

# COMMUNITY IMPACT

KEEPING OUR  
COMMUNITIES CONNECTED



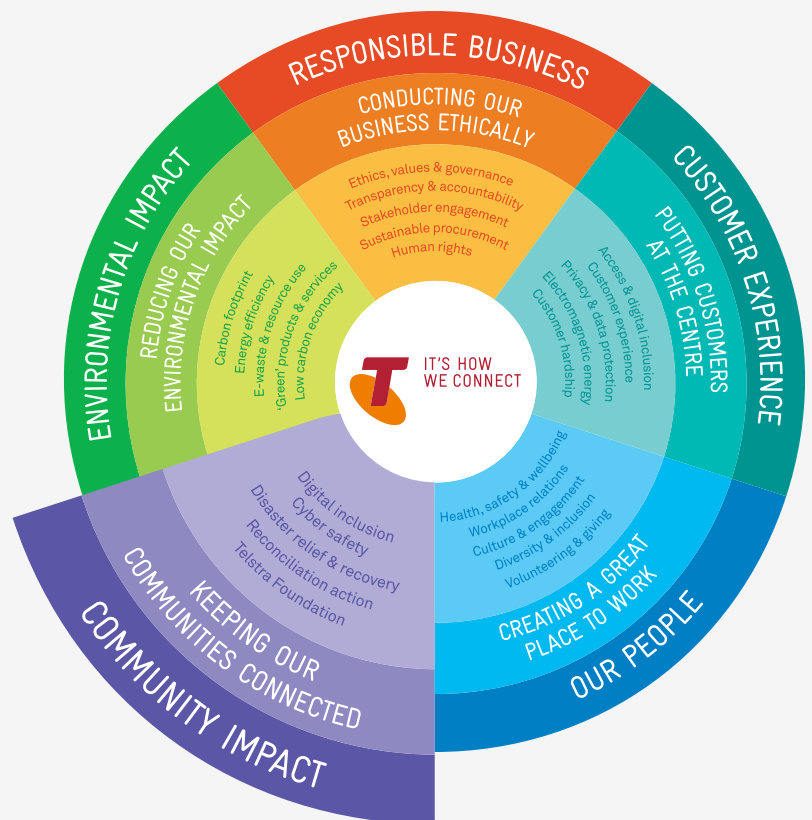
BIGGER PICTURE  
TELSTRA 2013 SUSTAINABILITY REPORTING SERIES

IT'S HOW  
WE CONNECT



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## OUR BUSINESS

Telstra is Australia's leading telecommunications and information services company, offering a full range of communications services and competing in all telecommunications markets. In Australia we provide 15.1 million mobile services, 7.8 million fixed voice services and 2.8 million retail fixed broadband services. Telstra's international businesses include Hong Kong's leading mobile operator CSL New World, Telstra Global's networks and managed services business and Telstra's China-based search and advertising businesses.

## ABOUT OUR SUSTAINABILITY REPORTING

Our sustainability reporting comprises the *Bigger Picture Telstra 2013 Sustainability Reporting Series*, our sustainability website and a concise summary of our approach and performance in our 2013 Annual Report. Through our reporting we aim to provide information on sustainability issues relevant to our business and of importance to our stakeholders.

We develop our sustainability reporting with reference to industry and sustainability standards including the United Nations Global Compact Communication on Progress, the Global Reporting Initiative (GRI) G3 Sustainability Reporting Guidelines and Telecommunications Sector Supplement (pilot) and AccountAbility's AA1000 Principles Standard 2008. This financial year we apply the GRI framework to application level B+.

For more information visit [www.telstra.com.au/sustainability](http://www.telstra.com.au/sustainability)

## SCOPE

Our sustainability reporting covers the 2012/13 financial year (1 July 2012 to 30 June 2013) for Telstra Corporation Limited and Sensis Pty Ltd (Telstra) unless otherwise stated. Aside from Sensis, all other controlled entities are excluded.

## FEEDBACK

We welcome your feedback on our sustainability reporting, approach and performance. Please email us at [sustainability@team.telstra.com](mailto:sustainability@team.telstra.com)

# COMMUNITY IMPACT HIGHLIGHTS

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TOTAL VALUE OF SOCIAL AND  
COMMUNITY CONTRIBUTIONS  
**\$231 MILLION**

PROVIDED DIGITAL  
LITERACY TRAINING FOR  
**59,000**  
PEOPLE

ACKNOWLEDGMENT OF  
TRADITIONAL OWNERS OF  
THE LAND INSTALLED IN  
EVERY TELSTRA STORE

**11,500**  
PARENTS AND  
HIGH SCHOOL  
STUDENTS AT  
OUR CYBER  
SAFETY  
SEMINARS

**\$842,000 – VALUE  
OF COMMUNITY  
VOLUNTEERING**

**70,000 FREE  
CALLS FROM  
PAYPHONES  
IN DISASTER  
AFFECTED AREAS**

**\$5.8 MILLION – INVESTED IN  
COMMUNITIES THROUGH  
THE TELSTRA FOUNDATION**

# COMMUNITY IMPACT CONTEXT

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We use our technology, expertise, scale and presence across the nation to make a positive contribution to the community.

New communications technologies have created a truly connected, networked world. They change the way people live, work, learn, play, relate, organise and participate in society. The internet provides access to news and information, entertainment, job opportunities and services, and connects people to friends and family.

Communication technologies enhance remote healthcare and education, are critical in times of disaster and are fundamental for full participation in economic and community life.

We understand that the wellbeing of our communities and the success of our business are interdependent.

As a company that connects with nearly every Australian in some way, and with more than 34,000 employees across the country, we have the opportunity to make a real difference in the communities in which we operate.

# COMMUNITY IMPACT EVERYONE CONNECTED



Around 1 million pensioners received a discount on fixed-line home phone services.

## APPROACH

There are huge social benefits for those who are connected, and we've seen the transformative effects telecommunications can have in sectors such as health, disability and education. But not everyone has the access or the skills to enjoy these benefits – there remains a digital divide.

At Telstra, 'digital inclusion' means ensuring all Australians can enjoy the everyday benefits of being connected to communications technologies – irrespective of age, income, ability, location or disadvantage. With our core telecommunications capabilities, assets, expertise and national presence, it makes good business sense for us to focus our social and community investment on getting *Everyone Connected*.

Our *Everyone Connected* strategy has four key objectives:

- **Access** – keeping people connected, especially when they're doing it tough
- **Capability** – helping people have the confidence and skills to enjoy the digital world
- **Safety** – helping people stay safe and responsible online
- **Innovation** – connecting technology with great ideas for social good.

Through our Everyone Connected programs, we focus our support on vulnerable customers, people with disability, senior Australians, Indigenous Australians and children and young people. We work in partnership with non-profit and government organisations, many of whom also provide valuable advice on our products and services.

We invest beyond our regulatory obligations to provide access for everyone, and regularly review our programs to identify groups most in need, changing technologies and consumer preferences.

## PROGRESS

### DISADVANTAGED AND HARDSHIP CUSTOMERS

In November 2012, we celebrated the tenth anniversary of our largest digital inclusion program, **Access for Everyone**, which assists people on a low income or facing financial hardship to stay connected.

Since 2002, we've provided benefits to the value of \$2.2 billion. We continue to work with more than 2,000 community organisations across Australia to deliver these programs.

The Low Income Measures Assessment Committee (LIMAC), which comprises senior national community and government representatives, governs

Access for Everyone. LIMAC annually assesses the effectiveness of Telstra's low-income programs and reports to the Minister for Broadband, Communications and the Digital Economy.

In 2012/13, the benefit provided by our low income programs was \$163.5 million. This included home phone line rental concessions for around 1.2 million low-income households, rebates on Telstra bills for around 2,500 financial hardship customers every month, and distribution of around 123,000 phone cards. This year, around 1 million pensioners received a discount on fixed-line home phone services, to the value of \$136.4 million.

In October 2012, we introduced a new targeted phone and broadband bundle plan specifically for people on a low income. We launched a new program providing \$1 million worth of pre-paid mobile phone recharge cards for homeless youth and victims of domestic violence to enable them to remain connected. This year we also revised our Financial Hardship Policy to cover events including sudden illness or loss of employment that may impact customers' ability to pay their bills.

To find out more about Access for Everyone visit [www.telstra.com.au/accessforeveryone](http://www.telstra.com.au/accessforeveryone)

# COMMUNITY IMPACT EVERYONE CONNECTED

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## CUSTOMERS WITH DISABILITY

**Our Disability Action Plan formalises Telstra's commitment to provide great service to customers with disability and address accessibility issues.**

The Plan's development and implementation involves extensive and ongoing consultation with peak disability groups via our Disability Forum.

This year, we completed the implementation of our fifth Disability Action Plan (2010-2012). The independent review, which was submitted to the Australian Human Rights Commission, found that of the 80 actions, 75 were completed or ongoing, three were in progress and two were not actioned due to changing business priorities. We're consulting on our sixth Disability Action Plan (2013-2016) and will release it in late 2013.

Our Disability Enquiry Hotline took around 30,000 calls and processed almost 7,000 successful applications for 7,800 products as part of our Disability Equipment Program. More than 146,000 calls were made to our Directory Assistance Helpline for customers who are not able to use our printed telephone directories.

In December 2012, we launched a partnership with Able Australia Services to help deafblind Australians better access technology. Communication difficulties associated with deafblindness can lead to social isolation, unemployment and the frustration of relying on support workers. The partnership will deliver digital literacy training and provide access to equipment such as tablets and Braille devices. A pilot has commenced in Victoria with a view to being implemented nationally in 2014.

In 2012/13, the Telecommunications Industry Ombudsman (TIO) received 98 customer complaints that included reference to disability access or equipment. The majority of complaints related to connection, fault resolution or eligibility for priority assistance; 13 were

about equipment; six about point of sale issues and two about the accessibility of information. We routinely analyse TIO complaint data in order to eliminate root causes. There was also one new complaint to the Australian Human Rights Commission, alleging disability discrimination, which was resolved during the year. Four complaints received in 2011-12 were resolved, one was closed by the Commission and none remain open.

More than 31,000 employees completed our mandatory disability awareness training this year.

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To find out more visit  
[www.telstra.com.au/disability](http://www.telstra.com.au/disability)

## RURAL AND REGIONAL COMMUNITIES

**We're committed to delivering leading telecommunications products and services to our customers in regional, rural and remote Australia.**

Faster, more reliable connections in rural and regional communities provide better access to education, health and business services, and can contribute to economic growth. Our commitments are set out in our Regional and Rural Presence Plan.

In 2012/13, we deployed new mobile base stations to expand and improve the depth of coverage of our mobile network. This network now has more than 7,700 sites, covering 99.3 per cent of the Australian population across a land area of more than 2.3 million square kilometres. We have also expanded our 4G network to cover 66 percent of the Australian population.

As part of the Regional Mobile Communications Project, we installed the 50<sup>th</sup> of 113 new mobile base stations to improve mobile phone coverage by 22 per cent across regional and remote Western Australia by 2015. The project will connect communities, provide better mobile and broadband coverage to locals and tourists, and enhance the delivery of emergency services.

We completed the roll out of the 'Top Hat' program which has made fast ADSL2+ broadband available to more than 200,000 homes and businesses that did not have access to this technology, including in regional centres. Around 1,850 Top Hats (boxes placed on top of our existing street-side cabinets) were installed, upgrading equipment that was not originally designed to deliver broadband access.

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To find out more about our Regional and Rural Presence Plan visit [www.telstra.com.au/abouttelstra/commitments/regional-rural-presence-plan](http://www.telstra.com.au/abouttelstra/commitments/regional-rural-presence-plan)



# COMMUNITY IMPACT EVERYONE CONNECTED

## INDIGENOUS AUSTRALIANS

Our Reconciliation Action Plan (RAP) defines our commitment to connect Indigenous customers and communities, in particular in remote Australia, to affordable, innovative and accessible products and services. As Australia's largest telecommunications company, we have a unique opportunity to make a real difference.

## CUSTOMERS CONNECTED

This year we announced a \$5.76 million joint investment with the Northern Territory (NT) Government, to deliver mobile coverage to eight remote communities and fixed broadband services to six remote communities in the NT by the end of 2013. This will reach more than 8,000 people.

We continued to promote the use of our dedicated hotline for Indigenous customers. Through the hotline we provide advice on appropriate, targeted and affordable Telstra products and services. This year, the hotline answered an average of 120 calls each month.

This year, Telstra became one of the first corporations in Australia to formally recognise the traditional owners of

land and country, by installing signs of acknowledgment in every branded Telstra store (365 stores) and business centre (88) across Australia.

## COMMUNITIES CONNECTED

This year, the Telstra Foundation partnered with the National Centre of Indigenous Excellence (NCIE) to explore digital inclusion opportunities for Aboriginal and Torres Strait Islanders – we're calling it the Indigenous Digital Excellence Agenda or the 'IDEA'. As part of our *Everyone Connected* strategy, and building on the Foundation's strong legacy of working with Indigenous partners, we launched a wide-reaching consultation initiative that engaged thinkers and leaders across Australia. This included research to explore Indigenous digital inclusion, consultations with Indigenous leaders across Australia, a seven week online conversation that engaged around 1,000 contributors, and the Indigenous Digital Excellence Summit, a two day event for young Indigenous leaders.

On 1 July 2013, we announced a new \$5 million, multi-year partnership with the NCIE to create an Indigenous Digital Excellence Hub that will develop platforms, apps, programs and events to

improve community wellbeing. The second *Everyone Connected* flagship for the Telstra Foundation, the partnership will support Indigenous people to take their next 'digital' step – whether it's enjoying the strength of online connections through purpose-built online networks and apps, learning digital literacy skills, running an online business or building leadership skills.

This year, we provided more than 20 Telstra Foundation *Everyone Connected* grants of \$10,000 to community organisations working on digital inclusion projects for Indigenous Australians. We renewed our partnership with One Laptop Per Child Australia (OLPCA) for another two years. We'll contribute an additional \$200,000 towards the deployment of 50,000 laptops to disadvantaged schools, including many with a large Indigenous student population. Since 2010, we've provided \$900,000 in seed funding to OLPCA.

As of 30 June 2013, we completed or are on track to complete 33 of the 49 actions (67 per cent) set out in our 2011-2014 Reconciliation Action Plan, exceeding our target of 60 per cent of actions completed.

To find out more about our Reconciliation Action Plan visit [www.telstra.com.au/rap](http://www.telstra.com.au/rap)



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# COMMUNITY IMPACT EVERYONE CONNECTED

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## SUPPORTING DIGITAL LITERACY

Being confident and literate with technology is an essential skill in the digital age.

This year, almost 59,000 people received our Everyone Connected digital literacy training through events, face-to-face sessions, and educational materials such as DVDs loaned through libraries across Australia. More than 75,000 people accessed online content through a dedicated website.

In January 2013, we announced a partnership with the New South Wales Government to deliver the Tech Savvy Seniors program. The 18 month program will deliver digital literacy training to around 15,000 senior Australians through more than 40 community colleges and 100 local libraries, particularly in regional and remote areas of NSW. To extend the program's reach to as many seniors as possible, self-help DVDs were distributed to libraries and key community agencies. They cover subjects such as getting started with smartphones and tablets, social networking, and online banking and shopping.

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To access our free *Everyone Connected* training materials visit [www.telstra.com.au/seniors](http://www.telstra.com.au/seniors)



## DISADVANTAGED YOUTH IN MOUNT ISA GET CONNECTED

Young People Ahead (YPA) in Mount Isa, Queensland, is connecting disadvantaged young people through a 'cyber cafe', thanks to a Telstra Foundation *Everyone Connected* grant.

The YPA is the largest youth organisation located in Mount Isa and has been operating for 30 years. It runs a variety of programs that promote education, safety, housing and other support for young adults. YPA supports a high number of Indigenous people who are faced with barriers that limit their everyday opportunities.

"At the YPA we work with around 320 disadvantaged youths who are at risk of or struggling with homelessness, drug abuse, or are in the juvenile justice system", says Elizabeth Toeke of YPA. "Eighty per cent of the adolescents we work with are not in school and do not have the funds or access to use computers, tablets or the internet." As a result, they were missing out on building vital skills that are second nature to most in their generation, risking social isolation and future employment opportunities.

Using the grant funding, YPA purchased tablets and laptops for the drop-in centre where young people go in the afternoons and on the weekend. As YPA already had rapport with these 'at risk' young people, it was able to provide a comfortable space for them to explore the technology.

The 'cyber cafe' also offers computer skills workshops, delivered by youth workers the young people trust. The tutorials cover topics such as using a tablet, using word processing, getting online, establishing an identity online and staying safe online.

The 'cyber cafe' and skills workshops help students build their technical knowledge and pave the way to 'getting connected' to the world outside of Mount Isa.

This year, we provided \$10,000 Telstra Foundation *Everyone Connected* grants to 100 local community organisations, supporting activities that enhance digital inclusion.



# COMMUNITY IMPACT EVERYONE CONNECTED

## CYBER SAFETY

Cyber safety continues to be an important issue for our stakeholders.

We continued to play an active role as a member of the Federal Governments' Consultative Working Group into Cyber Safety and Cyber Security, and as co-chair of the Inspire Foundation's Technology and Wellbeing Roundtable.

In August 2012, the former Prime Minister Julia Gillard launched eSmart Libraries, a multi-year, \$8 million partnership between the Telstra Foundation and The Alannah and Madeline Foundation.

The initiative will better equip 1,500 public libraries across the country and support library users with the skills they need for smart, safe and responsible use of technology. To date, more than 140 library employees from 100 libraries across Australia have attended training sessions as part of the eSmart Libraries pilot.

In June 2013, we partnered with the Family Online Safety Institute to present an international forum and industry roundtable to discuss the issues, challenges and opportunities related to cyber safety. The event, Global Digital Citizenship: Encouraging Safe and Responsible Online Use, was attended by around 100 delegates from a range of sectors.

We delivered cyber safety seminars to more than 11,500 parents and high school students around Australia this year, and distributed a new range of cyber safety brochures for children, teens and parents.

This year, PwC evaluated the Telstra Foundation's Spotlight on Cyber Safety program and found that it's been a successful 'incubator' and fostered a much broader conversation on digital citizenship. Seven of the eight projects funded by the Foundation's \$3.3 million investment between 2008 and 2011 have continued in some form and have attracted an estimated \$22.43 million of additional funding. More than 3,600 schools participated in the projects, and 3.7 million visits were tracked on project websites.

To access our free cyber safety training materials visit [www.telstra.com.au/cyber-safety](http://www.telstra.com.au/cyber-safety)

## DIGITAL INNOVATION

We believe lives can be changed when great ideas connect with technology. For more than a decade, the Telstra Foundation has worked with community organisations that have an appetite for social innovation.

At the same time, we've seen the rise of digital communications technologies – new connections, new devices, new social platforms and 'the app'.

By bringing ideas and technology together, we're working to unlock the digital potential of our community partners. In 2012/13, the Telstra Foundation approved three social innovation grants to the value of \$1 million.

This included a partnership with the MJD Foundation to deliver a digital inclusion program for Indigenous people living with Machado-Joseph Disease (MJD) in the Northern Territory. MJD is a hereditary neurodegenerative condition, life limiting and with no known cure. The \$300,000 partnership will use innovative tablet technology to deliver health services and support to 30 Indigenous MJD clients and their carers across six Arnhem Land communities.

We also supported Australia's first non-profit crowd-funding platform, to help connect socially conscious Gen Y donors with non-profit fundraising campaigns. Over the next two years, the \$460,000 partnership will establish the platform as a new, sustainable social enterprise, support 750 non-profits to raise more than \$3 million, and up-skill hundreds of non-profit organisations to fundraise online.


## EVERYONE CONNECTED TOTAL INVESTMENT

	Description	Amount invested \$m	Percentage of total
Access	Low income customer programs, charity/non-profit discounts, free access to crisis lines, disability support	207.12	97.1
Digital literacy and cyber safety	Partnerships, education and training and grant programs	4.86	2.3
Digital innovation	Telstra Foundation grants that support digital innovation	1.39	0.6
<b>Total</b>		<b>213.37</b>	<b>100</b>

# COMMUNITY IMPACT

## DISASTER RELIEF AND RECOVERY

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In times of natural disaster, our technicians are among the first to enter affected areas.

### APPROACH

**Our priority is to assist the emergency and essential services organisations with their telecommunications requirements and restore services to our customers.**

Along with our technical support, we provide telecommunications services to evacuation centres where we establish temporary internet and provide free loan handsets with SIM cards and free phone cards. We also make payphones in disaster areas free of charge and provide relief assistance packages to affected residential and small business customers.

Where necessary, we provide temporary mobile base stations to boost coverage for the emergency services. Known as Satellite Cells on Wheels, or SatCOWs,

the units can be assembled in less than two hours and use satellite transmission to provide rapid mobile coverage in even the most remote areas.

We provide emergency response leave for our people who volunteer in the emergency services, and employees in disaster affected areas can use their annual volunteer day to support their local communities in clean-up efforts. Telstra also matches employee donations to emergency appeal accounts.

# COMMUNITY IMPACT

## DISASTER RELIEF AND RECOVERY

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### PROGRESS

This year, we simplified our disaster relief processes to continue to improve our impacted customers' experience.

Disaster affected customers are now provided with \$500 upfront credits for fixed line services and \$110 upfront credits for BigPond services. In 2012/13, we provided disaster relief credits to the value of \$176,000.

In 2012/13, we provided assistance packages to thousands of customers affected by the following natural disasters:

- bush fires in the Sleaford/Tulka area in South Australia (November 2012)
- bush fires in Tasmania (January 2013)
- bush fires in Gippsland in Victoria (January 2013)
- bush fires in Coonabarabran in northern New South Wales (January 2013)
- floods in Queensland & northern New South Wales (January/February 2013).

We also provided more than 70,000 free calls worth \$56,000 from payphones in disaster affected areas. During the Queensland floods, we trialled the provision of temporary pre-paid mobile services to people registered at evacuation centres who didn't have a mobile phone at the time. We provided these services for 30 days with \$30 account credits and distributed around 1,000 of them to both Telstra customers and non-Telstra customers.

We used SatCOWs to supply temporary additional mobile coverage to bushfire-affected Licola (Victoria) and Cootamundra (NSW) in 2012/13. The SatCOWs were used to boost existing coverage and supported the coordination of the emergency services during the fire-fighting efforts.



### EMERGENCY ALERTS – WHERE AND WHEN YOU NEED THEM

Mobile phones can now receive warning messages based on their location in potential disaster areas, thanks to improvements to the Emergency Alert system.

Emergency Alert is a telephony-based warning system used by emergency management agencies across Australia. A world first, Emergency Alert issues warning messages to landlines and mobile phones registered at addresses that may be affected by emergencies such as fire, flood or extreme weather events.

Since November 2012, the system has had the capability to send text messages to Telstra mobile phones that are located within the nominated warning area. The technology allows emergency warnings to be sent to mobile phones based on the location of the phone at the time of an emergency, including residents and people travelling through a threatened area. It's a more refined and targeted approach to getting warnings out to those potentially impacted during a disaster situation.

Emergency Alert can send up to 500 text messages per second and up to 1,000 voice messages per minute. It operates 24 hours a day, 365 days a year and is unique worldwide in how it utilises technology, moves data across multiple carriers and covers all public and private phone numbers in Australia.

Since its introduction, Emergency Alert has sent more than one million warning messages. It was used most recently during bushfires across New South Wales, South Australia, Tasmania, Victoria and Western Australia as well as the Queensland floods.

The location-based system is currently available to Telstra mobile customers and will be expanded to support Optus and Vodafone mobile customers in late 2013.

Telstra developed and implemented Emergency Alert for the Department of Justice (Victoria) on behalf of all emergency jurisdictions across Australia. In October 2012, Telstra's 'Emergency Alert Project' won the Project of the Year category at the 2012 World Communication Awards.

# COMMUNITY IMPACT VOLUNTEERING AND GIVING

## APPROACH

Increasingly, our employees want the opportunity to contribute to the communities in which they live and work.

We facilitate this through paid volunteer leave for all Telstra employees, and maintain a number of partnerships that provide individual and team volunteering opportunities, both skilled and unskilled. We also provide natural and civil disaster leave, and paid blood donor leave to employees donating blood, plasma and platelets with the Australian Red Cross Blood Service.

We implement whole-of-company campaigns to raise awareness and funds to support key community causes. In addition, through Telstra's Kids Fund, we provide \$1,200 grants to enable our employees to support local community organisations where their kids are involved.

## PROGRESS

### EMPLOYEE VOLUNTEERING

Since the introduction of paid volunteer leave for Telstra employees in 2011, we've focussed on building momentum across the company.

In 2012/13, our employees spent a total of 4,248 days volunteering within the Australian community, representing a total value of \$687,000.

Our Telstra International Group (TIG) employees contributed more than 200 volunteering days through 15 events in Hong Kong, the UK, the US and our other Asian markets. Volunteering in Hong Kong was recognised when TIG was awarded the accolade of 'Caring Company of the Year 2012/13' by the Hong Kong Council



### SKILLED VOLUNTEERING A WIN FOR ALL

A growing number of Telstra employees have begun to make a greater contribution with their volunteer leave by applying their professional skills to assist community organisations.

Ben Reid from Telstra Media Group is using his skills to volunteer with Holdsworth Community Centre in Sydney on a digital strategy for engaging with its diverse range of members.

Ben believes that using your skills in another capacity is a great motivator. It also helps generate goodwill for Telstra. "Telstra is filled with people who understand technology and ways that it can be used to help engage and connect with customers. It's also a great opportunity to put yourself in the mindset of the customer."

Skilled volunteering has also been useful for his professional development by helping him to apply his skills in different contexts.

Telstra has partnered with goodcompany, an organisation that sources opportunities for volunteers like Ben, and helps assess and match skills with projects. Ash Rosshandler, goodcompany CEO, says that "a skilled volunteer offers more than just their skills. Community groups often talk about how helpful it is to have a new perspective on doing things. And this goes both ways".

# COMMUNITY IMPACT

## VOLUNTEERING AND GIVING

of Social Service.

Employees in Australia volunteered their time to a variety of activities including helping communities recover from bushfires with Habitat for Humanity, preparing and serving food to people in need with the Salvation Army or Sacred Heart Mission, and planting trees, pruning, mulching and weeding with Landcare.

Telstra employees worked on approximately 45 skilled volunteering projects, saving community organisations an estimated \$155,000 while helping to build our understanding of the communities in which we operate.

Around one third of these projects were focused on helping organisations respond to challenges related to the web or IT. Our skilled volunteers also mentored non-profit employees, building capacity and helping with strategy and business planning. Our legal team continued its ongoing pro bono work program.

The inaugural recipients of our new reward and recognition program, Pay it Forward, spent a week in Phnom Penh, Cambodia, volunteering with Habitat for Humanity. Over the week the team helped make a profound change to the lives of two families by assisting to build new homes. Pay it Forward recognises our peoples' appetite for getting involved in the community, and is designed to reward excellent customer advocacy results and going above and beyond for our customers every day.

## COMMUNITY CAMPAIGNS AND GIVING

This year, with the support of the Telstra Foundation, we introduced dollar-for-dollar matched payroll giving (up to \$1,000 per employee per year) and enabled employees to give to any registered charity in Australia.

This has helped increase participation rates by providing an incentive for our people to donate and the freedom to choose causes that they are passionate about.

During 2012/13, 3.6 per cent of our employees made donations through Telstra's payroll giving program, a significant increase from 1.6 per cent the previous year. Including Telstra's matched contribution, we contributed \$1.3 million to 285 charities. Telstra International Group donated \$78,000 to 10 charities, including \$20,000 contributed by employees.

We supported a number of campaigns including MobileMuster, the Cancer Council's Pink Ribbon Day campaign and Legacy Week. We made progress in raising the profile of these campaigns by using our digital assets for the first time. These include our electronic billboards in Sydney and Melbourne, screens in Telstra stores, our website and social media assets. We also sold merchandise in our retail stores and encouraged our people to volunteer and hold workplace fundraising activities.

This year, our top 10 payroll giving recipients were:

- World Vision Australia
- Cancer Council Australia
- Australian Red Cross
- RSPCA Australia
- Salvation Army
- The Smith Family
- Beyond Blue
- Mission Australia
- Oxfam Australia
- Medecins Sans Frontieres Australia - Overseas Fund.

## TELSTRA'S KIDS FUND

In 2012/13, the Telstra Foundation distributed 626 Telstra's Kids Fund grants to the value of \$751,000.

These grants supported a broad range of initiatives and projects across education, sports and recreation, arts and culture, environment, health, disability and cultural diversity organisations that involve the participation of a child or young person directly related to permanent Telstra employees.

## SOCIAL VALUE THROUGH ECONOMIC FOOTPRINT

Telstra creates significant social value through employment, investment and our supply chain. During 2012/13, the Telstra Group's<sup>1</sup> business activities:

- Supported close to 40,000 jobs
- Paid \$4.0 billion in salaries and wages
- Paid \$3.5 billion in dividends to more than 1.4 million shareholders
- Paid \$1.8 billion in federal and state government taxes
- Purchased \$6.4 billion in goods and services from close to 8,000 suppliers
- Contributed an estimated \$14.5 billion to Australia's gross domestic product.

<sup>1</sup> Includes Telstra Corporation and controlled entity full time employees and equivalents, contractors and staff employed through agency arrangements in Australia and internationally.

# COMMUNITY IMPACT SUMMARY OF SOCIAL AND COMMUNITY INVESTMENT

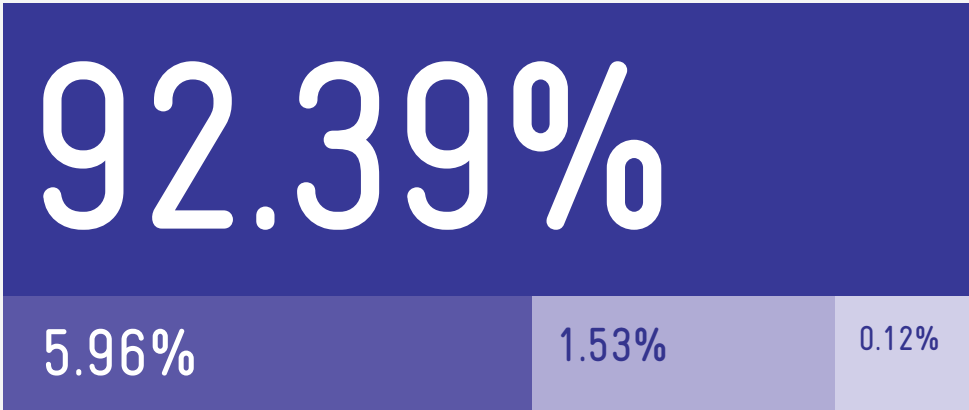
## SOCIAL AND COMMUNITY INVESTMENT BY FOCUS

MILLIONS OF DOLLARS

Program	Description	Amount invested
<i>Everyone Connected</i>	Customer and community digital inclusion programs	213.37
	Access	207.12
	Digital literacy and cyber safety	4.86
	Digital innovation	1.39
Employee community involvement	Value of employee volunteering, matched payroll giving (regular and disaster relief), community campaigns fundraising, Telstra's Kids Fund and Greenfleet offsets.	3.54
Sponsorship	Ad-hoc local community and high profile national sponsorships. Focus on art, health, sport, children and youth, general community assistance, economic development and diversity.	13.76
Disaster relief	Covers customer and community measures, including disaster relief credits and free payphones for use in disaster affected areas.	0.28
<b>Total</b>		<b>230.95</b>

Note: Management costs associated with each program are included in the amount invested.

## SOCIAL AND COMMUNITY INVESTMENT BY FOCUS



Note: information in order from greatest to lowest percentage.

- Everyone Connected
- Sponsorship
- Employee community involvement
- Disaster relief

# COMMUNITY IMPACT SUMMARY OF SOCIAL AND COMMUNITY INVESTMENT

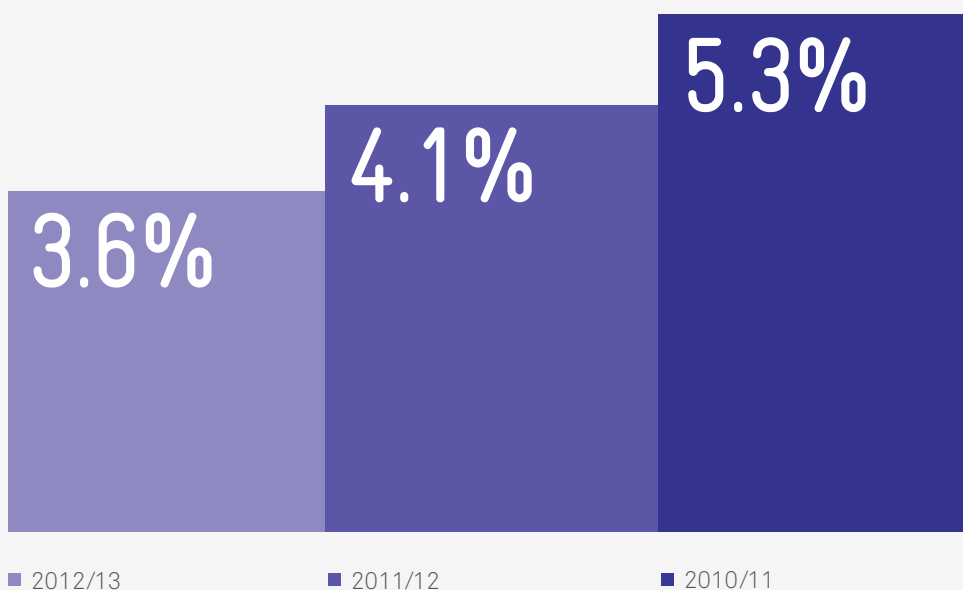
## SOCIAL AND COMMUNITY INVESTMENT BY FORM OF CONTRIBUTION

MILLIONS OF DOLLARS

Investment type	2012/13	2011/12	2010/11
<b>Revenue foregone</b> Social contribution in the form of missed earnings to assist the community, non-profit organisations or customers in time of need	197.0	215.7	224.3
<b>Cash</b>	17.1	19.2	22.1
<b>In-kind</b> Contributions of products or services, valued at retail cost to Telstra, to assist non-profit organisations	5.4	1.1	1.0
<b>Time</b> Contributions of employee time, during work hours, to assist non-profit organisations	0.7	0.6	0.3
<b>Management costs</b> Costs borne by Telstra to deliver the suite of initiatives within our social and community investment program	9.0	2.6	—
<b>Leverage</b> Contributions by employees to a partner organisation or project as a result of the active support of Telstra (e.g. payroll giving, Greenfleet)	1.8	0.7	—
<b>Total</b>	<b>231.0</b>	<b>239.8</b>	<b>248.0</b>

## SOCIAL AND COMMUNITY INVESTMENT RELATIVE TO DOMESTIC PRE-TAX PROFIT

PERCENTAGE OF DOMESTIC EBIT  
(PRE-TAX PROFIT)



# COMMUNITY IMPACT

## NEXT STEPS AND PERFORMANCE



### NEXT STEPS 2013/14

- DEVELOP** and implement our 6th Disability Action Plan (2013-2016)
- ESTABLISH** two new digital literacy and cyber safety programs
- DEVELOP** a new product offering for disadvantaged Australians
- CONTRIBUTE** to digital inclusion thought leadership through a series of expert papers
- DEVELOP** and implement our 3rd Reconciliation Action Plan
- RECRUIT** 260 additional libraries to the eSmart Libraries system, in partnership with The Alannah and Madeline Foundation
- DEVELOP** a national strategy for Indigenous Digital Excellence in partnership with the National Centre of Indigenous Excellence (NCIE)
- INCREASE** our volunteer participation rate by 30 per cent, with a focus on increasing skilled volunteering opportunities nationally

### PERFORMANCE

PROGRESS ON 2012/13 COMMITMENTS	RESULT
Complete a strategic review of Telstra's low-income package, Access for Everyone	Achieved
Enhance Telstra's low-income package to introduce a mobile pre-paid top up offering for Australians on a low income or in crisis	Achieved
Complete all actions in the 2010-2012 Disability Action Plan	Partially achieved
Develop a new Disability Action Plan for 2013-2016	In progress
Establish a national forum to better understand and prioritise Indigenous digital inclusion issues and opportunities	Achieved
Complete at least 60 per cent of actions in the 2011-2014 Reconciliation Action Plan	Achieved
Implement the Telstra Foundation and The Alannah and Madeline Foundation eSmart Libraries digital inclusion program	Achieved
Distribute \$1 million in Telstra Foundation Everyone Connected community grants to support digital inclusion	Achieved
Simplify our processes for issuing disaster relief credits to continue to improve the customer experience	Achieved
Finalise our International Disaster Relief Policy	Achieved
Drive employee giving by implementing dollar for dollar matched payroll giving	Achieved
Implement an interactive employee community portal and achieve 5,000 employee volunteer days	Partially achieved