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Market Announcements Office
Australian Securities Exchange
Level 4, 20 Bridge Street
Sydney NSW 2000

Sydney, 28 February 2025

TPG Telecom Limited Results for Full Year Ended 31 December 2024 – Appendix 4E and Annual Report

TPG Telecom Limited (ASX: TPG) today releases its results for the full year ended 31 December 2024.

Please find attached TPG Telecom Limited's Appendix 4E and 2024 Annual Report.

Iñaki Berroeta, Chief Executive Officer and Managing Director, and John Boniciolli, Group Chief Financial Officer, will present TPG Telecom's results via webcast followed by a question-and-answer session at 10.30am (Sydney time), on Friday, 28 February 2025.

Webcast link: https://loghic.eventsair.com/155201/774247/Site/Register

A replay of the webcast will be available via the same link following the presentation.

Authorised for lodgement with ASX by:

Trent Czinner
Company Secretary
TPG Telecom Limited

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TPG Telecom Limited
Appendix 4E

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TPG Telecom Limited

(ABN 76 096 304 620)

and its controlled entities

Lodged with the Australian Securities Exchange ('ASX') under Listing Rule 4.3A.

The ASX Appendix 4E covers the group consisting of TPG Telecom Limited and its controlled entities ('the Group').

ASX Appendix 4E for the Year ended 31 December 2024

(Previous corresponding period: Year ended 31 December 2023)

Results for announcement to the market

Reported results

		2024	2023	CHANGE
Revenue from ordinary activities	$m	5,520	5,533	— %
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	$m	1,712	1,875	(9)%
(Loss)/ Profit from ordinary activities after tax for the year attributable to owners of the Company	$m	(107)	49	(318)%
Basic earnings per share attributable to owners of the Company	cps	(5.8)	2.6	(323)%
Diluted earnings per share attributable to owners of the Company	cps	(5.8)	2.6	(323)%

Dividend information

	AMOUNT PER SHARE	FRANKED AMOUNT PER SHARE
Final dividend for FY24	9.0 cents	0%
Interim dividend for FY24	9.0 cents	87 %

The Directors have declared an unfranked final dividend of 9.0 cents per share (FY23: 9.0 cents per share). The final dividend has a record date of 7 March 2025 and will be paid on 4 April 2025.

Net Assets

		2024	2023
Net assets per security	$	6.01	6.25

Net Tangible Assets

		2024	2023
Net tangible assets per security	$	(1.19)	(1.24)

Net tangible assets are calculated by deducting the value of intangible assets and right-of-use asset from the net assets of the Group. It should be noted, along with goodwill, that valuable assets owned by the Group, such as mobile spectrum licenses and indefeasible rights of use of bandwidth capacity, are classified as intangible assets and are therefore excluded from the Group's net tangible assets.

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Details of entities where control has been gained or lost during the period

NAME OF ENTITY	COUNTRY OF INCORPORATION	DATE OF CONTROL GAINED/LOST	EQUITY HOLDING	
			31 DECEMBER 2024 %	31 DECEMBER 2023 %
Orchid Cybertech Services Incorporated	Philippines	20th February 2024	—	100

Details of investments in joint ventures

NAME OF ENTITY	COUNTRY OF INCORPORATION	EQUITY HOLDING	
		31 DECEMBER 2024 %	31 DECEMBER 2023 %
3GIS Pty Limited	Australia	50	50
3GIS Properties (No 1) Pty Limited	Australia	50	50
3GIS Properties (No 2) Pty Limited	Australia	50	50
Tovadan Pty Limited	Australia	50	50
Mondjay Pty Limited	Australia	50	50

This Appendix 4E report should be read in conjunction with the TPG Telecom Annual Report 2024 incorporating information including the Operating and Financial Review, Directors' Report, Remuneration Report and Financial Report.

The Consolidated Financial Statements contained within the 2024 Annual Report, of which this report is based upon, has been audited by PricewaterhouseCoopers.

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tpg TELECOM

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Annual Report 2024

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Contents

About	**1**
Chair's letter	**2**
CEO and Managing Director's letter	**3**
Directors' report	**6**
Operating and financial review	6
Business strategy	6
Financial performance	8
Summary of financial position	9
Strategic risk management	15
Sustainability Report	18
Board of Directors	23
Remuneration report	42
Auditor's independence declaration	**76**
Financial report	**77**
Directors' declaration	**140**
Independent auditor's report	**141**
ASX additional information	**146**
Glossary	**149**

About this report and our FY24 annual reporting suite

Our FY24 Annual Report (this report) has integrated key sustainability updates in anticipation of the new Australian Sustainability Reporting Standards (AASB S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and AASB S2 *Climate-related Disclosures)*, effective from 1 January 2025.

For more sustainability information, please go to tpgtelecom.com.au/sustainability.

Our Corporate Governance Statement and Tax Transparency Report are available at tpgtelecom.com.au/investor-relations.

Lodged with the Australian Securities Exchange ("ASX") under Listing Rule 4.3A.

The ASX Appendix 4E and full-year financial results of TPG Telecom Limited (ABN 76 096 304 620) and its controlled entities for the year ended 31 December 2024.

Forward-looking statements

Forward-looking statements, opinions and estimates provided in this report are based on assumptions and contingencies, which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements, including projections, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

Investors should form their own views as to these matters and any assumptions on which any forward-looking statements, estimates or opinions are based. Except as required by applicable laws or regulations, TPG Telecom does not undertake to publicly update or revise any forward-looking statements to reflect any change in expectations, contingencies or assumptions, whether as a result of new information or future events. To the maximum extent permitted by law, none of TPG Telecom, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of the information contained in this report.

Acknowledgement of Country

We acknowledge the Traditional Custodians of Country throughout Australia and the lands on which we and our communities live, work and connect. We pay our respects to their Elders, past and present.

'Listening to Land - Connecting to Country' by Riki Salam (Mualgal, Kaurareg, Kuku Yalanji), We Are 27 Creative.

About

TPG Telecom provides telecommunications services to consumer, business, enterprise, government and wholesale customers in Australia.

Home to some of Australia's most-loved brands including Vodafone, TPG, iiNet, AAPT, Internode, Lebara and felix. We own and operate nationwide mobile and fixed networks that are connecting Australia for the better.

~7.6m

fixed and mobile services in operation to customers

1.0m+

square kilometres mobile network coverage

~7,700

mobile sites including regional network sharing

~3,300

employees

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Our purpose and values

TPG Telecom's purpose is to build meaningful relationships and support vibrant, connected communities.

Our values guide the company culture, what we prioritise, and the experiences we create for customers and communities:

Stand together
Together we are unstoppable

Own it
We step up and own what we do

Simple's better
We challenge ourselves to find a simpler, fresher way

Boldly go
We are hungry, curious and brave

Chairman's Letter

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Dear Shareholders

It is a pleasure to present TPG Telecom Limited's Annual Report for 2024.

TPG Telecom's infrastructure and family of brands continue to play a vital role in the Australian community and economy. Our lives are becoming ever more reliant on connectivity – for which speed, reliability, security and great value are all essential. Customers are demanding higher quality services while facing ongoing cost of living challenges.

I am proud that millions of Australians continue to recognise the value and quality of TPG Telecom's range of mobile and fixed services to help them stay connected, productive and entertained.

TPG Telecom is positioned to grow strongly in the mobile market in the coming years, bolstered by our 5G rollout and the doubling of our national coverage via our new regional network sharing arrangement with Optus. We are also now Australia's largest provider of Fixed Wireless home internet services, complementing our position as a major operator in the NBN market.

Strategic milestones

In 2024, we delivered several significant milestones as we work towards our strategic ambition to be Australia's best telco for customers, shareholders, our people and the community.

In September 2024, we received regulatory approval for the regional Multi-Operator Core Network (MOCN) partnership with Optus. This innovative infrastructure sharing arrangement brings choice to customers accessing services in regional and rural areas. Since we went live in late January 2025, the customer response has been very positive.

In October 2024, we announced the sale, for an enterprise value of $5.25 billion, of our fibre network infrastructure assets and Enterprise, Government and Wholesale (EGW) fixed business to Vocus Group. The transaction is subject to regulatory approval and other conditions precedent.

This transaction will be transformative for TPG Telecom, enabling us to lock in attractive long-term economics for fibre infrastructure access, avoid the future capital expenditure we would face under alternative arrangements, and further simplify and streamline the way we do business. Proceeds from the transaction will also create an opportunity for us to optimise our capital structure.

Infrastructure partnerships of this kind make TPG Telecom leaner and more agile so we can prioritise investment in the areas that can have the biggest impact on our customers, such as our metropolitan mobile network, brands and customer-facing technology systems.

Board changes

The Board was pleased to welcome Paula Dwyer as an independent non-executive director and chair of the Audit and Risk Committee in October. Ms Dwyer will stand for election at the Annual General Meeting in May 2025. Her appointment followed Arlene Tansey's retirement from the Board. We thank Ms Tansey for her four years of service.

Dividends

The Board has declared a final dividend of 9.0 cents per share for 2024, taking total dividends for the Year to 18.0 cents per share, the same as 2023. The final dividend is unfranked, reflecting the full utilisation of our franking credit balance against the 2024 interim dividend.

Looking ahead

On behalf of the Board, I would like to recognise our people for their commitment and shared success in 2024 and thank our customers and shareholders for their ongoing support. We enter 2025 with a stronger, more competitive position to provide our customers with the choice and value they deserve. We look forward to continuing our progress in the year ahead.

Canning Fok
Chairman

CEO & Managing Director's Letter

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Dear Shareholders

In 2024, TPG Telecom delivered a strong financial result while achieving significant milestones in the delivery of our strategy to simplify and streamline our business and create greater value for customers and investors. We delivered another year of growth in Service Revenue and expansion in gross margin. We grew EBITDA in line with our guidance to the market. We delivered a material increase in cash flow, improved return on capital, and stable dividends.

We activated our landmark regional network sharing agreement with Optus in January 2025. This innovative infrastructure partnership doubles our mobile network coverage to more than 1 million square kilometres and 98.4% of the Australian population, making our services more attractive to customers who live in or visit regional and rural Australia. We have had a very strong customer response in the first month since launch.

"We activated our landmark regional network sharing agreement with Optus in January 2025."

We accelerated progress with our multi-year program to simplify the plans and products we provide to customers, digitalise our customers' experience and modernise our IT systems. We have already reduced our total number of plans materially, while new apps and digital tools coming to market in 2025 will make life easier and faster for customers.

Another important milestone was the completion of the strategic review of our fibre infrastructure network assets. In October 2024, we announced our intention to sell these assets, plus our Enterprise, Government and Wholesale (EGW) Fixed operations, to Vocus Group for an enterprise value of $5.25 billion[1].

We will receive significant value for the assets we are selling, while gaining access to a larger fibre network under a partnership model on terms that are both financially and strategically attractive.

The fees we pay under this arrangement won't increase as we add customers or data volume to the network – supporting expansion in our operating margins as we grow revenue. We will also avoid significant future investment that would otherwise have been required to replenish expiring network access arrangements with other carriers in the coming years.

We are making good progress with separation planning. The transaction is expected to close in the second half of 2025, subject to regulatory approval and other conditions precedent.

2024 results

Slower market growth and intense competition resulted in overall Service Revenue growth in 2024 of 1.5% to $4,702 million. However, we delivered another year of strong growth in Mobile Service Revenue, which was up 5.4% to $2,272 million.

This growth, combined with direct cost efficiencies, enabled an increase of 3.5% in gross margin to $3,213 million. Flattening of indirect cost growth translated to a 3.4% increase in EBITDA, excluding material one-offs[2], to $1,988 million. This was in line with our guidance for the year.

Operating Free Cash Flow was up more than three times to $672 million[3], reflecting lower capital expenditure as our network investment has passed its peak, and improved working capital. Return on Invested Capital[4] improved 40 basis points to 6.1%, reflecting profit growth and lower capital expenditure. Earnings per share was 10.7 cents, up 1.9%[4,5]. Dividends per share were constant at 18.0 cents.

Note: refer to Glossary on page 149 for definitions of key terms.

[1] Proposed sale to Vocus Group remains subject to regulatory approval and other conditions precedent; expected to complete in second half of 2025.

[2] Material one-offs for FY24 include non-cash impairment of regional mobile network assets of $250 million, transaction and separation costs of $20 million and restructuring redundancy costs of $6 million, recorded in operating expense.

[3] Excludes any material one-off impacts.

[4] FY23 restated to no longer treat $38 million of transformation costs (pre-tax) as material one-offs. Prior to this adjustment, FY23 ROIC was reported at 6.1% and EPS was 11.9 cents.

[5] EPS (LTIP basis) is statutory NPAT adjusted by adding back customer base amortisation and material one-offs (subject to the discretion of the Board), divided by weighted number of shares on issue.

Strategy reset

Our ambition to be Australia's best telco for customers, shareholders, our people and the community is unchanged – but in 2024 we refreshed our strategy. Details of the new strategic framework are set out on pages 6 and 7.

The refreshed strategy has four guiding principles:

- Run our networks smarter
- Invigorate our brands and services
- Make it easier for our customers, and
- Become faster, simpler and stronger.

Running networks smarter

Our objective is to invest in core network assets where building scale creates value for customers and shareholders. Where we don't believe we can invest efficiently, we are creating strategic partnerships to extend our reach.

That's why we have invested significantly in TPG Telecom's core mobile network infrastructure in metropolitan areas, converting approximately 72% of our sites to next generation 5G technology as at February 2025, with the remainder planned to be largely completed over 2025 to 2027.

At the same time, the regional mobile network sharing arrangement with Optus and the fibre network access we will get under our proposed transaction with Vocus give TPG Telecom access to larger networks with an attractive and predictable cost profile, while enabling us to avoid material future capital expenditure.

The 5G rollout and regional sharing arrangement achieve another important objective: to close the gap in mobile coverage. This not only improves our offering to our own retail customers, but also makes us a more attractive partner for mobile virtual network operator (MVNO) providers, such as Lyca Mobile, which joined us during 2024.

Invigorating brands and services

We are making our brands stronger and more distinctive than ever. This involves investing in and differentiating those that are core to our growth and exiting those that are not. We are streamlining our portfolio to integrate the Internode, Westnet and Adam brands into our other offerings – and becoming more targeted in positioning our core retained brands to different customer segments.

Vodafone is taking its place as a truly competitive full-service national provider of Mobile and Fixed services for all Australians. TPG and iiNet are fast evolving as digital-first brands, offering excellent value across Fixed and Prepaid Mobile plans. The felix brand continues to grow share as a simple, mobile-only digital player. Lebara and Kogan.com continue to offer simple, great value Prepaid deals.

Looking further ahead, we will continue to refine and enhance our brands, and we are confident that we can deliver further growth across product segments, aided by the significant increase in the size of our mobile network, our market leading position in Fixed Wireless home internet and our strong national footprint as an NBN provider.

Making it easier for customers

We are excited that customers are starting to see the benefits of our efforts to simplify the plans and products we provide to customers, digitalise our customers' experience and modernise our IT systems. To date this has meant a 69% reduction in the combined number of front and back-book plans we offer from 3,732 to begin with to 1,145 at the end of 2024, towards our end-state target of approximately 100. We have also achieved a strong increase in digital sales, and a 15% reduction in IT applications to 568 at the end of 2024, towards our end-state target of fewer than 250.

We will continue to streamline our products, plans and IT applications in 2025 and deliver a simpler, faster and more intuitive experience for customers. New apps and online tools will make it even easier for customers to interact with us.

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Becoming faster, simpler and stronger

We are focused on simplifying our operations to reduce our cost base, while increasing capital efficiency and financial flexibility.

The proposed sale of the fibre infrastructure and EGW Fixed assets will streamline TPG, enabling us to transfer out of the business operating costs of an estimated $210 million and annual capital expenditure of an estimated $150 million, on a 2023 pro forma basis. We expect to be able to reduce both capital expenditure and operating costs further through incremental efficiencies after we complete the transaction and recent network and IT investments.

We are targeting total capital expenditure excluding spectrum payments of $550 million to $650 million from 2027 (compared with $1,014 million in 2024 and a forecast of $900 million for 2025). We are also targeting an incremental $100 million[1] reduction in operating costs post the completion of the sale of the fibre and EGW Fixed assets.

Operating cost trends are already improving. Excluding material one-offs, the increase in operating costs reduced to 1.0% in the second half of 2024. We expect the increase in 2025 to be no higher than the rate of inflation.

The proceeds we are due to receive from the sale of the fibre and EGW Fixed assets create significant capital management optionality[1]. Our Board continues to assess the use of these proceeds to optimise TPG's capital structure.

2025 outlook

The year ahead will be important to our growth journey as we deliver the benefits of increased coverage through the regional network sharing arrangement, roll out improvements in customer systems, and manage a smooth separation of fibre and EGW Fixed assets.

Assuming no material change in operating conditions, we expect EBITDA for 2025 to be between $1,950 million and $2,025 million, from $1,988 million in 2024. We are also guiding for cash capital expenditure excluding spectrum payments of approximately $900 million. Guidance is for the entire TPG Telecom business, including assets proposed to be sold to Vocus[2] and is excluding any material one-offs[3].

We are also expecting a further strong improvement in Operating Free Cash Flow as a result of lower capital expenditure and improved working capital movements, while spectrum payments will also be lower than for 2024.

Our outlook beyond 2025 is bright. We now have the right position to grow our share of industry revenue, while continuing our cost leadership position and increasingly efficient approach to capital allocation.

I have great confidence looking ahead that we can deliver the growth in operating earnings, free cash flow and Return on Invested Capital to support long-term shareholder value creation.

I am proud of the way our people continue to connect with our customers by delivering great value services at the same time as our business navigates this period of transformation. We have the right team to deliver for customers and shareholders over the years to come.

On behalf of the TPG Telecom's management, I would like to thank our people for our shared success in 2024. We also thank our customers and shareholders for your ongoing support of TPG Telecom. We look forward to keeping you updated as we continue our progress throughout the year.

Iñaki Berroeta
Chief Executive Office
and Managing Director

[1] $100m cost reduction is the gross efficiency prior to the impact of inflation and is expected to be delivered over two to four years post the completion of the sale of the fibre and EGW Fixed assets; excludes material one-offs (including but not limited to transition and separation costs relating to the fibre/EGW Fixed transaction).

[2] Proposed sale to Vocus Group remains subject to regulatory approval and other conditions precedent; expected to complete in second half of 2025.

[3] Separation costs of $80 million to $120 million related to the proposed sale of fixed network infrastructure assets and EGW Fixed operations to Vocus Group will be included within material one-offs in FY25.

Our strategic ambition

TPG Telecom ended 2024 and enters 2025 with a refreshed strategy to support our ambition to be Australia's best telco for our customers, our shareholders, our people and our communities.

Our strategy focuses our efforts on becoming Australia's most nimble, simple and efficient integrated telco, and is guided by four principles: **run networks smarter**, **invigorate brands and services**, **make it easy for customers** and **become faster, simpler and stronger**.

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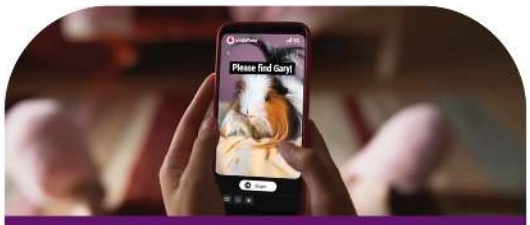

Principles	Run networks smarter	Invigorate brands and services
Objectives	• Invest in core assets where scale creates value • Extend reach through strategic infrastructure partnerships • Close gap in mobile coverage	• Differentiate core brands and exit non-core brands • Increase mid-tier and digital brand presence • Grow revenue share across products
FY24 key achievements	• 5G rollout in metro areas 72% complete by mid-February 2025 • Regional network sharing doubles mobile coverage • Enhanced fibre network cost and capital efficiency through Vocus deal	• Distinctive positioning of Vodafone, TPG and felix • Streamlining of Westnet, Adam and Internode brands • Investment and growth in digital-only mobile brands
FY25 focus areas	• Activate regional network sharing • Complete rollout of 5G to >80% of metro areas • Pursue further efficiencies in eJV with Optus (mobile tower sharing) • Complete separation of fibre assets and embed benefits	• Invest in targeted growth in key locations • Refine and enhance brand propositions • Revitalise business mobile offering
Long-term value creation	• Complete 5G rollout • Explore further opportunities from partnerships • Drive on-net utilisation via MVNO and FWA	• Deliver revenue share growth • Increase in-brand convergence (multi-product purchasing) • Enhance consideration of our brands among customers

Shareholder value aspirations

Growing Mobile market share → **Low opex to revenue ratio** → **Growing EBITDA margin**

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Shareholder value

We are confident that our strategy will create value for our shareholders as we grow our share of industry revenue while materially reducing current levels of capital expenditure and driving efficiencies in our operating costs.

We are committed to delivering growing EBITDA margins, Operating Free Cash Flow, Return on Invested Capital and earnings per share, as well as attractive dividends.

Make it easy for customers

- Simplify plans and products
- Increase digitalisation of customer journeys
- Modernise IT systems

- Total plans in market reduced by 69% to 1,145 to date
- Digital share of sales up strongly
- IT applications reduced by 15% to 568 to date

- Simplify and reduce plans by a further c. 750
- Launch new Vodafone app, digital features
- Rationalise IT applications by a further c. 100

- Total number of plans reduced to c. 100
- Digital sales at least as strong as industry benchmarks
- Lean IT architecture with c. 250 applications and single customer stack

Become faster, simpler and stronger

- Simplify operations and reduce cost
- Increase capital efficiency
- Increase financial flexibility

- Agreed sale of fibre and EGW Fixed assets
- Capital management optionality
- Second-half opex increase reduced to 1.0%

- Hold recurring operating costs flat in real terms
- Reduce cash capex (ex spectrum) to $900m in FY25
- Optimise capital structure post Vocus proceeds

- Targeting additional c. $100m incremental annual opex efficiencies post Vocus transaction[1]
- Reduce annual non-spectrum capex to $550-650m from FY27
- Optimised capital structure

Annual growth in OFCF, ROIC and EPS

Attractive dividends

Note: refer to Glossary on page 149 for definitions of key terms.

1. See footnote 1 on page 5.

Key financial metrics

The following section provides an overview of key financial metrics and operating performance. Readers of this report seeking to obtain a better understanding of the performance of the Group should read this section in conjunction with the consolidated financial statements and refer to the FY24 Investor Presentation available on the ASX and on the Company's website at tpgtelecom.com.au/investor-relations.

Financial performance

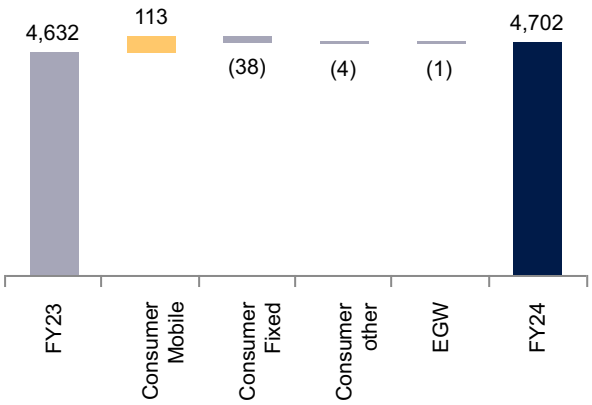
Service Revenue

Group Service Revenue was $4,702 million, an increase of $70 million or 1.5% (FY23: $4,632 million). This moderate increase was driven by continued strong growth in Mobile, which more than offset a decline in Fixed.

Group Mobile Service Revenue was $2,272 million, an increase of $117 million or 5.4% (FY23: $2,155 million). This was driven by higher average revenue per user (ARPU) in Postpaid and Prepaid following the ongoing rationalisation of legacy plans and refreshed pricing for in-market plans over FY23 and FY24. In addition, growth in subscriber numbers continued in Prepaid across the TPG, iiNet, felix, Lebara and Kogan.com brands, with particular strength in digital-only channels.

Group Fixed Service Revenue was $2,304 million, a decrease of $62 million or 2.6% (FY23: $2,366 million). Despite continued strong growth in the higher margin on-net Fixed Wireless product category, there was lower revenue from Consumer NBN products due to lower subscriber numbers. In Enterprise, Government and Wholesale (EGW), lower revenue was driven by non-core legacy technology products and the Vision Network wholesale residential broadband access business.

Service Revenue bridge ($m)

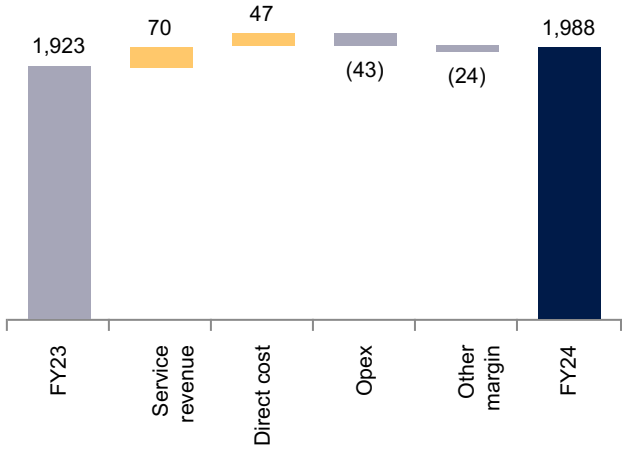


EBITDA

Earnings before interest, tax, depreciation and amortisation (EBITDA) was $1,712 million, a decrease of $163 million or 8.7% (FY23: $1,875 million). This reflected material one-offs, primarily the $250 million non-cash impairment charge announced in April 2024 for decommissioning assets ahead of the regional mobile network sharing arrangement with Optus.

EBITDA on a guidance basis, excluding material one-offs, was $1,988 million, an increase of $65 million or 3.4% (FY23: $1,923 million). This was in line with TPG Telecom's guidance to the market. It primarily reflected Service Revenue growth, lower direct costs and a reduction in growth in indirect operating costs.

EBITDA bridge, guidance basis ($m)



Cost of telecommunication services (direct costs) was $1,533 million, a decrease of $47 million or 3.0% (FY23: $1,580 million). This decrease primarily reflected lower NBN input costs in line with a lower average NBN subscriber base, along with productivity efficiencies.

Net margin from the sale of mobile handsets and other hardware was $32 million, an increase of $15 million or 88.2% (FY23: $17 million). This was driven by higher fixed device margin and lower bad debt costs for mobile handset sales.

Note: refer to Glossary on page 149 for definitions of key terms.

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Indirect operating costs, excluding material one-offs, were $1,225 million, an increase of $43 million or 3.6% (FY23: $1,182 million). The rate of year-on-year increase in operating costs was lower in the second half, to 1.0% from 6.6% in the first half, primarily reflecting reductions in employment and marketing costs. Within operating costs (excluding material one-offs):

- Employee benefits expense was $427 million, a decrease of $1 million, primarily reflecting the outsourcing of the Manila shared service operations (now within other operating expense) following its sale to a third-party provider. Excluding the impact of the cost transfer, employee costs increases $39 million, almost all of which was in the first half, reflecting the increase in headcount in FY23.
- Technology expense was $391 million, down $5 million or 1.3% from the prior year (FY23: $396 million), reflecting business simplification, lower network rental and third-party exchange access costs.
- Other operating expense was $407 million, an increase of $49 million or 13.7% (FY23: $358 million), primarily reflecting the transfer of the Manila shared service operations.

Material one-offs in FY24 were as follows:

- $250 million non-cash impairment charge, related to the decommissioning of sites impacted by the implementation of the MOCN regional network sharing arrangement with Optus.
- $20 million transaction and separation costs, related to the proposed sale of fibre network infrastructure assets and Fixed EGW business to Vocus Group, and MOCN implementation.
- $6 million of restructuring redundancy costs related to simplifying and streamlining TPG Telecom's operating model.

NPAT

Net profit after tax (NPAT) was $(107) million, a decrease of $156 million (FY23: $49 million), primarily reflecting the one-off impact of the impairment charge related to the decommissioning of sites arising from the implementation of the MOCN regional network sharing arrangement.

Excluding the impairment and other material one-offs, NPAT was $87 million, an increase of $4 million or 4.8% (FY23: $83 million)[1].

Other drivers of NPAT were:

- Depreciation and amortisation expense was $1,485 million, an increase of $13 million or 0.9% (FY23: $1,472 million), primarily reflecting the slowing investment cycle for 5G network upgrades and IT modernisation initiatives.
- Net financing costs were $378 million, an increase of $37 million or 10.9% (FY23: $341 million), primarily reflecting higher market interest rates on bank debt and higher average levels of debt following the unwinding of the legacy off balance sheet handset receivables financing program.
- There was a $44 million income tax benefit, an improvement of $57 million (FY23: $13 million expense) reflecting the Group's loss before tax for the period driven by the impairment, multiplied by the applicable corporate tax rate of 30% (see note 7(b) on page 92).

Earnings per share

Earnings per share (EPS) was (5.8) cents, a decrease of 8.4 cents (FY23: 2.6 cents), primarily reflecting the impact of the impairment charge as mentioned above.

EPS for Long Term Incentive Plan (LTIP) purposes, which adds back material one-offs and customer base amortisation expense, was 10.7 cents, an increase of 0.2 cents or 1.9% (FY23: 10.5 cents)[1].

Return on Invested Capital

Return on Invested Capital was 6.1%, an increase of 40 basis points (FY23: 5.7%)[1], primarily reflecting higher operating profit excluding material one-offs, relative to a modest increase in average capital invested as capital investment slowed.

Note: refer to Glossary on page 149 for definitions of key terms.

[1] FY23 restated to no longer treat $38 million of transformation costs (pre-tax) as material one-offs.

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Operating Free Cash Flow

Operating Free Cash Flow (OFCF) was $650 million, an increase of $483 million (FY23: $167 million). This reflected higher operating earnings, lower capital expenditure and reduced negative working capital movement. Excluding material one-offs, OFCF was $672 million, an increase of $474 million (FY23: $198 million)[1].

Cash capital expenditure excluding spectrum payments was $1,014 million, a decrease of $112 million or 9.9% (FY23: $1,126 million). This reduction reflected the peak in the prior year of investment to deliver the 5G mobile network, including the change-out of legacy Huawei equipment, and to modernise IT systems to enable product and plan simplification for customers. The 5G rollout was approximately two thirds completed at the end of FY24, with upgrades having occurred at 3,771 of TPG's 5,784 mobile network sites. Excluding sites being decommissioned as a result of the regional network sharing arrangement with Optus, the rollout was approximately 72% complete as at mid February 2025.

Working capital movement was $(39) million, a positive change of $331 million or 89.5% (FY23: $(370) million). This was due to a reduced impact from the unwind of legacy off balance sheet handset receivables financing arrangements, as well as lower additions to receivables from new sales of handsets under monthly payment plans, reflecting lower mobile handset sales overall.

Dividend[2]

The TPG Telecom Board has declared a final dividend of 9.0 cents per share to be paid on 4 April 2025. The final dividend will be unfranked as the Company utilised all remaining available franking credits against the 2024 interim dividend.

Total dividends declared for 2024 were 18.0 cents per share unchanged from 2023.

TPG Telecom's dividend policy is to pay a dividend of at least 50% of Adjusted NPAT[3], which was $562 million, an increase of $16 million or 2.9% (FY23: $546 million).

Dividends paid in FY24 were $334 million (FY23: $335 million).

Financial position

Net assets were $11,173 million, a decrease of $444 million (FY23: $11,617 million). This primarily reflected a reduction in right-of-use assets due to the decommissioning of parts of TPG's regional mobile network to enable the regional network sharing arrangement with Optus, along with spectrum amortisation and slowing growth in additions to property plant and equipment in line with lower capital expenditure.

Net borrowings (borrowings less cash) were $4,057 million at 31 December 2024, an increase of $97 million (31 December 2023: $3,960 million). The increase in borrowings largely reflected the cessation over FY22 to FY24 of the legacy off balance sheet handset receivables financing program.

TPG's net debt (excluding leases) to EBITDA was 2.32 times, providing material headroom relative to bank covenant limits of 3.75 times[4].

Note: refer to Glossary on page 149 for definitions of key terms.

[1] For OFCF, material one-offs in FY24 comprised cash impacts arising from transaction and separation costs and redundancy restructuring costs. In FY23, material one-offs comprised cash impacts from transaction costs.

[2] Further information regarding dividends is set out in Note 22 and Note 31 of this report.

[3] Defined as statutory NPAT adding back material one-offs, customer base amortisation expense, spectrum amortisation expense and non-cash tax expense.

[4] Bank covenant leverage is calculated on a pre-AASB16 basis, with lease liabilities excluded from debt and lease expense treated as an operating expense within EBITDA.

Consolidated Income Statement overview

Below is a condensed version of the cash flow statement, to be read with commentary in the key financial metrics section.

	2024 $m	2023 $m
Revenue		
Service Revenue	4,702	4,632
Handset and hardware revenue	818	901
Total revenue	**5,520**	**5,533**
Other income	12	36
Cost of telecommunication services	(1,533)	(1,580)
Cost of handsets and hardware sold	(786)	(884)
Technology expense	(391)	(405)
Employee benefits expense	(439)	(428)
Other operating expense	(421)	(380)
Impairments and other charges	(250)	(17)
EBITDA	**1,712**	**1,875**
Depreciation and amortisation	(1,485)	(1,472)
Operating profit	**227**	**403**
Net financing costs	(378)	(341)
(Loss)/profit before tax	**(151)**	**62**
Income tax benefit/(expense)	44	(13)
(Loss)/profit after tax	**(107)**	**49**
Attributable to:		
Owners of the Company	(107)	49
Non-controlling interest	—	—
Earnings per share (cents)	**(5.8)**	**2.6**

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Consolidated Balance Sheet overview

Below is a condensed version of the Group's balance sheet as at 31 December 2024, to be read with commentary in the key financial metrics section.

	2024 $m	2023 $m
Cash and cash equivalents	42	116
Trade and other receivables	972	968
Inventories	82	117
Other current assets	65	83
Total current assets	**1,161**	**1,284**
Property, plant and equipment	3,865	3,795
Right-of-use assets	1,469	1,709
Spectrum licences	1,586	1,737
Other intangible assets	10,337	10,484
Deferred tax assets	218	171
Trade and other receivables	447	469
Other non-current assets	11	19
Total non-current assets	**17,933**	**18,384**
Trade and other payables	1,031	1,174
Contract liabilities	315	294
Lease liabilities	136	122
Other current liabilities	124	132
Total current liabilities	**1,606**	**1,722**
Borrowings	4,099	4,076
Lease liabilities	2,069	2,112
Other non-current liabilities	147	141
Total non-current liabilities	**6,315**	**6,329**
Net assets	**11,173**	**11,617**
Contributed equity	18,399	18,399
Reserves and accumulated losses	(7,226)	(6,782)
Total equity	**11,173**	**11,617**

Consolidated Cash Flow Statement overview

Below is a condensed version of the cash flow statement, to be read with commentary in the key financial metrics section.

	2024 $m	2023 $m
Cash flow from operating activities	1,926	1,522
Capital expenditure	(1,014)	(1,126)
Mobile spectrum payments	(156)	(28)
Receipts from the sale of a subsidiary	5	—
Interest received	3	4
Net cash flow before financing activities	**764**	**372**
Net drawdown of borrowings	20	400
Principal elements of lease repayments	(136)	(108)
Finance costs paid	(376)	(319)
Payments for Shares acquired by TPG Telecom Employee Incentive Plan Trust	(12)	(8)
Dividends paid	(334)	(335)
Net cash flow	**(74)**	**2**

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Business segment and product highlights

Consumer segment[1]

Service Revenue was $3,770 million, an increase of $71 million or 1.9% (FY23: $3,699 million). This comprised:

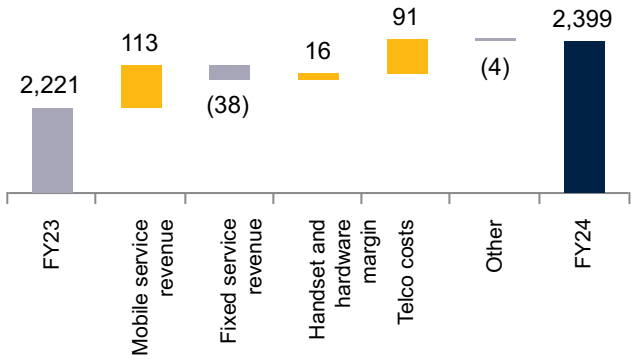
- Mobile Service Revenue of $2,084 million, an increase of $113 million or 5.7% (FY23: $1,971 million), reflecting growth in ARPU[2] in both Prepaid and Postpaid following plan refreshes and increased subscriber numbers[3] in Prepaid, with particular strength in digital brands felix and Kogan and growth in TPG, iiNet and Lebara.
- Fixed Service Revenue of $1,680 million, a decrease of $38 million or 2.2% (FY23: $1,718 million). There was continued strong growth in subscribers and ARPU in Fixed Wireless services, but this only partially offset the impact of lower NBN subscriber numbers amid ongoing intense competition from both telco and non-telco service providers.

Consumer cost of telecommunication services (direct costs) was $1,397 million, a decrease of $91 million or 6.1% (FY23: $1,488 million). This decrease reflected improvements in product mix across Mobile and Fixed (including the increase in Fixed Wireless, reduction in NBN subscribers and lower wholesale costs in Vision Network) together with lower regulatory costs followings the non-renewal past FY23 of 900 MHz spectrum licences.

Handset and hardware margin was $26 million, an increase of $16 million (FY23: $10 million), reflecting higher fixed device margins and lower bad debt provisioning in mobile handset monthly payment plans following improved credit performance.

Consumer gross margin was $2,399 million, an increase of $178 million or 8.0% (FY23: $2,221 million)[4] as direct cost efficiencies and improved hardware margin augmented Service Revenue growth.

Consumer gross margin bridge ($m)



Enterprise, Government and Wholesale segment

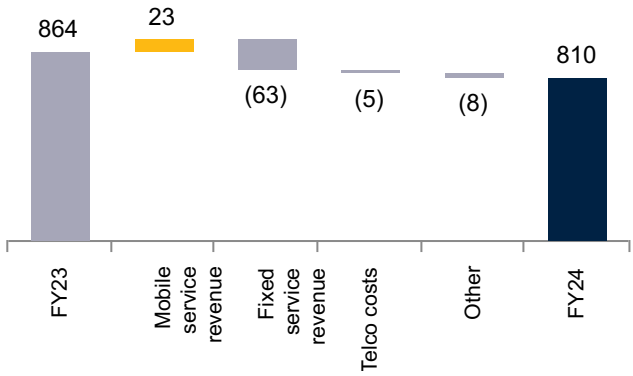
Service Revenue was $1,001 million, a decrease of $41 million or 3.9% (FY23:$1,041 million). This comprised:

- Mobile Service Revenue of $308 million, an increase of $23 million or 8.1% (FY23: $285 million), primarily reflecting the new MVNO contract with Lyca Mobile.
- Fixed Service Revenue of $693 million, a decrease of $63 million or 8.3% (FY23: $756 million), primarily reflecting non-core legacy technology products and lower wholesale prices introduced in the Vision Network wholesale residential fixed access business to increase product competitiveness.

EGW cost of telecommunication services (direct costs) was $203 million, an increase of $5 million 2.5% (FY23: $198 million), primarily reflecting higher NBN wholesale costs in the Fixed business.

Enterprise, Government & Wholesale (EGW) gross margin was $810 million, a decrease of $54 million or 6.3% (FY23: $864 million)[2] as growth in Mobile revenue was insufficient to offset a decline in Fixed revenue.

EGW gross margin bridge ($m)



Note: refer to Glossary on page 149 for definitions of key terms.

[1] Service Revenue and gross margin include data SIMs but exclude MVNOs. Gross margin excludes hardware margin.

[2] Total ARPU includes data SIMs and excludes MVNOs. Postpaid and Prepaid ARPU excludes data SIMs and MVNOs.

[3] Mobile subscribers for FY23 and FY24 have been restated to reflect the removal of approximately 41,000 inactive customers.

[4] FY23 gross margin restated to reflect the transfer of Bizphone commercial customers previously reported within Consumer to EGW.

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Mobile subscriber numbers[1] and ARPU[2]

Mobile subscribers as at 31 December 2024 were 5.51 million, up 99,000 or 1.8% (FY23: 5.42 million).

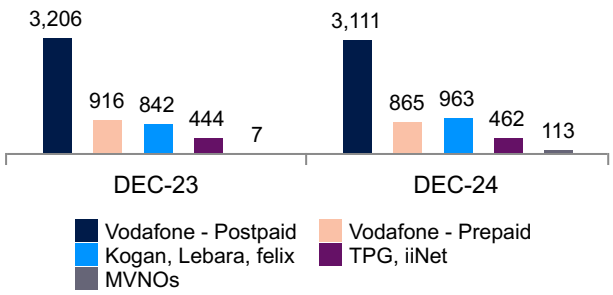
Postpaid Mobile subscribers were 2.85 million, a decrease of 96,000 or 3.3% (FY23: 2.94 million), reflecting aggressive handset discounting by competitors to drive customer acquisition and retention, lower levels of inbound migration, reduced international student numbers, and TPG's closure of its 3G network prior to other operators.

Prepaid Mobile subscribers were 2.28 million, up 92,000 or 4.2% (FY23: 2.18 million), reflecting strong growth in felix and Kogan and growth in the TPG, Lebara and iiNet brands.

Data SIM subscribers were 280,000, a decrease of 3,000 or 1.1% (FY23: 283,000).

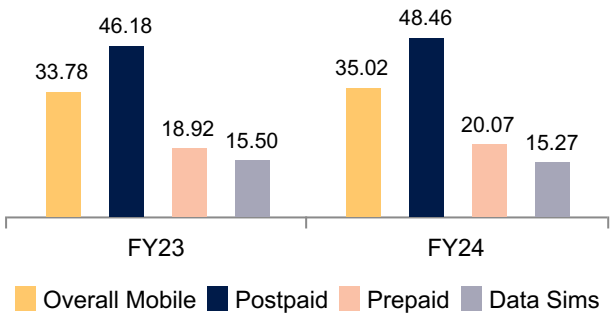
MVNO subscribers were 113,000, up 106,000 (FY23: 7,000), reflecting the commencement of the Lyca Mobile contract.

Mobile subscribers by brand (000's)



ARPU was $35.02 per month, an increase of $1.24 or 3.6% (FY23: $33.78), reflecting moderate price refreshes throughout 2023 and 2024. Postpaid ARPU was $48.46 per month, an increase of $2.28 or 4.9% (FY23: $46.18). Prepaid ARPU was $20.07 per month, an increase of $1.15 or 6.1% (FY23: $18.92).

Mobile ARPU by subscriber type ($)



Total fixed subscribers and AMPU[3]

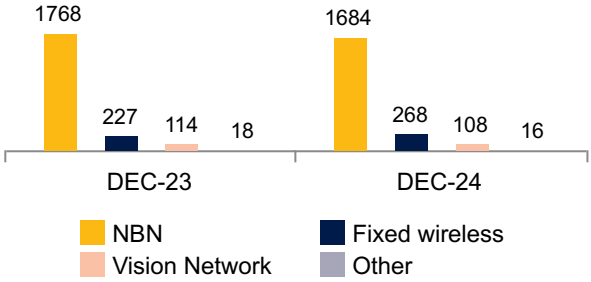
Fixed subscribers as at 31 December 2024 were 2.08 million, down 51,000 or 2.4% (FY23: 2.13 million), reflecting intense competition in the NBN market.

NBN subscribers were 1.68 million, a decrease of 84,000 or 4.8% (FY23: 1.77 million), reflecting aggressive pricing from new entrants and more customers moving from NBN to Fixed Wireless services.

Fixed Wireless subscribers were 268,000, an increase of 41,000 or 18.1% (FY23: 227,000), reflecting strong customer uptake.

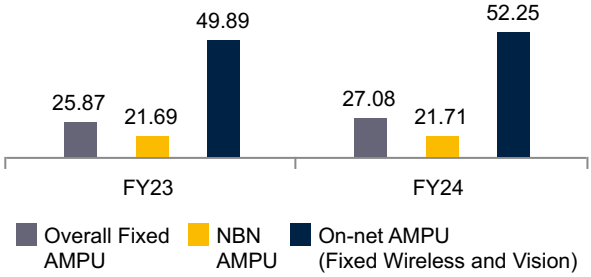
Vision Network subscribers (TPG group only) were 108,000, a decrease of 6,000 or 5.3% (FY23: 114,000).

Overall Fixed subscribers (000's)



Average Margin Per User (AMPU) across all Fixed technologies was $27.08 per month, an increase of $1.21 or 4.7% (FY23: $25.87), reflecting the growth in the higher margin Fixed Wireless business.

Fixed broadband AMPU by technology type ($)



Note: refer to Glossary on page 149 for definitions of key terms.

[1] Mobile subscribers for FY23 and FY24 have been restated to reflect the removal of approximately 41,000 inactive customers.

[2] Total ARPU includes data SIMs and excludes MVNOs. Postpaid and Prepaid ARPU excludes data SIMs and MVNOs.

[3] Includes all Consumer and small office/home office NBN, Fixed Wireless, Vision Network and other broadband products, but excludes fixed voice products and EGW Fixed Data and Internet products; AMPU excludes Vision Network intersegment costs, which are eliminated at the Group level. On-net AMPU includes Fixed Wireless and Vision Network broadband products.

Risk Management Approach

We are exposed to various uncertainties that could affect the success of our business, requiring us to maintain a robust risk management framework to manage risks and adapt to challenges.

The Audit & Risk Committee (ARC), established by the Board, provides oversight on the effectiveness of TPG Telecom's risk management and reporting systems. Executive leadership and the risk and oversight functions support the implementation of the risk management framework.

We aim to ensure that risk management is an integral part of doing business, underpinned by a strong risk culture and informed decision-making. Our risk management framework and governance structure are outlined in our Corporate Governance Statement, which is available on our website www.tpgtelecom.com.au.

Material Risks

We regularly review and assess the Group's exposure to strategic, financial, operational and compliance risks. These risks can arise from internal or external factors, including risks inherent to our business as well as industry factors, such as competition, technological change and regulation.

The table below outlines the most material risks which have the potential to negatively impact our business strategy, growth and profitability. The Group continues to invest in management of such risks through oversight structures, capital deployed, and progressing various mitigating strategies.

MATERIAL RISK	MANAGEMENT APPROACH
Resilient Network and Technology Our ability to provide quality products and services is dependent on the reliability and performance of our network and systems. Potential disruptions could significantly damage customer trust, adversely impact financial performance, and attract regulatory scrutiny. **Sustainability pillar:** Digital Economy; Environmental Responsibility	• Networks designed with physical and logical separation, supported by preventive and recovery mechanisms including redundancy, diversification, proactive monitoring and threat detection capabilities. • Ongoing investment in technology, people and partners to ensure that critical operations and processes are prepared to withstand business disruption. • Policies, procedures and governance process for change management, problem management and incident management. • Business continuity and disaster recovery programs to anticipate, respond to and recover from disruptions, supported by multi-tier and multi-disciplinary approach to enable flexibility and adaptability. • Emergency and crisis management teams consisting of senior and executive management to provide operational and strategic leadership, with incident and recovery management teams to provide technical expertise.
Market Competition Market factors including rapid technological innovation, evolving digital experience expectations, and new competitor entrants could adversely impact our market share, growth and returns. **Sustainability pillar:** Customer Wellbeing	• Business simplification programs to simplify our brands, rationalise our plans and products, providing a clear customer focus. • Improving customer experience and digital journeys, through innovation and enhancement in digital interfaces and customer care. • Modernising IT platforms and building robust and resilient systems, with a cloud-first approach and dedicated IT stacks for Consumer and EGW. • Focus on simplified and great value plans, monetising increasing demand and consumption following 5G investment cycle. • Mobile network growth with ongoing investment and rollout of 5G. • Network expansion through regional network sharing arrangement with Optus and implementation of a Multi-Operator Core Network (MOCN). • Completion of sale of fibre network assets and fixed EGW business to Vocus.

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MATERIAL RISK	MANAGEMENT APPROACH
Macroeconomic Factors Adverse changes in economic and market conditions, including rising interest rates and inflation, reduced consumer spending, or reduced drivers of population growth such as international migration, could negatively impact financial performance and lead to cash flow constraints. **Sustainability pillar:** Responsible Business Practices; Environmental responsibility	• Policies, procedures and controls to monitor and manage financial risk exposures, with Executive and Board oversight. • Capital management programs focused on sustaining investment, strong balance sheet and shareholder dividends, guided by a disciplined capital allocation framework. • Portfolio management strategies to optimise asset sharing, utilisation and financing structures, as well as to pursue strategic partnerships. • Ongoing monitoring of economic and market conditions through business strategy and performance review processes. • Maintenance of diverse product and brand portfolio to service different customer segments and needs. • Cost and cash flow management to deliver flatter expenditure.
Cyber Security and Data Privacy Cyber-attacks may result in the loss of Critical National Infrastructure (CNI), 000 services or services critical to consumers, government and or businesses. Significant data breaches may also cause reputational damage, regulatory scrutiny, and financial loss. **Sustainability pillar:** Customer wellbeing	• Strategic technology security roadmaps with continued investment in systems, processes and people to deliver uplift in security capabilities. • ISO 27001 Information Security Management Systems (ISMS) certification, supported by ongoing review, and improvement of systems. • Cyber Centre Of Excellence (CCOE) working with Nokia, Ericsson, UNSW and TCS, to research nation state exploits of our CNI and customer modem devices. • Incident response plans and playbooks, tested and coordinated with our major partners such as Optus and Tech Mahindra. • Technical risk assessments and governance processes to identify and manage risks from change programs and third parties. • Privacy management framework including established policies and procedures, supported by ongoing training and continuous improvement.
Legal and Regulatory Complex and evolving legal and regulatory environment could impact business strategy, elevate compliance risks, and increase cost of operations. **Sustainability pillar:** Responsible Business Practices; Customer wellbeing	• Dedicated legal, regulatory and compliance experts to support business transactions, business operations and compliance risk management. • Compliance management framework including policies, procedures and systems, supported by ongoing training programs. • Proactive monitoring of regulatory changes and industry developments. • Strategic compliance roadmap to deliver continuous improvement and uplift of compliance management and control capabilities. • Ongoing investment in systems, people and capabilities to deliver continuous improvement in compliance processes and controls. • Ongoing engagement with industry, regulatory and government bodies.
People and Culture Ability to attract, develop and retain a diverse and engaged workforce with the right skills and capabilities is fundamental to delivering on our business strategy and objectives. **Sustainability pillar:** Inclusion & Belonging	• Embedding a performance culture and creating an environment where employees share a sense of purpose and perform at their best to deliver the company's strategy and objectives. • 'Living our Spirit' cultural programs to embed our purpose and values and 'Leading with Spirit' development program for the leadership community. • Continued investment in leadership framework and capabilities development, including women in leadership programs. • Talent strategy and pipeline to identify, develop and retain talent, supported by success planning and management processes. • Inclusion and belonging strategy to promote diversity, create an environment of equality, and build an inclusive business. • Training and learning programs to support continued upskilling and development of workforce capabilities. • Ongoing monitoring of the competitive landscape, industry and market to ensure continuity of leadership and retention of high performing talent.

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MATERIAL RISK	MANAGEMENT APPROACH
Health, safety, and wellbeing Effective management and reduction of physical and psychosocial risk exposures in our operations is critical to maintaining a healthy and safe work environment for our people. **Sustainability pillar:** Responsible Business Practices; Environmental responsibility	• ISO 45001 accredited occupational health and safety (OH&S) management system to manage risks and continually improve performance. • Work health and safety framework and governance processes supported by policies, standards and performance indicators. • Hazard management and control processes, with workplace health and safety incident reporting and management. • Safety training programs for employees and contractors to develop and maintain capabilities, raise awareness and embed a positive culture. • Wellbeing strategy and programs to promote a holistic and proactive approach to employee wellbeing, facilitated by workplace policies, tools and resources.
Environmental Social Governance (ESG) factors Purpose and values drive the way we conduct our business and the impact we have on our people, customers and communities. It is integral that we act responsibly and sustainably to ensure positive impacts for stakeholders and long-term value for shareholders. **Sustainability pillar:** Environmental responsibility; Responsible Business Practices	• Sustainability strategy to guide management focus and approach across key areas of sustainability, supported by ongoing stakeholder engagement. • Governance framework and processes to monitor risks, opportunities, performance and strategy execution, with Executive and Board oversight. • Risk management framework and processes including policies, procedures and systems, supported by ongoing training programs. • Code of Conduct and compliance training for all people. Refer to the Sustainability Report section of the annual report and for further information.

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Climate-related disclosures

The following section provides an overview of our approach to identifying and managing climate-related risks and opportunities, informed by the Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (**AASB S2**).

This section should be read in conjunction with the General sustainability disclosures section (pages 25 to 30), the 2024 Sustainability Data Pack on the Investor Relations section of the TPG Telecom website, and the Sustainability section of our website.

In 2025, we intend to undertake a review of our sustainability strategy. This will include an assessment of existing commitments to determine if they continue to align with our evolving goals and stakeholder expectations.

Governance

TPG Telecom has a comprehensive corporate governance framework designed to establish and oversee the Company's strategic direction. Through this governance structure we have established processes to understand the business implications of climate change and develop our response to climate-related risks.

Board

The Company's highest level of oversight for sustainability, including climate risk, sits with the Board, as detailed within the TPG Telecom Board Charter.

To assist with the execution and delivery of these responsibilities, the Board has delegated roles and responsibilities to its Audit & Risk Committee (**ARC**) and Remuneration and Governance Committee (**RGC**). Further information on the Committees of the Board can be found in the respective committee charters and our Corporate Governance Statement.

Sustainability-related updates, including climate risk, are provided to the ARC via quarterly enterprise risk updates and six-monthly sustainability strategy updates.

To support TPG Telecom's climate commitments, the Board introduced an ESG performance measure in the Long Term Incentive Plan (**LTIP**) for executives, covering the periods 2023 to 2025 and 2024 to 2026, which is linked to TPG Telecom's achievement of its 2025 renewable electricity target. The 'ESG – Renewable Electricity Target' accounts for 10% of the LTIP and maximum performance is reached if 100% of all operations are powered by renewable energy by the end of the performance period.

The Board Skills Matrix, recommended by the RGC and approved by the Board in 2024, includes 'Sustainability, environment and social awareness', represented by experience in managing or overseeing sustainability, environmental and social risks and issues and impacts, including climate issues, on customers, stakeholders and the broader community. This is detailed within the Corporate Governance Statement.

Significant climate-related targets and commitments are presented to the Board for approval. These have included the climate risk roadmap, the emissions reduction targets and the renewable electricity target.

Management

The Executive Leadership Team (**ELT**) is made up of the CEO and executive direct reports of the CEO and meets regularly to monitor business performance, as well as to develop and execute strategy. This includes aspects of the sustainability strategy, including climate-related risks and opportunities.

The Head of Sustainability and the Group Executive Legal & External Affairs are responsible for the execution of the sustainability strategy and report regularly to the ELT on sustainability matters, including climate risk.

The primary forum for management of the TPG Telecom sustainability strategy is the Sustainability Council, which consists of senior leaders across the business and meets quarterly.

Additional working groups exist to focus on managing specific initiatives that support the broader sustainability strategy priorities.

Strategy

TPG Telecom recognises that climate risk may impact all areas of the organisation and is a key component of our sustainability strategy.

Climate-related risks and opportunities

As a large, national telecommunications company, we have exposure to a range of climate-related physical and transition risks. Some risks, like floods and fires, are common occurrences in Australia. We have robust processes and controls in place to manage those events should they occur. However, we recognise that other impacts may emerge or increase in significance over time.

An assessment was undertaken in 2022 to identify climate-related risks and opportunities with the potential to impact our business in the future and resulted in three key risks being prioritised for further analysis via a qualitative climate scenario analysis. These are outlined in the table below, detailing the potential impacts on our business and approximate timeframes for when impacts may emerge.

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Prioritised climate-related risks for TPG Telecom

RISK DESCRIPTION	POTENTIAL IMPACTS
Physical | Acute	
Increased severity and frequency of extreme weather events such as heatwaves, bushfires, floods and storms. This may cause unplanned network service disruptions, damage to critical infrastructure and disruptions to supply chain.	• Productivity losses, including those of impacted customers, due to unplanned network service disruptions arising from extreme weather events. • Loss of telecommunications during a disaster, impeding emergency response measures (including potential reputational implications). • Business interruption due to a failure to appropriately adapt to and plan for new conditions. • Equipment overheating during power failures leading to technological malfunctions and downtime. • Increased cost of moderating temperatures in data centres, retail stores and offices particularly during extreme heat events. • Reduced safety, wellbeing and productivity of employees and / or contractors that may be exposed to extreme heat if cooling requirements cannot be met.
Emergence Time Frame Short (next 5 years)	
Transition | Technology	
Transition to a low-carbon economy requiring renewable energy commitments. This may result in higher energy prices or limited supply of LGCs and renewable PPAs.[1]	• Increased demand (or limited supply) for LGCs and renewable PPAs, increasing the cost to achieve 100 per cent renewable energy. • Increased costs from 5G network energy demand. • Reputational damage from inability to meet publicly disclosed renewable energy targets, due to cost or availability constraints.
Emergence Time Frame Short (next 5 years)	
Transition | Reputation	
Evolving stakeholder expectations in relation to climate action, due to perceived impacts of climate change. This may lead to brand and reputation risk related to financial market and consumer expectations, including a focus on greenwashing.	• Increased stakeholder scrutiny due to insufficient progress on sustainability commitments or targets, leading to reputational damage or loss of investors / investment. • Insufficient level of ambition regarding climate strategy, leading to poor public perception, resulting in loss of customers, investors and employees. • Disclosure of inaccurate or misleading climate statements and metrics leading to customer, investor or regulatory action. • Misalignment between climate-related risks and internal policies and procedures, causing a dislocated risk management approach and resource and/or expenditure inefficiencies.
Emergence Time Frame Medium (5 to 15 years)	

Climate scenario analysis

The scenario analysis undertaken in 2022 enabled us to understand how differing climate trends might affect the impact and likelihood of our key climate risks and opportunities in the short (0-5 years), medium (5-15 years) and long term (15+ years).

Informed by AASB S2, we utilised the following three scenarios:

- No Climate Action – a high emission scenario, global temperature rise exceeds 4°C
- Current Targets & Pledges – a moderate emission scenario, global temperature rise held below 2°C
- Aggressive Mitigation – a low emission scenario, global temperature rise held below 1.5°C

Further detail on the scenario characteristics are provided in the table below.

[1] LGCs: Large-scale Generation Certificates. PPAs: Power Purchase Agreements

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Summary of scenarios used in qualitative climate scenario analysis

SCENARIO AMBITION	OVERVIEW	SCENARIO ATTRIBUTES	KEY OUTCOMES
High Emission Scenario *"No Climate Action"* >4°C Scenario[1] SSP5-8.5[2] 2030 and 2050[3]	**Baseline of how global emissions would evolve** if governments and markets make no changes to their existing policies and investments in low carbon technologies	In this scenario, transition risks are low while physical risks are high, arising from barriers to mitigation efforts. Globally, multiple climate-related hazards are projected to increase, including: • Flood and extreme precipitation • Extreme heat and bushfires • Sea level rise • Water stress	**Physical risks dominate** • Emission reduction policies are limited to the current policies, and global coordination on tackling climate change is lacking. • Continued use of fossil fuels, and energy intensive activities and lifestyles. • Momentum in clean energy is insufficient to offset the effects of an expanding global economy and growing population. • Effects of climate change require significant investments in adaptation measures to protect assets, infrastructure and communities.
Moderate Emission Scenario *"Current Targets & Pledges"* >2°C Scenario SSP2-4.5 2030 and 2050	**Emissions are curbed based on existing policies and announced commitments,** including Nationally Determined Contributions, but fall short of meeting the Paris Agreement targets	In this scenario, there are intermediate challenges to adaptation and mitigation leading to higher transition risks compared to the high emission scenario, including: • Carbon pricing policies • Energy policies • Litigation risks Note that in this scenario, projected changes in multiple climate-related hazards are possible, but the magnitudes vary compared to the high emission scenario.	**Insufficient decarbonisation** • Emissions are curbed based on existing policies and announced national commitments to reduce emissions but fall short of meeting the Paris Agreement. • Slow implementation of policies due to political, institutional and societal barriers. • The transition to a low carbon economy is disorderly, uncoordinated and delayed. Transition happens faster in certain regions compared to others leading to differences in regional policies and implications on cost of doing business and global trade (e.g., carbon border tax).
Low Emission Scenario *"Aggressive Mitigation"* 1.5°C Scenario Physical: SSP1-2.6 Transition: SSP1-1.9[4] 2030 and 2050	**Aggressive emission reduction scenario** to meet the Paris Agreement, marked by global collaboration by governments, society and industry to lead steep decarbonisation	This scenario has the highest transition risks associated with ambitious mitigation efforts, including: • Carbon pricing • Increase regulations and policies • Reputation risks and opportunities • Product, market, energy, resource efficiencies Although global warming levels are lower than the other scenarios, physical impacts can still occur.	**Transition risks and opportunities dominate** • Globally coordinated effort to reduce emissions and avert the worst effects of climate change in line with the Paris Agreement. • Accelerated transition to renewables and electrification, and aggressive regulations limiting the extraction and use of fossil fuels in all major economies. • Assumes the world achieves Sustainable Development Goals by 2030.

1. Global warming level by 2100
2. Associated IPCC AR6 Scenario
3. Time horizons assessed
4. SSP1-1.9 was selected as the low emissions scenario to assess transition risks and opportunities as it represents a far more ambitious pathway with greater technology, policy and consumer action compared to SSP1-2.6

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Scenario analysis key findings – physical risk

The analysis focused on the physical risk statement:

"increased severity and frequency of extreme weather events due to climate change"

It found that our organisation has exposure to multiple physical hazards including extreme heat, bushfire weather conditions, extreme rainfall and severe weather (including storms, wind gusts and tropical cyclones). However, the severity of the risk to our business varies across Australia and between the three different scenarios.

The magnitude and frequency of projected increases of extreme heat events and bushfires are larger for a higher emissions scenario compared to a lower emissions scenario, particularly over longer timeframes. For extreme rain, flooding, storm and wind gusts and tropical cyclones, the projected outcomes vary regionally and projected changes do not always align to a high or low emissions scenario.

Scenario analysis key findings – transition risk

The analysis also examined the following transition risk statements:

"transition to a low-carbon economy requiring renewable energy commitments" and

"evolving stakeholders' expectations in relation to climate action due to perceived impacts of climate change"

While impacts may vary under multiple scenarios and time horizons, the analysis showed that transition risks associated with electricity costs and brand and reputation are projected to increase.

Electricity costs: Electricity accounts for approximately 2 per cent of our total operating costs. In Australia, the electricity system is undergoing a transition to renewable sources and short-term electricity prices are likely to remain high, though they may decrease in the future through technology development and innovation.

In addition:

- a low emissions scenario may result in higher carbon prices and enhanced GHG emissions reduction regulation.
- significant price volatility and capacity constraints may arise in the electricity market, depending on the scenario.
- public GHG emissions reduction strategies may include reputational risk and brand damage if sufficient renewable energy supply is not available.

Brand and reputation: Sustained interest exists from stakeholders (consumers, shareholders, other financial market participants and employees) in business commitments to sustainability and the management of climate-related risks. In addition:

- customer, financial market and employee preferences for companies with market-leading emission reduction targets may increase under a low emissions scenario.
- increased requirements for climate-related financial risk reporting are likely to continue.

Risk management

TPG Telecom's risk management framework outlines our approach to managing risks, including climate-related risks. Refer to the Material Risks section (page 15) of this report for more information.

Our risk governance structure and risk management framework are also outlined in our Corporate Governance Statement.

Identifying climate risks

Climate is classified as an 'enterprise risk' and is monitored and managed by relevant risk owners throughout the business.

Each business unit is accountable for identifying, monitoring, and managing specific business risks and action plans, including those related to climate risk.

Climate risk identification is supported by the Sustainability and Enterprise Risk teams through ongoing review and periodic scenario analysis.

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Managing climate risks

The Enterprise Risk team is responsible for driving the successful implementation of the risk management framework as overseen by the ELT and the ARC.

In line with our risk management procedure, all risks, including climate-related risks, are assessed based on their likelihood and impact on our business and given a corresponding risk rating. Risk treatment plans are devised based on the risk rating which signifies the materiality to the organisation from a financial, operational, compliance and reputational lens.

Our management of key climate risks is demonstrated by the management approach outlined in the Material Risks section (page 15). We will continue to monitor changes to our climate-related risks and impacts and adjust our approach accordingly to enable its effectiveness over time.

Metrics and targets

Our 2024 commitments:

- Executing our climate risk roadmap to support compliance with mandatory sustainability reporting requirements.
- Developing a strategy and implementation plan to support achievement of science-based emissions reduction targets.
- Powering our Australian operations with 100 per cent renewable electricity by 2025 (this target will be reviewed during 2025).
- Continuing to expand felix as a carbon neutral brand and product targeting 2 million trees planted.
- Working with our suppliers to reduce packaging and increase packaging resource recoverability across our products and networks.

Climate risk roadmap

In 2024, progress against our multi-year climate risk roadmap included:

- Implementing a sustainability data management platform to improve the controls over energy and emissions reporting.
- Risk and Sustainability teams continuing to work with relevant business units to improve and embed the management of climate risk.
- The Resilience team conducting a controls-effectiveness assessment of the increasing climate-related threats to TPG Telecom's critical infrastructure.
- Engaging the Australian Accounting Standards Board (**AASB**) to deliver a climate risk briefing to our Board, focused on the upcoming disclosure requirements and their impact on TPG Telecom.
- Providing climate risk training to key employees and awareness through regular risk reviews.
- Undertaking a gap analysis of required disclosures against AASB S2 to enable compliance in 2025.

Emissions reduction targets

TPG Telecom's emissions reduction targets, covering the full TPG Telecom Group, were validated by the Science Based Target initiative (**SBTi**) in October 2023. The targets are absolute reductions, rather than intensity reductions or achieved through the purchase of carbon offsets. The SBTi classified our targets as aligned with the '1.5°C trajectory'. This is the trajectory to limit global temperature increases to 1.5 degrees Celsius, required to avoid the worst effects of climate change.

Overall net-zero target:

- committed to reaching net-zero GHG emissions across our value chain by 2050.

Near-term targets:

- committed to reducing absolute scope 1 and 2 greenhouse gas (GHG) emissions by 95 per cent by 2030, from a 2021 base year.
- committed to reducing absolute scope 3 GHG emissions (from purchased goods and services, fuel- and energy-related activities, upstream leased assets, and use of sold products) by 30 per cent by 2030, from a 2021 base year.

Long-term targets:

- committed to maintaining at least 95 per cent absolute scope 1 and 2 GHG emissions reductions from 2030 through 2050, from a 2021 base year.
- committed to reducing absolute scope 3 GHG emissions (from purchased goods and services, fuel- and energy-related activities, upstream leased assets, and use of sold products) by 90 per cent by 2050, from a 2021 base year.

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We expect to achieve our scope 1 and 2 emissions reduction targets by powering our Australian operations with 100 per cent renewable electricity, as electricity consumption accounts for approximately 99 per cent of our scope 1 and 2 emissions.

Comprising approximately 84 per cent of our carbon footprint, scope 3 emissions are the most significant part of our emissions profile and approximately 96 per cent are concentrated in two areas:

- Emissions from our suppliers in the manufacture and delivery of goods and services we procure. These include the building and maintaining of our mobile and fixed networks, as well as devices we sell to our customers.
- Emissions from our customers using the products and services we provide.

To reduce these emissions, we aim to leverage our supplier relationships and work with them to set and achieve their own emissions reduction targets.

In 2024, we received 67 responses from a survey sent to our top 150 suppliers which showed that:

- 60 per cent report on energy and emissions, with an additional 10 per cent expected within the next two years.
- 42 per cent have a renewable energy target, with an additional 15 per cent expected within the next two years.
- 51 per cent have emissions reduction targets (43 per cent are aligned to SBTi), with an additional 31 per cent expected within the next two years.

We will use these results to guide our engagement efforts with key suppliers.

The below table shows the progress made against the emissions reduction targets, to date.

Energy (TJ) and GHG emissions (ktCO_2-e)

Metric	2021 (Base Year)	2023[1]	2024
Energy consumed	1,237	1,323	1,331
Scope 1 emissions	4.8	2.7	2.7
Scope 2 emissions (market-based)	224.4	223.3	226.6
Scope 1 and 2 emissions (market-based)	229.2	226.1	229.3
Scope 3 emissions	1,327.9	1,242.4	1,237.3

Energy reductions occurred in the fixed network and retail footprint due to site consolidation, decommissioning of legacy equipment and a reduction in retail locations. Mobile network energy consumption increased as customers used more data, particularly on the 5G network. This increase was mitigated somewhat by the energy savings achieved from the 3G shutdown and decommissioning of legacy equipment. As a result, energy consumption for TPG Telecom increased by less than 1 per cent, year on year. The associated scope 1 and 2 emissions increased accordingly.

Scope 3 emissions decreased by 0.4 per cent, driven by shifts in spending and emission factors.

Further information on the calculation methodologies and metric definitions can be found in the 2024 Sustainability Data Pack.

Renewable electricity target

Our renewable energy procurement strategy is focused on long-term power purchase agreements (**PPAs**) and Large-scale Generation Certificates (**LGCs**), aligned with our Energy Management Policy and dependent on availability and cost considerations. We will also continue to investigate increasing our on-site solar capacity where feasible.

In 2024, TPG Telecom entered into two renewable PPAs which, alongside top-up LGCs, supporting the achievement of powering our operations with 50 per cent renewable electricity from 1 January 2025. The PPAs will provide renewable electricity to roughly 1,400 sites across Queensland, NSW/ACT and South Australia.

However, due to the ongoing volatility in the energy market and the high cost of renewable energy, we have begun a re-assessment of our 100 per cent renewables commitment. We will continue to actively engage the renewables market during 2025 to determine if there are solutions that balance the benefits of renewable energy against the impacts those high costs have on our business and our customers. We will keep our stakeholders informed of our progress during 2025.

[1] Prior year figures have been revised due to availability of actual data and updated estimation methodologies. The impact of these changes is immaterial to the overall results.

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Australian electricity consumption (GWh)[1]

Category	2023	2024
Total electricity consumed	355	359
Renewable electricity[2]		
Renewable Energy Target (RET)	64	63
Jurisdictional RET	15	16
Total renewable electricity	80	79
% Renewable electricity - Australia	22 %	22 %

From 2023 to 2024, the proportion of renewable electricity consumption for our Australian operations was stable at 22 per cent.

felix mobile – a carbon neutral brand

felix mobile continues to operate on 100 per cent renewable electricity and remains certified carbon neutral by the Australian Government's Climate Active initiative. It also continues to partner with One Tree Planted, where one new tree is planted for every month each felix customer maintains an active subscription.

In 2024, felix achieved its goal of donating 2 million trees since its launch in 2020. As a result, the brand has extended its target to donating a further 3 million trees by the end of 2026.

felix also serves as an innovation hub for TPG Telecom, with its sustainability initiatives providing opportunities for the broader business to understand how it can adopt them at scale. Visit the felix website to learn more.

Product stewardship

We aim to be responsible for the products and services we sell by minimising the environmental impact throughout their lifecycle and we continue to monitor and report our operational waste footprint within the 2024 Sustainability Data Pack.

Regional network sharing agreement

Signed in 2024, our regional Multi-Operator Core Network (**MOCN**) agreement will more than double our mobile network coverage, while significantly reducing our environmental footprint through the decommissioning of around 700 sites. Utilising shared network equipment enables significant resource and energy efficiencies.

Packaging recoverability and waste reduction

TPG Telecom remains a member of the Australian Packaging Covenant Organisation, a not-for-profit organisation working with businesses and government to co-regulate the environmental impact of packaging in Australian communities.

The majority of our packaging waste comes from materials for packaging SIMs, accessories, devices, and logistics transportation related to the products we sell to our customers. We remain committed to collaborating with our suppliers to improve packaging recoverability, as well as on waste and e-waste reduction. This has been communicated to suppliers through our net-zero survey and our Supplier Code of Conduct, refreshed in 2024.

We continue to make progress regarding the increased use of EcoSIMs[3] and eSIMs[4] across our brands and customer segments. In 2024, approximately 76 per cent of SIMs sold were either EcoSIM or eSIM and we aim to continue to increase this percentage in the future.

e-waste[5] collection and recycling

We continue to work with MobileMuster, the product stewardship program funded by the Australian mobile telecommunications industry, to increase the collection and recycling of end user e-waste.

e-waste collection via MobileMuster (kg)

Provider	2023	2024
TPG Telecom – all brands	7,581	12,184

Source: MobileMuster

In 2024, the collection of fixed device e-waste at our logistics facilities resumed, after a pause in 2023 due to an inventory management system transition as part of a broader logistics consolidation. This accounted, in part, for the increase in e-waste collection totals from the prior year.

Additional e-waste efforts in 2024 included receiving over 32,000 device trade-ins from customers and the refurbishment of over 85,000 modems intended for use by our customers.

[1] Not including operations in the Philippines and Guam, which account for approximately 0.1 per cent of our total electricity consumption.
[2] Reported based on the methodologies and guidance set out within the most recently published Corporate Emissions Reduction Transparency (CERT) report Guidelines.
[3] EcoSIMs are made from 100 per cent recycled plastic, with a sleeve made from 100 per cent recycled cardboard
[4] eSIMs do not have a physical component, resulting in less plastic waste from manufacturing and packaging and reduced energy and emissions related to transport and manufacturing requirements
[5] e-waste encompasses electronic products thrown away due to being broken, superseded by newer versions or reached the end of their useful life

General sustainability disclosures

The following section provides an overview of progress against our sustainability strategy and 2024 sustainability commitments. It includes:

1. **Customer Wellbeing**
2. **Inclusion & Belonging**
3. **Digital Economy**
4. **Responsible Business Practices**

To simplify this report, the Environmental Responsibility pillar has been incorporated into the preceding Climate-related disclosures section.

1. Customer Wellbeing

Taking care of our customers as they use our products and services

We have processes and policies in place to protect customers, including protecting their personal information and privacy, helping them avoid scams, keeping them connected to our networks, and providing a flexible approach to support individual needs and circumstances.

Our 2024 commitments:

- Increasing awareness among our customers of ways to avoid falling victim to scams and theft and continuing to improve ways of blocking.
- Effectively managing our internal framework for ongoing compliance with the Reducing Scam Calls and Scam SMS Industry Code.
- Offering services and support to help and educate families and children to stay safer online as they use our products and services.
- Managing our customer vulnerability framework and enhancing our services and support for customers experiencing vulnerability.

Technology security

Our multi-year program to address security risks in our business involves reducing vulnerabilities, expanding security capabilities, upgrading platforms, and decommissioning legacy systems.

Alongside a range of internal training and capability uplifts, in 2024 we launched the TPG Telecom Cyber Centre of Excellence – a new cyber defence lab to strengthen our cyber resilience by finding, fixing and pre-empting potential security exploits and weaknesses in telco equipment and critical national infrastructure.

In 2024, the team developed a proof-of-concept AI tool that, in lab conditions, detected over 95 per cent of SMS scam messages. AI used in this manner is critical to developing tools that can detect and respond to the scams as they evolve.

Scams and fraud

To drive ongoing compliance with scam industry codes, we utilise a range of tools and technologies to reduce the volume of scam messages and calls.

In 2024, we implemented a new spam filter that uses machine learning detection algorithms that adapt to current network conditions and subscriber behaviour to detect and block attempted illicit activity. This is in addition to the Spamshield platform that we use to stop fraudulent SMS from reaching our customers.

Additionally, we:

- implemented SMS volumes limits; and
- controls to limit fraudulent use of numbers allocated to TPG Telecom.

In 2024, our ongoing efforts resulted in the blocking of 46 million scam calls and 109 million scam SMS.

Online safety

Several new Online Safety Act Codes and Standards were registered in 2023 and in response, we updated information on our brand websites to support our customers with clear, actionable guidance to manage their online safety.

Internally, we introduced enhanced resources and training materials for staff, equipping them with the tools and knowledge to effectively communicate online safety information to customers.

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Customer experience

In 2024 we continued our multi-year program to simplify our brands, rationalise our products and build modern, robust, resilient IT systems. This company-wide transformation is designed to position TPG Telecom as Australia's most competitive, nimble and customer-focused telco.

We continued to streamline our products, services and platforms to further strengthen our ability to deliver simple, great value services that match our customers' changing needs and make it easier for them to access and use our services.This included: rationalising 2,546 back-book plans, retiring legacy IT applications and upgrading four core IT applications, while migrating approximately 1 million services across brands and products.

Customer satisfaction

TPG and Vodafone continue to report complaint numbers below the industry average, while iiNet remains slightly above.

Quarterly TIO complaints[1]

Brand	MAR 24	JUN 24	SEP 24	DEC 24[2]
Vodafone*	2.8	2.4	2.4	N/A
iiNet	3.8	3.3	3.4	N/A
TPG	2.9	2.3	2.4	N/A
Industry average	3.3	2.7	2.7	N/A

*Comprises Vodafone, Lebara, felix and Kogan

In 2024, aspects of our customer simplification program and 3G shutdown may have contributed to the increase in customer complaint volumes, compared with the same period in the prior year, as part of our transformation to make for a better experience for our customers. Efforts to simplify and improve our customers' experience included:

- Enhanced use of speech analytics capabilities, with a focus on ethical selling and accurate resolutions.
- Improved TOBi Speech Bot journeys for both a better self-service experience and an improved ability for customers to reach the right team the first time, reducing the need for a voice transfer.
- Increased efforts to reduce repeat interactions, focused on achieving reductions in repeat calls from customers within a seven-day period.
- Improved issue resolution through a proactive case management approach.
- Created an onshore centre of excellence for all escalated complaints.

Customers experiencing vulnerability

During 2024, changes in consumer protection regulations began taking effect, with more expected in 2025 and beyond.

As a result, we created the new role of Head of Customer Wellbeing to support customers across a range of needs, including accessibility and inclusion, customers in crisis, financial assistance and sales.

Other 2024 initiatives supporting vulnerable customers include:

- **Domestic and family violence (DFV)** – partnered with Telco Together to drive an awareness campaign on technology-facilitated abuse. Information, resources and training were provided to our employees and published externally during the 16 Days of Activism Against Gender-based Violence. Our CEO and Managing Director, Iñaki Berroeta, also participated in an industry CEO roundtable event with the eSafety Commissioner and other senior Australian telco leaders to discuss the industry's progress and identify opportunities to address the growing misuse of technology as an abusive tool in DFV cases. In addition, our second DFV Action Plan, aligned to the Tailor level of Telco Together's DFV Action Framework, is currently underway.
- **Accessibility** – continued to enhance our approach to accessibility across our digital environment by further embedding accessibility requirements within design and development phases to mitigate the risk of accessibility issues in new customer journeys. To improve accessibility of existing digital experiences, we implemented enhanced monitoring and reporting systems that provide better visibility into problem areas requiring remediation. We also considered accessibility improvements to our physical footprint, explored enhancements to our brand icons and SIM packaging, and worked with Knowable Me to better understand accessibility issues in our Vodafone retail stores. The results will be incorporated into designs for new and refurbished stores, beginning in 2025. Additionally, we collaborated with Guide Dogs Australia and University of NSW to advance research into future innovations.

[1] Complaints handled by the Telecommunications Industry Ombudsman (TIO) per 10,000 services in operation.
[2] December quarter data was unavailable due to a change in regulatory reporting. If this data becomes available, it will be reflected in future reporting.

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2. Inclusion and belonging

Creating an inclusive business where all of our people, customers and communities belong.

Our 2024 commitments:

- Increase female representation across our workforce in Australia through:
  - Achieving 45 per cent female representation in strategic leadership[1] by the end of 2026;
  - Achieving 35 per cent female representation across our workforce by the end of 2024; and
  - Achieving 20 per cent female representation in science, technology, engineering and mathematics (STEM) functions by the end of 2024.
- Progress TPG Telecom's long-term commitment to reconciliation, by developing and commencing delivery of our Innovate Reconciliation Action Plan (**RAP**).
- Increase year-on-year percentage of people identifying as of a diverse population (Aboriginal and Torres Strait Islander, LGBTQI+, or having a disability).

Gender representation

We are proud to have achieved our 2024 workforce and STEM functions targets, while remaining focused on our strategic leadership target.

Employee gender representation (women as a per cent of total)

Cohort	2023	2024	Target (year)
Strategic leadership	35.7	32.8	45 (2026)
Workforce	34.9	35.5	35 (2024)
STEM functions	19.5	20.4	20 (2024)

Based on Australian employee headcount at 31 Dec 2024.

We utilised a range of initiatives in 2024 to support the attraction, development and retention of female talent across all levels of the organisation.These included:

- Delivered two new female talent development programs, Xplore and Women in Leadership, which focused on accelerating development of junior to mid-level female leaders.
- Continued Accelerate Her, a program designed to attract, strengthen and retain our pipeline of women in technology, through networking opportunities, panel discussions, career and development planning and coaching.
- Achieved 50 per cent female representation in our Catalyst leadership development program, designed to help leaders become more connected, more customer-focused and more performance-driven.
- Improved job advertisement wording and selection criteria for retail store recruitment to support an uplift in the number of women applying.
- Continued to offer flexible work which benefits all employees, but especially women and those with caring responsibilities.

Progress against our strategic leadership target has been slow, as the cohort has fluctuated in response to changing business needs. In 2024, 7 per cent of strategic leadership roles became redundant and voluntary attrition was low, limiting the number of new appointments.

Gender equality

As an organisation, we measure gender pay equity and report on gender pay to the Workplace Gender Equality Agency (**WGEA**), which conducts an analysis on both the average and median gender pay gap.

Our own analysis on gender pay equity found that, on average, women are remunerated slightly higher than men for equivalent roles. However, we recognise that using the WGEA measurement, a gender pay gap appears to exist.

Employee gender pay comparison

Metric	2024
Gender pay equity[2]	-0.1%
Average gender pay gap (WGEA)[3]	15.4%
Median gender pay gap (WGEA)[4]	21.6%

Our analysis revealed the most significant contributing factor to what WGEA defines as the gender pay gap is unequal gender representation, particularly at more senior levels. We remain committed to internal gender equality initiatives and achieving our gender representation targets to help close this gap and we will work assiduously to improve the opportunities for women to take on more senior roles based on merit.

[1] Comprised of the top three tiers of leadership below CEO.
[2] Assesses equal pay for equal work by comparing the average position in salary range for men compared to women for all roles in our Australian workforce (excluding the Executive Leadership Team and casual employees) as at 31 December.
[3] Compares the average remuneration of women to the average remuneration of men for all roles in our Australian workforce. Data from 31 March 2024 WGEA reporting.
[4] Compares the median remuneration of women to the median remuneration of men for all roles in our Australian workforce. Data from 31 March 2024 WGEA reporting.

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Reconciliation and First Nations inclusion

In March 2024 we launched our Innovate RAP, which acts as the roadmap outlining the tangible actions we will take to meet our reconciliation commitments.

2024 notable achievements included:

- Establishing our external First Nations Advisory Circle.
- Launching TPG Telecom's Aboriginal and Torres Strait Islander Engagement Principles.
- Designing TPG Telecom's Aboriginal and Torres Strait Islander Procurement Strategy.
- Partnering with First Nations owned and operated business, Evolve Communities, to launch our new 7 Steps to Practical Reconciliation learning module.
- Celebrating First Nations culture and history through our Meaningful Acknowledgement of Country Campaign and National Reconciliation Week event.

For more information about these and other Reconciliation actions, please refer to our Annual RAP Report, located on the Reconciliation section of our website, available from April 2025.

Diverse and inclusive workplace

We track and monitor workforce diversity demographics and employees' experiences through our Spirit Survey, to identify trends and opportunities to improve inclusion at TPG Telecom.

Our diverse workforce[1]

Diversity area	Declared identity
First Nations	0.5%
LGBTQI+	6.0%
Disability	7.7%
Overseas heritage	50.8%
Parents and carers	23.5%

In 2024, we supported our diverse and inclusive workplace through:

- **Governance** – launched our new Respect in our Workplace policy and updated our Code of Conduct, with a greater focus on inappropriate behaviours such as sexual harassment and racism.
- **People with disability** – maintained our Australian Disability Network membership and utilised its disability inclusion resources, as part of International Day for People with Disability.
- **LGBTQI+ inclusivity** – awarded Silver Status at the 2024 AWEI Awards, run by our partner Pride in Diversity, which drives best practice LGBTQI+ inclusion in Australia.
- **Race, Ethnicity and Cultural Heritage** – continued to raise awareness around key cultural days of significance celebrated by our employees, including Chinese New Year, Ramadan, Hanukkah and Diwali.
- **Parents and carers** – continued offering 22 weeks paid parental leave to primary and secondary carers. The first full year of the updated policy resulted in a 55 per cent increase in men who accessed paid parental leave, compared to 2023.

3. Digital Economy

Helping to create a vibrant digital future which benefits everybody

Our 2024 commitments:

- Enabling 5G network connectivity for our customers with the rollout of our 5G network: maintaining 98 per cent population 5G network coverage in 12 of Australia's largest cities and regions.
- Working collaboratively with partners to support innovation in the infrastructure for, and application of, 5G-enabled technologies.
- Helping to accelerate the uptake of narrowband internet-of-things (**NB-IoT**) and 5G-enabled technologies.
- Donating $1 million annually to projects that create opportunities to improve health, education and wellbeing of Australian communities in need.
- Increasing opportunities for our employees to use their role-specific skills on interventions that improve wellbeing and/or support the creation of vibrant connected communities.

Growing our 5G network

Our 5G rollout remains on track, as we activated an additional 708 5G-enabled sites, bringing the total to 3,771 5G-enabled sites across our network by the end of the year.

5G rollout progress

Mobile network	2023	2024
5G-enabled sites (cumulative)	3,063	3,771

We maintained over 98 per cent 5G population coverage in Australia's top 12 most populated cities and towns and saw 5G traffic growing by more than 102 per cent in the past 12 months, with over four million 5G-capable handsets in use on our network.

[1] Data from May 2024 Spirit Survey, from an 88% response rate.

Looking ahead, we intend to accelerate the availability of our 5G services to customers across Australia through the regional Multi-Operator Core Network (**MOCN**) agreement (see below). We expect that the number of 5G sites in the MOCN zone will increase to 1,500 by 2028 and 2,444 by the end of 2030.

Network innovations and partnerships

In 2024, key initiatives included:

- **Regional network sharing:** An agreement with Optus to create a regional MOCN to extend TPG Telecom's 4G and 5G mobile network to reach 98.4 per cent of the Australian population. The rollout, undertaken in early 2025, increased our regional mobile sites by more than three times, more than doubling the geographic coverage of our mobile network to approximately 1 million square kilometres.
- **5G Network Sensing Lab:** A partnership with University of Technology Sydney to develop a prototype that uses 5G infrastructure to create flood sensing technology, showing in real-time how rainfall and potential flooding might affect communities and critical infrastructure.
- **Smart meter rollout:** Secured a 10-year deal to manage one million NB-IoT digital smart meters for South East Water in Victoria. The project will replace mechanical water meters, enabling customers to track and manage their water consumption daily.

For more detail on our network innovations and partnerships, visit the Media Releases section of our website.

TPG Telecom Foundation

TPG Telecom allocated $1.5 million to the Foundation in 2024. These funds are used by the Foundation for donations to charitable projects, with a focus on funding scalable technology solutions. A small proportion of this funding is also directed to employee matched giving and disaster response funding, as well as associated program and management costs[1].

2024 TPG Telecom Foundation contributions

Contribution type	Amount (AUD)
Cash donations – Foundation partners	1,319,155
Cash donations – other (matched giving, disaster response, etc.)	53,595
Management costs	125,726
Total	**1,498,476**

In 2024, the Foundation:

- Provided approximately $1.3 million in grants and donations to: ACON, Guide Dogs, Starlight Children's Foundation, Cerebral Palsy Alliance, headspace, Missing School and InfoXchange.
- Donated, via employee matched giving, to Cerebral Palsy Alliance for STEPtember, as well as to Variety Bash and Cancer Council.
- Collaborated with four Australian charities to donate 500 of our used and refurbished laptops to vulnerable communities experiencing digital exclusion.
- Donated more than 400 phones to the Australian charity DV Safe Phone to help domestic and family violence survivors connect safely.

Employee volunteering

In 2024, the Foundation organised 21 volunteering events for employees totalling over 1,300 hours of volunteering time donated to nine different charitable organisations.

In addition, over 300 hours of Skilled Volunteering was donated in 2024 to three charities (Black Dog Institute, Dylan Alcott Foundation, Guide Dogs).

Further detail on progress made by charity partners as a result of Foundation funding and employee volunteering can be found in our standalone Foundation report, located on the Foundation section of our website, available from April 2025.

[1] Due to timing and duration of projects and grant cycles, grant and donation amounts may vary year-on-year. However, any unspent funds from one year are accrued for use in the next.

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4. Responsible business practices

Our responsible business practices reinforce and complement our sustainability strategy, concentrating on issues that significantly impact our stakeholders. Selected highlights are noted below, with further detail available on the Sustainability section on our website.

Human rights and modern slavery

In 2024, the Executive Leadership Team and Board endorsed our three-year modern slavery roadmap, which sets out our plan to continue strengthening how the organisation identifies and manages modern slavery risks. Among the 2024 achievements was the launch of a new third-party assurance platform, which automates due diligence processes and enhances overall risk management practices.

A detailed progress update will be shared in our 2024 Modern Slavery Statement, scheduled for publication in June 2025. For more information on current and past actions, refer to our previous Modern Slavery Statements, located on the Investor Relations section on our website.

Environmental management

In 2024, we did not record any significant environmental incidents for our operations, as tracked through our Health, Safety, Environment management system. Our fibre operations department also maintained its certification to ISO 14001:2015 International Standard for Environmental Management Systems.

Workplace health and safety (WHS)

TPG Telecom achieved ISO 45001:2018 Occupational health and safety management systems certification for the entire organisation in 2024, expanding on the existing certification of its fibre engineering services.

WHS metrics

Indicator	2023	2024
TRIFR	1.86	3.87
LTIFR	1.44	3.29
Fatalities	0	0

In 2024, our total recorded injury frequency rate (**TRIFR**) and lost time injury frequency rate (**LTIFR**) increased from the prior year. We had zero fatalities across the TPG Telecom Group.

An increase in TRIFR reflects the maturing of our WHS Management System, with an increased awareness on the importance of reporting WHS incidents. The majority of lost time injuries are sprains and strains from our field-based teams and retail store activities. In response, we will be launching a refreshed WHS induction in 2025 that includes an updated manual handling training module.

Career growth and development

We are committed to supporting our employees to develop their skills by providing a range of professional development opportunities.

Average annual employee training hours

Category	2023	2024
Office (Corporate)	11.0	6.6
Contact centres	39.0	11.0
Retail	32.0	25.6

The decrease in training hours is largely due to fewer new hires in 2024, compared to 2023. New hires undertake robust induction programs, including a wide range of training courses, while existing employees undertake streamlined annual compliance refreshers.

For more information, visit the Careers section of our website.

Culture and values

Our Spirit Survey is conducted semi-annually and measures:

- Values Alignment Index – the extent to which our employees consider our values are being lived throughout TPG Telecom; and
- Engagement score – employee connection to TPG Telecom, their intent to stay, motivation toward discretionary effort and employee advocacy.

Spirit Survey results[1]

Survey aspect	May 2023	Oct 2023	May 2024	Sep 2024
Engagement score	70%	72%	74%	71%
Values Alignment Index	74%	73%	76%	73%

In 2024, our Spirit Survey results indicate strong commitment and passion for our customers, alignment with our goals, and a respectful workplace. However, the ongoing evolution of our business has introduced ambiguity, causing a decrease in the Engagement score and Values Alignment Index in the September 2024 results. To address this, we will focus on the change experience, simplification, prioritisation, and enabling our people to be well-informed and prepared for the future.

We remain resolute in our commitment to building a great culture, knowing it will enable us to achieve our longer-term goal of being Australia's best telco, one that values meaningful connection with our people, customers and community.

[1] Following the change in operations in Manila, figures have been updated to include the Australian workforce only.

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Independent Limited Assurance Report on Selected Performance Metrics within the Sustainability Report section of the TPG Telecom Limited Annual Report 2024

The Board of Directors of TPG Telecom Limited (**TPG Telecom** or **the entity**) engaged us to perform an independent limited assurance engagement in respect of the Selected Performance Metrics of TPG Telecom and controlled entities, as listed in Table 1 below and disclosed within the Sustainability Report section of the TPG Telecom Annual Report 2024, for the 12 months ended 31 December 2024, unless otherwise stated (the **Selected Performance Metrics**).

Selected Performance Metrics

The Selected Performance Metrics are as set out in Table 1 below.

Table 1 - Selected Performance Metrics

Sustainability pillar	Selected Performance Metric	
Environmental responsibility (12 months from 1 January 2024 to 31 December 2024)	Energy consumed	1,331 Terajoules
	% Renewable electricity - Australia	22%
	Scope 1 and 2 emissions (market-based)	229.3 $ktCO_2$-e
	Scope 3 emissions	1,237.3 $ktCO_2$-e
Inclusion and belonging (As at 31 December 2024)	Employee gender representation (women as a per cent of total) - Workforce	35.5%
	Employee gender representation (women as a per cent of total) - Strategic leadership	32.8%
	Employee gender representation (women as a per cent of total) - STEM functions	20.4%
	Gender pay equity	-0.1%

Criteria

The Criteria used by TPG Telecom to prepare the Selected Performance Metrics is set out in the Sustainability metric definitions presented in the TPG Telecom Sustainability Data Pack 2024, located on the Investor Relations section of the TPG Telecom website as at 28 February 2025 (the **Criteria**).

Our assurance conclusion in relation to the Selected Performance Metrics is with respect to the 12 months ended 31 December 2024, or as otherwise specified in Table 1 above, and does not extend to information in respect of earlier periods or to any other information included in, or linked from, the Sustainability Report section within the TPG Telecom Annual Report 2024.

Responsibilities of Management

TPG Telecom management (**Management**) is responsible for the preparation of the Selected Performance Metrics in accordance with the Criteria. This responsibility includes:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the underlying Selected Performance Metrics;
- ensuring that those criteria are relevant and appropriate to TPG Telecom and the intended users; and
- designing, implementing and maintaining systems, processes and internal controls relevant to the preparation of the Selected Performance Metrics, which is free from material misstatement, whether due to fraud or error.

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The maintenance and integrity of TPG Telecom's website is the responsibility of the management of TPG Telecom (**Management**); the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Performance Metrics or Criteria when presented on TPG Telecom's website.

Our responsibilities

Our responsibility is to express a limited assurance conclusion based on the procedures we have performed and the evidence we have obtained.

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and Standard on Assurance Engagements ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements*. Those standards require that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention to indicate that the Selected Performance Metrics have not been prepared, in all material respects, in accordance with the Criteria, for the periods set out in Table 1.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion.

Main procedures performed

In carrying out our limited assurance engagement, the main procedures we performed included:

- Enquiring of Management regarding the processes for capturing, collating, calculating and reporting the Selected Performance Metrics and assessing the alignment of these with the Criteria and the internal controls implemented as part of these processes;
- Undertaking analytical procedures over the Selected Performance Metrics and the underlying data utilised in its preparation;
- Substantive testing procedures of the Selected Performance Metrics and the activity data utilised to prepare these metrics to relevant underlying source information (e.g. operational and financial records, third party invoices, market remuneration data etc), and the underlying metric performance calculations, on a sample basis;
- Testing the arithmetic accuracy of a sample of underlying calculations of the Selected Performance Metrics;
- Assessing the appropriateness of the greenhouse gas (**GHG**) emission factors, conversion factors and methodologies applied in calculating the Selected Performance Metrics with reference to the Criteria;
- Assessing the appropriateness of estimates and assumptions applied in calculating the Selected Performance Metrics.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is not designed to detect all instances of non-compliance of the subject matter with the criteria, as it is limited primarily to making enquiries of management and applying analytical procedures.

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Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time. In addition, GHG quantification is subject to inherent uncertainty because of evolving knowledge and information used to determine emissions factors and the values needed to combine emissions of different gases.

The limited assurance conclusion expressed in this report has been formed on the above basis.

Our limited assurance conclusion

Based on the procedures we have performed, as described under 'Our responsibilities' above, and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Performance Metrics have not been prepared, in all material respects, in accordance with the Criteria for the periods set out in Table 1.

Use and distribution of our report

We were engaged by the Board of Directors of TPG Telecom on behalf of the entity to prepare this independent assurance report having regard to the Criteria. This report was prepared solely for the Board of Directors of TPG Telecom in accordance with the agreement between us, to assist the directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected Performance Metrics.

We accept no duty, responsibility or liability to anyone other than TPG Telecom in connection with this report or to TPG Telecom for the consequences of using or relying on it for a purpose other than that referred to above. We make no representation concerning the appropriateness of this report for anyone other than TPG Telecom and if anyone other than TPG Telecom chooses to use or rely on it they do so at their own risk.

This disclaimer applies to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute and even if we consent to anyone other than TPG Telecom receiving or using this report.

PricewaterhouseCoopers

PricewaterhouseCoopers

Adam Cunningham

Adam Cunningham
Partner

Melbourne
28 February 2025

Directors' report | Board of Directors

Details of Directors of the Company who held office at any time during or since the end of the financial year are set out below:

Current

The following are the Directors who held office at 31 December 2024.

Fok Kin Ning, Canning
Chairman

Fok Kin Ning, Canning has been a Director and Chairman of TPG Telecom since 2001 and March 2021 respectively. He is Deputy Chairman and an Executive Director of CK Hutchison Holdings Limited.

He was a Director of Cheung Kong (Holdings) Limited and Hutchison Whampoa Limited from 1985 and 1984 respectively until September 2024, both of which were formerly listed on The Stock Exchange of Hong Kong Limited and became wholly owned subsidiaries of CK Hutchison Holdings Limited in 2015.

Mr Fok is also Chairman and a Non-Executive Director of Hutchison Telecommunications Hong Kong Holdings Limited, Chairman and an Executive Director of HK Electric Investments Manager Limited as the Trustee-Manager of HK Electric Investments and HK Electric Investments Limited, Deputy Chairman and an Executive Director of CK Infrastructure Holdings Limited and Deputy President Commissioner of PT Indosat Tbk. He is also Executive Chairman of CK Hutchison Group Telecom Holdings Limited.

Mr Fok was previously Chairman and a Director of Hutchison Telecommunications (Australia) Limited, Chairman and a Non-Executive Director of Hutchison Port Holdings Management Pte. Limited as the Trustee-Manager of Hutchison Port Holdings Trust, and Chairman and an Executive Director of Power Assets Holdings Limited.

The aforementioned companies are either subsidiaries or associated companies of CK Hutchison Holdings Limited of which Mr Fok has oversight as Director of CK Hutchison Holdings Limited.

He holds a Bachelor of Arts degree and a Diploma in Financial Management, and is a Fellow of Chartered Accountants Australia and New Zealand.

Mr Fok's appointment to the Board commenced on 27 August 2001.

Directorship of other ASX listed companies in the past three years:

Hutchison Telecommunications (Australia) Limited – 1999 to December 2023.

Special Responsibilities: Chairman of the Board.

Iñaki Berroeta
Chief Executive Officer and Managing Director

Iñaki Berroeta is the CEO and Managing Director of TPG Telecom and was CEO of Vodafone Hutchison Australia from 2014 to 2020. A 30-year veteran of the telecommunications industry, Mr Berroeta previously served as CEO of both Vodafone Romania and Vodafone Malta, and held various operational roles at Vodafone Spain, Global Star USA, AirTouch International Inc. (USA) and Airtile Moviles (Spain).

Mr Berroeta holds a Master of Science in Telecommunications from Bilbao Superior School of Telecommunications Engineering, Spain, and a Master of Business Administration from Henley Management College, UK.

Mr Berroeta's appointment to the Board commenced on 29 June 2020.

Special Responsibilities: Chief Executive Officer and Managing Director.

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Paula Dwyer
Independent Non-Executive Director

Paula Dwyer has served as an independent non-executive Chairman and Director for over 25 years. She is presently a director of Allianz Australia (Chairman), Elenium (Chairman), Lion Group, Dexus and AMCIL. In the broader community she is a member of the Committee of the Melbourne Cricket Club.

Previously she has served as an independent director of companies including ANZ Banking Group, Tabcorp Limited (Chairman), Healthscope Limited (Chairman), Leighton Holdings (now Cimic) and Suncorp Group.

Ms Dwyer's executive career spanned chartered accounting, corporate finance and corporate advisory at Price Waterhouse and Ord Minnett (now J. P. Morgan).

She has a strong record of achievement across a wide variety of sectors including regulated industries in financial services (banking, insurance and investment), gambling entertainment, healthcare, energy and utilities; non-regulated industries in fast moving consumer goods, engineering and construction, property and retailing; and for-purpose organisations in sport, medical research and commercialisation, and education.

Ms Dwyer holds a Bachelor degree in Commerce (University of Melbourne), is a Fellow of the Institute of Chartered Accountants Australia & New Zealand, a Fellow of the Australian Institute of Company Directors and a Senior Fellow of FINSIA.

Ms Dwyer's appointment to the Board commenced on 21 October 2024.

Directorship of other ASX listed companies in the past three years:

Dexus Funds Management Limited (February 2023 – current) and AMCIL Limited (June 2023 – current).

Special Responsibilities: Chairman of the Audit & Risk Committee (**ARC**) and member of the Remuneration and Governance Committee (**RGC**) and member of the Nomination Committee (**NC**).

Pierre Klotz
Non-Executive Director

Pierre Klotz is the Vodafone Group Corporate Finance Director. He joined Vodafone in July 2011 and is responsible for the Vodafone Group's Mergers & Acquisitions and Treasury related activities.

Previously, Mr Klotz held a number of senior executive positions at UBS Investment Bank and at HSBC Investment Bank.

Mr Klotz holds a Master of Science in Business Administration from Gothenburg School of Economics and Commercial Law.

Mr Klotz's appointment to the Board commenced on 12 May 2020.

Directorship of other ASX listed companies in the past three years:

Nil.

Special Responsibilities: Member of the ARC.

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Robert Millner AO
Non-Executive Director

Robert Millner served as a Non-Executive Director of TPG Corporation from 2000 until the merger with the Company in 2020, and was the Chairman of TPG Corporation from 2000 until 2008.

Mr Millner brings to the Board broad corporate, investment, portfolio and asset management experience gained across diverse sectors including telecommunications, mining, manufacturing, health, finance, energy industrial and property investment in Australia and overseas.

Mr Millner has over 30 years' experience as a Company Director with an extensive understanding of governance and compliance, reporting, media and investor relations.

Mr Millner holds directorships of the following listed companies: Apex Healthcare Berhad (Malaysia), Brickworks Limited, BKI Investment Company Limited, Aeris Resources Limited, New Hope Corporation Limited, Washington H. Soul Pattinson and Company Limited and Tuas Limited. He was also a former director of Australian Pharmaceutical Industries Limited.

Mr Millner is an Officer of the Order of Australia (AO).

Mr Millner is a Fellow of the Australian Institute of Company Directors.

Mr Millner's appointment to the Board commenced on 13 July 2020.

Directorship of other ASX listed companies in the past three years:

Brickworks Limited – 1997 to current, Washington H. Soul Pattinson and Co. Ltd – 1984 to current, Aeris Resources Limited – July 2022 to current, New Hope Corporation Ltd – 1995 to current, BKI Investment Company Ltd – 2003 to current, Milton Corporation Limited – 1998 to October 2021, Tuas Limited – 2020 to current, Australian Pharmaceutical Industries Ltd – 2000 to July 2020.

Antony Moffatt
Non-Executive Director

Antony (Tony) Moffatt is a lawyer with over 30 years' experience, practising in corporate, commercial and telecommunications law.

After five years as a senior lawyer in an international law firm in Singapore, Mr Moffatt became General Counsel and Company Secretary for a start-up telecommunications business which was acquired by SP Telemedia Limited in 2005. He was then appointed General Counsel for the company formerly named TPG Telecom Limited (ASX:TPM) in 2008 until its merger with VHA in 2020. In August 2020, Mr Moffatt became Company Secretary for the merged group. In addition, Mr Moffatt was Company Secretary for a large privately owned Australian winery from 2004 to 2008 and was from time to time a director on a variety of TPG Telecom Limited (TPM) subsidiaries and Comms Alliance.

Mr Moffatt was formerly a member of the key management personnel of TPM and played a significant role in its development, including the many corporate and large commercial transactions undertaken by that company. He is currently the Company Secretary for Tuas Limited.

Mr Moffatt holds a Bachelor of Arts and Laws from the University of New South Wales.

Mr Moffatt's appointment to the Board commenced on 26 March 2021.

Directorship of other ASX listed companies in the past three years:

Nil.

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Dr Helen Nugent AC
Independent Non-Executive Director

Dr Helen Nugent is Chairman of Ausgrid, the Order of Australia Association Foundation, a Non-Executive Director of IAG, and a member of the Global Advisory Board for UST.

She has been a company director for over 30 years, and has over 40 years' experience in the financial services sector. This includes having been Chairman of Veda Group, Funds SA, and Swiss Re (Australia); and a Non-Executive Director of Macquarie Group, Director of Strategy at Westpac Banking Corporation, and a Partner at McKinsey & Company.

She has also been Chairman of National Disability Insurance Agency and Australian Rail Track Corporation and a Non-Executive Director of Origin Energy.

Dr Nugent has given back to the community in education and the arts, having been Chancellor of Bond University; President of Cranbrook School; Chairman of the National Opera Review; Chairman of the Major Performing Arts Inquiry; Chairman of the National Portrait Gallery of Australia; and Deputy Chairman of Opera Australia.

Dr Nugent is a Companion of the Order of Australia (AC) and is a recipient of a Centenary Medal, as well as holding an Honorary Doctorate in Business from the University of Queensland and an Honorary Doctorate from Bond University. She is a Fellow of the Australian Institute of Company Directors.

Dr Nugent holds a Bachelor of Arts (Hons) and Doctorate of Philosophy from the University of Queensland; and a MBA (Distinction) from the Harvard Business School.

Dr Nugent's appointment to the Board commenced on 13 July 2020.

Directorship of other ASX listed companies in the past three years:

Insurance Australia Group (IAG) Limited – December 2016 to current.

Special Responsibilities: Senior Independent Director, Chairman of the RGC, Chairman of the NC and member of the ARC.

Frank Sixt
Non-Executive Director

Frank John Sixt has been a Director of TPG Telecom since 2001. He has been a Director and Chairman since 1998 and December 2023, and an Alternate Director to a Director since 2008 of Hutchison Telecommunications (Australia) Limited. Mr Sixt is an Executive Director, Group Co-Managing Director and Group Finance Director of CK Hutchison Holdings Limited.

Since 1991, Mr Sixt has been a Director of Cheung Kong (Holdings) Limited and Hutchison Whampoa Limited, both of which were formerly listed on The Stock Exchange of Hong Kong Limited and became wholly owned subsidiaries of CK Hutchison Holdings Limited in 2015.

He is also Chairman and a Non-Executive Director of TOM Group Limited, an Executive Director of CK Infrastructure Holdings Limited, and a Director of Cenovus Energy Inc. and an Alternate Director to a Director of HK Electric Investments Manager Limited as the Trustee-Manager of HK Electric Investments and HK Electric Investments Limited.

The aforementioned companies are either subsidiaries or associated companies of CK Hutchison Holdings Limited of which Mr Sixt has oversight as Director of CK Hutchison Holdings Limited.

He has over four decades of legal, global finance and risk management experience, and possesses deep expertise in overseeing financial reporting system, risk management and internal control systems as well as sustainability issues and related risks.

Mr Sixt holds a Master's degree in Arts and a Bachelor's degree in Civil Law, and is a Member of the Bar and of the Law Society of the Provinces of Québec and Ontario, Canada.

Mr Sixt's appointment to the Board commenced on 7 May 2001.

Directorship of other ASX listed companies in the past three years:

Hutchison Telecommunications (Australia) Limited – 1998 to current.

Special Responsibilities: Member of the RGC and member of the NC.

Jack Teoh
Non-Executive Director

Jack Teoh is a businessman involved in a range of private companies, with particular experience in finance and technology. Mr Teoh is a former director of Tuas Limited, has been a director of Vita Life Sciences Limited since September 2022 and is also a director of Total Forms Pty Ltd, a private software business.

Mr Teoh holds a Bachelor of Commerce from the University of New South Wales.

Mr Teoh's appointment to the Board commenced on 26 March 2021.

Directorship of other listed companies in the past three years:

Tuas Limited – July 2020 to July 2022, Vita Life Sciences Limited – September 2022 to current.

Serpil Timuray
Non-Executive Director

Serpil Timuray is CEO Vodafone Investments at Vodafone Group plc and a member of the Vodafone Executive Committee. Ms Timuray oversees Vodafone's interest in the joint venture companies of VodafoneZiggo in Netherlands, VodafoneIdea in India and TPG Telecom. She is the Chairperson of Vodafone Turkey and Vice-Chairperson of VodafoneZiggo Netherlands.

Prior to her current role, Ms Timuray was the CEO of Europe Cluster for Vodafone. Formerly she was the Group Chief Commercial Operations and Strategy Officer and before that the Regional CEO for AMAP (Africa, Middle East, Asia, Pacific) where she served as a Board member of the listed companies of Vodacom Group, Safaricom and Vodafone Qatar.

Ms Timuray joined Vodafone in 2009 as the CEO of Turkey. Prior to joining Vodafone, Ms Timuray was the CEO of Danone Turkey from 2002 to 2008. Ms Timuray began her career at Procter & Gamble in 1991, where she held several marketing roles and was subsequently appointed to the Executive Committee in Turkey.

Ms Timuray was appointed as an Independent Non-Executive Director to British American Tobacco Plc in December 2023. She has been an Independent Non-Executive Director of Danone Group Plc during April 2015-April 2023 and Chair of the Corporate Social Responsibility Committee.

Ms Timuray holds a degree in business administration from Bogazici University in Istanbul.

Ms Timuray's appointment to the Board commenced on 29 March 2023.

Former Directors

Arlene Tansey
Former Independent Non-Executive Director

Ms Tansey was appointed to the Board from 13 July 2020 and was the Chairman of the ARC and a member of the RGC and NC until her retirement on 21 October 2024.

Company Secretary

Trent Czinner was appointed Company Secretary of the Company on 26 March 2021. Mr Czinner holds a Bachelor of Law and Administration from the University of Newcastle, was admitted as a Solicitor in New South Wales in 1995 and has a Master of Business Administration from the Australian Graduate School of Management. Mr Czinner is also a Certified member of the Governance Institute of Australia.

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Directors' shareholdings

The relevant interest of each director in the shares and options over such instruments issued by the companies within the Group and other related bodies corporate, as notified by the Directors to the Australian Securities Exchange in accordance with section 205G of the Corporations Act 2001, at the date of this report is disclosed in the Remuneration Report.

Directors' meetings

The number of Board and Committee meetings held during the financial year and the number of meetings attended by each of the Directors as a member of the Board or relevant Committee were as follows:

DIRECTORS	BOARD MEETINGS		AUDIT & RISK COMMITTEE MEETINGS		REMUNERATION AND GOVERNANCE COMMITTEE MEETING		NOMINATION COMMITTEE MEETING	
	A	B	A	B	A	B	A	B
Canning Fok	12	12	-	-	-	-	-	-
Iñaki Berroeta	12	12	-	-	-	-	-	-
Paula Dwyer[1]	1	1	1	1	2	2	2	2
Pierre Klotz	12	12	4	4	-	-	-	-
Robert Millner	12	12	-	-	-	-	-	-
Antony Moffatt	12	12	-	-	-	-	-	-
Helen Nugent	12	12	4	4	4	4	2	2
Frank Sixt	12	11	-	-	4	2	2	2
Arlene Tansey[2]	11	11	3	3	2	2	-	-
Jack Teoh	12	11	-	-	-	-	-	-
Serpil Timuray	12	12	-	-	-	-	-	-

NOTE:
A: Number of meetings held while a member.
B: Number of meetings attended.

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[1] Appointed to the Board on 21 October 2024.
[2] Retired from the Board on 21 October 2024.

Directors' report | Other information

Principal activities

The principal activity of the Group is the provision of telecommunications services to consumers, business, enterprise, government and wholesale customers in Australia. There was no significant change in the nature of this activity during the financial year.

Significant changes in the state of affairs

In the opinion of the Directors, aside from matters disclosed in the Operating and Financial Review ('OFR') section of the Annual Report and the Financial Report, there have been no significant changes to the state of affairs of the Company during the financial year.

Review of operations

The OFR on pages 6 to 30 provides details relating to the Group's operations and results for the financial year.

Likely developments

The OFR provides details relating to the Company's business strategies and prospects for future financial years. This information in the OFR is provided to assist with informed decision making of shareholders.

Events subsequent to reporting date

Other than the matters described elsewhere, the Directors are not aware of any matter or circumstance that has arisen after the reporting date that, in their opinion, has significantly affected, or may significantly affect:

(i) the operations of the Company and of the Group in future financial years, or

(ii) the results of those operations in future financial years, or

(iii) the state of affairs of the Company and of the Group in future financial years.

Corporate Governance

The Board of Directors and management of TPG Telecom recognise the importance of, and are committed to, achieving high corporate governance standards. Our key Corporate Governance materials including policies, code of conduct and Board and Board Committee Charters, can be found in the Corporate Governance section of our website within the Investor Relations section. In accordance with the 4th edition of the ASX Corporate Governance Council's Principles and Recommendations, the Company's Corporate Governance Statement, as approved by the Board, is published and available on the TPG Telecom website at tpgtelecom.com.au/investor-relations.

Legal and compliance

Environmental and sustainability

TPG Telecom seeks to comply with all laws and regulations relevant to its operations.

This includes obligations under the *National Greenhouse and Energy Reporting Act 2007*, which requires the Company to report its Australian greenhouse gas emissions, energy consumption and energy production on an annual basis to the Clean Energy Regulator.

During the financial year, there have been no claims against TPG Telecom in respect of a breach of environmental regulation.

For more information on environmental performance, including environmental regulation, see the Sustainability Report on page 18.

More information on TPG Telecom's approach to Sustainability is available online at tpgtelecom.com.au/sustainability.

Proceedings on behalf of the Company

TPG Telecom is not aware of any proceedings that have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

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Employees and Work Health and Safety (WHS)

TPG Telecom manages varied levels of inherent risk within its work health and safety management systems. These risks are both direct and indirect in nature including from mobile and fixed network deployment, inappropriate behaviour from the public towards our retail employees, employee wellbeing and associated risks within the Company's facilities, products and services. The Company adopts a risk-based approach to how it actively monitors and manages its obligations and is aware that any failure to manage these risks could cause harm to its people, partners or members of the public. The Company will continue to evolve its approach to WHS in 2025 as it further embeds a consistent approach to systems, monitoring and compliance.

Indemnification and insurance of officers and directors

Indemnification

TPG Telecom has agreed to indemnify all directors of the Company, on a full indemnity basis and to the full extent permitted by law, against all losses or liabilities (including all reasonable legal costs, charges and expenses) incurred by the director as a director or officer of the Company or a related body corporate of the Company.

Insurance policies

The Company maintains directors' and officers' liability insurance for the benefit of persons defined in the policy, which includes current and former directors and officers, including senior executives of the Company and directors, senior executives and secretaries of its controlled entities to the extent permitted by the Corporations Act 2001. The terms of the insurance contract prohibit disclosure of the premiums payable and other terms of the policies.

Auditor indemnity

The Company has agreed to reimburse its auditors, PricewaterhouseCoopers ('PwC'), for any liability (including reasonable legal costs) incurred by PwC in connection with any claim by a third party arising from the Company's breach of the audit agreement between the Company and PwC. The reimbursement obligation is subject to restrictions contained in the Corporations Act 2001. No payment has been made to indemnify the auditors during or since the end of the financial year.

Non-audit services

During the financial year, PwC, the Company's auditor, has been engaged to perform assurance services in addition to their statutory audit services. Details of the amounts paid to PwC for audit and assurance services provided during the year are set out in Note 30 of the financial statements.

The Board of Directors, in accordance with advice provided by the Audit & Risk Committee, is satisfied that the provision of the assurance services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of assurance services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all assurance services have been reviewed by the Audit & Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*.

Auditor's independence declaration

A copy of the auditor's independence declaration, as required under section 307C of the Corporations Act 2001, is set out on page 76.

Rounding of amounts

The Company is of a kind referred to in the *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* dated 24 March 2016 and, in accordance with that instrument, all financial information presented in the consolidated financial statements and Directors' Report has been rounded to the nearest million dollars, unless otherwise indicated.

Remuneration Report

The Board of TPG Telecom is pleased to present its 2024 Remuneration Report.

TPG Telecom is on a journey to become Australia's best telco for customers, employees, and shareholders. While that journey remains a work-in-progress, significant progress is being made.

Our approach to fixed remuneration, short-term incentive (STI), and long-term incentive (LTI) reflects that strategy, with a disproportionate emphasis being placed on aligning the interests of employees and shareholders, while recognising the importance of customers.

Fixed Remuneration

Fixed remuneration provides executives with a market-competitive cash payment, consisting of a base amount and superannuation, benchmarked against companies of relatively comparable size and complexity. For 2024, based on 2023 data, the benchmark used was ASX 21-60 and ASX 31-70. That resulted in the three ongoing KMP (including the CEO) receiving a base pay increase of 3% (less than the rate of inflation). For 2025, based on 2024 data, the benchmark used was ASX 31-70. From 1 March 2025, the base pay for the CEO will increase by 2.5% (less than the rate of inflation), while two Other Executive KMP will receive increases of 2.5% and 3.5% respectively.

STI

The metrics which determine TPG Telecom's STI reflect the drivers of the Company's performance. Any payment must meet an initial financial, risk and individual behaviour gateway, before a payout is determined based on both a balanced Company scorecard (80%) and an individual's scorecard (20%). The Company's scorecard comprises financial metrics representing 60% (Total Service Revenue 20%, Operating Free Cash Flow 15%, and EBITDA 25%), along with 10% each for a customer NPS measure, and 10% for an employee culture measure. This approach highlights the importance of shareholders, customers and employees in determining STI.

Based on these metrics, for FY24, the achievement at maximum for the Company's balanced scorecard was 74.38%. When combined with the individual scorecard, the CEO's payout as a percent of maximum was 78.03%. 50% of the CEO's individual scorecard was based on the transformative delivery of the regional network sharing arrangement, providing significant benefits for customers and shareholders alike.

While 50% of the STI payment to the CEO and Other KMP is paid in cash, further alignment with shareholders is created by the other 50% being made in Deferred Share Rights (DSRs), paid in equal tranches over one and two years. Approval for the CEO's DSRs will be sought at the 2025 AGM.

In 2025, the same set of metrics, as for 2024, will be used in the Company balanced scorecard, with the STI percentage opportunity for the CEO and all but one KMP remaining consistent between 2024 and 2025. The Board will retain discretion to alter the STI as it deems appropriate as a result of potential changes in the business from the fibre network infrastructure assets transaction.

LTI

Feedback from shareholders in 2023 resulted in the two LTI financial hurdles being changed to Return on Invested Capital (ROIC) and Earnings per Share (EPS). Particularly in a capital intensive business such as telecommunications, these two metrics are key drivers of returns to shareholders. These two measures were used in 2024 and will be used again in 2025, with the specific challenge in each hurdle being adjusted each year. As requested by shareholders and proxy advisors, additional disclosure has been provided.

For the 2025 LTI Plan, the ESG hurdle, weighted at 10% in the 2024 LTI Plan has been removed and the weightings of the EPS and ROIC hurdles have increased to 50% each. Management remain committed to renewables and ESG hurdles related to renewables remain in the 2023 and 2024 LTI Plans, covering the period to 31 December 2026.

The Board will retain discretion to alter the 2023, 2024 and 2025 LTI Plans as it deems appropriate as a result of potential changes in the business from the fibre network infrastructure assets transaction.

At the 2024 AGM, shareholders approved the allocation of $3,090,000 in Performance Rights to the CEO, representing 150% of his base salary, vesting after three years and subject to performance hurdles. At the 2025 AGM, approval from shareholders will be sought for an allocation of $3,167,250 representing 150% of the CEO's 2025 base salary, vesting after three years subject to the achievement of the hurdles as above.

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Performance and Retention Rights Plan

In 2024, as foreshadowed and made clear in the 2023 Remuneration Report, a **one-off** performance rights retention plan was implemented for the CEO and ongoing Executive KMP. This decision was taken by the TPG Telecom Board given the significant changes occurring in senior executive roles in other telecommunications companies. While the Board recognised the potential adverse reaction of proxy advisors to any form of retention scheme, the Board was strongly of the view that retaining the executive team was in shareholders' interests. A grant of Performance and Retention Rights for the CEO valued at $2,060,000 was approved by shareholders at the 2024 AGM.

Vesting of Earlier LTI Plans

As indicated in the 2024 Remuneration Report, the hurdles for the 2021 LTI Plan were not met and the shares allocated under that plan lapsed in March 2024.

25.25% of the shares allocated under the 2022 LTI Plan will vest in March 2025. The relative TSR hurdle, representing 50% of the hurdle, was not met. 50.5% of the Operating Free Cash Flow Hurdle was met. The metrics for both are outlined in the body of this Remuneration Report, in keeping with the undertaking previously given by the Board to shareholders.

Governance

A change in the membership of the Remuneration and Governance Committee (RGC) occurred after Ms Paula Dwyer joined the board as an Independent Director following the retirement of Ms Arlene Tansey.

The RGC is comprised of a majority of independent directors and is chaired by Dr Helen Nugent AC, who is the Senior Independent Director.

An increase in the base Board fee for the two independent directors was approved by the Board in 2023, as was an increase in the fee for the Chairman and members of the Audit and Risk Committee, and the Senior Independent Director. No changes are proposed for 2025.

The independence of the RGC is rigorously maintained and conflicts of interest are assiduously managed.

Table of Contents

1	2024 Remuneration Report	44
2	Key Management Personnel (KMP)	44
3	Remuneration Approach	45
4	Fixed Remuneration	46
5	Short Term Incentive	47
6	2024 Long Term Incentive Plan	56
7	2024 Performance Rights Retention Plan	59
8	2022 Long Term Incentive Plan	60
9	Total Remuneration Outcomes 2024	61
10	Minimum Shareholding Requirements	63
11	Looking forward to 2025	63
12	Remuneration Governance	64
13	Appendices (Statutory Tables)	68

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1. 2024 Remuneration Report

This report covers the period 1 January 2024 to 31 December 2024 (FY24) and shows how TPG Telecom Limited's ('TPG Telecom', 'the Company') remuneration approach supports short and longer-term alignment with the performance of the Company for the benefit of shareholders.

2. Key Management Personnel (KMP)

KMP have the authority and responsibility for planning, directing and controlling the activities of TPG Telecom, directly or indirectly; the organisation's operating activities; and its financial performance. This includes Non-Executive Directors. However, while Non-Executive Directors are classified as KMP, they are not Executives. For 2024 the CEO, Executive and Non-Executive KMP were as follows:

2.1.1 CEO and Other Executive KMP

EXECUTIVE KMP	ROLE	TERM AS KMP[1]
Iñaki Berroeta	Chief Executive Officer and Managing Director	Full year
John Boniciolli	Group Chief Financial Officer	Full year
Kieren Cooney	Group Executive Consumer	Full year
Jonathan Rutherford	Group Executive Enterprise, Government and Wholesale	Full year
Vanessa Hicks	Group Executive Customer and People Experience	Commenced 28 March 2024
Ana Belea[2]	Group Executive Customer Operations and Shared Services	Ceased 28 March 2024

1. If an Executive KMP did not serve as KMP for the full year, remuneration information disclosed in this report is from the date they commenced as KMP in FY24 or to the date they ceased as KMP in FY24.
2. Ana Belea, formerly known as Ana Bordeianu.

2.1.2 Non-Executive KMP

NON-EXECUTIVE KMP	ROLE	TERM AS KMP[1]
Canning Fok	Non-Executive Director and Chairman	Full year
Pierre Klotz	Non-Executive Director	Full year
Robert Millner	Non-Executive Director	Full year
Antony Moffatt	Non-Executive Director	Full year
Helen Nugent	Independent Non-Executive Director & Senior Independent Director	Full year
Frank Sixt	Non-Executive Director	Full year
Jack Teoh	Non-Executive Director	Full year
Serpil Timuray	Non-Executive Director	Full year
Paula Dwyer	Independent Non-Executive Director	Commenced 21 October 2024
Arlene Tansey	Independent Non-Executive Director	Ceased 21 October 2024

1. If a Non-Executive KMP did not serve as KMP for the full year, remuneration information disclosed in this report is from the date they commenced as KMP in FY24 or to the date they ceased as KMP in FY24.

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3. Remuneration Approach

TPG Telecom's Remuneration Framework is designed to support the Company's overall purpose, strategic ambition and its remuneration principles. The Remuneration Approach aligns with the Company's guiding principles, purpose and values. They are governed by the Board, independent from management, to ensure that the design and implementation of the framework strikes an appropriate balance between the interests of Executives and shareholders.

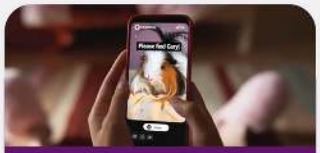
3.1 Remuneration Framework

Our purpose

To build meaningful relationships and to support vibrant, connected communities.

Our guiding principles

Run networks smarter



Invigorate brands and services

Make it easy for customers

Become faster, simpler and stronger

Our values

- Stand together
- Own it
- Simple's better
- Boldly go

Our remuneration principles

Aligned with shareholders
over the short and longer term, to generate superior returns and to meet the expectations of the customers we serve and the communities in which we operate.

Competitive and motivating
to attract and retain skilled Executives and incentivise high performance, while managing risks.

Generate superior returns
for the benefit of shareholders over both the short and longer term.

Supporting sustainable investment
in fast, reliable and innovative technology that creates value for customers and shareholders.

Remuneration governance

The independence of the Board from management is maintained in the design and implementation of remuneration outcomes, while balancing the interests of Executives and shareholders.

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3.2 2024 Remuneration Structure

The remuneration structure has three components, namely Fixed Remuneration, Short-Term Incentives and Long-Term Incentives, along with a minimum shareholding requirement. The structure is designed with consideration for each individual remuneration component, as well as the total remuneration opportunity and mix for Executives.

3.2.1 Remuneration Structure

COMPONENT	DESCRIPTION
Fixed remuneration	Provides competitive remuneration in recognition of an Executive's skills, experience and accountability to deliver value to customers and shareholders. Fixed remuneration is benchmarked to the median of the relevant ASX peer group, which is reviewed annually.
Short Term Incentive (STI)	Rewards the delivery of key strategic objectives in line with the annual strategy of TPG Telecom, delivering returns today with a view to the achievement of longer-term goals. Provides an annual assessment of Group financial, non-financial and individual performance. Delivered equally in cash and Deferred Share Rights (DSRs) which are deferred equally over one and two years.
Long Term Incentive (LTI)	Rewards the delivery of longer-term strategic objectives in line with creating sustainable shareholder value to provide alignment between Executive reward and shareholders' interests. Assessed over a three-year period based on key drivers of returns to shareholders. Granted as share performance rights which are subject to hurdles.

Further information on the total remuneration approach, as well as each remuneration component, is provided in Sections 4, 5 and 6 of this report.

4. Fixed Remuneration

Fixed Remuneration is set at levels that are competitive to market to attract, motivate and retain individuals. It comprises base salary and superannuation.

In setting Fixed Remuneration for 2024, comprehensive analysis was undertaken in 2023, using data from 2023, across the ASX 21-60 and ASX 31-70 peer groups. Peer groups were selected after careful consideration of the Company's position within the ASX at that time. Exclusions to the peer set were made for significant outliers, where relevant data was not available or where the ownership structure or the nature of the operation were not comparable to that of TPG Telecom.

In addition to benchmarking, the Remuneration and Governance Committee (RGC) recommendations to the Board considered role size, complexity, internal relativities, inflation and movement in market position, as well as comparable telecommunications companies.

The table below sets out the annual remuneration for Executive KMP who held this role at the end of the financial year.

4.1.1 Annual Fixed Remuneration

EXECUTIVE KMP	ROLE	BASE SALARY[1]	SUPERANNUATION[2]
Iñaki Berroeta	Chief Executive Officer and Managing Director	$ 2,060,000	$ 29,932
John Boniciolli	Group Chief Financial Officer	$ 870,000	$ 29,932
Kieren Cooney	Group Executive Consumer	$ 973,350	$ 29,932
Vanessa Hicks[3]	Group Executive Customer and People Experience	$ 810,000	$ 29,932
Jonathan Rutherford	Group Executive Enterprise, Government and Wholesale	$ 808,962	$ 29,932

1. Represents the annual base salary effective 1 March 2024, which is the effective date of any increase in base salary where applicable.
2. Superannuation is based on the statutory maximum superannuation contribution base. Actual superannuation paid is as indicated in Table 4.1.2.
3. Vanessa Hicks commenced her role as KMP on 28 March 2024 which is the effective date for this salary. The table above represents fixed remuneration for a full year in this role.

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The table below sets out the CEO's and Other Executive KMPs' actual Fixed Remuneration received for 2024, for those who held the role as at 31 December 2024.

4.1.2 Actual Fixed Remuneration

EXECUTIVE KMP	ROLE	TERM AS KMP	ACTUAL FIXED REMUNERATION (INCLUDING SUPERANNUATION)[1,2,3]	
Iñaki Berroeta	Chief Executive Officer and Managing Director	Full year	$	2,078,666
John Boniciolli	Group Chief Financial Officer	Full year	$	898,666
Kieren Cooney	Group Executive Consumer	Full Year	$	997,291
Vanessa Hicks[4,5]	Group Executive Customer and People Experience	Commenced 28 March 2024	$	630,992
Jonathan Rutherford	Group Executive Enterprise, Government and Wholesale	Full year	$	833,700

1. For the relevant term as Executive KMP as per the dates detailed in Table 2.1.1.
2. Superannuation has been calculated based on the statutory maximum superannuation contribution base.
3. Increases to base salary are effective 1 March each year. Where there has been an increase to base salary, the actual fixed remuneration represents 2 months on the prior base salary and 10 months on the new base salary.
4. Increase to base salary was effective 28 March 2024 upon commencement as KMP.
5. Includes an additional $500 superannuation payment related to TPG Telecom's Super Bump program where all female employees with over 12 months tenure are provided an additional $500 superannuation payment annually.

5. Short Term Incentive

The Short-Term Incentive (STI) plan is designed to reward Executives for their contribution to the achievement of TPG Telecom's annual performance targets, creating value for today and into the future. To ensure alignment between Executive performance and shareholder value, the STI plan is designed:

- with an STI opportunity set competitively to market, comprised of equal components of cash and deferred equity, with the latter being paid over two years. Deferred equity reinforces alignment with shareholders;
- to be paid only after gateway requirements are met based on the Company's financial performance and risk management, as well as individual behaviour;
- for the majority of the award to be measured on achievement of TPG Telecom's balanced scorecard targets, which are based on the key drivers of the Company's operating performance; and
- with conditions regarding cessation of employment that align with shareholders' interests.

5.1 STI Opportunity

For 2024, the target and maximum STI opportunities for Executive KMP was as follows:

5.1.1 2024 Target and Maximum STI opportunity

KMP	OPPORTUNITY AT TARGET ACHIEVEMENT	OPPORTUNITY AT MAXIMUM ACHIEVEMENT
CEO	110% of Base Salary	165% of Base Salary
Other Executive KMP	75% of Base Salary	112.5% of Base Salary

The STI opportunity was established by comparing incentive remuneration to a peer group made up of relevant ASX 21-60 and 31-70 companies, using data from 2023. The peer companies were selected after careful consideration of the Company's position within the ASX at that time. Exclusions to the peer set were made for significant outliers, where relevant data was not available or where the ownership structure or the nature of the operation were not comparable to that of TPG Telecom.

The target and maximum STI opportunity were set with reference to the median target remuneration of this peer group. Where STI maximum information was unavailable, the maximum was set with reference to the 75th percentile of remuneration for the peer group.

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To achieve a payment at the STI maximum, performance needs to have met or exceeded a set of performance measures on the balanced scorecard. Each performance measure is assessed against threshold, target and maximum performance, with a pro rata being applied for achievement falling between each level.

- **Threshold** – represents the minimum level of performance which will result in the payment of any STI in relation to the performance measure.
- **Target** – represents performance which meets the target for the performance measure based on the annual target set by the Board.
- **Maximum** – represents performance which exceeds the target and delivers superior outcomes.

The application of the three levels of performance is shown below.

The size of the STI pool is determined based on the specific outcomes of the STI scorecard measures, capped by the maximum available to an individual Executive KMP.

5.2 STI Deferred Share Rights and Conditions

STI is awarded in cash and Deferred Share Rights (DSRs), which are rights over TPG Telecom ordinary shares.

The cash component of 50% of the overall award is paid to Executives following the end of the one-year performance period. This cash payment is in recognition of the Executive's contribution to the annual performance of TPG Telecom.

The remaining 50% is awarded as DSRs and is restricted in equal amounts over one-year and two-year periods. The number of DSRs awarded is based on the face value of the volume weighted average share price (VWAP) of TPG Telecom's ordinary shares over the five working days following the announcement of the annual results. As these DSRs are restricted over one-year and two-year periods, the outcome for Executives aligns with that of the Company's shareholders.

DSRs are granted at no cost to the Executive KMP and no dividend is payable on any unexercised DSRs. Shares are typically purchased on market, with this being the case in 2024. Exercise of DSRs is automatic on vesting and there is no exercise price.

The STI plan is also aligned with shareholders' interests in the event that an Executive KMP ceases employment with TPG Telecom. Upon leaving, the STI is treated in the following way:

- STI will be forfeited if an Executive KMP resigns before the payment date, subject to the special circumstances outlined below.
- Unvested DSRs will also be forfeited if the Executive KMP resigns before the vesting date, subject to the special circumstances outlined below.
- In special circumstances, (including redundancy, retirement, death or total and permanent disability or as otherwise agreed), the below treatment may apply:

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- In limited circumstances, cash STI may be awarded pro rata on termination. Where business performance is yet to be determined for the period, outcomes will reflect at target performance. Where business performance has been determined, this result will be used along with an assessment of individual performance.
- Unvested DSRs that have been allocated may be retained on cessation of employment, subject to the existing terms and conditions of the award. This process will only apply if the Executive KMP is employed at the date DSRs are allocated by the Board.

In circumstances where there may be a change of control, DSRs will be subject to the existing terms and conditions of the award and the exercise of Board discretion.

To further align the STI plan with shareholders, DSRs are subject to a hedging condition, meaning that Executives cannot enter into any arrangement that limits the economic risk of unvested DSRs. The STI plan is also subject to a malus condition. In cases where an Executive KMP acts fraudulently or dishonestly or is in breach of their obligations to TPG Telecom, any eligibility for STI or unvested DSRs will lapse.

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5.3 Awarding STI

In determining STI outcomes, subject to the exercise of the Board's discretion, TPG Telecom considers a number of factors including:

- Gateway Assessment;
- Company Performance Assessment against the balanced scorecard and targets; and
- Individual Performance Assessment

Gateway Assessment

An initial gateway assessment occurs to determine whether STI awards should be payable to the Executive KMP. The purpose of this gateway assessment is to determine, as a group and then as an individual, whether the overall financial performance of TPG Telecom has been met; that the Executives have appropriately managed risk; and that their individual behaviour has been considered.

5.3.1 Gateway Assessment Description

ASSESSMENT LEVEL	GATEWAY	DESCRIPTION
Assessed at a group level	Financial	Sets minimum financial performance aligned with shareholder interests. It is assessed by the RGC and the Board at year end. The assessment considers whether performance falls significantly below the threshold level for the key financial STI measures in the balanced scorecard. In 2024 they were Service Revenue, EBITDA and OFCF.
	Risk	Defines appropriate management of financial, operational and reputational risks in the generation of returns. It is assessed by the Board, following input from the RGC, at the end of the financial year. The assessment considers key risks such as environmental incidents, network incidents affecting services, anti-competitive conduct or fraud. Reputational risks, data security, cost management and significant declines in employee engagement are also considered.
Assessed at an individual level	Behaviours	Assesses alignment of demonstrated behaviours with the organisation's purpose and culture. This is assessed by the Board at the end of the financial year, with input where applicable from the CEO, subject to managing conflicts of interest. The assessment includes potential code of conduct and contract breaches.

Balanced Scorecard and Targets

A balanced scorecard is set each year, with consideration given to the key drivers of TPG Telecom's annual operating performance. These metrics are common in the telecommunications industry. The 2024 scorecard measures, which support TPG Telecom's strategic priorities, are key drivers of short-term performance and are linked to shareholder value as outlined in Table 5.3.2.

5.3.2 STI Measure Alignment to Shareholder Value and Company Strategy

PERFORMANCE MEASURE	ALIGNMENT TO SHAREHOLDER VALUE AND COMPANY STRATEGY
Total Service Revenue	Drives TPG Telecom's strategic focus on growing scale, market share and the value of customer relationships. Reflects changes in both subscriber numbers and pricing.
Operating Free Cash Flow (OFCF)	Drives TPG Telecom's strategic focus on capital efficiency and is a proxy for recurring cash generated and which is available to shareholders prior to the impact of bank borrowings. Excludes payments for spectrum, which tend to be large, uneven, and non-recurring year to year.
EBITDA	Recognises the principal metric of recurring ongoing operating profit across the telecommunications sector in Australia, capturing benefits of operating cost outcomes as well as gross margin growth. Excludes the accounting impact of depreciation and amortisation, which can fluctuate year to year subject to the stage of the investment cycle and material one-off costs.
Customer Net Promoter Score (NPS)	Aligns to TPG Telecom's business strategy by measuring the nature of the customer experience, with a view to minimising churn and accelerating revenue growth.
Employee Experience – Values Alignment Index	Supports TPG Telecom's strategic goal of driving a high performing, values-based culture. The Values Alignment Index measures the extent to which the four values, outlined in Section 3.1, are demonstrated in the everyday experience of employees as well as the consistency of the culture across the organisation. This is a tailored index, measured by an employee survey.

Setting Performance Targets

Targets for the STI plan are set considering TPG Telecom's strategy and prior year performance. Table 5.4.3 outlines the 2024 target relative to the 2023 outcome.

Individual performance assessment

The individual component represents 20% of the total STI payment at target. The RGC, with input from the CEO, reviews and assesses each Executive KMP's performance relative to their individual goals. For the CEO, the assessment is completed by the RGC and the Board. Information on the CEO's and Executive KMP's individual performance assessment is outlined in Section 5.5.

5.4 2024 STI Assessment, Achievement and Outcomes

The Board reviewed and assessed the extent to which the Group's financial and risk gateways as outlined in Table 5.4.1 had been achieved. The Board also assessed the individual behavioural gateway for the CEO and Other Executive KMP and concluded that all had met the behavioural gateway for the STI plan.

5.4.1 2024 STI Gateway Assessment

ASSESSMENT LEVEL	GATEWAY	ASSESSMENT	GATEWAY OUTCOME
Assessed at a group level	Financial	Minimum financial performance has been met and TPG Telecom paid dividends to shareholders at 9 cents per share in April and October 2024. A final dividend of 9 cents was declared for FY24.	Achieved
	Risk	Appropriate risk management processes and controls have been put in place to manage risk within the business. Incidents have been appropriately managed to limit impacts on the business and customers.	Achieved
Assessed at an individual level	Behaviours	Behavioural standards were met.	Achieved

STI outcomes were calculated based on the achievement against TPG Telecom's 2024 STI balanced scorecard targets. A description of the business performance measures, targets, and an assessment of the achievement against these targets is detailed in Table 5.4.2.

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5.4.2 2024 STI Balanced Scorecard Assessment

TOTAL SERVICE REVENUE (20%)

Measures recurring revenue generated from the provision of telecommunications services excluding handset, accessory, and other hardware revenue.

The Total Service Revenue outcome for 2024 was $4,701.7 million resulting in an STI payment outcome between threshold and target. The result delivered growth of 1.5% compared to the prior year, predominantly from strong growth in mobile of 5.4% resulting from ARPU improvement due to plan refreshes and subscriber growth in Prepaid, partially offset by a reduction in fixed products revenue.

OPERATING FREE CASH FLOW (OFCF) (15%)

Measures cash flow from operations less non-spectrum related capex, finance lease repayments and finance lease interest (within cash flow from financing activities). It does not include payments for spectrum, bank interest costs, dividends or any loan payments/drawdowns. For FY24, as disclosed throughout the year, OFCF includes transformation costs but excludes material one-offs arising from transactions, restructuring, mergers and acquisitions, disposals, impairments and any such items as approved by the Board[1].

On this basis, the OFCF outcome for 2024 was $671.9 million, resulting in an STI payment outcome at maximum. This outperformance was driven by better working capital management through an improvement in handset debtors and lower capital expenditure.

1. $22.1 million material one-offs are excluded from OFCF, consistent with the $25.9 million excluded from EBITDA, adjusted for $3.8 million of working capital. The MOCN impairment has no cash impact.

EBITDA (25%)

Measures earnings after operating costs and before charges for depreciation and amortisation, interest, and tax. As noted in the FY23 Remuneration Report and guidance throughout the year, it includes transformation costs (which were excluded from the EBITDA definition in 2023) but excludes material one-offs arising from transaction, restructuring, mergers and acquisitions, disposals, impairments and any such items as approved by the Board.

The EBITDA outcome, which is calculated as Statutory EBITDA excluding material one-offs of $275.7 million was $1,987.7 million, resulting in a payment outcome between target and maximum.[1]

The STI result of $1,987.7 million delivered growth of 3.4% compared to the prior year on a comparable basis. This was driven by a 3.5% increase in Gross Margin predominantly from Mobile products, which achieved increased Service Revenue of 5.4%. The increase in Gross Margin was partially offset by a 3.7% increase in opex.

1. Material one-offs excluded from EBITDA were a $249.8 million impairment and other charges for mobile network assets arising from the MOCN transaction as a result of which assets no longer required will be decommissioned. There was a further $25.9 million of exclusions, including $6.2 million of restructuring redundancy costs, and $19.7 million of transaction costs relating to the proposed sale of fibre network infrastructure assets and Fixed EGW business and Optus MOCN commercial agreements and the separation costs associated with the fibre network infrastructure assets transaction. This is in line with disclosures in the FY23 Annual Report and guidance throughout the year.

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CUSTOMER NPS (10%)

Measures the NPS for each brand, calculated using the average of the scores across each month of the year. Threshold was set based on the FY23 results. The 2024 outcome for each brand was above maximum performance, which indicates strong management of the customer base despite ongoing cost of living pressures, which are impacting customer sentiment. Plan changes implemented for all brands in the first half of 2024 dampened NPS results in that period. However, all brands recovered quickly to achieve strong results in the second half. The NPS outcome by brand is shown below.

Vodafone (5%)

TPG (2.5%)

iiNet (2.5%)

EMPLOYEE EXPERIENCE - VALUES ALIGNMENT INDEX (10%)

The index score is based on 16 values-based questions contained within the TPG Telecom culture survey. There are four questions for each of TPG Telecom's values: Stand Together, Own It, Simple's Better and Boldly Go. The questions evaluate the extent to which each value is demonstrated in the everyday experience of employees, and measures themes including accountability, respect at work, collaboration, communication, simplicity, innovation, career opportunities and TPG Telecom's strategy.

The result for 2024 was 73, which equates to an outcome at threshold. This was a positive result given the ambiguity that existed for employees following organisational changes to reduce employment cost in the third quarter, combined with the media speculation about the sale of the fibre infrastructure assets and Enterprise, Government and Wholesale Fixed business prior to its announcement in October 2024.

Based on the 2024 STI balanced scorecard assessment, the overall Company performance outcome is summarised in Table 5.4.3 as a percentage of both target and maximum.

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5.4.3 2024 STI Payment Outcome Percentages Against Target and Maximum

PERFORMANCE MEASURES	WEIGHTING	FY23 OUTCOME[1]	THRESHOLD	TARGET	MAXIMUM	ACTUAL	PAYOUT VS TARGET	PAYOUT VS MAXIMUM	WEIGHTED % PAYOUT
Total Service Revenue	20%	$4,632m	$4,300.2m	$4,778m	$5,255.8m	$4,701.7m	92.02%	61.34%	18.40%
Operating Free Cash Flow	15%	$197.6m[2]	$427.8m	$534.8m	$641.8m	$671.9m	150.00%	100.00%	22.50%
EBITDA	25%	$1,923m[3]	$1,923m	$1,974m	$2,025m	$1,987.7m	113.43%	75.62%	28.36%
Customer NPS measure	5% Vodafone	13	15	17	19	21	150.00%	100.00%	7.50%
	2.5% TPG	10	10	12	14	15	150.00%	100.00%	3.75%
	2.5% iiNet	12	12	13	14	17	150.00%	100.00%	3.75%
Employee culture measure	10%	73 [4]	73	74	75	73	50.00%	33.33%	5.00%
								Total achievement out of Company performance at target (80%)	**89.26%**
								Total achievement out of Company performance at maximum (120%)	**74.38%**

1. 2023 outcomes are detailed on a comparable basis to the calculation of the 2024 target. The footnotes below detail where the 2023 STI outcome reported in the 2023 Remuneration Report differs.
2. The 2023 outcome of $197.6m has been calculated on the same basis as the target and outcome for 2024 to exclude the negative impact of transaction costs ($31m). Without this change, the 2023 outcome was $166.5m.
3. The EBITDA outcome for the 2023 STI Plan was $1,929.9m as it excluded transformation costs of $38.3m but included transaction costs of $31m. If this number is adjusted on the same basis as for 2024, the 2023 outcome would be $1,923m (the difference between $38m and $31m).
4. The Employee culture measure outcome for the 2023 STI Plan was 77, based on both the Australian workforce and workforce in the Philippines. Following the change in operations in Manila, the 2024 target was set based on the Australian workforce only which in 2023 was 73.

2024 CEO Individual STI Outcome

The final 20% of the STI measure is based on an individual performance assessment against measures aligned to TPG Telecom's strategic objectives.

In addition to the Company's STI scorecard performance and the STI gateway assessment, the CEO's performance was assessed against individual specific objectives approved by the Board as outlined in Table 5.5.1. The objectives reflected the guiding principles outlined earlier in Section 3.1 and the strategic priorities of the Company. Given the significant strategic importance of the MOCN regional network sharing arrangement, expansion to accelerate mobile subscriber growth through an increased addressable market, the performance objective related to network sharing was weighted at 50%, with all other performance objectives evenly weighted across the remaining 50%.

The RGC and Board assessed the CEO's performance, which was supported by a stewardship report. The outcome of this assessment is outlined in Table 5.5.2 and the CEO's total STI outcome, based on both Company performance and individual achievement, is outlined in Table 5.5.3. The value of the deferred component of the award will be subject to movements in the share price at vesting.

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5.5 2024 Individual Executive Assessment

5.5.1 2024 CEO STI Performance Objectives

PERFORMANCE OBJECTIVES	INDIVIDUAL PERFORMANCE MEASURE	THRESHOLD	TARGET	MAXIMUM
Successful execution of infrastructure/ network sharing strategies	TPG gains regulatory approval for the regional network expansion	No achievement below Target	TPG gains regulatory approval and announces the regional network expansion	That the regional network expansion implementation has commenced
Deliver simplification program to reduce complexity and enhance customer experience	Measured by the reduction of Consumer 'front book' products.	54% reduction (2,000 plans) in the number of products in the 'back book' for Consumer[1]	67% reduction (2,500 plans) in the number of products in the 'back book' for Consumer	81% reduction (3,000 plans) in the number of products in the 'back book' for Consumer
	Measured by the decommissioning EGW legacy products and platforms	Decommissioning six EGW legacy products and platforms	Decommissioning seven EGW legacy products and platforms	Decommissioning eight EGW legacy products and platforms
Enhance network experience	Measured by the delivery of additional 5G sites	Deliver 600 additional 5G sites	Deliver 650 additional 5G sites	Deliver 700 additional 5G sites
Successful execution and delivery of growth initiatives for Consumer Mobile Postpaid and Fibre Connect customer base	Measured by the achievement of Consumer mobile postpaid margin	Achieve Consumer mobile postpaid margin of $1,380.3m	Achieve Consumer mobile postpaid margin of $1,427.8m	Achieve Consumer mobile postpaid margin of $1,475.3m
	Measured by growth in the Fibre Connect customer base	Achieve growth in Fibre Connect base to 58.3k customers	Achieve growth in Fibre Connect base to 66k customers	Achieve growth in Fibre Connect base to 77.2k customers

5.5.2 2024 CEO STI Performance Assessment

2024 CEO STI PERFORMANCE ASSESSMENT	ACHIEVEMENT AGAINST MEASURES	BOARD ASSESSMENT ON ACHIEVEMENT
Successful execution of infrastructure/ network sharing strategies	The implementation of regional network expansion received approval and commenced. It was launched commercially in January 2025, doubling TPG Telecom's mobile network	At Maximum
Deliver simplification program to reduce complexity and enhance customer experience. Measured by the reduction of Consumer 'front book' products and decommissioning EGW legacy products and platforms	69% reduction (2,546) in 'back book' products for Consumer	Between Target and Maximum
	15 EGW legacy products and platforms decommissioned	At Maximum
Enhance network experience. Measured by the delivery of additional 5G sites	Delivered 704 5G sites in 2024, TPG Telecom has a total of 3,767 5G sites	At Maximum
Successful execution and delivery of growth initiatives for Consumer Postpaid mobile and Fibre Connect customer base. Measured by achievement of Consumer product margin and growth in the Fibre Connect customer base.	Consumer mobile postpaid product margin was $1,392.3m	Between Threshold and Target
	Growth in Fibre Connect customer base to 104,459 customers	At Maximum

The assessment of the CEO's performance resulted in an outcome of 92.63% of maximum for the individual component.

5.5.3 CEO 2024 STI Outcomes

EXECUTIVE KMP	2024 STI CASH ACTUAL	2024 STI DEFERRED ACTUAL[1]	TOTAL 2024 STI ACTUAL	PERCENTAGE OF MAXIMUM
Iñaki Berroeta	$1,326,177	$1,326,177	$2,652,353	78.03%

1. Deferred equity vests in two equal tranches over one and two years.

2024 Other Executive KMP STI Outcomes

The final 20% for the Other Executive KMP STI outcome is based on an individual performance assessment. The RGC, following input from the CEO, reviewed and assessed each Executive KMP's performance relative to their individual goals, along with a review of key performance measures. This review is supported with a performance report for each Executive outlining their individual goals and key performance measures, which are set based on TPG Telecom's strategy. The assessment of Other Executive KMP STI outcomes for 2024 took into account the additional workload required of Executives due to the number of transactions undertaken during the year.

The total STI allocated for each eligible Other Executive KMP in 2024, based on both Company performance and individual achievement is outlined in Table 5.5.4. The value of the deferred component of the award will be subject to movements in the share price at vesting. It is due to vest equally over two years.

5.5.4 2024 Other Executive KMP STI Outcomes

EXECUTIVE KMP	2024 STI CASH ACTUAL	2024 STI DEFERRED ACTUAL[1]	TOTAL 2024 STI ACTUAL	PERCENTAGE OF MAXIMUM
John Boniciolli	$356,461	$356,461	$712,922	72.84%
Kieren Cooney	$380,556	$380,556	$761,112	69.51%
Vanessa Hicks[2]	$347,065	$347,065	$694,130	76.17%
Jonathan Rutherford	$331,452	$331,452	$662,904	72.84%

1. Deferred equity vests in two equal tranches over one and two years.
2. Vanessa Hicks commenced her role as KMP on 28 March 2024. The 2024 total STI above represents STI for the full year.

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6. 2024 Long Term Incentive Plan

The structure and details of TPG Telecom's Long-Term Incentive (LTI) plan are critical to creating alignment between Executives and the performance of the business over the longer term. TPG Telecom's LTI plan has evolved since the merger in 2020. The history of the LTI plans and rationale for adjustments over this time was outlined in detail in TPG Telecom's 2023 Remuneration Report.

For the 2024 LTI Plan, the hurdles remained as ROIC, EPS and ESG. No changes were made to the LTI opportunity available to Executive KMP or the CEO, which are outlined in Tables 6.1.1 and 6.2.1, and Section 6.4. Consistent with prior years, the 2024 LTI targets were set at the commencement of the LTI plan, which are outlined in Table 6.2.1.

6.1 2024 LTI Performance Hurdles

The 2024 LTI Plan hurdles, weightings, definitions and alignment to shareholder value and the longer-term strategy, of TPG Telecom are outlined in the table below.

6.1.1 2024 LTI Plan hurdles, weightings, definitions and alignment to shareholder value

2024 PERFORMANCE HURDLES AND WEIGHTINGS	DEFINITION OF HURDLE, ALIGNMENT TO SHAREHOLDER VALUE AND COMPANY STRATEGY
Return on Invested Capital[1] (ROIC) 45%	ROIC is a core metric of return for all capital deployed by TPG Telecom, noting the recent period of elevated investment to facilitate programs for 5G and IT transformation, as well as spectrum agreements, to encourage higher returns on capital. ROIC measures net operating profit after tax (NOPAT) adjusted to remove customer base amortisation and material one-offs (subject to the discretion of the Board), divided by average invested capital excluding goodwill, brand and customer base intangibles.
Earnings Per Share[1] (EPS) 45%	The EPS measure is aimed at aligning Executive incentives with growth in the value flowing directly to equity holders. EPS measures statutory net profit after tax (NPAT), adjusted by adding back customer base amortisation and material one-offs (subject to the discretion of the Board), divided by the weighted average number of shares on issue over the year.
ESG Renewable Electricity 10%	The ESG performance condition is aligned with TPG Telecom's renewable energy target, which sets a goal to power all operations with 100% renewable electricity.

1. ROIC and EPS targets exclude the impact of intangibles recognised as a result of business combinations. This treatment is consistent with market practice.

6.2 2024 LTI Plan Hurdles and Vesting Schedules

The 2024 LTI Plan has a performance period of three years, commencing 1 January 2024 and concluding 31 December 2026. The achievement against the performance hurdles is assessed after the conclusion of the performance period.

The assessment of achievement against the 2024 LTI Plan targets for all measures will be reported in the 2026 Annual Report. The Board has discretion to make downward or upward adjustments for one-off or other items as it deems appropriate, while taking into consideration the benefits or otherwise for shareholders. The 2024 LTI Plan targets have been set based on the performance forecasts for the current business. The Board will retain discretion to alter the LTI including as a result of potential changes in the business from the fibre network infrastructure assets transaction or other material one-off events.

The targets that have been disclosed aim to strike an appropriate balance between giving shareholders insight that the targets are appropriate to drive performance, while avoiding providing specific disclosure over a forward period. They are consistent with the targets outlined in the 2024 Notice of Meeting for the grant of the 2024 LTI performance rights to the CEO.

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6.2.1 2024 LTI Vesting Schedule and Targets

LTI MEASURE	TARGETS	MEETS THRESHOLD	BETWEEN THRESHOLD AND MAXIMUM	MEETS OR EXCEEDS MAXIMUM
ROIC	ROIC is measured against targets set by the Board to achieve growth over a three-year period (2024 to 2026). Performance at target is set to exceed the 2023 post-tax weighted average cost of capital (WACC) and the 2023 base year ROIC, which was 6.1%[1]. Performance at maximum would reflect a further significant improvement. ROIC is measured at the end of the performance period.	50% of rights granted vest	Straight-line pro rata vesting between 50.1% and 100%	100% of rights granted vest
EPS	EPS is measured against targets set by the Board to achieve significantly improved performance over a three-year period (2024 to 2026). The baseline EPS result in 2023 was 11.9 cents[2]. At threshold, target and maximum levels, the hurdle for the 2024 LTI Plan is equal to the 2023 LTI Plan. As such, achievement at maximum in 2026 would reflect double digit average compound annual growth against the 2023 base year. EPS is measured at the end of the performance period.	50% of rights granted vest	Straight-line pro rata vesting between 50.1% and 100%	100% of rights granted vest
ESG	All operations powered by renewable electricity by the end of the performance period. Threshold performance is reached if 90%-99.9% of all operations are powered by renewable electricity by the end of the performance period. Maximum performance is reached if 100% of all operations are powered by renewable energy by the end of the performance period.	75% of rights granted vest	Not applicable	100% of rights granted vest

1. FY23 ROIC of 6.1% reflected the exclusion of transformation costs of $26m (tax effected) from NOPAT. The definition of ROIC has subsequently been updated to include these costs within NOPAT, while continuing to exclude other material one-offs. On this basis, FY23 ROIC was 5.7%. LTI targets have not changed. Adjustment for material one-offs in the testing year for the LTI plan is at Board discretion, which if exercised would be disclosed.
2. FY23 EPS of 11.9 cents for FY23 reflected the exclusion of transformation costs of $26m (tax affected). The definition of EPS has subsequently been updated to include these costs within NPAT, while continuing to exclude other material one-offs. On this basis, FY23 EPS was 10.5 cents. LTI targets have not changed. Adjustment for material one-offs in the testing year for the LTI plan is at Board discretion, which if exercised would be disclosed.

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6.3 2024 LTI Performance Rights and Conditions

LTI is granted as performance rights that entitle participants to a fully paid ordinary share in TPG Telecom, subject to meeting performance hurdles as defined. Performance rights are granted at no cost to the participant.

The number of performance rights issued is calculated based on the face value of the volume weighted average share price (VWAP) of TPG Telecom's ordinary shares over the five working days following the announcement of the annual results.

In 2024, the five working days following the announcement of the annual results was 27 February 2024 to 4 March 2024. The VWAP for the 2024 LTI grant of performance rights was approved by the Board at $4.71 per performance right. The calculation used to determine the number of performance rights at grant for each Executive KMP was to divide their maximum LTI dollar value by the Board-approved VWAP share price. In the case of the CEO, shareholder approval was sought and obtained at the May 2024 Annual General Meeting.

Shares are typically purchased on market, which was the case in 2024. The quantity of shares purchased on market reflects the likely vesting patterns of prior share grants.

Exercise of performance rights is automatic if the hurdles are met and the shares vest. There is no exercise price. No dividend is payable on unexercised rights.

The LTI plan is also aligned with shareholders' interests in the event that an Executive KMP ceases employment with TPG Telecom. Upon cessation, performance rights will generally be forfeited if an Executive KMP resigns before the vesting date. In special circumstances (including redundancy, retirement, death or total and permanent disability or as otherwise agreed), any unvested rights may be retained on cessation of employment, subject to the existing terms and conditions of the award (including performance hurdles) and Board discretion.

In circumstances where there is a change of control, performance rights will be subject to the existing terms and conditions of the award and the exercise of Board discretion.

To further align the LTI plan with the interests of shareholders, the plan is subject to a hedging condition, meaning that Executives cannot enter into any arrangements that limit the economic risk of unvested performance rights.

The LTI plan is also subject to a malus condition. In cases where an Executive KMP acts fraudulently or dishonestly or is in breach of their obligations to TPG Telecom, any unvested rights will lapse.

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6.4 2024 LTI Opportunity

For 2024, the maximum LTI opportunity for Executive KMP was as follows:

6.4.1 2024 Maximum LTI Opportunity

KMP	OPPORTUNITY AT MAXIMUM ACHIEVEMENT
CEO	150% of Base Salary
Other Executive KMP	100% Base Salary

The LTI opportunity is set with reference to a peer group of relevant ASX peers based on the Company's market capitalisation. For 2024, based on analysis undertaken in 2023, this was the ASX 21-60 and ASX 31-70, using data from 2023. Peer groups were selected after careful consideration of the Company's position within the ASX at that time. Exclusions to the peer set were made for significant outliers, where relevant data was not available or where the ownership structure or the nature of the operation were not comparable to that of TPG Telecom.

The target and maximum LTI opportunity were set with reference to the median target for overall remuneration of this peer group, after considering the level of fixed remuneration and STI, as well as the appropriate balance between STI and LTI. Where LTI maximum information was unavailable, this was set with reference to the 75th percentile of remuneration of this peer group, considering the balance of the fixed, short-term and long-term components of the total remuneration package.

To achieve a payment at the LTI maximum after a three-year period, performance needs to have met or exceeded the maximum set for the LTI performance measure. Each performance measure is assessed against threshold and maximum performance with a pro rata outcome applied if achievement falls between threshold and maximum. ROIC, EPS and renewable electricity will be measured at the end of the performance period. Table 6.2.1 above outlines the specific payout schedule for each of the 2024 LTI Plan measures.

Table 6.4.2 details the number of performance rights granted to each Executive KMP under the 2024 LTI Plan and the share price at the time of grant for those Executive KMP. Shareholder approval was obtained for the grant of the CEO's performance rights at the Annual General Meeting on 3 May 2024, even though this was not required as the shares were acquired on market. Performance rights are subject to performance hurdles and have no value unless those hurdles are met.

6.4.2 2024 LTI Plan Executive KMP LTI Grants

EXECUTIVE KMP[1]	POTENTIAL MAXIMUM as a % of BASE SALARY	POTENTIAL MAXIMUM 2024	VWAP USED FOR GRANT	NUMBER OF 2024 LTI PERFORMANCE RIGHTS GRANTED
Iñaki Berroeta	150%	$ 3,090,000	$ 4.71	656,050
John Boniciolli	100%	$ 870,000	$ 4.71	184,713
Kieren Cooney	100%	$ 973,350	$ 4.71	206,656
Vanessa Hicks	100%	$ 810,000	$ 4.71	171,974
Jonathan Rutherford	100%	$ 808,962	$ 4.71	171,754

7. 2024 Performance Rights Retention Plan

As foreshadowed and made clear in the 2023 Remuneration Report, a **one-off** Performance Rights Retention Plan (PRRP) was implemented in 2024 to retain high-performing Executives, to ensure stability in leadership and alignment on improving value for shareholders.

While the Company's existing executive remuneration structure aligns with market benchmarks, the continuity of leadership and retention of a high-performing team was considered critical in what continued to be a highly competitive landscape for executive leadership and talent as witnessed by the number of telecommunications CEO and Executive changes since the retention proposal was announced, including at Optus and NBN. Furthermore, the number of highly skilled telecommunications executives in the Australian market is limited and telecommunications executives are highly sought after.

These factors, combined with the need to retain top talent to ensure sustained success and shareholder value creation, prompted careful consideration by Directors of a special incentive, which was detailed in the 2023 Remuneration Report. The incentive was implemented on a one-off basis and as per the commitment. Directors recognise the concerns raised, prior to the May 2024 AGM where the Scheme was implemented. However, notwithstanding this, shareholders approved the performance rights granted to the CEO at the 2024 AGM.

The plan details, offered to eligible Executives in 2024, are as follows:

- The performance period of the plan is over three years, commencing 1 January 2024 and concluding 31 December 2026.
- Plan performance is measured against two equally weighted tranches: a relative TSR condition and a service condition, requiring the Executive to be employed and not under notice at vesting.
- Eligible Executive KMP have an opportunity equivalent of 100% of their base salary, as at 1 March 2024, which was converted to performance rights by using the VWAP from the five working days following the announcement of the annual results, as outlined in Table 7.1.2 below.
- Approval was sought from shareholders for rights proposed to be granted to the CEO, even though those shares were to be acquired on market. This approval was granted at the 2024 AGM.

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The vesting schedule for these hurdles is outlined in Table 7.1.1 below.

7.1.1 2024 Performance Retention Rights Plan Measures and Targets

PERFORMANCE MEASURE AND WEIGHTING	TARGET & VESTING SCHEDULE
Relative Total Shareholder Return (TSR) 50%	TPG Telecom's TSR relative to a peer group of ASX 100 listed organisations (which excludes the Energy, Financial, Materials and Real Estate sectors) as at 31 December 2026, must be between the 50.1 and 75th percentile for rights granted under this tranche. Achievement between the 50.1 percentile and 75th percentile results in a straight-line pro rata vesting. Achievement equal to or above the 75th percentile results in 100% of the rights granted under this tranche vesting. Rights under this condition will generally be forfeited if the Executive is not employed or is under notice of termination at the time of vesting.
Retention 50%	An Executive must be employed and not under notice of termination at the time of vesting. 100% of rights granted under this tranche will vest if the Executive meets this condition.

Individuals grants to each eligible KMP are outlined in Table 7.1.2 below.

7.1.2 2024 Performance Retention Rights Grants to Eligible KMP

EXECUTIVE KMP[1]	POTENTIAL MAXIMUM AS A % of BASE SALARY	POTENTIAL MAXIMUM 2024	VWAP USED FOR GRANT	NUMBER OF 2024 PERFORMANCE & RETENTION RIGHTS GRANTED
Iñaki Berroeta	100 %	$ 2,060,000	$ 4.71	437,367
John Boniciolli	100%	$ 870,000	$ 4.71	184,713
Kieren Cooney	100%	$ 973,350	$ 4.71	206,656
Vanessa Hicks	100%	$ 810,000	$ 4.71	171,974
Jonathan Rutherford	100%	$ 808,962	$ 4.71	171,754

More information about the plan performance and assessment of the award will be included in the Company's 2026 Remuneration Report.

8. 2022 Long Term Incentive Plan

This section of the report outlines the outcome of the 2022 LTI Plan, following the end of the performance period. This is consistent with the commitment made in the 2022 Remuneration Report to describe targets and the outcome after the end of the performance period.

8.1 2022 LTI Plan Outcome

The 2022 LTI Plan performance period was from 1 January 2022 to 31 December 2024. The 2022 LTI Plan is the second of the two plans that had equally weighted hurdles; TSR and OFCF.

TSR was assessed at the end of 2024 against a peer group of ASX 100 listed organisations set at the commencement of the LTI plan (which excludes the Energy, Financial, Materials, and Real Estate sectors). A decline in TPG Telecom's share price over the course of 2024 resulted in the TSR outcome being below threshold. External input and certification was obtained on the TSR outcome.

8.1.1 Relative TSR Outcome

MEASURE & WEIGHTING	VESTING SCHEDULE	TARGET	OUTCOME[1]	% TO VEST
Relative TSR (50%)	50% of rights vest at the 50.1st percentile, up to 100% at the 75th percentile.	75th percentile	20th percentile	0%

1. Outcome has been externally certified.

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OFCF measures cash flow from operations less non-spectrum related capex, finance lease repayments and finance lease interest (within cash flow from financing activities). For the purposes of the LTI, it also excludes the impact of underlying developments which were not contemplated when the target was set based on the 2021 long range plan. The Board has assessed the impact of transformation and transaction costs, 5G RAN acceleration as a substitute for spectrum acquisition and changes in costs resulting from the sale of TPG Telecom's passive mobile tower and rooftop mast portfolio in 2022, noting that the gain from the sale of those assets is not included in OFCF.

8.1.2 OFCF Outcome

MEASURE & WEIGHTING	VESTING SCHEDULE	CUMULATIVE TARGET	OUTCOME				% TO VEST
			YEAR 1	YEAR 2	YEAR 3	TOTAL	
OFCF (50%)	50% of rights vest when 80% of the Cumulative OFCF is achieved, up to 100% when 110% is achieved.	$1,158m	$92m	$166.5m[1]	$672m[2]	$930.5m	50.50%

1. Consistent with the outcome disclosed in the 2023 Annual Report for the 2021 LTI Plan.
2. Includes the negative working capital impact of the legacy handset receivables financing activities. This is calculated on a consistent basis with the target and outcomes for Year 1 and Year 2.

Based on the achievement against the 2022 LTI hurdles outlined in Tables 8.1.1 and 8.1.2, 25.25% of the performance rights granted in respect of the 2022 LTI Plan will vest in March 2025.

8.2 2021 LTI Outcome

As outlined in the 2023 Remuneration Report, there was no vesting under the 2021 LTI Plan. The performance rights granted under that plan to Executive KMP lapsed in March 2024.

9. Total Remuneration Outcomes 2024

9.1 2024 Total Remuneration Allocated

Table 9.1.1 below details actual total remuneration allocated to Executive KMP (both in cash and the face value of equity) for 2024, for those that held the role as at 31 December 2024. The 2024 LTI and the 2024 PRRP allocation will only have value if the specified hurdles are met after the three year performance period.

9.1.1 2024 Total Remuneration Allocated

EXECUTIVE KMP	2024 FIXED REMUNERATION	2024 STI ACTUAL[1]	2024 LTI GRANT ALLOCATED VALUE[2]	2024 PRRP GRANT ALLOCATED VALUE[3]	2024 ACTUAL TOTAL REMUNERATION ALLOCATED
Iñaki Berroeta	$ 2,078,666	$ 2,652,353	$ 3,090,000	$ 2,060,000	$ 9,881,019
John Boniciolli	$ 898,666	$ 712,922	$ 870,000	$ 870,000	$ 3,351,588
Kieren Cooney	$ 997,291	$ 761,112	$ 973,350	$ 973,350	$ 3,705,103
Vanessa Hicks[4]	$ 630,992	$ 694,130	$ 810,000	$ 810,000	$ 2,945,122
Jonathan Rutherford	$ 833,700	$ 662,904	$ 808,962	$ 808,962	$ 3,114,528

1. 50% paid as cash and 50% granted as deferred share rights, vesting equally over two years.
2. Includes the grant value of the 2024 LTI Plan.
3. Includes the grant value of the one-off 2024 Performance Rights Retention Plan (PRRP).
4. Vanessa Hicks was appointed as a KMP on 28 March 2024. 2024 STI Actual, 2024 LTI and 2024 PRRP values each reflect the full year, but not Fixed Remuneration, which only reflects the period she has been KMP.

9.2 2024 Total Remuneration Received

Table 9.2.1 below details total actual remuneration received by each Executive KMP in 2024, for those who held the role as at 31 December 2024. The table comprises cash payments made and the value of any short-term equity from previously awarded STI plans that vested in 2024.

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9.2.1 2024 Actual Cash Received

EXECUTIVE KMP	2024 FIXED REMUNERATION	2024 STI CASH[1]	STI VESTED[2,3]	LTI VESTED[4]	2024 TOTAL CASH RECEIVED
Iñaki Berroeta	$ 2,078,666	$1,326,177	$ 717,476	$ 0	$ 4,122,319
John Boniciolli	$ 898,666	$356,461	$ —	$ 0	$ 1,255,127
Kieren Cooney	$ 997,291	$380,556	$ 204,581	$ 0	$ 1,582,428
Vanessa Hicks	$ 630,992	$347,065	$ 119,551	$ 0	$ 1,097,608
Jonathan Rutherford	$ 833,700	$331,452	$ 125,967	$ 0	$ 1,291,119

1. 2024 STI Plan cash payment that will be made in 2025.
2. Includes Tranche 2 of the 2021 STI DSRs and Tranche 1 of the 2022 STI DSRs.
3. Value is calculated at the time of grant, using the VWAP from the five days after TPG Telecom's annual results are released. For Tranche 2 of the 2021 DSRs, this was $5.70, and for Tranche 1 of the 2022 DSRs, this was $4.99. The closing share price on the vesting date was $4.48.
4. As reported in the 2023 Remuneration Report, no performance rights with respect to the 2021 LTI Plan vested. These were due to vest in March 2024.

9.3 Alignment with Shareholder Interests

The alignment of the Company's performance for FY24 with remuneration outcomes for Executive KMP is outlined in Table 9.3.1.

9.3.1 Five Year Performance History

FINANCIAL	2020[1]	2021	2022	2023	2024
Service Revenue ($m)	3,295	4,372	4,439	4,632	4,702
EBITDA ($m)	1,391	1,727	2,135[2]	1,930[3]	1,988
OFCF ($m)	361	596	92	167[4]	672
NPAT ($m) – statutory basis	734	113	513	49	(107)
ROIC (%)[5]	—	4.9 %	5.2 %	5.7 %	6.1 %
EPS (cents)[6]	—	12.0	12.6	10.5	10.7
Dividends Paid ($m)	N/A	288	325	335	334
Share Price[7] ($)	7.22	5.89	4.89	5.18	4.49

1. 2020 includes 12 months' results for Vodafone Hutchison Australia (now TPG Telecom Limited) and six months and 4 days' contribution from TPG Corporation. Service Revenue and EBITDA are derived from statutory financial statements.
2. For FY22, EBITDA for remuneration purposes included the $402m gain from the sale of the tower and rooftop assets and excluded $18m of other one-offs. On the same basis as FY24, FY22 EBITDA was $1,751m ($2,135m minus $402m, plus $18m).
3. The EBITDA outcome for the 2023 STI Plan was $1,929.9m as it excluded transformation costs of $38.3m but included transaction costs of $31m. If this number is adjusted on the same basis as for 2024, the result would be an outcome for 2023 of $1,923m (the difference between $38m and $31m).
4. The STI outcome for 2023 as per footnote 2 of Table 5.4.3, excludes the negative impact of transaction costs of $31m to be on the same basis as the STI calculated for 2024. This gives an adjusted 2023 outcome of $197.6m.
5. ROIC (LTIP basis) numbers are NOPAT including transformation cost divided by the average capital invested. This is the basis on which LTIP will be calculated going forward.
6. EPS (LTIP Basis) measures statutory net profit after tax (NPAT), adjusted by adding back customer base amortisation and material one-offs (subject to the discretion of the Board), divided by the weighted average number of shares on issue over the year. Transformation costs have been included in NPAT in all applicable years.
7. Closing share price at 31 December.

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10. Minimum Shareholding Requirements

To align Executive interests with shareholders, a minimum shareholding requirement is set for all Executive KMP as follows:

10.1.1 Executive KMP Minimum Shareholding Requirement

EXECUTIVE KMP	MINIMUM SHAREHOLDING	TIMEFRAME TO ACHIEVE
Commenced as KMP before 1 January 2023	One year's base salary calculated on the value of shares held directly or indirectly by the Executive KMP.	Seven years from commencement
Commenced as KMP after 1 January 2023		Five years from commencement

In 2023, following feedback from proxy advisors, the minimum shareholding policy was updated to exclude unvested performance and deferred share rights from the minimum shareholding calculation. To mitigate the impact of this, the timeframe for achieving the minimum shareholding was extended from five to seven years for selected executives. This was disclosed in the FY23 Annual Report. At 31 December 2024, none of the Executive KMP had reached the end of the acquisition period to achieve the minimum shareholding.

The RGC monitors compliance with minimum shareholding requirements annually. A share trading policy ensures Executives adhere to insider trading laws, restricting trades to defined windows. Any breach is taken seriously and may result in legal action, up to and including termination. Compliance with shareholding requirements is contingent on adherence to the share trading policy and insider trading provisions of the Corporations Act 2001.

11. Looking forward to 2025

For 2025, a comprehensive analysis was undertaken across the ASX 31-70 peer group, based on data as at December 2024.

Considering TPG Telecom's market capitalisation for the majority of 2024, benchmarks used for 2025 remuneration no longer reference the ASX 21-60 peer group as was done in 2023 for 2024 remuneration. Limited changes are proposed for fixed remuneration, STI and LTI for Executive KMP in 2025. The effective date for the fixed remuneration changes will be 1 March 2025, aligned with the rest of the Company. The effective date for the purpose of calculating STI and LTI is 1 January 2025. The Board will retain discretion to make changes to the STI and LTI as it deems appropriate, including as a result of potential changes in the business from the proposed sale of fibre network infrastructure assets and Fixed EGW business.

11.1 2025 Base Salary

Base salaries, which are typically reviewed annually, will increase for the CEO by 2.5% in 2025, which is below the rate of inflation. Salaries for two Other Executive KMP will increase by 2.5% and 3.5% respectively.

11.2 2025 STI

The percentage of STI opportunity relative to Base Salary has increased for one Executive KMP from 75% to 100% for the 2025 and 2026 performance years. This temporary increase has been applied taking into consideration the Executive's contribution to the management of TPG's Enterprise, Government and Wholesale assets, including the contribution to strategic initiatives, continued business operations and retention of customers and people.

There is no change to the percentage of base salary that constitutes the STI opportunity for the CEO and other Executive KMP. The STI measures remain consistent with 2024, with the customer measure to remain as NPS. Alternative measures will continue to be considered.

The Board will retain discretion to alter the STI including as a result of potential changes in the business from the fibre network infrastructure assets transaction.

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11.3 2025 LTI

The percentage of LTI opportunity relative to Base Salary will remain unchanged for the Executive KMP and CEO.

While TPG Telecom's renewable electricity commitment remains a priority for the organisation and targets for 2023 and 2024 remain unchanged, the ESG hurdle for this plan has been removed, with the ROIC and EPS hurdle weightings each being increased from 45% to 50%.

The proposed targets and vesting schedule for the 2025 LTI Plan are outlined in Table 11.3.1. The Board will retain discretion to alter the LTI including as a result of potential changes in the business from the fibre network infrastructure assets transaction or other material one-off events.

11.3.1 2025 LTI Plan Measures and Targets

PERFORMANCE MEASURES AND WEIGHTINGS	TARGETS	MEETS THRESHOLD	BETWEEN THRESHOLD AND MAXIMUM	MEETS OR EXCEEDS MAXIMUM
ROIC 50%	ROIC is measured against targets set by the Board to achieve growth over a three-year period (2025 to 2027). Performance at target is set to exceed the 2024 post-tax weighted average cost of capital (WACC) and the 2024 base year ROIC, which on a comparable basis was 6.1%[1]. Performance at maximum would reflect a further significant improvement. ROIC is measured at the end of the performance period.	50% of rights granted vest	Straight-line pro rata vesting between 50.1% and 100%	100% of rights granted vest
EPS 50%	EPS is measured against targets set by the Board to achieve significantly improved performance over a three-year period (2025 to 2027). The baseline EPS result in 2024 was 10.7 cents[1]. At threshold, target and maximum levels, the hurdle for the 2025 LTI Plan is equal to the 2023 and 2024 LTI Plans, despite the reduction in the 2024 base year EPS from 2023 and 2022. As such, achievement at maximum in 2027 would reflect double-digit compound annual growth against the 2024 base year. EPS is measured at the end of the performance period.	50% of rights granted vest	Straight-line pro rata vesting between 50.1% and 100%	100% of rights granted vest

1. For FY24, NOPAT for ROIC and NPAT for EPS were adjusted for material one-offs as follows: transaction costs, separation costs, redundancy costs and MOCN impairment impacts.

The assessment of achievement against the 2025 LTI Plan targets for all measures will be reported in the 2027 Annual Report. The Board has the discretion to make downward or upward adjustments for one-off or other items as it deems appropriate, while taking into consideration the benefits or otherwise for shareholders. Adjustment for any material one-offs in the testing year is at Board discretion, which if exercised would be disclosed. If the proposed sale of fibre network infrastructure assets and Fixed EGW business proceeds, the Board will consider adjustments to targets if appropriate.

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12. Remuneration Governance

The Board of Directors of TPG Telecom has oversight of TPG Telecom's remuneration arrangements and is accountable for remuneration as well as for related policies and processes.

The Remuneration and Governance Committee (RGC) undertakes detailed work on remuneration and provides advice to the full Board through formal reports and recommendations, minutes and verbal reports provided to the Board by the Chairman of the RGC.

12.1 Responsibilities of the Board and the RGC

The responsibilities of the Board and the RGC, as defined in the Board and Remuneration and Governance Committee Charters, are outlined in Table 12.1.1.

12.1.1 Responsibilities of the Board and the RGC

AREA	APPROVED BY BOARD ON RECOMMENDATION OF RGC	ROLE OF THE RGC
Executive remuneration	• Remuneration policies • Remuneration arrangements for CEO and Executives and the Company Secretary • Performance and remuneration outcomes for the CEO and Executives (including annual or ad-hoc reviews) • Design and outcomes for all employee incentive plans involving equity in the Company • Assessment of performance against STI group financial and risk gateways and individual behavioural gateways • Gender outcomes to avoid gender or other bias • Minimum shareholding policy	In addition to making recommendations to the Board, the RGC undertakes the following: • Reviews remuneration policies to ensure they reflect: – ASX position and complexity of roles – risks involved – time demands and requirements of each role – relevant industry and related benchmarks – retention risk given market conditions • Assesses performance against gateways and STI performance against metrics • Exercises delegated discretions under employee incentive and equity plans • Monitors the effectiveness of employee incentive and equity plans • Ensures practices and procedures comply with legal and ASX requirements and are in line with current market practices • Reviews remuneration reporting to ensure it complies with legal and governance requirements • Monitors conformance with minimum shareholding requirement
Non-Executive Director remuneration	• Remuneration policies • Remuneration fees (subject to the aggregate cap) as approved by shareholders • Minimum shareholding policy	• Monitors conformance with minimum shareholding requirement

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12.2 Composition of the RGC

The RGC consists of three Non-Executive Directors, with a majority (two) being independent.

12.2.1 Members of the RGC

NON-EXECUTIVE KMP	ROLE	TERM AS KMP
Dr Helen Nugent AC	Independent Non-Executive Director, Senior Independent Director, Remuneration & Governance Committee Chairman & Nomination Committee Chairman	Full year
Frank Sixt	Non-Executive Director	Full year
Paula Dwyer	Independent Non-Executive Director and Audit & Risk Committee Chairman	Commenced 21 October 2024
Arlene Tansey	Independent Non-Executive Director and Audit & Risk Committee Chairman	Ceased 21 October 2024

All members of the RGC have experience in both human resources and risk to achieve effective governance of TPG Telecom's remuneration system. In addition, all members of the RGC have extensive experience in remuneration either through their professional background or as members of the committees of other boards, either in Australia or overseas.

12.3 Remuneration Governance processes

In 2024, the RGC met four times to address remuneration issues. Director's attendance at the meetings is set out in the Directors' Report.

Over that period, the RGC paid sustained attention to the design and operation of remuneration policies and practices, including benchmarking for KMP roles, at the same time as being acutely aware of the need to motivate and retain employees in a highly competitive talent market, particularly given executive changes occurring in the telecommunications sector.

Strong and robust processes exist for making remuneration decisions for senior employees, including Executive KMP, which also involve assiduous management of conflicts of interest. These processes are rigorously followed both by the RGC and the Board.

The RGC and the Board also discusses with the CEO the performance of each member of the senior management team, including Executive KMP.

The RGC and the Board also met without the CEO in attendance to evaluate his performance, with this conversation supported by a stewardship report.

To assist with determination of the CEO's remuneration, a range of benchmark data was sought from Aon Hewitt as an independent third party, in addition to assessing publicly available information, including detailed analysis of ASX annual reports. This data was considered in detail by the RGC as input to its recommendations and decision-making and in determining the relevant ASX peer group. However, no recommendation, as defined by the Corporations Act 2001, was sought from a third party.

12.4 Non-Executive Director Remuneration

Non-Executive Directors are remunerated in ways that support the retention of their independence and their commitment to performance for shareholders.

As approved by shareholders in 2020, the maximum aggregate fee pool available for Non-Executive Directors is $2.5 million.

From a review in 2023, for 2024, Non-Executive Director fees were determined with reference to the median of the relevant ASX peer group of companies. For 2024, this was the ASX 21-60 and ASX 31-70 which was the same benchmark used for Executive KMP. As disclosed in the 2023 Remuneration Report, the following changes were made to Non-Executive Director fees in 2024:

- An increase to the base fee for the two Independent Non-Executive Directors from $165,000 to $185,000.
- An increase to the Audit and Risk Committee Chairman fee from $50,000 to $60,000 and Audit and Risk Committee Non-Executive member fee from $25,000 to $30,000.

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- An additional fee payable to the Senior Independent Non-Executive Director of $20,000.

Table 12.4.1 below outlines the fees (inclusive of superannuation) paid to Non-Executive Directors in 2024.

12.4.1 Non-Executive Director Fees for 2024

ROLE	BOARD	AUDIT AND RISK COMMITTEE	REMUNERATION & GOVERNANCE COMMITTEE	NOMINATION COMMITTEE
Chairman	$ 450,000	$ 60,000	$ 50,000	No additional fees are paid to the Chairman or Members of the Nomination Committee
Independent Non-Executive Director	$ 185,000	$ 30,000	$ 25,000	
Non-Independent Non-Executive Director	$ 165,000	$ 30,000	$ 25,000	
Senior Independent Non-Executive Director	$ 20,000 (additional fee)			

After a review in 2024, no changes are proposed for Non-Executive Director fees for FY25.

A Non-Executive Director nominated by a shareholder may elect to have their Director's fee paid to their nominating shareholder. For Non-Executive Directors in 2024, this included Canning Fok, Frank Sixt, Pierre Klotz and Serpil Timuray.

12.5 Non-Executive Director Minimum Shareholding Requirement

To align the interests of the Board with that of shareholders, the Board has a minimum shareholding requirement for Non-Executive Directors as follows:

12.5.1 Non-Executive Director Minimum Shareholding Requirement

NON-EXECUTIVE DIRECTOR	MINIMUM SHAREHOLDING	TIMEFRAME TO ACHIEVE
Non-Executive Directors who directly receive fees	One year's base fee calculated on the value of shares held directly or indirectly by the Non-Executive Director.	Four years from the date of appointment.
Non-Executive Directors whose fees are paid to a nominating shareholder	No minimum shareholding requirement.	No minimum shareholding requirement.

The shareholding requirement is reviewed annually. At any point in time, the value of a Non-Executive Director's minimum holding is calculated as the higher of the purchase price or current market price.

As at 31 December 2024, as a result of an increase to base fees coupled with additional restrictions on trading throughout 2024 due to the ongoing confidential negotiations with regard to the proposed sale of fibre network infrastructure assets and Fixed EGW business, one Non Executive Director (Dr Helen Nugent) did not reach the incremental minimum shareholding as at 31 December 2024. Dr Nugent has indicated her intention to meet this requirement during the next unrestricted share purchase period for Non-Executive Directors.

This situation has arisen because the Board has adopted a share trading policy to ensure Non-Executive Directors comply with insider trading laws in their trading of TPG Telecom shares. The policy requires Non-Executive Directors to only trade within defined windows, document all shareholdings, as well as to provide the Company with written acknowledgement of any trades. Management monitors trading of all Non-Executive Directors.

Non-Executive Directors are required to advise the Company Secretary of the purchase price at the time of purchase.

A breach of policy is regarded seriously by the Board and may constitute a breach of the law, and as such lead to appropriate action being taken against the Non-Executive Director. The RGC annually monitors conformance of Non-Executive Directors with this policy. There were no breaches of this policy in 2024.

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13. Appendices (Statutory Tables)

13.1 Executive Service Agreements

Table 13.1.1 below sets out the main terms and conditions of the employment contracts of those who were Executive KMP as at 31 December 2024.

13.1.1 Executive Terms of Service

TERMS OF SERVICE	CEO & MANAGING DIRECTOR IÑAKI BERROETA	EXECUTIVE KMP (EMPLOYED PRIOR TO 1 JANUARY 2022)	EXECUTIVE KMP (EMPLOYED AFTER 1 JANUARY 2022)
Employee notice period	Twelve months	Six months	Six months
TPG Telecom notice period	Twelve months	Six months	Six months
Term of Agreement	Unlimited term	Unlimited term	Unlimited term
Remuneration Review	Annual	Annual	Annual
Restraint and non-solicitation period	Twelve months	Six months	Six months
Termination arrangements	Entitled to severance of six months' base salary	Entitled to severance of three months' base salary or statutory entitlement whichever is greater	As per statutory entitlements

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13.2 Executive Statutory Remuneration

Details of remuneration for Executives are set out below in accordance with statutory disclosure requirements under the Corporations Act 2001 and the Australian Accounting Standards. Due to the requirements of the accounting standards, statutory disclosure does not reflect cash received throughout 2024.

13.2.1 Executive Statutory Remuneration

		SHORT TERM BENEFITS			POST-EMPLOYMENT BENEFITS	OTHER PAYMENTS	LONG TERM BENEFITS	PAYMENTS TO BE SETTLED IN EQUITY				
NAME	YEAR	BASE CASH SALARY	STI CASH[1]	NON-MONETARY BENEFITS[2]	SUPER-ANNUATION[3]	TERMINATION / OTHER	LEAVE[4]	SHORT TERM INCENTIVE[5]	LONG TERM INCENTIVE[6,7]	PERFORMANCE RIGHTS RETENTION PLAN[8]	TOTAL	PERFORMANCE RELATED REMUNERATION
Iñaki Berroeta	2024	$ 2,050,000	$ 1,326,177	$ 13,690	$ 28,666	$ —	$ (210,611)	$ 1,171,669	$ 2,331,133	$ 402,215	$7,112,939	74 %
	2023	$ 1,975,000	$ 1,336,830	$ 27,622	$ 26,346	$ —	$ 501,626	$ 808,262	$ 836,696	$ —	$5,512,382	54 %
John Bonicioli[9]	2024	$ 870,000	$ 356,461	$ 25,190	$ 28,666	$ —	$ 3,373	$ 117,422	$ 232,570	$ 169,867	$1,803,549	49 %
	2023	$ 118,637	$ —	$ 1,489	$ 6,850	$ 115,000 [10]	$ 10,971	$ —	$ —	$ —	$ 252,947	— %
Kieren Cooney	2024	$ 968,625	$ 380,556	$ 18,532	$ 28,666		$ 3,952	$ 356,479	$ 740,561	$ 190,047	$2,687,418	62 %
	2023	$ 937,500	$ 427,128	$ 17,498	$ 26,346	$ 53,438 [11]	$ 14,335	$ 243,794	$ 263,603	$ —	$1,983,642	47 %

[1] 2024 STI cash includes actual STI amounts relating to the 2024 STI Plan performance year to be paid in 2025.

[2] Non-monetary benefits are inclusive of any relevant fringe benefits tax and include car parking, medical and health insurance costs, tax support, relocation, entertainment and permanent residency costs.

[3] Superannuation is reflective of the amount paid up to the annual statutory cap for Executive KMP who reached this cap within the year.

[4] Leave is calculated based on the movement in Annual Leave and Long Service Leave comparing the accrual at the beginning of FY24 to the accrual at the end of FY24 or to the end of the Executive's term as KMP within FY24. A negative value is the result of the Executive taking the leave they had accrued during the year in addition to leave from their prior leave balance.

[5] For equity settled in STI, 50% of the deferred share rights (DSRs) accrued will vest after one year, with the remainder accrued and vesting after two years, both subject to relevant forfeiture conditions. The fair value of the rights is determined based on the market price of the Company's shares at year-end, with an adjustment made to take into account the vesting period and expected dividends during that period that will not be received by each KMP. The fair value of rights granted in prior years included in these figures is determined based on the market price on the grant date, with an adjustment made to take into account the vesting period and expected dividends during that period that were not received by the KMP. These figures represent all STI plans currently on foot for the Executive KMP.

[6] Performance share rights (PSRs) for the 2023 LTI Plan, subject to meeting hurdles, will vest on 31 March 2026. The total number of PSRs to be allocated was calculated based on the five-day VWAP of $4.99 over the period of 28 February 2023 to 6 March 2023. The fair value of these rights was determined for the grant date of 11 May using the Black-Scholes model for all hurdles.

[7] Performance share rights (PSRs) for the 2024 LTI Plan, subject to meeting hurdles, will vest on 31 March 2027. The total number of PSRs to be allocated was calculated based on the five-day VWAP of $4.71 over the period of 27 February 2024 to 4 March 2024. The fair value of these rights was determined for the grant date of 13 May using the Binomial tree model for all hurdles.

[8] Performance share rights (PSRs) and Retention share rights (RSRs) for the 2024 Performance Rights Retention Plan, subject to meeting hurdles, will vest on 31 March 2027. The total number of rights to be granted was calculated based on the five-day VWAP of $4.71 over the period of 27 February 2024 to 4 March 2024. For the PSRs the fair value of these rights was determined for the grant date of 13 May using the Monte-Carlo simulation model for the TSR hurdle. For RSRs the fair value of these rights was determined for the grant date of 13 May using the Binomial tree model for the TSR hurdle.

[9] Represents remuneration received during period as KMP, commencing 13 November 2023.

[10] Represents an amount paid in 2023, agreed on the Executive's appointment with the Company related to the forfeiture of incentives from a previous employer. The payments mirror the timing and at target value of incentive payments from the previous employer.

[11] Represents the accrued portion of an amount paid in September 2023. The amount was agreed on at the time of the Executive's appointment with the Company and is related to the forfeiture of incentives from a previous employer. The payment mirrors the timing and at target value of incentive payments from the previous employer.

		SHORT TERM BENEFITS			POST-EMPLOYMENT BENEFITS	OTHER PAYMENTS	LONG TERM BENEFITS	PAYMENTS TO BE SETTLED IN EQUITY				
NAME	YEAR	BASE CASH SALARY	STI CASH[1]	NON-MONETARY BENEFITS[2]	SUPER-ANNUATION[3]	TERMINATION / OTHER	LEAVE[4]	SHORT TERM INCENTIVE[5]	LONG TERM INCENTIVE[6,7]	PERFORMANCE RIGHTS RETENTION PLAN[8]	TOTAL	PERFORMANCE RELATED REMUNERATION
Vanessa Hicks[12]	2024	$ 608,926	$ 347,065	$ 13,388	$ 22,066	$ —	$ (20,297)	$ 162,961	$ 295,050	$ 120,559	$1,549,718	60 %
	2023	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	— %
Jonathan Rutherford	2024	$ 805,035	$ 331,452	$ 28,712	$ 28,666	$ —	$ 23,738	$ 297,190	$ 609,091	$ 157,950	$2,281,834	61 %
	2023	$ 773,500	$ 354,991	$ 46,011	$ 26,346	$ —	$ 8,973	$ 187,541	$ 274,096	$ —	$1,671,458	49 %
Subtotal	2024	$ 5,302,586	$ 2,741,711	$ 99,512	$ 136,730	$ —	$ (199,845)	$ 2,105,721	$ 4,208,405	$ 1,040,638	$15,435,458	65 %
	2023	$ 3,804,637	$ 2,118,949	$ 92,620	$ 85,888	$ 168,438	$ 535,905	$ 1,239,597	$ 1,374,395	$ —	$9,420,429	50 %
Former KMP												
Ana Belea[13]	2024	$ 198,314	$ —	$ 5,581	$ 7,100	$ 618,325 [14]	$ 7,156	$ 288,784 [15]	$ 730,026 [16]	$ —	$1,855,286	55 %
	2023	$ 773,375	$ 366,772	$ 4,166	$ 26,846 [17]	$ —	$ 1,125	$ 205,414	$ 208,427	$ —	$1,586,125	49 %
Grant Dempsey[18]	2024	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	— %
	2023	$ 762,667	$ 377,949	$ 4,753	$ 26,346	$ 176,893 [19]	$ 70,657	$ 129,956 [20]	$1,103,875 [21]	$ —	$2,653,096	61 %
Total	**2024**	**$ 5,500,900**	**$ 2,741,711**	**$ 105,093**	**$ 143,830**	**$ 618,325**	**$ (192,689)**	**$ 2,394,505**	**$ 4,938,431**	**$ 1,040,638**	**$17,290,744**	**64 %**
	2023	**$ 5,340,679**	**$ 2,863,670**	**$ 101,539**	**$ 139,080**	**$ 345,331**	**$ 607,687**	**$ 1,574,967**	**$ 2,686,697**	**$ —**	**$13,659,650**	**52 %**

[12] Commenced role as KMP on 28 March 2024, values reflect the KMP period except for the STI cash value which reflects the cash value for the full FY24 performance year.
[13] Ceased role as KMP on 28 March 2024.
[14] Represents the termination payment made on departure including contractual notice period and contractual severance provisions.
[15] Includes deferred equity granted under the 2022 and 2023 STI Plans that remain on foot but under accounting standards needs to be fully recognised in this statutory remuneration report.
[16] Includes performance rights granted under the 2022 LTI Plan and 2023 LTI Plan that remain on foot but under accounting standards needs to be fully recognised in this statutory remuneration report. As outlined in Section 8.1, only 25.25% of the performance rights granted for the 2022 LTI Plan will vest.
[17] Superannuation includes an additional $500 superannuation payment related to TPG Telecom's Super Bump program where all female employees with over 12 months tenure are provided an additional $500 superannuation annually.
[18] Represents remuneration received during period as KMP, ceasing 12 November 2023.
[19] Represents the accrued portion of an amount paid in 2023 for period as KMP. The amount was agreed on at the time of the Executive's appointment with the Company and is related to the forfeiture of incentives from a previous employer. The payment mirrors the timing and at target value of incentive payments from the previous employer.
[20] Includes deferred equity granted under the 2022 STI Plan that remains on foot but which under accounting standards needs to be fully recognised in this statutory remuneration report, consistent with prior disclosures.
[21] Includes performance rights granted under the 2022 LTI Plan and 2023 LTI Plan that remains on foot but which under accounting standards needs to be fully recognised in this statutory remuneration report, consistent with prior disclosures. As outlined in Section 8.1, only 25.25% of the performance rights granted for the 2022 LTI Plan will vest, which has not been taken account in these numbers.

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13.3 Non-Executive Director Statutory Remuneration

Details of remuneration for Non-Executive Directors are set out below in accordance with statutory disclosure requirements under the Corporations Act 2001 and the Australian Accounting Standards. This statutory disclosure does not necessarily reflect cash received throughout 2024.

13.3.1 Non-Executive Director Statutory Remuneration

		SHORT-TERM BENEFITS		POST-EMPLOYMENT BENEFITS		
NAME	YEAR	CASH SALARY AND FEES	NON-MONETARY BENEFITS	SUPERANNUATION	TERMINATION BENEFITS	TOTAL
Canning Fok	2024	$ 450,000	$ —	$ —	$ —	$ 450,000
	2023	$ 450,000	$ —	$ —	$ —	$ 450,000
Paula Dwyer[1]	2024	$ 48,255	$ —	$ 5,549	$ —	$ 53,804
	2023	$ —	$ —	$ —	$ —	$ —
Pierre Klotz	2024	$ 195,000	$ —	$ —	$ —	$ 195,000
	2023	$ 190,000	$ —	$ —	$ —	$ 190,000
Robert Millner	2024	$ 148,315	$ —	$ 16,685	$ —	$ 165,000
	2023	$ 148,985	$ —	$ 16,015	$ —	$ 165,000
Antony Moffatt	2024	$ 148,315	$ —	$ 16,685	$ —	$ 165,000
	2023	$ 148,985	$ —	$ 16,015	$ —	$ 165,000
Dr Helen Nugent AC	2024	$ 256,181	$ —	$ 28,397	$ —	$ 284,578
	2023	$ 216,705	$ —	$ 23,295	$ —	$ 240,000
Frank Sixt	2024	$ 190,000	$ —	$ —	$ —	$ 190,000
	2023	$ 190,000	$ —	$ —	$ —	$ 190,000
Jack Teoh	2024	$ 148,315	$ —	$ 16,685	$ —	$ 165,000
	2023	$ 148,985	$ —	$ 16,015	$ —	$ 165,000
Serpil Timuray[2]	2024	$ 165,000	$ —	$ —	$ —	$ 165,000
	2023	$ 124,637	$ —	$ —	$ —	$ 124,637
Diego Massidda[3]	2024	$ —	$ —	$ —	$ —	$ —
	2023	$ 45,968	$ —	$ —	$ —	$ 45,968
Arlene Tansey[4]	2024	$ 210,212	$ —	$ 6,962	$ —	$ 217,174
	2023	$ 222,651	$ —	$ 17,349	$ —	$ 240,000
TOTAL	2024	$ 1,959,594	$ —	$ 90,962	$ —	$ 2,050,556
	2023	$ 1,886,916	$ —	$ 88,689	$ —	$ 1,975,605

1. Paula Dwyer was appointed a Non-Executive Director on 21 October 2024.
2. Serpil Timuray was appointed a Non-Executive Director on 29 March 2023.
3. Diego Massidda ceased his role as a Non-Executive Director on 28 March 2023.
4. Arlene Tansey ceased her role as a Non-Executive Director on 21 October 2024.

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13.4 Equity Movements

Table 13.4.1 provides movements in equity during the financial year for Non-Executive Directors and Executives who were KMP for all or part of 2024. The numbers in this table reflect equity holdings and movements only for the period the Non-Executive Director or Executive was KMP.

13.4.1 Equity Movements

NAME	HOLDING AT START OF TERM AS KMP IN 2024	GRANTED AS REMUNERATION	PURCHASED/ (SOLD)	BALANCE AT END OF TERM AS KMP IN 2024
Canning Fok	—	—	—	—
Paula Dwyer[1]	—	—	—	—
Pierre Klotz	—	—	—	—
Robert Millner	8,673,058	—	—	8,673,058
Antony Moffatt	611,269	—	—	611,269
Dr Helen Nugent AC	28,000	—	—	28,000
Frank Sixt	—	—	—	—
Jack Teoh	133,258	—	—	133,258
Serpil Timuray	—	—	—	—
Arlene Tansey[2]	25,000	—	—	25,000
Iñaki Berroeta	235,073	134,625	—	369,698
John Boniciolli	—	—	—	—
Kieren Cooney	16,673	38,626	—	55,299
Vanessa Hicks[3]	—	22,473	(5,500)	16,973
Jonathan Rutherford	6,852	24,269	—	31,121
Ana Belea[4]	8,830	33,455	—	42,285

1. Paula Dwyer was appointed as a Non Executive Director on 21 October 2024.
2. Arlene Tansey ceased her role as a Non Executive Director on 21 October 2024.
3. Vanessa Hicks commenced her role as a KMP on 28 March 2024
4. Ana Belea ceased her role as a KMP on 28 March 2024.

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13.5 Additional Statutory Information

Terms and conditions of the share-based payment arrangements

Terms and conditions of each grant of Share Rights to the Executive KMP in a current or future reporting period are as follows:

13.5.1 STI Deferred Share Rights

GRANT DATE	VESTING DATE	EXPIRY DATE	FAIR VALUE PER SHARE RIGHT AT GRANT DATE	NUMBER OF SHARE RIGHTS AT GRANT DATE	% VESTED
STI Deferred Share Rights					
6 May 2021	31 March 2023	31 March 2024	$4.80	27,354	100 %
3 & 5 May 2022	31 March 2023	31 March 2024	$5.47	113,808	100 %
3 & 5 May 2022	31 March 2024	31 March 2025	$5.26	113,805	100 %
11 May 2023	31 March 2024	31 March 2025	$5.41	147,028	— %
11 May 2023	31 March 2025	31 March 2026	$5.23	147,027	— %
13 May 2024	31 March 2025	31 March 2026	$4.40	288,148	— %
13 May 2024	31 March 2026	31 March 2027	$4.24	288,146	— %

13.5.2 LTI Performance Share Rights

GRANT DATE	VESTING DATE	EXPIRY DATE	HURDLE	FAIR VALUE PER SHARE RIGHT AT GRANT DATE	NUMBER OF SHARE RIGHTS AT GRANT DATE	% VESTED
LTI Performance Share Rights						
6 May 2021	31 March 2024	31 March 2025	OFCF	$4.80	381,162	0 %
6 May 2021	31 March 2024	31 March 2025	TSR	$1.26	381,159	0 %
24 September 2021	31 March 2024	31 March 2025	OFCF	$6.54	73,751	0 %
24 September 2021	31 March 2024	31 March 2025	TSR	$2.73	73,750	0 %
3 May 2022	31 March 2025	31 March 2026	OFCF	$5.07	299,720	— %
3 May 2022	31 March 2025	31 March 2026	TSR	$3.02	299,716	— %
5 May 2022	31 March 2025	31 March 2026	OFCF	$5.07	243,421	— %
5 May 2022	31 March 2025	31 March 2026	TSR	$2.98	243,421	— %
11 May 2023	31 March 2026	31 March 2027	ROIC	$5.06	576,777	— %
11 May 2023	31 March 2026	31 March 2027	EPS	$5.06	576,773	— %
11 May 2023	31 March 2026	31 March 2027	ESG	$5.06	128,170	— %
13 May 2024	31 March 2027	31 March 2028	ROIC	$4.08	626,019	— %
13 May 2024	31 March 2027	31 March 2028	EPS	$4.08	626,015	— %
13 May 2024	31 March 2027	31 March 2028	ESG	$4.08	139,113	— %

13.5.3 2024 Performance & Retention Share Rights

GRANT DATE	VESTING DATE	EXPIRY DATE	HURDLE	FAIR VALUE PER SHARE RIGHT AT GRANT DATE	NUMBER OF SHARE RIGHTS AT GRANT DATE	% VESTED
13 May 2024	31 March 2027	31 March 2028	rTSR	$1.88	586,233	— %
13 May 2024	31 March 2027	31 March 2028	Retention	$4.08	586,231	— %

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Reconciliation of shares rights and ordinary shares held by KMP

Table 13.5.4 below shows how many share rights were granted, vested and forfeited during the year.

13.5.4 Reconciliation of shares rights and ordinary shares held by KMP under employee share plans

NAME[1]	GRANT TYPE[2,3,5]	BALANCE AT START OF YEAR	GRANTED DURING YEAR	NUMBER OF RIGHTS VESTED	VESTED %	NUMBER OF RIGHTS FORFEITED OR LAPSED	FORFEITED OR LAPSED %	BALANCE AT END OF THE YEAR (UNVESTED)
Iñaki Berroeta	2021 DSR	64,363	0	64,363	100 %	0	— %	0
	2022 DSR	140,523	0	70,262	50 %	0	— %	70,261
	2023 DSR	0	283,828	0	— %	0	— %	283,828
	2021 LTI	408,088	0	0	— %	408,088	100 %	0
	2022 LTI	486,842	0	0	— %	0	— %	486,842
	2023 LTI	601,202	0	0	— %	0	— %	601,202
	2024 LTI	0	656,050	0	— %	0	— %	656,050
	2024 PRRP	0	437,367	0	— %	0	— %	437,367
John Boniciolli	2024 LTI	0	184,713	0	— %	0	— %	184,713
	2024 PRRP	0	184,713	0	— %	0	— %	184,713
Kieren Cooney	2021 DSR	16,672	0	16,672	100 %	0	— %	0
	2022 DSR	43,908	0	21,954	50 %	0	— %	21,954
	2023 DSR	0	90,685	0	— %	0	— %	90,685
	2021 LTI	132,352	0	0	— %	132,352	100 %	0
	2022 LTI	157,894	0	0	— %	0	— %	157,894
	2023 LTI	189,378	0	0	— %	0	— %	189,378
	2024 LTI	0	206,656	0	— %	0	— %	206,656
	2024 PRRP	0	206,656	0	— %	0	— %	206,656
Vanessa Hicks[1]	2021 DSR	10,437	0	10,437	100 %	0	— %	0
	2022 DSR	24,071	0	12,036	50 %	0	— %	12,035
	2023 DSR	0	48,542	0	— %	0	— %	48,542
	2021 LTI	52,941	0	0	— %	52,941	100 %	0
	2022 LTI	64,421	0	0	— %	0	— %	64,421
	2023 LTI	73,587	0	0	— %	0	— %	73,587
	2024 LTI	0	171,974	0	— %	0	— %	171,974
	2024 PRRP	0	171,974	0	— %	0	— %	171,974
Jonathan Rutherford	2021 DSR	6,852	0	6,852	100 %	0	— %	0
	2022 DSR	34,834	0	17,417	50 %	0	— %	17,417
	2023 DSR	0	75,369	0	— %	0	— %	75,369
	2021 LTI	44,560	0	0	— %	44,560	100 %	0
	2022 LTI	125,263	0	0	— %	0	— %	125,263
	2023 LTI	157,394	0	0	— %	0	— %	157,394
	2024 LTI	0	171,754	0	— %	0	— %	171,754
	2024 PRRP	0	171,754	0	— %	0	— %	171,754
Ana Belea[2]	2021 DSR	15,829	0	15,829	100 %	0	— %	0
	2022 DSR	35,252	0	17,626	50 %	0	— %	17,626
	2021 LTI	102,941	0	0	— %	102,941	100 %	0
	2022 LTI	125,263	0	0	— %	0	— %	125,263
	2023 LTI	157,394	0	0	— %	0	— %	314,788

1. Commenced as a KMP 28 March 2024.
2. Ceased as a KMP 27 March 2024.
3. DSRs includes 2021, 2022 and 2023 STI deferred share rights.
4. LTI includes 2022, 2023 and 2024 performance rights. LTI rights are granted at maximum opportunity for Executive KMP.
5. PRRP is the 2024 Performance & Retention Rights Plan, granted in May 2024.

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13.6 Related Party Transactions

There are no related party transactions in 2024 and no loans were made to any KMP.

This concludes the Remuneration Report, which has been audited as required by section 308(3C) of the Corporations Act 2001 (Cth).

This Directors' report is made in accordance with a resolution of the Directors on 28 February 2025.

Fok Kin Ning, Canning
Chairman

28 February 2025

Iñaki Berroeta
Chief Executive Officer and Managing Director

28 February 2025

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Auditor's independence declaration

Auditor's Independence Declaration

As lead auditor for the audit of TPG Telecom Limited for the year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of TPG Telecom Limited and the entities it controlled during the period.

Mark Dow
Partner
PricewaterhouseCoopers

Sydney
28 February 2025

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Financial report

About this report

The Financial Report covers the group consisting of TPG Telecom Limited and its controlled entities.

All amounts are presented in Australian dollars unless stated otherwise.

TPG Telecom Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 27, Tower Two, International Towers Sydney, 200 Barangaroo Avenue, Barangaroo NSW 2000.

A description of the nature of the Group's operations and its principal activities is included in the Directors' report on pages 6 to 30.

The financial report was authorised for issue by the Directors on 28 February 2025. The Directors have the power to amend and reissue the financial report.

Contents

Financial Statements

Consolidated income statement 78
Consolidated statement of comprehensive income 79
Consolidated statement of financial position 80
Consolidated statement of changes in equity 81
Consolidated statement of cash flows 82

Notes to the Consolidated Financial Statements

Note 1. Reporting entity 83
Note 2. Basis of preparation 83
Note 3. Segment reporting 86
Note 4. Revenue from contracts with customers 88
Note 5. Multi-Operator Core Network ("MOCN") agreement 90
Note 6. Other profit and loss items 91
Note 7. Income tax 92
Note 8. Earnings per share 96
Note 9. Cash and cash equivalents 96
Note 10. Trade and other receivables 99
Note 11. Inventories 101
Note 12. Derivative financial instruments and hedge accounting 101
Note 13. Property, plant and equipment 104
Note 14. Right-of-use assets and lease liabilities 106
Note 15. Intangible assets 110
Note 16.Trade and other payables 114
Note 17. Borrowings 116
Note 18. Provisions 116
Note 19. Other liabilities 118
Note 20. Contributed equity 118
Note 21. Reserves 119
Note 22. Dividends 120
Note 23. Interests in other entities 121
Note 24. Related party transactions 123
Note 25. Share-based payments 124
Note 26. Commitments and contingencies 126
Note 27. Parent entity financial information 127
Note 28. Deed of cross guarantee 129
Note 29. Financial risk management 131
Note 30. Auditor's remuneration 137
Note 31. Events occurring after the reporting period 137

Consolidated Entities Disclosure Statement 138
Directors' Declaration 140
Independent Auditor's Report 141

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Consolidated income statement

for the year ended 31 December 2024

	NOTES	2024 $m	2023 $m
Revenue from contracts with customers	4	5,520	5,533
Other income	6	12	36
Cost of provision of telecommunication services		(1,533)	(1,580)
Cost of handsets and hardware sold		(786)	(884)
Technology costs		(391)	(405)
Employee benefits expense	6	(439)	(428)
Other operating expenses	6	(421)	(380)
Impairments and other charges	6	(250)	(17)
Earnings before interest, tax, depreciation and amortisation		**1,712**	**1,875**
Depreciation and amortisation expense	6	(1,485)	(1,472)
Results from operating activities		**227**	**403**
Finance income	6	3	4
Finance expenses	6	(381)	(345)
Net financing costs		(378)	(341)
(Loss)/profit before income tax		**(151)**	**62**
Income tax benefit/(expense)	7	44	(13)
(Loss)/profit after income tax		**(107)**	**49**
Attributable to:			
Owners of the Company		(107)	49

	NOTES	2024 CENTS PER SHARE	2023 CENTS PER SHARE
Earnings per share for profit attributable to owners of the Company			
Basic earnings per share	8	(5.8)	2.6
Diluted earnings per share	8	(5.8)	2.6

The above consolidated income statement should be read in conjunction with the accompanying notes.

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Consolidated statement of comprehensive income

for the year ended 31 December 2024

	NOTES	2024 $m	2023 $m
(Loss)/profit for the year		**(107)**	**49**
Other comprehensive income			
Items that may subsequently be reclassified to the income statement, net of tax:			
Net (loss)/gain on cash flow hedges taken to equity	21	(3)	3
Other comprehensive (loss) / income for the year, net of tax		**(3)**	**3**
Total comprehensive (loss) / income for the year, net of tax		**(110)**	**52**
Attributable to:			
Owners of the Company		(110)	52
		(110)	**52**

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

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Consolidated statement of financial position

as at 31 December 2024

	NOTES	2024 $m	2023 $m
ASSETS			
Current assets			
Cash and cash equivalents	9	42	116
Trade and other receivables	10	972	968
Inventories	11	82	117
Derivative financial instruments	12	5	2
Prepayments and other assets		60	81
Total current assets		**1,161**	**1,284**
Non-current assets			
Trade and other receivables	10	447	469
Property, plant and equipment	13	3,865	3,795
Right-of-use assets	14	1,469	1,709
Intangible assets	15	11,923	12,221
Deferred tax assets	7	218	171
Derivative financial instruments	12	—	3
Prepayments and other assets		11	16
Total non-current assets		**17,933**	**18,384**
Total assets		**19,094**	**19,668**
LIABILITIES			
Current liabilities			
Trade and other payables	16	1,031	1,174
Contract liabilities	4	315	294
Lease liabilities	14	136	122
Provisions	18	92	91
Other liabilities	19	32	41
Total current liabilities		**1,606**	**1,722**
Non-current liabilities			
Contract liabilities	4	17	16
Borrowings	17	4,099	4,076
Lease liabilities	14	2,069	2,112
Provisions	18	101	67
Other liabilities	19	29	58
Total non-current liabilities		**6,315**	**6,329**
Total liabilities		**7,921**	**8,051**
Net assets		**11,173**	**11,617**
EQUITY			
Contributed equity	20	18,399	18,399
Reserves	21	(2)	—
Accumulated losses		(7,224)	(6,782)
Equity attributable to owners of the Company		**11,173**	**11,617**
Total equity		**11,173**	**11,617**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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Consolidated statement of changes in equity

for the year ended 31 December 2024

		ATTRIBUTABLE TO OWNERS OF THE COMPANY			
	NOTES	CONTRIBUTED EQUITY $m	RESERVES $m	ACCUMULATED LOSSES $m	TOTAL EQUITY $m
Balance at 1 January 2024		**18,399**	**—**	**(6,782)**	**11,617**
(Loss)/profit for the year		—	—	(107)	(107)
Other comprehensive income, net of tax	21	—	(3)	—	(3)
Transfer from other reserves to retained earnings		—	1	(1)	—
Employee share schemes – value of employee services	25	—	12	—	12
Acquisition of treasury shares	21	—	(12)	—	(12)
Dividends paid	22	—	—	(334)	(334)
Balance at 31 December 2024		**18,399**	**(2)**	**(7,224)**	**11,173**
Balance at 1 January 2023		**18,399**	**(3)**	**(6,496)**	**11,900**
(Loss)/profit for the year		—	—	49	49
Other comprehensive income, net of tax	21	—	3	—	3
Employee share schemes – value of employee services	25	—	8	—	8
Acquisition of treasury shares	21		(8)		(8)
Dividends paid	22	—	—	(335)	(335)
Balance at 31 December 2023		**18,399**	**—**	**(6,782)**	**11,617**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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Consolidated statement of cash flows

for the year ended 31 December 2024

	NOTES	2024 $m	2023 $m
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		6,052	5,725
Payments to suppliers and employees (inclusive of GST)		(4,124)	(4,203)
		1,928	1,522
Income taxes paid		(2)	—
Net cash generated from operating activities	9(b)	**1,926**	**1,522**
Cash flows from investing activities			
Payments for property, plant and equipment		(783)	(862)
Payments for intangible assets		(231)	(264)
Payments for spectrum licenses		(156)	(28)
Receipts from sale of subsidiary		5	—
Interest received		3	4
Net cash outflows from investing activities		**(1,162)**	**(1,150)**
Cash flows from financing activities			
Proceeds from borrowings		1,170	3,670
Repayment of borrowings		(1,150)	(3,270)
Principal elements of lease payments		(136)	(108)
Payments for shares acquired by the TPG Employee Incentive Plan Trust		(12)	(8)
Finance costs paid		(376)	(319)
Dividends paid		(334)	(335)
Net cash outflows from financing activities		**(838)**	**(370)**
Net increase/ (decrease) in cash and cash equivalents		**(74)**	**2**
Cash and cash equivalents at 1 January		116	114
Cash and cash equivalents at 31 December	9	**42**	**116**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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Notes to the consolidated financial statements

Note 1. Reporting entity

TPG Telecom Limited (the 'Company') is a company domiciled in Australia. The address of the Company's registered office is Level 27, Tower Two, International Towers Sydney, 200 Barangaroo Avenue, Barangaroo NSW 2000. The consolidated financial statements as at, and for the year ended 31 December 2024 (referred to throughout this report as '2024'), comprise the accounts of the Company and entities controlled by the Company (its subsidiaries) (together referred to as the 'Group'). Comparative information is for the year ended 31 December 2023 (referred to throughout this report as "2023"). The Group is a for-profit entity and is primarily involved in the provision of telecommunications services.

Note 2. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Disclosures in relation to the parent entity required under paragraph 295(3)(a) of the Corporations Act 2001 have been included in Note 27.

The financial statements are prepared in accordance with the historical cost convention, except for unsold handset and accessory receivables and derivative financial instruments, which, as noted, are at fair value. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

Comparative information is reclassified where appropriate to enhance comparability.

(a) Going Concern

The consolidated financial statements have been prepared on a going concern basis, which assumes the Group will be able to realise its assets and discharge its liabilities in the normal course of business.

At 31 December 2024, the Group had a deficiency of net current assets of $445 million (2023: a deficiency of $438 million). The Group is satisfied that it will be able to meet all its obligations as and when they fall due, supported by its history of generating profits, positive operating cash flows, current cash reserves, and available debt facilities.

(b) Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). A list of material controlled entities is set out in Note 23. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The acquisition method of accounting is used to account for business combinations by the Group. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

All intercompany transactions, balances and unrealised gains on transactions between companies within the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Income Statement, Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position respectively.

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Note 2. Basis of preparation continued

(c) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Income Statement except when they relate to financial instruments qualifying for hedges as set out in Note 12.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Australian dollars at foreign exchange rates ruling at the dates the fair value was determined.

Foreign operations

The assets and liabilities of foreign operations are translated to Australian dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions. Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity.

(d) Goods and Services Tax ('GST')

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Consolidated Statement of Financial Position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(e) Rounding of amounts

The Company is of a kind referred to in *ASIC Legislative Instrument 2016/191,* relating to the 'rounding off' of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest million dollars in accordance with the instrument, unless otherwise indicated.

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Note 2. Basis of preparation continued

(f) New accounting standards and Interpretations

New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period but none have had a material impact on our accounting policies with the exception of:

- *Supplier Finance Arrangements (Proposed amendments to AASB 107 and AASB 7)*
  The amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangements on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk. The amendments apply for annual periods beginning on or after 1 January 2024.
  The Group has included disclosures applicable and in accordance with the amendments. See Note 16.(f).
- *AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules.*
  The group is within the scope of the OECD Pillar Two model rules that became effective 1 January 2024, and applies the AASB 112 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.
  Under the legislation, the group is liable to pay a top-up tax for the difference between its GloBE effective tax rate in each jurisdiction and the 15% minimum rate, unless the safe harbour provisions apply. The group will not incur top-up taxes for the year ended 31 December 2024 as the group's assessment indicates that the safe harbour provisions apply in each jurisdiction.

New standards and interpretations not yet adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. Those which may be relevant to the Group and its financial impact are set out below.

- *AASB 18 Presentation and Disclosure in Financial Statements*
  AASB18 Presentation and Disclosure in Financial Statements, issued in June 2024, will replace AASB 101 Presentation of financial statements and will be effective for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements
  - Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
  - Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
  - Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs.

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Note 2. Basis of preparation continued

(g) Key accounting estimates and judgements

Summary of key accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results. The Group also needs to exercise judgement in applying its accounting policies.

Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is provided in the following notes:

- Note 5 Impairment and provisions from MOCN agreement
- Note 7 Recognition of deferred tax assets
- Note 10 Loss allowance on trade and other receivables
- Note 14 Lease terms and incremental borrowing rates
- Note 15 Useful lives of intangible assets
- Note 15 Determination of the Group's cash generating units
- Note 15 Impairment of intangible assets with indefinite lives

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Note 3. Segment reporting

(a) Basis for segmentation

TPG has identified its operating segments based on the internal reports that are reviewed and used by the Group Chief Executive Officer (being the chief operating decision maker) in assessing performance and in determining the allocation of resources.

The Group has the following two reportable segments which are managed and organised separately because they require different product and service offerings to address different segments in the market. The organisational structure for these segments include dedicated sales, marketing and customer care teams that are supported by the technology and support functions within the Group. The following summary describes the operations of each reportable segment.

SEGMENT	PRINCIPAL ACTIVITIES
Consumer	Provision of telecommunications services to residential and small office/home office customers.
Enterprise, Government and Wholesale	Provision of telecommunications services to corporate, government and wholesale customers. Mobile small and medium-sized enterprise customers have been categorised in this segment.

The Group Chief Executive Officer primarily uses a measure of segment result to assess the performance of the operating segments. Consistent with information presented for internal management reporting, the result of each operating segment is measured based on its EBITDA contribution, which differs from our reported EBITDA. Information about segment revenue is disclosed in Note 4.

Segment result excludes the effects of significant items of income and expenditure which may have an impact on the quality of earnings such as restructuring, impairment charges and transformation costs.

Unallocated items include net financing costs, depreciation and amortisation costs, certain head office costs, other income and other one-off expenses. There were no one-off transactions that met the quantitative thresholds for reportable segments in 2024 and 2023.

Interest income and finance costs are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

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Note 3. Segment reporting continued

(b) Information about reportable segments

	CONSUMER $m	ENTERPRISE, GOVERNMENT AND WHOLESALE $m	ELIMINATIONS $m	TOTAL REPORTABLE SEGMENTS $m
For the year ended 31 December 2024				
Revenue from contracts with customers[3]	4,497	1,023	—	5,520
Inter-segment revenue	—	69	(69)	—
Segment revenue	**4,497**	**1,092**	**(69)**	**5,520**
Other income	—	6	—	6
Cost of provision of telecommunication services[3]	(1,397)	(203)	69	(1,531)
Cost of handsets and hardware sold	(701)	(85)	—	(786)
Segment gross margin	**2,399**	**810**	**—**	**3,209**
Segment EBITDA	**1,443**	**534**	**—**	**1,977**
For the year ended 31 December 2023				
Revenue from contracts with customers[3]	4,506	1,027	—	5,533
Inter-segment revenue	—	108	(108)	—
Segment revenue	**4,506**	**1,135**	**(108)**	**5,533**
Other income	—	14	—	14
Cost of provision of telecommunication services[3]	(1,488)	(198)	108	(1,578)
Cost of handsets and hardware sold	(797)	(87)	—	(884)
Segment gross margin	**2,221**	**864**	**—**	**3,085**
Segment EBITDA[1]	**1,308**	**595**	**—**	**1,903**

Reconciliation of segment EBITDA to the Group's profit before income tax is as follows:

	2024 $m	2023 $m
Total segment EBITDA[1]	1,977	1,903
Other income	6	22
Head office costs	(2)	(2)
Transaction costs (including separation costs)	(19)	(31)
Impairments and other charges[2]	(250)	(17)
Depreciation and amortisation expense	(1,485)	(1,472)
Net financing costs	(378)	(341)
(Loss)/profit before income tax	**(151)**	**62**

1. $38 million of transformation costs separately presented in FY23 Financial Report have been reclassified within this line. This is to aid comparability with the FY24 segment EBITDA which includes transformation costs.
2. Impairments and other charges of $250 million in FY24 relates to the accounting impacts of MOCN, refer to Note 5 for further details.
3. A reclassification has been made for FY23 segment revenue from contracts with customers and the cost of providing telecommunication services. This was due to the reclassification of corporate cash flows from Consumer to EGW to align with FY24. The net amount reclassified from Consumer segment to EGW was $15 million.

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Note 3. Segment reporting continued

(c) Geographic information

The majority of the Group's revenues are derived from Australian based entities, and no single customer generates revenue greater than 10% of the Group's total revenue. A geographic analysis of the Group's non-current assets is set out below:

	2024 $m	2023 $m
Australia	17,735	18,144
Other	198	240
	17,933	**18,384**

'Other' predominantly relates to submarine cables located in international waters.

Note 4. Revenue from contracts with customers

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service to a customer. Revenue is measured based on the consideration specified in a contract with a customer. Revenue is presented net of GST, rebates and discounts.

Revenue arrangements with multiple deliverables

Goods and services may be sold separately or in bundled packages. For bundled packages (e.g. mobile devices and monthly service fees), the Group accounts for revenue from individual goods and services. The consideration for the bundled packages comprises cash flows from the customers (expected to be received) in relation to goods and services delivered over the contract term. The consideration (transaction price) is allocated between separate goods and services in a bundle based on their relative stand-alone selling prices. If an observable price is available, it is used to determine the stand-alone selling price. In the absence of observable prices, the Group uses various estimation methods, including an adjusted market assessment and cost plus margin approach, to arrive at a stand-alone selling price. The Group has determined that the estimated prices are largely aligned to the stand-alone selling prices.

Where a discount is provided to the customer for bundled packages they are recognised in proportion with the hardware and service equivalent stand-alone prices.

Service revenue - Telecommunication services

The Group sells telecommunication services of the following nature: post-paid and prepaid mobile services, fixed data, internet and voice services, device replacement services and content services. Telecommunication services include monthly access charges for voice, messaging and data services, fees for connecting users of fixed line and other mobile providers to the network and agreements entered into with other telecommunications networks.

Revenue from telecommunication services is measured based on the consideration specified in a contract with a customer. The Group recognises service revenue over time in the accounting period in which the services are rendered, as customers simultaneously receive and consume the benefits from the services provided. Revenue is recognised based on output measures of the value to the customer of goods or services transferred to date, such as number of voice minutes, number of texts, amount of data consumed or (for an unlimited service) time elapsed. Given the evolution of products towards the provision of unlimited services, time elapsed is the measure that is the most applied.

Set-up revenue for certain products does not satisfy the definition of a performance obligation and is treated as part of the total contract price and allocated over the identified performance obligations. Certain equipment used to deliver services are accounted for as either an asset or fulfillment cost if the equipment is not a promised good or service to be transferred to customers. Revenue from content services is recognised on a net basis when the Group acts as agent.

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Note 4. Revenue from contracts with customers continued

Hardware revenue

Revenue from the sale of handsets, modems and accessories is recognised at a point in time when the handsets, modems and accessories are delivered, the legal title has passed, and the customer has accepted the goods.

For mobile devices sold in bundled contracts, customers are offered a no lock in (monthly) service plan. Customers have two options for payment – full or partial payment at the commencement of the contract or instalments. A receivable is recognised for handset and accessories instalment plans. If a customer cancels their no lock in service plan, any outstanding hardware balance becomes payable immediately. The Group has determined no significant financing component exists for bundled contracts with monthly handset and accessories repayments. Factors such as the hardware device retail price, the significance of financing within the contract as a whole and the duration of the deferred payment terms have been considered.

The total transaction price for hardware revenue paid through instalments is subject to risks around collectability, impacts of new plans and industry trends. Accordingly, judgement is used to estimate the impacts of these risks at the time of sale using a portfolio estimate.

(a) Major product categories

	TIMING OF REVENUE RECOGNITION	CONSUMER		ENTERPRISE, GOVERNMENT AND WHOLESALE		TOTAL	
		2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
Mobile – Post-paid	Over time	1,543	1,489	188	184	1,731	1,673
Mobile – Prepaid	Over time	541	482	—	—	541	482
Fixed (including data and internet)[1]	Over time	1,680	1,718	624	648	2,304	2,366
Other service revenue	Over time	6	10	120	101	126	111
Handsets, accessories and other hardware	Point in time	727	807	91	94	818	901
		4,497	**4,506**	**1,023**	**1,027**	**5,520**	**5,533**

1 Fixed revenue has been restated for FY23 due to the reclassification of corporate cash flows from Consumer to EGW, refer to Note 3 for further details.

(b) Assets and liabilities related to contracts with customers

Contract assets (referred to as trade receivables) are amounts due from customers for goods and services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional less loss allowance. Refer to Note 10 for further details.

Contract costs are recognised as an asset and expensed over the expected life of a customer contract consistent with the transfer of the goods and services to which the capitalised costs relate to deliver the customer contract. Refer to Note 15 for further details.

Contract liabilities relate to unearned revenue. Unearned revenue arises from consideration received from prepaid services which have not been utilised, or from post-paid services which have not yet been provided. Contract liabilities relating to prior year released during the year were $278 million (2023: $275 million).

	2024 $m	2023 $m
Contract liabilities	332	310

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Note 5. Multi-Operator Core Network ("MOCN") agreement

In April 2024, the Group signed agreements with Optus Mobile Pty Limited (“Optus”) to create a regional Multi-Operator Core Network (“MOCN”) to extend the Group’s mobile network coverage. The arrangement will commence in early 2025 for an initial term of 11 years, comprising of an annual net fee payable by the Group to Optus for access to the extended network.

The arrangement was cleared by the ACCC in September 2024, and as a result the Group recognised total non-cash charges of $250 million due to the planned decommissioning or transfer to Optus of 785 existing mobile network sites in the MOCN area. The non cash charges included the impairment of Right of Use Assets and Property, Plant and Equipment of $202 million and decommissioning and other provisions of $48 million.

These charges were recognised in the Financial Statements under Impairments and other charges in the Consolidated Income Statement (refer to Note 6), Right-of-use assets (refer to Note 14), Property, Plant & Equipment (refer to Note 13) and Provisions (refer to Note 18).

Critical Estimates and Judgements: Impairment & Provisions

Judgement is required to determine the recoverable asset values in relation to the sites in the MOCN area that will be subject to impairment as a result of the arrangement. Provisions for the costs associated with the decommissioning of these sites will need to be estimated.

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Note 6. Other profit and loss items

(a) Other income

	2024 $m	2023 $m
Gain on sale of subsidiary	3	—
Other income	9	36
	12	**36**

The gain on sale of subsidiary arose on the 19 February 2024 from the disposal of the Group's investment in Orchid Cybertech Services Incorporated.

(b) Employee benefits expense

	2024 $m	2023 $m
Superannuation expense	48	40
Redundancy costs	9	2
Other employee benefits expense	382	386
	439	**428**

(c) Other operating expenses

	2024 $m	2023 $m
Advertising and promotion expenses	126	132
Consulting and outsourced services costs	208	161
Facilities expenses	34	33
Administration and other expenses	53	54
	421	**380**

Increase in Consulting and outsourced services costs in 2024 is due to the outsourcing of the Manila shared services following the sale of Orchid Cybertech Services Incorporated. This cost replaces costs classified in 2023 under employee benefits expense, technology costs and depreciation and amortisation expense.

(d) Impairments and other charges

	2024 $m	2023 $m
Brand impairment charge	—	17
MOCN impairments and other charges	250	—
	250	**17**

Refer to Note 5 for further detail on MOCN impairments and other charges.

(e) Depreciation and amortisation expense

	2024 $m	2023 $m
Depreciation of property, plant and equipment	593	570
Depreciation of right-of-use assets	169	195
Amortisation of intangible assets	723	707
	1,485	**1,472**

(f) Net Financing costs

	2024 $m	2023 $m
Finance income		
Interest income	(3)	(4)
Finance expenses		
Amortisation of borrowing costs	6	10
Interest and finance charges for borrowings and lease liabilities	375	335
	378	**341**

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Note 7. Income tax

The consolidated current tax payable or receivable is based on taxable profit for the year. Taxable profit differs from profit reported in the Consolidated Income Statement because some items of income or expense are taxable or deductible in different periods or may never be taxable or deductible. The Group's liability for current tax is calculated using Australian tax rates (and laws) that have been enacted or substantively enacted by the reporting date.

Tax is charged or credited to the Consolidated Income Statement, except when it relates to items charged or credited directly to equity, in which case the tax is also recognised directly in equity.

For tax purposes, with effect from 13 July 2020, the wholly owned Australian subsidiaries acquired as part of the merger with TPG Corporation entered the tax consolidated group, of which the Company is the head entity, in accordance with Australian taxation law. The tax sharing agreement entered into between the entities within the tax consolidated group provides for the determination of the allocation of the income tax liabilities between entities should the head entity default in its tax payment obligations or if an entity should leave the tax consolidated group. The effect of the tax sharing agreement is that the company's liability for tax payable by the tax consolidated group is limited to the amount payable to the head entity under the tax funding arrangement.

(a) Income tax expense

	NOTES	2024 $m	2023 $m
Current tax			
Current tax on profit & loss for the period		3	6
Adjustments for current tax in respect of prior periods		—	(5)
Total current tax expense		**3**	**1**
Deferred tax			
Decrease in deferred tax assets	7(d)	77	11
(Decrease)/increase in deferred tax liabilities	7(d)	(121)	1
Adjustments for deferred tax in respect of prior periods		(3)	—
Total deferred tax (benefit)/expense		**(47)**	**12**
Income tax (benefit)/expense attributable to continuing operations		**(44)**	**13**

(b) Numerical reconciliation between tax expense and pre-tax accounting profit

	2024 $m	2023 $m
(Loss)/profit before income tax	(151)	62
Income tax (benefit)/expense using the Australian tax rate of 30% (31 December 2023: 30%)	(45)	19
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible expenses	3	1
Under / (over) from prior periods	(3)	(5)
Withholding tax paid on dividend received from subsidiary	2	—
Non-assessable accounting gain on disposal of subsidiary	(1)	—
Tax expense differential between accounting gain and capital gain on tower sale	—	(2)
Income tax (benefit)/expense	**(44)**	**13**

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Note 7. Income tax continued

(c) Tax losses

	2024 $m	2023 $m
Unused transferred tax losses for which no deferred tax asset has been recognised	2,275	2,275
Total tax losses for which no deferred tax asset has been recognised	2,275	2,275
Potential tax benefit at 30% (31 December 2023: 30%)	683	683

The transferred losses of $2,275 million arose from the Vodafone and '3' merger in 2009 and were transferred to VHA at that time. These transferred losses are subject to an available fraction calculation which determines the rate at which the transferred losses can be utilised.

(d) Deferred tax assets and liabilities

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the associated entity is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates (and laws) that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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Note 7. Income tax continued

(d) Deferred tax assets and liabilities continued

Critical Estimates and Judgements: Recognition of deferred tax assets

Judgement is required to determine the recognition of deferred tax assets, which is reviewed at the end of each reporting period. The carrying amount of deferred tax assets is only recognised to the extent that it is probable that sufficient taxable profit will be available in the future to utilise this benefit. This assessment requires assumptions about the generation of future taxable profit derived from the Group's estimates of future cash flows. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised in the Consolidated Statement of Financial Position and the amount of tax losses and temporary differences not yet recognised.

With regard to tax losses carried forward, the benefit of tax losses will only be obtained if the specific entity carrying forward the tax losses derives future assessable income of an amount sufficient to enable the benefit from the deductions for the losses to be realised, and the Company complies with the conditions for deductibility imposed by tax legislation. At 31 December 2024, $197 million (2023: $254 million) of deferred tax assets from tax losses have been recognised based on the Group's assessment of the availability of the tax losses, and the future rate of utilisation of tax losses based on the Group's estimates of future cash flows.

Amounts unrecognised as at the reporting date could be subsequently recognised if it becomes probable that future taxable profit will allow the Group to benefit from these unrecognised tax losses.

	2024 $m	2023 $m
Deferred tax assets		
The balance comprises temporary differences attributable to:		
Employee benefits	22	21
Deferred revenue	11	9
Property, plant and equipment	57	65
Provisions and accruals	75	72
Lease liabilities	638	650
Tax losses	197	254
Copyright	39	41
Other	18	22
Total deferred tax assets	1,057	1,134
Set off tax liabilities pursuant to set-off provisions	(839)	(963)
Net deferred tax assets	**218**	**171**

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Note 7. Income tax continued

(d) Deferred tax assets and liabilities continued

MOVEMENTS	EMPLOYEE BENEFITS $m	DEFERRED REVENUE $m	PROPERTY, PLANT AND EQUIPMENT $m	PROVISIONS AND ACCRUALS $m	LEASE LIABILITIES $m	TAX LOSSES $m	COPYRIGHT $m	OTHER $m	TOTAL $m
At 1 January 2024 (charged)/credited	**21**	**9**	**65**	**72**	**650**	**254**	**41**	**22**	**1,134**
- To profit or loss	1	2	(8)	3	(12)	(57)	(2)	(4)	(77)
At 31 December 2024	**22**	**11**	**57**	**75**	**638**	**197**	**39**	**18**	**1,057**
At 1 January 2023 (charged)/credited	18	15	84	70	570	326	43	19	1,145
- To profit or loss	3	(6)	(19)	2	80	(72)	(2)	3	(11)
At 31 December 2023	**21**	**9**	**65**	**72**	**650**	**254**	**41**	**22**	**1,134**

	2024 $m	2023 $m
Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
Right-of-use assets	417	489
Intangible assets	413	464
Other	9	10
Set off tax liabilities pursuant to set-off provisions	(839)	(963)
Net deferred tax liabilities	**—**	**—**

MOVEMENTS	RIGHT-OF-USE ASSETS $m	INTANGIBLE ASSETS $m	OTHER $m	TOTAL $m
At 1 January 2024 (charged)/credited	489	464	10	963
- To profit or loss	(72)	(51)	(1)	(124)
At 31 December 2024	**417**	**413**	**9**	**839**
At 1 January 2023 (charged)/credited	437	516	9	962
- To profit or loss	52	(52)	1	1
At 31 December 2023	**489**	**464**	**10**	**963**

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Note 8. Earnings per share

	UNITS	2024	2023
Basic earnings per share	cents	(5.8)	2.6
Diluted earnings per share	cents	(5.8)	2.6
(Loss)/profit attributable to the owners of the Company used in calculating basic and diluted earnings per share	$m	(107)	49
Weighted average number of ordinary shares during the year in calculating basic earnings per share	number	1,854,631,530	1,856,238,552
Weighted average number of ordinary shares during the year in calculating diluted earnings per share	number	1,854,631,530	1,857,788,705

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares during the period. The weighted average number of ordinary shares is adjusted to exclude the shares held by the TPG Employee Incentive Plan Trust. Refer to Note 25 for information on equity instruments issued under the employee share scheme.

Diluted EPS is determined by adjusting the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. Rights granted to employees under share-based payments arrangements are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share.

For the year ended 31 December 2024, the weighted average number of shares used in the basic and diluted EPS calculations is the same. This is due to the anti-dilutive effect of share rights expected to vest, which have been excluded from the diluted EPS calculation as the Group incurred a loss.

For the year ended 31 December 2023, the Group recorded a profit. Consequently, the share rights expected to vest were included in the weighted average number of shares used in the diluted EPS calculation.

Note 9. Cash and cash equivalents

For the purposes of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

(a) Restricted cash

At 31 December 2024, $5 million of the cash and cash equivalents balance held by the Group were subject to restrictions and therefore not available for general use by other entities within the Group (2023: $2 million). These represent funds collected on behalf of a third party that has purchased various handset receivable contracts.

(b) Reconciliation of cash flows from operating activities

The presentation of cash flows from operating activities in the Consolidated Statement of Cash Flows has been prepared based on the direct method, as it provides more relevant information for the users of the financial report.

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Note 9. Cash and cash equivalents continued

(b) Reconciliation of cash flows from operating activities continued

The reconciliation of net operating cash flows has been disclosed in the below table.

	2024 $m	2023 $m
Cash flows from operating activities		
(Loss)/ profit for the year after income tax	(107)	49
Adjustments for:		
Depreciation and amortisation expense	1,485	1,472
Impairment charge	202	17
Net financing costs	378	341
Share based payment expense	13	8
Other non-operating (costs)/gain	(1)	7
	1,970	**1,894**
Movements in operating assets and liabilities:		
(Increase) in trade and other receivables	(5)	(369)
Decrease in inventories	35	38
Decrease/ (increase) in prepayments and other assets	24	(5)
(Increase)/ decrease in deferred tax assets	(47)	12
(Decrease) in trade and other payables	(100)	(14)
Increase in contract liabilities	22	9
(Decrease) in other liabilities	(10)	(51)
Increase in provisions	37	8
	(44)	**(372)**
Net cash generated from operating activities	**1,926**	**1,522**

(c) Non-cash investing and financing activities

	2024 $m	2023 $m
Acquisition of right-of-use assets	115	333

(d) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	2024 $m	2023 $m
Cash and cash equivalents	42	116
Borrowings	(4,099)	(4,076)
Lease liabilities	(2,205)	(2,234)
Net debt	**(6,262)**	**(6,194)**

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Note 9. Cash and cash equivalents continued

(d) Net debt reconciliation continued

	CASH AND CASH EQUIVALENTS $m	LEASE LIABILITIES $m	BORROWINGS $m	TOTAL $m
Net debt at 1 January 2024	116	(2,234)	(4,076)	(6,194)
Cash flows	(74)	263	—	189
Lease acquisitions	—	(115)	—	(115)
Interest unwinding	—	(127)	—	(127)
Lease revaluations and terminations	—	(8)	—	(8)
Proceeds from borrowings	—	—	(1,170)	(1,170)
Repayment of borrowings	—	—	1,150	1,150
Other	—	16	(3)	13
Net debt at 31 December 2024	**42**	**(2,205)**	**(4,099)**	**(6,262)**

	CASH AND CASH EQUIVALENTS $m	LEASE LIABILITIES $m	BORROWINGS $m	TOTAL $m
Net debt at 1 January 2023	114	(1,965)	(3,690)	(5,541)
Cash flows	2	229	—	231
Lease acquisitions	—	(331)	—	(331)
Interest unwinding	—	(121)	—	(121)
Lease revaluations and terminations	—	(34)	—	(34)
Proceeds from borrowings	—	—	(3,670)	(3,670)
Repayment of borrowings	—	—	3,270	3,270
Other	—	(12)	14	2
Net debt at 31 December 2023	**116**	**(2,234)**	**(4,076)**	**(6,194)**

(e) Guarantees

	2024 $m	2023 $m
Unsecured guarantees	24	51

The Group has provided bankers' guarantees to support various commercial and regulatory obligations of $24 million (2023: $51 million).

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Note 10. Trade and other receivables

Trade receivables are amounts due from customers for goods and services provided in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional less a loss allowance. Trade receivables are generally due for settlement within 0 to 60 days, except for handset and accessories receivables which are collected over the term of the contract. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. For handset and accessories receivables which have not been sold to third parties in accordance with the Group's arrangements, these are initially recognised at the amount expected to be recoverable over the term of the contract, subject to collectability reviews.

Collectability of receivables is reviewed on an ongoing basis. The Group applies the *AASB 9 Financial Instruments* (AASB 9) simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over relevant historical periods before year end and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic and commercial factors affecting the ability of customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include inactive accounts, the failure of a debtor to engage in a repayment plan with the Group and a failure to make contractual payments for a period of greater than 90 to 120 days past due. Impairment losses on trade receivables are presented as impairment of receivables within other operating expenses in the Consolidated Income Statement. Subsequent recoveries of amounts previously written off are credited against the same line item.

The Group has entered into arrangements which allows them to sell certain handset and accessories receivables to a third party.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised as handset receivable expense within cost of handsets sold in the Consolidated Income Statement.

As the relevant criteria in AASB 9 were satisfied, the fair value of the current receivables sold were derecognised from the financial statements. Unsold handset receivables were not derecognised by the Group if they were yet to satisfy the qualifying criteria required under the risk transfer arrangement with third parties.

TPG did not carry any of its handset related receivables at fair value as at 31 December 2024 (2023: nil).

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Note 10. Trade and other receivables continued

	2024 $m	2023 $m
Current		
Trade receivables	246	265
Less: expected credit loss allowance	(18)	(16)
	228	**249**
Handset and accessories receivables	625	576
Accrued revenue	39	27
Receivables from related parties	1	1
Other receivables	79	115
	972	**968**
Non-current		
Handset and accessories receivables	444	465
Other receivables	3	4
	447	**469**

(a) Movement in provision for impairment of trade receivables

	2024 $m	2023 $m
Balance at 1 January	**(16)**	**(17)**
Provision for impairment recognised during the year	(7)	(7)
Receivables written off during the year	5	8
Balance at 31 December	**(18)**	**(16)**

(b) Handset and accessories receivables

	2024 $m	2023 $m
Handset and accessories receivables	1,116	1,102
Estimated future adjustments to unbilled revenue[1]	(47)	(61)
	1,069	**1,041**
Handset receivables sale expense	—	—

1. This includes estimated future adjustments to unbilled revenue and loss allowance.

Critical Estimates and Judgements: Loss allowance on trade and other receivables
Judgement is required to determine the allowance for doubtful debts for the Group's trade receivables. During the financial year, the loss assumptions used in determining the provision for trade and other receivables were reviewed against, and updated to align with, actual debtor collectability using latest available data.

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Note 11. Inventories

Finished goods include handsets, modems, other connectivity devices and accessories and are stated at the lower of cost and net realisable value. The costs of individual items of inventory are determined using the weighted average cost or standard cost method. The standard costs are regularly reviewed and, if necessary, revised in the light of current conditions. The same cost formula is applied to all inventories with a similar nature and use to the Group. Cost comprises the purchase price and any expenditure that is directly attributable to the acquisition of the inventory after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

	2024 $m	2023 $m
Finished goods at net realisable value	82	117

Inventories expensed in the Consolidated Income Statement during the year ended 31 December 2024 amounted to $744 million (2023: $843 million). Inventories written down during the year ended 31 December 2024 amounted to $7 million (2023: $10 million).

Note 12. Derivative financial instruments and hedge accounting

Derivative financial instruments are utilised by the Group in the management of its foreign currency and interest rate risk exposures. The Group's policy is not to utilise derivative financial instruments for trading or speculative purposes.

The Group designates derivatives as hedging instruments to hedge the variability in cash flow associated with known or highly probable forecast transactions arising from changes in interest rates.

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that the economic relationship between the hedged item and hedging instrument is maintained.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The fair values of derivative financial instruments designated in hedge relationships are classified as non-current assets or liabilities, except for those that mature in less than 12 months from the reporting date, which are classified as current.

For derivatives that do not qualify for hedge accounting, changes in fair value are recognised in the Consolidated Income Statement.

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Note 12. Derivative financial instruments and hedge accounting continued

Cash flow hedges that qualify for hedge accounting

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of derivatives is recognised in other comprehensive income and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Income Statement within other income or other operating expenses. The Group tests cash flow hedges for effectiveness at each reporting date prospectively.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, or is terminated, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until it is reclassified to profit or loss in the same period as the hedged expected future cash flows affect profit or loss.

	2024 $m	2023 $m
Current assets		
Interest rate swaps	2	2
Non-current assets		
Interest rate swaps	—	3

Interest rate swaps

The Group enters into interest rate swaps for risk management purposes that are designed as cash flow hedges. The Group's outstanding interest rate swaps have similar critical terms as the hedged item, such as reference rate, reset date, payment dates, and notional amount. The group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is an economic relationship. The interest rate swaps have floating legs that are indexed to 3-month BBSY rate on the reset date, being the first day of the calculation period. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association master agreements.

Hedge ineffectiveness for interest rate swaps may occur due to:

- The credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and
- Difference in critical terms between the interest rate swaps and loans.

Hedge ineffectiveness in relation to the interest rate swaps was negligible for the years ended 31 December 2024 and 2023.

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Note 12. Derivative financial instruments and hedge accounting continued

Interest rate swaps continued

Other information relating to interest rate swaps designated as cash flow hedges were as follows

INTEREST RATE SWAPS (CURRENT & NON-CURRENT ASSETS)	2024 $m	2023 $m
Carrying amount	2	5
Notional amount	1,100	2,500
Maturity date	2025	2024-2025
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments since inception of the hedge	(3)	3
Change in value of hedged item used to determine hedge ineffectiveness	—	—
Weighted average hedged rate	6 %	4 %

Hedging reserves

The Group's hedging reserves disclosed in Note 21 relate to the following hedging instrument:

	INTEREST RATE SWAPS $m
At 1 January 2023	2
Change in fair value of hedging instrument recognised in OCI	3
At 31 December 2023	**5**
Change in fair value of hedging instrument recognised in OCI	(3)
At 31 December 2024	**2**

There were no reclassifications from the cash flow hedge reserve to profit or loss during the period.

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Note 13. Property, plant and equipment

ASSET CLASS	RECOGNITION AND MEASUREMENT
Property, plant and equipment	Property, plant and equipment (PP&E) are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are included as part of the cost of that asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Consolidated Income Statement during the financial period in which they are incurred.

(a) Depreciation

Depreciation is charged on property, plant and equipment excluding land. Depreciation is calculated on a straight-line basis to write off the depreciable amount of each item of property, plant and equipment over its expected useful life to the Group. The assets' residual values and useful lives are reviewed at each reporting date and adjusted if appropriate. Assets are depreciated from the date they are brought into commercial service, or in respect of internally constructed assets from the time the asset is completed and is available for commercial use. The cost of internally constructed assets includes the cost of materials, direct labour, and the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. The expected useful lives for PP&E assets are as follows:

Buildings	40 years
Leasehold improvements	3 to 10 years
Network & IT equipment and Infrastructure	2 to 25 years

The depreciable amount of improvements to or on leasehold properties and leased plant and equipment is amortised over the unexpired period of the lease or the estimated useful life of the leasehold improvement stated above to the Group, whichever is the shorter.

Depreciation rates and methods are reviewed at least annually and adjusted on a prospective basis as required by accounting standards.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Consolidated Income Statement.

(b) Impairment of assets

Non-financial assets other than goodwill or intangible assets with indefinite useful lives are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. This includes assets under construction. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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Note 13. Property, plant and equipment continued

(c) Property, plant and equipment movement schedule

	LAND AND BUILDINGS $m	LEASEHOLD IMPROVEMENTS $m	NETWORK & IT EQUIPMENT AND INFRASTRUCTURE $m	ASSETS UNDER CONSTRUCTION $m	TOTAL $m
At 31 December 2022					
Cost	43	85	5,956	881	6,965
Accumulated depreciation	(6)	(69)	(3,258)	(52)	(3,385)
Net book value	**37**	**16**	**2,698**	**829**	**3,580**
Year ended 31 December 2023					
Opening net book value	37	16	2,698	829	3,580
Additions	—	—	36[1]	981	1,017
Transfers in/(out) of other PPE and intangibles	—	21	744	(950)	(185)[2]
Disposal	—	—	(38)[1]	(9)	(47)
Depreciation	(3)	(9)	(555)	(3)	(570)
Net book value	**34**	**28**	**2,885**	**848**	**3,795**
At 31 December 2023					
Cost	44	101	5,746	917	6,808
Accumulated depreciation	(10)	(73)	(2,861)	(69)	(3,013)
Net book value	**34**	**28**	**2,885**	**848**	**3,795**
Year ended 31 December 2024					
Opening net book value	34	28	2,885	848	3,795
Additions	—	2	15[3]	903	920
Transfers in/(out) of other PPE and intangibles	—	14	743	(970)	(213)[4]
Disposal	(1)	—	(17)[3]	2	(16)
Depreciation	(3)	(10)	(576)	(4)	(593)
Impairment	—	—	(28)	—	(28)
Net book value	**30**	**34**	**3,022**	**779**	**3,865**
As at 31 December 2024					
Cost	42	111	6,306	843	7,302
Accumulated depreciation	(12)	(77)	(3,284)	(64)	(3,437)
Net book value	**30**	**34**	**3,022**	**779**	**3,865**

1. The additions of $36 million and disposals of $38 million related to equipment that were accounted for as asset swaps.
2. The transfer balance of $185 million was transferred as additions to intangibles ($177 million cost only), and to right-of-use assets for leases ($8 million cost only).
3. The additions of $15 million and disposals of $17 million related to equipment that were accounted for as asset swaps.
4. The transfer balance of $213 million (cost only) was transferred as additions to intangibles.

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Note 14. Right-of-use assets and lease liabilities

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group has leases for various network sites, offices, retail stores and data centres. Rental contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Critical Estimates and Judgements: Determining lease terms

Judgement is required to determine the lease term for leases that include additional optional extension periods beyond the initial non-cancellable period. As a lessee, extension periods are included in the lease term in determining the lease liability if the Group is reasonably certain that the extension option will be exercised. An assessment of the likelihood of exercising renewal options, based on relevant facts and circumstances, such as historical lease durations, costs and business disruption required to replace the leased asset or relocate the site, the existence of termination penalties and the Group's future plans, is performed on initial recognition of the lease. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment is only revised if a significant event or a significant change in circumstances occurs, and that is within the control of the Group.

For the Group's network lease portfolio, renewal options are generally included in the lease term, when they are considered reasonably certain, based on the type and use of the underlying asset, that the lease will be extended. The length of the initial lease term is also considered, as the likelihood of exercising an option diminishes the longer the non-cancellable period.

For the Group's commercial lease portfolio, which includes office buildings, data centres and retail stores, renewal options are generally not included in the lease term, and is assessed against the Group's plan for its corporate and retail footprint.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and typically have an underlying value of less than $10,000.

(a) Initial measurement

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

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Note 14. Right-of-use assets and lease liabilities continued

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Critical Estimates and Judgements: Determining incremental borrowing rate

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used.

Judgement is required to determine the incremental borrowing rate used to measure the Group's network and commercial leases. The Group is of the view that interest rates implicit in the Group's leases are not readily determinable.

The incremental borrowing rate represents the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since the third party financing was received and considering elements specific to the lease, e.g. term of lease.

(b) Subsequent measurement

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are generally depreciated over the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use.

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Note 14. Right-of-use assets and lease liabilities continued

(c) Subleases

The Group has entered into lease agreements as an intermediate lessor for various retail stores and offices. When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. The net investment in each sublease is determined by discounting the rental payments expected to be received from the sublessee over the term of the sublease. The interest income associated with the discounting of the rental payments is recognised over the term of the sublease.

(d) Sale-and-leaseback

A sale-and-leaseback transaction is one where the Group sells an asset and immediately reacquires the use of the asset by entering into a lease with the buyer. The accounting treatment depends on whether the transfer of the asset by the seller-lessee satisfies the requirement of AASB 15 to be accounted for as a sale of the asset:

- if yes, as a seller-lessee, the Group measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right-of-use retained by the Group as a seller-lessee. Accordingly, the Group recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor.
- if not, as a seller-lessee, the Group continues to recognise the transferred assets and recognises a financial liability equal to the transfer proceeds.

(e) Site Sharing Agreements

The Group has entered into a Site Sharing Agreement for various network sites. The purpose of this agreement is to share the costs relating to telecommunication equipment on certain network sites. Under this Agreement, access to network sites is granted to the other party in return for an access fee, which is settled on a net basis each quarter.

The Group considers the core purpose of the Agreement is for the convenience of each party rather than to generate lease income. The Group accounts for the subleases arising from the exchange of access fees on a net basis, as the exchanged right-of-use assets are similar in nature, the timing of cash flows between the parties mirrors the timing of receipts/payments under the head lease agreements, and the amount of cash flows is not expected to be materially different between the exchanged right-of-use assets. The Group is in a net payment position under the Agreement, and as a result the Group recognises a right-of-use asset and lease liability for the net payment portion in accordance with AASB 16.

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Note 14. Right-of-use assets and lease liabilities continued

The Consolidated Statement of Financial Position shows the following amounts relating to leases:

	2024 $m	2023 $m
Right-of-use assets		
Commercial properties	200	207
Network properties	1,269	1,502
	1,469	**1,709**
Lease liabilities		
Current	136	122
Non-current	2,069	2,112
	2,205	**2,234**

- Additions to the right-of-use assets during the 2024 financial year were $115 million (2023: $333 million).
- An impairment of $174 million was charged to right-of-use assets of network properties as a result of MOCN deal. Refer to Note 5 for more details.

The Consolidated Income Statement shows the following amounts relating to leases:

	2024 $m	2023 $m
Depreciation of right-of-use assets		
Commercial properties	47	65
Network properties	122	130
	169	**195**
Interest expense (included in finance expenses)	127	121
Expense relating to short-term and low-value leases (included in technology costs and other operating expenses)	28	41

The total cash outflow for leases in 2024 was $291 million (2023: $270 million).

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Note 15. Intangible assets

ASSET CLASS	RECOGNITION AND MEASUREMENT
Goodwill	Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in the Consolidated Income Statement as a bargain purchase gain.
Brand names	On acquisition, brands of the acquiree are valued and brought to account as intangible assets. The value is calculated using the relief from royalty method. Brand names are classified as either finite or indefinite life intangible assets depending on the Group's assessment of the expected pattern of economic benefits that they will generate for the Group. All current brand names have an indefinite useful life.
Computer software	Computer software comprises computer software purchased from third parties as well as the cost of internally developed software. Computer software licences are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group and are probable of producing future economic benefits are recognised as intangible assets. Direct costs include software development employee costs and directly attributable overheads. Software integral to a related item of hardware equipment is accounted for as property, plant and equipment. Costs associated with maintaining computer software programs are recognised as an expense when they are incurred.
Spectrum licences	Costs associated with acquiring spectrum licences are capitalised. The amortisation of the spectrum licences commences upon the later of the readiness of the network and the spectrum licences being allocated.
Contract costs	Under AASB 15 *Revenue from Contracts with Customers*, incremental costs associated with acquiring and renewing a contract that are expected to be recovered are required to be initially recognised as an asset and expensed over the expected life of a customer contract consistent with the transfer to the customer of the goods and services to which the capitalised costs relate. Contracts costs associated with acquiring and renewing a service contract are capitalised and amortised over the life of the contract. Contract costs associated with the sale of handsets are capitalised and amortised upfront in line with transfer of handsets to the customer.
Acquired customer base	On acquisition, customer contracts and relationships of the acquiree are valued based on their expected future economic benefits (using discounted cash flow projections) and brought to account as intangible assets.
Indefeasible rights of use capacity ('IRUs')	Indefeasible rights of use ("IRUs") of acquired network capacity are brought to account as intangible assets at the present value of the future cash flows payable for the right. IRUs of acquired subsidiaries are accounted for at their fair value as at the date of acquisition.

(a) Amortisation

The expected useful lives of the intangible assets, other than goodwill and indefinite life brand names, are as follows:

Spectrum licences	9 to 20 years
Computer software	3 to 8 years
Contract costs	1 to 3 years
Customer base	8 to 15 years
Indefeasible rights of use (IRUs)	8 to 15 years

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Note 15. Intangible assets continued

Critical Estimates and Judgements: Useful lives of intangible assets

Judgement is required to determine the estimated useful lives of intangible assets for the basis of the amortisation period over which economic benefit will be derived from the asset. The Group reviews the useful lives at the end of each reporting period, based on the Group's expected life of each asset class, including expected use of specific assets and other relevant factors such as any expected changes in technology.

(b) Intangibles assets movement schedule

	BRAND NAMES $m	SPECTRUM LICENCES $m	COMPUTER SOFTWARE $m	CONTRACT COSTS $m	CUSTOMER BASE $m	IRUS $m	GOODWILL $m	TOTAL $m
At 1 January 2023								
Cost	425	3,153	948	170	1,689	217	8,515	15,117
Accumulated amortisation	(1)	(1,143)	(760)	(96)	(402)	(52)	—	(2,454)
Net book value	**424**	**2,010**	**188**	**74**	**1,287**	**165**	**8,515**	**12,663**
Year ended 31 December 2023								
Opening net book balance	424	2,010	188	74	1,287	165	8,515	12,663
Additions	—	4	—	101	—	—	—	105
Transfers in from PPE	—	(1)	178	—	—	—	—	177
Impairment	(17)	—	—	—	—	—	—	(17)
Amortisation	—	(276)	(148)	(101)	(160)	(22)	—	(707)
Net book value	**407**	**1,737**	**218**	**74**	**1,127**	**143**	**8,515**	**12,221**
At 31 December 2023								
Cost	424	3,160	774	202	1,689	217	8,515	14,981
Accumulated amortisation	—	(1,423)	(556)	(128)	(562)	(74)	—	(2,743)
Impairment	(17)	—	—	—	—	—	—	(17)
Net book value	**407**	**1,737**	**218**	**74**	**1,127**	**143**	**8,515**	**12,221**
Year ended 31 December 2024								
Opening net book balance	407	1,737	218	74	1,127	143	8,515	12,221
Additions	—	128	—	84	—	—	—	212
Transfers in from PPE	—	—	213	—	—	—	—	213
Amortisation	—	(279)	(169)	(93)	(160)	(22)	—	(723)
Net book value	**407**	**1,586**	**262**	**65**	**967**	**121**	**8,515**	**11,923**
As at 31 December 2024								
Cost	407	3,280	985	183	1,689	217	8,515	15,276
Accumulated amortisation	—	(1,694)	(723)	(118)	(722)	(96)	—	(3,353)
Net book value	**407**	**1,586**	**262**	**65**	**967**	**121**	**8,515**	**11,923**

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Note 15. Intangible assets continued

(c) Impairment of assets (intangible assets with finite useful lives)

Refer to Note 13 for the Group's non-financial asset impairment policy.

(d) Impairment testing for intangible assets with indefinite useful lives

Indefinite life intangible assets, such as goodwill and brand names, are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows known as cash generating units ("CGUs").

Critical Estimates and Judgements: Determining the Group's cash generating units

Judgement is required in determining the Group's CGUs. The Group is of the view that its telecommunications network is integrated in nature, and no single component of the network individually generates cash flows from delivering products and services. For the purposes of goodwill allocation and impairment testing, the Group is of the view that the manner in which operations are monitored by the Group best reflects the Group's CGUs.

During the financial year, there have been no changes to the manner in which the Group's operations are monitored. The Group has identified the 'Consumer' and 'Enterprise, Government and Wholesale' CGU to be the lowest level at which goodwill is monitored for internal management purposes.

	2024			2023		
	BRAND NAMES $m	GOODWILL $m	TOTAL $m	BRAND NAMES $m	GOODWILL $m	TOTAL $m
Consumer CGU	309	6,386	6,695	309	6,386	6,695
Enterprise, Government and Wholesale CGU	98	2,129	2,227	98	2,129	2,227
	407	**8,515**	**8,922**	**407**	**8,515**	**8,922**

A CGU is impaired when the recoverable amount of the CGU is lower than the carrying amount of the CGU. The recoverable amount is the higher of an asset's value-in-use and fair value less cost of disposal.

The Group uses the value-in-use method in order to assess the recoverable amount of the CGUs to which the indefinite life intangible assets have been allocated. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU pro rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss recognised for goodwill cannot be subsequently reversed, whereas for identified intangibles the charge can be reversed where estimates used to determine the recoverable amount have changed.

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Note 15. Intangible assets continued

Critical Estimates and Judgements: Impairment of goodwill

Goodwill is not subject to amortisation and is assessed for impairment at least on an annual basis, or whenever an indication of potential impairment arises.

Judgement is required to determine the recoverable amounts of the Group's CGUs, which have been determined using a value-in-use calculation. The following key assumptions have been used in determining the recoverable amount of the CGUs with allocated goodwill:

- Cash flow projections - cash flow projections are based on a five-year board approved long range plan. These include EBITDA related assumptions (such as expected customer subscriber growth rates, average revenue per user, product and pricing mix changes, direct costs to deliver telecommunication services, forecast employee headcount and wage inflation, marketing costs and other overheads), and capital related assumptions (including mobile and fixed networks, IT systems and spectrum). These assumptions are determined by an extrapolation of historical performance and future company plans.
- Discount rate - a pre-tax discount rate has been used to discount the projected cash flows of the CGUs and is based on the Group's weighted average cost of capital adjusted to reflect an estimate of specific risks assumed in the cash flow projections.
- Terminal value growth rate – a long term growth rate is applied to extrapolate a CGU's cash flows beyond the five-year forecast period. This growth rate is based on the expected long-term performance for the market.

	31 DECEMBER 2024		31 DECEMBER 2023	
	CONSUMER	ENTERPRISE, GOVERNMENT AND WHOLESALE	CONSUMER	ENTERPRISE, GOVERNMENT AND WHOLESALE
Discount rate (pre-tax)	9.58%	10.21%	9.03%	9.80%
Terminal growth rate	3.00%	3.00%	3.00%	3.00%

Sensitivity analysis on all of the key assumptions employed in the value-in-use calculations has been performed. From this, the Group has concluded that a reasonable possible change in the key assumptions will not cause the carrying amounts of the Consumer and EGW CGUs to exceed the recoverable amounts.

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Note 16. Trade and other payables

	2024 $m	2023 $m
Trade creditors and accruals	949	1,091
Employee benefits related payables	39	44
Other creditors	33	34
Payables to related parties	10	5
	1,031	**1,174**

(a) Trade creditors and accruals

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period and which are unpaid. The amounts are unsecured and are usually paid or payable within 7 to 180 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

(b) Employee benefits - Wages and salaries

Liabilities for wages and salaries, including non-monetary benefits, that are expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service are recognised in other creditors in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(c) Employee benefits - Superannuation

The Group pays contributions to defined contribution superannuation plans on a mandatory, contractual or voluntary basis. The Group has no further superannuation payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(d) Employee benefits - STI and LTI

A liability for employee benefits in the form of a STI plan is recognised in employee benefits related payables when there is no realistic alternative but to settle the liability and at least one of the following conditions is met:

- there are formal terms in the plan for determining the amount of the benefit;
- the amounts to be paid are determined before the time of completion of the financial statements; or
- past practice gives clear evidence of the amount of the obligation.

Liabilities recognised in trade and other payables for STI plans are expected to be settled within 12 months, subject to conditions being met, and are measured at the amounts expected to be paid when they are settled.

The Group recognises share based compensation benefits provided within STI and LTI plans to a number of executives and eligible employees under reserves, refer to note 25 for further details.

(e) Employee benefits - Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of *AASB 137 Provisions, Contingent Liabilities and Contingent Assets* and involves the payment of termination benefits.

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Note 16. Trade and other payables continued

(f) Supplier finance arrangements

The Group participates in a supplier finance arrangement. Under the arrangement, the bank agrees to pay amounts due to participating suppliers in respect of invoices owed by the Group and the Group repays the bank at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing.

There are no guarantees or securities provided under the supplier financing arrangement.

The arrangement does not significantly extend payment terms beyond the typical payment cycle with other suppliers that are not participating. The Group therefore includes the amounts subject to the arrangement within trade payables because the nature and function of these payables remains the same as those of other trade payables.

All payables under the arrangement are classified as current as at 31 December 2024.

	2024 $m
Carrying amounts of liabilities	
Presented within trade and other creditors	**78**
- of which suppliers have received payment	**78**

	2024 Days after invoice
Range of payment due dates	
Trade creditors subject to supplier finance arrangement	**85-176**
Comparable trade creditors that are not part of an arrangement	**7-180**

*The Group applied transitional relief available under *Suppler Finance Arrangements - Amendments* to AASB 107 and AASB 7 and has not provided comparative information in the first year of adoption.

There were no significant non-cash changes in the carrying amount of trade payables subject to supplier finance arrangements.

Refer to Note 29 for additional information about how these arrangements affect the Group's liquidity risk.

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Note 17. Borrowings

Borrowings are initially recognised at fair value net of unamortised transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds and the redemption amount is recognised in the Consolidated Income Statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities, which are not incremental costs relating to the drawdown of the facilities, are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down, otherwise they are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

	2024 $m	2023 $m
Non-current		
Bank loans (unsecured)	4,110	4,090
Capitalised borrowing costs	(11)	(14)
Net bank loans	**4,099**	**4,076**

(a) Available facilities

At 31 December 2024, the Group has total loan facilities of $4,760 million (31 December 2023: $4,960 million). The total amount of undrawn borrowing facilities at 31 December 2024 was $685 million (31 December 2023: $905 million) which includes a committed overdraft facility of $35 million (31 December 2023: $35 million).

The Group's bank loan facilities contain undertakings to comply with financial covenants. These require that the Group operates within certain financial ratios. The financial covenants that the Group is subject to are Leverage and Interest Coverage. Additionally, the Group is required to ensure that the Total Assets and EBITDA of the guarantors meet minimum threshold amounts of Total Assets and consolidated EBITDA of the Group.

There were no breaches of financial covenants during the year ended 31 December 2024.

Note 18. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the Group's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

(a) Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

(b) Make good provisions

A provision has been made for the present value of anticipated future costs of restoration of leased premises.

The provision includes future cost estimates associated with removing any leasehold improvements. The costs have been capitalised as part of the cost of leasehold improvements and are amortised over the shorter of the term of the lease or the useful life of the assets.

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Note 18. Provisions continued

(c) Decommissioning costs

The Group records a provision for decommissioning costs on its network. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of that particular asset. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset. For the network sites in the MOCN area, a separate decommissioning provision of $48m has been recognised. Refer to Note 5 for further detail.

(d) Annual leave employee benefit obligations

Liabilities for annual leave that are expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service are recognised in provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(e) Long service leave and other long-term employee benefit obligations

The Group has liabilities for long service leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high-quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

	2024 $m	2023 $m
Current		
Employee benefits	65	62
Decommissioning and make good	11	12
Other provisions	2	17
MOCN decommissioning provision	14	—
	92	**91**
Non-current		
Employee benefits	7	6
Decommissioning and make good	60	61
MOCN decommissioning provision	34	—
	101	**67**

Refer to Note 5 for further detail on the MOCN decommissioning provision.

(f) Movement in provisions (excluding employee benefits)

	DECOMMISSIONING AND MAKE GOOD $m	MOCN DECOMMISSIONING PROVISION $m	OTHER PROVISIONS $m	TOTAL $m
Balance at 1 January 2024	73	—	17	90
Amounts adjusted during the year	7	48	2	57
Amounts utilised during the year	(9)	—	(17)	(26)
Balance at 31 December 2024	**71**	**48**	**2**	**121**

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Note 19. Other liabilities

	2024 $m	2023 $m
Current		
Carrier network payables	28	28
Other contract liabilities	2	5
Other payables	2	8
	32	**41**
Non-current		
Carrier network payables	—	28
Other financial liabilities	22	22
Other contract liabilities	7	5
Other payables	—	3
	29	**58**

Other financial liabilities represent amounts arising from sale-and-leaseback transactions.

Note 20. Contributed equity

Where any Group company purchases the Company's equity instruments, for example as a result of a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Owners of the Company.

Shares held by the TPG Employee Incentive Plan Trust are disclosed as treasury shares and deducted in the reserves.

	2024 SHARES	2023 SHARES	2024 $m	2023 $m
Ordinary shares (fully paid)	**1,859,341,669**	1,859,341,669	**18,399**	18,399

There were no movements in ordinary shares during the year ended 31 December 2024.

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Note 21. Reserves

(a) Cash flow hedge reserve

The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non-financial liability.

(b) Foreign currency translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

(c) Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of all shares and rights both issued and issued but not exercised under the various employee share plans, as well as purchases of shares by the TPG Employee Incentive Plan Trust. (Refer to Note 25).

The table below provides the number and amount of treasury shares in the share-based payments reserve:

	NUMBER OF SHARES	$m
Opening balance at 1 January 2024	3,626,913	21
Shares acquired by the TPG Employee Incentive Plan Trust	2,583,525	12
Issue of shares under the employee incentive plan	(732,188)	(5)
Balance as at 31 December 2024	**5,478,250**	**28**

	NUMBER OF SHARES	$m
Opening balance at 1 January 2023	2,395,453	14
Shares acquired by the TPG Employee Incentive Plan Trust	1,565,136	8
Issue of shares under the employee incentive plan	(333,676)	(1)
Balance as at 31 December 2023	**3,626,913**	**21**

(d) Common control reserve

The common control reserve comprises differences arising from transfers of assets and liabilities in exchange of equity interests among entities with shareholders that had jointly controlled the Company during the year.

	2024 $m	2023 $m
Cash flow hedge reserve	2	5
Foreign currency translation reserve	—	(1)
Common control reserve	3	3
Share based payments reserve	21	14
Treasury shares reserve	(28)	(21)
	(2)	**—**
Movement in reserves		
Balance at 1 January	—	(3)
Change in value of cash flow hedge reserve	(3)	3
Change in value foreign currency translation reserve	1	—
Change in value of common control reserve	—	—
Change in value of share-based payments reserve	7	7
Change in value of treasury-based payments reserve	(7)	(7)
Balance at 31 December	**(2)**	**—**

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Note 22. Dividends

During the year ended 31 December 2024, the following dividends were paid:

- fully franked final FY23 dividend of $167 million (9.0 cents per fully paid share) was paid on 12 April 2024 (2023: $167 million)
- partially (87%) franked interim FY24 dividend of $167 million (9.0 cents per fully paid share) was paid on 11 October 2024 (2023: fully franked $167 million)

Subsequent to year end, on 28 February 2025, the Board of directors have declared an unfranked final FY24 dividend of 9.0 cents per share. As the final dividend was not declared or resolved to be paid by the Board as at 31 December 2024, the dividend has not been provided for in the Consolidated Statement of Financial Position. The final FY24 dividend has a record date of 7 March 2025 and will be paid on 4 April 2025.

All dividends declared or paid during the year were fully or partially franked at the tax rate of 30%.

The Group does not operate a Dividend Reinvestment Plan.

Dividend franking account

	2024 $m	2023 $m
Franking credits available for subsequent reporting periods based on a tax rate of 30% (2023: 30%)	—	133

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for dividends paid during the year. During the year the franking credits were fully utilised.

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Note 23. Interests in other entities

(a) Subsidiaries

Investments in subsidiaries are measured at cost in the Company's financial statements. The following is a list of all material entities that formed part of the Group as at 31 December 2024. A complete list of controlled entities can be found in the Consolidated Entity Disclosure Statement.

NAME OF ENTITY	NOTES	COUNTRY OF INCORPORATION	INTEREST % 2024 %	INTEREST % 2023 %
Vodafone Hutchison Spectrum Pty Limited	2	Australia	100	100
H3GA Properties (No. 3) Pty Limited	1	Australia	100	100
Vodafone Foundation Australia Pty Limited	3	Australia	100	100
Vodafone Australia Pty Limited	2	Australia	100	100
Mobile JV Pty Limited	2	Australia	100	100
AAPT Limited	2	Australia	100	100
A.C.N. 139 798 404 Pty Ltd	2	Australia	100	100
Adam Internet Holdings Pty Ltd	2	Australia	100	100
Agile Pty Ltd	2	Australia	100	100
Chariot Pty Ltd	2	Australia	100	100
Chime Communications Pty Ltd	2	Australia	100	100
Vision Network Pty Limited	2	Australia	100	100
iiNet Limited	2	Australia	100	100
Internode Pty Ltd	2	Australia	100	100
Intrapower Pty Limited	2	Australia	100	100
Intrapower Terrestrial Pty Ltd	2	Australia	100	100
PIPE International (Australia) Pty Ltd	2	Australia	100	100
PIPE Networks Pty Limited	2	Australia	100	100
PIPE Transmission Pty Ltd	2	Australia	100	100
PPC 1 (US), Inc.		USA	100	100
PPC 1 Limited		Bermuda	100	100
Soul Communications Pty Ltd	2	Australia	100	100
Soul Pattinson Telecommunications Pty Limited	2	Australia	100	100
TPG Telecom Foundation		Australia	100	100
TPG Corporation Limited	2	Australia	100	100
TPG Finance Pty Limited	2	Australia	100	100
TPG Holdings Pty Limited	2	Australia	100	100
TPG Internet Pty Ltd	2	Australia	100	100
TPG Network Pty Ltd	2	Australia	100	100
TransACT Capital Communications Pty Ltd	2	Australia	100	100
TPG Telecom Employee Share Trust	4	Australia	100	100
TransACT Communications Pty Limited	2	Australia	100	100
Trusted Cloud Pty Limited	2	Australia	100	100
Value Added Network Pty Limited	2	Australia	100	100

1. This company is exempt from financial reporting requirements and does not form part of the deed of cross guarantee and is recognised as a small proprietary company.
2. Pursuant to the ASIC Corporations (Wholly-owned Companies) Instrument 2016/785, these wholly-owned subsidiaries within the Closed Group are relieved from the Corporations Act 2001 (Cth) requirements to prepare and lodge separate financial reports for the year ended 31 December 2024 (to the extent they apply).
3. This company is a Trustee company for the TPG Telecom Foundation and is required to prepare financial reporting under Australian Charities and Not-for-profits Commission.
4. TPG Telecom (TPG) Employee Share Trust was established for the purpose of subscribing for, acquiring and holding shares in TPG for the benefit of employees, and to ensure TPG does not contravene the Corporations Act 2001 (Cth) Section 259A in relation to the direct acquisition of the TPG's own shares. Shares acquired are held by the Trustee on the terms and conditions of the trust deed.

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Note 23. Interests in other entities continued

(b) Joint ventures

Under *AASB 11 Joint Arrangements* investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint ventures

Interests in joint ventures are accounted for using the equity method after initially being recognised at cost in the consolidated statement of financial position.

Equity method

Under the equity method of accounting, investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 13.

There are no material joint ventures to the Group as at 31 December 2024 and 31 December 2023.

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Note 24. Related party transactions

(a) Parent entity

TPG Telecom Limited is the head entity of the Group. Further information is detailed in Note 27.

(b) Interests in other entities

Material interests in other entities are set out in Note 23.

(c) Key management personnel

The aggregate compensation made to directors and other members of the key management personnel of the Group is set out below.

	2024 $'000	2023 $'000
Short-term employee benefits	10,307	10,193
Post-employment benefits	235	228
Long-term benefits	(195)	608
Termination, retention and sign-on payments	618	345
Share and cash incentive payments	8,374	4,262
	19,339	**15,636**

(d) Transactions with related parties

	2024 $'000	2023 $'000
Purchases of goods and services		
Purchase of assets from other related parties	5,146	—
Service expense	45,921	44,658
Roaming expense	12,964	12,027
Provision of services		
Service income	960	1,025
Roaming income	1,558	1,819
Other transactions		
Office rental	55	3,013

Transactions with related parties include purchase and sale contracts with entities controlled by, or associated with the Group's substantial shareholders. All transactions were made at arms-length, on normal commercial terms and conditions and at market rates.

(e) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	2024 $'000	2023 $'000
Current receivables		
Related parties	981	2,497
	981	**2,497**
Current payables		
Related parties	10,544	5,350
	10,544	**5,350**

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Note 25. Share-based payments

(a) Share-based payments expense

Share-based compensation benefits are provided to Executives and eligible employees via the short-term incentive (STI) and long-term incentive (LTI) schemes.

The fair value of shares granted to employees for nil consideration is recognised as an expense over the relevant service period, being the year (or years) to which the STI and LTI relates and the vesting period of the shares. The fair value is measured at the grant date of the shares and is recognised in equity in the share-based payment reserve. The number of shares expected to vest is estimated based on non-market and market performance conditions. The estimates are revised at the end of each reporting period and adjustments are recognised in profit or loss and the share-based payment reserve.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective from the date of the forfeiture.

Treasury shares are shares in TPG Telecom Limited that are held by the TPG Employee Incentive Plan Trust for the purpose of issuing shares under the short-term incentive (STI) and long-term incentive (LTI) schemes provided to Executives and eligible employees. The TPG Employee Incentive Plan Trust was established for the purposes of acquiring shares under the STI and LTI plans.

Shares issued to employees are recognised on a first-in-first-out basis.

The shares are administered by the TPG Employee Incentive Plan Trust. This trust is consolidated in accordance with note 2(b). The shares are acquired on market at the Board's discretion and are held as treasury shares until such time as they are vested. Forfeited shares are reallocated in subsequent grants. Under the terms of the trust deed, TPG Telecom Limited is required to provide the trust with the necessary funding for the acquisition of the shares. The number of shares held by the TPG Employee Incentive Plan Trust on 31 December 2024 is 5,478,250, with an average price of $5.17 per share (31 December 2023: 3,626,913 shares held at an average price of $5.73 per share).

The remuneration report sets out the details relating to the TPG share plans (pages 47 to 61), with details of the LTI performance share rights (pages 56 to 61) and deferred share rights (pages 47 to 56) issued to, and forfeited by, the CEO and other key management personnel.

The Group continues to recognise its Share-based payment schemes as an employee benefits expense with a corresponding increase in reserves. The amount expensed in the year was $12,606,187 (31 December 2023: $7,946,830).

(b) Performance rights - LTI

Under the LTI scheme, the CEO and Executives are granted a LTI amount in the form of rights to shares of the Company. The rights are granted in the first year, and subject to the achievement of the LTI scheme performance conditions, will vest at the end of the three year performance period. They automatically convert into one ordinary share each on vesting at an exercise price of nil. The Executives do not receive any dividends and are not entitled to vote in relation to the performance rights during the vesting period. If any executive ceases to be employed by the Group within this period, the rights will be forfeited, except in special circumstances (including redundancy, retirement, death or total and permanent disability or as otherwise agreed by the Board).

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Note 25. Share-based payments continued

The number of rights granted or outstanding during the year ended 31 December 2024 are set out below.

	31 DECEMBER 2024 NUMBER OF RIGHTS	31 DECEMBER 2023 NUMBER OF RIGHTS
At 1 January	4,198,143	2,533,904
Granted during the year	3,391,335	1,664,239
Vested during the year	—	—
Forfeited during the year	(1,160,407)	—
At 31 December[1]	**6,429,071**	**4,198,143**
Weighted average of contractual life of all performance share rights outstanding	1.50 years	1.25 years

1. All awards granted during the year have an exercise price of nil

The accounting valuation represents the independent valuation of each tranche of Performance Share Rights ("PSR") at their respective grant dates. The valuations for the year ended 31 December 2024 have been performed by an external independent valuer using Return on invested capital ("ROIC"), Earnings per share ("EPS") and Environmental, social and governance ("ESG"). Performance Share Rights with a market vesting condition (for example, Total Shareholder Return "TSR") incorporates the likelihood that the vesting condition will be met. The accounting valuation of Performance Share Rights with a non-market vesting condition (for example, ROIC) considers the likelihood that the vesting condition will be met.

ROIC, EPS and ESG hurdles – The external independent valuer has utilised the Black-Scholes model to determine the fair value of PSRs. This pricing model takes into account factors such as the Company's share price at the date of grant, the risk-free rate of return, expected dividend yield and time to maturity. The accounting valuation of rights issued is allocated over the vesting period so as to take into account the expected level of vesting over the performance period.

The model inputs for performance share rights granted during the years ended 31 December 2024 and 31 December 2023 included:

GRANT DATE	13-MAY-24	11-MAY-23
Share price at Grant Date	$4.55	$5.58
Risk-free rate	3.94 %	3.07 %
Dividend yield	3.80 %	3.40 %
Effective life	2.90	2.90
Exercise price	Nil	Nil
TPG price volatility	28 %	30 %

The expected price volatility is based on the historic volatility of share prices of each company within the peer group of TPG Telecom.

Consolidated - 2024

GRANT DATE	PLAN	EXPIRY DATE	HURDLE	FAIR VALUE PER PERFORMANCE SHARE RIGHT AT GRANT DATE	SHARE PRICE	VESTING DATE
13-May-2024	LTI 2024-2026	31-Mar-2028	ROIC	$4.08	$4.55	31-Mar-2027
13-May-2024	LTI 2024-2026	31-Mar-2028	EPS	$4.08	$4.55	31-Mar-2027
13-May-2024	LTI 2024-2026	31-Mar-2028	ESG	$4.08	$4.55	31-Mar-2027
13-May-2024	Performance Retention Rights 2024-2026	31-Mar-2028	TSR	$1.88	$4.55	31-Mar-2027
13-May-2024	Performance Retention Rights 2024-2026	31-Mar-2028	Service	$4.08	$4.55	31-Mar-2027

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Note 25. Share-based payments continued

Consolidated – 2023

GRANT DATE	PLAN	EXPIRY DATE	HURDLE	FAIR VALUE PER PERFORMANCE SHARE RIGHT AT GRANT DATE	SHARE PRICE	VESTING DATE
11-May-2023	LTI 2023-2025	31-Mar-2027	ROIC	$5.06	$5.58	31-Mar-2026
11-May-2023	LTI 2023-2025	31-Mar-2027	EPS	$5.06	$5.58	31-Mar-2026
11-May-2023	LTI 2023-2025	31-Mar-2027	ESG	$5.06	$5.58	31-Mar-2026

(c) Deferred share rights - STI

The Group offers a short-term incentive scheme to Executives who receive 50% of the annual STI achieved in cash and 50% in the form of rights to deferred shares of TPG Telecom (50% cash and 50% deferred share rights in 2023). The rights are granted the following year and vest equally in two tranches. The first tranche will vest in March one year after the end of the financial year and the second tranche will vest in March two years after the end of the financial year. They automatically convert into one ordinary share each on vesting at an exercise price of nil. The Executives do not receive any dividends and are not entitled to vote in relation to the deferred shares during the vesting period. If any Executive or eligible employee ceases to be employed by the Group within this period, the rights will be forfeited, except in special circumstances (including redundancy, retirement, death or total and permanent disability or as otherwise agreed by the Board).

The number of rights to be granted is determined based on the current value of the achieved STI divided by the volume weighted average price of the Group's ordinary shares over five days following the announcement of annual results ($4.71 for rights granted on 13 May 2024 and $4.99 for the rights granted in 2023).

	2024 NUMBER OF SHARES	2023 NUMBER OF SHARES
As at 1 January	1,194,815	590,983
Granted during the year	1,633,473	915,872
Vested during the year	(732,188)	(306,321)
Forfeited during the year	(32,755)	(5,719)
As at 31 December	**2,063,345**	**1,194,815**
Weighted average remaining contractual life of the deferred shares outstanding at the end of the period	0.58 years	0.59 years

Note 26. Commitments and contingencies

(a) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	2024 $m	2023 $m
Property, plant & equipment	365	427
Spectrum acquisition	—	128
	365	**555**

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Note 27. Parent entity financial information

The Company's investments in subsidiaries are accounted for at cost. The financial information for the Company has been prepared on the same basis as the consolidated financial statements.

The parent entity financial information includes certain transactions and balances of other Group entities as they operate under an agency agreement.

Tax consolidation legislation

TPG Telecom Limited and its wholly-owned subsidiary Australian controlled entities have implemented the tax consolidation legislation.

The head entity, TPG Telecom Limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, TPG Telecom Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate TPG Telecom Limited for any current tax payable assumed and are compensated by TPG Telecom Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to TPG Telecom Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

(a) Summary financial information

	2024 $m	2023 $m
Financial position		
Assets		
Current assets	1,330	1,268
Non-current assets	18,576	20,351
Total assets	**19,906**	**21,619**
Liabilities		
Current liabilities	1,392	1,498
Non-current liabilities	6,297	7,636
Total liabilities	**7,689**	**9,134**
Net assets	**12,217**	**12,485**
Equity		
Contributed equity	18,399	18,399
Reserves	(4)	(4)
Pre-merger accumulated losses	(7,389)	(7,389)
Post-merger retained earnings	1,211	1,479
Total equity	**12,217**	**12,485**
Financial performance		
Profit for the year	66	216
Total comprehensive income for the year, net of tax	**66**	**219**

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Note 27. Parent entity financial information continued

(b) Guarantees entered into by the parent entity

	2024 $m	2023 $m
Unsecured	19	46
	19	**46**

(c) Contractual commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	2024 $m	2023 $m
Property, plant & equipment	365	427
	365	**427**

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Note 28. Deed of cross guarantee

The parties to the deed of cross guarantee are those as disclosed in Note 23. Each entity that is a party to the deed of cross guarantee has guaranteed the debts of the other parties. By entering into the deed, each of the wholly-owned entities that would otherwise be subject to the requirement to prepare a financial report and director's report have been relieved from that requirement under *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.*

Set out below is the summarised consolidated statement of profit or loss and other comprehensive income for the entities that are parties to the deed of cross guarantee.

	2024 $m	2023 $m
Revenue from contracts with customers	5,520	5,533
Other income	12	36
Cost of provision of telecommunication services	(1,533)	(1,578)
Cost of handsets and hardware sold	(786)	(884)
Technology costs	(391)	(405)
Employee benefits expense	(439)	(381)
Impairments and other charges	(250)	(17)
Other operating expenses	(421)	(434)
Earnings before interest, tax, depreciation and amortisation	**1,712**	**1,870**
Depreciation and amortisation expense	(1,474)	(1,457)
Results from operating activities	**238**	**413**
Finance income	3	4
Finance expenses	(381)	(345)
Net financing costs	(378)	(341)
(Loss)/profit before income tax	**(140)**	**72**
Income tax expense	44	(12)
(Loss)/profit after income tax	**(96)**	**60**
Items that may subsequently be reclassified to the income statement, net of tax:		
Net gain on cash flow hedges taken to equity	(3)	3
Other comprehensive (loss) / income for the year, net of tax	**(3)**	**3**
Total comprehensive (loss) / income for the year, net of tax	**(99)**	**63**

Summary of movements in consolidated retained earnings

	2024 $m	2023 $m
Accumulated losses at the beginning of the financial year	**(6,751)**	**(6,476)**
(Loss)/profit for the year	(96)	60
Transfer from reserves	(1)	—
Dividends paid	(334)	(335)
Accumulated losses at the end of the financial year	**(7,182)**	**(6,751)**

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Notes to the consolidated financial statements continued

Note 28. Deed of cross guarantee continued

Set out below is the consolidated statement of financial position for the deed of cross guarantee.

	2024 $m	2023 $m
ASSETS		
Current assets		
Cash and cash equivalents	41	111
Trade and other receivables	767	765
Inventories	82	117
Derivative financial instruments	5	2
Prepayments and other assets	60	81
Total current assets	**955**	**1,076**
Non-current assets		
Trade and other receivables	447	468
Property, plant and equipment	3,824	3,744
Right-of-use assets	1,469	1,708
Intangible assets	11,764	12,079
Deferred tax assets	218	171
Derivative financial instruments	—	3
Prepayments and other assets	11	16
Total non-current assets	**17,733**	**18,189**
Total assets	**18,688**	**19,265**
LIABILITIES		
Current liabilities		
Trade and other payables	582	740
Contract liabilities	315	294
Lease liabilities	136	121
Provisions	92	91
Other liabilities	32	42
Total current liabilities	**1,157**	**1,288**
Non-current liabilities		
Contract liabilities	17	16
Borrowings	4,099	4,076
Lease liabilities	2,069	2,112
Provisions	101	67
Other liabilities	29	58
Total non-current liabilities	**6,315**	**6,329**
Total liabilities	**7,472**	**7,617**
Net assets	**11,216**	**11,648**
EQUITY		
Contributed equity	18,399	18,399
Reserves	(1)	—
Accumulated losses	(7,182)	(6,751)
Total Equity	**11,216**	**11,648**

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Note 29. Financial risk management

The Group's activities are exposed to a variety of financial risks which include market risk (including interest rate and foreign currency risks), credit risk and liquidity risk. The Group's overall risk management seeks to minimise the potential adverse effects of these risks on the financial performance of the Group.

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework.

The Group's exposure to each of the above risks is managed in accordance with the Board approved Treasury Policy. This note presents information about the Group's exposure to the above risks and the management thereof. Further quantitative disclosures are included throughout this financial report.

The Treasury Policy includes the identification, management and reporting of financial risks and associated controls. The Treasury Policy and systems are reviewed regularly to reflect changes in market conditions and in the Group's activities. The Treasury Policy establishes a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit & Risk Committee oversees how management monitors compliance with the Group's Treasury Policy and reviews the adequacy of the risk management framework in relation to the financial risks faced by the Group.

Where relevant criteria are met, hedge accounting is applied which removes the accounting and economic mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans.

Refer to Note 12 for the derivative financial instruments held and hedging accounting applied by the Group.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

(i) Interest rate risk

The Group has cash balances placed with reputable banks and financial institutions which generate interest income for the Group.

The Group's bank borrowings expose the Group to interest rate risk. As at the end of the reporting period, the exposure of the Group's borrowings (excluding leases under AASB 16) to interest rate changes are as follows:

	2024 $m	PERCENTAGE OF TOTAL LOANS	2023 $m	PERCENTAGE OF TOTAL LOANS
Variable rate borrowings	4,110	100 %	4,090	100 %
Fixed rate borrowings	—	— %	—	— %
	4,110	100 %	4,090	100 %

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Note 29. Financial risk management continued

(a) Market risk continued

(i) Interest rate risk continued

The Group has entered forward-start interest rate swaps that hedge a portion of the Group's interest expenses in future periods. Swaps currently in place cover 27% (2023: 61%) of the variable loan principal outstanding as at 31 December 2024.

The swap contracts require settlement of net interest receivable or payable every three months. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

As at 31 December 2024, a change in the market interest rate of 50 basis points would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	PROFIT/(LOSS)[1]		EQUITY[1]	
	2024 $m	2023 $m	2024 $m	2023 $m
Interest rates – Increase by 50 basis points	(14)	(14)	(14)	(14)
Interest rates – Decrease by 50 basis points	14	14	14	14

1. This is a result of the net changes in interest expenses net of income tax expenses.

(ii) Foreign currency risk

The Group is exposed to currency risk on revenues, expenses, receivables and payables that are denominated in a currency other than its functional currency, the Australian dollar (AUD). The Group is mainly exposed to the United States Dollar (USD) with minor exposures to other currencies.

The group's exposure to USD at the end of the year, expressed in Australian dollar, was as follows:

	2024 $m	2023 $m
Trade and other receivables	4	8
Trade and other payables	28	28

During the year, the following foreign exchange related amounts were recognised in consolidated income statement and consolidated statement of comprehensive income:

	2024 $m	2023 $m
Profit or loss		
Foreign exchange gain	3	3
	3	3

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Note 29. Financial risk management continued

(a) Market risk continued

(ii) Foreign currency risk continued

The following table details the Group's sensitivity to movements in the Australian dollar against relevant foreign currencies. The percentages disclosed below represent changes in spot foreign exchange rates (i.e. forward exchange points and discount factors have been kept constant). The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a given percentage change in foreign exchange rates. A positive number indicates an increase in profit and equity and a negative number indicates a decrease in profit and equity.

	PROFIT/(LOSS)[1]		EQUITY	
	2024 $m	2023 $m	2024 $m	2023 $m
USD impact				
10%	(2)	(2)	(2)	(2)
(10%)	2	2	2	2

1. Profit/(loss): this is mainly as a result of the after-tax changes in the value of forward foreign exchange contracts not designated in a hedge relationship, foreign currency investments, receivables and payables.

(b) Credit risk

Credit risk is managed on an entity basis. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to related parties. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Impairment of financial assets (trade receivables)

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

		CURRENT	1-30 DAYS PAST DUE	31 TO 60 DAYS PAST DUE	61 TO 90 DAYS PAST DUE	MORE THAN 91 DAYS PAST DUE	TOTAL
At 31 December 2024							
Expected loss rate	%	3.9	8.9	22.2	33.3	44.4	
Gross trade receivables	$m	180	45	9	3	9	246
Loss allowance	$m	7	4	2	1	4	18
At 31 December 2023							
Expected loss rate	%	3.7	6.3	22.2	16.7	23.1	
Gross trade receivables	$m	189	48	9	6	13	265
Loss allowance	$m	7	3	2	1	3	16

The table above covers the expected credit loss rate of trade receivables and other debtors. Collectability of receivables are reviewed on an ongoing basis. The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Geographically, the Group is subject to a concentration of credit risk as predominantly all of its revenue is generated in Australia.

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Note 29. Financial risk management continued

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows. Treasury aims at maintaining flexibility in funding by keeping committed credit lines available with a variety of counterparties. Surplus funds are generally placed on deposit.

As described in Note 16, the Group also participates in a supplier finance arrangement with a bank for the principal purpose of facilitating efficient payment processing of supplier invoices. The balances are disclosed as part of trade and other payables in the financial statements.

Contractual maturities of financial liabilities

The contractual maturities of the Group's financial liabilities were as follows:

FINANCIAL LIABILITIES	LESS THAN 6 MONTHS $m	6-12 MONTHS $m	BETWEEN 1-2 YEARS $m	BETWEEN 2-5 YEARS $m	OVER 5 YEARS $m	TOTAL CONTRACTUAL CASH FLOWS $m	CARRYING AMOUNT OF LIABILITIES $m
At 31 December 2024							
Non-derivatives							
Trade and other payables	1,031	—	—	—	—	1,031	1,031
Borrowings	59	169	2,341	1,630	517	4,716	4,099
Lease liabilities	149	130	252	711	2,004	3,246	2,205
	1,239	**299**	**2,593**	**2,341**	**2,521**	**8,993**	**7,335**
At 31 December 2023							
Non-derivatives							
Trade and other payables	1,174	—	—	—	—	1,174	1,174
Borrowings	58	169	208	3,345	1,079	4,859	4,076
Lease liabilities	125	120	237	704	2,178	3,365	2,234
	1,357	**289**	**445**	**4,049**	**3,257**	**9,398**	**7,484**

(d) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions. Fair value is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- the fair value of interest rate swaps is determined using the present value of the estimated cash flows based on observable yield curves; and
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

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Note 29. Financial risk management continued

(e) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivative, and trading and available-for-sale securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities.

The following table presents the Group's financial assets measured and recognised at fair value at 31 December 2024 and 31 December 2023 on a recurring basis:

	LEVEL 1 $m	LEVEL 2 $m	LEVEL 3 $m	TOTAL $m
At 31 December 2024				
Financial assets				
Interest rate swaps	—	2	—	2
Forward foreign exchange contracts	—	3	—	3
Total financial assets	**—**	**5**	**—**	**5**
At 31 December 2023				
Financial assets				
Interest rate swaps	—	5	—	5
Total financial assets	**—**	**5**	**—**	**5**

There were no financial liabilities measured and recognised at fair value at 31 December 2024 and 31 December 2023.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels during the period.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 31 December 2024 (2023: nil).

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Note 29. Financial risk management continued

(f) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The Board monitors return on capital, which the Group defines as profit from operating activities divided by total shareholders' equity. The Board also determines the level of dividends to be paid to shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings, and the advantages and security afforded by a prudent capital structure.

From time to time, the Group may purchase its own shares on market for the purpose of issuing shares under employee share plans. The Group does not currently have a defined share buy-back plan.

There were no changes to the Group's capital management during the year.

The Group's net debt to equity ratio at the reporting date was as follows:

	2024 $m	2023 $m
Cash and cash equivalents	42	116
Borrowings (current)	—	—
Borrowings (non-current)	(4,099)	(4,076)
Lease liabilities (current)	(136)	(122)
Lease liabilities (non-current)	(2,069)	(2,112)
Net debt	**(6,262)**	**(6,194)**
Total equity	**11,173**	**11,617**
Net debt to equity ratio at 31 December	**0.56**	**0.53**

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Note 30. Auditor's remuneration

The Group's external auditor is PricewaterhouseCoopers (PwC). In addition to the audit and review of the Group's financial reports, PwC provides other services throughout the year. This note shows the total fees to external auditors split between audit, audit related and non-audit services.

	2024 $'000	2023 $'000
Audit and other assurance services		
Audit and review of statutory financial statements	2,308	2,788
Other assurance services required by legislation	—	420
Other assurance services	337	179
Other statutory assurance services	27	18
	2,672	**3,405**
Non-audit services	—	—
	2,672	**3,405**

In accordance with advice received from the Audit & Risk Committee, the Directors are satisfied that the provision of assurance services provided by PwC is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied because the Audit & Risk Committee or its delegate, in accordance with pre-approved policies and procedures, has assessed each service, having regard to auditor independence requirements of applicable laws, rules and regulations, and concluded that the provision of each service or type of service would not impair the independence of PwC.

Note 31. Events occurring after the reporting period

Other than the below mentioned matters, there have been no other matter or circumstance that has arisen after the reporting date that has significantly affected, or may significantly affect:

(i) the operations of the Company and of the Group in future financial years, or

(ii) the results of those operations in future financial years, or

(iii) the state of affairs of the Company and of the Group in future financial years.

Dividends declared

The details of dividends declared after 31 December 2024 are disclosed in Note 22.

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Consolidated Entities Disclosure Statement

Basis of preparation

This consolidated entity disclosure statement ("CEDS") has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the Group as at 31 December 2024 and has regard to the Australian Taxation Office's Practical Compliance Guidance 2018/9.

Determination of Tax Residency

Section 295 (3A) of the Corporation Act 2001 requires that the tax residency of each entity which is included in the CEDS be disclosed. The determination of tax residency is complex and requires judgement based on the interpretation of relevant case law and its application to the facts and circumstances in each case.

In determining residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The Group has applied the current legislation and guidance including having regard to the Australian Taxation Office's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

The Group has applied current legislation and relevant revenue authority guidance in the determination of foreign tax residency.

Partnerships and Trusts

Australian tax law generally does not contain corresponding residency tests for partnerships and trusts and these entities are typically taxed on a flow-through basis.

Below is the Group consolidated entity disclosure statement as required by section 295(3A) of the Corporations Act 2001.

		EQUITY HOLDINGS		TAX RESIDENCY	
NAME OF ENTITY	TYPE OF ENTITY	COUNTRY OF INCORPORATION	% OF SHARE CAPITAL HELD	AUSTRALIAN OR FOREIGN	FOREIGN JURISDICTION
TPG Telecom Limited	Body Corporate	Australia	N/A	Australian	N/A
Vodafone Hutchison Spectrum Pty Limited	Body Corporate	Australia	100	Australian	N/A
Vodafone Hutchison Receivables Pty. Ltd.	Body Corporate	Australia	100	Australian	N/A
H3GA Properties (No. 3) Pty Limited	Body Corporate	Australia	100	Australian	N/A
Vodafone Foundation Australia Pty Limited	Body Corporate, Trustee	Australia	100	Australian	N/A
Vodafone Australia Pty Limited	Body Corporate	Australia	100	Australian	N/A
Vodafone Pty Limited	Body Corporate	Australia	100	Australian	N/A
Vodafone Network Pty Limited	Body Corporate	Australia	100	Australian	N/A
Mobileworld Operating Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Mobileworld Communications Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Mobile JV Pty Limited	Body Corporate	Australia	100	Australian	N/A
AAPT Limited	Body Corporate	Australia	100	Australian	N/A
A.C.N. 088 889 230 Pty Ltd	Body Corporate	Australia	100	Australian	N/A
A.C.N. 139 798 404 Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Adam Internet Holdings Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Adam Internet Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Agile Pty Ltd	Body Corporate	Australia	100	Australian	N/A
AlchemyIT Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Chariot Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Chime Communications Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Connect West Pty Ltd	Body Corporate	Australia	100	Australian	N/A
3.6 GHZ Spectrum Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Destra Communications Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Digiplus Contracts Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Digiplus Holdings Pty Limited	Body Corporate	Australia	100	Australian	N/A
Digiplus Investments Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Digiplus Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Vision Network Pty Limited	Body Corporate	Australia	100	Australian	N/A
iiNet New Zealand AKL Limited[2]	Body Corporate	New Zealand	100	Australian	N/A
iiNet Labs Pty Ltd	Body Corporate	Australia	100	Australian	N/A
iiNet Limited	Body Corporate	Australia	100	Australian	N/A

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Consolidated Entities Disclosure Statement continued

NAME OF ENTITY	TYPE OF ENTITY	EQUITY HOLDINGS		TAX RESIDENCY	
		COUNTRY OF INCORPORATION	% OF SHARE CAPITAL HELD	AUSTRALIAN OR FOREIGN	FOREIGN JURISDICTION
Internode Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Intrapower Pty Limited	Body Corporate	Australia	100	Australian	N/A
Intrapower Terrestrial Pty Ltd	Body Corporate	Australia	100	Australian	N/A
IP Group Pty Ltd	Body Corporate	Australia	100	Australian	N/A
IP Service Xchange Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Kooee Communications Pty Limited	Body Corporate	Australia	100	Australian	N/A
Kooee Mobile Pty Limited	Body Corporate	Australia	100	Australian	N/A
Mercury Connect Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Netspace Online Systems Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Numillar IPS Pty Ltd	Body Corporate	Australia	89	Australian	N/A
PIPE International (Australia) Pty Ltd	Body Corporate	Australia	100	Australian	N/A
PIPE Networks Pty Limited	Body Corporate	Australia	100	Australian	N/A
PIPE Transmission Pty Ltd	Body Corporate	Australia	100	Australian	N/A
PowerTel Limited	Body Corporate	Australia	100	Australian	N/A
PPC 1 (US), Inc.	Body Corporate	USA	100	Australian[1]	USA[1]
PPC 1 Limited	Body Corporate	Bermuda	100	Australian	N/A
Request Broadband Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Soul Communications Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Soul Contracts Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Soul Pattinson Telecommunications Pty Limited	Body Corporate	Australia	100	Australian	N/A
SPT Telecommunications Pty Limited	Body Corporate	Australia	100	Australian	N/A
SPTCom Pty Limited	Body Corporate	Australia	100	Australian	N/A
Telecom Enterprises Australia Pty Limited	Body Corporate	Australia	100	Australian	N/A
Telecom New Zealand Australia Pty Ltd	Body Corporate	Australia	100	Australian	N/A
TPG Corporation Limited	Body Corporate	Australia	100	Australian	N/A
TPG Energy Pty Ltd	Body Corporate	Australia	100	Australian	N/A
TPG Finance Pty Limited	Body Corporate	Australia	100	Australian	N/A
TPG Holdings Pty Limited	Body Corporate	Australia	100	Australian	N/A
TPG Internet Pty Ltd	Body Corporate	Australia	100	Australian	N/A
TPG JV Company Pty Ltd	Body Corporate	Australia	100	Australian	N/A
TPG Network Pty Ltd	Body Corporate	Australia	100	Australian	N/A
TPG Telecom Foundation	Trust	Australia	N/A	N/A	N/A
TPG Telecom Employee Share Trust	Trust	Australia	N/A	N/A	N/A
TransACT Capital Communications Pty Ltd	Body Corporate	Australia	100	Australian	N/A
TransACT Communications Pty Limited	Body Corporate	Australia	100	Australian	N/A
TransACT Victoria Communications Pty Ltd	Body Corporate	Australia	100	Australian	N/A
TransACT Victoria Holdings Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Trusted Cloud Pty Limited	Body Corporate	Australia	100	Australian	N/A
Trusted Cloud Solutions Pty Limited	Body Corporate	Australia	100	Australian	N/A
Value Added Network Pty Limited	Body Corporate	Australia	100	Australian	N/A
VtalkVoip Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Westnet Pty Ltd	Body Corporate	Australia	100	Australian	N/A

[1]PPC 1 (US). Inc is incorporated in the state of Delaware in the US. The company has tax obligations in Australia under the Income Tax Assessment Act 1997 and in the US under the Internal Revenue Code.
[2] iiNet AKL Limited is in the process of being removed from the New Zealand Company Register.

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Directors' declaration

In the Directors' opinion:

(a) the financial statements and notes are in accordance with the Corporations Act 2001, including:

  (i) complying with Accounting Standards, the Corporations Regulation 2001 and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable,

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in Note 23 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Notes 23 and 28, and

(d) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act 2001 for the year ended 31 December 2024 is true and correct.

Note 2 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and the Chief Financial Officer as required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Directors.

Fok Kin Ning, Canning
Chairman

28 February 2025

Iñaki Berroeta
Chief Executive Officer and Managing Director

28 February 2025

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Independent auditor's report

Independent auditor's report

To the members of TPG Telecom Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of TPG Telecom Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 31 December 2024
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated income statement for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 31 December 2024
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

The Group comprises business operating predominantly in Australia with the most financially significant operations being Consumer and Enterprise, Government and Wholesale.

Our team from the Australian PwC firm undertook all audit procedures to provide us with sufficient and appropriate audit evidence to express an opinion on the Group's financial report as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	*How our audit addressed the key audit matter*
Estimated recoverable amount of goodwill and indefinite-lived intangible assets *(Refer to note 15)* Under Australian Accounting Standards, the Group is required to test goodwill and other indefinite-lived intangible assets annually for impairment at the cash generating unit ("CGU") level. This assessment is inherently complex and requires judgement in forecasting the operational cash flows and determining discount rates and growth rates used in the cash flow models ("the models"). The recoverable amount of goodwill and other indefinite-lived intangible assets was a key audit matter given the: • Financial significance of these intangible	We focused our efforts on developing an understanding and testing the overall calculation and methodology of the Group's impairment assessment, including identification of the CGUs of the Group for the purposes of impairment testing, and the attribution of assets, revenues and costs to those CGUs. In obtaining sufficient, appropriate audit evidence, our procedures included, amongst others: • assessing the appropriateness of cash flow forecasts included in the models with reference to historical earnings, Board and/or management approved budgets and forecasts; • testing the mathematical calculations within the models; • assessing the appropriateness of the discount rates and terminal value growth rates, with the assistance of PwC valuation experts;

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Key audit matter	*How our audit addressed the key audit matter*
assets to the statement of financial position; and, • Judgement applied by the Group in completing and concluding on the impairment assessment.	• considering the sensitivity of the models by varying key assumptions, such as terminal growth rates and discount rates; and, • evaluating the related financial statement disclosures for consistency with Australian Accounting Standards requirements.

Revenue from contracts with customers
(Refer to note 4)
 	
Revenue from contracts with customers was a key audit matter given the financial significance of revenue from contracts with customers to the consolidated income statement.
	In obtaining sufficient, appropriate audit evidence, our procedures included, amongst others:
	
	• consideration and assessment of the Group's accounting policy in line with the requirements of the applicable Australian Accounting Standard, *AASB 15 Revenue from Contracts with Customers*;
	• testing for a selection of customer transactions whether revenue had been recorded at the correct amount and in the correct financial period, in accordance with the Group's revenue recognition policy. This included assessing whether:
	  ○ evidence of an underlying arrangement with the customer existed
	  ○ appropriate performance obligations and consideration had been identified
	  ○ amounts allocated to the performance obligations were made with reference to their standalone selling prices, where relevant; and
	  ○ the timing of revenue recognition had been appropriately considered and recognised at the appropriate time; and,
	• evaluating the related financial statement disclosures for consistency with the Australian Accounting Standards requirements.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 December 2024, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report and a limited assurance conclusion on selected performance metrics disclosed within the sustainability report included in the annual report.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 31 December 2024.

In our opinion, the remuneration report of TPG Telecom Limited for the year ended 31 December 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Mark Dow
Partner

Sydney
28 February 2025

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ASX additional information

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below. The shareholding information is current as at 7 February 2025. As at that date, there were 1,859,341,669 ordinary shares held by 21,450 shareholders.

Substantial shareholders

The number of shares in which the substantial shareholders and their associates have disclosed a Relevant Interest pursuant to the Corporations Act 2001 Section 671B are listed below.

NAME OF SHAREHOLDER	NUMBER OF ORDINARY SHARES IN WHICH A RELEVANT INTEREST IS HELD*	ISSUED CAPITAL
CK Hutchison Holdings Limited and its subsidiaries[1]	931,530,176	50.10 %
Vodafone Group Plc and its subsidiaries[1]	931,530,176	50.10 %
Vodafone Hutchison (Australia) Holdings Limited[1]	931,530,176	50.10 %
Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust[2]	931,530,176	50.10 %
David Teoh and Vicky Teoh and their associates	264,121,325	14.21 %
Washington H Soul Pattinson and Company Limited	234,396,121	12.61 %
Brickworks Limited[3]	234,396,121	12.61 %

* Relevant Interest as defined in the Corporations Act 2001 Sections 608 and 609, and provided in the above-referenced notices.

1. Substantial holding includes 25.05% from a deemed relevant interest arising from a shareholders agreement dated 24 June 2020. For further details, see Form 604s lodged with the ASX on 13 July 2022 and 15 July 2020.
2. Substantial holding arises from its interests in CK Hutchison Holdings Limited. The interests disclosed for this substantial holder are in respect of the same shares identified as being interests of CK Hutchison Holdings Limited. For further details see Form 604 lodged with the ASX on 15 July 2020.
3. Brickworks Limited's substantial holding in the Company arises by virtue of it holding an interest in Washington H Soul Pattinson and Company Limited. For further details see Form 604 lodged with the ASX on 17 July 2020.

Voting rights (ordinary shares)

On a show of hands every member present at a meeting in person or by proxy shall have one vote, and upon a poll each share shall have one vote.

Distribution of equity security holders

An analysis of the number of shareholders by size of holding as at 7 February 2025 is set out below:

NUMBER OF SHARES HELD	NUMBER OF HOLDERS	UNITS	% UNITS
1 - 1,000	10,936	4,342,987	0.23
1,001 - 5,000	7,117	18,140,361	0.98
5,001 - 10,000	1,844	13,423,038	0.72
10,001 - 100,000	1,454	33,641,004	1.81
100,001 Over	99	1,789,794,279	96.26
	21,450	**1,859,341,669**	**100.00**

The number of shareholders holding less than a marketable parcel of ordinary shares is 2,353 representing 159,560 units.

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ASX additional information continued

Twenty largest shareholders (as at 7 February 2025)

NAME OF SHAREHOLDER	NUMBER OF ORDINARY SHARES HELD	% OF CAPITAL HELD
VODAFONE HUTCHISON (AUSTRALIA) HOLDINGS LIMITED	517,345,024	27.82
WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	237,544,846	12.78
HUTCHISON 3G AUSTRALIA HOLDINGS PTY LIMITED	207,092,576	11.14
VODAFONE INTERNATIONAL OPERATIONS LIMITED	207,092,576	11.14
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	130,174,730	7.00
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	86,916,613	4.67
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	85,038,968	4.57
CITICORP NOMINEES PTY LIMITED	68,475,795	3.68
TSH HOLDINGS PTY LTD	68,278,498	3.67
VICTORIA HOLDINGS PTY LTD	66,654,913	3.58
VICTORIA HOLDINGS NO 3 PTY LTD	12,625,118	0.68
VICTORIA HOLDINGS NO 1 PTY LTD	9,468,839	0.51
VICTORIA HOLDINGS NO 2 PTY LTD	9,468,839	0.51
J S MILLNER HOLDINGS PTY LIMITED	7,220,199	0.39
TSH HOLDINGS NO 1 PTY LTD	6,312,559	0.34
TSH HOLDINGS NO 2 PTY LTD	6,312,559	0.34
FARJOY PTY LTD	6,254,236	0.34
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	5,949,391	0.32
BKI INVESTMENT COMPANY LIMITED	5,748,362	0.31
CPU SHARE PLANS PTY LTD <TPG DSR UNALLOCATED A/C>	5478250	0.29
	1,749,452,891	**94.09**

Unquoted equity securities

As at 7 February 2025, the number of unquoted equity securities is:

UNQUOTED EQUITY SECURITIES	NUMBER OF SECURITIES	NUMBER OF HOLDERS
Performance rights	4,908,574	13
Deferred share rights	2,063,345	56
Performance retention rights	1,520,497	7

Stock exchange

TPG Telecom Limited is listed on the Australian Securities Exchange. The home exchange is Sydney, and the ASX code is TPG.

Other information

TPG Telecom Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.

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ASX additional information continued

Principal Registered Office

Level 27, Tower Two, International Towers Sydney
200 Barangaroo Ave

Barangaroo NSW 2000

Telephone: 133 121

Email: investor.relations@tpgtelecom.com.au

Website: tpgtelecom.com.au

Share Registry

Computershare Investor Services Pty Ltd
6 Hope Street

Ermington NSW 2115

Telephone:
(within Australia) 1300 855 080
(international) +61 3 9415 4000

Website: computershare.com.au/Investor

Upcoming key dates

6 March 2025
Final ex-dividend date

7 March 2025
Final dividend record date

4 April 2025
Final dividend payment date

7 May 2025
Annual General Meeting

30 June 2025
End of financial half year

28 August 2025
Half year results announcement

4 September 2025
Interim ex-dividend date

5 September 2025
Interim dividend record date

3 October 2025
Interim dividend payment date

31 December 2025
End of financial full year

Note: Dividend payments are subject to TPG Telecom Board approval. Dates may be subject to change.

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Glossary

TERM	EXPLANATION
Adjusted NPAT	Statutory Net Profit After Tax adding back transformation and transaction costs, customer base intangible amortisation, spectrum amortisation and non-cash tax expense.
AMPU	Average Margin Per User.
ARPU	Average Revenue Per User.
Capex	Capital expenditure.
EPS (LTIP basis)	Long Term Incentive Plans (LTIP) basis Earnings Per Share measures statutory NPAT adjusted by adding back customer base amortisation and material one-offs (subject to discretion of the Board), and divided by weighted number of shares on issue.
eJV	eJV is a joint venture between TPG Telecom and Optus for the sharing of passive mobile network tower and rooftop assets.
FWA	Fixed Wireless Access.
Group	The Company and entities controlled by the Company (its subsidiaries).
MOCN	Multi-Operator Core Network.
MVNO	Mobile Virtual Network Operator.
Opex	Operating expenses.
EBITDA	Earnings before interest, income tax expense, depreciation and amortisation.
NPAT	Net Profit After Tax - the total revenue minus all expenses and tax.
OFCF	Operating Free Cash Flow measures cash flow from operations less capex, finance lease repayments and finance lease interest (within cash flow from financing activities). It does not include payments for spectrum and dividends and excludes any loan payments/drawdowns.
ROIC	Return on Invested Capital measures net operating profit after tax (NOPAT) adjusted to remove customer base amortisation, divided by average invested capital excluding goodwill, brand and customer base intangibles.
Spectrum	Radio frequency spectrum is where radio waves are transmitted and received.

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