In focus

Sustainability at Telstra

The world is experiencing seismic environmental, geo-political and economic shifts. Increasingly, organisations are becoming more active and more aspirational in their efforts to meet the environmental and societal challenges of today, and of the coming decades.

For Telstra, doing business responsibly means doing the right thing — for our customers, our people and the communities we serve. We believe every company has a responsibility to operate sustainably and think deeply about the role it plays in society and how it can create a positive impact. For this reason 'doing business responsibly' is one of the key pillars of our T25 strategy, and the foundation for our sustainability 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. Technologies like machine learning, data and artificial intelligence,

IoT and high-speed networks can help address many of the challenges our world is facing — especially as they all work together to increase their impact.

Telstra is at the heart of this, providing the foundational connectivity and innovative solutions that enable us and our customers to actively contribute to addressing local and global challenges.

We are harnessing technology to create a better digital world and minimise our impact on the planet, as well as helping our customers and Australia to do the same. A healthier planet and more inclusive world are our two most ambitious goals and are grounded in our commitment to doing business responsibly.

Our sustainability strategy

Our purpose and values	**To build a connected future so everyone can thrive**		
	We are changemakers	We are better together	We care	We make it simple
Our commitment	Harnessing our technology to create a more sustainable and inclusive world		
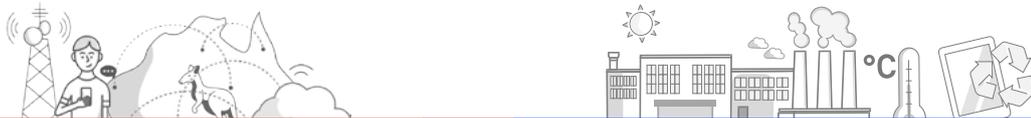
Sustainability pillars	🔶 Creating a better digital world	🔷 Sustaining our planet
	Connecting regional and remote communities	Taking bold climate action
	Building responsible tech skills	Protecting nature and biodiversity
	Advancing online safety, privacy and security	Progressing a circular economy
	Supporting 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

We manage sustainability at Telstra by:

- **Doing better as a business** — delivering on our commitment to do business responsibly and being transparent 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 are working to create a better digital world by leveraging our advanced network and technology capabilities to connect people and support them to access the skills and tools to get the most out of their tech and stay safe online.

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

- **Doing better by the environment** — we take bold 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 |

We are trialling new ways of embedding sustainability into our business, our decision making and our culture at Telstra. We know that building organisation resilience and capacity to respond to emerging challenges will position us well 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 lead to new customers and market opportunities. As a purpose led organisation, it will help us attract and keep the best talent, build our reputation and strengthen our stakeholder relationships.

Contributing to the United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) comprise of 17 goals and 169 targets aimed at addressing the world's most significant development challenges. Working with government and civil society, businesses have an important role to play in achieving these goals.

At Telstra, we see technology as an enabler of action on the SDGs. This is reflected in our purpose, our T25 strategy and the focus of our sustainability strategy. We periodically undertake an assessment to determine which SDGs best reflect our business context and strategy, our information communication technology (ICT) capabilities, as well as our key risks and impacts across our value chain. Our eight SDG priorities reflect the areas we believe Telstra is best placed to contribute to, given our role as a large employer and a leading telecommunications and technology provider.

Priority Sustainable Development Goals

5 GENDER EQUALITY

Achieve gender equality and empower all women and girls

We are committed to achieving gender equality at Telstra and have implemented a range of policies, programs and engagement initiatives to help us achieve this goal. These include a broad range of policies and initiatives aimed at recruiting and championing female talent. They cement our commitment to gender diversity and equity within our business. These measures aim to create a fair and inclusive work environment that enables all employees, regardless of gender, to thrive and advance in their careers at Telstra.

8 DECENT WORK AND ECONOMIC GROWTH
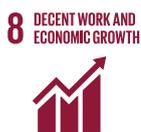
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

We are committed to creating opportunities for meaningful and productive work. This commitment extends across our value chain and into developing the skills we will require in the future. Our approach is values-led and focused on building a diverse and inclusive workforce that reflects our customers and the countries in which we operate. It is underpinned by our commitment to work to eradicate modern slavery and protect labour rights. It also includes supporting future generations of digital innovators and problem solvers to build STEAM (Science, Technology, Engineering, the Arts and Mathematics) capabilities.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

We believe the more connected people are, the more opportunities open to them. To ensure we can meet the rising demand for data and content, we are making significant investments in our network infrastructure, expanding regional coverage, improving network resilience, and introducing commercial 5G services. We are focused on minimising our environmental impacts. We also help our communities to build digital skills and capabilities through our Everyone Connected programs, empowering more people with the necessary skills to participate in the digital economy.

10 REDUCED INEQUALITIES

Reduce inequality within and among countries

Telstra contributes to reducing inequality through various initiatives and practices that promote inclusivity, accessibility, and equal opportunities. We are working towards making telecommunication services accessible to all people, including people facing financial hardship, living with disability or living in remote areas. We value a diverse and equitable workplace and have implemented programs and policies to promote equal opportunities. This includes equal opportunities for women and initiatives to hire and retain employees from diverse backgrounds, such as people who are culturally and linguistically diverse and people with disabilities. By fostering a diverse and inclusive work environment, we contribute to reducing inequality and promoting fairness in employment.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

As a leading provider and user of telecommunications hardware, we are committed to maximising the value of the resources we use, reducing consumption and waste across our business, and investing in 'circular solutions' that are designed to be sustainable across their lifecycle. Our resource efficiency targets commit us to promoting responsible consumption and production across our value chain.

13 CLIMATE ACTION

Take urgent action to combat climate change and its impacts

We believe businesses, and in particular technology companies, have a critical role to play in addressing climate change. We are committed to reducing emissions, mitigating our impact and meeting our climate change targets. Details on our targets can be found in our Sustainability Report available on our reports page. We are also committed to enabling our customers to manage their own environmental impacts using technology.

Priority Sustainable Development Goals (continued)

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

At Telstra, we are committed to acting responsibly and being transparent and accountable, wherever we operate. We know the long-term success of our company depends on maintaining the trust of our customers, community and partners through our value chain. Across our operations, we promote a fair and responsible culture through our Code of Conduct, governance policies, mandatory compliance training and by recognising employees who demonstrate our values. Our purpose, values and policy framework guide our people and partners to uphold our expectations to act fairly, inclusively, ethically and in accordance with the law.

17 PARTNERSHIPS FOR THE GOALS

Partnership for the goals

Telstra's commitment to doing business responsibly guides how we approach ethical partnerships with our people, customers, communities, suppliers and the Government. We report on the impacts and achievements created by our many partnerships through our comprehensive annual reporting suite. Our Sustainability Report aligns with the guidance provided by the Global Reporting Initiatives (GRI) Standards, the ten principles of the UNGC. It showcases our partnerships, investments, technology transfer, capacity-building programs, policy engagement activities and advocacy initiatives aimed at advancing our contributions to people and planet.

> For more information about how we are contributing to the SDGs through our work, please see the *Contributing to the Sustainable Development Goals: In focus* paper and 2023 Data Pack available on our reports page.

Governance and transparency

The Telstra Board is responsible for approving and overseeing our sustainability ambition, embedding it into decision making and approving the content of our annual reporting suite. The Board monitors the effectiveness of our sustainability strategy and has oversight of processes to manage and integrate sustainable development considerations into our operations. All Sustainability Report content is subject to a detailed internal review and approval process involving subject matter experts and relevant accountable executives. The Board reviews selected disclosures to satisfy itself that the Sustainability Report provides a balanced and accurate view of our sustainability performance and approves its publication.

Our executive due diligence and verification process for this Sustainability Report and its key disclosures are communicated to the Board and feedback is incorporated prior to its publication. The Board also provides input into our annual materiality assessment and receives an update on findings to validate the priority material sustainability topics.

The Audit and Risk Committee of the Board reviews our Human Rights and Modern Slavery Act Statement, our external environment targets and our disclosures in our Sustainability and Annual Reports that align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) framework. These disclosures are then recommended to the Board for approval.

We hold cross-functional forums, to embed responsible business practices across our business. These forums pursue companywide aspirations and headline metrics agreed by our CEO Leadership Team. They also oversee program delivery and monitor progress against related workstreams, which are managed at a functional level.

The targets outlined in our strategy are reflected in the Objectives and Key Results (OKRs) of the accountable executives in each functional area. The forums also play an important role in connecting key groups across the organisation by identifying and escalating issues, sharing knowledge and identifying opportunities for cross functional collaboration on key projects.

Materiality methodology

At Telstra, we regularly review our most significant sustainability impacts on the economy, the environment and society. We undertake our review in accordance with the guidance provided in the Global Reporting Initiative (GRI) Standards and apply the following methodology.

1. Understand our operating context	2. Identify actual and potential impacts	3. Assess significance of impacts	4. Identify priority impacts for reporting
Identify megatrends / industry trends with the potential to impact our business and stakeholders	Research the current use of sustainability indicators/disclosures in widely applied reporting standards, and lessons gainsed from their application in practice Research the material topics as indentified by peers, external experts and internal assessments	Survey key stakeholder groups (or using internal proxies) to determine priority impacts based on risk assessment Leverage ongoing multi-stakeholder consultation occurring within Telstra to determine priority impacts	Validate with senior leaders and undertake independent assurance

We apply a double materiality approach, considering materiality from both an impact materiality perspective, as well as a financial materiality perspective. This means assessing the two dimensions of materiality:

1. We assess impact materiality through our sustainability materiality assessment process where we identify the outward impacts that Telstra creates, or has the potential to create, on people, society and the environment. The output of our material impact assessment informs the content of our annual Sustainability Report and is a key consideration in how we continue to evolve our sustainability ambitions.

2. We assess financial risk materiality through our risk management process where we identify the inward impacts that generate or may generate risks or opportunities influencing Telstra's enterprise value. The output of our material risk assessment, including sustainability-related risks, is provided in the Material Risks and Understanding our Climate Risks sections of our Annual Report.

To capture sustainability impacts and risks from a double materiality perspective, our sustainability and risk teams collaborate closely. This approach ensures that we address topics that have the potential to impact both our business and stakeholders in the relevant reports.

For definitions of our material sustainability impacts, please see our Report Glossary available on our reports page.

Stakeholder engagement and partnerships

Our ability to deliver on our sustainability strategy is highly dependent on the strength of our stakeholder relationships and partnerships. Our stakeholders are any group or individual who influences or is impacted by our business and our constructive and transparent engagement with them is a foundation of our approach to sustainability.

We are committed to engaging with our stakeholders and deeply value the meaningful relationships we have created. Led by multiple specialised functions within Telstra, our teams regularly engage and partner with key stakeholder groups to ensure we understand their expectations and respond to their diverse interests and concerns. This helps us to keep abreast of emerging social and environmental issues, focus our advocacy on areas we have the most capability to influence, leverage stakeholder insights to

develop targeted products, services and programs that enhance the experience of our customers, and work together to solve the biggest issues facing our communities.

Our engagement takes many forms, including listening through regular face-to-face interactions and gathering insights and data through surveys and market research. We are active in industry groups, participate in and convene industry networks and forums and have teams across the company that manage relationships with specific stakeholder groups. We also seek the views of our stakeholders as a key input into our annual materiality assessment that guides the content of this report.

We aim to build stakeholder trust by being transparent, responsive and accountable. The following infographic summarises our approach to stakeholder engagement. For a detailed list of our stakeholders, information about how we engage with them and their key areas of interest, please see our Content Index available on our reports page.

Who and how we engage

Our engagement takes many forms, including listening through:
• face-to-face interactions
• surveys and market research
• industry groups, networks and forums: see above for a list of our affiliations
• stakeholder forums: see previous page for details on FY23 engagements.

Our stakeholders are any group or individual who influences or is impacted by our business, including:

Suppliers

Unions

Customers

Employees/ potential employees

Media

Government

Industry

Shareholders/ investment community

Regulators

Communities

Why we engage

Stakeholder feedback helps us stay abreast of evolving social and environmental issues, and to develop targeted products, services and programs to improve the experience of our customers and communities

To understand our stakeholders

Interests

Expectations

Concerns

Results of engagement

We continuously engage with stakeholders to understand their interests. This informs our material topics, strategic direction, business practices, governance approaches, programs, products and services

To inform

Material topics

Strategy and governance

Products and services

For more information about our performance, please see our latest Sustainability Report, data pack and additional downloads available on our reports page.