Bigger Picture

2024 Sustainability Report

Telstra Sustainability

About Telstra

Telstra is Australia's leading telecommunications company. We offer a full range of products and services across a customer base that includes consumers, small business, large enterprise and government organisations.

Our world-leading mobile network reaches approximately 99.7 per cent of the Australian population. We have around 280 stores in Australia.

As of 30 June 2024, we provide around 24.2 million retail mobile services, and around 3.6 million consumer and small business bundle and data, and voice only services. We also have access to over 2,000 network points of presence in more than 200 countries and territories around the world.

> For more information on our business and business strategy, see our **2024 Annual Report** available on our reports page.

Acknowledgement

We recognise and acknowledge the existing, original and ancient connection Aboriginal and Torres Strait Islander peoples have to the lands, waterways and sky country across the Australian continent. We pay our respects to their Elders past and present. At Telstra, we are enriched by Aboriginal and Torres Strait Islander peoples' contribution to our organisation and we commit to working with you to build a prosperous and inclusive Australia.

Terms used

Throughout our 2024 Bigger Picture Sustainability Report, the terms Aboriginal and Torres Strait Islander and First Nations are used interchangeably to reference Australia's First Peoples. The term Indigenous is used where it relates to a program name or is a preferred term.

Contact

We welcome feedback or questions regarding this report. If you would like to provide feedback please contact sustainability@team.telstra.com.

You can also subscribe to our sustainability newsletter at telstra.com.au/forms/sustainability-newsletter.

Sustainability at Telstra

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For more information on our sustainability approach and performance, as well as access to our *In Focus* papers, **2024 Data Pac**k and **additional downloads**, see our reports page.

For more information on our climate and nature disclosures, see the 'Acting on climate and nature' section in our **2024 Annual Report** available on our reports page.

Statement of commitment from our Chair and CEO

We are delighted to share our 2024 Sustainability Report

We are committed to supporting our customers and communities by contributing positively to society and the environment. This means not only getting the basics right to be a responsible and trusted business, but also working to create outcomes in the best interest of all Australians.

One of our three Behaviours is that we make a difference. We do the right thing for our customers, our communities, the planet, ourselves and each other. As we all grapple with cost-of-living pressures, natural disasters, the climate crisis, rapid technology change, and the unrelenting threat from cyber-crime, making a difference has never been more important in helping us achieve our purpose: to build a connected future so everyone can thrive.

Promoting the health, safety and wellbeing of our people

With our people working in a range of different environments, from enclosed spaces on network sites to retail stores and contact centres, we are committed to enabling a safe workplace through dedicated support to our people. We have a robust reporting framework to identify, prevent and mitigate harm, and actively campaign on the importance of reporting health and safety incidents by our people as a critical way to prevent harm and to access support from our safety and health management teams.

This year, we launched our new 'Big Three' behaviours and habits, which guide how we show up for our customers and each other to help us deliver on our purpose. This year, we also launched our new Global Diversity, Equity and Inclusion strategy and we are committed to maintaining a diverse and inclusive workplace where differences are respected.

As we implement necessary organisational changes, we are cognisant of the impact this can have on our people who may also be feeling the effects of socioeconomic factors. We have communicated these decisions with transparency and care, and will continue to support our people through the changes.

Supporting customers in vulnerable circumstances

Australians have experienced significant challenges this year, ranging from natural disasters to cost-of-living pressures. Through these challenges, our products, services and programs have been critical to help keep communities and customers connected, regardless of their location, circumstance or socio-economic status. We are dedicated to supporting our customers in a way that meets their needs, whether they are struggling financially, seeking safe and secure communications as a victim-survivor of domestic and family violence, or require immediate access to connectivity during times of crisis. For example, our Access for Everyone package provides concession offers, payment assistance options, free payphones, and more. In FY24, we helped more than 1.4 million customers stay connected.

Taking climate action

We have made good progress against our T25 commitments. We've reduced both our scope 1+2 and scope 3 emissions by 37% since FY19. We've also stepped up our commitment to reduce our scope 1+2 carbon emissions, now targeting a 70 per cent (up from 50 per cent) reduction by 2030 (from an FY19 baseline) and pivoting from using carbon credits to offset the residual emissions from our operations and products. In addition, we have now contracted future renewable energy generation equivalent to over 100 per cent of our forecast consumption by the end of 2025. However, there is risk that the overall amount of renewable energy generated from our contracted projects may not meet 100 per cent of our forecast consumption by the end of 2025.

As we strive to approach environmental matters holistically, it's important to also consider our impact on nature. We interact with nature everyday through the materials we use as well as our infrastructure and network. To protect it for generations to come, we have begun analysing our key nature-related dependencies, impacts, risks and opportunities. We're also embedding sustainability across all areas of the organisation, including business and risk processes, to help meet our sustainability commitments.

Investing in online safety, privacy and security

Our customers trust us with protecting their data and privacy, and we take that responsibility very seriously. With cyberthreats becoming more frequent and sophisticated in nature, we continue to invest heavily in cyber security measures to help protect our customers from scams and threats, and quickly respond to incidents. We also invest in cybersecurity employee training and provide educational resources to help our customers protect and manage their data safely. However, is important to recognise that not every potential threat can be entirely mitigated and we need to remain focused on identifying and addressing safety, privacy and security issues.

Keeping our communities connected

Providing reliable connectivity in regional and rural Australia remains an important focus. This year, we have continued to invest in expanding and upgrading our network in regional areas, in infrastructure including our intercity fibre network, and in new services including LEO Satellite technology to bring connectivity to more places.

To provide a better experience for everyone on 4G and 5G networks, we are switching off our 3G network, and we are committed to achieving 4G coverage equivalent to existing 3G coverage before then[1]. We also support modernising the Universal Service Obligation (USO) and will work with Government and regional communities to ensure the most appropriate technologies are used for the delivery of fixed telephone services.

Backing the aspirations of First Nations people

Telstra has a longstanding commitment to reconciliation, and it is embedded across our organisation through building digital skills, providing employment opportunities and respecting First Nations cultural heritage through collaborative engagement. We've completed year two of our three-year Stretch Reconciliation Action Plan (RAP) and we are making good progress. For example, we have grown our First Nations Connect teams, launched the first Mapping the Digital Gap report to understand digital inclusion barriers for remote First Nations communities and provided training opportunities for our people to deepen their understanding of First Nations culture.

Commitment to transparency

This year the climate-related disclosures in our Annual Report have been guided by the International Sustainability Standards Board (ISSB)'s climate disclosure standard (International Financial Reporting Standard (IFRS) S2). We are also early adopters of the Taskforce on Nature-related Financial Disclosures (TNFD) and have published our first disclosure in our Annual Report about how we manage nature-related dependency, risk, impact and opportunity.

At Telstra, we regularly review our most significant sustainability impacts in accordance with the Global Reporting Initiative (GRI) Standards and alignment to the Sustainability Development Goals (SDGs). We work to ensure our business and our business partners operate with respect for human rights and report our progress in our annual Modern Slavery Act Statement.

We recognise that we have a responsibility and an opportunity to contribute to a more sustainable and inclusive future for everyone. We also recognise the work ahead and importance of remaining committed to our sustainability goals.

We thank you for your interest in this report on our progress to date and invite any feedback to help us contribute positively to the communities where we operate.

Vicki Brady – CEO and Managing Director

Craig Dunn – Chair

1. For more information, visit Telstra Exchange.

FY24 progress against targets

Strategic focus area		Target	SDG	Progress	More info
Doing business responsibly	Fair and transparent products	Achieve a 50% reduction in Telecommunication Industry Ombudsman (TIO) consumer and small business complaints by FY25	SDG 8 SDG 10	🟢 Reduced our TIO referral complaints by more than two thirds	page 14
	Ethical supply chain	Continue to conduct independent third-party supply chain audits	SDG 8	✅ Conducted 57 independent third-party audits[2] across 29 suppliers, identifying 259 priority and major findings. Closed 201 corrective actions relating to priority and major findings that were reported in this and last year's findings, out of which 140 were reported in FY24 alone	2024 Modern Slavery Act Statement
	Leading conduct and governance	Achieve 100% annual completion of Business Essentials refresher conduct training course	SDG 16	🟡 99.9% of our target audience completing the mandatory refresher training	page 12
	Our people	Remain at 90th percentile employee engagement (equivalent to high-performance norm)	SDG 8	🟡 Finished FY24 with a score of 79, which puts us above Glint's global 75th percentile but 3 points below the 90th percentile target	page 18
Creating a better digital world	Connecting regional and remote communities	95% population coverage for 5G by FY25	SDG 9	🟢 5G now covers 89% of the Australian population and continues to grow towards our FY25 target. This is dependent on closure of our 3G network by end November 2024	2024 Annual Report
		Expand regional coverage by 100,000 km[2] by FY25		✅ Have achieved our goal early with 240,000km[2] regional coverage added since FY21 – more than double our goal of 100,000km[2]	2024 Annual Report
	Building responsible tech skills	Increase digitally active customers by two million, by FY25, including building digital skills for 500,000 Australians, by FY25	SDG 9	🟢 Supported over 168,000 Australians to build digital skills in FY24, and 423,000 over the past three years	page 27
	Supporting people in vulnerable circumstances	Help keep one million customers in vulnerable circumstances connected each year from FY22-FY25	SDG 9 SGD 10	🟢 Helped more than 1.4 million customers in vulnerable circumstances to stay connected	page 29
Sustaining our planet	Taking climate action[3]	Reduce our absolute scope 1+2 emissions by 70% by 2030 (from an FY19 baseline)[4]	SDG 13	🟢 Reduced our combined scope 1+2 emissions by 37% from an FY19 baseline	page 36
		Reduce our absolute scope 3 emissions by 50% by 2030 (from an FY19 baseline)		🟡 Reduced our scope 3 emissions by 37% from an FY19 baseline[5]	page 40
		Enable renewable energy generation equivalent to 100% of our consumption by 2025		🟡 Achieved renewable energy generation of 27% of our consumption. Telstra has now contracted renewable energy generation equivalent to more than 100% of its forecast consumption at the end of 2025	page 41
		Offset emissions from our operations		🟢 Continued to offset the emissions from our operations during FY24, however from FY25 Telstra will no longer do so[6]	page 38
		Net-zero greenhouse gas (GHG) emissions by 2050, aligned with the Paris Agreement[7]		🟢 Reduced our combined scope 1+2 emissions by 37% and our scope 3 emissions by 37% from a FY19 baseline. On track to meet net-zero emissions by 2050	page 36
	Progressing a circular economy[8]	Reuse or recycle 650,000 mobile phones, modems and other devices each year to 2025	SDG 12	🟢 Reused or recycled 710,341 mobile phones, modems and other devices in FY24	page 44
		Increase our network waste recycling rate to 90% by 2025		🟢 Achieved 95% network waste recycling rate in FY24	page 46

Targets are baselined to FY21 unless otherwise stated.

🟢 On track for delivery   🟡 Progress made but below target   🔴 Not on track   ✅ Completed

2. Telstra led six audits and 51 audits were led by peers from the JAC (Joint Audit Cooperation) group.

3. The Digicel Pacific acquisition was completed in FY23. Digicel Pacific has been excluded from Telstra's emissions reporting and targets in FY24 as we have not yet been able to compile data that aligns to the Greenhouse Gas (GHG) Protocol and meets assurance standards. A multi-year program of education, capability and capacity building is in progress to uplift data quality and associated data management systems. In the interim, Telstra has reported Digicel Pacific emission estimates for FY24 and FY19 within our 2024 Bigger Picture Sustainability Report and 2024 Data Pack.

4. In June 2024, we increased our scope 1+2 emissions reduction target from 'reduce our absolute emissions by at least 50% by 2030' from an FY19 baseline.

5. This is ahead of the trajectory required to reach our target of 50 per cent by 2030, however there is still some risk relating to our scope 3 target — See the Managing our scope 3 emissions section of this report. In addition, in FY24, improved and more granular investment data allowed us to identify that one entity's emissions were duplicated in our scope 3 emissions reporting. As a result, category 15 and total scope 3 emissions differ from those reported in previous years.

6. From 1 July 2024, Telstra Group will no longer be offsetting the emissions from our operations through the use of carbon credits. We will continue to offset emissions associated with mobile phone plans and mobile broadband plans until 31 August 2024.

7. We are committed to achieving net-zero greenhouse gas (GHG) emissions by 2050, through the Business Ambition for 1.5°C campaign. We are in the process of validating our science-based net-zero target to the Science Based Targets initiative (SBTi) Corporate Net-Zero Standard.

8. The Digicel Pacific acquisition completed in FY23. Digicel Pacific has been excluded from Telstra's circular economy reporting in FY24 as we are still working to compile timely and suitable data. A multi-year program has commenced with the aim of progressively reporting relevant Digicel Pacific circular economy data in future periods.
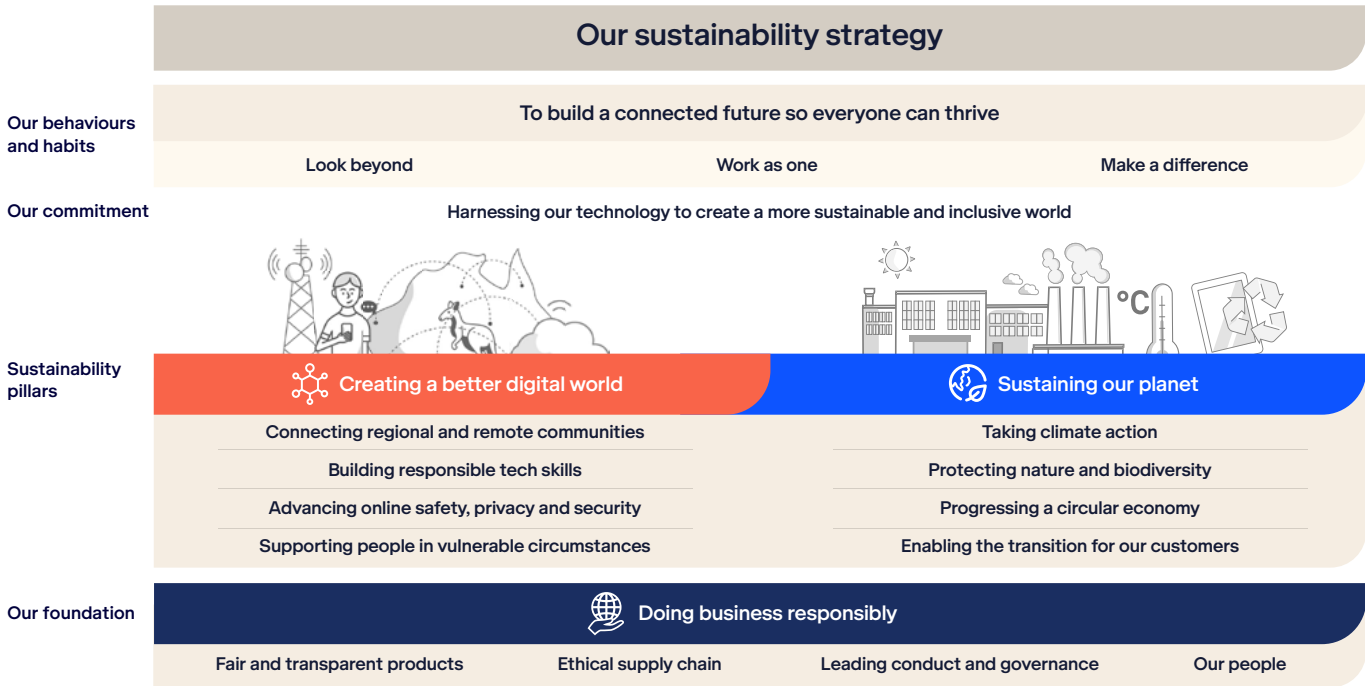
Sustainability at Telstra

Our strategy

Our purpose is to build a connected future so everyone can thrive. This underpins our belief that Telstra has a real opportunity to play a leadership role in creating a more sustainable and inclusive world. We are harnessing technology to create a better digital world and minimise our impact on the planet, as well as helping our customers, our suppliers and Australia do the same.

> For more information on our sustainability strategy and how we are contributing to the SDGs, see our *In focus: Sustainability at Telstra* paper available on our reports page.

Our sustainability strategy

Our behaviours and habits	To build a connected future so everyone can thrive		
	Look beyond	Work as one	Make a difference
Our commitment	Harnessing our technology to create a more sustainable and inclusive world		

Sustainability pillars	Creating a better digital world	Sustaining our planet
	Connecting regional and remote communities	Taking climate action
	Building responsible tech skills	Protecting nature and biodiversity
	Advancing online safety, privacy and security	Progressing a circular economy
	Supporting people in vulnerable circumstances	Enabling the transition for our customers

Our foundation	Doing business responsibly			
	Fair and transparent products	Ethical supply chain	Leading conduct and governance	Our people

Management approach

At Telstra, we consider telecommunications and technology as an enabler of social and environmental solutions that contribute to Sustainable Development Goals (SDGs).

> We continue to explore new ways of embedding sustainability into our business, our decision-making and our culture at Telstra. We know that building organisational resilience and capacity to respond to emerging challenges will position us to anticipate and manage the future risk landscape more effectively. It will accelerate innovation by driving the development of new products, services and solutions that can attract customers and lead to market opportunities.
>
> As a purpose-led organisation, we will seek to attract and keep the best talent, build our reputation and strengthen our stakeholder relationships.

We are managing sustainability at Telstra by:

- **Doing better as a business** – delivering on our commitment to do business responsibly and being transparent, ethical and accountable wherever we operate.

  5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 16 PEACE, JUSTICE AND STRONG INSTITUTIONS · 17 PARTNERSHIPS FOR THE GOALS

- **Doing better for communities** – technology connects us all. We create a better digital world by helping make sure Australians, of every background and ability, has the skills and confidence to safely take part in the online world.

  8 DECENT WORK AND ECONOMIC GROWTH · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 10 REDUCED INEQUALITIES

- **Doing better by the environment** – we take climate action, protect nature and biodiversity and contribute to a circular economy. We work with our customers and suppliers to minimise the impact of climate change and enable the transition to a low-carbon future.

  12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION

Governance

Our governance arrangements and practices are essential for the long-term performance and sustainability of our company. They provide the structure through which our strategy and business objectives are set, our performance is monitored and the risks we face are managed.

> 🖥 For more information, see our **2024 Corporate Governance Statement** available on our reports page.

> 🖥 For an overview of sustainability governance at Telstra, see our *In focus: Sustainability at Telstra* paper available on our reports page.

> 🖥 For specific information on governance in relation to climate and nature, see the 'Acting on climate and nature' section in our **2024 Annual Report** available on our reports page.

Leadership

Our sustainability ambition continues to be recognised in the industry. In 2024, for the first time, Telstra was listed in The Financial Times Asia-Pacific Climate Leaders 2024 list highlighting our work to reduce emissions and take action on climate change. We were also listed in TIME Magazine's World's Most Sustainable Companies.

In FY24, we were recognised with a CDP A rating for the second consecutive year, putting us in the top 1.6 per cent of respondents worldwide, as well as being recognised in the 2023 CDP Supplier Engagement Leaderboard. We also received a Highly Commended award at the 2023 Product Stewardship Awards. More information on our circular economy programs can be found in the Progressing a circular economy section of this report.

Telstra InfraCo was also chosen as a finalist in the 35th National Banksia Sustainability Awards in the NetZero Action Award as well as the joint winner of the CommsDay Edison Award for Best Sustainability Initiative. Telstra Wholesale was highly commended in the Best Wholesale Telco in the same awards.

Stakeholder engagement

Our ability to deliver our sustainability strategy depends on the strength of our stakeholder relationships. We are committed to engaging with our stakeholders transparently. Led by multiple specialised functions within Telstra, our teams regularly engage with key stakeholder groups to ensure we understand their expectations and respond to their diverse interests and concerns.

> 🖥 For more information on how we engage and create value for our stakeholders, see our *In focus: Sustainability at Telstra* paper and **2024 Content Index** available on our reports page.

Material impacts

At Telstra, we regularly review our most significant sustainability impacts in accordance with the Global Reporting Initiative (GRI) Standards. Our materiality process operates in two-year cycles between a full materiality assessment and a desktop review, both of which include peer reviews, industry and global reporting standard reviews, internal reviews and survey results. A desktop review was performed in FY24.

We apply a double materiality approach, considering materiality from both an impact materiality perspective, as well as a financial materiality perspective. The output of our material impact assessment informs the content of this report and is a key consideration in how we continue to evolve our sustainability ambitions. We assess financial risk materiality through our risk management process where we identify the internal impacts that may generate risks to Telstra's enterprise value.

> The output of our material risk assessment, including sustainability-related risks, is provided in the 'Material risks' and 'Acting on climate and nature' sections of our **2024 Annual Report** available reports page.

For FY24, our highest impact materiality findings are shown in the infographic below.

Global megatrends impacting our business and our stakeholders

ESG regulation and integration	Engaged workforce	Digital transformation	Supply chain resilience	Responsible investing	Safeguarding natural systems

Doing business responsibly		Creating a better digital world			Sustaining our planet		
Responsible business	People and human rights	Digital leadership	Customer experience	Connected communities	Climate change	Circular economy	Biodiversity

	Responsible business	People and human rights	Digital leadership	Customer experience	Connected communities	Climate change	Circular economy	Biodiversity
Highest materiality	Ethical business practices; Leadership and good governance	Employee and customer health, safety and wellbeing	Privacy, cyber security and data protection; Online safety	Network resilience and reliability; Customer experience	Digital inclusion; Critical infrastructure and disaster response	Energy and emissions; Climate impact and adaptation		
High materiality	ESG regulation and compliance; Responsible supply chain	Engaging, developing and enabling people	Digital ethics, rights and responsibilities; Digital transformation enablement; Innovative tech solutions for good	Responsible sales practices	Community investment		Circular economy and waste	
Moderate materiality	Political engagement, social issues and advocacy	Wages, benefits and freedom of association; Diversity, equity and inclusion; Modern slavery and exploitation			First Nations rights, reconciliation and inclusion			Biodiversity management
Low materiality								Water usage

> For more information on our materiality methodology, see our *In focus: Sustainability at Telstra* paper available on our reports page.

> For definitions of our material impacts, see our **2024 Report Glossary** available on our reports page.

About this report

Our annual reporting suite

Our reporting suite for 1 July 2023 to 30 June 2024 (FY24) includes:

- **Our 2024 Telstra Annual Report**: describes our strategy and our financial performance and remuneration practices. It also includes climate and nature related disclosures aligned to ISSB (International Sustainability Standards Board) IFRS (International Financial Reporting Standards) S2 and the recommendations of the TNFD (Taskforce on Nature-related Financial Disclosures).

- **Our 2024 Bigger Picture Sustainability Report** (*this report*): provides an in-depth look at our approach and performance in relation to our most material sustainability impacts.

- **Our 2024 Corporate Governance Statement**: provides information about governance at Telstra.

- **Our 2024 Data Pack**: provides more information about our sustainability approach and performance.

- **Our 2024 Modern Slavery Act Statement**: explains how we identify, manage and mitigate the specific risks of modern slavery in our operations and supply chains.

> These documents are available to download from our reports page.

Reporting scope

This report covers the activities of Telstra Group Limited and its controlled entities (together referred to as we, us, our, Telstra, the Telstra Group or the Group) for the financial year 1 July 2023 to 30 June 2024 (FY24), unless otherwise stated. Information regarding the controlled entities in the Telstra Group can be found in the Consolidated Entity Disclosure Statement in our 2024 Annual Report.

The Global Reporting Initiative (GRI) topics and disclosures throughout this report and on our website have been determined through our materiality process. Our 2024 Content Index accompanying this report provides a list of disclosures, including their internal and external boundaries, scope and alignment with selected international standards and frameworks.

> For more information on our materiality assessment methodology, see our *In focus Sustainability at Telstra* paper available on our reports page.

We are working to extend our data collection to cover our international operations more comprehensively, with a view to broadening the overall scope of our reporting over time. Digicel Pacific has been excluded from our emissions reporting and targets for FY24 as we are still uplifting data quality and associated systems for that subsidiary.

Wherever possible and relevant under the GRI Standards, we have extended the scope of this report to include our operations across the Telstra Group, as well as a discussion of any broader impacts across our value chain.

Assurance

Ernst & Young (EY) provides limited assurance in accordance with ISAE 3000 over a selection of performance disclosures in our 2024 Bigger Picture Sustainability Report. This includes limited assurance in accordance with ASAE 3410 over greenhouse gas statements.

> For an overview of the metrics that underwent assurance this year, see **EY's Assurance Statement** available on our reports page.

Doing business responsibly

FY24 progress against targets

Strategic focus area	Target	SDG	Progress	More info
Fair and transparent products	Achieve a 50% reduction in Telecommunication Industry Ombudsman (TIO) consumer and small business complaints by FY25	SDG 8 SDG10	🟢 Reduced our TIO referral complaints by more than two thirds	page 14
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Our people	Remain at 90th percentile employee engagement (equivalent to high-performance norm)	SDG 8	🟡 Finished FY24 with a score of 79, which puts us above Glint's global 75th percentile but 3 points below the 90th percentile target	page 18

Targets are baselined to FY21 unless otherwise stated.

🟢 On track for delivery 🟡 Progress made but below target 🔴 Not on track ✅ Completed

9. Telstra led six audits and 51 audits were led by peers from the JAC (Joint Audit Cooperation) group.

Approach

How we do business responsibly

At Telstra, we are committed to acting responsibly and being transparent and accountable wherever we operate. We know that the long-term success of our company depends on maintaining the trust of our customers, community and partners through our value chain.

We do business responsibly by:

- improving our products and services so they are sustainable, inclusive and sold responsibly

- driving transparency of our supply chain and upholding the highest standards in human rights

- conducting business with fairness and transparency to build trust with all our stakeholders

- being a diverse, inclusive, safe and flexible workplace that unleashes the potential of our people.

Training our people to act responsibly

Our mandatory Business Essentials training supports our commitment to acting ethically and responsibly and adhering to our Code of Conduct. In FY24, we achieved the majority of our target for 100 per cent completion of the mandatory refresher training across all Telstra team members including contingent workers, partners and internal staff. We achieved a 99.9 per cent total completion rate with 100 per cent of internal employees and 99.9 per cent for external team members.

> For more information on our approach to doing business responsibly, see our *In focus: Doing business responsibly* paper available on our reports page.

Leading conduct and governance

Across our operations, we promote a fair and responsible culture through the Telstra Group Code of Conduct ('Code'), Group Policies, mandatory compliance training and by recognising employees who demonstrate our behaviours and habits. Our behaviours and habits, Code and supporting Group Policies and Standards guide our people and partners to uphold our expectation to act fairly, ethically and in accordance with the law.

Whistleblowing

Our Code further fosters a culture where our people are encouraged to speak up and raise concerns with confidence.

We seek to ensure our people know how to raise a concern though a range of channels, including under Telstra's Whistleblowing Policy. The Whistleblowing Policy and the relevant legislation establish protections for a range of people – including current and former employees, their relatives and dependants and suppliers – to report concerns about illegal, unethical or improper conduct or an improper state of affairs or circumstances at Telstra.

Our Whistleblowing Policy is supported by a confidential process that provides appropriate protections for anyone to report their concerns; a whistleblowing service where people can lodge a report anonymously; and professional investigators and case managers who investigate eligible reports. Telstra's Whistleblowing Committee, which is chaired by the Group Company Secretary, receives whistleblowing disclosures and oversees investigations and any follow-up actions required. The Whistleblowing Committee reports to Telstra's Audit & Risk Committee.

We received 213 whistleblowing reports in FY24, which was an increase of 26 per cent compared to FY23. Of these reports 152 were eligible whistleblowing disclosures. We completed 149 investigations in FY24, with the allegations being substantiated in whole or in part for 40 reports, noting that one report might cover multiple matters and the types of issues being reported vary in terms of the seriousness of the allegation. The nature of matters reported that were eligible whistleblowing disclosures covers people and workplace culture issues (around 53 per cent), ethical behaviour (around 25 per cent), fraud and theft (around 14 per cent) and a small number of reports on other issues such as misuse of systems and financial reporting/audit. The core allegations range from bullying, poor leadership, conflicts of interest to unethical recruitment practices.

To report a matter, visit Telstra's Whistleblowing Service at telstra.ethicspoint.com.

> For more information, see the 'Acting lawfully, ethically and responsibly' section in our **2024 Corporate Governance Statement** available on our reports page.

> For how we govern our supply chain relationships, see our **2024 Modern Slavery Act Statement** available on our reports page.

Fair and transparent products and services

Customer experience

This year, we have continued to focus on improving the experience our customers. These improvements are driving higher customer satisfaction and complaints are at record lows.

> For more information on our approach to customer experience and how we measure it, see the *Building a better customer experience* section under 'Strategy & performance' in our **2024 Annual Report** available on our reports page.

Product and service design

Telstra's Customer Experience (CX) Design Framework, comprising 16 principles, guides product investments based on good, better and brilliant customer experiences. The Framework emphasises sustainability and accessibility to help ensure customer-centric design of products and services. Regular updates and integration into governance processes continually evolve the framework. Operationalising the framework with a CX assessment tool enables teams to evaluate activities against CX principles, a mandatory step for customer-impacting initiatives. Telstra's Product Excellence program applies the CX Design Framework to all product releases and uses it to inform improvement plans for existing products.

This year we have embedded the CX Design Framework in the Telstra Enterprise Go-to-Market process and enhanced our standards to align with regulatory changes and evolving customer needs.

Design and accessibility excellence

In November 2023, Telstra was honoured to be named 2023 Corporate Website of the Year at the Australian Access Awards and our app was a finalist for Corporate App of the year. We have built on this success by expanding and maturing our accessibility program, deepening our commitment to improving the customer experience for all Australians. Our digital assets achieved top-tier Band 1 Accessibility Maturity Scores and recently received certification at Level A/AA through our annual third party external audit.

Our specialist Accessibility team has grown in diversity with over 50 per cent of people living with disability. We are also a founding member of the Australian Disability Network's Accessible Technology Charter. On our website we have created the Accessibility and Disability hub, providing practical information for people with disability on how to engage with Telstra products and services using assistive technology and key accessibility features.

Trust and reputation

Our goal, to grow trust and operate responsibly, is one of the foundations of our reputation. We use the reputation measurement platform RepTrak to understand how customers and the broader community think and feel about us. In FY24, we increased our annual RepTrak reputation score by 0.2 points from 63.5 to 63.7, for a total uplift of 2.4 points from our FY21 baseline of 61.3. We recognise we will continue to be challenged as we transform and simplify our business.

Responsible selling

To help ensure fair sales practices and actively address customer issues, we listen to feedback, monitor sales behaviour and are committed to continuous improvement. We require our frontline employees to undertake mandatory training in relation to responsible sales practices and restrict their access to Telstra systems if they do not complete this satisfactorily and on time. We undertake credit assessments and seek information about the ability of our customers to afford to pay for our services. Our approach is supported by tools and systems and includes communicating affordability outcomes to customers and offering alternatives when necessary. We offer a wide range of devices at different prices to enable customers to have a broad range of affordable choices.

> 📄 For more information on affordability, see the Supporting people in vulnerable circumstances section of this report.

Proactive self-reporting

Sometimes things do not go as planned. In some instances, even small errors can have a significant impact on a group of customers. This can be especially serious when it impacts customers in vulnerable circumstances.

We strive to meet community and stakeholder expectations. Where we identify a significant issue, we self-report this to regulators in line with community expectations and our obligations. For example, we self-reported to the Australian Communications and Media Authority (ACMA) after we found that we had charged 7,404 customers for ADSL broadband services after they had disconnected. In December 2023, following ACMA's investigation of the issue and subsequent findings, we paid an infringement fine of $3 million together with full refunds of around $20 million to impacted customers.

We continue to focus on preventing issues from occurring, and where they do, ensuring we detect and address them quickly. Through our Compliance Uplift Program we have made significant improvements in our controls and assurance capabilities to help ensure our processes, policies and behaviours meet our legal obligations and broader customer expectations.

When we don't get it right

We aim to treat our customers fairly and offer them products and services that are safe, easy to understand and meet their underlying needs. Our Chief Customer Advocate listens to our customers and helps us ensure the voice of the customer is considered in the design of products and processes.

We also aim to resolve complaints effectively and respectfully, with a focus on resolving issues quickly and in consideration on its merits.

We are moving to new digital platforms that will make the customer experience better, but we still find and report cases where we fall short of some standards. In addition to the enforcement noted above, we faced the following enforcement action by regulators this year:

- paid a $0.3 million infringement notice and provided an enforceable undertaking to the ACMA for failing to provide accurate details of customers to the Integrated Public Number Database (IPND)

- paid a $1.5 million infringement notice and provided an enforceable undertaking to the ACMA for failing to comply with customer authentication rules.

> 🖥 For more information on our Chief Customer Advocate, see the **Chief Customer Advocate Report on Customer Vulnerability** available on our website.

Telecommunications Industry Ombudsman (TIO) complaints

In FY21, we set the ambitious target to halve TIO referral complaints by June 2025. This year, we achieved and exceeded this target, more than a year ahead of schedule with an overall reduction of more than two thirds. Sometimes things go wrong. When they do, we work with customers to resolve issues as quickly as possible. If the customer remains dissatisfied with the response, external dispute resolution can be accessed through an industry funded scheme: the Telecommunications Industry Ombudsman (TIO).

Human rights

Our Human Rights Policy sets out our commitment to respect and support human rights as defined in the Universal Declaration of Human Rights and the ten principles of the United Nations (UN) Global Compact, in line with the UN Guiding Principles on Business and Human Rights.

This year, we refreshed our assessment of Telstra's salient human rights issues. These have been determined by identifying potential human rights risks present across Telstra's value chain and assessing their saliency according to the UN Guiding Principles on Business and Human Rights.

Telstra's salient human rights issues			Further info on how Telstra manages each salient human rights issue
	Labour rights in the supply chain	Working to identify and address labour rights risks in our supply chain and engaging our suppliers to ensure they meet our standards	2024 Modern Slavery Act Statement available on our reports page
	Fair and inclusive workplace	Providing a fair and inclusive workplace free from discrimination and harassment, where all people can bring their best selves to work	Our people section of this report
	Health, safety and environment	Ensuring the health and safety of our people and communities, and minimising our impact on the planet	Our people and Sustaining our planet sections of this report and the 'Acting on climate and nature' section of the Annual Report available on our reports page
	Indigenous people's rights	Preventing impacts on cultural and cultural heritage rights of indigenous people	Reconciliation section of this report
	Digital and customer rights	Connecting people to information, services and each other, building digital inclusion, supporting vulnerable customers and advancing online safety	Supporting people in vulnerable circumstances and Advancing online safety, privacy and security sections of this report
	Privacy and freedom of expression	Keeping personal information of customers and employees safe and secure and protecting customers' freedom of expression and access to information from unacceptable restrictions, surveillance or interference	Advancing online safety, privacy and security section of this report

We monitor, manage and report progress on a range of indicators used to assess the effectiveness of our actions to support and ensure respect for human rights. These include:

Salient human rights issues	Indicators	Where to find these indicators
Labour rights in the supply chain	• Number of supplier site audits conducted (including number of Tier 2 and 3 supplier audits) • Number and type of supplier audit findings • Number of corrective actions closed • Feedback from workers in worker voice surveys in relation to their work conditions	2024 Modern Slavery Act Statement available on our reports page
Fair and inclusive workplace	• Employee engagement score • Number of complaints made to the Australian Human Rights Commission	Our people and Advancing online safety, privacy and security sections of this report
	• Number of employee discrimination and sexual harassment complaints • Number of employee discrimination complaints • Gender pay equity compa-ratio • Diversity of employees by gender and age group • Percentage of disability representation level in workforce	2024 Data Pack available on our reports page
Health and safety	• Lost Time Injury Frequency Rate • Total Recordable Injury Frequency Rate • High severity outcomes recorded	2024 Data Pack available on our reports page
Environment	• Percentage reduction per year from FY19 baseline of scope 1+2 and scope 3 emissions • Percentage reduction in network waste	2024 Data Pack available on our reports page
Indigenous people's rights	• 100% of identified employees to undertake structured cultural e-learning	Telstra Reconciliation Action Plan Year 1 Report
Digital and customer rights	• Percentage of Australian population reached by Telstra's mobile network	2024 Annual Report available on our reports page
	• Number of customers in vulnerable circumstances helped to stay connected each year • Number of community members supported in building digital skills	Supporting people in vulnerable circumstances section of this report
	• Number of scam texts and calls to customers identified and blocked	Advancing online safety, privacy and security section of this report
Privacy and freedom of expression	• Number of privacy incidents requiring notification to the Office of the Australian Information Commissioner	Advancing online safety, privacy and security section of this report
	• Number of customer information disclosures to third parties	Data provided to Australian Communications and Media Authority (ACMA) and published in aggregate in their Annual Report
General	• Number of whistleblowing reports and number of substantiated reports	Leading conduct and governance section of this report
	• Percentage of employees and contractors who complete their mandatory compliance training, on the Telstra Group Code of Conduct (which includes modules on human rights, ethical behaviour and health, safety and wellbeing)	Leading conduct and governance section of this report

Ethical supply chain

We have an obligation to respect human rights and to influence others in our value chain to do the same.

> For more information on how we manage labour rights in our supply chain, see our **2024 Modern Slavery Act Statement** available on our reports page.

We also work with our suppliers and partner with CDP (previously known as the Carbon Disclosure Project) to gain better insights into our emissions and identify reduction opportunities. For more information, see the Taking climate action section of this report.

To improve our use of resources, reduce waste going to landfill and create innovative solutions to reduce our environmental impact we work with various partners across the lifecycle of our networks and products. For more information, see the Progressing a circular economy section of this report.

Reflecting the diversity of our customers and communities, we are also committed to elevating First Nations peoples as suppliers to our businesses. For more information, see the Reconciliation section of this report.

Reconciliation

Our vision for reconciliation is an inclusive Australia where Aboriginal and Torres Strait Islander peoples are connected and empowered to thrive. Our vision will be achieved by embedding reconciliation outcomes and system changes into our organisation. This involves working with First Nations people and harnessing the strengths of our organisation to build digital futures, providing employment opportunities to lift economic participation and making Telstra a culturally inclusive and engaged organisation.

Telstra is also committed to supporting a fair and inclusive Australia that recognises, respects and celebrates its First Nations people, culture and wisdom, and this is why we actively supported the Uluru Statement from the Heart and the Voice referendum. Telstra's support included being one of the 150+ signatories to the Reconciliation Action Plan (RAP) Partner statement of support; holding internal storytelling sessions with high profile speakers including Thomas Mayo, Senator Patrick Dodson, and Julian Leeser; providing education opportunities for employees; and donating $1 million of advertising space to the Yes campaigns.

In FY24, we completed year two of our three-year Stretch Reconciliation Action Plan (RAP). The 93 actions in our RAP stretch across the organisation and cover activities that include improved infrastructure in remote Australia (access), delivery of on-the-ground digital literacy programs in remote communities (digital ability) as well as targets around employment, procurement, and cultural competency within our organisation. FY24 performance highlights include:

- spending $42.5 million across 33 First Nations businesses, improving on last year's spend of $20.8 million

- expanding our First Nations Connect Hotline to 23 customer care team members, and establishing micro call centres in Jumbun and Palm Island (QLD)

- undertaking a truth telling project with the National Communications Museum to tell the story of the Overland Telegraph Line (OTL) with specific focus and care toward First Nations' contexts and experiences.

Land access and cultural heritage

Ensuring the respectful management of land access and cultural heritage is of utmost importance to us. This is achieved through comprehensive engagement with First Nations communities and thorough assessments of cultural heritage. By valuing culture and protecting heritage sites, we not only comply with legal requirements but also build constructive relationships with First Nations people. These relationships are vital to achieving wider goals of societal and environmental sustainability.
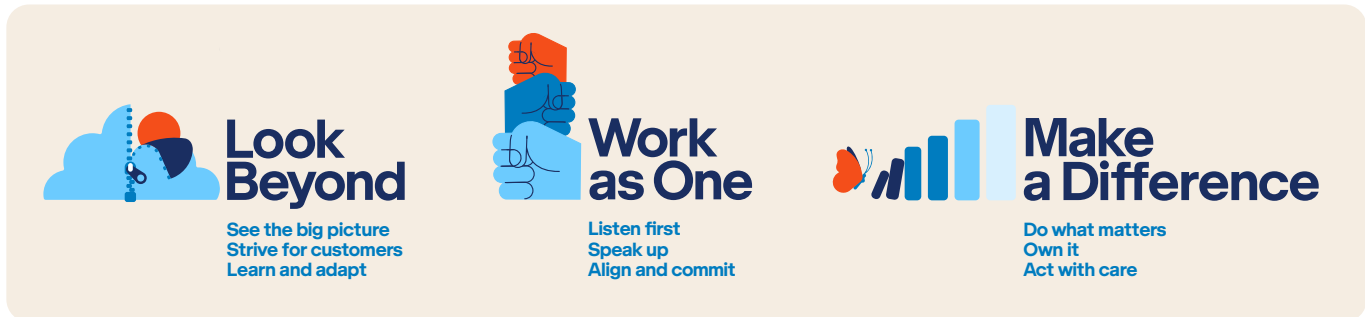
For more information on our commitment and action towards reconciliation, visit our **Engaging First Nations Communities** webpage.

Our people

Sustainable engagement

Telstra's workplace culture, essential for realising our purpose and business strategy, centres on our new Big Three behaviours and the supporting habits that guide how we perform in our roles. Our FY24 employee engagement score was 79 which puts us three points below the 90th percentile target, but above Glint's global 75th percentile and reflects our ongoing focus on employee experience.

Look Beyond
See the big picture
Strive for customers
Learn and adapt

Work as One
Listen first
Speak up
Align and commit

Make a Difference
Do what matters
Own it
Act with care

Learning and capability development

To build the capability to deliver our ambitions for a workplace where people are engaged, productive and collaborative, we invested $15.3 million in training and development in FY24, with more than $4.9 million invested in technology training and $3.5 million in leadership training.

We invested just under $4.3 million in developing critical capabilities including Human-centred Design, Gallup Strengths Teaming, industry masterclasses and the Future Ready leadership curriculum; along with $0.9 million for all company access to LinkedIn Learning and $1.7 million invested in our Connect, Understand and Execute (CUE) program for frontline staff.

We have also invested $1.6 million into Career Connect: an AI-enabled Talent Marketplace platform that will commence our transition to a skills-based organisation. The platform connects our people to opportunities across Telstra based on skills, experience and career goals, while also enhancing informed strategic workforce planning and capability development requirements.

Continued investment in technical skills

In the past year, we've invested over $1.2 million in blended learning solutions to upskill our workforce in Data, Analytics and AI, Software Engineering, 5G, Radio Access Networks and VoLTE and Security. Over 470 employees received micro-credentials in various domains including Product Management, Data Analytics, Data Engineering and Security Engineering. A $2 million investment in digital learning platforms provided over 80,000 hours of skill-building in cloud, data, analytics, AI, machine learning, cyber security, software engineering and network skills. Additionally, $1 million was spent on upskilling the technical workforce including the field through vendor training such as Red Hat, satellite and wireless technologies.

Building a high-performance culture

We utilise annual and quarterly planning and performance approach to deliver on company a level objectives and key results (OKRs). Company level OKRs provide clarity of prioritised work so we can better respond to customer needs, as well as stop or pause work that doesn't align to our priorities and focus on work with the greatest impact. Our people's strengths in various skills and capabilities guide the prioritisation of work to which they are allocated. We encourage our people to have regular conversations with their leaders about their performance, development and career needs as well as peer feedback. We invest in our leaders' capability to ensure these conversations are meaningful and effective.

Our pay-for-performance philosophy means that at the end of the financial year our people receive an individual performance rating based on their outcomes and behaviours. These performance ratings are an important input to Fixed and Incentive pay outcomes for the majority of our people.

> For more information on our remuneration, see our 2024 Remuneration Report which forms part of our **2024 Annual Report** available on our reports page.

Diversity, equity and inclusion

We are building a diverse, equitable and inclusive workforce to enable their full potential and reflect and better serve the diverse needs of our customers. We believe everyone deserves to be respected for their differences, valued for their contributions, and celebrates for being their best self.

Our Diversity, Equity and Inclusion (DEI) Policy provides the framework for achieving measurable DEI objectives. This is complemented by our Discrimination, Bullying, Harassment and Victimisation Policy which outlines our commitment to providing a safe and inclusive working environment where we treat each other with respect.

We're committing to increasing representation of women in executive leadership at Telstra as a signatory of the 40:40 Vision. By signing up to this alongside other ASX300 organisations, we're seeking to achieve gender balance in executive leadership, by reaching 40 per cent female representation, 40 per cent male, and 20 per cent identifying as any gender, by 2030. We're taking our commitment one step further and extending the 40:40:20 goal to our overall workforce.

> For more information, see the 'DEI' section in our **2024 Corporate Governance Statement** available on our reports page.

Providing leading employment conditions

We consult with our people before we implement any significant changes to the way we work. We regularly engage with Telstra's three main employee unions— the Communications, Electrical and Plumbing Union of Australia (CEPU), the Community and Public Sector Union (CPSU) and Professionals Australia (APESMA). Our people have the freedom to form or join a trade union, to bargain collectively and to engage in trade union activities. We do not monitor union membership by our people. Our aim is to maintain an open and constructive relationship with the representatives of these unions.

In FY24, we conducted more than 20 formal consultation meetings with unions and Telstra employees. In Australia, we currently have four enterprise agreements (EAs) covering all our workforce, other than senior managers and lawyers. Our EAs provide a range of industry-leading terms and conditions, such as 15 days personal leave, a 36.75 hour working week, 16 weeks parental leave for all new parents (including foster parents), flexible working arrangements, gender affirmation leave and 20 days paid leave for employees experiencing the effects of family and domestic violence. If our employees are impacted by job losses (redundancies), Telstra offers up to 80 weeks' pay.

In February 2024, Telstra commenced bargaining in good faith with our unions and over 40 individual bargaining representatives to replace our EAs. In July, the majority of our people supported our proposed EA offers by voting Yes to all four EAs. We have submitted the EAs to the Fair Work Commission for consideration and approval. After approval, our new EAs will maintain our industry-leading terms and conditions and provide certainty on pay, superannuation, allowances and conditions for the next three years.

Promoting health, safety and wellbeing

We are committed to the health, safety and wellbeing of our people, partners, customers and the communities in which we operate. With our people working in a range of different environments, from enclosed spaces on network sites to retail stores and contact centres, we are committed to enabling a safe workplace through dedicated support to our teams. Health, safety and wellbeing continues to be one of our top managed company risks. We have no appetite for behaviours or actions that lead to actual or potential serious injury, illness, environmental harm, loss of accreditation or reputational damage.

Key health and safety performance indicators

We actively campaign on the importance of reporting as a critical way to prevent harm and to access support from our safety and health management teams. The more our people report, the better we are able to identify and understand the risks in our business, providing us with the opportunity to develop tailored support mechanisms and effective mitigation measures.

In FY24, we observed a strong reporting culture across Telstra, including both work and non-work related incidents and hazards. We thoroughly analyse our data, both lead and lag indicators, to identify emerging risks and enable development of targeted interventions and initiatives. Total recordable injuries remain comparable to FY23, whilst lost time injuries have increased slightly. We recognise that our definition of lost time refers to any time lost (regardless of whether medical treatment has been received or whether there is a formal certificate of capacity); this includes preventative mental health days and rest time following sprains or strains. In FY25, lost time will only refer to injuries where a worker has received medical treatment or has been deemed unfit by a medical professional.
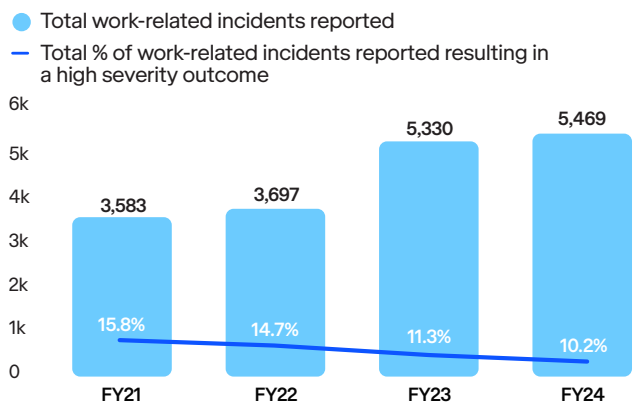
We are also committed to eliminating sexual harassment and sex-based discrimination from our workplaces. In FY24, we strengthened our existing processes and put in place new initiatives to address the Positive Duty under the Sex Discrimination Act (Cth), including a multi-year plan to enhance our controls and support mechanisms. There was an increase in reported and substantiated cases of sexual harassment in FY24 than in FY23, which reflects increasing awareness of these issues in our workplaces. We will continue to support all employees affected by these behaviours and work to eliminate them from our business.
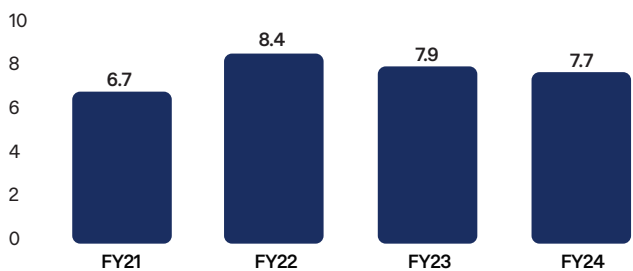

Protecting our field teams on the road

Each year our operational field teams travel millions of kilometres to help us stay connected. Driver and vehicle safety is one of our critical risks at Telstra and we are committed to the safety of our field teams. Throughout FY24, we have implemented targeted campaigns to address driver behaviours (including fatigue management programs) and developed extensive analytics (including vehicle telematics to identify speeding and excessive breaking) to enable us to monitor the safe driving practices of field teams and target areas for improvement.
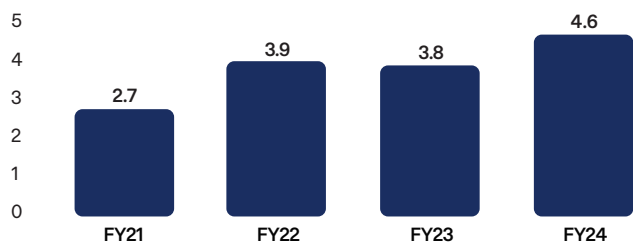
High severity outcomes recorded

- Total work-related incidents reported
- Total % of work-related incidents reported resulting in a high severity outcome

	FY21	FY22	FY23	FY24
Total work-related incidents reported	3,583	3,697	5,330	5,469
% high severity outcome	15.8%	14.7%	11.3%	10.2%

Total Recordable Injury Frequency Rate[10]

FY21	FY22	FY23	FY24
6.7	8.4	7.9	7.7

Lost Time Injury Frequency Rate[11]

FY21	FY22	FY23	FY24
2.7	3.9	3.8	4.6

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10. The rate of occurrence of all injuries requiring intervention beyond simple first aid.
11. Reported number per million hours worked of all work-related injuries or diseases that result in one or more days of lost time (for Australian-based Telstra employees).

Supporting the mental health of our people

With the world around us changing rapidly and social and economic conditions challenging many communities, it has never been more important to support and enable our people to be safe and resilient. As we implement necessary organisational changes, we are cognisant of the impact this can have on our people who may also be feeling the effects of socioeconomic factors. We continue to mature our approach in identifying psychosocial risks, developing and implementing appropriate control measures and monitoring their effectiveness. Our risk mitigation strategy considers each stage of the change life-cycle (including planning, implementation and post change support). We have implemented targeted initiatives to strengthen mental health literacy among our people, identify employees who are more vulnerable or at high risk and implement supports for individuals and teams.

Pleasingly, our Employee Assistance Program (EAP) utilisation rate by our people remains at 7.9 per cent, significantly higher than the industry average of 6.1 per cent, indicating that our people are increasingly more comfortable in proactively seeking support.

Recovery following injury or illness: equitable access to support irrespective of cause

Equitable access to prompt and timely treatment and support is the foundation of Telstra's early intervention program for both work-related and personal injury and illness.

With access to occupational rehabilitation, general practitioners, psychology and physiotherapy services as well as financial support for a range of diagnostics and aides, our people can focus on their recovery while they remain at (or return to) safe and sustainable work. During FY24, Telstra's return to work program was recognised with two awards: the National Safety Council of Australia (NSCA) Best Return to and Recovery at Work System Award and a Comcare National Work Health and Safety Award for Recovery and Return to Work.

Licences, accreditations and compliance

Telstra Limited, Telstra InfraCo, and Amplitel are self-insured under the Safety Rehabilitation and Compensation Act (Cth). The Telstra Group is also accredited by the Office of the Federal Safety Commissioner (OFSC) to work on federal government building contracts. Our Telstra Health, Safety, Wellbeing and Environment Management System is applicable globally and is certified to international standards ISO14001:2015 and ISO 45001:2018. We continue to review and improve our management system in response to current and emerging risks and changing legislation.

> To view our performance, see our **2024 Data Pack** available on our reports page.

Creating a better digital world

FY24 progress against targets

Strategic focus area	Target	SDG	Progress	More info
Connecting regional and remote communities	95% population coverage for 5G by FY25	SDG 9	🟢 5G now covers 89% of the Australian population and continues to grow toward our FY25 target of 95%. This is dependent on closure of our 3G network by end November 2024	2024 Annual Report
	Expand regional coverage by 100,000 km^2 by FY25		✅ Have achieved our goal early with 240,000km^2 regional coverage added since FY21 – more than double our goal of 100,000km^2	2024 Annual Report
Building responsible tech skills	Increase digitally active customers by two million, by FY25, including building digital skills for 500,000 Australians, by FY25	SDG 9	🟢 Supported over 168,000 Australians to build digital skills in FY24, and 423,000 over the past three years	page 27
Supporting people in vulnerable circumstances	Help keep one million customers in vulnerable circumstances connected each year from FY22 - FY25	SDG 9 SGD 10	🟢 Helped more than 1.4 million customers in vulnerable circumstances to stay connected	page 29

Targets are baselined to FY21 unless otherwise stated.

🟢 On track for delivery   🟡 Progress made but below target   🔴 Not on track
✅ Completed

Approach

As a leading telecommunications company, we are working to create a better digital world by leveraging our advanced network and technology capabilities to connect people, businesses and communities. We work hard to connect everyone and make sure they have the skills and tools to get the most out of their tech and stay safe online.

We do this by:

- connecting regional and remote communities through network leadership and investment

- building responsible tech skills to increase digital inclusion safely and help close the digital divide

- supporting customers in vulnerable circumstances, including those experiencing financial stress, domestic and family violence, natural disasters and human conflict

- advancing online safety, privacy and security.

Our approach is informed by data and insights from the Australian Digital Inclusion Index (ADII).[12]

For more information, see our *In focus: Creating a better digital world* paper available on our reports page.

This year, we contributed
$112.3 million
through social and community investment.

To view the breakdown of our community contribution for FY24, see our **2024 Data Pack** available on our reports page.

12. Australian Digital Inclusion Index.

Connecting regional and remote communities

As the digital world continues to transform the way we live and work, having access to reliable telecommunications, through mobile networks, fixed broadband or satellite services is critical.

We are constantly investing in technology innovation to improve our network capabilities and enhance the digital experience of our customers. By enabling people and businesses to access the connectivity they want and need, we are making it easier for them to access information and services, across more of Australia.

> For more information, see the *Maintaining our network leadership and planning for the future* section under 'Strategy and performance' in our **2024 Annual Report** available on our reports page.

Network resilience and reliability

As society continues to expand its reliance on connectivity to cater to the evolving nature of work and education, the demand for resilient networks and technology has never been more pronounced. Given so many customers and stakeholders depend on the quality of our network, we recognise the significant impacts that flow from network congestion, outages and natural disasters.

> For more information, see the *Networks and technology resilience* section under 'Material Risks' in our **2024 Annual Report** available on our reports page.

In preparation for our 3G network closure, we have been upgrading areas that have 3G-only coverage to ensure they have equivalent 4G coverage available before the network closes.[13] As customers have increasingly moved from 3G to take up the benefits of newer technology, we have seen a significant decline in 3G usage across our national network. 3G accounts for less than one per cent of our total mobile network traffic, highlighting why now is a good time to repurpose its spectrum to bolster our 4G and 5G networks.

> For details on how we've engaged with customers to prepare for the 3G network closure, see the Providing ongoing support to customers migrating to 4G section of this report.

> For more information on our 3G network closure, visit our website.

Disaster preparedness and response

We work year-round, preparing for and responding to emergency and disaster threats. In FY24, our priorities continued to be ensuring the safety of our people, protecting and maintaining our infrastructure, keeping our customers connected and providing short and long-term assistance measures.

This year, we provided disaster support to customers in 122 postcodes following severe weather events with 437,700 instances of support, with customers receiving additional data. Pre-paid customers also received free calls and text in addition to extra data. In response to international events, we made free calls available to Israel and Palestine territories and New Caledonia due to unrest, and Afghanistan and Papua New Guinea due to natural disasters.

13. For more information, visit Telstra Exchange.

Mobile health and communications

As we continue our rollout of 5G technology around Australia, we're committed to sharing information on our real-world tests of 5G Electromagnetic Energy (EME) levels and demonstrating compliance with the EME safety standards. This year, we focused on working with local communities, providing safety reassurance by demonstrating live EME testing where small cells have been installed to improve mobile reception.

We also continue to contribute to the development of international EME testing standards and global EME testing programs for 5G. This year we were appointed as Chair of the Global System for Mobile Communications Association (GSMA) Electromagnetic Fields (EMF) group. Each year we also support the Australian Government mobile network deployment and EME compliance priorities which in FY24 included the assessment of 5G millimetre wave (mmWave) exposure.

> ▶ For more consumer information on wireless connectivity and EME, watch this Australian Government video featuring Telstra.

Regional and remote engagement

We have maintained our focus on connecting with regional and remote communities across the country. This year, key priority areas for our engagements included our 3G network closure, Universal Service Obligation (USO) modernisation, the emergence of new technologies, including our new Telstra Satellite Home Internet and the resilience and performance of regional networks. We participated in two roundtables hosted by the Regional Tech Hub to discuss connectivity literacy and how connectivity awareness amongst people in regional areas can be improved. We also had a presence at key regional events across the country including Beef Australia (QLD), Farmworld (VIC), Agfest (TAS) and Henty (NSW).

In addition, our CEO met with stakeholders and customers in the Adelaide Hills (SA), the Newcastle/Hunter region (NSW) and the Gippsland region (VIC). Other members of our Executive Leadership Team also travelled to and met with stakeholders and customers as part of our commitment to connect with regional communities in locations including Aurukun (QLD), Wagga Wagga (NSW), Wheatbelt (WA) and King Island (TAS).

In the second half of FY24, we attended all regional community forums held by the 2024 Regional Telecommunications Independent Review Committee to listen and respond to questions from the communities. This work will flow into FY25 as the community engagement continues, with the Committee due to report to the Minister for Communications by 31 December 2024.

> 🖥 This year we announced Round Two recipients of the Telstra Connected Communities grant program. To see the recipients, visit Telstra Exchange.

Providing ongoing support to customers migrating to 4G

Being one of our top priorities for regional and remote engagement, this year there were more than 1,000 community and stakeholder engagement activities and regional and remote events at which the 3G network closure was discussed. We've listened to our customers' needs and have provided support by:

- creating a simple SMS tool to help customers identify if their device is impacted

- activating a Recorded Voice Announcement (RVA) on outgoing calls for customers who have impacted devices to ensure that they are aware their device may not operate correctly after the closure

- proactively sending 12,000 complimentary devices to customers experiencing vulnerable circumstances.

> 🖥 For more information on our 3G network closure, visit our website.

Technology innovation

We continue to invest and incubate with strategic partners and start-ups that are aligned to Telstra's NextGen growth focus areas. Telstra muru-D Labs continued to explore and validate cutting-edge products and technologies including 5G slicing, artificial intelligence (AI), Internet of Things (IoT), virtual and augmented reality (VR/AR), Fibre Optic Sensing (FOS) and energy harvesting.

muru-D Labs launched several significant Australian leading developments, including the Telstra Application Testing Environment. This comprises a fully automated software and radio environment that empowers third-party technology companies to rapidly test and validate their software or applications in various simulated radio environments. Customers and technology partners can bring their mobile applications and test them under congested cellular network conditions, receiving reports with quantitative metrics around quality of experience for their prospective end users.

Additionally, we developed a new transport insights capability that leverages Distributed Fibre Sensing (DFOS). Working with Melbourne University and Ava Risk group, as well as our Networks and Fibre asset groups, we were able to turn existing optical fibre runs into continuous passive acoustic sensors. Given Telstra's extensive 8 million kilometre fibre footprint, primarily under footpaths adjacent to roads, we implemented AI and ML (Machine Learning) on this sensor data to provide: vehicle counting, anonymised speed detection, vehicle classification and generation of traffic composition statistics. This 'infrastructure-less' offering makes use of fibre already in the ground, out of sight and out of mind, with the sensing technology residing in exchange buildings where the fibre terminates. This makes DFOS ideal for locations where it is not feasible to install new infrastructure.

Our engagement with the startup ecosystem this year led to innovative projects and follow-on investments, exemplifying our commitment to growth and technological advancement. Notable collaborations include capability developed with Flaim Solutions, which utilised Telstra's 5G and edge computing to enhance their VR firefighting training, allowing remote instruction and interactive classes. The muru-D investment portfolio continued to grow, with ownership in rapidly scaling start-ups across industries such as Agritech, Insuretech and Supply Chain. Highlights include investments through active trials and Commonwealth grant participation with Zetifi and Farmbot.

With our Telstra Data Hub, we continued our trial with Charles Sturt University (CSU) and Food Agility CRC to develop the Smart Data Ecosystem. This ecosystem leverages Telstra's connectivity and IoT capabilities, combined with the research expertise of CSU and the industry insights of Food Agility CRC, to enhance agricultural productivity and sustainability. The ecosystem was a finalist at the 2024 Australian IoT Impact Awards.

Building responsible tech skills

Our commitment to building responsible tech skills is underpinned by our long-term partnerships with governments and non-profit organisations. Through collaboration, we deliver digital literacy programs with our community partners to help people of all ages and backgrounds develop the skills and knowledge they need to use technology safely and responsibly.

Collectively, our digital literacy programs **supported more than 168,000 Australians** to build digital skills in FY24; and **423,000** over the past three years, putting us on track to meet our T25 target to build **digital skills for 500,000 Australians** by FY25.

For more information on our approach to digital inclusion, see our *In focus: Creating a better digital world* paper available on our reports page.

Digital Sisters

This year, we joined forces with Microsoft and Good Things Foundation for the Digital Sisters Building AI Literacy Program. The program aims to empower women, especially those from migrant and refugee backgrounds, to harness the potential of cutting-edge technology for personal and professional growth. By collaborating with AI experts, community organisations, government and media, this partnership will result in AI literacy programs that are replicable at scale, ensuring that individuals in vulnerable situations can access invaluable digital resources and support.

Justice Connect

We've collaborated with Justice Connect to enhance digital inclusion and legal resilience for those affected by disasters and crises. This year, we co-launched Get ePrepared, a free online self-help tool offering step-by-step guidance on securely storing electronic copies of essential documents. This way, no matter their situation, people can prove who they are, where they live and what they own. Since its launch, Get ePrepared has already empowered over 9,600 active users to safeguard their important information.

Image: Co-researcher Guruwuy Ganambarr doing survey with resident Alissia Wirrpanda in in Gä<u>n</u>ga<u>n</u> Community, NT

Remote First Nations communities

In FY24, the Community Services Program (CSP), a telecommunications literacy initiative, was delivered in 20 remote communities across the Northern Territory, South Australia and Western Australia, engaging with over 3,250 First Nations customers. The CSP is being delivered in the same locations between June 2024—November 2024.

Mapping the Digital Gap

Mapping the Digital Gap is a four-year research project conducted by the Australian Research Council Centre of Excellence for Automated Decision-Making and Society in partnership with Telstra. Data in the Australian Digital Inclusion Index, currently in its ninth year, now includes data from the first report of the Mapping the Digital Gap project.

Research from the two projects has come together to give the public and decision makers our most comprehensive picture yet of the digital inclusion challenge faced by First Nations people in remote communities. Telstra is funding a further four-year term, which includes three visits each to 8-10 remote and very remote First Nations communities between 2025 and 2028.

For more information, visit Telstra Exchange.

Older Australians

Adults aged over 65 are the least digitally included age group in Australia[14]. We continue to support older Australians through our digital literacy programs, giving older people, particularly those in regional areas, the opportunity to develop the skills and confidence to safely embrace digital technology. This year, we provided 10,958 digital literacy training places for older Australians through the Tech Savvy Seniors program, delivered in partnership with NSW Government and State Library of NSW. In addition, we provide a range of concession offers for eligible older Australians.

Life opens up when seniors learn new digital skills

Today's seniors need essential digital skills for so many different aspects of everyday life including being able to buy chicken feed online! Visit Telstra Exchange to read more.

14. Australian Digital Inclusion Index data dashboards.

Supporting people in vulnerable circumstances

We believe that everyone deserves access to the digital world, regardless of their location, circumstance or socio-economic status. We keep communities connected by providing them with affordable and accessible connectivity options and ensuring we always support our customers in a way that meets their needs.

> This year, we helped more than **1.4 million customers** in vulnerable circumstances stay connected.

> For more information on the programs and services[15,16] included in FY24, see our **2024 Data Pack** available on our reports page.

Customers needing extra care

We are committed to helping those facing cost-of-living pressure and experiencing vulnerability by continuing to offer a range of products, services and programs to improve digital inclusion outcomes for our customers and communities.

Our Access for Everyone package includes:

- concession offers for those on a low income
- a range of payment assistance options for those experiencing financial hardship, including access to safe and secure communications for victims of domestic and family violence
- expanding the pre-paid Top Up program to offer up to six-months of free pre-paid credit
- free Telstra mobile calls to crisis lines and unmetered mobile data access to Ask Izzy, a mobile website that connects people in crisis with the support services they need
- free calls to standard national numbers from all Telstra public payphones and free Wi-Fi access available at designated payphones
- ability to pay bills via Centrepay for those in receipt of welfare payments.

Our dedicated contact centre teams provide specialised support and assistance to customers in vulnerable circumstances, including those recently bereaved, experiencing domestic and family violence or life-threatening medical conditions.

We also provide multilingual services over the phone and in select stores to customers whose first language is not English. Deaf and hearing-impaired customers can contact Telstra through the National Relay Service.

Image: Yvette Nicholas (now Team Leader), Palm Island Call Centre.

Additional support for First Nations customers

In October 2023, we launched two new micro call centres in Queensland to support First Nations customers. Located in Jumbun and on Palm Island the community-owned and run call centres provide jobs and training for community residents and bolster the customer support we provide from our established First Nations Connect hotline in Darwin via an agency agreement. The hotline and new micro-call centres are staffed by First Nations customer care team members who provide a culturally appropriate service for First Nations customers. Calls to the hotline are now whitelisted for Telstra pre-paid customers, meaning calls from pre-paid accounts can be made free of charge even if the account is out of credit.

In May 2024, we received approval from the Australian Communications and Media Authority to trial a First Nations Identity Referral form that we are currently piloting in six stores across Western Australia and the Northern Territory for customers who are new to Telstra. Similar to referee statements offered by Services Australia and the banking sector, this form can be used when First Nations customers don't have the required form of ID to activate a pre-paid service in their name. The trial concluded in August 2024, we are currently reviewing the process to evaluate future implementation and identify areas for improvement.

> For more information on how we support customers, see the **Chief Customer Advocate Report on Customer Vulnerability** available on our website.

> For details on how we're handling past product mis-sales to First Nations customers, see the Responsible selling section of this report.

15. Includes some programs that have a related legislative requirement.
16. Includes Access for Everyone package programs.

Accessibility

We aspire to enable all Australians to enjoy a more connected and accessible future so everyone can thrive. Our Accessibility and Inclusion Action Plan (AIAP) FY23-FY25 presents actions we are taking as a business to encourage, recognise and promote an active commitment to eliminating disability discrimination.

Seven of our eight AIAP actions for FY24 have been completed, with our in-store accessible marketing strategy action still in progress. We remain committed to ensuring retail signage and wayfinding are accessible in stores and have developed an accessibility template for existing retail store design. The rollout of compliance audits in existing stores has commenced with accessibility top of mind for new store design. This work will also continue into FY25.

This year, we partnered with gradWISE to recruit talented candidates with disability into graduate roles. We also completed an integration pilot with a disability-focused recruitment platform for all other career roles. We will continue to engage with disability recruitment agencies on scaling our recruitment solutions.

Although we have delivered several key initiatives this year, we don't always get it right. In FY24, we received 12 complaints of disability discrimination from the Australian Human Rights Commission. Of these complaints, 11 have been closed and one is in progress. Complaints that have uncovered any systemic issues are escalated and are used for continuous improvements to our customer service.

We continue to maintain our commitment to the Disability Enquiry Hotline, Directory Assistance Helpline and Disability Equipment Program.

How we're connecting Australia's hard-of-hearing community

The Konnekt Captioning Videophone began as a communications solution for the deaf and hard-of-hearing. After two years of piloting, it's delivering communications that are accessible to anyone with arthritis, poor vision or cognition challenges.

Visit Telstra Exchange to read more.

Safety

The tech safety of customers is not just a responsibility but an important aspect of how we do business. This year, we launched a digital hub to support parents, families, children and others stay safe online. Our Online Safety and Wellbeing Hub provides resources to help protect users from cyber bullying, harmful online content and provides guidance on how to stay safe online. It also provides information on how users can report harmful online content and behaviour to the eSafety Commissioner. The hub is aligned with the requirements of the Online Safety Act 2021 that focuses on protecting Australians from online harm.

For women experiencing domestic and family violence (DFV), our dedicated SAFE team is specially trained to help victim-survivors stay safely connected to their Telstra services. We also provide replacement devices to those experiencing DFV. Delivered in partnership with WESNET, the Safe Connections program has distributed more than 40,000 smart phones with pre-paid credit since its inception in 2014, including more than 6,500 in FY24.

> For more information about how we support customers experiencing DFV, visit Telstra Exchange.

Advancing online safety, privacy and security

As more of our lives move online, online safety and cyber security is becoming increasingly important. We take our role as custodian of customer data seriously and invest heavily in cyber security measures to help protect our customers' data and privacy. We also invest in cyber security training for our employees and educational resources for our customers to help them understand the risks associated with using technology and how to better protect themselves and their data.

Privacy

We are committed to being transparent with our customers about how we collect, use and manage their personal information. We take a global approach to privacy management and apply the Australian Privacy Act, the European Union General Data Protection Regulation and local legislation where applicable.

We manage privacy and data access through our Code of Conduct, Privacy Statements and other relevant policies and security controls. These set strict standards relating to privacy and confidentiality and protect customer data from interference, misuse and unauthorised access.

We may use or disclose personal information in accordance with our Privacy Statements, consumer expectations and the Privacy Act. We may also be required by law to share personal information in certain situations, such as to provide assistance to emergency services organisations in life-threatening and time-critical situations or to assist government agencies for law enforcement related activities.

We acknowledge the role our products and services can play in enabling the free exchange of opinions and ideas and access to information. Our commitment to privacy guides and supports our respect for the right to freedom of expression and how we respond to requests by government agencies for data we hold. In these circumstances we take into account the legality of the request, balancing the request against peoples' privacy and criteria such as reasonableness, proportionality and necessity. We undertake regular reviews of our Privacy Statements to ensure they remain fit-for-purpose and consider customer privacy and data protection in the design and development of our organisational processes, products and initiatives. We aim to ensure that privacy-related risks are considered and assessed from the outset of every concept, project, product, service, program or IT system enhancement or development by completing Privacy Impact Assessments.

In line with Telstra's Compliance Framework, the Board, Audit and Risk Committee, our CEO and Executive Leadership Team is committed to meeting all our legal and regulatory obligations. They are accountable for ensuring everyone at Telstra understands and complies with these requirements within the jurisdictions where Telstra conducts business. Accountable Executives within our business units are also responsible for specific privacy compliance requirements related to functions they perform.

This year, we had five privacy incidents requiring notification to the Office of the Australian Information Commissioner. In all cases, we directly contacted the impacted customers to discuss any concerns and offered solutions appropriate to their situation, such as updating customer accounts, covering costs of credit enquiry monitoring services (for customers whose identity or credit history may be at risk) or referral to third-party identity and cyber support services. We also took action to manage or remediate the incidents, which included reviewing policies and procedures, implementing additional controls and providing additional training and guidance to staff members to ensure processes are correctly followed.
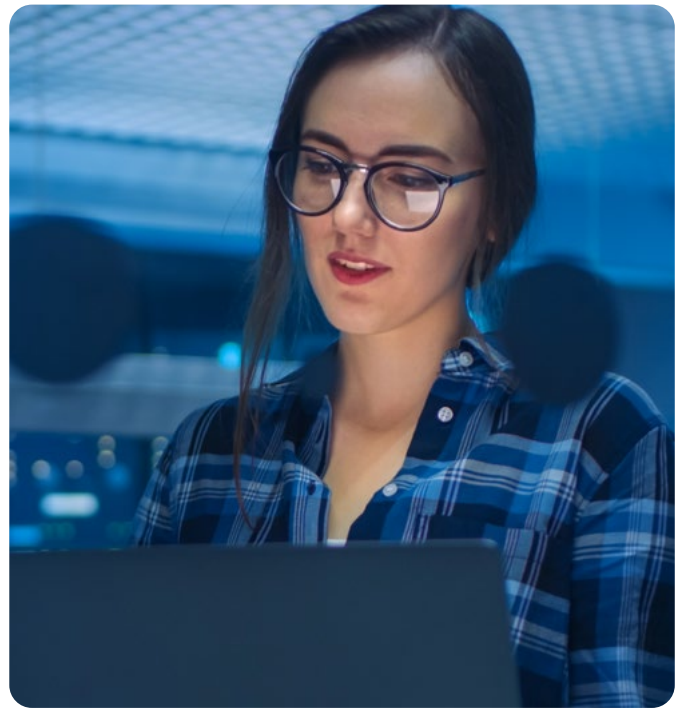
Cyber security

Over the past year, we have significantly bolstered our cyber security capabilities to address the increasingly sophisticated threat landscape. While comprehensive preparations and robust defense mechanisms are essential, it is important to recognise that not every potential threat can be entirely mitigated. Our efforts encompass advanced measures to effectively identify and detect potential threats, implement robust protection strategies and swiftly respond to incidents. We have also enhanced our recovery protocols to help ensure rapid restoration of normal operations following any security breaches. These improvements enable us to manage a diverse array of cyber security threats and vulnerabilities more efficiently, ensuring the integrity and resilience of our systems against both known and emerging risks.

Our approach

Policy and governance: Our approach to safeguarding Telstra from cyber threats is driven by our Cyber Security Strategy and supported by Group Policies. Oversight is provided by our Chief Information Security Officer, with regular reports presented to Telstra's Audit and Risk Committee.

Risk management, supply chain and third-party risk: We adhere to rigorous standards, including the Payment Card Industry Data Security Standard (PCI DSS) and the US National Institute of Standards and Technology Cybersecurity Framework (NIST CSF), to guide our risk management practices. Our commitment to compliance extends to relevant cyber security regulations and standards, such as ISO 27001, the Australian Privacy Principles and the Essential Eight mitigation strategies developed by the Australian Cyber Security Centre. Our cyber security framework includes extensive cyber assurance activities, such as third-party assessments, to fortify information security within our supply network.

Threat intelligence: We have a mature threat intelligence capability and actively engage in threat intelligence sharing to build a holistic view of the landscape in which we operate. We continue to invest in our Cleaner Pipes Initiative to help protect our network and our customers from scams and fraud.

> On average in FY24, we successfully blocked more than **10 million scam calls** and **14 million SMS** messages every month.

Building a security culture: We invest in employee training and awareness programs to help our employees understand their role in protecting Telstra, our network and our customers. Our innovative Cyber Security Influence program builds our security culture and behaviours in the organisation and includes security news, advisories, videos and gamified learning. Our program also has a large, highly engaged employee community for security enthusiasts and we conduct regular simulated phishing campaigns to test and improve employee awareness.

Monitoring and incident response: Our state-of-the-art Security Operations Centre (SOC) provides continuous 24/7 monitoring and incident response. Staffed by highly-skilled security professionals, the SOC uses advanced tools like SIEM (Security Information and Event Management), EDR (Endpoint Detection and Response) and NTA (Network Traffic Analysis) solutions. We maintain a comprehensive incident response plan detailing procedures for incident reporting, containment, analysis, remediation and mitigation. This plan is regularly tested and updated to ensure its effectiveness in countering emerging threats.

Industry collaboration: Telstra collaborates with a number of organisations globally to strengthen our cyber security capability and share our expertise with others. The collaboration between Commonwealth Bank of Australia (CBA) and Quantium-Telstra (QT) to develop scam and fraud prevention products, such as Scam Indicator, continues to deliver results. The initiative leverages data science to detect phone scams in real-time, significantly improving fraud prevention and enhancing protection for consumers. Since inception, Scam Indicator has detected and prevented millions of dollars in scams. In late FY24, Scam Indicator was also extended to include landlines and Boost Mobile, helping to protect more Australians from scams.

Ethical AI and data

Telstra's vision is to be a data-driven and AI-fuelled organisation and a leader in responsible AI adoption, helping unlock better outcomes for our people, our customers and society. From helping protect Australians from scams to improving customer experience, we believe the use of data with AI has the ability to significantly enhance how we operate but ethics must be at the centre.

Telstra has a Responsible AI Policy which outlines a set of principles, practices and accountabilities, standards and expectations intended to govern the development, deployment and use of AI systems, which is closely aligned to the Artificial Intelligence (AI) Ethics Framework. We also operate robust governance policies and guardrails internally, including our Risk Council for AI and Data (RCAID) that provides a single dedicated body to provide advice and approval. RCAID is a cross-functional body with experts from across Telstra's business, including our legal, data, cyber security, privacy, risk and communications teams. Any AI systems (including third-party systems) must be reviewed and approved by RCAID.

This year, we refined our operational procedures to embed the implementation of our Responsible AI Policy more deeply. This included:

- ensuring our RCAID governance process covered all Telstra entities

- upgrading our AI Model Register, which records all Telstra AI use cases, to enhance the accountability model so that it remains current during this period of rapid change and development

- conducted a future state risk assessment to inform future continuous improvement and automated AI assurance

- defining and improving guidelines for the use of generative AI within Telstra.

Joining UNESCO's Business Council to promote ethical AI

Telstra is the first Australian organisation, and the sixth globally, to join the United Nations Educational, Scientific and Cultural Organization (UNESCO)'s Business Council to promote the implementation of its Recommendation on the Ethics of Artificial Intelligence. The Recommendation advocates for AI technologies to be governed by values that promote human rights, dignity and environmental sustainability, with an emphasis on transparency, accountability and adherence to the rule of law. We will work with UNESCO and other member organisations, to support policy development in critical areas such as data governance and diversity. The Business Council will also work to develop an ethical impact assessment tool, as well as joint initiatives to ensure AI serves the public good.

Telstra Foundation

Image: Members of Telstra Foundation's Youth Advisory Council.

Creating a better digital world for children and young people

For over two decades, Telstra Foundation has supported children and young people to thrive in the digital world. We want children and young people to be more included, empowered and connected, to feel heard and have a say in the kind of digital world they want.

In FY24, we committed $5.5 million through the Foundation and $0.8 million from Telstra shareholder and customer donations. This funding supported impactful community programs and partnerships for underserved or vulnerable children and young people, ensuring they were:

- **Included:** We believe in the power of technology to open doors for young people. However, access to opportunity is not equally distributed. To address this, we focus on programs to help ensure all children and young people have the skills to create and succeed in the digital world. In FY24, six projects received funding with a focus on First Nations young people, regional students, girls and AI, migrant and refugee young people.

- **Empowered:** We believe all young people should enjoy the benefits of being connected, whether they're playing, learning or just living life. In a society that is digital by default, we want children and young people to have healthy lives online and support programs that help them navigate their digital experiences confidently, smartly and safely. In FY24, three partner projects were funded to improve youth digital safety and wellbeing for early learning centres, regional students and children and young people across Australia.

- **Connected:** We want all children and young people to be connected to essential digital services when and where they need them. Through our support

of five partnerships in FY24: digital youth mental health and wellbeing resources (including for LGBTQI+ young people); innovative and accessible communication devices for young people with profound disability; and device lending/donations programs for young people experiencing digital exclusion (including First Nations communities in remote Australia).

This year the Telstra Foundation approved a new philanthropic mission to support one million children and young people by 2030; follow our progress here. To inform this goal, we have started work on our first Digital Youth Index project which will connect with over 4,000 young people annually to learn more about and report on their experiences with technology. Our newly appointed Youth Advisory Council has also shared their experiences and perspectives to shape this work.

Enabling young people to have a say in shaping the digital world

In FY24, Telstra Foundation launched its inaugural Youth Advisory Council (YAC). The purpose of the Council is to elevate youth voices across all aspects of the Foundation's work. Council members have provided crucial feedback on our projects, bringing a deeper understanding of how young people experience digital technology and its impact on their lives. The Council, formed via a public Expression of Interest in partnership with youth engagement experts PROJECT ROCKIT, includes 19 representatives aged from 12 to 20 from across Australia and brings a wide range of experiences and perspectives to the Foundation's work.

For more information on the Telstra Foundation YAC, visit Telstra Exchange.

Sustaining our planet

FY24 progress against targets

Strategic focus area	Target	SDG	Progress	More info
Taking climate action[17]	Reduce our absolute scope 1+2 emissions by 70% by 2030 (from an FY19 baseline)[18]		🟢 Reduced our combined scope 1+2 emissions by 37% from an FY19 baseline	page 36
	Reduce our absolute scope 3 emissions by 50% by 2030 (from an FY19 baseline)		🟡 Reduced our scope 3 emissions by 37% from an FY19 baseline[19]	page 40
	Enable renewable energy generation equivalent to 100% of our consumption by 2025		🟡 Achieved renewable energy generation of 27% of our consumption. Telstra has now contracted renewable energy generation equivalent to 100% of its forecast consumption at the end of 2025	page 41
		SDG 13		
	Offset emissions from our operations		🟢 Continued to offset the emissions from our operations during FY24, however from FY25 Telstra will no longer do so[20]	page 38
	Net-zero greenhouse gas (GHG) emissions by 2050[21]		🟢 Reduced our combined scope 1+2 emissions by 37% and our scope 3 emissions by 37% from a FY19 baseline. On track to meet net-zero emissions by 2050	page 36
Progressing a circular economy[22]	Reuse or recycle 650,000 mobile phones, modems and other devices each year to 2025		🟢 Reused or recycled 710,341 mobile phones, modems and other devices in FY24	page 44
		SDG 12		
	Increase our network waste recycling rate to 90% by 2025		🟢 Achieved 95% network waste recycling rate in FY24	page 46

Targets are baselined to FY21 unless otherwise stated.

🟢 On track for delivery   🟡 Progress made but below target   🔴 Not on track   ✅ Completed

17. The Digicel Pacific acquisition was completed in FY23. Digicel Pacific has been excluded from Telstra's emissions reporting and targets in FY24 as we have not yet been able to compile data that aligns to the Greenhouse Gas (GHG) Protocol and meets assurance standards. A multi-year program of education, capability and capacity building is in progress to uplift data quality and associated data management systems. In the interim, Telstra has reported Digicel Pacific emission estimates for FY24 and FY19 within our 2024 Data Pack.
18. In June 2024 we increased our scope 1+2 emissions reduction target from 'reduce our absolute emissions by at least 50% by 2030' from an FY19 baseline.
19. This is ahead of the trajectory required to reach our target of 50 per cent by 2030, however there is still some risk relating to our scope 3 target – see the Managing our scope 3 emissions section of this report. In addition, in FY24, improved and more granular investment data allowed us to identify that one entity's emissions were duplicated in our scope 3 emissions reporting. As a result, category 15 and total scope 3 emissions differ from those reported in previous years.
20. From 1 July 2024 Telstra Group will no longer be offsetting the emissions from our operations through the use of carbon credits. We will continue to offset emissions associated with mobile phone plans and mobile broadband plans until 31 August 2024.
21. We are committed to achieving net-zero greenhouse gas (GHG) emissions by 2050, through the Business Ambition for 1.5°C campaign. We are in the process of validating our science-based net-zero target to the Science Based Targets initiative (SBTi) Corporate Net-Zero Standard.
22. The Digicel Pacific acquisition completed in FY23. Digicel Pacific has been excluded from Telstra's circular economy reporting in FY24 as we are still working to compile timely and suitable data. A multi-year program has commenced with the aim of progressively reporting relevant Digicel Pacific circular economy data in future periods.

Approach

We are harnessing our advanced network and technology capabilities to accelerate action on climate change and minimise our impact on the planet. We are committed to leading by example, using our corporate behaviours and habits as well as scale and voice to accelerate the transition to a more environmentally sustainable world. We are driven to make a difference beyond our business by encouraging and enabling our customers, suppliers and communities to do the same.

> For more information on our key environment metrics, see our **2024 Data Pack** available on our reports page.

Taking climate action

To us, addressing climate change means taking ambitious steps to decarbonise our business and our supply chain.

We are committed to achieving net-zero emissions by 2050, through the Business Ambition for 1.5°C campaign. Towards this, we have set near-term emissions reduction targets aligned to a trajectory to limit global warming to 1.5°C. Our near-term climate-related targets are to:

- reduce our absolute scope 1+2 emissions by at least 70 per cent by 2030 (from a FY19 baseline)

- reduce our absolute scope 3 emissions by at least 50 per cent by 2030 (from a FY19 baseline)

- enable renewable energy generation equivalent to 100 per cent of our consumption by 2025.

In June 2024, we announced a significant change to our climate ambition, increasing our scope 1+2 emissions reduction target from 50 per cent to 70 per cent by 2030 (from a FY19 baseline) and ceasing offsetting our residual emissions through the use of carbon credits.

In 2024, we joined the Australian Climate Leaders Coalition (CLC), a cross-sectoral group of Australian CEOs supporting the Paris Agreement commitments and the road to decarbonisation. In 2024, we participated in two working groups: Credible Transition to Net-Zero and Integrating Nature into Business Strategy. This work will assist us to continue to develop our Climate Transition Action Plan and our nature commitments. In 2023, our work to develop clear and transparent process for green claims was featured in the CLC's Credible Transition to Net-Zero guide.[23]

Decarbonise Telstra

In FY24, we achieved a 10 per cent reduction in our scope 1+2 GHG emissions compared to the previous year, a cumulative 37 per cent reduction against our baseline year of FY19.

We achieved this primarily by decommissioning legacy technology, improving the energy efficiency of our network and our infrastructure and leveraging the reduced emissions intensity of the electricity grid as the use of renewable energy increases.
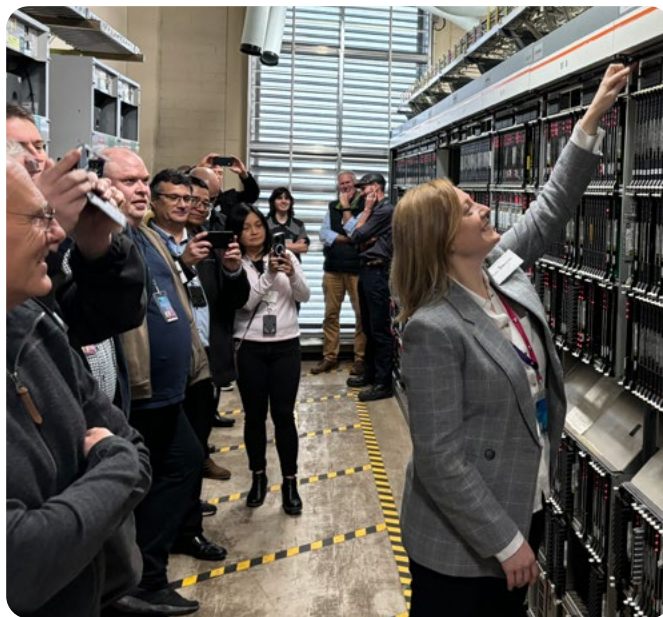

Image: Vicki Romanovski, Integrated Network, Facilities & Environment Executive, celebrates decommissioning Alcatel System 12 switch with colleagues, past and present.

23. CLC Credible Transition to Net-Zero guide.
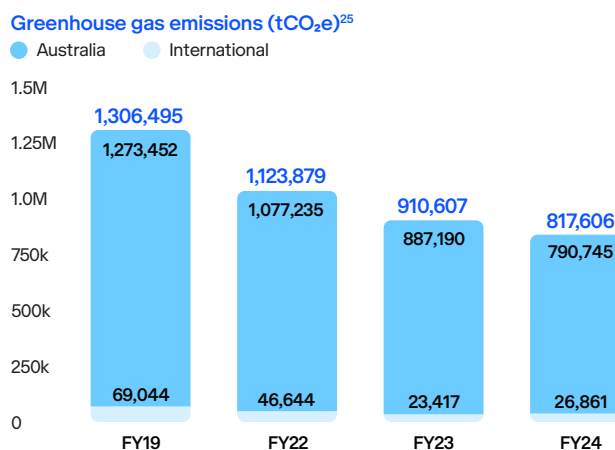
Our intercity fibre network

In FY24, we continued to build our intercity fibre network. This network includes over 250,000 kilometres of existing fibre and 14,000 kilometres of new fibre optic cable. We worked with Prysmian Group's research and design team to develop a high-spec fibre optic cable that is smaller in diameter. Using a smaller and lighter cable (214 kilograms per kilometre lighter than its predecessor) will result in 10,000 tonnes less plastic over the course of the project once complete. This also means that more cable can be fitted onto the delivery drums, resulting in less trucks on the road, reduced storage requirements and less waste.

We have also made changes to the deployment of the fibre cable using a dual plough method that delivers efficiencies in fuel for installation, minimising earth disturbance and impact to flora and fauna across the route.
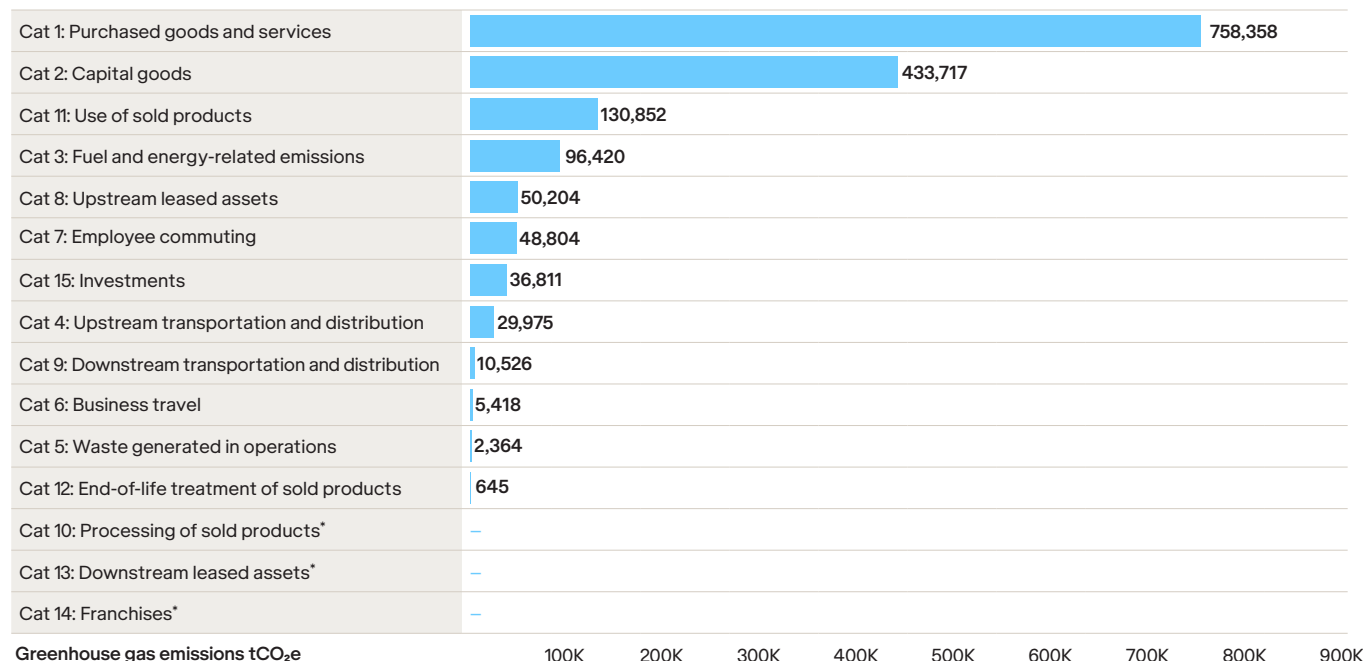
In recognition of this work, we were chosen as a finalist for the Net-Zero Action Award in the 35th National Banksia Sustainability Awards. We also received the CommsDay Edison Award Best Sustainability Initiative for our emissions reduction program.

Greenhouse gas emissions (scope 1+2)[24]

Greenhouse gas emissions (tCO₂e)[25]

● Australia   ● International

	FY19	FY22	FY23	FY24
Total	1,306,495	1,123,879	910,607	817,606
Australia	1,273,452	1,077,235	887,190	790,745
International	69,044	46,644	23,417	26,861

FY24 scope 3 greenhouse gas emissions by category[26]

Category	Greenhouse gas emissions tCO₂e
Cat 1: Purchased goods and services	758,358
Cat 2: Capital goods	433,717
Cat 11: Use of sold products	130,852
Cat 3: Fuel and energy-related emissions	96,420
Cat 8: Upstream leased assets	50,204
Cat 7: Employee commuting	48,804
Cat 15: Investments	36,811
Cat 4: Upstream transportation and distribution	29,975
Cat 9: Downstream transportation and distribution	10,526
Cat 6: Business travel	5,418
Cat 5: Waste generated in operations	2,364
Cat 12: End-of-life treatment of sold products	645
Cat 10: Processing of sold products*	–
Cat 13: Downstream leased assets*	–
Cat 14: Franchises*	–

* Not applicable or material. For more information, see our 2024 Data Pack available on our reports page.

24. The National Greenhouse Gas and Energy Reporting (NGER) determination is used for calculating Australian based scope 1+2 emissions, while the GHG Protocol is used for calculating international based scope 1+2 emissions.
25. GHG emissions are calculated using the latest emission factors for fuel and electricity use at the time of reporting. They are measured in tonnes of carbon dioxide equivalent emissions (tCO₂e). The emissions inventory encompasses Telstra's Australian and international operations (other than Digicel Pacific).
26. The GHG Protocol is used for calculating Telstra's scope 3 emissions. They are measured in tonnes of carbon dioxide equivalent emissions (tCO₂e). The emissions inventory encompasses Telstra's Australian and international operations (other than Digicel Pacific).

Carbon credits

Telstra has been certified carbon neutral in its operations under the Australian Government's Climate Active scheme between FY20 and FY23. We will also be submitting certification materials for FY24. Over the course of FY24 we changed the language we use in relation to this certification from being 'carbon neutral in our operations' to 'offsetting the emissions from our operations'. This was to more clearly describe and disclose our action in using carbon credits to offset the residual emissions from our operations after accounting for our emissions reduction activities.

From FY25, we will no longer be offsetting the emissions from our operations, our products and for our brands like Belong. We continued to offset emissions associated with Telstra and Belong mobile phone plans and mobile broadband plans until the end of August 2024.

Until now, the use of carbon credits has formed one part of our climate change strategy and they have been used to counteract the emissions that remained after achieving emissions reduction each year. In FY24, we used carbon credits, mostly from Verified Carbon Standard (VCS) certified renewable solar power projects in India to offset our emissions. We certified our carbon offsetting status via the Climate Active program for our Telstra organisational certification as well as product certifications for Telstra Energy, Telstra Mobiles and Belong.

From FY25, we will no longer be seeking Climate Active certification or market our products and services as carbon neutral or as having their emissions offset.

With our purchases of carbon credits, we've invested in projects that have avoided or removed over eight million tonnes of greenhouse gas emissions.

Within Australia we have supported the development of a carbon farm in regional New South Wales where we trialled new and innovative technology applications like drone seeding, weed management and drone mapping. The carbon farm is expected to remove 150,000 tonnes of carbon emissions from the atmosphere through the planting of native trees which should also increase biodiversity in the region.

We will continue to play a role in Australia's transition to a renewable energy-dominated electricity grid, including by supporting investments in new solar and wind farms worth more than $1.4 billion. These investments now mean Telstra is contracted to enable renewable energy equivalent to 100 per cent of its forecast electricity consumption by 2025. We are committed to continuing to evolve our sustainability commitments to remain at the forefront of action against climate change.

Managing our electricity consumption

Electricity consumption from our network, data centres, offices and other buildings accounts for around 96 per cent of our total FY24 scope 1+2 emissions. We strive to reduce energy consumption across every aspect of our business through considered planning, equipment modernisation, monitoring and energy optimisation.

Our network sites, including fixed network sites and data centres, are our largest consumers of electricity. Our investment in energy reduction projects including both energy efficiency and decommissioning in FY24 was $23 million.

In FY24, our energy efficiency programs delivered a collective annualised saving of 6,295 tCO_2e and 8,082 MWh electricity. In addition to our energy efficiency projects, we saved a further 54,659 tCO_2e and 73,694 MWh annualised through decommissioning legacy network equipment and network energy efficiency enhancements.

For a detailed breakdown of our emissions and energy consumption, see our **2024 Data Pack** available on our reports page.

FY24 energy efficiency and decommissioning initiatives

Initiative	Description	Annualised energy savings (MWh)	Annualised emissions savings (tCO$_2$e)
HVAC optimisation	We conduct physical inspections of our network sites to identify faults affecting power consumption and review equipment performance to identify optimisation opportunities	900	732
Building services energy efficiency upgrades	Our capital works program includes the installation of fresh air cooling systems, high-efficiency air conditioners, improved cooling control strategies and building management and electronically commutated fans	3,486	2,685
LED lighting	We are currently undertaking a large multi-year program to remove over 100,000 old fluorescent lights across hundreds of our facilities and install new LED lights with inbuilt motion sensors	3,696	2,878
Decommissioning legacy network	We are actively rationalising and decommissioning our legacy network equipment, reducing both direct energy consumption from the equipment as well as associated energy for cooling	62,218	46,474
Network energy efficiency enhancements	We are driving energy-efficient technology enhancements with our strategic partners. We modernised selected mobiles sites and several technology trials are in progress, across the Mobiles, Transport and IP entities, trialling various sleep modes, coherent pluggable optics and liquid-cooled technologies.	11,476	8,185
Total		81,776	60,954

Hydrogen fuel cells and generators

We have partnered with the Victorian Government's Renewable Hydrogen Commercialisation Pathways Fund program to trial the use of hydrogen fuel cells as backup power at five mobile sites in place of diesel generators. The fuel cells use green hydrogen fuel which is generated from renewable energy sources. These renewable hydrogen systems will provide 72 hours of backup power – many times more than current battery backup power at these sites. The project aims to demonstrate the technical and commercial viability of renewable hydrogen as a zero-emissions fuel for generator backup power.

The project, completed in June 2024, deployed a 10-kilowatt renewable hydrogen generator at five sites across Victoria that suffered outages after the 2021 storms – Coldstream, Kinglake, Christmas Hills, Chum Creek and Neerim North. This facilitated rapid changeover to allow continuous operation of site load and mobile connectivity when mains power outages occur.

Chilled water optimisation

We have continued to deliver significant energy savings through the installation of demand flow chilled water optimisation systems. In FY24, this included one additional upgrade, which means we now have six chilled water-cooling systems optimised with demand flow technology. This project has reduced the energy consumption of the chiller systems across the sites by an average of 21 per cent. Telstra InfraCo was presented an award for energy efficiency and decarbonisation at the Siemens Beyond 1% Summit for our implementation of the demand flow technology to optimise the chilled water-cooling systems in six of our largest fixed network sites.

Electric and hybrid vehicles

Telstra has an overall fleet of almost 7,000 assets, consisting of 3,000 operational vehicles, 800 trucks and 3,000 staff salary-sacrifice vehicles. Telstra fleet vehicles made up approximately three per cent of our FY24 scope 1+2 emissions. Over the past 36 months, we have transitioned over 20 per cent of our operational fleet to hybrid models to reduce our fleet emissions. Driven by the Australian Government's Fringe Benefit Tax (FBT) exemption on Electric Vehicles (EVs), we have also seen the uptake of EVs in our salary sacrifice fleet grow from 48 vehicles to almost 600 vehicles (20 per cent of our salary sacrifice fleet).

Telstra's partnership with Green Fleet continued in FY24 with all salary-sacrificed fleet vehicle deductions including a contribution to Green Fleet. Telstra also participated in a tree planting event at Green Fleet's site in the Strzelecki Ranges.

We are currently running our first trial of ten operational EVs with the Toyota BZ4x being selected as the trial vehicle. This trial also includes installing EV chargers in the homes of the technicians participating in the trial. If successful, we anticipate a further increase in EVs in our operational fleet in FY25.

In addition, we have expanded our charging footprint over FY24 with EV chargers and seven EV pool cars now available at four of our head office locations as well as one hydrogen pool car in our Melbourne head office. Our goal is to convert the bulk of our metro and some regional operational vehicles to electric when fit-for-purpose commercial EV fleet market options increase and charging facilities expand.

Managing our scope 3 emissions

We have a responsibility to contribute to reducing the emissions produced by our supply chain when providing us with goods and services and by our customers when using our products. We are committed to reducing our scope 3 emissions by at least 50 per cent by 2030 (from a FY19 baseline). We continued to make significant progress in reducing scope 3 emissions during FY24. However, there is still some risk to our 2030 scope 3 target, including from Digicel Pacific, expansion of low earth orbit (LEO) satellite services and other product growth. In addition, key suppliers may not decarbonise as quickly as expected.
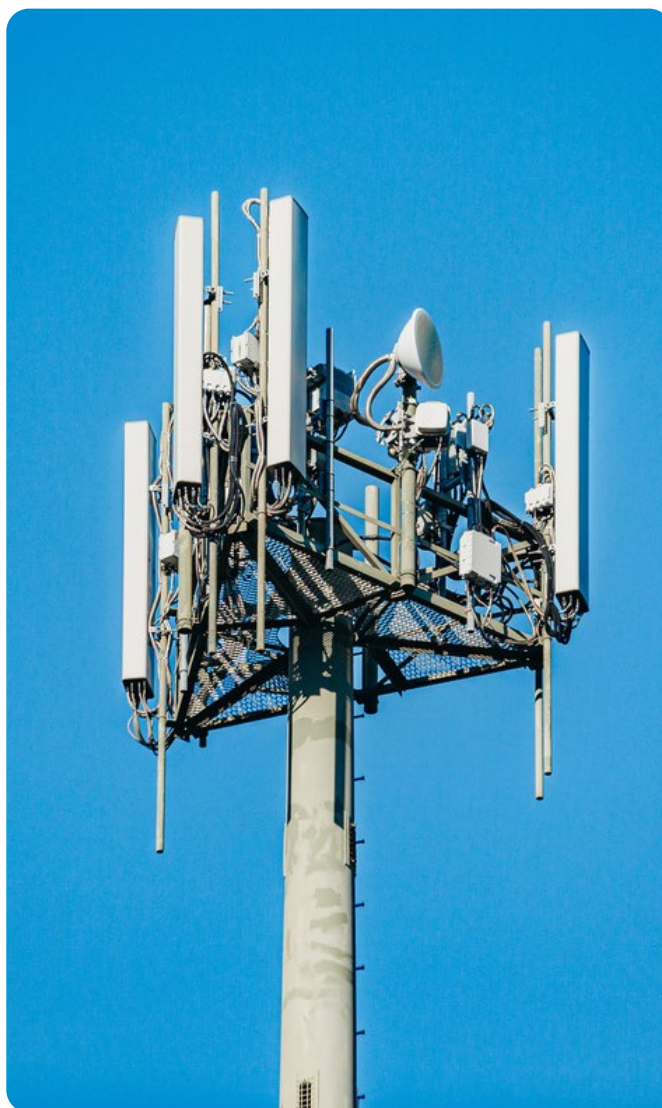
Working together to reduce scope 3 emissions

Scope 3 represents Telstra's largest emissions source, making up 66 per cent of our total footprint. Our scope 3 emissions have already decreased by 37 per cent since FY19.

Scope 3 emissions, particularly in the Information Communication and Technology sector where there are complex supply chains, is an area that requires cross-sector collaboration. Of our total scope 3 emissions, approximately 76 per cent comes from our supply chain (categories 1, 2 and 4). We are working with suppliers to identify, prioritise and execute emissions reduction opportunities and drive improvements in environmental practices throughout the global supply chain. This includes providing training and support to suppliers on how to reduce their emissions footprint, including our climate commitments in commercial agreements and considering emissions reduction opportunities in the delivery of their goods and services to us.

This year we co-led a project jointly developed by the GSM Association (GSMA) and the Technical Standardization Bureau of the International Telecommunication Union (ITU-T) to develop and launch industry-specific scope 3 guidance for telecommunication operators. This guidance is intended to harmonise methods for telecommunication operators to assess and report their scope 3 emissions and to increase their coverage and transparency. We also continue to work with other telecommunications operators as part of the Joint Audit Cooperation (JAC) to engage common suppliers on their emissions reduction targets and plans. This includes delivering training and performing site audits by independent third-party auditors.

In FY24, we were recognised with a 2023 CDP A rating for the second year in a row putting us in the top 1.6 per cent of respondents globally. We work closely with CDP to uplift the disclosures of our suppliers. In FY24, 295 Telstra suppliers disclosed their CDP questionnaire to Telstra. We were also recognised in the 2023 CDP Supplier Engagement Leaderboard. Find out more here.

In 2022, we launched our standard climate change clauses and guidance for purchases. These clauses require suppliers to understand, report, verify, reduce and track their emission impacts in support of our 2030 target. These clauses are now being rolled out to our major suppliers through our sourcing and contracting process. By the end of FY24, 91 suppliers had signed up to these new clauses which contractually committed them to disclosing and reducing their absolute emissions, an increase of 122 per cent from FY23, representing over $3 billion of our FY24 spend. Find out more here.

Collaborating with Australia Post

We partner with Australia Post to deliver our products to our customers. This year we worked with Australia Post to distinguish emissions between air vs road freight. As a result we now have a way forward to capture emissions reductions when shifting to freight transport with a lower emissions impact. In FY24, this resulted in an emissions reduction of approximately 1700 tCO_2e or approximately 13 per cent of the services which Australia Post provide to Telstra.

Decarbonise the grid

Telstra is focused on decarbonising the grid through greater investment in renewable energy thereby reducing reliance on non-renewable energy from fossil fuels.

As one of Australia's largest electricity users, in 2020 we set a target to enable renewable energy generation equivalent to 100 per cent of our consumption by 2025. To meet this target, we are supporting the development of new Australian renewable generation capacity (such as solar parks and wind farms) through long-term renewable energy contracts (Power Purchase Agreements, or PPAs). By the end of FY24, the operational output of projects we support was equivalent to 27 per cent of our consumption.
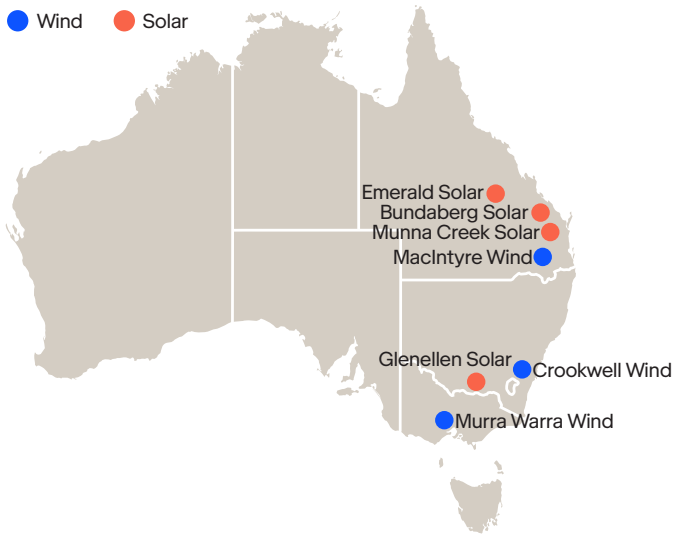
To date, we have supported investment in renewable energy projects which are worth more than $1.4 billion under long term PPAs. These commitments have enabled the construction of renewable energy projects across Queensland, Victoria and New South Wales.

Telstra's Power Purchase Agreements

Site	Location	Telstra contracted amount / Total output*	Year signed
Murra Warra Wind Farm	Victoria	96 MW / 226 MW	2017
Emerald Park Solar Farm	Queensland	72 MW / 72 MW	2017
Crookwell III Wind Farm	NSW	58 MW / 58 MW	2021
MacIntyre Wind Farm	Queensland	~111 MW / 923 MW	2022
Munna Creek Solar Farm	Queensland	60 MW / 120 MW	2023
Bundaberg Solar Farm	Queensland	100 MW / 100 MW	2023
Glenellen Solar Farm	NSW	130 MW / 260 MW	2023

*Telstra's contracted portions of the above sites vary from site to site as indicated above.

PPAs location map

● Wind   ● Solar

Emerald Solar
Bundaberg Solar
Munna Creek Solar
MacIntyre Wind

Glenellen Solar
Crookwell Wind
Murra Warra Wind

Telstra's PPAs also provide protection against volatile wholesale electricity prices and help us to manage our costs.

During FY24, we signed a PPA for a new solar farm in Bundaberg, Queensland. That agreement is for 153 GWh per annum of renewable energy output to the electricity grid. We also contracted our seventh PPA, for the Glenellen Solar Farm in NSW, with expected renewable energy generation of 210 GWh per year. We have now contracted renewable energy generation which, once fully up and running, should be equivalent to more than 100 per cent of our forecast consumption by the end of 2025.

Crookwell wind farm

In June 2021, Telstra signed a PPA for a 58 MW capacity wind farm near Crookwell in NSW. The Crookwell III site is made up of 16 wind turbines, each with a 126 metre (diameter) rotor and a 3.6 MW generator. The project is nearing completion and once operational will contribute 14 per cent towards our commitment to enable renewable energy generation equivalent to our consumption by 2025.

In FY24, the project was registered as a renewable energy generator and connected to Australia's mainland electricity grid. Full output from the wind farm into the national grid is expected to be complete in Q1 FY25, providing the equivalent of the electricity used by more than 30,000 homes each year.

However, there is risk that the overall amount of renewable energy generated from our contracted projects may not meet 100% of our forecast consumption by the end of 2025. Utility-scale renewable energy projects have long lead times to become operational, with complexity in planning, construction and grid connection. In addition, operational output may be impacted by faults, market and environmental conditions and electricity grid constraints. We will continue working to mitigate the risk to this target, including by further reducing our own energy consumption.

> 📊 For more information, see the 'Acting on climate and nature' section in our **2024 Annual Report** available on our reports page.

Climate adaptation and resilience

As climate events become increasingly widespread, frequent and intense, we continue to look for ways to improve our power independence and maintain connectivity for our customers when they need it most.

We continue to rollout our targeted program of lifecycle battery replacements, uplifting backup power capacity to enable sites to operate through short-term mains power interruptions. In FY24, we invested nearly $60 million across more than 3,200 battery lifecycle replacement projects, which included power system replacements and rebuilds.

To further support communities across Australia, we are investing $7.5 million in the upgrade of 1,000 payphones in disaster-prone areas by the end of FY25, with 491 upgrades completed to the end of FY24. Alongside free calls, the upgrades provide USB charging for personal devices, free Wi-Fi and have extended battery backup power to maintain connectivity. This investment was partly funded by our commitment to spend $75 million from the proceeds of the part sale of Amplitel to further enhance regional connectivity, guided by the recommendations of the 2021 Regional Telecommunications Independent Review Committee (RTIRC) report.

This year we have also made it easier for our customers to stay connected in the event of a disaster. We provided disaster support to customers in 112 postcodes following severe weather events with 437,700 customers receiving additional data. Pre-paid customers also received free calls and text in addition to extra data.

For more information on how we're managing climate risk, see the 'Acting on climate and nature' section of our **2024 Annual Report** available on our reports page.

Ericsson partnership

Telstra has worked with Ericsson to deploy their latest energy-saving software features and hardware to reduce the energy usage across our networks. Telstra has recorded energy savings of around 26 MWh per day through the network-wide deployment of RAN (Radio Access Network) software features, whilst also avoiding negative impacts on customer experience.

Through the site modernisation between 2019 and 2023, Telstra has been able to achieve around 11 MWh per day energy savings. These RAN hardware/software energy-saving initiatives yield a combined total of around 37 MWh savings per day — equivalent to powering over 2,000 typical Australian homes. The next phase of this program is to introduce AI-based algorithmic control of these features to optimise energy savings and customer experience.

Protecting nature and biodiversity

At Telstra, we interact with nature every day — when we construct or maintain our telecommunications network, or when we provide technology solutions to customers. We have infrastructure in every ecosystem — from deserts to rainforests to remote islands. We also depend on resources from nature — such as the metals and minerals used to manufacture technology and the wood used to make cardboard for our product packaging.

Nature underpins our global economy, with more than half of the world's economic output dependent on it[27]. Nature gives us clean air, food, medicines, fibres and resources to power and support our way of life. It also helps to regulate the climate and protect us from its impacts — like floods. Also important is the spiritual connection that wild places, wildlife and natural ecosystems provide.

We believe it's critical to protect our natural assets — not just because we depend on them, but because we want to protect these special places and ecosystems for generations to come.

We are taking a whole-of-business approach to addressing our impact and improving nature-related outcomes in a climate changed world. In FY24, we signed up as an early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD). We have published our first TNFD disclosure in the 'Acting on climate and nature' section of our 2024 Annual Report available on our reports page. This framework has guided a dedicated program to review and improve the way we govern and manage nature-related risk, consider nature as an integral element of our strategy and engage with stakeholders to understand and mature our management of nature dependencies across the organisation.

Protecting nature and biodiversity is a key pillar of our sustainability strategy. In FY24, we began a program to apply the TNFD's Locate, Evaluate, Assess and Prepare (LEAP) methodology. LEAP provides a structured approach to identify key nature-related dependencies, impacts, risks and opportunities. Our LEAP assessment covers our Australian operations. In FY24, we profiled our interface with nature, captured the environmental assets we are dependent upon and commenced the evaluation of nature-related risks and opportunities.

We believe that technology and innovation are critical to improving the way natural ecosystems are protected, conserved and revitalised. For example, IoT devices can be used to provide in-time data on water use, or the usage of waste bins, to help inform better decision-making and reduce impact on the environment. AI can also be used to review video monitoring of animals — helping to inform research or action to control pest species to protect natural ecosystems.

Through the Integrating Nature in Business Strategy group of the Climate Leaders Coalition (CLC), we have worked with peers to build knowledge and skills of nature and the TNFD disclosure — including materiality, community interface and risk. We are also part of the GSMA Biodiversity Project Group.

We track our water-related dependencies and impacts using metrics including freshwater withdrawal. Telstra's direct use of water is limited. In FY24, we withdrew 898 ML of water[28]. Future analysis of our supply chain's impact on nature and biodiversity will likely reveal further reliance on water within that supply chain, such as in the manufacture of semiconductors and energy sourcing.

Water withdrawal and consumption

	FY19	FY22	FY23	FY24
Water withdrawal (ML)[29]	1,063	1,503	1,158	898
Water consumption (ML)	1,062	1,502	1,158	898

We continue to investigate our interactions with nature, and the risks and opportunities they present so we can better protect it.

InfraCo

As part of the initial planning to build our intercity fibre network, we undertake ecological studies to profile and identify management actions to reduce the impacts of construction on the environment. During the ecological study of a remote area of Western Australia near Balladonia, the team discovered an isolated population of the Chequered Copper butterfly — the first time this species has been recorded in Western Australia. It is more than 1,700 km west of the nearest known population in South Australia. The discovery was reported in a paper authored by Sujan M. Henkanaththegedara and published in the Western Australian Naturalist Journal in 2023. Ecological studies such as this one provides us with vital information to measure and remediate our impact and can also deliver opportunities to better understand the breadth of ecological diversity across Australia.

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27. For more information, see the World Economic Forum article here.
28. Water withdrawal and consumption data is only available for Australia.
29. This metric does not include water consumption from sites where water is paid for by third-parties.

Progressing a circular economy

Telstra is committed to embedding circular economy principles in how we design, develop, manage and operate our networks — as well as the products we put out to market. This year, we further developed our eco-design standards, stepped up our environmental ambition to reduce waste and recycle devices and expanded our modem refurbishment program.

To take tangible action on circular economy we have focused on both the resources we use and the waste generated by our operations, as well as the waste we generate from the manufacturing, distribution and use of our products. By improving our use of natural resources across our organisation, we can also help our customers, suppliers, contractors and partners do the same.

In recognition of this leadership we were awarded highly commended status in the category 'Best stewardship outcomes — individual business or brand (Large Company)' at the Product Stewardship Awards.

In FY24, we started a program to embed sustainability across our planning, procurement and product design processes, including a focus on eco-design.

> 📄 For more information on our work to embed sustainable practices in procurement, see the Sustainability at Telstra section of this report.

Devices

Australians are storing an estimated 22 million[30] phones in their homes. We are helping our customers reduce the number of unwanted devices in their homes and businesses by making it easier for this technology to be reused or recycled. Keeping valuable precious metals and materials in circulation reduces reliance on extracting virgin materials, thereby protecting nature.

In FY24, we increased our device target, to reuse or recycle 650,000 mobile phones, modems and other devices each financial year to FY25. Our previous target was 500,000 devices a year. We met this increased target in FY24, reusing or recycling 710,341 mobile phones, modems and other devices.

We are designing solutions based on circular economy principles for our products so we can keep materials in circulation for as long as possible. We are working to increase the lifespan of mobile devices and modems through our repair, refurbish, reuse and trade-in programs and responsibly recycling devices that have reached the end of their useful life. We do this via the Telstra eCycle program, which offers solutions for electronic devices — recovering materials for recycling, all while ensuring any data is securely wiped.

We have made it easier for our customers to recycle their old devices by accepting more types of devices. They can do this at any Telstra store or via our free eParcel option if they can't make it into one of our stores.

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30. Estimated number of electronic products stored in Australian homes sourced from MobileMuster.

In December 2023, we joined MobileMuster in celebrating 25 years of excellence in electronic recycling. MobileMuster is a free, not-for-profit recycling program that is voluntarily funded by the Australian telecommunications industry. We are a founding member of MobileMuster, delivering on our commitment to enable an environmentally sustainable industry, that provides a safe, trusted and environmentally sound product stewardship program in Australia.

This work is all part of supporting a more circular economy for the resources we consume – from the phones, tablets and other electronic devices we put out to market to the equipment we operate that our customers rely on to access our network.

We are continuing to increase the lifespan of mobile devices by finding ways they can be reused, repurposed and resold through several different programs. This year, through the Telstra eCycle program, we launched the Telstra trade-in program powered by Assurant. Our consumer and enterprise customers can trade in their pre-loved phones, tablets or smartwatches, turning their old devices into credits towards the purchase of a new device. Not only does this increase the useful life of these devices but it gives them a second life at affordable prices. This helps to keep these devices in circulation for longer whilst reducing the need to use the planet's limited and precious natural resources.

> For more information about what devices you can recycle and how visit our website.

Recovering equipment from our enterprise customers

Telstra Enterprise has implemented a circular economy program to recover Telstra managed CPE (Customer Premises Equipment) that has been decommissioned at a customer site by our Field Services team. These devices are then recovered, assessed and either recycled or – if required – refurbished prior to being made available for reuse by a new Enterprise Managed Service customer. In FY24, we recycled or reused 2,700 devices through this program.

Partnership with social enterprises

In FY24, we continued our partnership with social enterprise PonyUp for Good to reuse and recycle devices. In September 2023, we recycled more than four tonnes of technology from our warehouse in Sydney, bringing the total diverted from landfill under this partnership to more than 36 tonnes. PonyUp was able to reuse 100 per cent of this equipment which resulted in a donation of 37,500 fresh meals to SecondBite, also adding 2,216 devices to our device reuse and recycling target. Telstra's on-going partnership with PonyUp has now delivered 162,247 fresh meals to people in need via SecondBite.

Sustainable packaging

In October 2022, we met our commitment for 100 per cent of Telstra branded packaging to be made of renewable or recycled material and be fully recyclable. We have continued to meet that commitment on 100 per cent of Telstra branded packaging for all new products released in FY24. Since 2021, we have removed more than 200 tonnes of packaging from Telstra modems and eliminated 1.7 million plastic bags from landfill by redesigning our packaging. We have also undertaken work to optimise our modem packaging, reducing the number of components in the package by 50 per cent. This includes reducing the weight by a further nine per cent since FY23.

We want to help and inform our customers to responsibly reuse or recycle our packaging rather than it ending up in landfill.

Our packaging sustainability metrics are fully integrated into all key operations and processes. These include procurement, supplier engagement and briefing, material assessments and collecting packaging information from suppliers throughout the design process. We assess all packaging components and use information from assessments to optimise packaging and design application as part of our concept work across all product categories. We also use the Australian Packaging Covenant Organisation's (APCO) Packaging Recyclability Evaluation Portal (PREP) Analysis Tool for all new and upcoming product packaging which is a key tool for communicating the recyclability of our packaging with customers.

We continue to research, investigate and evaluate new sustainable packaging technologies and innovative materials. We have successfully redesigned packaging that had components previously made from soft plastics. These were replaced using recyclable fibre-based materials. We continue to work with suppliers and manufacturers to drive innovation and sustainable solutions.

Telstra Safe Connections packaging

In FY24, we undertook a review of the components of the Telstra Safe Connections packaging. We worked with program partners and found that the packages needed an increased level of confidentiality for their contents. We removed the print on the outer carton, switched to paper-based seals, moved to corrugated cardboard with a higher post-consumer recycled content and condensed the package size by 33 per cent. The new design is significantly condensed aligning with our packaging requirements and optimised for confidentiality and discretion for customers in vulnerable circumstances. For more information on the Telstra Safe Connections program, see the Creating a better digital world section of this report.

Improving network waste and recycling

One of our key targets is to increase network waste we are diverting to a recycling facility to 90 per cent by June 2025. In FY24, we diverted 95 per cent of our network waste to a recycling facility.

This result has been achieved by developing a deeper understanding of our waste streams and deploying targeted initiatives to make available appropriate disposal options to ensure our waste is channelled through recycling pathways. Our FY24 network waste data includes our copper recovery program[31], battery lifecycle replacement, active network equipment and other operational waste.

As our recycling program matures and we are becoming more sophisticated in understanding the end-to-end impacts of recycling by-products, we are continuing to refine our reporting to include additional scopes of work and this work will continue into FY25.

Our focus remains on areas where we can effect the greatest change for our people and stakeholders, including reviewing our waste infrastructure and building awareness and education within our teams, external delivery partners and customers who use our sites.

To elevate our network waste recycling rate to 90 per cent by FY25, a steering committee comprising senior cross-functional representatives was formed. This group is dedicated to defining and implementing a roadmap and prioritising initiatives aligned with the principles of the waste hierarchy.

To meet our network waste target, we are working with industry partners and customers to recover technology and other e-waste for reuse and recycling. Acknowledging the substantial cultural and behavioural shifts needed within our internal and supplier workforces, we have partnered with major suppliers to implement Telstra's sustainability objectives throughout the supply chain. In FY24, we launched the Fixed Network Site Champion initiative which involves appointing local field technicians at key waste-producing sites. These champions play a crucial role in overseeing waste practices at the site level and providing direct leadership in the field.

We are also recovering e-waste as we upgrade our network, identifying reuse opportunities for legacy technology, working with suppliers to extend the life of network technology and exploring opportunities to recycle industry-specific equipment.

As we continue to investigate the waste lifecycle beyond collection we continue to identify opportunities for improvement. These challenges include a lack of local recycling providers for key waste streams as well as refining and adjusting reporting mechanisms. We continuously audit our recycling processes and our target of 90 per cent includes a heavy dependency on battery, active network and copper recycling tonnage to achieve this result. We will continue to work with partners and finesse our processes to address these new challenges.
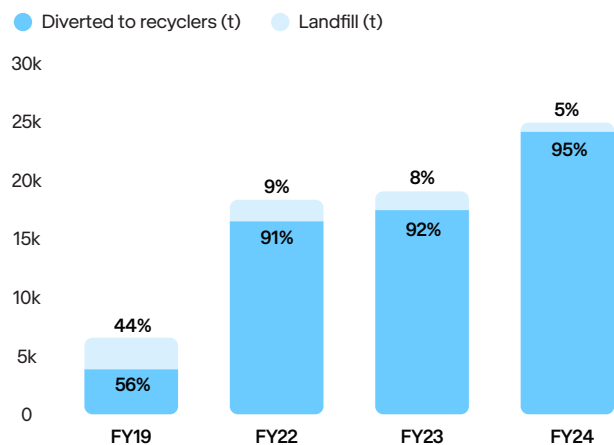
> FY24: **95% Network waste recycled**
>
> Total network waste **24,977 tonnes:**
>
> > Total diverted to recyclers:
> > **23,617 tonnes** (95%)
>
> > Total landfill:
> > **1,361 tonnes** (5%)

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31. In FY24, we reassessed the definition supporting the target to 'Increase our network waste recycling rate to 90% by 2025' to include waste diverted to recyclers, captured via our Copper Recovery Program. We have adjusted the historical figures to ensure the data is complete, accurate and comparable from our FY19 baseline year onwards. This refinement provides greater transparency and consistency on the network waste we manage as an organisation at our exchanges.

Waste from network sites (tonnes) and recycling (%)

- Diverted to recyclers (t)
- Landfill (t)

	FY19	FY22	FY23	FY24
Landfill	44%	9%	8%	5%
Diverted to recyclers	56%	91%	92%	95%

(Y-axis: 0, 5k, 10k, 15k, 20k, 25k, 30k)

Recycling SIM cards

In FY24, we implemented a program to recycle SIM cards. The components of the SIM cards are broken down and recycled through our partners. We recycled more than 2.5 million SIM cards, including over 25 tonnes of paper and over five tonnes of plastic.

Recovering network technology

As technology advances and telecommunications needs change at a rapid pace, the equipment we need to operate our network also changes. We are committed to identifying and recovering valuable resources for reuse or recycling and, where we can, recovering these materials back into our operations for reuse.

A dedicated program was launched with a focus on recovering and recycling depowered legacy infrastructure. The project's initial focus was on recycling printed circuit boards (PCB) within Fixed Network Sites. Through this program, we determine whether there is opportunity for repurposing these PCBs in our business, reusing them in the secondary market or recycling them. By refining the recovered materials to key base metals we can reduce the metals that need to be mined.

In FY24, the program has recycled 1,047 tonnes across 205 sites, and recovered 11,603 parts for internal spares reuse (approximately 1.8 tonnes). An FY25 program has been established to continue recycling and reusing depowered PCBs, with additional opportunities being explored to expand the program beyond PCBs.

Furthermore, in FY24, we recovered over 9,000 spares (more than 38 tonnes) to be reused internally in our network through various initiatives[32]. In addition to this,

832 items (over four tonnes) were sold to be reused by other telecommunications companies, with a further 79 tonnes of recovered items and surplus materials that were no longer required recycled.

Additionally, four main areas were targeted to support demand and/or to bolster inventory levels to reduce fault restoration timelines and build network resilience:
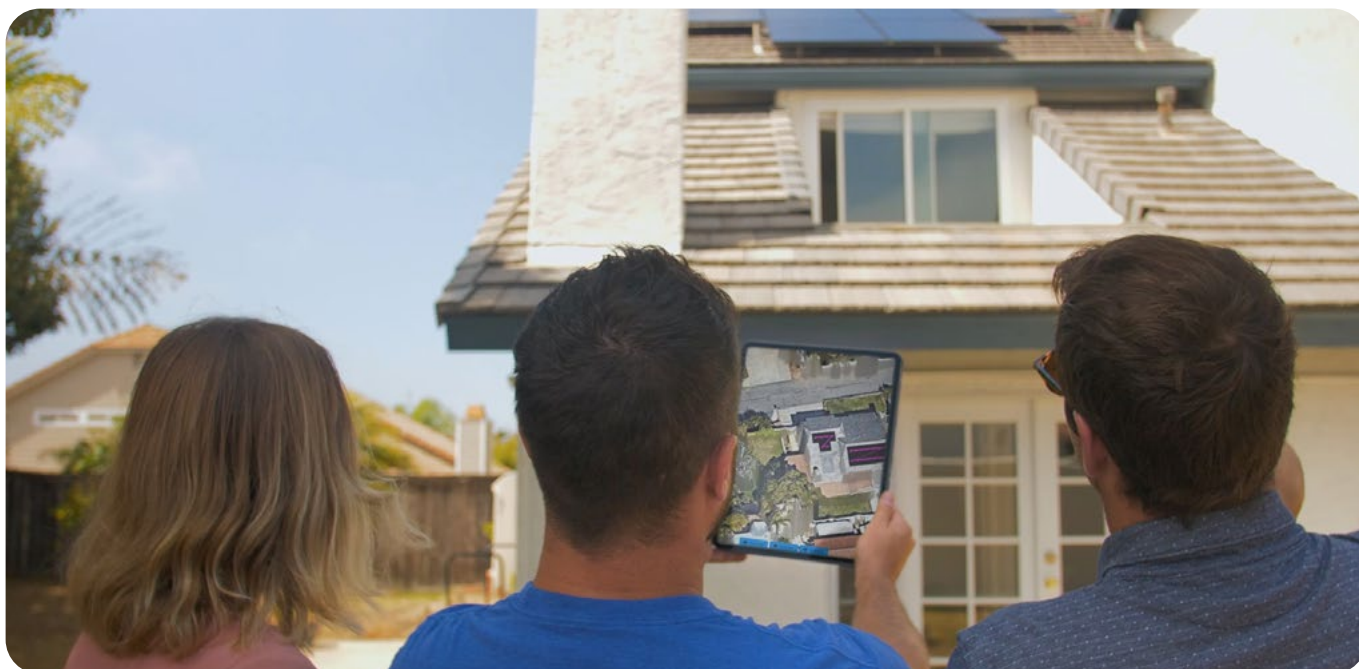
- **Transmission mining:** A targeted recovery was instigated from decommissioned parts from field installations to increase safety stock levels and fulfil vendor non-returns. Over 3,300 parts with a weight of more than 2 tonnes were recovered.

- **RIM cabinet mining:** This program facilitates the reuse of spare parts from legacy RIM (Remote Integrated Multiplexer) cabinets. RIM spare parts are mined in a manner that removes the need for repairing, further reducing the environmental impact associated to returning these items to a repair vendor. Over 7,600 parts were recovered with over 7.5 tonnes of material diverted from landfill.

- **3G cabinet mining:** This includes recovery of parts for sparing, including parts which are cross compatible with newer generations of equipment. Over 3,400 parts were recovered resulting in more than 27 tonnes of material being reused.

- **Spares recovery:** Parts recovered to meet demand shortfall also provide financial savings through minimising purchase or repairs. A total of 1,693 parts (almost 2 tonnes) have been recovered into spares from this program.

In alignment with our commitment to environmental stewardship, we strategically partner with certified recyclers who specialise in the safe handling and disposal of hazardous substances found in network equipment. This approach not only mitigates potential environmental risks but also reinforces our dedication to fostering a healthier ecosystem.

Small changes can have a big impact

This year we included a reminder on our customer bills to encourage customers to go paperless. Over 60,000 customers switched to paperless bills between November 2023 and June 2024. With an average of two sheets of paper per bill, the initiative has saved approximately 1 million sheets of paper a year, the equivalent of 180 trees a year.

32. Spares are classified as parts recovered to meet demand shortfall also providing financial savings through minimising purchase or repairs.

Enabling the transition for our customers

Digital technologies play a crucial role in helping businesses to reduce their emissions and protect the natural resources they rely on.

As Australia's leading telecommunications provider, we see a significant opportunity to help our customers and society transition to a lower carbon future by accelerating the adoption of innovative emissions-avoiding technologies.

The Enabling Positive Climate Action Report by Deloitte Access Economics analysed the impact of Telstra's products and services by looking at our enablement potential. This quantifies the emissions avoided by our customers using our products and services when compared to our own emissions. The report found that by 2030 we could help customers to reduce or avoid emissions by almost seven times the emissions we release.

> For more information, see the **Enabling Positive Climate Action Report** available on our reports page.

Supporting businesses to lower emissions

In FY24, Titanium Ventures (formerly Telstra Ventures[33]) led a funding round for Pexapark, a trusted provider of reference prices and market intelligence for renewable energy.

Pexapark's daily, market-representative prices for PPAs are accessed by over 200 renewable energy sellers and offtakers, as well as leading data providers, consultancies, government and industry bodies. Between September and December 2023, Pexapark facilitated 2.1 GW of PPAs across Europe. These agreements serve as financial hedging mechanisms, enabling the financing and construction of renewable energy assets. The supported technologies include onshore and offshore wind, solar and co-located assets with storage.

In FY24, Titanium Ventures also led a funding round in OpenSolar, a leading all-in-one solar design, sales and management software, enabling solar professionals to grow their businesses profitably with class-leading tools, completely free-of-charge. OpenSolar is currently used by over 23,000 solar professionals in over 150 countries, and OpenSolar estimates that the systems designed and sold to date (May 2019-Feb 2024) with OpenSolar globally avoids 49Mt of CO_2e emissions over their lifetimes.

Titanium Ventures' investments in Pexapark and OpenSolar enable decarbonisation by supporting the continued rollout of renewable energy.

In FY24, we also developed a Telstra Emissions Calculator to assist our Enterprise customers to estimate emissions associated with the usage of Telstra products. This tool is currently being piloted with some of our Enterprise customers to test and improve the calculator in use.

33. In June 2024, Telstra Ventures rebranded to Titanium Ventures, reflecting Telstra's strategic decision to explore selling its current investment in Telstra Ventures' funds.

Responsible space

In FY24, Telstra became the first reseller in the world to offer consumers a home phone service with a broadband service using Starlink consumer, voice and data services. We also made the first voice call on-air using the Eutelsat OneWeb's LEO solution. Both technologies utilise low earth orbit (LEO) satellites and we anticipate considerable growth in the use of LEO-based infrastructure and services in future. By utilising LEO constellations for mobile backhaul we can potentially extend our mobile network to communities which are currently outside of our terrestrial infrastructure footprint.

While LEO technology presents many opportunities, we are also mindful of potential environmental and broader sustainability impacts. In FY24, we undertook a program of work to explore what 'Responsible Space' means to Telstra and identify material sustainability issues.

We identified two priority areas for further review and analysis:

- impacts to our scope 3 emissions reduction target

- light pollution impacting both First Nations peoples' cultural connection to sky and the scientific community.

As part of our reporting of scope 3 emissions we calculate the emissions associated with the use of our products. This includes estimating the lifetime electricity consumption of the product in the customer's home. LEO satellite broadband requires both a modem and satellite receiver. These satellite receivers can be up to four times as energy intensive as our Telstra Smart Modem 3. In addition, there are emissions associated with the manufacture, logistics, launch and ongoing operation of LEO satellites. To calculate these emissions, we use industry standard emissions factors. In FY24, we worked with an independent subject matter expert to better understand the emissions of our LEO satellite services.

> For information on our scope 3 emissions reduction target, see the 'Acting on climate and nature' section in our **2024 Annual Report** and **2024 Data Pack** available on our reports page.

Many First Nations communities have a deep-rooted connection to dark skies with the celestial positioning and space between stars holding spiritual, agricultural and navigational significance.

Scientific observation of the night sky is also undertaken across the full range of the electromagnetic spectrum, often using large aperture arrays and long exposure times.

Due to their lower orbit, LEO satellites operate in constellations of hundreds or thousands of units. Increasing the number and density of objects orbiting the Earth has the potential to impact terrestrial observations of the night sky. In addition, the frequency and bandwidth LEO satellites use to transmit data has the potential to interfere with scientific instruments like radio telescopes.

We will work to better understand and advocate for positive outcomes and promote sustainable and responsible growth in this developing technology.

Environmental compliance

Protecting the environment remains a key priority and we have set minimum performance standards for managing current and emerging environmental issues. Our Health, Safety, Wellbeing and Environment (HSWE) management system is certified to the International Standard ISO14001:2015 and applies to Telstra's global operations.

We continue to review and improve our environmental management system in response to current and emerging environmental requirements, changing legislation and increasing shareholder, customer and community expectations. In FY24, we continued to undertake work to uplift our environmental compliance program including updating our environment compliance standards.

As a minimum standard, Telstra seeks to comply with all operationally relevant and applicable environmental laws. We have not been prosecuted for, or convicted of, any significant breaches of environmental regulation in FY24.

We advocate on climate and nature matters directly and indirectly with government and industry. This includes through bilateral engagement with regulators, submitting responses on policy development in industry consultation, contributing to the policy work of industry groups aligned with our goals and by responding to regulatory initiatives, business developments and market practices.

> For more information on our approach to advocating on environment and climate policy, and our principles for engaging with government and industry associations on those views, see our **Environmental Advocacy** document available on our reports page.

Intercity fibre network

Additionally, as part of Telstra's approach to our telecommunications and infrastructure construction projects, such as the $1.6 billion investment into building the intercity fibre network, we are focused on:

- robust and efficient building techniques that minimise environmental disturbance

- durability and energy efficiencies in our assets (such as high thermal performance and airtightness reducing energy costs, and stronger, more disaster-resistant structures that are ideal for protecting sensitive customer and telecom equipment)

- reducing our carbon footprint and increasing the sustainability of the fibre optic cable we deploy (such as deploying smaller cables requiring less plastic or increasing cable lengths on drums to reduce truck rolls and associated emissions).

Key components of our construction activity include:

- planning and design:
  - evaluation of sites for suitability, considering factors like soil type, climate and accessibility
  - incorporating these factors into overall designs to assess compatibility with telecommunications and infrastructure requirements

- materials selection: including enhanced equipment and cable design to suit project needs

- flora, fauna and cultural heritage: conducting environmental and cultural heritage surveys to identify areas or species of significance and employing monitors to protect and preserve identified sites during construction where required

- enhanced construction methods: leveraging a dual-plough construction method (laying two cables simultaneously into one trench) that minimises the number of heavy machines required — reducing ground disturbance and associated impacts to native flora and fauna

- quality control and testing: regular inspection of construction to ensure compliance with design specification and standards or to verify structural integrity and performance.