



Australian Mobile Telecommunications Association



Annual Report 2011-12



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MobileMuster

MobileMuster is the official product stewardship program of the mobile phone industry. Our promise is to keep old mobiles out of landfill. To achieve this we ask consumers to recycle their old mobiles with us.

The Australian Mobile Telecommunications Association manages MobileMuster on behalf of its members: Nokia, Samsung, Motorola, LG, HTC, Huawei, ZTE, Telstra, Optus, Vodafone, Virgin Mobile and Force Technology. The Members voluntarily fund MobileMuster.

MobileMuster aims to:

- keep old mobiles out of landfill
- increase awareness of recycling
- optimize resource recovery
- provide a free recycling service to consumers, retailers and workplaces by continually improving the visibility, accessibility, transparency and sustainability of the service.

Since 2006 MobileMuster has:

- increased awareness from 46% to over 82%
- decreased the disposal to landfill from 9% to 2%
- grown the collection rate of available mobiles from 18% to 51%
- grown its public collection network to over 4,500 drop off sites across Australia
- put in place a freepost service using either recycling satchels or postage paid mailing labels
- achieved a recycling rate (i.e. materials recovered) of 93%.

MobileMuster Brand Update

Updating your brand in an evolving market is a key to staying relevant and in 2012 it was time to give MobileMuster a brand makeover.

A key challenge is convincing people to recycle their old mobiles instead of stashing them away unused at home. Two other challenges are the growth of other programs in Australia that offer cash for phones or donate funds to charity and the ability to store more personal data on new smartphones. This has resulted in confusion about the programs, what they offer, data security concerns and cynicism as to what happens to the phones.



MobileMuster's new look and promise

With these challenges in mind, AMTA's new marketing agency The Republic of Everything created MobileMuster's updated brand to reinforce that MobileMuster, the only official industry recycling program in Australia that is endorsed by manufacturers and network carriers, aims to keep old phones out of landfill. It is the only program that recycles mobiles in a safe, secure and ethical way for no commercial gain.

The other key element of the rebrand is to showcase the industry's commitment to reduce the impact of its products on the environment by implementing MobileMuster as an industry funded and led product stewardship program.

The new brand was launched on World Environment Day in June with a call for Australians to help MobileMuster achieve its product stewardship "promise" to keep old mobiles out of landfill by promising to recycle unused mobile phones and accessories with MobileMuster.



(L-R) Matt Perry (Co-founder Republic of Everything), Senator Don Farrell (Federal Parliamentary Secretary for Sustainability and Urban Water), Rose Read (Manager Recycling, AMTA), Chris Althaus (CEO, Australian Mobile Telecommunications Association).

Table 1: MobileMuster – Key Performance Indicators to 2013

KPIs for June 2013	Results for 2011-12
Consumer Behaviour <ul style="list-style-type: none"> • Increase awareness to more than 85%, up from 75% • Decrease disposal to landfill to less than 2%, down from 4% • Decrease personal storage rate of 2 or more phones to less than 18%, down from 32% 	82% 2% 40%
Industry Involvement <ul style="list-style-type: none"> • Maintain whole of industry participation greater than 90% 	97% carriers 61% manufacturers
Collections <ul style="list-style-type: none"> • Increase the annual collection for discarded (i.e. available) phones to over 65%, up from 17% • Increase the annual collection rate of net imports to more than 20% , up from 5.5% • Diversify collection methods to include free postage paid recycling satchels and kerbside recycling 	51.4% 10.3% ACHIEVED
Recycling <ul style="list-style-type: none"> • Maintain diversion from landfill rate greater than 90% • Maintain recycling rate (i.e. materials recovered) greater than 75% 	97% 93%

At the launch of MobileMuster's "Promise" video in Sydney in July, the Federal Parliamentary Secretary for Sustainability and Urban Water, Senator Don Farrell, said: "MobileMuster's action embodies the ideals of the Australian Government's Product Stewardship legislation, which provides a foundation to help ensure we all share responsibility for products we consume. I encourage other industries to follow MobileMuster's lead and help to minimise the environmental and human health impacts of their products and services."

2011-12 Results

While community awareness of mobile phone recycling has remained steady at 82%, people's desire to keep their old mobile phones continues to remain high with 40% of people having two or more unused mobiles at home. As a result the estimated number of handsets in storage at home or work has grown from 19 million to 22 million. On the upside, fewer people are throwing their mobiles away, dropping from 4% to 2%.

In 2011-12, MobileMuster collected 117 tonnes of mobile phone components, which is up 11 tonnes on last year. This included more than 847,000 handsets and batteries as well as 67,874 kg of accessories.

This represents a collection rate of just over 51% of mobile phones available for recycling (i.e. mobiles that people are

no longer using or storing at home), or just over 10% of net imports.

There has been growth in second-hand markets for mobile phones sold overseas and a number of Australian companies now offer to buy back old mobiles, which they then sell for profit in developing countries. Some companies also share profits with charities as a fundraising activity.

Two of the companies involved in second-hand trading of mobiles have advised that they sold more than 100,000 handsets (12 tonnes) overseas for reuse in the 12 months to June 2012.

MobileMuster provides free recycling services to a number of these companies and 1.8% or 2.1 tonnes of MobileMuster's annual collection came from these companies. A further 214kg was recycled by an alternative recycling program.

Since the program started in late 1998 it has collected 947 tonnes of mobile phones components including 6.75 million handsets and batteries (as at 30 June 2012).

See figures 1 and 2 for annual collections by weight and numbers for the past seven years.

Members of MobileMuster recommitted to the 'MobileMuster Promise' to keep old mobiles out of landfill on 29 May 2012 in Sydney while holding a Plasmar recycled plastic fence post made from various recycled plastics including plastics, from mobile phones recycled with MobileMuster.



Front row on couch (L-R): Stephen Baxter Product Manager Nokia, David Kelly Account Director ZTE, Antal Keur Key Account Manager HTC, Thomas Roets General Manager – Strategy and Business Development Vodafone, Pauline Gregg General Manager – Environment Chief Sustainability Office Telstra. Back Row standing (L-R): Brent Gerstle Manager Environmental Affairs Risk Management Optus, Rose Read MobileMuster Recycling Manager AMTA, Lorin McDowell Handset Portfolio Manager Devices Division Huawei, Paul Hamshire ANZPI Product Marketing and VAS Regional Lead Motorola Mobility (Photograph: Andy Morris)

Figure 1: Total annual collections by weight (kg) – all mobile phone components

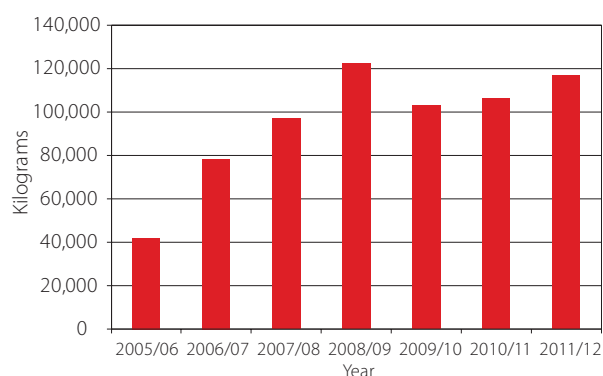
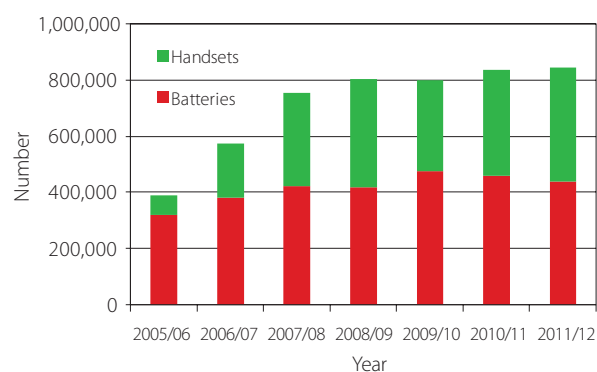


Figure 2: Total number of handsets and batteries collected



Summary of key performance indicators @ 27 February 2013 (refer to Appendix 1 for definitions)

Key Performance Indicators	2011/12 Actual (13 months Jun 11- Jun 12)	2011/12 Actual	2010/11 Actual**	2010/11 Actual* (11 mths)	2009/10 Actual	2008/09 Actual	2007/08 Actual	2006/07 Actual	2005/06 Actual
Collections									
Mobile Phone Collections (tonnes)	123 ✓	117	106	100 ✓	103 ✓	122 ✓	97 ✓	78	42
Annual Collection Rate, Available Phones	48.2% ✓	51.4%	48%	52.3% ✓	50.6% ✓	35% ✓	18.9% ✓	18%	15%
Annual Collection Rate, Net imports	9.9% ✓	10.3%	8.6%	8.9% ✓	7.9% ✓	7.8% ✓	5.5% ✓	5.3%	3%
Estimated Number Handsets & Batteries	912,274	847,240	797,105	744,816	845,919	806,812	755,196	576,640	391,074
Reported Shipments	8.55 M	7.80 M	8.70 M	7.95 M	8.66 M	9.02 M	9.77 M	8.63 M	8.41 M
Exports (adjusted)	1.23 M	1.12 M	1.45 M	1.34 M	1.41 M	1.43 M	1.05 M	1.24 M	1.18 M
Net Imports (units)	7.31 M	6.67 M	7.25 M	6.61 M	7.63 M	7.90 M	8.87 M	7.39 M	7.23 M
Net Imports (estimated tonnes)	1,243	1,134	1,232	1,123	1,297	1,581	1,775	1,478	1,446
Recycling									
Diversion from Landfill	97% ✓	97%	100%	100% ✓	100% ✓	> 90% ✓	> 90% ✓	> 90%	> 90%
Recycling Rate (material recovered as per AS/NZS 5377:2013)	> 93% ✓	93%	>75%	>75%	>75%	> 75%	> 75%	> 75%	> 75%
Consumer Behaviour									
Personal Storage Rate (% users with 2 or more handsets at home)	40% ✓	40%	40%	40% ✓	38% ✓	32% ✓	32% ✓	36%	38%
Disposal to Landfill Rate	2% ✓	2%	4%	4% ✓	3% ✓	2% ✓	4% ✓	5%	9%
Awareness of Mobile Phone Recycling	82% ✓	82%	84%	84% ✓	79% ✓	79% ✓	75% ✓	69%	46%
Industry Participation									
Manufacturers	62% ✓	61%	64%	63% ✓	72% ✓	78% ✓	85% ✓	> 90%	> 90%
Mobile Network Carriers	96% ✓	97%	97%	97% ✓	100% ✓	> 95% ✓	> 95% [†] ✓	> 95%	> 95%

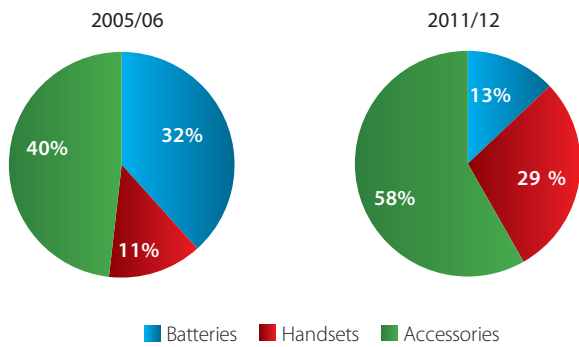
* As at 30 June 2011

** Full 12 months 1 July 2010 to 30 June 2011

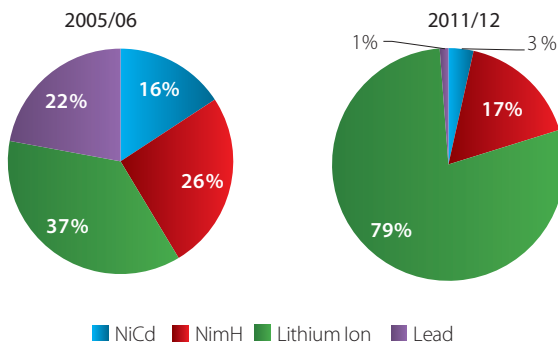
✓ Externally Assured – go to <http://www.mobilemuster.com.au/news/annual-reports-publications/> to see previous Annual Reports and associated Assurance Reports

***The formula to calculate the annual collection rate of discarded phones was modified in 2009/10. The formula no longer includes an estimate of mobile phones discarded from storage due to the uncertainty in estimating this figure. The revised formula is described in the definitions section of the MobileMuster Annual Report 2010-11 at http://www.mobilemuster.com.au/media/5870/mobilemuster_annual_report_and_assurance_report_-_final_signed_amta_2011.pdf. All data has been rounded to the nearest whole number. The data above has been independently assured since 2007-08 by KPMG in 2007-08 and by PwC for 2008-09, 2009-10, 2010-11, 2011-12.

Mobile Phone Components Collected



Battery Types Collected – % (by weight)



Recycling

The new recycling and logistics contracts with TES-AMM Australia Pty Ltd and The Infoactiv Group have been in place for just over 12 months. All circuit boards, lithium ion and nickel metal hydride batteries and accessories are now recycled by TES-AMM at their Singapore facility, providing greater transparency throughout the recycling chain.

As a result we can now more accurately measure the recycling rate (i.e. material recovered). Using the recycling rate formula as defined in *AS/NZS 5377:2013 for the collection, transport, storage and treatment of end of life electronic and electrical products* MobileMuster achieved a recycling rate of 93% in 2011-12.

The mix of mobile phone components received over the past seven years has changed with more handsets being collected now than previously. The amount of nickel cadmium batteries has also dropped substantially since 2005/06. Lithium Ion batteries are the primary battery collected now (over 70%).

THE RECYCLE PROCESS



By recycling 117 tonnes of mobile phone components, MobileMuster will have diverted more than 110 kgs of cadmium and 300kgs of lead from landfill, as well as recovered over 7.6 tonnes of plastic, 78 kgs of precious metals, 1.6 tonnes of aluminium, 24 tonnes of steel, 5.7 tonnes of copper and over 0.6 tonne of cobalt as raw materials to make new products, such as aluminium cans, batteries or plastic fence posts.

By recovering and reusing these resources:

- around 1.1 million less tonnes of precious metal ores (gold, silver copper) will need to be mined
- over 935 tonnes of CO2 equivalents in green house gases will be avoided, which is the same as taking more than 262 cars permanently off the road or planting 5,680 trees.

Educating Youth

MobileMuster continued to engage and educate Australia's youth through its National Schools Recycling Challenge. The Challenge gives teachers the opportunity to bring environmental and sustainability education programs to life for their students, teaching them about the importance of recycling e-waste.

In the 2011 National Schools Recycling Challenge 570 schools participated, involving around 270,000 students nationwide. Together they collected more than 1,520 kg of mobile phone components, which included more than 5,500 mobile phone handsets, 7,600 batteries and 770 kg of accessories.

Top honours nationally went to Fulham North Primary School, Henley Beach, South Australia, for the highest weight (kilograms) of mobiles collected in 2011. Mountain Preschool, Lowanna, New South Wales, collected the highest average weight (kilograms) of mobiles per student. Kiara Dawson, Yarrilee State School, Hervey Bay, Queensland, was awarded Overall National Student Champion for collecting the most number of mobile phone units by a student throughout the challenge

A key feature of the 2012 challenge is the updated and expanded educational material available free to schools. Teachers and students can access online 10 learning modules plus an interactive resource recovery calculator and poster builder.

The lesson plans include a number of practical activities for students such as:

- Calculating the type and amount of materials that can be recovered using the resource recovery calculator
- Investigating where the raw materials come from to make a mobile phone
- Teaching other students about product stewardship and the benefits of recycling
- Working out how many unused and old mobile phones are sitting in drawers at home that could be recycled
- Promoting mobile phone recycling to your school community by creating posters, newsletters and signs
- Exploring the differences between reusing and recycling old mobiles.

So far over 280 schools have registered and are participating in the challenge. Results will be announced in early December.

Working with Local Councils

Local government plays a key role in MobileMuster with more than 330 councils across Australia hosting collection points and promoting mobile phone recycling in their communities.

To support Councils in this role, MobileMuster provides free collection units, promotional material and grants to promote local recycling.

MobileMuster also pays Councils or their recycling contractor \$2.20 per kilogram of mobile phone components collected through council e-waste collection services, as well as pick-up and recycling of all mobile phone components are free.

In recognition of the ongoing efforts of local Councils across Australia in tackling mobile phone e-waste MobileMuster presented five awards at the Australian Local Government Associations National General Assembly in June this year. The award winners were:

- Top Collector Overall: Brisbane City Council (QLD)
- Top Collector Per Capita: District Council of Kimbra (SA)
- Best Promoter: City of Whitehorse (VIC)
- Working with Schools: Eastern Metropolitan Regional Councils (WA)
- National Excellence: Darebin City Council (VIC)

Industry Involvement¹

The majority of members of the mobile phone industry continue to actively support MobileMuster both financially and in-kind by promoting the program to their customers and staff online, through sales material and in-store.

Handset manufacturers that participated in the program in 2001-12 are: Nokia, Samsung, LG Electronics, Sony Ericsson, Motorola, HTC, Huawei and ZTE. Each of these manufacturers voluntarily pays an advance recycling levy of \$0.30 per new handset shipped into Australia to fund MobileMuster.

¹ Industry participation is defined as the proportion of shipments for mobile phone handset manufacturers and revenue of mobile network carriers operating in the Australian mobile telecommunications market that contribute financially to the industry's mobile phone industry recycling program.

Together they represented 62% of the mobile phone handset market in Australia, down from 64% in the previous year. This drop in market share can be attributed to the ongoing growth in non-participating manufacturers.

Australia's three network carriers, Telstra, Optus, Vodafone Hutchison Australia and resellers Virgin Mobile, continued to actively support the program, along with battery importer Force Technology.

Each of the carriers pays \$0.12 per handset of their share of new handsets shipped into the country to fund MobileMuster. After market battery importer Force Technology also contribute \$0.10 per new mobile phone battery imported into Australia.



Greens Leader Senator Christine Milne presents the MobileMuster National Excellence Award to Mayor Steven Tsitas, Darebin City Council, Victoria, at the Local Government National Assembly in Canberra in June 2012.



Students at Meadowbank Primary School in Melbourne learn about the importance of recycling mobiles from Theo Kontogiogakis, General Manager Handsets, Telstra, and Rose Read, Manager Recycling AMTA. The school is participating in MobileMuster's Schools Recycling Challenge.

Appendix 1

Definitions

Average unit weight

The average weight of a mobile phone unit (i.e. a new handset, battery and charger imported into Australia) is currently estimated to be 170 grams based on advice from manufacturers.

Annual Collections

The annual collection data is the weight of mobile phone components collected by MobileMuster measured in kilograms and then converted to tonnes. Mobile phone components include handsets, batteries, chargers, accessories and plastic coverings covered by the MobileMuster program.

Annual Collection Rate (Available Mobiles)

$$\text{ACRAM} = \frac{\text{Annual Collection (tonnes)}}{\text{Available Phones (tonnes)}} \times 100$$

Annual Collection = Weight of mobile phone components (i.e. handsets, batteries, chargers, accessories and associated plastics) received by recycler measured in kg and converted to tonnes

Available Phones = Participating Manufacturer Reported Imports – Estimated Participating Manufacturer Exports - (Kept + Given Away)

Participating Manufacturer Reported Imports = measured in units¹ (i.e. mobile phone unit = handset, battery, charger and accessory) and converted to weight using the average unit weight.

Estimated Participating Manufacturer Exports = measured in units and converted to weight using the average unit weight. The figure has been calculated to reflect the proportion of participating manufacturer reported imports that have been exported and is estimated as the All Industry Exports² divided by All Industry Imports³ multiplied by Participating Manufacturer Reported Imports.

1 Data sourced from Informark – Participating Manufacturer Shipments.

2 All Industry Exports (i.e. includes non participating manufacturers exports) sourced from Australian Customs Data that has been reported by Australian Bureau of Statistics and provided to AMTA by Informark.

3 All Industry Imports (i.e. includes non participating manufacturers imports) sourced from Australian Customs Data that has been reported by Australian Bureau of Statistics and provided to AMTA by Informark.

Kept – Estimate based on market research⁴ on the proportion of people who keep their previous phones for further use including “kept it just in case”, “not working but kept it anyway” and “still using it” multiplied by Participating Manufacturer Reported Imports. Measured as units and converted to weight using the average unit weight.

Given Away – Estimated based on market research⁵ on the proportion of people who pass on their previous phones for further use including “gave it to someone else”, “traded it”, “sold it” and “donated to charity” multiplied by Participating Manufacturer Reported Imports. Measured as units and converted to weight using the average unit weight.

The following assumptions have been made in calculating the amount of available (previously described as discarded) mobiles and may be subject to review in future years as more data becomes available:

- The majority of mobile phones available are manufactured by participating manufacturers and that the number of non participating manufacturers is minimal / insignificant.
- The amount of unsold mobile phones held in stock is relatively low and remains constant through out the year.
- The IPSOS market research results used in the calculations are an accurate and consistent representation of what the general population do with their mobile phones when no longer in use.

Annual Collection Rate (Net Imports)

$$\text{ACRNI} = \frac{\text{Annual Collection (tonnes)}}{\text{Net Imports (tonnes)}} \times 100$$

Annual Collection = Weight of mobile phone components (i.e. handsets, batteries, chargers, accessories and associated plastics) received by recycler measured in kg and converted to tonnes

Net Imports = Participating Manufacturer Reported Imports – Estimated Participating Manufacturer Exports

4 Independent online survey conducted in November 2011 by IPSOS on behalf of AMTA of 650 mobile phone users, aged 16 years or older randomly selected from all States across Australia.

Participating Manufacturer Reported Imports = measured in units⁶ (i.e. mobile phone unit = handset, battery, charger and accessory) and converted to weight using the average unit weight.

Estimated Participating Manufacturer Exports = measured in units and converted to weight using the average unit weight. The figure has been calculated to reflect the proportion of participating manufacturer shipments that have been exported and is calculated by using the following formula: $\frac{\text{All Industry Exports}^7}{\text{All Industry Imports}^8} \times \text{Participating Manufacturer Reported Imports}$.

The following assumptions have been made in calculating the annual collection rate based on net imports and may be subject to review in future years as more data becomes available:

- There is no material difference between the quantity of mobile phones being exported that are manufactured by participating manufacturers versus the estimated participating manufacturers exports which has been generated by applying the ratio of Participating Manufacturer Imports and All Industry Imports to All Industry Exports;
- There is no material difference between the average unit weight of imported mobile phones versus the estimated average unit weight used that is based on manufacturer data.

Diversion from Landfill of MobileMuster Collections

This indicator measures the proportion of mobile phone components (i.e. handsets, batteries, plastics and accessories) collected by MobileMuster that, once sorted and dismantled by the primary recycler, are sent either to third party specialist recyclers for further processing or manufacturers for re-use, versus being sent to landfill.

This indicator does not measure the proportion of mobile phone components recycled/materials recovered versus any residues sent to landfill by third party specialist recyclers' and manufacturers.

The indicator expressed as a percentage and calculated using the formula below:

$$\text{DFLR} = \frac{\text{Total weight of mobile phone components collected by MobileMuster and sent to third party specialist recyclers or manufacturers (kg)}}{\text{Annual Collections (kg)}}$$

Recovery Rate

(as defined in the Australian Standard AS/NZS 5377:2013 – Appendix D3)

The percentage of the total of all output fractions, classified as sent for recycling and other material recovery or other recovery in proportion to the total of the input amount of non treated mobile phone components.

$$\text{Recycling rate} = \frac{\text{Total of all output fractions (kg)}}{\text{Input amount of non treated mobile phone components (kg)}} \times 100$$

Storage Rate of Mobile Phones at home and work

Derived from annual market research⁹ that measures the percentage of mobile phone users having two or more mobiles in storage.

Disposal to Landfill Rate

This is currently measured through market research¹⁰ that measures the percentage of mobile phone users that dispose of their mobile phones to landfill.

Awareness Rate of Mobile Phone Recycling

This is currently measured through market research¹¹ that measures the percentage of mobile phone users that are aware of mobile phone recycling.

⁶ Data sourced from Informark and members.

⁷ All Industry Exports (i.e. includes non participating manufacturers exports) sourced from Australian Customs Data that has been reported by Australian Bureau of Statistics and provided to AMTA by Informark.

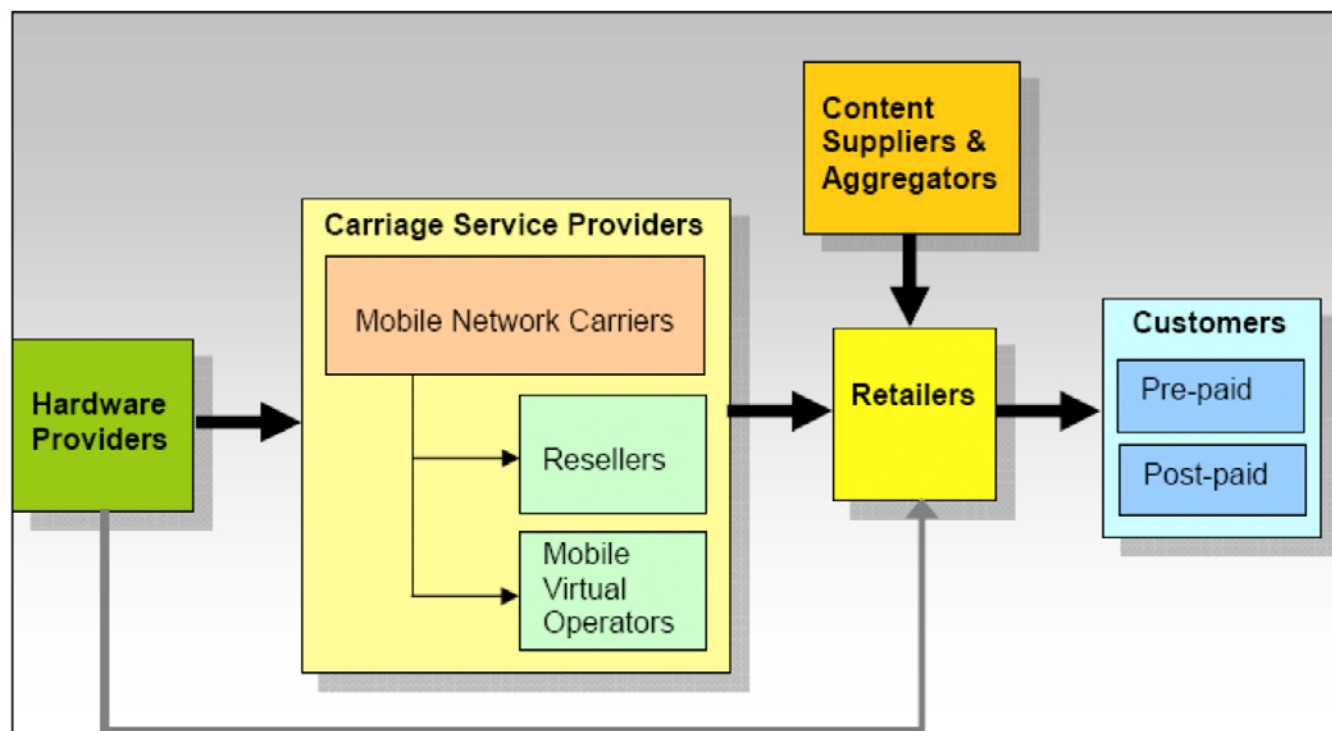
⁸ All Industry Imports (i.e. includes non participating manufacturers imports) sourced from Australian Customs Data that has been reported by Australian Bureau of Statistics and provided to AMTA by Informark.

⁹ Independent online survey conducted in November 2011 by IPSOS on behalf of AMTA of 650 mobile phone users, aged 16 years or older randomly selected from all States across Australia.

¹⁰ Independent online survey conducted in November 2011 by IPSOS on behalf of AMTA of 650 mobile phone users, aged 16 years or older randomly selected from all States across Australia.

¹¹ Independent online survey conducted in November 2011 by IPSOS on behalf of AMTA of 650 mobile phone users, aged 16 years or older randomly selected from all States across Australia.

FIGURE 2-1: THE MOBILE TELECOMMUNICATIONS INDUSTRY



Source – Access Economics 2008 Australian Mobile Telecommunications Industry, Economic Significance and contribution

Industry Participation Rate

Industry participation is defined as the proportion of shipments of mobile phone handset manufacturers and revenue of mobile network carriers operating in the Australian mobile telecommunications market that contribute financially to the industry's mobile phone industry recycling program.

This is measured in two parts:

$$\text{Manufacturers}^{12} = \frac{\text{Participating Manufacturer Shipments}}{\text{Industry Imports}}$$

&

$$\text{Mobile Network Carriers}^{13} = \frac{\text{Total Market Share (by revenue) of each Mobile Network Carrier contributing financially to MobileMuster}}{\text{Total Market Share (by revenue) of all Mobile Network Carriers contributing financially to MobileMuster}}$$

Participating members as at 30 June 2012

Handset Manufacturers – HTC, Huawei, LG Electronics, Motorola, Nokia, Samsung Electronics Australia, ZTE

Battery importers - Force Technology

Carriage Service Providers – Mobile Network Carriers- Telstra, Optus, Vodafone Hutchison Australia

Resellers/Mobile Virtual Network Operators - Virgin Mobile

¹² Data sourced from Informark and members.

¹³ Data quoted is sourced from IBISWorld Industry Report J7122 Mobile Telecommunications Carriers in Australia, May 2012

Independent limited assurance report to the Directors of the Australian Mobile Telecommunications Association on selected sustainability performance data presented in the MobileMuster 2011-12 Annual Report for the 13 months ended 30 June 2012

You have engaged us to provide a limited assurance report on selected sustainability performance data (**selected performance data**) for the MobileMuster national mobile phone recycling program (included on page 5 "2011-2012 MobileMuster Key Performance Indicators" table, column titled "2011/12 Actual (13 months Jun 11- Jun 12)" of the Australian Mobile Telecommunications Association (**AMTA**) 2011-12 Annual Report (**Annual Report**) for the 13 months ended 30 June 2012.

The selected performance data selected by AMTA for inclusion within the scope of our engagement comprises the following:

- Mobile phone collections (tonnes)
- Annual collection rate: Available phone (%)
- Annual collection rate: Net imports (%)
- Diversion from landfill (%)
- Recycling Rate (%)
- Personal storage rate (%)
- Disposal to landfill rate (%)
- Awareness of mobile phone recycling (%)
- Industry participation: Manufacturers (%)
- Industry participation: Mobile network carriers (%)

AMTA management's responsibility

Management of the AMTA (**Management**) are responsible for preparing the selected performance data based on the AMTA's "Definitions" included on pages 9 – 11 of the Annual Report. Management are responsible for determining the adequacy of the Definitions to meet the requirements of the MobileMuster national mobile phone recycling program.

Our responsibility

Our responsibility is to form an independent conclusion on whether, based on our limited assurance procedures, anything has come to our attention to indicate the selected performance data have not been prepared and presented in all material respects in accordance with the Definitions. Our responsibilities do not extend to any other information presented in the Annual Report.

Assurance work performed

We conducted our limited assurance engagement in accordance with the *Australian Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits and Reviews of Historical Financial Information (ASAE 3000)* issued by the Australian Auditing and Assurance Standards Board. A limited assurance engagement involves making enquiries, primarily of persons responsible for the selected performance data and applying analytical and other limited assurance procedures over this data. The procedures selected, in order to form our conclusion, depend on judgment, including an assessment of the risks of material misstatement of the selected performance data.

Our procedures applied to the selected performance data primarily comprised:

- making enquiries of relevant AMTA management and of third parties who have supplied information to the AMTA;
- evaluating the design of the key processes and controls for managing and reporting the selected performance data;

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- testing, on a selective basis, the preparation and collation of the selected performance data prepared by the AMTA; and
- undertaking analytical procedures over certain data provided to us.

Use of our Report

This Report, including the conclusion set out below, has been prepared solely for the use and benefit of the AMTA to assist the Directors in reporting on the performance of the MobileMuster national mobile phone recycling program.

We assume no responsibility and accept no liability arising out of, or in connection with, any use of, or reliance on this Report by any party other than the Directors of the AMTA, or for any purpose other than that for which this Report was prepared.

We consent to this Report being included in the Annual Report and understand that a copy of the Annual Report will be made available on the MobileMuster website. We accept no responsibility for the integrity and security of the MobileMuster website and this Report is not intended to relate to, or to be read in conjunction with, any other information that may appear on the MobileMuster website. Readers of this Report on the MobileMuster website (who may read it for their information only) should bear in mind the inherent risks arising from the electronic communication of data.

Inherent Limitations

Because of the inherent limitations of any internal control framework and underlying data, it is possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement in accordance with ASAE3000 primarily comprises of making enquiries, primarily of Management and applying analytical and other review procedures where the work is substantially less detailed than undertaken for a reasonable assurance engagement under ASAE3000. The conclusion expressed in this Report has been formed on the above basis.

Additionally, non-financial performance data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data. There are no generally accepted reporting standards applicable for non-financial performance data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. It is important to read the selected sustainability performance data in the context of the AMTA's Definitions.

Our Conclusion

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention, which causes us to conclude that the selected performance data included in the Annual Report for 13 months ended 30 June 2012 have not been prepared, in all material respects, in accordance with the Definitions.

PricewaterhouseCoopers

PricewaterhouseCoopers Australia

John Tomac

John Tomac

Partner

Sustainability and Climate Change

Sydney

20 March 2013

