# BIGGER PICTURE 2012

# OUR ENVIRONMENT

## REDUCING OUR ENVIRONMENTAL IMPACT

SUSTAINABILITY
REPORT 2012

IT'S HOW
WE CONNECT

# SUSTAINABILITY AT TELSTRA

BIGGER PICTURE 2012

TELSTRA IS AUSTRALIA'S LEADING TELECOMMUNICATIONS AND INFORMATION SERVICES COMPANY. WE OFFER A FULL RANGE OF SERVICES AND COMPETE IN ALL TELECOMMUNICATIONS MARKETS THROUGHOUT AUSTRALIA, PROVIDING 13.8 MILLION MOBILE SERVICES AND SERVING 2.6 MILLION RETAIL FIXED BROADBAND CUSTOMERS. TELSTRA'S INTERNATIONAL BUSINESSES INCLUDE TELSTRA INTERNATIONAL GROUP, THE HONG KONG MOBILE SERVICES BUSINESS CSL, AND A NUMBER OF DIGITAL BUSINESSES IN CHINA.

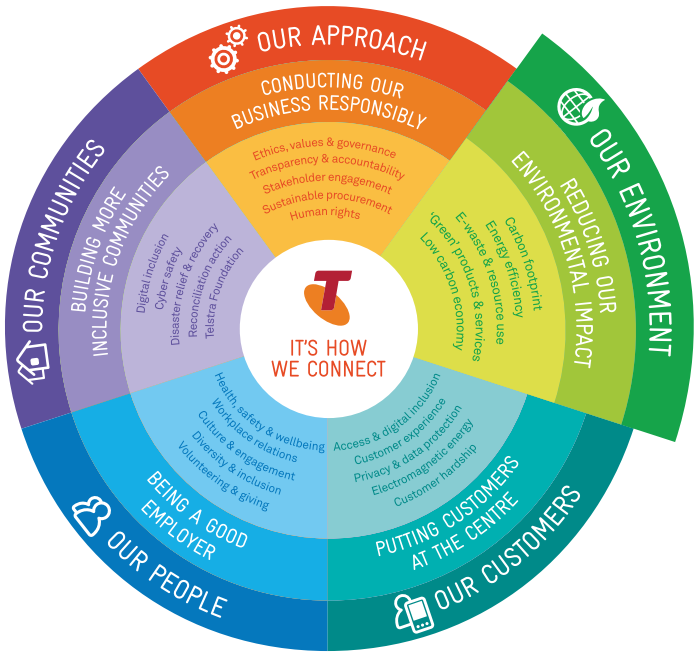
## CONTENTS



## ABOUT OUR SUSTAINABILITY REPORTING

Through our reporting we aim to provide relevant information about our social and environmental approach and performance, for all of Telstra's stakeholders. Our Annual Review is a concise summary of Telstra's financial and business performance, as well as the material sustainability issues impacting the company.

The Bigger Picture sustainability reporting series and our website provide further sustainability information, including additional performance data. A glossary of terms, including calculation methods, can be found on our website.
www.telstra.com.au/sustainability




## SCOPE

Our environmental reporting covers the 2011/12 financial year for Telstra Corporation Limited and Sensis, a wholly owned Australian entity, unless otherwise stated. This excludes the following operations that comprised the wider Telstra Group in the reporting period: Telstra International, our controlled entities CSL, China digital businesses, REACH and TelstraClear, and our 50 per cent ownership of Foxtel. This aligns with our compliance reporting under the Australian Government's National Greenhouse and Energy Reporting Act 2007.

# 2011/12
# PERFORMANCE SNAPSHOT

EMITTED

**1,676,925** TONNES OF CARBON DIOXIDE

EMISSIONS EQUIVALENT ($TCO_2E$), ↑UP 1%

ACHIEVED A

**98%**

NATIONAL TELEPHONE DIRECTORY

**RECYCLE & REUSE RATE**

EXCEEDING OUR 96% TARGET

**REDUCED CARBON EMISSIONS INTENSITY BY 36%**

**6,092,985** GIGAJOULES (GJ) OF ENERGY USED

↑UP 2%

**99%**

OF OUR OWN E-WASTE **RECYCLED OR REUSED**

APPROXIMATELY

RECYCLED

**14.3**

TONNES OF

**MOBILE PHONE COMPONENTS**

THROUGH MOBILE MUSTER

# CONTEXT

BIGGER PICTURE 2012

WE ARE FACING A RESOURCE-CONSTRAINED FUTURE, INCREASING ENVIRONMENTAL AWARENESS, CHANGING GOVERNMENT LEGISLATION AND DEMAND FOR ENVIRONMENTALLY FRIENDLY PRODUCTS AND SERVICES.

Telstra's most material environmental impact is associated with the energy used in our network. Telecommunications networks require significant amounts of energy to power the equipment and keep it at optimum operating temperature. In 2011/12, network energy use represented approximately 85 per cent of our total energy consumption and carbon emissions footprint. As digital applications become increasingly data intensive, our challenge is to improve energy efficiency and minimise carbon emissions intensity, while enabling the expansion of our networks to achieve business growth, meet data demands and continue to deliver fast and reliable services.

Telstra's Environment Policy defines our commitment to minimising and managing the environmental impact of our operations and offerings. It supports a precautionary approach to environmental challenges.

Our environmental management practices are aligned to the ISO14001 framework and the environmental management system for our Network Construction business unit is certified to ISO AS/NZ 140001:2004. Telstra complies with the relevant environment regulation in Australia and overseas. In 2011/12 we were not fined, prosecuted for or convicted of any significant breaches of environmental regulation.

This year, we developed an Environment White Paper to provide strategic direction for our environmental activities for the next three to five years. The paper identifies short, medium and long term environmental risks and opportunities for our business. Next year, we will use the insight provided by this paper to develop a whole of company environment strategy.

You can view Telstra's Environment policy at www.telstra.com.au/sustainability

# INDUSTRY STANDARDS AND STAKEHOLDER ENGAGEMENT

BIGGER PICTURE 2012

**Engaging our stakeholders and contributing to the development of industry standards is an important value creating activity for Telstra.**
Our 2011/12 stakeholder engagement activities are set out below.

| | |
|---|---|
| CARBON EMISSIONS REPORTING FRAMEWORKS FOR ICT | We helped develop information and communications technology (ICT) industry-specific carbon emissions reporting frameworks, including ICT Sector Supplements for the World Business Council for Sustainable Development / World Resources Institute Greenhouse Gas Protocol and the Carbon Disclosure Project. These frameworks aim to improve measurement and reporting of the ICT sector's carbon impact. |
| ECOCHAMPIONS NETWORK | EcoChampions is a collective of 700+ Telstra employees from Australia and overseas. Members receive regular newsletters, information about upcoming events and invitations to environment discussion forums. Employees can learn about environmental programmes and initiatives that are taking place within Telstra and with partner organisations. In 2011/12, forums covered energy and greenhouse management in Telstra's network, lessons learned from developing a 'green' phone, carbon offsets and using ICT to decrease greenhouse gas emissions. |
| ZOOX AMBASSADOR PROGRAMME | ZooX Ambassador programme is an initiative of the Great Barrier Reef Foundation which takes business people on a field trip to Heron Island in Queensland to learn more about the impacts of climate change on the Great Barrier Reef. Five Telstra employees participated in the programme in 2011/12. After their field trip, they worked in teams to develop a workplace sustainability project aimed at decreasing energy consumption and carbon emissions. One of the projects initiated this year is investigating the energy savings benefits from using a virtual desktop (e.g. a tablet linked to cloud infrastructure). |
| ICT QUALIFICATION | In 2011/12, more than 300 Telstra Operations engineers and technicians completed a nationwide pilot qualification programme developed with TAFE NSW, a leading vocational education and training provider in Australia. Over 90 per cent of participants successfully completed the pilot programme, receiving a Diploma or Advanced Diploma of Telecommunications Network Engineering. As part of the course, participants were required to complete an environmental project focussed on increasing energy efficiency and reducing carbon emissions in the workplace. More than 100 employees are enrolled for 2012/13. |
| ENVIRONMENTAL INDUCTION TRAINING | This year, we launched an improved online environmental induction training course, which is mandatory for all new employees. More than 6,800 employees completed environment induction training in 2011/12. |
| ENERGY MATTERS COMMUNITY OF PRACTICE | Our monthly Energy Matters Community of Practice forum provides an opportunity for employees in the Network, IT, Cloud and Media groups within Telstra Operations to share and develop ideas to improve Telstra's energy and carbon performance. Telstra and academic experts, as well as vendors and key customers, provide input to the forum. In 2011/12, forums covered decommissioning, lessons from the world's 'greenest' companies, and how to build a 'greener' internet. |

# ENERGY USE AND CARBON EMISSIONS

BIGGER PICTURE 2012

WE RECOGNISE CLIMATE CHANGE AS A RISK. WE ARE COMMITTED TO REDUCING OUR OWN FOOTPRINT AND HELPING OUR CUSTOMERS REDUCE THEIR IMPACT.

## APPROACH

Telstra's carbon emissions intensity strategy involves:

- establishing processes in energy and carbon emissions monitoring, analysis and reporting
- designing, constructing and operating our networks and buildings to maximise energy efficiency
- working with research and industry partners to investigate and adopt innovative solutions and renewable energy technologies
- working with our suppliers to design and deploy technologies that optimise energy consumption
- implementing carbon reduction initiatives for our fleet
- engaging our employees from across our business in our initiatives.

The impact of climate change also influences our infrastructure design and planning processes. When extreme weather events occur, maintaining continuity of service and reconnecting services as quickly as possible is critical for our business.

Our carbon emissions approach and performance is reviewed regularly by the Board's Audit Committee. In December 2011, Telstra's carbon emissions intensity strategy for the next five years was presented to the Board. This included a review of strategies and performance to date, key infrastructure investments and a plan to integrate carbon emissions into business strategy. The Board committed to the proposed programme, which involves a capital investment of $41.3 million to make our facilities more energy and carbon efficient. Investment is targeted at initiatives that will deliver positive net present value outcomes and financial return within a period of four years or less.

This year, we also developed our first Green ICT Management Plan for one of our largest enterprise customers. The plan describes how we will identify, manage, monitor and minimise the environmental impacts of our services. The plan follows a life-cycle approach to environmental management and outlines specific actions from service design through to procurement, construction, operation, and end-of-life management.

## PROGRESS

### Our footprint

Total energy consumption (stationary and transport) and total carbon emissions (Scope 1, 2 and 3) increased by 2.4 and 1.0 per cent respectively, since 2010/11. Increasing data loads carried over our network primarily drove this growth, with data load increasing by 57.6 per cent in the past 12 months. We expect data growth to continue as digital applications become more data intensive and consumer demand continues to grow.

Since 2009/10, energy consumption and carbon emissions have remained relatively stable, despite this continued growth in data load. This is the result of better utilisation of infrastructure and the energy and carbon efficiency measures we have implemented, particularly over the past year.

Last year, we established a carbon emissions intensity measure – tonnes of carbon dioxide equivalent per terabyte ($tCO_2e$/TB) – to track the carbon emissions efficiency of our business. We set a target for a 15 per cent reduction in emissions intensity in 2011/12.

# ENERGY USE AND CARBON EMISSIONS

BIGGER PICTURE 2012

We surpassed this, reducing carbon emissions intensity by 36 per cent. We expect continued improvements in our carbon emissions efficiency due to better utilisation of network equipment and a continued dedicated investment in energy and carbon efficiency projects. We have set a further target for a 15 per cent reduction in emissions intensity in 2012/13 relative to 2011/12.

### Reduction initiatives

In 2011/12, the first year of our five year energy and carbon emissions intensity reduction strategy, we implemented a nine million dollar programme of initiatives. These included the installation of fresh air cooling systems in mobile sites, new economy cycle systems, lighting control systems, air-conditioning control system upgrades and retrofitting high efficiency fans into computer room air handling units. As a result of this year's initiatives, we estimate that we will avoid 25,272 tonnes of carbon dioxide equivalent ($tCO_2e$) being emitted annually.

Next year, we have committed $14 million to improve the energy efficiency and carbon intensity of network facilities.

### Energy and carbon emissions legislation

On 1 July 2012, a price on carbon was introduced in Australia as part of the Clean Energy Legislation. We assessed the impacts of the Clean Energy Legislation and long-term electricity and carbon price to Telstra. The review considered the legal, regulatory, direct and indirect cost impacts in the short, medium and long term. As a result of this review, we have identified a number of opportunities to incorporate energy and carbon pricing impacts into corporate planning, budgetary cycles, procurement guidelines, business engagement and training.

This year, we also successfully completed the first five year cycle of the Australian Government's Energy Efficiency Opportunities (EEO) programme. As part of this programme we have assessed, identified and publicly reported on cost-effective energy efficiency opportunities for 89 per cent of our energy use (above the legislated 80 per cent).

| PLANNED ACTION | STATUS |
|---|---|
| Review current strategies and develop an integrated whole-of-company carbon emissions and energy management strategy. | ✓ |

ACHIEVED ✓ | PARTIALLY ACHIEVED ⊖ | NOT ACHIEVED ⊗

## PERFORMANCE

### Carbon emissions

*Year ended 30 June*

| | 2011/12[1] | 2010/11 | 2009/10 | % CHANGE 2010/11–2011/12 |
|---|---|---|---|---|
| Scope 1 emissions[2] *$tCO_2e$* | 53,587 | 55,083 | 57,243 | -2.7% |
| Scope 2 emissions[3] *$tCO_2e$* | **1,374,617** | 1,359,076 | 1,382,642 | 1.1% |
| Scope 3 emissions[4] *$tCO_2e$* | **248,720** | 245,554 | 247,892 | 1.3% |
| Total emissions (Scope 1, 2 &3) *$tCO_2e$* | **1,676,925** | 1,659,714 | 1,687,777 | 1.0% |
| Terabytes[5] *TB* | **1,353,678** | 858,700 | - | 57.6% |
| Emissions intensity[5] *$tCO_2e/TB$* | **1.24** | 1.93 | - | -35.8% |
| Network related emissions[5,6] *Percentage of total emissions* | **85%** | 86% | - | -1% |
| Annualised emissions savings resulting from project initiatives in FY *$tCO_2e/yr$* | **25,272** | 24,436 | 10,323 | 3.4% |

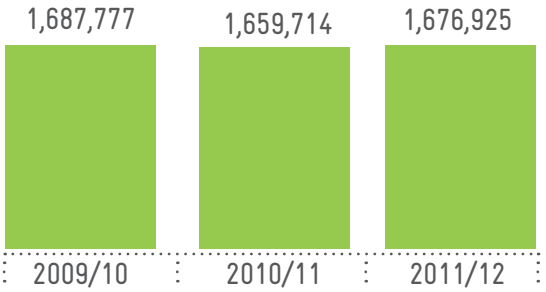
**Notes:**
**1.** Reported amounts based on information available as at June 30, 2012. Sum of 'Scope 1, 2 and 3' differs to 'total emissions' due to rounding. **2.** Emission sources include: transport fuels, stationary energy use and natural gas consumption. **3.** Emissions from electricity consumption. Electricity consumption as part of our unmetered hybrid fibre coaxial (HFC) network includes Foxtel infrastructure. **4.** Emission sources include: electricity transmission losses, fuel extraction and refining, air travel and waste disposal. **5.** Publicly reported from 2010/11. **6.** Network category includes all network-related sites including unmetered sites and data centres.

# ENERGY USE AND CARBON EMISSIONS

BIGGER PICTURE 2012

## Total carbon emissions

$tCO_2e$
*Year ended 30 June*




↑1%
% CHANGE 2010/11 -2011/12

## Carbon emissions by source

$tCO_2e$
*Year ended 30 June*

| | 2011/12 | 2010/11 | % CHANGE 2010/11–2011/12 |
|---|---|---|---|
| **STATIONARY ENERGY** | | | |
| > Electricity[1] | **1,589,353** | 1,568,262 | 1.3% |
| > Natural gas | **1,360** | 993 | 36.9% |
| > Diesel | **2,397** | 3,359 | -28.6% |
| > LPG | **53** | 48 | 10.8% |
| > Ethanol | **<1** | <1 | - |
| > Petrol | **257** | 274 | -6.2% |
| **TRANSPORT FUELS** | | | |
| > Diesel | **41,321** | 40,561 | 1.9% |
| > Petrol | **3,262** | 3,595 | -9.3% |
| > LPG | **9,179** | 10,863 | -15.5% |
| > Ethanol | **<1** | <1 | - |
| > Waste[2] | **6,063** | 12,059 | -49.7% |
| > Air travel[3] | **23,679** | 19,996 | 18.4% |

**Notes:**
**1.** Electricity consumption as part of our unmetered HFC network includes Foxtel infrastructure. **2.** Significant decrease in waste emissions this year is attributed to new weighing and calculation methodology. **3.** Total kilometres travelled: 75,632,515 km (2011/12); 63,973,099 km (2010/11).

# ENERGY USE AND CARBON EMISSIONS

BIGGER PICTURE 2012

## Energy consumption by source

Gigajoules (GJ)
*Year ended 30 June*

| | 2011/12 | 2010/11 | 2009/10 | % CHANGE 2010/11 2011/12 |
|---|---|---|---|---|
| TOTAL ENERGY USE[1] (stationary + transport) | **6,092,985** | 5,952,433 | 6,100,432 | 2.4% |
| STATIONARY ENERGY (TOTAL) | **5,356,527** | 5,199,629 | 5,302,074 | 3.0% |
| > Electricity[2] | **5,271,097** | 5,106,780 | 5,220,310 | 3.2% |
| > Solar energy (generated by Telstra)[3] | **26,255** | 26,301 | 21,453 | -0.2% |
| > Natural gas | **22,759** | 17,128 | 19,245 | 32.9% |
| > Diesel | **32,044** | 44,902 | 36,263 | -28.6% |
| > LPG | **819** | 732 | 374 | 11.9% |
| > Petrol | **3,551** | 3,784 | 4,429 | -6.2% |
| > Ethanol | **2** | 2 | 0 | - |
| TRANSPORT FUELS (TOTAL)[4] | **736,457** | 752,804 | 798,358 | -2.2% |
| > Diesel | **550,132** | 536,547 | 504,111 | 2.5% |
| > Petrol | **45,024** | 49,127 | 126,094 | -8.4% |
| > Ethanol | **520** | 526 | 5,940 | -1.2% |
| > LPG | **140,781** | 166,604 | 162,213 | -15.5% |
| Annualised network energy savings resulting from project initiatives in FY | **81,207** | 76,064 | 28,549 | 6.8% |
| Annualised commercial energy savings resulting from project initiatives in FY | **110** | 15,930 | 4,492 | -99.3% |

**Notes:**
**1.** Sum of 'stationary' and 'transport' differ to 'total energy use' due to rounding. **2.** Electricity consumption as part of our unmetered HFC network includes Foxtel infrastructure. **3.** Telstra has approximately 13,900 sites with solar panels installed, providing power to telecommunications equipment in rural and remote locations where the power grid does not reach. **4.** Decrease in transport fuels is attributed to reductions in number of vehicles in the Telstra fleet and initiatives to reduce fuel consumption such as lighter vehicle bodies, replacement of large passenger vehicles with smaller ones and fuel switching to diesel.

# ENERGY USE AND CARBON EMISSIONS

BIGGER PICTURE 2012

### Stationary and transport energy by source

Percentage
*Year ended 30 June*

| | 2011/12 | 2010/11 | 2009/10 |
|---|---|---|---|
| STATIONARY ENERGY (TOTAL) | **87.9** | 87.4 | 86.9 |
| > Electricity | **86.5** | 85.8 | 85.6 |
| > Solar energy (generated by Telstra) | **0.4** | 0.4 | 0.4 |
| > Stationary fuel[1] | **1.0** | 1.1 | - |
| TRANSPORT FUEL (TOTAL) | **12.1** | 12.6 | 13.1 |

**Notes:**
**1.** Stationary fuel includes diesel, petrol, liquefied petroleum gas (LPG), and petrol and ethanol used for back-up power supply (e.g. generators), grounds maintenance, water pumping and civil and construction activities.

## NEXT STEPS – 2012/13

- Implement the second year of our energy and carbon emissions intensity reduction strategy through a $14 million programme of works.
- Achieve a 15 per cent reduction in carbon emissions intensity from 2011/12.

### Telstra gets Qantas pilots off the ground with Apple iPads®

Telstra is helping our customers reduce their environmental impacts and improve their productivity through the use of new communications technologies. In a partnership with Qantas, Telstra will be providing pilots with Apple iPads® for use on the flight deck. Beginning with Qantas' Boeing 737 fleet, pilots will be able to access a wide range of operational information via iPads® rather than using bulky paper documents. Qantas currently prints 18,000 pages of paper for flight operations every day. The full introduction of iPads® will see this reduced to just 3,000 pages. By the end of 2012, more than 2,000 64GB iPads® will be distributed to all domestic and international Qantas pilots on all fleet types.

Source: Qantas

# WASTE AND RESOURCE USE

BIGGER PICTURE 2012

## WE ACTIVELY IDENTIFY OPPORTUNITIES AND TAKE ACTION TO MINIMISE THE ENVIRONMENTAL IMPACTS OF OUR OPERATIONS, PRODUCTS AND SERVICES.

## APPROACH

Telstra has a waste management system which aims to maximise reuse and recycling to minimise the impacts associated with resource use and disposal. We support product stewardship of mobile phones through MobileMuster and have been a signatory to the Australian Packaging Covenant since 2001.

## PROGRESS

### Sensis directories – Yellow and White Pages

To help reduce the environmental impacts of our directories, the Yellow Pages and White Pages (print and online) have received carbon neutral certification through Low Carbon Australia since February 2010.

We have also started to use biodegradable bags for the distribution of directories in place of plastic bags, and have been increasing the percentage of directory paper (excluding coverboard) that is Forest Stewardship Council (FSC) certified. FSC certification offers a guarantee that paper comes from responsible sources that support the conservation of forests and wildlife, and help local communities. For 2012/13, we have made it a requirement in our supplier contracts for 100 per cent of directory paper to be FSC certified. In addition, we will be transitioning to FSC certified stock for our coverboard.

We continue to promote household recycling by providing information on recycling options and the associated environmental benefits. Our objective is to maintain a 96 per cent national recycling and reuse rate. We engage external consultants to undertake market research on directory recycling rates annually. For 2011/12, market research indicates that the national recycling rate was 98 per cent (76 per cent recycled, 22 per cent reused, 2 per cent waste to landfill). While the overall recycling rate has not changed since 2009/10, there has been a marked increase in reuse and a decrease in recycling.

### E-waste

E-waste is a fast growing waste type in Australia and overseas. We define e-waste as any type of electronic components, rental telephones, payphone parts, batteries, telephone power supplies and other miscellaneous electronic items. In 2011/12, we reused or sent to recycling facilities approximately 99 per cent of our own e-waste, which is predominantly end-of-life network equipment and batteries.

We are also working to help our customers more effectively deal with e-waste. To celebrate World Environment Day in June 2012, we ran an employee and customer e-waste campaign to raise awareness of this significant environmental issue. The campaign achieved the collection of 1.3 tonnes of mobile phone components.

Throughout 2011/12 we collected 14.3 tonnes of mobile phone components from Telstra retail stores, offices and repair centres through the MobileMuster programme.
This is a 17.5 per cent decrease from 2010/11, which we attribute to consumers recycling directly with MobileMuster and a decrease in the average weight of components that are being recycled. Our target for next year is to collect 14.3 tonnes.

### Waste and water management

This year, we formalised Telstra's waste management strategy. The key objectives of this strategy are to reduce the total waste generated in our operations by increasing non-landfill disposal options and implement best-in-class waste management services.

The decrease in the reported total waste and waste by disposal types this year is attributable to continual improvements in the accuracy of our waste data capture and reporting, and changes in calculation methodology.

This year, we also formalised Telstra's national water management strategy. The key objective of this strategy is to reduce water consumption in Telstra's commercial and network properties through capital investment, employee engagement and a review of performance management processes.

As a large Australian company, we have a responsibility to use water sensibly. In 2011/12, we used 886 mega-litres of water, equivalent to 354 Olympic-sized swimming pools. This is an eight per cent increase on the previous year, mainly due to increases in data load in the network and associated use of air-conditioning (the majority of water consumption is in cooling towers).

| PLANNED ACTION | STATUS |
|---|---|
| Finalise company waste and water management strategies. | ✓ |

ACHIEVED ✓ | PARTIALLY ACHIEVED ⊖ | NOT ACHIEVED ⊗

# WASTE AND RESOURCE USE

BIGGER PICTURE 2012

## PERFORMANCE

### Directory paper use

Tonnes

*Year ended 30 June*

| | 2011/12 | 2010/11 | 2009/10 | % CHANGE 2010/11–2011/12 |
|---|---|---|---|---|
| Yellow Pages and White Pages | **27,231** | 27, 479 | 47,656 | -1% |
| Yellow Pages In The Car (regional) | **1,810** | 942 | - | 92% |

### Directory paper and printer details

*Year ended 30 June*

| PRODUCT | PAPER PROPERTIES | PRINT SUPPLIERS | PAPER SUPPLIERS |
|---|---|---|---|
| YELLOW PAGES AND WHITE PAGES | Paper - 36GSM, >15% Recycled Fibre content<br>Coverboard – 260GSM, 30% Recycled Fibre content | PMP Print | Nippon Paper industries, Holmen Paper, UPM, Amcor, BURGO |
| YELLOW PAGES IN THE CAR (REGIONAL) | Paper - 100% Recycled Fibre Content<br>Coverboard – 240GSM to 260GSM, 100% Recycled Fibre Content | Australia - PMP Print, Offset Alpine<br>International - Toppan Leefung, Times Printers, RRD | Sourced by the printer |

### National directory recycling and reuse rate

Percentage of print directories recycled or reused by customers

*Year ended 30 June*

| 2011/12 | 2010/11 | 2009/10 |
|---|---|---|
| **98 (76% recycled; 22% reused** | 98 (83% recycled; 15% reused) | 98 (85% recycled; 13% reused) |

**Notes:**

Determined through independent market research of households across Australia. 2009/10 and 2009/10 figures are based on distribution year (1 August - 31 July) survey results, 2011/12 figure is based on financial year (1 July – 30 June) survey results.

### Directory opt out

Total number of opt-out customers

*As at 30 June*

| 2011/12 | 2010/11 |
|---|---|
| **35,078** | 26,258 |

**Notes:**

Total number of customers who have chosen not to receive a print directory through the Directory Select Opt Out website www.directoryselect.com.au

# WASTE AND RESOURCE USE

BIGGER PICTURE 2012

## Office, billing and printing paper

Tonnes
*Year ended 30 June*

| | 2011/12 | 2010/11 | 2009/10 | % CHANGE 2010/11–2011/12 |
|---|---|---|---|---|
| TOTAL[1] | **4.244** | 4,272 | 5,077 | -0.7% |
| > Office paper[2] | **349** | 304 | 510 | 14.7% |
| > Printing paper[3] | **1,905** | 1,786 | 2,399 | 6.6% |
| > Billing paper | **1,990** | 2,182 | 2,168 | -8.8% |

**Notes:**
**1.** Overall decrease of 16 per cent from 2009/10 can be attributed to increasing online and digital advertising media, customers opting for paperless billing and direct debit. **2.** Office paper consumption is a measure of paper purchased. **3.** 2011/12 figure includes Telstra Smarter Business Ideas magazine, previously not captured.

## Waste and recycling

Tonnes
*Year ended 30 June*

| | 2011/12 | 2010/11 | 2009/10 | % CHANGE 2010/11–2011/12 |
|---|---|---|---|---|
| TOTAL | **14,883** | 21,366 | 22,381 | -30.3% |
| > Waste to landfill[1] | **5,512** | 10,963 | 10,453 | -49.7% |
| > Waste recycled[2] | **9,371** | 9,597 | 11,928 | -2.4% |
| TYPES OF WASTE DISPOSAL | | | | |
| > Organic waste collected[3] | **142** | - | - | - |
| > Hazardous waste[3] | **29** | - | - | - |
| > E-waste[4] | **1,271** | 806 | - | 57.7% |
| E-WASTE BY DISPOSAL TYPE | | | | |
| > E-waste recycled[3] | **1,255** | - | - | - |
| > E-waste to landfill[3] | **16** | - | - | - |
| MOBILE MUSTER CONTRIBUTION | **14.3** | 17.3 | 18.9 | -17.5% |

**Notes:**
**1.** Factors contributing to decreases this year include improved weighing methods at collection and re-classifying water removed from pits as waste recycled, this was previously captured here as waste to landfill. **2.** 2011/12 figure includes waste water. **3.** 2011/12 first year for reporting as a separate category. **4.** 2010/11 first year for reporting as a separate category. Significant increase in 2011/12 due to greater accounting of scrap cable from project works which had previously only been partially been captured.

# WASTE AND RESOURCE USE

BIGGER PICTURE 2012

**Total water use**
Kilolitres (kL)
*Year ended 30 June*

| 2011/12 | 2010/11 | 2009/10 | % CHANGE 2010/11–2011/12 |
|---|---|---|---|
| **886,176** | 819,869 | 848,703 | 8.1% |

## NEXT STEPS – 2012/13

› Increase the use of FSC certified paper to 100 per cent in Sensis print directories (excluding coverboard).

› Collect 14.3 tonnes of mobiles phones components from Telstra retail stores, offices and repair centres through the MobileMuster programme.

## REPORTING FRAMEWORKS

We develop our reporting with reference to industry and sustainability standards including the United Nations Global Compact Communication on Progress (UNGC CoP), Global Reporting Initiative (GRI) G3 Sustainability Reporting Guidelines and Telecommunications Sector Supplement (pilot), and the London Benchmarking Group Corporate Community Investment Guidelines. This year, we apply the GRI framework to a level B+. You can access our GRI Index, including how we meet our UNGC commitments at www.telstra.com.au/sustainability

## ASSURANCE

To provide confidence to our stakeholders in our reporting:

- We use the AA1000 Principles Standard 2008 to prepare our 2011/12 reporting and establish control processes and quality checks to manage the accuracy of information.
- Banarra provides moderate assurance, in accordance with the AA1000 Assurance Standard 2008, of the sustainability component of our 2012 Annual Review and of the Bigger Picture sustainability reporting series.
- Ernst & Young provides limited assurance, in accordance with the ISAE3000 standard, over environment data included in the 2012 Annual Review and Bigger Picture sustainability series.

You can access these assurance statements at www.telstra.com.au/sustainability

## VOLUNTARY SUSTAINABILITY INITIATIVES

Telstra participates in the following voluntary initiatives to guide, benchmark or measure our sustainability performance:

- Australian Packaging Covenant (since 2001)
- Carbon Disclosure Project (since 2003)
- Dow Jones Sustainability Index (since 2001)
- FTSE4Good Index (included since 2002)
- Global Reporting Initiative (framework applied since 2008)
- London Benchmarking Group (since 2007)
- United Nations Global Compact (since 2011)

## FEEDBACK

We welcome your feedback on our sustainability reporting. Please contact Natalie Falzon at sustainability@team.telstra.com