



Submission to the Senate Standing Committee on Environment and Communications

Triple Zero service outage

25 November 2025

Singapore Telecommunications Limited (*Singtel*) is grateful for the opportunity to provide a submission to the Committee's inquiry into the Triple Zero service outage.

Background

The Singtel Group acquired Optus in 2001 as it sought to become a leading telecommunications services provider in the Asia Pacific region. The acquisition was part of Singtel's diversification strategy and also an opportunity to provide a credible and reliable alternative service to Australians. As a telecommunications group with presence across the fast-growing markets in India and Southeast Asia at that time, Singtel's scale could help create collective value with its strategic insight and financial know-how. The maturity of its Singapore and Australian businesses also meant it could provide practical guidance to issues that arise at different stages of market development across its portfolio.

Today, the Group has businesses in multiple geographies. These businesses are held as operating companies – with different levels of equity ownership and some listed in their own jurisdictions. Optus is part of this stable of operating companies and is wholly owned by Singtel. Each operating company has its own local carrier licence and is subject to its own national regulatory framework. In addition, these companies have management teams that operate the companies independently and are governed by separate boards which comprise of independent directors. In Optus' case, independent directors make up majority of the board.

As the parent company, Singtel's role is that of a supportive shareholder which seeks to responsibly steward its investments. Its primary focus is governance and ensuring that its operating companies have sufficient funding to support business performance. It is a fully committed shareholder and steward that seeks to empower local management.

Governance Structure

Like Singtel's other operating companies, Optus operates as a separate Australian company with its own independent Board. The role of the Optus Board is to oversee management, ensure compliance with Australian regulations and provide financial oversight. Day-to-day operational decisions and the running of the company, including network operations and critical infrastructure management, are made in Australia by Optus management team, led by CEO Stephen Rue.

Five out of seven members of the Optus Board are Australian. The remaining two are from Singapore, Singtel GCEO Yuen Kuan Moon and independent director Nicky Tan. Before this outage, in 2024 and 2025, the Optus Board met an average of 8 to 9 times a year.

This new structure was the result of a series of changes made between 2023 and 2025, to give more autonomy to the Optus Board and management. Singtel and Optus recognised that it was better for governance and the management responsible to be closer together in Australia, so that decisions could be made far more quickly and effectively for the benefit of the company. This saw the appointment of well-respected and recognised independent directors with the relevant skills and experience to ensure the overall management, governance, and strategic direction of Optus, while delivering performance. With that empowerment comes accountability, just like any management has to its board and its shareholders.

The Optus Board has several Board Committees which have been established to support the Board in key areas that typically require more oversight and focus – such as the Risk Committee, Audit Committee, Human Capital Committee, Defence & Satellite Committee, and the Executive & Strategy Committee.



Financial Support

Since 2001, Singtel has supported Optus in investing A\$33 billion in capital expenditure (**capex**) and spectrum. This included investments totalling A\$9.3 billion over the last five years. Looking at capex as a percentage of total revenue across the sector in Australia, Optus has invested approximately 18% of total revenue into capex over the last 5 years, which is as much if not more than its peers. Investments have been centred on building a reliable and resilient network to position Optus as a credible operator that is the second largest in Australia.

In recent years, Optus also invested in accelerating its 5G rollout and extending its reach into regional areas, to better serve Australians. In 2024, Optus and TPG obtained approval from the ACCC, for a regional network and spectrum sharing arrangement (**MOCN**), where Optus will provide TPG with access to its regional radio access network. This saw both telcos sharing spectrum in regional Australia and fast-tracking the number of 5G sites in these areas, to offer better coverage to customers.

Singtel has not received any dividends from Optus in the past five years, due to Optus' weak financial performance (Optus has reported a statutory net loss since financial year ended 31 March 2021). This also led to Optus' average Return on Invested Capital (**ROIC**) of 1.7% over the last five years. Although Singtel has not received any dividends in the past five years, it continued to support Optus with a cash injection of A\$2.5 billion to fund its spectrum and working capital requirements in 2024.

Singtel recognises the importance of strengthening the reliability and resilience of Optus' network and critical platforms and has been supportive of Optus funding network upgrades.

The support Singtel provides Optus has been positively acknowledged by the capital and banking markets. This can be seen in the 2 to 3 notches uplift in Optus' credit rating by Moody's and S&P, reflecting Singtel's ownership and support.

Singtel as a Long-Term Shareholder

Besides Singapore and Australia, Singtel has investments in telcos located in India, Indonesia, the Philippines, and Thailand. These regional operating companies are the largest or second largest operators in their respective markets and serve a total of over 820 million mobile subscribers. They are managed and operated locally, with their own local licenses, infrastructure and network.

Singtel has always adopted a long-term strategic approach to its investments across Asia Pacific. Singtel has provided strategic direction, financial support, technical know-how and best practice sharing to all its operating companies. As a long-term shareholder, Singtel has seen its operating companies through the ups and downs of market cycles over long periods of time (span of 20 to 30 years) providing strategic oversight to support their growth and staying invested despite challenging conditions.

The Singtel Group leverages on its regional scale and strength giving operating companies access to technology partners and the latest network equipment. As part of the Singtel Group, Optus also participates in various annual Group regional forums (e.g. CEO forum, CFO forum, CIO forum, CTO forum), engaging in best practice sharing. Regional initiatives are developed as part of such forums.

Optus' Transformation

Optus has been undergoing a transformation journey to strengthen its network resilience and improve customer experience. Singtel has been supporting this transformation with investment and shareholder level oversight. CEO Stephen Rue was brought in a year ago to lead this transformation. A multifaceted transformation plan requires careful and considered calibration to execute and implement. This takes time.

As part of this transformation, Optus has made a number of commitments. It is committed to improving its operational capabilities by accelerating its transformation, focusing on risk management, resilience and process excellence. Optus is also adding 300 call centre staff to ensure customers receive the right support when they need it most. Optus is fast tracking its onshoring program which it commenced earlier in 2025, to return network operations, network monitoring, and customer care support functions to Australia.



Under the Telecommunications (Emergency Call Service) Determination 2019, Optus as the holder of a carrier licence, has obligations in relation to emergency services in Australia. As its parent company, Singtel supports Optus' commitment to complying with these obligations and restoring the Australian community's confidence in the Optus mobile network – which is a part of the national Triple Zero ecosystem.

To this end, Singtel is committed to supporting the Optus board and management, to cooperate fully and transparently with the relevant Australian government agencies and regulatory bodies, to ensure a thorough investigation of this incident, and to implement the learnings to guard against any future recurrence.