees), Australian HR Awards
- Top 10 - APAC Companies for Candidate Experience, Cande Awards
- Top 5 - Employee Engagement, ANZ Employee Engagement Awards
- Recognised - Innovative HR Teams, HRD

Operations, Economic Impacts & Governance

oOh!media conducts all its business operations in an honest and ethical manner. We believe corporate governance helps build an environment of trust, transparency and accountability. Not only does this align with our strategy to build a sustainable business, to deliver long-term value for our shareholders, and to behave as would be expected of the best leaders in the industry, it also aligns with our values.

The following aspects are of high materiality to oOh!media and its stakeholders.

Suppliers: oOh!media selects suppliers based on capability, quality, innovation, good governance and ethical behaviour and regulatorily compliant work practices. Suppliers are required to comply with oOh!media's Code of Conduct, Workplace Behaviour Policy, WHSE & Sustainability Policy and Privacy Policy as a minimum. Local suppliers are required to provide a detailed safety management plan, or agree to oOh!media's WHS Agreement stipulating the minimum safety standards. Particular offshore suppliers are subjected to additional due diligence, whether requiring compliance with Australian standards, demonstrating good governance regarding privacy and people management, or hosting oOh!media for site inspections of manufacturing and distribution facilities. No negative labour or environmental practices have been identified with any current suppliers in oOh!media's domestic or international supply chains.

Data protection & privacy management: A core feature of oOh!media's strategy is the use of data to develop insights for the benefit of advertisers. The bulk of data used is de-identified and anonymous, however we also manage personal information from time-to-time. In all cases, oOh!media takes data and privacy management obligations seriously, and has an established governance and data management framework to ensure application of industry best practices in ingesting, processing, storing and purging data, including:

- implementation of multiple audit points to cover full stages of data lifecycles;
- privacy policies for oOh!media's general operations, and co-operative policies where collecting information on behalf of an advertiser or commercial partner;
- privacy management plans with suppliers of data;
- review of personal information collection by the oOh!media legal team;
- a secure private storage database located onshore in Australia where data is encrypted and stored as a blob object to ensure maximum security, only transmitted in an encrypted format through the oOh!media private cloud environment; and
- a structured mandatory data breach reporting process.

Compliance with regulations & standards: oOh!media operates within a number of regulatory frameworks. In addition to those applied to most businesses, all content displayed via oOh!media assets is governed in Australia by the standards set by the Advertising Standards Bureau (ASB), the Australian Association of National Advertisers (AANA), and in New Zealand by the Advertising Standards Authority (ASA). oOh!media is diligent in adhering to these standards, providing clients and employees with Advertising Standard Guidelines as well as having developed its own Policy and Content Review Committee for the review of creative content.

oOh!media is a foundation member of the Out Of Home industry body, the Outdoor Media Association (OMA), which is a self-regulating body to whose standards oOh!media adheres.

During the reporting period:

- there were no incidents of corruption, non-compliance with regulations or voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by oOh!media, and no legal actions for anti-competitive behaviour; and
- oOh!media received two minor fines from Melbourne City Council for incorrectly extending an experiential activity from within a premises onto the street verge of the premises.

Corporate governance framework: oOh!media has a corporate governance framework approved by the Board, supported by core functions and registers across the business. oOh!media has a program to review and audit sections of the corporate governance framework from time-to-time to ensure currency with best practice.

Corporate Governance Report: oOh!media has prepared a complete Corporate Governance Report for the reporting period, following the third edition of the ASX Corporate Governance Council (ASX CGC) Principles & Recommendations, which is available on pages 25 to 34 of the Annual Report.

Environment & Sustainability

oOh!media is committed to managing its business in an environmentally responsible manner and believes that caring for and considering the environment, now and for the future, is crucial to our continued success.

These aspects are of low materiality to oOh!media and its stakeholders.

Carbon emissions: oOh!media has minimal carbon or energy intensive business activities, and is a relatively low emitter of greenhouse gas emissions compared to other activities or other industries. In general, oOh!media's activities and geographic distribution present limited exposure to potential costs associated with carbon pricing or regulatory caps, and oOh!media is not considered to be exposed to environmental or climate-related risks that could materially affect its operations or stakeholders. Regardless, oOh!media does have a continuous improvement objective to reduce carbon emissions from activities.

Commercial development: All our commercial developments comply with environmental and planning legislation of the relevant state or council jurisdiction, supported by a Statement of Environmental Effects (or equivalent), which sets out the current operational state of our asset and details any planning or environmental consequences of the proposed future development. This process ensures the consent authority can fully consider any impact/s attributable to the development proposal prior to making its determination.

We aim to incorporate environmentally friendly or sustainable products into all our commercial developments. This includes LED lighting on classic billboards, being more environmentally friendly than traditional lighting practices, as well as ensuring our digital billboards are equipped so their brightness adjusts to ambient lighting levels, meaning that power reductions occur automatically as the operational need for energy reduces.

Recycling & waste: oOh!media's intent is to recycle, reuse or refurbish our assets where feasible, including static sign housing and advertising skins and digital screens. We have a goal to have 100 per cent of skins either supplied to charities for disaster relief, repurposed in farming or other environments, or where possible, recycled. Over the reporting period, oOh!media repurposed approximately 70 per cent of skins, and continues to work with contract installers to set strategies and targets for repurposing or recycling of skins.

oOh!media operates a printing company – Cactus Imaging. All street furniture posters are printed on synthetic paper with 100 per cent of waste sent to recycling. Cactus Imaging has also initiated the introduction of a lighter weight material used to print for billboards, resulting in almost 40 per cent less PVC in production and consequential waste. Over the reporting period, more than 75 per cent of billboard skins used the lighter material, resulting in 25 per cent less materials used.

Energy: All new digital assets installed by oOh!media have and continue to be fitted with LED lighting that extends usage life and reduces energy consumption by half compared to alternate forms of lighting. Since 2013, oOh!media has proactively reduced the energy consumption of over 5000 classic shopping centre panels from 550kW to 75kW, and since 2015 has refurbished nearly 1000 retail units with resultant savings in costs and carbon. Commercial operations have reduced the energy usage in our top 100 large format road sites by 50 per cent by changing existing lights to LED, and on certain large format road sites we use solar power. We also make sure energy is used efficiently, with panels in shopping centres switched off overnight, and road sites including dimming functions to only use as much energy is required during daylight hours. Since late 2016, Cactus Imaging has initiated energy reduction initiatives in factory including conversion of all lighting to LED and amended energy efficient machine start up and operational procedures, resulting in a progressive energy usage reduction of 2 per cent over the reporting period. Our head office building is powered by green power, with all offices having energy saving initiatives in place.

Sustainable printing: Different printing products have different safety qualities and consequential impacts on the environment across the product life cycle. Cactus Imaging elects to use less aggressive latex and UV ink products for the favourable safety and environmental benefits for Cactus Imaging and its stakeholders.

Quality control: the oOh!media Environmental Management System has maintained accreditation to ISO14001:2015 Environmental Management Systems since first achieved in 2015.

Regulatory compliance: oOh!media did not receive any fines or grievances for non-compliance with environmental laws and regulations over the reporting period.

Community

oOh!media has a history of community support for over 20 years, evolving from the origins of the oOh!media business as a family operation. During the reporting period, oOh!media developed oOh! Community, a dedicated function to activate oOh!media's vision to create deeper engagement between not-for-profit initiatives and the community through Unmissable creative across our diverse portfolio of location-based media.

These aspects are of low materiality to oOh!media and its stakeholders.

Contribution: oOh!media supports a number of charities by providing free of charge advertising space, amplifying advertising campaigns through oOh!media's network, providing media packages to auction for charity events, and by entering formal sponsorship arrangements. Over the reporting period, oOh!media responded to nearly 70 requests for support, amplified 21 advertising campaigns, donated 14 media packages at a value of \$640,000, and provided over \$20 million in media space to charity and community causes.

Charities and causes we actively support include:

- Humpty Dumpty Foundation
- Ovarian Cancer Research Foundation
- Sony Foundation
- Marriage Equality
- Royal Flying Doctor Service
- Make a Wish Foundation
- Dry July Foundation
- UnLtd
- Taronga Conservation Society Australia
- Australian Children's Music Foundation
- Cerebral Palsy Alliance
- Pink Hope
- Tour de Cure

We also sponsored the following events:

- TEDx Sydney
- Mercedes Benz Fashion Week
- Cox Plate
- Kooyong Classic
- APIA International
- Polo in the City

Industry support: Through the OMA, oOh!media also supported:

- the donation of used advertising skins to be converted into tarpaulins for use as shelter for disaster relief; and
- National Missing Persons Week. In conjunction with other OMA members, almost \$1 million was donated in advertising space and production costs.

Employee giving: oOh!media offers employees a paid work day a year to volunteer for a registered charity, in addition to extra time off for people participating in special charity events.

Report prepared in accordance with the Guidelines

The extent to which oOh!media's Sustainability Report has been prepared in accordance with the G4 Sustainability Reporting Guidelines are detailed in the following table for CY2017.

GRI		Reference
Strategy and Analysis		
G4-1	Statement from the most senior decision-maker of the organisation	2
G4-2	Description of key impacts, risks and opportunities	5
Organisational Profile		
G4-3	Name of the organisation	2
G4-4	Primary brand, products and services	2 of Annual Report
G4-5	Location of headquarters of the organisation	2
G4-6	Number of countries in which the organization operates	2
G4-7	Nature of ownership and legal form	2
G4-8	Markets served	2
G4-9	Scale of the organisation	2
G4-10	Workforce statistics	3
G4-11	Employees covered by collective bargaining agreements	2
G4-12	Description of the organisation's supply chain	3
G4-13	Significant changes during reporting period	n/a
G4-14	Precautionary principle	3
G4-15	Externally developed principles or initiatives to which the organization subscribes or endorses	3
G4-16	Organisational memberships	3
Identified Material Aspects and Boundaries		
G4-17	Entities included in the organisation's consolidated financial statements	85 of Annual Report
G4-18	Process for defining the report content, the Aspect Boundaries and the implementation of the GRI principles	5
G4-19	List of Material Aspects	6
G4-20	List of Aspect Boundaries (internal)	6
G4-21	List of Aspect Boundaries (external)	6
G4-22	Effect of restatements of information in previous reports	n/a
G4-23	Significant changes in Scope and Aspect Boundaries	n/a

GRI		Reference
Stakeholder Engagement		
G4-24	List of stakeholder groups	4
G4-25	Basis for selection of stakeholders	4
G4-26	Approach to stakeholder engagement	4
G4-27	Key topics raised during stakeholder engagement	4
Report Profile		
G4-28	Reporting Period	2
G4-29	Date of most recent previous report	n/a
G4-30	Reporting cycle	2
G4-31	Contact point	2
G4-32	Report on 'in accordance' option and GRI Content Index	2
G4-33	External assurance practice	n/a
Governance		
G4-34	Governance structure	25 of Annual Report
G4-35	Delegation of authority process	30 of Annual Report
G4-36	Executive position	30 of Annual Report
G4-37	Consultation process between stakeholders and the highest governance body	4
G4-38	Composition of the highest governance body and committees	29 of Annual Report
G4-42	The highest governance body's role in setting purpose, values, strategies, policies and goals	25 of Annual Report
G4-43	Skills and development of the highest governance body	30 of Annual Report
G4-44	Performance evaluation of the highest governance body	26 of Annual Report
G4-39	Status of Chair	29 of Annual Report
G4-40	Nomination and selection process	26 of Annual Report
G4-41	Conflict of interest process	30 of Annual Report
G4-45	Risk identification by the highest governance body	27 of Annual Report
G4-46	Risk management review by the highest governance body	27 of Annual Report
G4-47	Frequency of risk management review by the highest governance body	27, 28 of Annual Report
G4-48	Review of Sustainability Report	2
G4-49	Process for communicating critical concerns to the highest governance body	5
G4-50	Number of critical concerns reported to the highest governance body and mechanism used to resolve	7, 8
G4-51	Remuneration policies and how performance criteria relates to KMP objectives	17, 27 of Annual Report
G4-52	Process for determining remuneration	11, 12 of Annual Report
G4-53	How stakeholder's views on remuneration are taken into account	11, 12 of Annual Report

GRI		Reference
G4-54	Ratio of annual compensation for highest paid individual against median annual total compensation in each country	3
G4-55	Ratio of percentage increase in annual total compensation for highest paid individual against median percentage increase in annual total compensation in each country	3
Ethics and Integrity		
G4-56	Description of values, principles and standards	5
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour	5
G4-58	Internal and external mechanisms for reporting concerns on ethical and lawful behaviour	5

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