

MINUTES

OF THE 2021 ANNUAL GENERAL MEETING OF TELECOMMUNICATIONS INDUSTRY OMBUDSMAN LIMITED ACN 057 634 787

Date Held: Tuesday 23 November 2021 at 1:00pm
Held: By virtual platform (hosted by Link Market Services)
Present: Michael Lavarch AO Chair
 Judi Jones Ombudsman
 Gerard Dell'Oste Company Secretary
 Shaun Kingma Moderator
 Sue Walker Minute Taker

Authorised Representatives in Attendance:

Ana Tabacman	Optus ADSL Pty Ltd
Ana Tabacman	Optus Fixed Infrastructure Pty Ltd
Ana Tabacman	Optus Internet Pty Ltd
Ana Tabacman	Optus Mobile Migrations Pty Ltd
Ana Tabacman	Optus Mobile Pty Ltd
Ana Tabacman	Optus Networks Pty Ltd
Ana Tabacman	Optus Satellite Network Pty Ltd
Ana Tabacman	Optus Satellite Pty Ltd
Ana Tabacman	Optus Vision Pty Ltd
Ana Tabacman	Optus Wholesale Pty Ltd
Ana Tabacman	Uecomm Pty Ltd
Ana Tabacman	Uecomm Operations Pty Ltd
Melanie Lawrie	Southern Phone Company Ltd
Maree Gooch	CRISP Wireless Pty Ltd
Michelle Lim	Symbio Networks Pty Ltd
Michelle Lim	Telcoinabox Operations Pty Ltd
Alexander Osborne	Powertel Ltd
Annie Leahy	TPG Network Pty Ltd
Mei Loke	Call Dynamics Pty Ltd
Mei Loke	Uniti Group Ltd
Mei Loke	1300 Australia Pty Ltd

Others in Attendance:

Don Wilson	Telstra Corporation Ltd
Jamie Phillips	TPG Telecom Ltd brands
Virginia Papinyan	TPG Telecom Ltd brands
Vladimir Rajcevski	Concentrix Services Pty Ltd

Directors in Attendance:

Geoffrey Nicholson	Independent Director (Commercial Governance)
Paul Harrison	Director with Consumer Experience
John Lindsay	Director with Industry Experience
Julie Hamblin	Independent Director
Mira Bashi	Directory with Industry Experience

Auditors in Attendance:

Isabelle LeFevre	Deloitte Touche Tohmatsu
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Returning Officer: Julie Stokes Link Market Services

Apologies: There were no apologies.

The meeting commenced at 1:00pm.

1. WELCOME AND APOLOGIES**Welcome**

The Chair welcomed members; TIO Directors; the Ombudsman; the Company Secretary and Chief Financial Officer; and auditor to TIO's 2021 Annual General Meeting (AGM).

He commenced the meeting by acknowledging the Traditional Owners of the various lands across Australia on which we were meeting. He paid respects to their elders, past and present and to the young leaders of today.

Apologies

There were no apologies.

Quorum

The Chair confirmed that a quorum was present.

Virtual Meeting Proceedings

The Chair outlined the proceedings for the virtual AGM, how members could participate, and how to access supporting documents and the electronic voting cards.

He advised that we would be conducting polls for all voting at this virtual meeting and that Ms Julie Stokes from Link Market Services was acting as the Returning Officer for these polls. The Chair also highlighted that voting would remain open for 5 minutes following the conclusion of the meeting and results of the polls published on the TIO Member portal by 5:00pm AEDT 23 November 2021.

Notice of Meeting

The Chair advised that the Notice of the Meeting had been circulated to all TIO members on 29 October 2021. This timing met the requirements of both the TIO Constitution and the Corporations law.

Agenda

The Chair noted the following two items of business for consideration at the meeting:

- Minutes of the 2020 Annual General Meeting held on 15 December 2020; and
- The Financial Report for the year ended 30 June 2021, together with the Directors' Report and Auditor's Report.

Chair's Report

The Chair provided the following overview of the TIO's 2020/21 financial year.

Like every business in Australia, and particularly those headquartered in Melbourne as the TIO is, the dominant background feature of the last 12 months was the COVID pandemic and the associated government measures and restrictions to deal with the pandemic. The restrictions impacted the TIO and were felt across the board.

The Chair advised that although TIO had not been able to have staff working consistently from its offices in Docklands, Melbourne, it was able to successfully maintain the service over the last 12 months. The staff responded to the challenge, largely working from an at-home environment.

TIO's IT systems proved to be robust and services and productivity levels were maintained. Organisations in Victoria, and more broadly, in the last six months were hit harder than the first part of the pandemic. People got through the original adrenaline rush of the pandemic and working from home, but it then became a harder slog.

TIO put significant effort into looking after its people; making sure they were being cared for and supported so that service to its members, the Australian community and telecommunications consumers was maintained.

The financial report for FY21 shows quite a substantial deficit of \$4.657 million. That is in stark contrast to the surplus result reported for FY20. There were two key factors that contributed to the large deficit this year. The first is that the TIO Board made a deliberate decision to adjust the membership fees and the collection of membership fees during the financial year, to in effect reduce the income coming into the TIO by \$2.5 million.

The Board was conscious of the economic circumstance that TIO members were operating in. It was also conscious of the relatively healthy reserves position that the TIO maintained. As a result, TIO was able to responsibly take that action, and it seemed to be the appropriate time to provide some support for members through this adjustment to the membership fees.

The Chair highlighted that this was a one-off event. TIO would not be able to do that going forward. This \$2.5 million reduction in revenue contributed to the deficit result.

The second issue TIO faced was a change in the accounting standards for the treatment of an upgrade to its IT system. What previously was regarded as capitalised expenditure and which would be depreciated over time, had to be dealt with as an expense in a lump sum in the financial year. That accounted for a significant amount of money, \$2.75 million. That change in the accounting standard and the treatment, together with the conscious decision about the membership fees, explains the difference between the financial results between FY21 and FY20.

The Chair also advised that demand for TIO's services had declined in the last few months and was reflected in the last part of FY21. This was generally a good news story as it meant that our members and their customers were directly dealing with issues as they arose. And, as a result, the need for contact into the TIO declined.

TIO is a business which sees oscillations in demand. Particular periods can see relatively rapid, quite large increases in the number of matters that come into TIO. At other periods, that changes, and numbers are reduced. At the moment, TIO is in a period of reduced numbers coming into the service.

The Board is very conscious of that. TIO structures its cost-base, and particularly its workforce and the way in which the organisation is resourced, to be able to adjust to those shifts in demands. TIO manages that through the adjustment of employment structures.

TIO has seen a decline, particularly compared to a few years previously when, through the peak of the NBN rollout, there was, in fact, a very large increase in the number of matters that were coming to the TIO. That was notable through the year.

Obviously, TIO was not able to have the same level of face-to-face contact with its members. Generally, TIO holds face-to-face member forums in each of the capital cities. This was not able to be done this year due to the pandemic constraints. However, TIO held two national web-based member forums and they were well attended. They were successful forums with good member engagement and good questions.

There is no substitute for meeting with people in person. It is certainly the intention to recommence face-to-face member forums and outreach activities next year as the Board recommences interstate travel.

TIO has reviewed its terms of reference. This is the roadmap of how the TIO operates, what matters are within jurisdictions, and the broad parameters of issues that the TIO can deal with.

The new terms of reference which are clearer and better structured come into place on 1 January 2022. There will be a staged implementation of the full terms of reference. Some of the items that have changed will be implemented in the first half of next year.

TIO was very keen to operationalise the guidance materials for the terms of reference in conjunction with members. It is an important change to the way in which the scheme operates and to members' responsibilities. Materials were available on the website and there will be communication with members as 1 January 2022 approaches.

Most recently, and very significantly for TIO, was the decision of the TIO Ombudsman, Judi Jones, to resign her position from 31 March next year. Judi is returning to her family in New Zealand. It has been a challenge over the last two years for Judi being separated from her family in New Zealand. Prior to the pandemic her flight from Melbourne to New Zealand for a weekend wasn't too much of a strain at all. But it's been difficult over the last couple of years. Reluctantly, Judi's concluded that she really does need to go back and be closer to her family and is leaving TIO a little earlier than was originally planned.

The Board has the search and selection process for a new Ombudsman well underway. It was the Board's hope that a new Ombudsman would be selected, and if not actually in the job, certainly announced and be starting shortly after Judi leaves in March next year.

As that date draws closer, there will be opportunities to celebrate Judi's contribution to the TIO. She certainly is leaving the organisation in good shape, good foundation, and responsive to the environment which it's serving.

It is with some reluctance that the Board and Judi have reached this position, but it's completely understandable. The senior management group will have good arrangements in place during the period between Judi leaving and before a new Ombudsman starts.

2. MINUTES

Members of the TIO Limited were invited to consider and, if thought fit, to pass the following ordinary resolution:

To accept the Minutes of the 2020 Annual General Meeting held on 15 December 2020.

The Chair advised that he held 365,203 proxies for this resolution: 364,773 in favour, 429 undirected, and 1 against. The undirected proxies would be cast in favour of this resolution.

The Chair invited questions on this resolution.

There were no questions.

(The results of the poll for this ordinary resolution are contained in the appendix attached to these minutes.)

3. FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021 INCLUDING THE DIRECTORS' REPORT, FINANCIAL STATEMENTS AND AUDITOR'S REPORT

Members of the TIO Limited were invited to consider and, if thought fit, pass the following ordinary resolution:

To accept the Financial Report for the year ended 30 June 2021 which includes the Directors' Report, Financial Statements and Auditor's Report.

The Chair advised that he held 365,232 proxies for this resolution: 364,802 in favour, 429 undirected, and 1 against. The undirected proxies would be cast in favour of this resolution.

The Chair invited questions on this resolution.

There were no questions.

(The results of the poll for this ordinary resolution are contained in the appendix attached to these minutes.)

Management of Company

The Chair invited members to ask general business questions.

There were no questions or comments.

There being no other business, the Chair thanked all for their attendance and the meeting closed at 1:23pm.

Confirmed: _____
Michael Lavarch AO, Chair of the Board of Directors

Date: _____

Results of Polls at 2021 AGM

Resolution 1

The members of the company resolve to accept the Minutes of the 2020 Annual General Meeting held on 15 December 2020.

Following closing of the voting on Tuesday 23 November 2021, the Company Secretary advised the results of the poll on ordinary resolution 1:

- Taking into consideration the requirements of clause 11.5 of the TIO Constitution which deem votes by TIO members that are related companies of other TIO members to be from one member, a total of 13 members voted in favour of the ordinary resolution and 1 member voted against the ordinary resolution.
- Three members abstained from voting.
- Of the 13 members that voted in favour of the ordinary resolution, 6 were carrier members and 7 were carriage service provider members.
- A total of 6,526,166 votes were cast. Of those votes, 6,525,165 votes cast were in favour of the ordinary resolution and 1 vote was cast against the resolution. This means 99.99998% of votes cast were in favour of the ordinary resolution.
- Accordingly, all applicable voting requirements of the TIO's Constitution and the Corporations Act to pass the ordinary resolution had been satisfied.

The Chair declared that ordinary resolution 1 had been passed.

Resolution 2

The members of the company resolve to accept the Financial Report for the year ended 30 June 2021 which includes the Directors' Report, Financial Statements and Auditor's Report.

Following closing of the voting on Tuesday 23 November 2021, the Company Secretary advised the results of the poll on ordinary resolution 2:

- Taking into consideration the requirements of clause 11.5 of the TIO Constitution which deem votes by TIO members that are related companies of other TIO members to be from one member, a total of 14 members voted in favour of the ordinary resolution and 1 member voted against the ordinary resolution.
- Two members abstained from voting.
- Of the 14 members that voted in favour of the ordinary resolution, 6 were carrier members and 8 were carriage service provider members.
- A total of 6,526,195 votes were cast. Of those votes, 6,526,194 were cast in favour of the ordinary resolution and 1 vote was cast against the resolution. This means 99.99998% of votes cast were in favour of the ordinary resolution.
- Accordingly, all applicable voting requirements of the TIO's Constitution and the Corporations Act to pass the ordinary resolution had been satisfied.

The Chair declared that ordinary resolution 2 had been passed.